SENATE

WEDNESDAY, AUGUST 28, 1957

The Senate met at 10 o'clock a. m.

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

O Thou God, the reality behind all earth's shadows: Seeing we spend our days as a tale that is told, and that we pass this way but once, help us this and every day to hasten to do the best and to speak the best that is in us, lest ere the day has come to twilight we hear the summons of the one clear call before our word is said and our utmost done. We pray, and would work as we pray, for good government and just laws, for sound learning and a fair and clean press, for sincerity and honesty in our relations with one another and with all the peoples of the earth, and, above all, for a spirit of service and of sharing which will abolish pride of place and class and open the gates of equal opportunity to all.

We ask it in the name of that One who is the servant of all. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., August 28, 1957.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. MIKE MANSFIELD, a Senator from the State of Montana, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. MANSFIELD thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Tuesday, August 27, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolutions:

On August 22, 1957:

S. 1384. An act to revise the definition of contract carrier by motor vehicle as set forth in section 203 (a) (15) of the Interstate Commerce Act, and for other purposes.

On August 28, 1957:

S. 319. An act to provide for the conveyance to the State of Maine of certain lands located in such State;

S. 534. An act to amend section 702 of the Merchant Marine Act, 1936, in order to authorize the construction, reconditioning, or remodeling of vessels under the provisions of such section in shipyards in the continental United States;

S. 538. An act to amend Public Law 298, 84th Congress, relating to the Corregidor-Bataan Memorial Commission, and for other purposes;

S. 556. An act to provide for the conveyance of certain real property of the United States situated in Clark County, Nev., to the State of Nevada for the use of the Nevada State Board of Fish and Game Commissioners;

S. 620. An act to transfer ownership to Allegany County, Md., of a bridge loaned to such county by the Bureau of Public Roads;

S. 919. An act to provide that certain employees in the postal field service assigned to road duty, and rural carriers, shall receive the benefit of holidays created by Executive order, memorandum, or other administrative action by the President;

S. 1113. An act to provide for the conveyance of certain lands of the United States to the city of Gloucester, Mass.;

S. 1383. An act amending section 410 of the Interstate Commerce Act, to change the requirements for obtaining a freight forwarder permit;

S. 1417. An act relating to the affairs of the Osage Tribe of Indians in Oklahoma;

S. 1556. An act granting the consent of Congress to the States of Montana, North Dakota, South Dakota, and Wyoming to negotiate and enter into a compact relating to their interest in, and the apportionment of, the waters of the Little Missouri River and its tributaries as they affect such States, and for related purposes;

S. 1747. An act to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products;

S. 1799. An act to facilitate the payment of Government checks, and for other purposes;

S. 1823. An act to authorize the conveyance of Bunker Hill Island in Lake Cumberland near Burnside, Ky., to the Commonwealth of Kentucky for public park purposes; and

S. 1971. An act to amend sections 4 (a) and 7 (a) of the Vocational Rehabilitation Act.

LEAVES OF ABSENCE

Mr. JOHNSTON of South Carolina. Mr. President, I ask the Senate to give me permission to leave on tomorrow, at 2 o'clock, to attend the wedding of my daughter, and to be away Thursday afternoon and Friday.

If the Senate sees fit to leave the amendments to the so-called civil-rights bill under discussion for longer than that, I shall return here, if needed, on Saturday.

The ACTING PRESIDENT pro tempore. Without objection, leave is granted.

Mr. ERVIN. Mr. President, I ask unanimous consent that I may be excused from attendance in the Senate during the remainder of the week, so that I may attend the wedding of my daughter.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from North Carolina? The Chair hears none, and it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Permanent Subcommittee on Investigations of the Committee on Government Operations and the Subcommittee on Minerals, Materials, and Fuels of the Committee on Interior and Insular Affairs were authorized to meet during the session of the Senate today.

THE CIVIL RIGHTS ACT OF 1957

The Senate resumed the consideration of the bill (H. R. 6127) to provide means of further securing and protecting the civil rights of persons within the jurisdiction of the United States.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate agree to the House amendments to Senate amendments Nos. 7 and 15 to House bill 6127. I make that motion now.

WILLIAM PROXMIRE, UNITED STATES SENATOR FROM WISCONSIN

Mr. JOHNSON of Texas. Mr. President, within a very short time we shall welcome to this Chamber a new colleague. He is WILLIAM PROXMIRE, of Wisconsin, who was elected by one of the most overwhelming and one of the most widespread votes in the history of that great State.

Mr. President, I would be less than human if I did not feel a deep sense of pride that a Democrat won that contest. It was a key contest—the kind upon which the future of this Senate can be determined.

WILLIAM PROXMIRE is the man who won the election. The victory is his. It is something that should properly be elating to him and to his fellow Democrats.

He is the first Democrat to be elected in Wisconsin to the United States Senate since 1932.

But, Mr. President, it does not detract in the slightest from BILL PROXMIRE's triumph to say that there are some deep and profound lessons to be drawn from this election. There are forces at work in this country, and they are forces of strength.

The magnitude of those forces can be measured by the magnitude of BILL PROXMIRE's victory. I am not referring just to the size of his vote. I am referring to the distribution.

Wisconsin is a State which presents a perfect mirror of our country. It can be described—quite accurately—as a great agricultural State. It can be described—quite accurately—as a great industrial State. It combines vast timber resources and large manufacturing plants. It is a center of the dairy industry—and provides ports for shipping.

Its people are liberal and conservative. They have elected Socialist mayors, and have supplied strongly nationalist organizations with the funds that keep them in operation.

They include all nationalities, all religions. The people of Scandanavia and the people of middle Europe have contributed in great measure to the population.

And yet, Mr. President, these people—from all parts of the State—played a role in the election of BILL PROXMIRE.

I do not pretend to understand all the factors that went into the election.

And yet, Mr. President, I believe the people of Wisconsin and the people of Texas and the people of all States have certain views in common.

They are tired of a policy which holds that the solution to the farm problem is to let the farmers leave the farms, and to drive them away from the land.

They are wearied of a program which sends the value of the consumer's dollar down, down, down, and the value of the lender's dollar up, up, up.

They have had enough of vacillations in defense policy which one day implores Congress for more money—and the next day says that the money appropriated should be impounded.

Mr. President, I shall personally take a very deep pleasure in welcoming WILLIAM PROXMIRE to the Senate. But above and beyond that pleasure, I think it is time for my colleagues to realize that we are past the era in which personalities dominated our politics.

There are issues of great importance, Mr. President, that the American people are going to resolve at the polls in the days ahead, as they did yesterday in Wisconsin. And disappointing as those results will be to some, I want to warn, Mr. President, that whoever ignores those issues, does so at his own peril.

Mr. IVES. Mr. President, having listened to the presentation by the distinguished majority leader, I am constrained to make an observation: I heartily congratulate the Democrats upon their success in Wisconsin. My observation is that the Republicans should take warning.

Mr. JOHNSON of Texas. Mr. President, I thank the Senator from New York. What he has said is to the point, and I appreciate his observation.

Mr. IVES. It is genuine; I think it is true all the way around.

Mr. JOHNSON of Texas. I appreciate the Senator's observation.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Inasmuch as the Senate has convened today following an adjournment there is a regular morning hour, and business of the morning hour is now in order.

RESOLUTION OF NEW HAMPSHIRE POULTRY GROWERS ASSOCIATION

Mr. COTTON. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a resolution adopted by the New Hampshire Poultry Growers Association at its annual meeting August 14. I share the views expressed in the resolution and believe the New Hampshire Poultry Growers Association is to be commended for its determination to work out solutions to the serious problems of the poultry industry without relying on the Federal Government.

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

NEW HAMPSHIRE POULTRY GROWERS ASSOCIATION,
Durham, N. H., August 26, 1957.

Senator NORRIS COTTON,
Senate Office Building,
Washington, D. C.

DEAR SENATOR COTTON: Following is a copy of a resolution passed at the annual meeting of the New Hampshire Poultry Growers meeting, August 14:

"*Resolved*, That the New Hampshire Poultry Growers Association go on record as being opposed to any Government controls or interference in the poultry industry except in a research capacity, and the Secretary be instructed to notify our Congressmen to that effect."

Thanking you in advance for your kind consideration.

Sincerely,

RICHARD WARREN,
Secretary.

RESOLUTION OF OREGON STATE LABOR COUNCIL, AFL–CIO

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the 1957 convention of the AFL–CIO State Labor Council of Oregon, protesting against the appointment of Douglas McKay to the Commission of International Water Resources, United States and Canada.

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

Whereas the State of Oregon in no uncertain terms in 1956 told the people of the United States what their position was on public power and giveaway of natural resources; and

Whereas this convention was on record sustaining the effort to resist all efforts to give away these resources, which really belong to the future; and

Whereas we showed what we thought of giveaway Doug: So, therefore, be it

Resolved, That this 1957 convention of the AFL–CIO Oregon State Labor Council go on record protesting the appointment of giveaway Douglas McKay to the Commission of International Water Resources between Canada and the United States and that copies of this be sent to our international, our Members in Congress and the President of the United States.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. O'MAHONEY, from the Committee on the Judiciary, without amendment:

H. R. 2654. An act for the relief of the Martin Wunderlich Co. (Rept. No. 1153).

By Mr. ELLENDER, from the Committee on Agriculture and Forestry, without amendment:

H. R. 7900. An act to permit the Secretary of Agriculture to sell to individuals land in Ottawa County, Mich., which was acquired pursuant to the provisions of title III of the Bankhead-Jones Farm Tenant Act (Rept. No. 1155).

By Mr. SYMINGTON, from the Committee on Agriculture and Forestry, without amendment:

H. R. 580. An act to authorize the exchange of certain land in the State of Missouri (Rept. No. 1156).

PROCEDURES AND CONTENTS FOR CERTAIN REPORTS TO THE SENATE RELATING TO PROPOSED PROJECTS FOR CONSERVATION AND DEVELOPMENT OF LAND AND WATER RESOURCES (S. REPT. NO. 1154)

Mr. NEUBERGER. Mr. President, on behalf of the distinguished chairman of the Committee on Interior and Insular Affairs, the Senator from Montana [Mr. MURRAY], I report favorably, with amendments, the resolution (S. Res. 148) to prescribe procedures and contents for reports to the Senate by executive agencies with respect to proposed projects for conservation and development of land and water resources, and I submit a report thereon, together with minority views. I ask unanimous consent that the report, together with the minority views, may be printed.

The ACTING PRESIDENT pro tempore. The report will be received, and the resolution will be placed on the calendar; and, without objection, the minority views will be printed, as requested by the Senator from Oregon.

Mr. NEUBERGER. Senate Resolution 148 was referred jointly to the Committee on Public Works and the Committee on Interior and Insular Affairs, and the report is made jointly on behalf of both committees. The minority views are filed from each committee.

The distinguished chairman of the Committee on Interior and Insular Affairs [Mr. MURRAY] and the distinguished chairman of the Committee on Public Works [Mr. CHAVEZ] express the hope that the Senate will act favorably on the resolution before adjournment.

I merely wish to emphasize that I am not necessarily concurring in the views of the distinguished chairmen of these two committees, but am submitting the report on their behalf.

REPORT OF DISPOSITION OF EXECUTIVE PAPERS

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

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. LANGER:

S. 2867. A bill to make the Board of Parole an independent agency of the Government; to the Committee on the Judiciary.

By Mr. MUNDT:

S. 2868. A bill providing for the conveyance to Clarence E. Forman of a certain tract of land in the State of South Dakota; to the Committee on Interior and Insular Affairs.

By Mr. ALLOTT:

S. 2869. A bill to provide programs for the maintenance of a tungsten industry in the

United States; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. ALLOTT when he introduced the above bill, which appear under a separate heading.)

By Mr. POTTER:

S. 2870. A bill for the relief of Jacob A. Rollefson; to the Committee on the Judiciary.

By Mr. FLANDERS (by request):

S. 2871. A bill to amend title III of the Career Compensation Act of 1949 to provide special pay for members of the uniformed services who winter over in Antarctica; to the Committee on Armed Services.

By Mr. MURRAY:

S. 2872. A bill to amend title IV of the National Housing Act, as amended (12 U. S. C. 1726), relating to insurance of savings and loan accounts, and to amend section 5 (i) of the Home Owners Loan Act of 1933, as amended (12 U. S. C. 1464), relating to termination of insurance of accounts; to the Committee on Banking and Currency.

(See the remarks of Mr. MURRAY when he introduced the above bill, which appear under a separate heading.)

By Mr. MORSE:

S. 2873. A bill to amend section 207 of the International Claims Settlement Act of 1949, as amended, to provide for the restoration of certain property rights; to the Committee on Foreign Relations.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. JOHNSTON of South Carolina:

S. 2874. A bill to amend section 284 of title 18 of the United States Code Annotated; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina (by request):

S. 2875. A bill to provide a uniform premium pay system for Federal employees engaged in inspectional services, to authorize a uniform system of fees and charges for such services, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MARTIN of Pennsylvania (for himself and Mr. CLARK):

S. 2876. A bill to amend the Internal Revenue Code of 1954 to increase the depletion allowance for coal and lignite; to the Committee on Finance.

S. 2877. A bill to encourage and stimulate the production and conservation of coal in the United States through research and development by creating a Coal Research and Development Commission, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. MARTIN of Pennsylvania when he introduced the above bills, which appear under a separate heading.)

By Mr. NEUBERGER (for himself and Mr. MORSE):

S. J. Res. 131. Joint resolution authorizing the President to issue a proclamation calling upon the people of the United States to commemorate with appropriate ceremonies the 100th anniversary of the admission of the State of Oregon into the Union; to the Committee on the Judiciary.

(See the remarks of Mr. NEUBERGER when he introduced the above joint resolution, which appear under a separate heading.)

PRINTING OF REPORT OF PROCEEDINGS OF 38TH CONVENTION OF INSTRUCTORS OF THE DEAF

Mr. HENNINGS, from the Committee on Rules and Administration, reported an original resolution (S. Res. 194) to print the report of the proceedings of the 38th biennial meeting of the Convention of the Instructors of the Deaf, which was placed on the calendar, as follows:

Resolved, That the report of the proceedings of the 38th biennial meeting of the Convention of American Instructors of the Deaf, held at Knoxville, Tenn., June 23 to June 28, 1957, be printed with illustrations, as a Senate document.

INVESTIGATION OF TUNGSTEN PRICES

Mr. MALONE, for himself, Mr. BIBLE, and Mr. ALLOTT, submitted Senate Resolution 195, requesting the Tariff Commission to investigate prices of domestic and foreign tungsten and concentrates, which was considered and agreed to.

(See resolution printed in full when submitted by Mr. MALONE, which appears under a separate heading.)

PROGRAMS FOR MAINTENANCE OF THE TUNGSTEN INDUSTRY

Mr. ALLOTT. Mr. President, I should like to speak for a few minutes about a subject of great importance to this country—tungsten. Tungsten is a metal very few people know much about except in a vague sort of way. Most people know it is used in our light globes but not much more about it. But the people up at the Department of Defense know a good deal about it, as does the Office of Defense Mobilization. They know it is an element invaluable in war, important in peace, and an essential part of our daily living as we have come to know it.

The story of tungsten involves bold and brave personalities; fabulous discoveries, wars won and the course of history altered; modern mass production and destruction; and comforts for our daily lives far beyond the dreams of our ancestors.

Tungsten has two important characteristics. It is the hardest of all known substances except for the diamond, and it retains its strength at extremely high temperatures—having the highest melting point of any metal known to man. These two characteristics make it entirely possible that its vital role in our life today may be only an indication of its importance in the years ahead. As a filament in light globes and electronic tubes it has no peer. As an alloy it makes possible cutting tools for our manufacturing industries that were previously thought impossible. It is in wide use for drilling tools and in armor-piercing projectiles. It is also used extensively in dies and inks as a pigment.

Tungsten is of critical importance in our continuing effort to set ever faster speed records. The problem in aviation today is not the sound barrier but the heat barrier. Our scientists have for years been searching for new alloys with ever greater heat resistance. In gas turbine engines and in jet engines particularly, the hardness and high critical temperature of tungsten are vitally important.

The importance of this metal was not appreciated outside of Germany until World War I. Were it not for the resourcefulness of the Allies during that war in catching up to the Germans in the use of this metal, things might well have gone badly for us.

By World War II we were well acquainted with the importance of an adequate supply of tungsten, but many people in this country thought our domestic supply was so limited that it was necessary to conserve it and to rely on imports. Again in the Korean combat we were at a strategic disadvantage because of our short supply. But we had finally learned our lesson, and under the stimulus of a Government purchase program our domestic tungsten mining industry blossomed. Our miners located and developed so many sources of the critical and strategic tungsten ores that our problem right now is temporarily one of oversupply.

At the close of World War II and from 1946 to 1950 the average domestic production amounted to only 3.7 million pounds and the imports from other countries were 8.2 million pounds. When the Korean war began and when we needed this valuable strategic mineral, the domestic production of tungsten in the United States was at a very low ebb. The foreign importers were thus able to increase the price of tungsten from $26 to well over $100 a unit in this country. It was not until this domestic program went into effect and we got the United States producers again producing tungsten that we were able to get the price back to a reasonable one.

By enacting into law Public Law 733 in the 84th Congress, we encouraged our tungsten miners to believe that the Government would assist in the effort to stabilize this all-important industry by purchasing tungsten ore at $55 a unit.

When the Senate approved Public Law 733 by a vote of 65 to 17 last year and it was later signed into law, we in effect said to the tungsten miners all over the United States, "We believe in the future of tungsten and we believe it is necessary."

But this year, the Congress of these United States said to the 700 producers of tungsten, "We're sorry that you went ahead and mined all that ore because we didn't really mean it and anyway we have all the tungsten we need. Close up your mines. Let the water come into them. Take out your valuable pumps and your more valuable personnel and let these mines go to rot. In the event of an emergency we can in 2 or 3 years get them back into production. And while we may need you next year, it appears that this year we have an oversupply and it will be necessary for you to figure out some other way to make a living."

One of the small tungsten producing firms in Colorado on the basis of Public Law 733 invested $55,000 in its operation. This company now stands to lose some $200,000 on tungsten concentrates already produced and over $500,000 on improvements made in reliance on this Federal program. Beyond this, some 80 workers in this mine are now unemployed in a small town where no alternative employment is available.

With this situation in mind, Mr. President, and in search of a way to assist our tungsten industry in a small

way and to renew the moral credit of the Government of the United States, I now introduce a bill which I hope will have thorough consideration prior to the time we reconvene in January, and that at that time the Congress of the United States will see fit to enact it into law.

The bill has two parts. The first part, designed to meet the moral obligations I believe this Government incurred through passage of Public Law 733, provides for the purchase of not more than 250,000 short ton units of domestically produced tungsten at $55 per unit; and to indemnify domestic producers of up to 100,000 units for ores sold between November 1, 1956, the date when the purchase program expired, and June 30, 1957. Payments would be made on the basis of the difference between $55 and the price the producer obtained. Payments under this section would be made for not more than 35,000 units for any one producer from one mining district.

The second part of this bill provides a long-range program to stabilize the domestic tungsten industry through payments of a production bonus of $30 per unit for a total of not more than 200,000 units per year. This section applies to materials produced only after July 1, 1957. This title is designed to help the small producer as payments could not be made for more than 500 units from any one producer from one mining district, which would provide very little incentive to the large companies.

Some Members of Congress who opposed appropriations this year to implement Public Law 733 indicated their sympathy with the small miner. I am sure that these people will agree with me that this is a reasonable and certainly a minimal approach toward helping the hard-pressed small tungsten producers on a long-range basis.

In conclusion, Mr. President, I should like to say the record of this Congress with respect to our moral obligations to the mining industry is a pitiful one. The Department of the Interior has recommended over and over that something should be done for the mining industry, and particularly the tungsten mining industry. Virtually all the tungsten mines in our country are now closed. It seems to me that a program such as that provided in the bill I am now introducing is essential if we cannot continue Public Law 733, which Congress has refused to do.

Another alternative which has recently been offered is to establish a tariff of about $45 per unit, which is approximately 300 percent ad valorem. I believe that almost anyone would consider it unrealistic to dream of that under present circumstances. The minimal program which I propose is the least we can do for the tungsten industry, and I might say that it is suggested that it is time for Congress to take a thorough look at the mining industry and adopt a complete program and set of principles upon which we may reasonably expect to develop and maintain the mining industry of this country.

Mr. President, I introduce the bill, and ask for its appropriate reference.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2869) to provide programs for the maintenance of a tungsten industry in the United States, introduced by Mr. ALLOTT, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

PRESERVATION OF MUTUAL OR COOPERATIVE SAVINGS AND LOAN ASSOCIATIONS

Mr. MURRAY. Mr. President, I introduce, for appropriate reference a bill to amend title IV of the National Housing Act, as amended, title 12, United States Code, section 1726, relating to insurance of savings and loan accounts, and to amend section 5 (i) of the Home Owners Loan Act of 1933, as amended, title 12, United States Code, section 1464, relating to termination of insurance of accounts. I ask unanimous consent that a statement, prepared by me, relating to the proposed legislation, be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 2872) to amend title IV of the National Housing Act, as amended, title 12, United States Code, section 1726, relating to insurance of savings and loan accounts, and to amend section 5 (i) of the Home Owners Loan Act of 1933, as amended, title 12, United States Code, section 1464, relating to termination of insurance of accounts, introduced by Mr. MURRAY, was received, read twice by its title, and referred to the Committee on Banking and Currency.

The statement presented by Mr. MURRAY is as follows:

STATEMENT BY SENATOR MURRAY

All federally chartered savings and loan associations are by law mutual in character and are organized and operated according to the best practices of local mutual thrift and home-financing institutions. This policy in the Home Owners Loan Act of 1934 includes as its standards the well-known and very creditable New York, Pennsylvania, New Jersey, and New England mutual savings banks. These banks are without exception mutual in character. Ninety-five percent of the State-chartered savings and loan associations and cooperative banks are mutual in character. There are some preferred stock companies in Ohio, which have an excellent reputation, and in California there has been a burst of promotion of stock companies including the conversion of mutual institutions to preferred stock companies.

The Congress has for decades provided a different taxation treatment for these cooperative institutions who distribute all of their earnings, beyond their reserves for losses, to their savings account holders. This is justified for mutual or cooperative institutions, but nowhere was this treatment ever intended for privately owned money-making enterprises. The handling of other people's savings in large amounts is a trustee activity, and the reason for the organization of preferred stock companies in a few States is to take advantage of the tax status accorded to mutual savings and loan associations and mutual savings banks and to trade on the general good reputation of savings and loan associations, both Federal and State.

The bill which I place before the Congress for the consideration of the Banking and Currency Committee, the appropriate Government departments, and the trade organizations in the financial field prohibits the conversion of federally chartered mutual institutions to preferred stock organizations. This prevents managers or insiders from obtaining for their personal aggrandizement the value of the reserves accumulated in the mutual institutions. This is accomplished by the first and second sections of this bill, which have been developed by some of the best men in the business who are interested in maintaining the character of these institutions rather than to see how much money can be made out of them for a few individuals.

The third section will terminate the insuring of any stock mortgage companies under the name of savings and loan associations unless they follow the mutual savings bank or the local thrift institution pattern set up in the original Federal Savings and Loan Act. This eliminates the controversial question of taking insurance away from any institution and, while it lets some managers under the tent who are interested in "legalized larceny," as Senator DOUGLAS called it some time ago, it does also recognize that, in California, in Ohio, and in 4 or 5 other isolated instances, there are old institutions under exacting statutes and supervision which have none of the aspects of newly chartered permanent stock institutions.

As the Congress is responsible for creating legal authority to charter Federal savings and loan associations and to insure the accounts of federally and State chartered institutions, I believe it has a responsibility to maintain the mutual or cooperative character of the institutions. I hope that this matter can be given thorough study. Ultimate action on this bill will contribute to preserving the ideals of the mutual savings banks and mutual savings and loan associations and maintain the indispensable integrity that is essential in the handling of other people's money.

There is a preferred stock institution of substantial size in receivership in Nevada, two are in the possession of public authorities in Illinois and I am advised that the authorities are concerned over the financial practices of some of the preferred stock institutions in southern California. The recent sale of a so-called savings and loan association, but one of the preferred stock type, to a group organized by one of the large New York investment houses and the sale of the holding company's securities all over the Nation were a complete departure from what the Congress intended in connection with the development and expansion of the savings and loan business and far from the ideals of those of us who have been students of or associated with mutual thrift and home financing institutions.

AMENDMENT OF INTERNATIONAL CLAIMS SETTLEMENT ACT OF 1949, RELATING TO RESTORATION OF CERTAIN PROPERTY RIGHTS

Mr. MORSE. Mr. President, I introduce, for appropriate reference, a bill to amend section 207 of the International Claims Settlement Act of 1949, as amended, to provide for the restoration of certain property rights. I ask unanimous consent that a statement, prepared by me, relating to the bill, be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 2873) to amend section 207 of the International Claims Settlement Act of 1949, as amended, to provide for the restoration of certain property rights, introduced by Mr. MORSE, was received, read twice by its title, and referred to the Committee on Foreign Relations.

The statement presented by Mr. MORSE is as follows:

STATEMENT BY SENATOR MORSE

On October 14, 1949, I introduced a private relief bill, S. 2705, for the relief of Dr. Endre Ungar and other persons, by authorizing the return of their proportionate interest in the property of Chinoin Chemical and Pharmaceutical Works Co., Ltd., seized in the United States during World War II. I indicated in my statement in introducing the bill, found in the CONGRESSIONAL RECORD, volume 95, part 11, pages 14503–14504, that the intention of Congress, the executive, and the courts had been to permit the return of nonenemy interests seized by our country.

On June 23, 1950, while S. 2705 was pending before Congress, the President of the United States sent Congress a veto message relating to another private bill, calling for general legislation to eliminate the same injustice I had treated in S. 2705. His message, House Document No. 628, can be found in the CONGRESSIONAL RECORD, volume 96, part 7, page 9193. It reads in part:

"It is recognized that injustices may result from the statutory prohibition against return of property to persons who, even though they qualify as individuals, are ineligible because their ownership of the vested property was through the medium of a corporation. This provision of law has required the Office of Alien Property to deny the return of property in other cases just as deserving as the one here in question. The special consideration this bill would grant to this particular claimant would be unfair to the other claimants in equally appealing circumstances.

"The problem presented by this case and other similar cases should be considered in connection with general legislation amending the Trading With the Enemy Act to permit returns of property to persons who would be eligible claimants if they had owned the property directly rather than through a corporate equity. I hope that the Congress, with the assistance of the executive agencies concerned, will develop and enact appropriate legislation at an early date."

This recognition of the injustice involved in cases such as that for which I introduced my private bill follows the position of the Government of the United States in advocating the inclusion of such a provision in the Brussels agreement, signed September 5, 1947. It reads:

"For the protection of the interests in the enterprises of nonenemy nationals, referred to in article 21 of this annex, the property to which this part applies shall, subject to the provisions of articles 23 and 24 of this annex, be released to the extent of those interests and pursuant to arrangements to be made between the parties concerned, if nonenemy nationals of parties directly or indirectly:

"(i) own and, on September 1, 1939, owned 25 percent or more of the shares in the enterprise; or

"(ii) control and, on September 1, 1930, controlled the enterprise."

The Department of State made particular reference to the position of this Government in this respect in the form of a letter from Assistant Secretary Jack K. McFall, for the Secretary of State, dated August 14, 1950, and addressed to Congressman BECKWORTH. The letter was placed in the CONGRESSIONAL RECORD, volume 96, part 17, page A5822. The letter contained the following reference to the provision of the agreement I have quoted, relating to the protection of nonenemy interests under part IV of the agreement:

"This is based on the principle which has been urged by this Government throughout the world that nonenemy interests in so-called enemy property are not properly subject to seizure as reparations."

In light of the clear statement of the intention of the Executive to help develop remedial legislation, I felt justified in awaiting action by the administration in proposing legislation which would eliminate the inequity involved in cases such as that involved in S. 2705. Unfortunately, however, it appears that no steps have been taken in that direction, nor are they likely to be taken. Congress did enact Public Law 285 of the 84th Congress, covering the seizure of Hungarian, Rumanian, and Bulgarian property which had not yet been taken but only blocked, and the transfer of both property previously seized and that thereafter taken to the Treasury for use as reparations. As submitted by the administration, this legislation provided, under section 207 (c), for the recognition of beneficial ownership of nonenemies in property seized in the name of corporations in Hungary, Rumania, and Bulgaria after the date of the act, but made no such provision for property seized theretofore.

In some cases, as in that for which I introduced S. 2705, a portion of the property of the corporation was seized before the act became law, and the remainder thereafter, which results in the application of a double standard for which no legal or equitable justification exists.

Today I am introducing a bill to eliminate this disparity, and to grant the same treatment to property seized before the passage of Public Law 285 as is provided for property seized after its enactment by permitting nonenemy stockholders to claim beneficial interests where at least 25 percent of the stock is nonenemy owned. This is the best established under Public Law 285, and can be applied to all property by deleting from section 207 (c) its applicability only to subsection (a) of section 202, so that as amended, the relief provision will apply as well to property whose seizure and transfer is provided for under section 202 (b).

This is the purpose of section (b) of the bill I am introducing today. I am hopeful of the assistance of the executive agencies concerned, as indicated in the Presidential message to which I have referred, in remedying this inequity and in carrying out the principle urged by our Government throughout the world.

I have also included in my bill an amendment relating to the standard of eligibility of an individual for relief under section 207 of the International Claims Settlement Act of 1949, as amended. Presently, anyone who resided in any of the 3 satellite countries after October 9, 1940, in the case of Rumania, March 4, 1941, in the case of Bulgaria, or March 13, 1941, in the case of Hungary, would be ineligible to claim the return of property. This criterion, established in executive order 8389 for purposes of regulating transactions in foreign exchange has never before, insofar as I am aware, been used as a standard for determining eligibility for the return of seized property. Present law covering German property, as well as that of Japan and the satellites, provides for persecutees, and the treaties of peace with the satellites established that United Nations nationals, including persons treated by the governments of those countries as enemies, should obtain restitution of their property.

In the case of the persons on whose behalf I introduced S. 2705, Dr. Ungar and Dr. Wolf, both noted chemical engineers, sabotaged the Nazi war effort, and sent drugs, hormones, and vitamins out of Hungary. When the Nazis took over control of that country, they were sent to concentration camps. These are examples of the type of persons who would be excluded from eligibility under the present test, and I am proposing that the test established under the peace treaties between the United States and its allies, and the satellite countries, provide a better test of eligibility than an Executive order promulgated for a different purpose and originating prior to the outbreak of war on December 7, 1941. Accordingly, section (a) of the bill I am now introducing would incorporate the treaty definition of eligibility into section 207 of the International Claims Settlement Act of 1949, as amended.

INCREASED DEPLETION ALLOWANCE FOR COAL—PROPOSED COAL RESEARCH AND DEVELOPMENT COMMISSION

Mr. MARTIN of Pennsylvania. Mr. President, Representative SAYLOR of Pennsylvania has done quite a bit of work relative to the uses that might be made of bituminous coal. He has introduced proposed legislation in the House dealing with that subject. I introduce, for appropriate reference, two bills on behalf of myself and my colleague, the junior Senator from Pennsylvania [Mr. CLARK] relating to that subject.

The ACTING PRESIDENT pro tempore. The bills will be received and appropriately referred.

The bills, introduced by Mr. MARTIN of Pennsylvania (for himself and Mr. CLARK), were received, read twice by their titles, and referred, as indicated:

To the Committee on Finance:

S. 2876. A bill to amend the Internal Revenue Code of 1954 to increase the depletion allowance for coal and lignite.

To the Committee on Interior and Insular Affairs:

S. 2877. A bill to encourage and stimulate the production and conservation of coal in the United States through research and development by creating a Coal Research and Development Commission, and for other purposes.

ONE HUNDREDTH ANNIVERSARY OF STATEHOOD FOR STATE OF OREGON

Mr. NEUBERGER. Mr. President, in 1959 the State of Oregon will observe its centennial anniversary of admission into the Union. This will be an event of great historic significance both to the people of the State and of the Nation, because it will mark the 100th anniversary of the admission of Oregon as the 33d State in the Union.

The State of Oregon has played a colorful part in the history of the United States, since Capt. Robert Gray in the American naval vessel, *Columbia*, reached the mouth of the river which was named after his ship, and, with letters from President George Washington, claimed it for the United States on May 11, 1792. Oregon became the first area on the Pacific coast to be graced

by the flag of the United States, when the great Lewis and Clark expedition made its winter headquarters at Fort Clatsop in the year of 1805. John Jacob Astor established his fur trading post at Astoria in 1811, opening the Pacific northwest region to settlement. The words "Oregon Trail" have become synonymous in our history with the westward migration that spread the benefits of liberty and freedom across the North American Continent.

A provisional government wes established in Oregon at Champoeg on May 2, 1843, and on the second Monday in November 1857, the constitution of the State of Oregon was ratified by a majority of the electors of the Territory. The act of Congress admitting Oregon into the Union was approved February 14, 1859. Much has transpired since that time to bring honor to the intrepid pioneers who took part in bringing statehood to Oregon, and I could describe at length the illustrious role the State of Oregon has played in expansion and development of our great Nation.

The people of Oregon have already started plans for a centennial observance in 1959. I have been informed that the Postmaster General has begun work on a stamp commemorating the event. So that the people of the United States may join with Oregon in celebration of its 100th anniversary of statehood, I introduce for appropriate reference, a joint resolution authorizing and requesting the President of the United States to issue a proclamation in honor of the historic anniversary.

I am introducing this joint resolution on behalf of myself and my distinguished senior colleague from Oregon [Mr. MORSE].

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 131) authorizing the President to issue a proclamation calling upon the people of the United States to commemorate with appropriate ceremonies the 100th anniversary of the admission of the State of Oregon into the Union, introduced by Mr. NEUBERGER (for himself and Mr. MORSE), was received, read twice by its title, and referred to the Committee on the Judiciary.

CONVEYANCE OF CERTAIN LANDS TO CHARLOTTE RUDLAND DANSIE ASSOCIATION—AMENDMENTS

Mr. MORSE submitted amendments, intended to be proposed by him to the bill (S. 2230) to authorize the Secretary of the Interior to convey certain lands to the Charlotte Rudland Dansie Association, which were referred to the Committee on Interior and Insular Affairs, and ordered to be printed.

CONVEYANCE OF CERTAIN LANDS IN TENNESSEE TO MIDDLE TENNESSEE COUNCIL, INC., BOY SCOUTS OF AMERICA—AMENDMENTS

Mr. MORSE submitted amendments, intended to be proposed by him to the bill (S. 2531) to authorize the conveyance of certain lands within the Old Hickory lock and dam project, Cumberland River, Tenn., to Middle Tennessee Council, Inc., Boy Scouts of America, for recreation and camping purposes, which were ordered to lie on the table and to be printed.

CONVEYANCE OF CERTAIN LAND TO LOS ANGELES COUNTY, CALIF.—AMENDMENTS

Mr. MORSE submitted amendments, intended to be proposed by him to the bill (H. R. 230) to require the Secretary of the Army to convey to the county of Los Angeles, Calif., all right, title, and interest of the United States in and to certain portions of a tract of land heretofore conditionally conveyed to such county, which were ordered to lie on the table and to be printed.

CONVEYANCE OF CERTAIN LANDS IN TENNESSEE TO MIDDLE TENNESSEE COUNCIL, INC., BOY SCOUTS OF AMERICA—AMENDMENTS

Mr. MORSE submitted amendments, intended to be proposed by him to the bill (H. R. 8576) to authorize the conveyance of certain lands within the Old Hickory lock and dam project, Cumberland River, Tenn., to Middle Tennessee Council, Inc., Boy Scouts of America, for recreation and camping purposes, which were ordered to lie on the table and to be printed.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, and so forth, were ordered to be printed in the CONGRESSIONAL RECORD, as follows:

By Mr. HUMPHREY:

Testimony given by Paul Sayres, president of the Paul Sayres Co., before the Senate Committee on Agriculture and Forestry.

SELECTION OF THE NEXT PRESIDENT OF THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS AND ITS IMPACT ON AMERICAN LABOR IN GENERAL

Mr. NEUBERGER. Mr. President, I am one of those in public life who admire the men and women of the great American trade-union movement. The living standards of millions of families depend on the vitality and integrity of that movement. To its credit, the labor movement has many achievements for which it struggled over the long and lonely years, often against bitter and unrelenting opposition. I doubt that our land today would have such enlightened programs as social security, unemployment compensation, and workmen's industrial-accident benefits, were it not for the pioneering leadership of organized labor and its allies.

For all these reasons, Mr. President, I desire to address a brief appeal today, from the Senate floor, to the members of the International Brotherhood of Teamsters. I urge them not to elect Mr. James R. Hoffa, of Detroit, as their international president at the convention which will be held this fall.

I am not a member of the select Senate committee which has been investigating this question. I only know what I have read in the press and in the detailed testimony taken by that committee. But I do know that millions of Americans will be bitterly disillusioned if one of the largest trade unions in the United States chooses as its national head a man who has had associations and personal affiliations of the type of those that Mr. Hoffa has had. Such disillusionment can only imperil the hard-won gains and benefits which have been secured by all of organized labor. Such disillusionment can only damage the teamsters union itself, with its hundreds of thousands of decent and sincere rank-and-file members who need protection in their jobs against exploitation and against a breakdown of wage and working standards.

Mr. President, in a great democracy such as ours, I doubt that if anyone can utterly flout public opinion. Commodore Vanderbilt said "the public be damned," but the public brought him and his fellow railroad magnates to book. The result, of course, was strict regulation of railroad financing, rates, safety devices, and labor conditions by the Interstate Commerce Commission and by many other Federal and State regulatory bodies. I trust the teamsters union will heed this warning and example.

I believe it was the great Emerson who wrote that public opinion cannot be seen, but that, like air pressure, it is there, just the same, and it is there all the time. The teamsters union will be ignoring public opinion if it selects Mr. James R. Hoffa to be president of one of the largest trade unions in the Nation; and such a result would be sure to be hurtful to labor in general, and to the teamsters in particular. It could only jeopardize the idealism on which labor must rely for support. Because of the need for a labor movement which commands public respect and confidence, it is my hope that the teamsters will turn, for a successor to Dave Beck, to some person who has never had underworld friendships or contacts. Among teamster leaders and members, I am certain that many such men can be found.

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

Mr. NEUBERGER. I yield.

Mr. JAVITS. The Senator is making a most significant point, to which I hope very much the American trade union movement will listen. I make that statement with the realization that I, too, have been very favorable toward the union labor movement, having originally voted against the Taft-Hartley Act, and having been consistent in that policy during my whole career in public life. In view of the disquieting possibility that Mr. Hoffa may be elected president of the great teamsters union, I think at the very least the questions which have been

raised before the special Senate committee and the country need first to be resolved because of what that kind of leadership position means in the impression conveyed to the American people of the character and responsibility of the leadership in the trade union field. I should like to congratulate my colleague on his initiative in bringing the question before the public at this time, which he has done tastefully and tactfully, but forcibly.

Mr. NEUBERGER. I thank the Senator from New York for his remarks, because I know his career has been much longer than mine and he has been far more experienced than I have in his support of liberalism in general, and of beneficial social legislation in particular.

I feel, and I am sure the Senator from New York agrees with me in this respect, that the labor movement cannot succeed and hope to lead our Nation in these programs of social welfare unless it commands the respect of idealists in our population. It is my feeling that the personal associations of Mr. Hoffa as the head of one of the largest trade unions in the country, if not the largest, could result in jeopardizing the support of many Americans of good will toward the labor unions. Is such a risk wise for the teamsters themselves?

Mr. JAVITS. I hope my colleague will not allow that question to lie on the table. Having raised it, I hope he will pursue it with further action.

Mr. NEUBERGER. I thank the Senator from New York.

TATSEY WRITES AGAIN

Mr. MANSFIELD. Mr. President——

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The Senator from Montana.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD various columns by John Tatsey, a Blackfoot Indian Service policeman. Tatsey's territory is in and around Heart Butte on the Blackfoot Reservation in northwestern Montana, but, on the basis of his wise, homely, and candid observations, his column is achieving State and national renown.

It is a personal pleasure to have the opportunity to enjoy Tatsey's columns. He is a relief from the difficulties which are our daily fare in Washington, and he brings a breath of home to those of us from Montana.

More power to John Tatsey in his reportorial efforts. He is earning a justly deserved reputation as a columnist of the first water. What this country needs is more people like this Blackfoot, who understands and appreciates people, and who has a sense of tolerance and humor that speaks well for our State and our country.

Mr. President, the unanimous consent request I make is to insert in the RECORD columns of John Tatsey originally published in the Glacier Reporter, of Browning, Mont., and later reprinted in the Hungry Horse News, of Columbia Falls, Mont.

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

JOHN TATSEY WRITES OF HEART BUTTE

(John Tatsey is an Indian Service policeman for the Heart Butte community on the Blackfeet Indian Reservation out of Browning. We think his column in The Glacier Reporter published at Browning makes wonderful reading. Here is Heart Butte News for May 25.)

People of Heart Butte were invited to Starr School track meet which takes place June 1 and 2.

Swims Under School and Mad Plume School had their school picnic together and was well attended, about 250 adults and children. Plenty to eat and lots of ice cream for the children. Races were run and prizes given. A baseball game was played between Gamblers and Winos, game won by Winos. Harvey Monroe was in the fat women's race and was beat bad, and played ball and was just getting limbered up when it was over.

There was a strange story came out last Sunday or Monday morning. George Aims Back and family went home about 3 a. m. and before they got to the house they saw something shining and it was someone standing there. They said it was the Devil. They turned around and came back to Heart Butte and stayed till daylight. I guess it's time for the Devil to show up.

Francis Bullshoe has done all right since last week when he landed himself a civil service job, so he will be off the bad-news column.

Stole Head Carrier does not move around during the day anymore, so no one sees him when he does anything wrong.

There are some children, boys or girls, that would like a place to stay and work for the summer. Anyone interested may contact Bill McMullen or Policeman Tatsey.

One of the Heart Butte twins strayed off to Browning and some candidates gave him some stuff to drink and the city police dug him out of a mud puddle and put him in Jas. Walter's care. That's the older twin.

Victor Mad Plume was picked up by police at Heart Butte and taken to Browning and sentenced to 20 days or $20 fine.

A reckless driving charge was filed against Joe Gallahger Horn Tuesday morning when he drove through a gate, four wires. Did not see it being closed so when the owner came out Joe backed his car off a 20-foot bank into brush and water. Wife and baby and Joe did not get hurt. The only thing they wanted mostly was the baby's diaper bag. They said the baby's milk was in it, and nursing bag. Police found Mr. and Mrs. Gallahger's quart bottle of Gallo in the bag.

Found between Old Agency and Heart Butte, one license plate and Tab Truck 38–T1210, 1956; Tab No. 38–T1204, and one lady's shoe with overshoe. Owner don't be afraid to call for these because the jug was empty that was there.

There will be tickets sold by the committee now for admission to the Heart Butte Fourth of July celebration. Will be all Indians so don't be afraid to come, will have good police force, so boys be careful——

TATSEY WRITES OF INDIAN AFFAIRS

The reporter from Heart Butte missed last week's news on account of the bad weather and blizzards, but will report what happened then this week.

On Tuesday the council sent a load of buffalo meat to Heart Butte and was given out to the people and everyone had meat during the cold spell.

James Spotted Eagle was at police headquarters and reported of dogs killing his sheep right in his shed at night. Police went to party who owned the dogs and were taken off the living list.

The Heart Butte community had a bingo and raffle and sold lunches for the benefit of schoolchildren for Christmas. There was a large crowd at the round hall.

The high wind that passed through Heart Butte Sunday did some damage to homes and outbuildings. The police lost his hat. Next day he went to look for it only to find someone else's hat.

Tatsey was called to Leslie Grant's house Sunday night to haul some women and children to safety for the roof of the house was just about taken off by the wind. Next morning it was still there.

Tom Williamson drove the school bus to Browning Saturday for a checkup and was cut off from home on account of the blizzard Saturday night. There were several cars left on the road between Old Agency and Heart Butte, no one in them.

There was a meeting called at Louie Red Head's house Tuesday evening where they discussed for their Christmas dance. There will be another meeting called Friday to plan on what is to be done and practice singing.

Mrs. Nellie Running Crane was taken to the hospital last Saturday night but she is feeling better.

Stole Head Carrier is doing better this winter. He has taken up trapping. Joe Running Crane saw what he caught, supposed to be a beaver. It measured 72 by 6 inches. He did not know what it was.

Leo Bull Shoe had a dream last week. He dreamed that he could take live coals from fire and not burn himself so he tried it by putting live coals under his armpits. Next day he had blisters under each arm so he is no medicine man.

Leslie Grant went on a party with some young men last week. He did not want to go home, he was afraid of his wife, so he went to Jerry Comes At Night's house and asked if he could sleep there till he felt better. They showed him a place to sleep where there was a person sleeping and it was his wife and it was all over.

Frank Comes At Night came to Heart Butte Sunday in a team and wagon and some one said the team and wagon blowed away with Mrs. Comes At Night in it.

Red Harper had the misfortune of breaking through the ice on Badger Creek with a load of lumber.

George Ellingson, from Conrad, was up last Friday and was stuck in a snowdrift and started back in late afternoon when the clutch went out in his car and he stayed all night at the Thompson store.

Stoles Head Carrier and Joe Running Crane were hired by Thompson to cut some wood for the school. Maybe there won't be much done. They started an argument but they may decide to do a little work.

TATSEY WRITES OF RESERVATION WINTER

The weather and cold has been very bad. The snowplows have been through but the roads would block up in a day or two. There were several cars stalled on the road last Saturday. They were caught by a blizzard; no one hurt or frostbitten.

There was a large crowd last Sunday at Heart Butte and the boys enjoyed their stick games at Wippert's place in the evening.

Mose Henault was gone for some time last week. Everyone worried about him because there was no one else to play rummy or crib, but he showed up Sunday in a silly condition.

Children from upper Big Badger have not been to school on account of the roads being blocked. The bus has not been able to go through.

John Mittens from the After Buffalo community has not been around since his wife left for home before Christmas. He sure must be lonesome. Women have mercy.

Mr. and Mrs. New Robe went to Browning last week on business. They stopped at the Yogeen Hotel. Mrs. New Robe went to the tribal office while Vincent was left to babysit. When Mrs. New Robe returned she found her 5-months old boy lying on the floor. Her man was really under the influence of liquor. She got just a little mad; she kicked him down the hallway, then she called the police and he worked a couple of days and got out of jail.

The Heart Butte groundhog, Stole Head Carrier, fooled the Heart Butte people. He did not see his shadow because he was in a dark place at the J. W. Walters' den. People around town seemed to be good to Stoles, they helped him to keep his clothes on. What he needs is a pair of bib overalls.

Mr. and Mrs. Dave Hall were in Conrad last week where their daughter was in the hospital.

There is one person around that is not seen often. People might wonder where he is alive. He lives southwest of Heart Butte along White Tail canyon. That's Joe Crawford, he stays in close.

Joe Running Crane has not been to police quarters for some time. Maybe he has a lot of coffee to drink or else there is too much snow and his car won't go and he can't walk 10 miles in snow.

Tatsey, the Indian police, was coming up from Old Agency Monday afternoon and could hardly see the road. He was following a car track and came over a hill and saw a truck in the ditch, but too late. John was in the ditch led by Father Mallman.

The basketball team motored to Cut Bank boarding school last Thursday and got beat and had a hard time getting home on account of the blizzard. All got home safe.

Mr. LaRae spent the weekend in Browning and came home Sunday evening. He had Mr. and Mrs. Peter Marceau with him and he went in the ditch and walked in the last mile.

Some people are stalled in Browning during these drifting days. They would come as far as the Old Agency and go all the way back to town.

Stole always does something so he would not miss this week. Last week when the storm started he moved to his aunt's. She had lots of wood and when it warmed up he went to the police and bummed for wood and went home.

People are sure excited out here. Word came out saying there was elk meat in, but they cannot go to town because the roads are blocked. There will be two men get sick, Joe Running Crane and Stole Head Carrier. They have not had meat during the bad weather.

Mr. and Mrs. Pete Day Rider did a little sparring the other day but Pete could not knock his wife out. He figured when she did not get up he would leave but she got up each time so he helped her in the house and everything was loving as before.

Louis Red Head could not drive a car when he had a few mixed drinks. He was on his way to get a load of wood so he was up and down the creek in a wagon singing some songs from Pawnee. Title of the song: "She's Hard To Get."

Heart Butte News About Same

Louie Red Head has moved home to his ranch after spending the winter near the school at Heart Butte.

Sam Spotted Eagle left last Sunday for Galen where he got a job for the summer. His family will follow later when he gets a house to stay in.

George Wippert left Sunday to look for work around Cut Bank town. Family is staying home until school is out.

Tuesday, March 19, Heart Butte school put on a party for the basketball team where they served a very nice lunch for the boys and parents and teachers. Mr. LaRue, teacher and coach, gave out the awards to the boys. Everyone enjoyed the program. Roy Johnson played the guitar and sang. Rose Spotted Eagle played the accordion and sang a song.

Eugene Head Carrier played a piece on a guitar and sure did fine. Stole Head Carrier did not come to the program. He was busy making an Indian drum. He is short of a horsehide, he is waiting for someone's horse to die.

Rev. Father Steinmetz from Valier made a very nice talk on sports and other games which the boys play. The Heart Butte school boys were sure interested. They heard some things they will keep in their minds.

There was a meeting at the Old Agency schoolhouse Tuesday afternoon. Mr. K. W. Bergen and Miss Taft were present. The meeting was on having a combined school at the Old Agency. The people voted 18 to 11 to remain as is, operating two schools.

Mr. and Mrs. George Duck Head were at Heart Butte visiting relatives. George did not know Heart Butte anymore.

George Comes At Night went to visit his little granddaughter on Two Medicine last week but landed in Browning and the grandchild found him at Walters' quarters. Two nights lodging and meals cost him $24.00.

There were some children that were at the school party Tuesday and on their way home after dark they went through some brush when they heard something growl. They started to run and this thing runnin' after them, it sounded like a bear. The children lost their oxfords in the mud. The parents went to see, there is was Stoles playing bear. His wife left him early in the evening, he was out looking for her.

Mr. and Mrs. Pete Day Rider left their home one evening expecting some people to come from town all drunk so they rolled up their bedding and went to Stoles' house for the night. Stoles told his wife. "Let's go down to our son-in-law's because our son will come home drunk," so they started to walk. They went 4 miles. When they got there their son came so they walked back to Heart Butte. He walked all night so no one bothered him.

Thomas Dog Gun and Louis Red Head were picked up for walking on the highway when under the influence of liquor. Judge Brown put them to rest for 10 days.

Joe Calf Bossribs No. 2 took Stoles Head Carrier to Valier Tuesday. Stoles bought some meat and liver and came home. Stoles took the liver and stuck it in the fire box and roasted it on live coals. Just when he thought the liver was done he told his kids that they better go to bed so they would not be late for school next day. Next day they asked him if he saved any of the liver and he said most of it burned in the stove.

Joe Day Rider said the Heart Butte twins went to Browning Monday. They went in to buy with their relief orders. They were hungry for short ribs and pork chops. The older twin, George, rode the Blue Heaven wagon to J. W. Walters quarters. He left $10 there for a tip to the city of Browning.

Sam Horn of Heart Butte was a victim of the Tribal Police. He got in the rough court and was fined $20 by Tribal Judge Brown. Sam New Breast also was a short boarder at Jas. Walters brick house. Lodging $10 fine.

Mr. and Mrs. Peter H. Tatsey drove to Havre last Saturday where Pete bought a new two-bottom mold board plow, so in a few days the ground should be in good shape to work.

Heart Butte News

Mose Henault went down to town Monday to pay some bills he owed and has not got back yet. He is starting to charge all over the first of next month.

John Tatsey and wife made a trip to Deer Lodge and Warm Springs last Saturday and Sunday. Haying pretty well done and rather dry.

The contractors at the school are now running concrete and coming along good.

Mr. and Mrs. William R. Crane took their son, Lloyd, to Bynum where he has a job haying.

William Comes At Night was arrested by police at Heart Butte last Friday and was taken to Cut Bank Tuesday by Tatsey and Ed Gobert and Jesse Harlan took him to Warm Springs. He violated his probation by being drunk and disturbing the peace at Heart Butte.

Phyllis Aims Back who has been home has gone back to Helena where she has been for the summer. She has been home for some time.

Peter Tatsey has been cutting hay and baling and hauling bales home. He is moving his outfit to his own place where he has 50 or 60 tons to cut and bale.

Tatsey took Donald Choate from the Browning jail and has him working at the Heart Butte agency.

Joe R. Crane has moved to Browning for Indian Days where he is hired by the committee as camp police.

Mr. and Mrs. Wesley Ackerman of Browning were down to Galen. Their little one was taking a treatment for the month and has been released so they brought him home. The boy did well and is all right.

Stole Head Carrier has been very careful what he does and he drove for John Eagle Ribs to the Blood Indian Reservation for the Blood Indian celebration.

Most of the young people have gone on some hay jobs and Heart Butte is rather quiet.

Doctor from Browning and a nurse from Billings were at Heart Butte with Mrs. Cook, field nurse from the Blackfeet hospital.

Robert H. Clark from Choteau was at Heart Butte Saturday. He delivered a tractor to Tatsey.

Tom Williamson and family went fishing and berry picking last week on Black Tail Creek. Merle and children were left at the berry patch when they saw a rider on a hill so they ran to their cars. One car took off and got tangled up in barbed wire, so they all got in the next car and drove in the creek and got stuck and the rider went on about his business.

Mary Sanderville was along the road last Friday evening, could not walk and she had bruises on her face and arms but won't say what happened.

Joe Marceau drove his car by his house by the church Saturday morning and people from the Agency saw this car coming down the hill with no driver. The car came between two pine trees, crossed the road and on down into a ditch and stopped. No damage done. Car was on a party during the night.

Joseph Jackson was drunk and ran away from police, hit the brush along a little creek. Police got ahead of him and saw him lying in the tall weeds. Tatsey got to him, shook him up but he would not wake up and just rolled him over into 6 inches of water and ducked his face in water. The third time he just jumped up and walked to police car with no help.

There were 18 priests helped with services at the Heart Butte church. Most of the people were dressed in Indian costumes. There were a lot attended. These priests were some that have worked among Indians.

Muffet and Donna Ree Doore were at their grandfolks place to attend the church services Tuesday.

John Aims Back and Tom Last Star were picked up Sunday by Tatsey. Charges were drunk and disturbing peace in Heart Butte.

TATSEY COLUMNS

Bull Shoe brothers and Aims Back boys went on a hunting trip over in Clack Creek, west of Big River in the Flathead country.

Louie Red Head and brother Bernard and Jas. Weasel Head went in the middle fork of Birch Creek to hunt elk and deer.

Joe Day Rider came up missing last week for 4 days and was about to be looked for when he showed up one early morning. He was a bit bloated from too much sleep.

Mr. and Mrs. George Hall of Browning were out to Heart Butte for Sunday and Armistice Day.

Mose Henault has gathered his trapping equipment and moved down on Big Badger to start trapping beaver. He will stay at the Bull Shoe place.

Stole Head Carrier and brother John and their wives were in Browning last week. Stole and John got into an argument and started fighting and when Stole was getting the worst of it his wife would jump in and help him and when he got home he got a job of babysitting. He is doing all right on that job only he is working for his meals and bed.

Perry Spotted Eagle, the changeable man, something got into his mind and he went to church last Sunday. That was a good turn he made.

Mr. and Mrs. Jefferies, from the Wye service station, were out to Heart Butte Sunday to attend church services.

Father Mallman had a funny thing happen to him last Friday evening. He started off the hills by his place in his truck when the rod came loose and he ran over two pine trees and cut them square off and next day the wind took the tops away from the yard.

At Old Agency there is a young woman who has started training in the featherweight division. She was sparring with her husband, she downed him and next day he was wearing dark glasses.

Tatsey was in Cut Bank last week and visited the boys at the county jail. They are doing well.

Frank Comes at Night, he bought a house on Blacktail and J. T. Ingram is going to move it for him to Twin Lakes where he traded for some land.

Mad Plume school had a bingo and a dance for the school's benefit and some rough guys came and started some trouble and south and north fought. Next day Police Officer Tatsey made a roundup and they are spending 12½ days at the brick motel.

Sunday at Heart Butte there was a rally at the round hall and a bingo at the school. Both places were well attended. Some candidates from Conrad, H. W. Conrad was the only one that was well known here.

Stole Head Carrier has been in town for a couple of days. His wife has been staying in town several days and Stole got lonesome, so he went after her.

The Heart Butte school trustees have fenced in the Government Square with woven wire so the employees should be safe.

There was a rumpus at the jail in Browning last Saturday night. Some of the old birds got the worst of the deal. Three Canadians did the damage, but they are getting a good jolt out of it.

Mr. and Mrs. Dave Hall went to Conrad Tuesday where they took their granddaughter for a checkup at St. Mary's hospital.

Joe Running Crane has purchased a 1954 Chevrolet from the Shurr Chev. He brought out the twins from Browning, Pete Stabs By Mistake and Joe Boushie from East Glacier.

Mr. and Mrs. John Tatsey motored to Shelby Thursday on business and they also went to the cattle sales at the stockyards.

Stole Head Carrier came out of town and got down to Joe Running Crane's home, was cold, and when he got warmed up he got in a fight so Joe took him out to go home. They took him to the foot bridge but he would not cross on it. He remembered that he fell off one time so they waded him through the creek. They left him alone to go and he started crying.

Mr. Bergen and Mr. Crawford were out Wednesday looking over Heart Butte school. One is from Billings, the other from Helena.

Joe Running Crane went hunting last week and came home with a buck deer. The storm hit and never showed up until Wednesday morning. He went again the other day with his brother-in-law and was leading a horse when a deer met him. When he jumped off he got hung up in the lead rope. Deer stood there and was smiling; deer went on.

Jerry Comes At Night has moved to the Boggs place, caretaker for Roland Harper.

Louie Red Head has rented the Stabs By Mistake home for the winter, and Fred Marceau and family have rented part of the old Tribal store.

Joe Calf Boss Ribs No. 1 has been living alone for long time and when this storm came it was a little cold, so he moved out to his ex-wife's whom now he claims his daughter, and now has a warm place to sleep.

Maggie Marceau was rushed to the hospital Tuesday night. Got sick suddenly but came home feeling much better.

MORE TATSEY—HEART BUTTE NEWS

Pughley's trucks have been to Heart Butte, starting to haul their cattle back down to the Marias River, where they have their ranch.

Sam Horn and Louie Red Head and families were home Sunday from Kalispell to see how their ranches are. They plan on moving home this weekend.

Tatsey took a short trip to Cut Bank Monday on business and some minor work on his car.

Faye R. Wolfe went to Tacoma last week for medical treatment and Wednesday Mrs. Perry Spotted Eagle also went to the same place.

Mr. Blake and Ace Powell from the Flathead were at Tatsey's place Tuesday and Wednesday visiting and took a few pictures and listened to some old Indian stories that Tatsey told them. They slept among the pines and were back in the morning for breakfast and more war stories.

Joe Day Rider was out fishing one day last week and while fishing a beaver jumped out from under the bank and when it dove into 6 inches of water it hit rock bottom. It sat up holding its nose, bleeding. He said it's true. Maybe fishy.

Floyd Middle Rider from Browning was well known for having very nice set of hair in braids but he came out to Heart Butte some 6 weeks ago, got married here. There are Crows living around the south side of the reservation. He got mixed with them in marriage so he finally showed up with no braids, so the Crows scalped him of his fine hair but he is safe now.

Mitchell Horn was trailing sheep the other day leading a little black dog. Every time a car would come by he would hide in the brush or lay down and hide his face. He was ashamed of being around sheep.

EFFECT OF HIGH INTEREST RATES AND REDUCED HOUSING MARKET UPON ECONOMY OF STATE OF OREGON

Mr. NEUBERGER. Mr. President, the adverse impact which the hard money policy of the administration has had on the economy of the State of Oregon is evident in scores of lumber and sawmill towns, particularly along the timbered seacoast and in the great Willamette Valley.

An article on this subject in the Sheridan, Oreg., Sun of August 8, 1957, describes how loggers and mill operators are trying to combat the soft lumber market. The market is weak because new housing starts have diminished greatly, despite the need of our expanding population for homes. The housing market has sagged because restricted credit policies—policies originating in this administration—have greatly curtailed home building.

How many of us realize the impact of tight credit on homes? If a family buys a $15,000 home at 5 percent interest over a period of 20 years, under normal mortgage terms, the interest alone on that house will total $8,760. This means the family will have to pay $23,760 in order to secure a house worth $15,000. The cost of borrowing money will be far greater than that for lumber, bricks, labor, light fixtures, the real property or any other single ingredient which goes into the erection of that house. This demonstrates vividly how even a slight increase in the interest rate has a greatly discouraging impact upon the demand for new homes.

In July 1956, the total employment figure in Oregon in all nonagricultural lines was 511,800. In July of 1957 it had fallen to 505,900, despite an increase in population during that period. Oregon's economy is not expanding; alas, if anything, it is contracting. In July of 1956, some 89,300 people worked in Oregon logging camps and sawmills, but the total had dropped to 81,100 by July of this year.

Other areas reflect this perilous trend. It is my understanding that, during the first 6 months of 1957, telephone toll calls rose 8.8 percent on the Pacific Coast as a whole, 7.3 percent in the United States as a whole, but only 2.9 percent in our State of Oregon. This, again, symbolizes the grim effect which a curtailed housing industry has had upon the lumber market particularly and Oregon's economy in general.

I believe an article from the Sheridan Sun of August 8, entitled "Local Sawmills, Loggers Battle 'Soft' Competitive Market," will be of considerable interest to Members of the Senate, and I ask unanimous consent that the article, written by Dean Holmes, editor of the Sun and a longtime personal friend of mine, be printed at this point.

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

[From the Sheridan (Oreg.) Sun of August 8, 1957]

LOCAL SAWMILLS, LOGGERS BATTLE SOFT COMPETITIVE MARKET

"There ain't no money to play with," was the comment of one local sawmill op-

erator in the area, and that seems to be the general opinion of several operators in the area who were interviewed this week by the Sun as to what is going on locally in the lumbering business.

The present-day picture is not bright, but at the same time is not as bad as has been painted by some of the people who have been peddling rumors of possible major shutdowns and layoffs.

For instance, very few men have been dropped from the United States Plywood payroll the past couple of weeks and Lawrence Ballo, plywood plant manager, says there are no plans for any wholesale layoff. Plywood plant employs 450.

Long-Bell division of International Paper at Grand Ronde has curtailed their logging operation to considerable extent. Some of the loggers cutting and loading timber for that firm are working 4 days a week, and some of them are down to 2 days. Instead of shipping out 6 trains of logs weekly Long-Bell is down to 4.

BIG PROBLEMS

At the moment the sawmill man and the logger have real problems. One of the major factors causing trouble in addition to soft market is the continual increase in the cost of doing business. This runs from high stumpage costs to increases in the price of materials. One operator illustrated this by stating that several years ago his firm purchased a truck for $5,500 in their operation. They replaced the truck recently for $11,000. The new piece of equipment makes the job a little easier.

Small mill operators and loggers are feeling the pinch of high stumpage prices. They are faced with the problem of bidding against large operators who have large cash reserves. Cost of roads for the small operator, who is limited in cash reserves, is hurting.

SAYS ADJUSTMENT NEEDED

One of the best known operators in the area, Oscar Wideman, has a dim outlook on the future for the small operator. An adjustment in the cost of stumpage, plus making more Government timber available to the small operator is about the only hope for the small mill, according to Wideman. He has a high production ratio in his plant, cutting approximately 3,500 feet per day per man. This is considered high in the industry. He installed all the latest laborsaving equipment available when he built the mill a few years ago. Six men are employed at his plant.

At United States Plywood, Manager Ballo is making a concentrated effort for greater quality and quantity. He stated Wednesday: "The men at our plant control the operation. We have got to have a good day's work from every man every day to meet the market problem."

HURL EMPLOYS 40

Al Hurl, of Oregon Alder-Maple Co., which employs 40 men at the plant and specializes in hardwoods, says it is more difficult to operate with reasonable amount of return than it has been since the plant was built in 1950.

First 6 months of the year was not so good for Oregon Alder-Maple and they were running on a 5-day week with 6½ hours each day. Hurl says it is his opinion that the economy of the area will be strained this coming winter. Hurl buys some of their timber on the open market and also have their own stumpage.

Al Hurl told the Sun that the history of the lumber business in the Northwest has been feast or famine. The last 15 months has been an adjustment period similar to other such periods in the history of the industry, he believes.

NEW VENEER PLANT

In the face of declining markets 10 local men put up considerable cash and formed a corporation known as Oregon Hardwood Veneer, Inc. The plant has recently started operating west of Grand Ronde. Rudy Hendrickson, one of the stockholders, says they can't complain. They are peeling veneer from second-growth timber and have 14 men working one shift.

Pete McMillan, of McMillan Shingles, at Grand Ronde, says 1962 is supposed to be a good year. This year it is tough, according to the veteran shingle manufacturer. His market is very poor and he is not optimistic about the future. The McMillan plant employs 13 men who work five 6-hour days a week. Shingle weavers, union members all, work a 6-hour day as the result of winning a strike in the midthirties.

There was considerable optimism among local businessmen first of the week as the result of the FHA cutting the amount of downpayments for new-home construction. Some of the local lumbermen believe this will help the industry, but at the same time don't expect the cut to make much difference in the market price for another year due to large inventories of lumber.

The readjustment period in the lumber and logging business has brought many changes not only to the industry, but to the communities in the Northwest that are dependent on the payrolls. For instance, one of the hard-hit communities due to population decline is Grand Ronde.

In the years following World War II it was a hustling community with everything going full blast. Harriett House, postmaster, says they have a high percentage of box vacancies at their post office, where they had a waiting list 10 or 12 years ago.

SUMMARY OF ACTIVITIES OF THE COMMITTEE ON PUBLIC WORKS, UNITED STATES SENATE, 85TH CONGRESS, 1ST SESSION

Mr. CHAVEZ. Mr. President, it has always been my practice, as chairman of the Committee on Public Works, to make a report to the Senate of the activities of that committee during the session which is about to expire. The following are the presidential recommendations, 1st session of the 85th Congress, and their status:

First. Authorize official residence for Vice President, bill to provide which was introduced on July 8, 1957.

Second. Authorize construction of and funds for new executive office for President, a proposal which was sent to the Senate by the Executive Office on July 17, 1957. Because of the late date of the recommendation and other business pending before the committee, it was impossible for the committee to take action on this proposal during this session.

Third. Authorize Niagara Falls power project. The bill to carry this out is now public law.

Fourth. Authorize Oroville Reservoir as partnership project. The measure for this project has been passed by the Senate, and is now pending in the House.

Fifth. Authorize development of Bruces Eddy Reservoir as partnership project. The bill making provision for this project was passed by the Senate and is now pending in the House.

Sixth. Authorize sale of $750 million revenue bonds to finance new steam-power unit at TVA steam plant. The bill for this purpose was passed by the Senate, and is now pending in the House.

Seventh. Rivers and harbors flood-control; reject projects not approved by the Board of Engineers. The measure to carry this out was passed by the Senate and is now pending in the House.

Eighth. Provide for control of outdoor advertising in areas adjacent to interstate system of highways. This subject was tabled in committee.

So out of the eight recommendations made by the President, the Public Works Committee has taken action on six. I have stated that the others were not acted upon.

Mr. President, in order to save the time of the Senate, I ask unanimous consent that at this point in my remarks the remainder of the summary of the activities of the committee be printed in the RECORD.

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

It will be noted that out of the eight recommendations, definite action has been taken by the Public Works Committee on six. Recommendation No. 1 that would authorize official residence for the Vice President, and recommendation No. 2 that would authorize construction of and funds for new executive office for the President, the Public Works Committee has been unable to hold hearings on Senate bill 2623, July 9, 1957, and Senate bill 2688. Recommendation to authorize construction of new executive office for the President was not made until July 17 of this year.

In order to save the time of the Senate, I ask unanimous consent that the rest of my remarks of the activities of the Committee on Public Works, United States Senate, 85th Congress, 1st session, be printed in the RECORD at this point.

Under the provisions of the Legislative Reorganization Act, the Committee on Public Works of the United States Senate has jurisdiction over legislation relating to flood control, improvement of rivers and harbors, public buildings, public roads, waterpower, bridges over navigable waterways, pollution of navigable waters, and public reservations and parks in the District of Columbia.

There were 139 measures referred to the committee during the 1st session of the 85th Congress. The committee approved 38 bills, of which 16 were passed by both Houses of Congress. Hearings were held for 36 days on many of the bills and on others that will be carried over until the next session. Survey reports for flood control and navigation have been received and reviewed, and reviews of previous reports covering 42 basins and localities have been authorized by committee resolutions. No additional lease-purchase projects were approved by the committee. There were five House-passed bills pending before the committee at the end of the session. There were 20 bills for authorization of individual flood control and river and harbor projects which were included in the omnibus river and harbor and flood-control bill.

Bills and resolutions approved by the committee are as follows, as of August 23, 1957:

ENACTED INTO LAW

Public law	Date approved	Title	Estimated cost
85-3	Jan. 25, 1957	Extending time for President's Advisory Commission on Presidential Office Space to file report	0
85-23	Apr. 23, 1957	Granting consent and approval of Congress to the Merrimack River flood-control compact	0
85-85	July 10, 1957	Increasing authorized construction cost of new Senate Office Building	$2,846,000
85-93	do	To authorize furniture and furnishings for new Senate Office Building	1,350,000
85-95	do	To authorize improvement of accommodations in the existing Senate Office Building	7,500,000
85-106	July 17, 1957	To extend time for commencing and completing construction of toll bridge across Rainy River at Baudette, Minn.	0
85-30	Aug. 14, 1957	Authorizing the Secretary of the Army to sell lands in McNary lock and dam project to Walla Walla, Wash., for port development.	0
85-138	do	To name the lake created by Jim Woodruff Dam, Fla., as Lake Seminole	0
85-146	do	Authorize utilization of storage space in Lake Texoma for water supply for Sherman, Tex	0
85-148	Aug. 16, 1957	Extending time for determining rates of tolls to be charged for use of bridge across Missouri River near Rulo, Nebr.	0
85-159	Aug. 21, 1957	Authorizing construction of certain works of improvement in the Niagara River for power purpose. No Federal funds.	0

PASSED BOTH HOUSES

S. Con. Res. 7	Feb. 14, 1957	Printing of additional copies of water resources reports. S. Docs. 13 and 14	
S. 268	Aug. 23, 1957	Providing for reconveyance of mineral rights in land acquired for flood control to former owners	
S. 1520	Aug. 21, 1957	Provide for repair of lock and dam on Little Kanawha River, W. Va	$112,500
S. 620	do	To transfer ownership of bridge loaned to Allegany County, Md., by Bureau of Public Roads	
S. 1823	do	Conveyance of Bunker Hill Island in Lake Cumberland to the State of Kentucky	
H. R. 8646	Aug. 23, 1957	Amend the Alaska Public Works Act by clarifying authority of Secretary of Interior on conveying land	
H. R. 2580	do	Increase storage capacity of Whitney Reservoir, Tex., by 50,000 acre-feet for water supply purposes	
H. R. 6363	do	Authorize construction of a bridge across Bear Creek near Lovel Point, Baltimore County, Md	

PASSED SENATE

S. 497	Mar. 28, 1957	Authorizing construction of projects for rivers and harbors, beach erosion protection, and flood control	$1,540,840,000
S. Res. 34	Jan. 30, 1957	Authorizing additional funds for Committee on Public Works	75,000
S. 1003	Aug. 5, 1957	To provide adjustments in lands acquired for Albeni Falls Reservoir, Idaho, by reconveyance to former owners	
S. 1785	do	Naming reservoir above Heart-Butte Dam, N. Dak., as Lake Tschida	
S. 1869	Aug. 9, 1957	Authorizing TVA to finance electric power facilities with revenue bonds up to $750 million	
S. 2108	Aug. 5, 1957	To authorize Administrator of GSA to name, rename, or designate any building under his jurisdiction	
S. 2109	do	To exclude an area between E and F Sts. and 19th St. and Virginia Avenue, in the District of Columbia, from taking area.	
S. 2228	do	Amend sec. 5 of Flood Control Act of 1941 pertaining to emergency flood-control work	
S. 2261	July 3, 1957	Amend and extend Public Building Purchase Contract Act of 1954, pertaining to lease-purchase projects	
S. 1587	Aug. 23, 1957	Authorizing construction of hurricane protection works at New Bedford-Fairhaven, Mass	15,490,000
S. 1726	do	Authorizing construction of hurricane protection works at Narragansett, Bay, R. I	16,180,000
S. 2603	do	Amend River and Harbor Act of 1896 by deleting language on New York Harbor	
S. 2676	do	Authorize Secretary of the Army to make a survey of water route from Albany, N. Y., to Lake Champlain and St. Lawrence.	
S. J. Res. 50	do	Survey of route for relocation of highway in Ferry County, Wash., along Lake Roosevelt	20,000

ON SENATE CALENDAR

S. 495	Mar. 28, 1957	To authorize acquisition of additional land for construction of facilities for the U. S. Senate	$1,500,000
S. 728	do	do	3,500,000
S. 1164	Apr. 17, 1957	Evaluation of recreational benefits in project planning for flood control and other projects	
S. 2531	Aug. 22, 1957	Authorize conveyance of lands in Old Hickory lock and dam project, Tennessee, to Middle Tennessee Boy Scout Council.	

Niagara Falls Power Project

This act authorizes and directs the Federal Power Commission to issue a license to the Power Authority of the State of New York for hydroelectric power project with capacity to utilize all of the United States share of the waters of the Niagara River permitted by the treaty of 1950 with Canada. The project would have an installed capacity of 1,800,000 kilowatts, an estimated cost of $600 million, and would be financed with the proceeds from sale of revenue bonds.

The act requires that the license issued by the Federal Power Commission shall include conditions deemed necessary and required by the Federal Power Act, and also the following additional provisions:

1. In disposing of the project power the licensee shall give preference and priority to public bodies and nonprofit cooperatives within economic transmission distance for 50 percent of such power, with arrangements for withdrawal of any part of that amount sold to utility companies upon reasonable notice and fair terms, to meet the reasonably foreseeable needs of the preference customers.

2. The licensee to make a reasonable portion of the project power subject to the preference provisions available for use by preference customers in neighboring States, but such portion is not to exceed 20 percent of the 50 percent of such project power reserved for preference customers. The Federal Power Commission is to determine the applicable portion of power to be made available in event of disagreement.

3. The licensee of the authorized project to contract with the licensee of FPC project 16 for a period not later than the final maturity date of the bonds initially issued to finance the project, for 445,000 kilowatts of the remaining project power for resale generally to industries which purchased power produced by project 16 prior to June 7, 1956, the licensee for project 16 to surrender its license and waive and release any claim for compensation or damages from the power authority.

4. The licensee, if available on reasonable terms and conditions, to acquire by purchase or agreement, or if unable to do so, to construct such transmission lines as may be necessary to make the power and energy generated at the project available in wholesale quantities to its customers.

5. In the event project power is sold to any customer for resale contracts for such sale shall include provisions for establishing resale rates to be approved by the licensee, consistent with this act.

6. The licensee may construct a scenic drive and park on the Niagara River near Niagara Falls, N. Y., with the cost of such work to be considered a part of the cost of the power project, and the maximum cost to be borne as a part of the licensee's net investment not to exceed $15 million.

7. The licensee to pay to the United States and include in its net investment in the project the United States share of the cost of construction of the remedial works at Niagara Falls when completed.

Amending the Tennessee Valley Authority Act (S. 1869)

The Senate approved a bill to authorize the Tennessee Valley Authority to issue and sell revenue bonds, in an aggregate amount not to exceed $750 million outstanding at any one time to assist in financing its power program. Proceeds from such bonds could be used for construction, acquisition, enlargement, improvement, or replacement of any plant or other facility used or to be used for the generation or transmission of electric power, or in connection with lease-purchase transactions. Appropriate changes were made in the basic TVA Act to vest in the TVA Board the necessary administrative authority and to insure adequate Congressional review and control of TVA operations.

The power requirements of the region served by the TVA system have been growing at a rate of about 12 percent per year, exclusive of power furnished for the atomic-energy program and other programs of the Federal Government. Over the next few years approximately $150 million per year will be required to provide new power facilities. Some of these funds can be provided from earnings but additional capital will be required to keep abreast of the demands for power. Direct sales by TVA to national defense agencies now require about 58 percent of the total annual power output of the TVA system. Many private industrial plants important to national defense and the civilian economy are also dependent upon TVA as a source of power supply.

No funds have been appropriated since 1953 for beginning new generating units. In the past three budget messages, the President has recommended legislation to finance new generating facilities by the sale of revenue bonds. S. 1869 would carry out those recommendations. It embodies language to settle three controversies. (1) A ceiling limitation on the aggregate amount of bonds that could be outstanding at any one time. (2) A limitation on geographical area within which the TVA can distribute power. (3) Congressional approval of new projects and consultation with the Secretary of the Treasury with respect to issuance of bonds.

The bill requires the TVA to make annual payments to the Treasury as a return on the appropriation investment, based on the average computed interest payable by the Treasury on all the outstanding marketable public obligations of the United States as of the beginning of the fiscal year applied to the outstanding appropriation investment, plus a repayment sum of $10 million, to be applied to reduction of that investment.

This bill provides a fair workable solution to the problem of financing the future power needs of the Tennessee Valley area, and will provide TVA with an additional source of funds with which to construct the necessary facilities required to keep pace with such needs, under provisions that will permit TVA to operate efficiently under adequate Congressional review.

The measure fully protects the interests of the Federal Government as the owner of the TVA system; insures a sound security for investors; protects the consumers, provides adequate Congressional controls; and is consistent with and will advance the attainment of the objectives of the TVA Act.

Rivers and Harbors—Flood Control (S. 497)

The Senate passed a comprehensive rivers and harbors, beach erosion control, and flood control bill to carry forward these important programs for development and improvement of the rivers and harbors of our Nation, for protection of our citizens against the ravages of flood waters, and for the general development of the water resources of our country. It was believed that additional authorizations were advisable at this time to continue the unified basin water resources development now in progress, to modify basin programs where changing conditions have shown the necessity for additional or altered improvements, and to provide for individual projects found to be feasible and justified. Completion of projects included in the bill will contribute substantially to the economic expansion of the Nation.

The river and harbor program has been progressing satisfactorily for several years and has produced the best system of inland waterways and harbors on our seacoasts and the Great Lakes to be found anywhere in the world. Tonnages moved over these waterways and into our harbors have reached enormous figures and are increasing each year. The use of these waterways has returned to the country large savings in transportation costs, and have been responsible for the growth and development of large sections of the Nation. They have proved invaluable both in times of peace and in times of national emergencies.

In 1956 Congress approved an omnibus bill similar to S. 497, which was vetoed by the President, principally because he felt that a number of projects had not been given adequate study and review within the executive branch and the affected States. Many of those reports have been transmitted to Congress. The committee studied other reports further, held extensive hearings thereon, and included those projects considered justified for authorization at the present time.

The total authorizations contained in the omnibus bill was $1,540,840,000, for 102 projects divided by major categories as follows:

Monetary summary of S. 497 (Cost of new work)

Navigation	$112,881,000
Beach erosion	5,290,000
Flood control	1,415,306,000
Miscellaneous	7,363,000
Total	1,540,840,000

Amending the Lease Purchase Act

Public Law 519 of the 83d Congress, provided for the acquisition of title to real property and construction of public buildings by the Administrator of General Services and Postmaster General through lease purchase agreements, and also provided an expansion of authority for long-term leasing agreements for the accommodation of activities of the Post Office Department.

Under the provisions of the law, installment payments on the purchase price would be made in lieu of rent and title to the improved property would be vested in the United States at the end of the agreements, usually for terms of 10 to 25 years, depending on the amount of amortization required for the property. Local taxes would be paid on the property until title is vested in the United States.

During the 84th Congress the committee approved 48 post-office projects with an estimated cost of $25,295,630, and 98 Federal office building projects with an estimated cost of $692,455,989. Approval of projects for inclusion in the construction program contemplated by Public Law 519 expired on July 22, 1957. Because of various difficulties encountered, the Post Office Department has three lease-purchase projects under construction, and the General Services Administration only one.

S. 2261 provides for extending the period for approving projects under the Lease Purchase Act until June 30, 1960, and makes changes in the funding and financial aspects of the act to alleviate problems encountered in carrying out the implementation of the program, provides greater flexibility in its operation, and would permit the program to proceed in an orderly manner, in order to provide the much needed space for carrying out the many functions of the Federal Government.

Right-of-Way Acquisition for Federal Aid Highway Projects

The committee conducted investigations and hearings or irregularities in connection with acquisition of right-of-way on Federal-aid highway projects in the State of Indiana. It was disclosed as a result of the investigations conducted that there was rather widespread overappraisals, lack of uniformity in procedures in appraisals and acquisition, lack of full coordination between officials concerned with right-of-way acquisition and those concerned with engineering designs, specifications and construction; and opportunities were present for speculation in and overpayment for right-of-way.

The committee investigated a large number of transactions in connection with right-of-way acquisition and hearings were conducted on irregularities in Indianapolis, Richmond, and Gary, Ind.

As a result of the investigations and hearings the Bureau of Public Roads, Department of Commerce prescribed more stringent regulations which are designed to eliminate or at least reduce widespread irregularities and speculation. Such speculation can only result in a large increase in costs of the Federal-aid highway system. It is the intention of the committee to conduct such investigations as are necessary to safeguard the Government's interest in the multi-billion-dollar highway program.

Senate Resolution 148

The Committee on Public Works conducted a number of joint hearings with the Committee on Interior and Insular Affairs on Senate Resolution 148 which relates to the conservation and development of water resources.

The resolution has been reported by the two committees and is designed to provide improved procedures for authorization of land and water resources projects.

In the 84th Congress the Senate took note of the need for maintaining Congressional direction of land and water resources programs. There is a tendency for Congress to to lose, in part, its responsibility for determining the program. This tendency develops in the absence of explicit Congressional statement of its requirements. Under these circumstances, executive definition and limitation of the program have restricted many of the proposed projects.

Senate Resolution 148 is in response to direction of the 84th Congress. It specifies the basis upon which Congress desires that information be submitted in project reports. Such information is desired in order that Congress in considering projects for authorization, may have full information on all potential uses for reservoirs and other water development projects, and the benefits which may accrue. Thus Congress will be in a better position to determine the most desirable plan of development.

Watershed Protection and Flood Prevention Act

Under Public Law 1018, 84th Congress, it is required that any plan for watershed protection and flood prevention involving structures having more than 4,000 acre-feet of total capacity shall be approved by the Senate Public Works Committee.

In compliance with the provisions of Public Law 1018, 84th Congress, the following watershed projects have been approved:

Location:	*Amount*
1. Alamo Arroyo, Tex	$652,865
2. Diablo Arroyo, Tex	425,808
3. Sandy Creek, Okla	1,549,139
4. Sulphur Creek, Tex	1,050,565
5. Upper Bayou Nezpique, La	535,355
6. Elm Creek, N. Dak. (approved by committee contingent on receipt of report from Bureau of the Budget)	858,780
Total	5,072,512

Mr. MARTIN of Pennsylvania. Mr. President, I should like to comment briefly on the very fine report made by the distinguished Senator from New Mexico and the work of the Public Works Committee. The Public Works Committee has been exceedingly diligent this year, and we have acted on practically everything which has been submitted to us. In regard to the bill relating to billboards on interstate highways, I think it should be stated, for the benefit of the Senate and the people of the United States, that that is a very controversial subject. We heard much testimony on both sides of the question.

I might ask this question of the distinguished Senator from New Mexico: Did it not seem to be the feeling of the committee that the question of advertising along the Interstate Highway System should be largely determined by the different States?

Mr. CHAVEZ. That was the impression of the chairman of the committee. I may also say to my good friend from Pennsylvania that I have been a Member of Congress for 27 years, and I have been on many committees. I am

chairman of the Committee on Public Works, and I have never had such fine cooperation as I have had from the members of that committee on both sides of the aisle, and from the aides of the committee.

We have working subcommittee chairmen. The Senator from Oklahoma [Mr. KERR] is chairman of the Subcommittee on Flood Control. The Senator from Tennessee [Mr. GORE] is chairman of the Subcommittee on Roads. The Senator from Michigan [Mr. MCNAMARA] is chairman of the Subcommittee on Buildings and Grounds. When the Senator reads the list of activities, and the actions the committee has taken on many, many projects, he will be surprised to learn how active the committee was. We had 40 days of hearings on different bills and different subjects.

What I am happy about is the fine cooperation I have had from every member of the committee. The Senator from Pennsylvania [Mr. MARTIN] is the ranking minority member of the committee. The Senator from South Dakota [Mr. CASE] is next to him in seniority among the Republican members of the committee. Down the line to the last one of the Republicans, I wish to thank them all for their fine cooperation.

Mr. MARTIN of Pennsylvania. Mr. President, as the senior Republican on the Committee on Public Works I express my appreciation and the appreciation of my colleagues for the fine manner in which the distinguished Senator from New Mexico [Mr. CHAVEZ] has acted as chairman of that important committee.

Mr. President, I desire to speak on another subject.

The PRESIDING OFFICER. The Senator from Pennsylvania has the floor.

CAUSE OF HIGH INTEREST RATES

Mr. MARTIN of Pennsylvania. Mr. President, in the discussion of inflation and its dangers to the economic stability of our Nation, we must keep in mind that inflationary pressures are being exerted in every country of the world.

The depreciation in the value of money has been worldwide. However, it is a fact that the damage in the United States has been less severe than in most of the other countries of the world.

From many sources there have been complaints that interest rates are too high to meet our expanding industrial and commercial requirements. But we should not forget that the current rates of interest in the United States are lower than those of Great Britain and 53 other countries.

The fact that interest rates in the United States still are the lowest in the world is causing many foreign borrowers to seek funds here. This credit demand adds to the pressure upon available funds. The rent or price of borrowed money has always been determined in the same manner as the price of any other commodity, depending upon supply and demand in the market place.

Rising interest rates throughout the world are the result of a long era of cheap money and the widely held expectation that the value of money will undergo further depreciation through creeping inflation.

We must all work for a stable dollar in order to protect the savings of the American people, particularly those depending upon fixed incomes.

The July report on Business and Economic Conditions, issued by the First National City Bank of New York, contains a most interesting and informative statement on this vital problem, and I ask unanimous consent that it be printed at this point in the RECORD as a part of my remarks.

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

One often hears expressed the idea that the high interest rates and shortage of loan funds are the result of some sort of conspiracy among lenders. The answer, however, is not so simple as that. There are too many lending institutions—beyond 40,000—competing with one another in the United States. If there were any conspiracy it would be one in which tens of millions of savings depositors also share, for they are getting higher rates on their savings than have been paid in more than 20 years. The biggest single recipient of interest is the Government's own old-age insurance trust fund which this year will collect more than $500 million interest from the United States Treasury.

Moreover, if there were any conspiracy it would have to be an international cartel including the ministers of all Socialist governments. For advancing interest rates and shortages of loan funds are a universal, worldwide phenomenon. By way of illustration, the following table represents an assembly of the cheapest rates at which business firms of the highest credit standing can borrow on an unsecured basis in 54 countries. It must be borne in mind that money is scarce at these minimum rates; that most borrowers able to obtain funds pay higher rates; and that, in many countries abroad, borrowers have to pay, besides interest, loan commissions and/or other extra charges.

Current prime loan rates in various countries

Country:	Rate
Bolivia	[1] 16
Korea	12–15
Chile	12–14
Greece	12
Brazil	12
Israel	11
Peru	11
Ecuador	10
Austria	9½
Mexico	9½
Germany	9
Japan	9
Finland	8–8½
Argentina	8
Uruguay	8
Iran	7½–8½
Italy	7½
Turkey	7–9
Denmark	7–8
Syria	7–8
Costa Rica	7
France	7
Honduras	7
Lebanon	7
Nicaragua	7
Sweden	6½–7
Ireland	6¼
Iraq	6–7
Singapore	6–7
Spain	6–6½
Colombia	6
Dominican Rep.	6
El Salvador	6

[1] Not including 9 percent representing tax and other charges.

Current prime loan rates in various countries—Continued

Country:	Rate
Guatemala	6
Liberia	6
South Africa	6
Venezuela	6
India	5½–6½
Egypt	5½–6
Hong Kong	5½–6
Australia	[2] 5½
Canada	5½
Netherlands	5½
Great Britain	5¼–5½
Philippines	5–7
Belgium	5–5½
Portugal	5–5½
Cuba	5
New Zealand	[2] 5
Panama	5
Norway	4¾
Switzerland	4½
Puerto Rico	4¼
United States	4

[2] Trading banks average rate.

The PRESIDING OFFICER. Is there further morning business?

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

Mr. THYE. Mr. President, I have a very brief statement.

Mr. MANSFIELD. Mr. President, I withdraw my request.

Mr. THYE. Mr. President, I ask unanimous consent that I may exceed the 2-minute limitation.

Mr. JOHNSON of Texas. The Senator is permitted 3 minutes. If the Senator will wait momentarily we will complete the morning business and the Senator can obtain recognition and speak for as long as he likes.

Mr. THYE. My only problem is that the conference committee of which I am a member will convene at 10:30 this morning.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Senator from Minnesota may be allowed to speak for not longer than 5 minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California? The Chair hears none, and it is so ordered.

INCREASED USE OF AGRICULTURAL PRODUCTS FOR INDUSTRIAL PURPOSES

Mr. THYE. Mr. President, I should like to address a few remarks to the Senate regarding a bill which 29 Senators cosponsored, namely, S. 2306, which would provide for the increased use of agricultural products for industrial purposes. This bill contains the major recommendations of the Commission on Increased Industrial Use of Agricultural Products. This Commission was authorized by Public Law 540 of the 84th Congress and submitted its report on June 15, 1957.

This report is available to the Senate and the public and is printed as Senate Document No. 45. I highly recommend the reading of this document, first of all for its recommendations, and, secondly, as a revelation of the possibilities for the increased use of agricultural products if the recommendations of the Commission are enacted into law. It is most enlightening to read of the various proj-

ects which are in the laboratory stage, the development stage, and those which are now putting products on the market. I am confident that when a person has read and studied this report, he will give full support to the enactment of the bill to which I have referred.

This approach to our farm surpluses is one of the most constructive, and holds the greatest possibilities among those which have been advanced. I believe Senators will find that in industry the successful companies which are expanding are those companies which realize the importance of research and development. The report points out the fact that in 1956 approximately $7 billion would be spent by all American sources for research and development. American industry is currently spending about $3 billion in this area while agricultural research amounts to only $375 million. On a percentage basis comparison, the contrast is even more striking. Manufacturing industry invests about 3 percent of its gross sales in research, while the petrochemical industries invest from 4 to 7 percent of their annual gross sales. The $375 million spent for agricultural research represents slightly over one-half of 1 percent of farmers' total agricultural sales. However, the greater portion of these funds is used to find methods for improving and increasing production. Of the $190 million which the Federal and State Governments spend for agricultural research, only $16,145,000 of the Federal appropriation is used in the search for new uses of agricultural commodities.

The first recommendation of the Commission is for an increase of at least three times the amount currently spent for crop research, trial commercialization, development, and incentives. In each of the task groups which studied the various agricultural products, emphasis was placed on the need for more basic research. In bearing out this contention, the report lists some 59 projects, still in the research stage, which show promise of a commercially feasible end product. Research in wheat indicates that adhesive materials could be developed, as could hormone type weed killers and improved insecticides. Research in the cereal grains could result in the production of synthetic fibers and flexible packaging film such as cellophane. Plastics could conceivably be made from raw materials found in cereal grains. Many projects are indicated which would improve the quality of textiles made from cotton. The presently known possibilities are immense. With additional funds for research, I can foresee that a vast new range of products could be manufactured from agricultural raw materials.

Another phase of this bill would investigate the possibility of introducing new crops to the United States, either from other countries or from the development of new strains and varieties. The report lists such crops as bamboo, castor beans, and others with very specialized uses.

In addition to the need for basic research there is the need for the development of commercial processes which can be used for the conversion of the raw material into the finished product. Once again, there are many programs which could be developed if funds were available for the research into the discovery of economically feasible commercial processes. To indicate the possibilities in this field, there are 19 examples in this stage of development. Basic research has found methods of producing dialdehyde starch from grain. This material is used in the production of chemicals, one of the uses of which is in plastics production and manufacture of organic chemicals. It is estimated that if this area were fully developed, 6½ million bushels of grain could be devoted to this use. The problem is to find a method which can be used commercially for the conversion of the cereal grain into this starch at a price which is competitive.

It may also be necessary for the Government to establish pilot plants which can be used as models for private industry. In this connection, the Government should make available for these research projects quantities of our surplus agricultural products in sufficient amounts so that all of the possible avenues will be attempted.

The bill does not propose that this be a strictly governmental project, but that our universities and our industries will be encouraged to make their contribution in this most important work. Private industry should be encouraged through grants for research accompanied by increased endeavors on their own behalf. In this regard, the question of the Agriculture Department's policy on patents should be thoroughly examined. During the prosecution of World War II and the Korean conflict, patentable inventions were used by the Federal agencies, and when the emergency ended and the need for complete Government control also ended the patent rights were relinquished to the individual. Under that program, the greater incentive undoubtedly produced significant contributions.

Our agricultural economy is in a depressed condition. I have given support to programs which I believed would contribute to the solution of this problem. However, most of these programs were aimed at reducing production. The program as outlined in this bill is an aggressive and dynamic policy aimed at finding uses for these products. After reading of the report of this Commission and learning of the present state of research and development projects, I believe that if this bill is enacted and a cash program is initiated, the demand for agricultural products could exceed the ability of our Nation's farmers to produce these raw materials. I am very hopeful that the Subcommittee on Agricultural Research and General Legislation will take action on this bill and that it will be passed by the Senate early in the second session of this Congress.

Research in agricultural products, greatly broadening the area of agricultural commodities in the various synthetic developments, is the new frontier for agriculture in the years to come. Unless we proceed in that field, it is a certainty that surpluses of all our agricultural products will continue to accumulate; and if such surpluses continue to pile up, it is a certainty that we shall have a depressed agricultural economy. It is for that reason that it is important that we give further thought and study to expanding our research activities in the agricultural field.

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

Mr. THYE. I yield.

Mr. CARLSON. I should like to express my appreciation for the fine statement the Senator from Minnesota has made. He has again demonstrated a very particular interest in the farmers of the Nation, and in agriculture as a whole.

I invite his attention to a statement which I placed in the CONGRESSIONAL RECORD earlier this week, by former Representative Clifford Hope, who served for 30 years in the House. He discussed the same subject matter which the Senator has discussed today, namely, the importance of using some of our surplus agricultural crops for industrial purposes.

Mr. THYE. My distinguished friend from Kansas has referred to Clifford Hope. Clifford Hope was one of the greatest agricultural leaders to serve in Congress during my lifetime. Clifford Hope was a student of agriculture, and it was a great loss to the Nation when he retired from Congress.

Again I refer to Senate bill 2306. That bill was sponsored by a great number of Senators. It is a very important bill, and I certainly hope that study will be given to the proposals set forth in the bill, and that there will be an opportunity for consideration of the bill early in the coming session, in 1958.

Mr. President, I yield the floor.

WORK OF THE FOREIGN RELATIONS COMMITTEE, 85TH CONGRESS, 1ST SESSION

Mr. GREEN. Mr. President, I wish to make a brief statement on the activities of the Committee on Foreign Relations during the 1st session of this 85th Congress.

The days since January have been very busy ones for the chairman and members of the committee and I take this opportunity to express my high appreciation of my colleagues' faithful attendance at our meetings, for their alert and able consideration of all matters which have come before us this session, and for their constant attention to the foreign policy problems with which this Nation is faced. I wish to record also my sincere appreciation for the splendid bipartisan spirit which continues to prevail in the deliberations of the Committee on Foreign Relations.

The meetings in which our members participated totaled 143. We have considered many measures and have taken final action on 14 treaties, 27 bills and joint resolutions, and 22 Senate and concurrent resolutions. We are carrying over very little for consideration next year—only such measures as are not yet ready for action. No measure reported by the committee is now pending on the Senate Calendar. The

measures reported by the committee have passed the Senate either by voice vote or by very large majorities. The largest number of votes cast against any measure reported by the committee was 25, on final passage of the Mutual Security Act, and on that rollcall there were 57 votes in favor. The statute of the International Atomic Energy Agency was approved 67 to 19, the Middle East resolution was agreed to 72 to 19, and 12 treaties were approved by unanimous votes ranging from 78 to 0 to 86 to 0.

The first major item of business with which we dealt was the Middle East doctrine. After painstaking examination by the Committee on Foreign Relations and the Committee on Armed Services, this measure received the approval of both those committees, and of the Congress. The committee also devoted much time to a searching review of the mutual security program. This study began in 1956 when the then chairman of the committee, the late Senator Walter F. George, called for a thorough review of United States aid programs. With this in mind, the Senate created a Special Committee To Study the Foreign Aid Program, which was comprised of the full membership of the Foreign Relations Committee and two members each from the Senate Committee on Armed Services and the Senate Committee on Appropriations. The information the committee gained from this study, and the results of the study undertaken by the Subcommittee on Technical Assistance Programs were available for its members when they considered and approved the Mutual Security Act of 1957.

The Senate, moreover, has approved 13 treaties this session, all of which were examined with great care by the Foreign Relations Committee. Among these were the statute of the International Atomic Energy Agency, three double taxation conventions, a treaty of friendship, commerce, and navigation with the Republic of Korea, a cultural convention, and a number of conventions relating to activities in international waters.

In addition, the committee has received an extremely large number of nominations this session. It has acted upon 1,662 nominations, as contrasted with the 702 which it had before it during the 1st session of the 84th Congress and the 973 during the entire 83d Congress.

As an expression of its interest in the quality of American representation abroad, the committee also adopted new procedures for the consideration of nominations. Individuals nominated to serve as chiefs of mission or as delegates to international organizations are now examined by the committee in public session. More attention has also been given to routine appointments in the Foreign Service. This year, for the first time so far as I know, the committee examined in person six young men chosen by lot from a list of 62 appointments to the lowest rank of the career Foreign Service. The result was most favorable as to the qualifications of those examined.

Mr. President, in summation I ask unanimous consent to have printed in the RECORD a short summary of the workload of the Committee on Foreign Relations for this session, the period during which I have been privileged to be its chairman.

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

TREATIES ACTED ON

1. Protocol to the 1949 International Convention for the Northwest Atlantic Fisheries (Ex. F, 85–1; Ex. Rept. 1, 85–1): This protocol, between the United States and nine other governments, is designed to make it possible for the Commission, the representative body established under the 1949 convention, to hold its meetings outside North America, if it so desires. Approved May 13, 1957, by a vote of 82 to 0.

2. Protocol to the 1930 Convention for the Protection, Preservation, and Extension of the Sockeye Salmon Fisheries in the Fraser River System (Ex. C, 85–1; Ex. Rept. 2, 85–1): The purpose of this protocol, between the United States and Canada, is the establishment of a program to conserve the pink salmon of the Fraser River system coordinate with the program set up under the 1930 convention for sockeye salmon only. Approved June 6, 1957, by a vote of 85 to 0.

3. Statute of the International Atomic Energy Agency (Ex. I, 85–1; Ex. Rept. 3, 85–1): This statute, signed by the United States and 79 other nations, is designed to establish an International Atomic Energy Agency with responsibility for advancing the peaceful uses of atomic energy, and for developing methods for its application to industry, agriculture, and medicine for the benefit and general welfare of mankind. Approved, with an interpretation and understanding, June 18, 1957, by a vote of 67 to 19.

4. Agreement between the United States and Austria regarding Certain Bonds of Austrian Issue Denominated in Dollars, Together with a Related Protocol (Ex. H, 85–1; Ex. Rept. 4, 85–1): The agreement and protocol create a procedure under which the holders of certain dollar bonds issued prior to World War II by the Republic of Austria and by various municipalities, provinces, and companies in Austria, may establish the validity of their bonds. Approved July 2, 1957, by a vote of 78 to 0.

5. Treaty of Friendship, Commerce, and Navigation between the United States and Korea (Ex. D, 85–1; Ex. Rept. 5, 85–1): The objective of this treaty is to protect the personal security, rights, and property of Americans in Korea and to facilitate their travel and business activities. Approved August 8, 1957, by a vote of 86 to 0.

6. Protocol amending the International Sugar Agreement of 1953 (Ex. L, 85–1; Ex. Rept. 6, 85–1). The protocol revises export quotas on sugar as among exporting countries parties to the agreement of 1953, simplifies the administration of the quotas, and provides greater flexibility in their adjustment to changing market conditions. It also revises the price objectives of the agreement. Approved August 8, 1957, by a vote of 86 to 0.

7. Convention on Inter-American Cultural Relations (Ex. C, 84–2; Ex. Rept. 7, 85–1): This convention, signed by the United States and all of the other American Republics except Costa Rica, is a revision of the Buenos Aires convention of 1936. It is intended to promote the exchange of graduate students, teachers, professors, specialists, and other persons of equivalent qualifications among the American Republics, with a view to fostering a greater understanding of the peoples and institutions of countries belonging to the Organization of American States. Approved August 8, 1957, by a vote of 86 to 0.

8. Protocol to the 1946 International Convention for the Regulation of Whaling (Ex. E, 85–1; Ex. Rept. 8, 85–1): The purpose of this protocol is to vest the International Whaling Commission established by the Convention for the Regulation of Whaling with additional powers so that it may effectively deal with a number of problems not anticipated when the convention was negotiated. Approved August 8, 1957, by a vote of 86 to 0.

9. Amendment to the 1949 International Convention for the Safety of Life at Sea (Ex. M, 85–1; Ex. Rept. 9, 85–1): The purpose of the amendment is to remove from the convention a prohibition against the use of inflatable liferafts on merchant and passenger vessels in international carriage. Approved August 8, 1957, by a vote of 86 to 0.

10. Interim Convention on Conservation of North Pacific Fur Seals (Ex. J, 85–1; Ex. Rept. 10, 85–1): This convention, an interim agreement effective for a 6-year period, will serve to continue the prohibition now being observed by the four signatory governments (Canada, Japan, the Soviet Union, and the United States) with respect to pelagic sealing, and to provide a joint research program designed to accumulate sufficient factual data to prepare the groundwork for a permanent arrangement among the parties to conserve the valuable fur seal herds of the North Pacific Ocean. Approved August 8, 1957, by a vote of 86 to 0.

11. Income Tax Convention with Austria (Ex. A, 85–1; Ex. Rept. 12, 85–1): This convention for the avoidance of double taxation with respect to taxes on income follows the pattern of previous double taxation conventions into which the United States has entered. Approved August 8, 1957, by a vote of 86 to 0.

12. Income Tax Convention with Canada (Ex. B, 85–1; Ex. Rept. 12, 85–1): This convention introduces certain modifications in the income tax convention and protocol of March 4, 1942, as modified by the supplementary convention of June 12, 1950, between the United States and Canada. Approved August 8, 1957, by a vote of 86 to 0.

13. Income Tax Protocol with Japan (Ex. K, 85–1; Ex. Rept. 12, 85–1): This protocol, which supplements the convention with Japan of April 16, 1954, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, provides for exemption of the Export-Import Banks of Japan and the United States from taxation on interest received from sources within the country of the other party. Approved August 8, 1957, by a vote of 86 to 0.

14. Friendship, Commerce, and Navigation Treaty with Haiti (Ex. H, 84–1). Returned to President at his request, August 8, 1957.

BILLS AND JOINT RESOLUTIONS PASSED BY BOTH HOUSES

1. Mutual Security Act of 1957 (S. 2130, S. Rept. 417, passed Senate June 14, 1957, by a vote of 57 to 25; approved August 14, 1957, Public Law 85–141): This act extended the mutual-security program for another year and authorized $3.4 billion for various types of foreign aid.

2. The Middle East resolution (H. J. Res. 117, S. Rept. 70, passed Senate March 5, 1957, by a vote of 72 to 19); approved March 9, 1957, Public Law 85–7): This joint resolution authorized the President to undertake economic and military cooperation with nations in the general area of the Middle East in order to assist in the strengthening and defense of their independence.

3. Amendment of act creating Corregidor-Bataan Memorial Commission (S. 538, S. Rept. 721, passed Senate August 5, 1957; approved August 28, 1957, Public Law 85–179): This act will enable the present Executive Director of the Commission to receive, for a period of not to exceed 5 years, retired pay as a retired military officer, and civilian compensation concurrently.

4. St. Lawrence Seaway Development Corporation (S. 1174, S. Rept. 525; passed Senate June 26, 1957; approved July 17, 1957, Public Law 85–108): This act served to clarify

the general powers, increase the borrowing authority, and authorize the deferment of interest payments on borrowing of the St. Lawrence Seaway Development Corporation.

5. Bridge across the Pigeon River (S. 1361, S. Rept. 522, passed Senate June 26, 1957; approved July 24, 1957, Public Law 85–113): This act revived and reenacted the act of May 29, 1945, authorizing, under certain conditions, the Department of Highways of the State of Minnesota to construct, maintain, and operate a free highway bridge and approaches thereto across the Pigeon River.

6. Claim of Christoffer Hannevig (S. J. Res. 64, S. Rept. 370, passed Senate June 10, 1957; approved June 27, 1957, Public Law 85–60): This act, in implementation of a 1948 convention between the United States and Norway, confers jurisdiction upon the Court of Claims to adjudicate the claim of Christoffer Hannevig, a national of Norway, against the United States based upon the requisition of certain alleged property interests of Mr. Hannevig by agencies of the United States Government during the First World War.

7. Buffalo and Fort Erie Public Bridge Authority (S. J. Res. 95, S. Rept. 720, passed Senate August 5, 1957; approved August 14, 1957, Public Law 85–145): This act granted the consent of Congress to an agreement or compact between the State of New York and the Government of Canada providing for the continued existence of the Buffalo and Fort Erie Public Bridge Authority.

8. Second World Metallurgical Congress (H. J. Res. 404, S. Rept. 863, passed Senate August 20, 1957): This joint resolution provides for the recognition and endorsement of the Second World Metallurgical Congress, which, under the sponsorship of the American Society for Metals, will be held in Chicago, Ill., on November 2–8, 1957.

9. St. Lawrence Seaway celebration (H. J. Res. 408, S. Rept. 864, passed Senate August 20, 1957): This joint resolution authorized the President of the United States to invite the States of the Union and foreign countries to participate in the St. Lawrence Seaway celebration to be held in Chicago, Ill., from January 1 to December 31, 1959, inclusive.

10. Conveyance of reversionary interest of United States in certain lands in Texas (H. R. 1983, S. Rept. 369, passed Senate May 22, 1957; approved May 31, 1957, Public Law 85–42): This act authorized the Secretary of State to take the action necessary to make possible an exchange of lands held by two school districts in Texas for other lands more suitable for school purposes.

11. Alaska International Rail and Highway Commission (H. R. 4271, S. Rept. 211, passed Senate April 12, 1957; approved April 20, 1957, Public Law 85–16): This act, in amending the act of August 1, 1956 (70 Stat. 888), added the Delegate from Alaska in the House of Representatives as a member of the Commission.

12. Disposal of certain lands to aliens (H. R. 8929, S. Rept. 862, passed Senate August 20, 1957): By virtue of this act, the International Boundary and Water Commission, United States and Mexico, is given the same authority as other United States Government agencies to dispose of lands to aliens as well as to citizens of the United States.

Bills and Joint Resolutions Passed by Senate but Still Pending in House

1. Transmission of executive agreements to the Senate (S. 603, S. Rept. 521, passed Senate June 25, 1957). This bill (identical with S. 147 of the 84th Cong. 2d sess.), in general, would require the Secretary of State to transmit to the Senate the text of any international agreement other than a treaty, to which the United States is a party.

2. Waiver of collection of certain financial assistance loans (S. 747, S. Rept. 767, passed Senate August 5, 1957). This bill would permit the Secretary of State, with the approval of the Comptroller General of the United States, to evaluate and to cancel, in whole or in part, certain claims of the Government against citizens of the United States growing out of personal loans and other advances made to them in emergency situations abroad.

3. Amendment of International Claims Settlement Act of 1949, as amended (S. 979, S. Rept. 612, passed Senate August 5, 1957). This bill would extend the time for filing claims against the Governments of Bulgaria, Hungary, Rumania, Italy, and the Soviet Union under subchapter III of Public Law 285, 84th Congress, and would provide for the reduction of awards made under title III of Public Law 285 in certain cases where claimants received tax benefits from writing off war losses upon which their awards are based.

4. Implementation of the Geneva Red Cross Conventions (S. 1779, S. Rept. 772, passed Senate August 5, 1957). This bill would give effect to certain obligations which the United States assumed when it ratified the Geneva Conventions of 1949 for the protection of war victims (Exs. D, E, F, and G, 82d Cong., 1st sess.).

5. Assistant Secretary of State for African Affairs (S. 1832, S. Rept. 223, passed Senate April 12, 1957). This bill would authorize the appointment of one additional Assistant Secretary of State to be designated as the Assistant Secretary of State for African Affairs.

6. Danish vessels (S. 2448, S. Rept. 572, passed Senate July 3, 1957). This bill would authorize payment to the Government of Denmark in connection with the requisitioning in 1941 of 40 Danish vessels by the United States.

7. Interparliamentary Union (S. 2515, S. Rept. 600, passed Senate August 5, 1957). This bill would raise the ceiling established by Public Law 409, 80th Congress, on United States contributions to the Interparliamentary Union, from $15,000 to $18,000.

8. Contributions to the International Labor Organization (S. J. Res. 73, S. Rept. 526, passed Senate June 27, 1957). This measure would increase the ceiling on the United States annual contribution to the International Labor Organization from $1,750,000 to $2 million.

9. Contributions to the International Council of Scientific Unions and its Associated Unions (S. J. Res. 85, S. Rept. 602, passed Senate August 5, 1957). This joint resolution would raise the ceiling on United States contributions to the International Council of Scientific Unions from $9,000 annually to $65,000 annually.

Senate Resolutions

1. United Nations Emergency Force (S. Res. 15, S. Rept. 613, agreed to by Senate August 8, 1957). This resolution expressed the sense of the Senate that a force similar in character to the United Nations Emergency Force created pursuant to resolutions of the United Nations General Assembly of November 3 and 4, 1946, now operating in the Middle East, should be made a permanent arm of the United Nations.

2. Special Committee To Study the Foreign Aid Program (S. Res. 35, S. Rept. 2, agreed to by Senate January 30, 1957). This resolution extended the special committee until June 30, 1957, and authorized $75,000 for the period February 1 to June 30, 1957. By S. Res. 141 (S. Rept. 435), which was agreed to by the Senate on June 25, 1957, the subcommittee was extended until January 31, 1958 to complete its study.

3. Additional clerical assistance (S. Res. 59, S. Rept. 36, agreed to by Senate January 30, 1957). This resolution authorized the Committee on Foreign Relations to employ two temporary additional clerical assistants.

4. Subcommittee on Technical Assistance Programs (S. Res. 60, S. Rept. 37, agreed to by Senate, January 30, 1957). This resolution extended, from January 31 to February 28, 1957, the deadline for transmittal to the Senate of the final report of the subcommittee. A further extension until March 31, 1957, was subsequently made by S. Res. 99, which was agreed to by the Senate on February 20, 1957.

5. Subcommittee on Disarmament (S. Res. 61, S. Rept. 11, agreed to by Senate January 30, 1957). This resolution extended the subcommittee until June 30, 1957, and authorized $30,000 for the period February 1 to June 30, 1957. Further extensions were granted: (1) Until August 31, 1957 (S. Res. 151, S. Rept. 524, agreed to by Senate June 26, 1957), with an authorization of $10,000, and (2) until January 31, 1958 (S. Res. 192, S. Rept. 1044, agreed to by Senate August 26, 1957), with an authorization of $30,000.

6. Additional committee funds (S. Res. 152, agreed to by Senate July 3, 1957). This resolution authorized an additional $10,000 to meet the expenses of the Committee on Foreign Relations.

7. Commonwealth Parliamentary Association (S. Res. 160, S. Rept. 604, agreed to by Senate August 5, 1957, and S. Res. 177, agreed to by Senate August 26, 1957). These resolutions, the latter of which served to amend the first in certain technical respects, authorized the Vice President to appoint four Members of the Senate to attend the next general meeting of the Commonwealth Parliamentary Association to be held in India, on the invitation of the Indian branch of the association, and $15,000 to meet the expenses incurred by the members of the delegation and its staff.

Concurrent Resolutions

1. Printing of Technical Assistance Report (S. Con. Res. 24, no written report, passed Senate, April 12, 1957). This concurrent resolution authorized the printing of 2,500 additional copies of the final report of the Subcommittee on Technical Assistance Programs.

2. Printing of studies and reports of Special Committee to Study the Foreign Aid Program (S. Con. Res. 30, passed Senate June 5, 1957). This concurrent resolution authorized the printing of these publications as a Senate document with $8,000 for the use of the special committee.

3. Problem of Hungary (S. Con. Res. 35, S. Rept. 523, passed Senate June 26, 1957). This concurrent resolution expressed the sense of the Congress that the President, through the United States representatives to the United Nations at the forthcoming special reconvening of the General Assembly of the United Nations, should take every appropriate action toward the immediate consideration and adoption of the report of the United Nations Special Committee on the Problem of Hungary and toward the immediate consideration of other available information on the brutal action of the Soviet Union in Hungary.

4. Commonwealth Parliamentary Association Meeting (S. Con. Res. 36, S. Rept. 604, passed Senate August 5, 1957). This concurrent resolution would authorize the appointment of 4 Members of each House of Congress to attend as guests the meeting of the Commonwealth Parliamentary Association to be held in India, which is tentatively scheduled to begin at New Delhi on December 2, 1957, and would provide for the payment of expenses of the delegates.

5. Printing of committee hearings on the mutual-security program for fiscal year 1958 (S. Con. Res. 45, no written report, passed Senate August 26, 1957). This concurrent resolution authorized the printing of 1,000 additional copies of these hearings.

6. Admission of Spain to NATO (H. Con. Res. 115, S. Rept. 212, passed Senate April

12, 1957). This concurrent resolution expressed the sense of the Congress that the State Department should continue to use its good offices toward the end of achieving participation by Spain in the North Atlantic Treaty and as a member of the North Atlantic Treaty Organization.

ROLLCALL VOTES IN THE SENATE ON FOREIGN POLICY MEASURES

Protocol to the 1949 International Convention for the Northwest Atlantic Fisheries: 82 to 0.

Protocol to the 1930 Convention for the Protection, Preservation, and Extension of the Sockeye Salmon Fisheries in the Fraser River System: 85 to 0.

Statute of the International Atomic Energy Agency: 67 to 19.

Agreement and protocol regarding certain bonds of Austrian issue: 78 to 0.

Treaty of friendship, commerce, and navigation with Korea: 86 to 0.

Protocol amending International Sugar Agreement of 1953: 86 to 0.

Convention on Inter-American Cultural Relations: 86 to 0.

Protocol to the 1946 International Convention for the Regulation of Whaling: 86 to 0.

Amendment to the 1949 International Convention for the Safety of Life at Sea: 86 to 0.

Interim Convention on Conservation of North Pacific Fur Seals: 86 to 0.

Income Tax Convention with Austria: 86 to 0.

Income Tax Convention with Canada: 86 to 0.

Income Tax Convention with Japan: 86 to 0.

Mutual Security Act of 1957: 57 to 25.

Middle East resolution: 72 to 19.

LEGISLATIVE RECORD

Treaties:	
Held over from previous Congress	18
Submitted during 85th Cong., 1st sess	14
Total pending during 85th Cong., 1st sess	32
Advice and consent given	13
Withdrawn	1
Still pending at end of 85th Cong., 1st sess	18
Bills and joint resolutions:	
Referred to the committee	55
Passed Senate	21
Provisions included in other laws	5
Indefinitely postponed	1
Still pending	28
Senate and concurrent resolutions:	
Referred to the committee	46
Passed Senate	18
Provisions included in other legislation	4
Still pending	24
Meetings:	
Full committee:	
Executive	60
Public	33
Total	93
Subcommittees:	
Executive	22
Public	7
Total	29
Special Committee To Study Foreign Aid Program:	
Executive	2
Public	13
Total	15

LEGISLATIVE RECORD—Continued

Meetings—Continued	
Conference committees: Executive	6
Total meetings	143
Nominations confirmed:	
Ambassadors and ministers	36
Department of State	9
NATO	1
International Cooperation Administration	2
United Nations	15
Advisory commissions	4
Brussels Fair	1
United States Information Agency	1
Foreign Service	1,593
Total	1,662

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. 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.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. TALMADGE in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nomination of Lee L. Altemose, to be postmaster at Tatamy, Pa., which nominating messages were referred to the appropriate committees.

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

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

Two hundred and sixty-one postmasters.

EXECUTIVE REPORTS OF COMMITTEE ON ARMED SERVICES

Mr. BARRETT. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably the nominations of 3 major generals in the Air Force for positions of importance and responsibility designated by the President in the rank of lieutenant general, the assignment of 1 lieutenant general in the Air Force to a position of importance and responsibility in the rank of general, and the temporary appointment in the Army of 3 major generals and 6 brigadier generals. I ask that these nominations be placed on the Executive Calendar.

The ACTING PRESIDENT pro tempore. The nominations will be placed on the Executive Calendar, as requested by the Senator from Wyoming.

The nominations referred to are as follows:

Maj. Gen. Francis Hopkins Griswold, Regular Air Force; Maj. Gen. William Fulton McKee, Regular Air Force; and Maj. Gen. William Dole Eckert, Regular Air Force; to be assigned to positions of importance and responsibility designated by the President, in the rank of lieutenant general, United States Air Force;

Lt. Gen. Leon William Johnson (major general, Regular Air Force), to be assigned to a position of importance and responsibility designated by the President in the rank of general, United States Air Force; and

Brig. Gen. Theodore Scott Riggs, and sundry other officers, for temporary appointment in the Army of the United States.

Mr. BARRETT. Mr. President, in addition, I report favorably a group of 154 nominations for appointment in the Regular Army in the grade of colonel and below, and 763 appointments and promotions in the Navy and Marine Corps in the grade of captain and below. All of these names have already appeared in the CONGRESSIONAL RECORD. In order to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Vice President's desk for the information of any Senator.

The ACTING PRESIDENT pro tempore. The nominations will lie on the desk, as requested by the Senator from Wyoming.

The nominations ordered to lie on the desk are as follows:

James S. Webb, Jr., and sundry other Reserve officers for appointment in the Medical Corps of the Navy;

Fred W. Richardson, and sundry other civilian college graduates, for appointment in the Medical Corps of the Navy;

John "T" Anderson, and sundry other Reserve officers for appointment in the Dental Corps of the Navy;

Charles H. Cornelison, chief petty officer, to be chief warrant officer, W–2 in the Navy;

William B. Abbott III, and sundry other officers for temporary or permanent appointment in the line of the Navy;

Janice R. McMorrow, and sundry other officers for temporary or permanent appointment in the Navy;

Col. John R. Jannarone, for appointment as professor of physics and chemistry, United States Military Academy;

James R. Jessell, and sundry other persons for appointment in the Regular Army of the United States; and

Edward G. Goodman, and sundry other officers and persons for temporary appointment in the Navy.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

UNITED STATES DISTRICT JUDGE

The legislative clerk read the nomination of Roby C. Thompson to be a United States district judge for the western district of Virginia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

TERRITORY OF HAWAII

The legislative clerk read the nomination of William Francis Quinn to be Governor of the Territory of Hawaii.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

SECRETARY, TERRITORY OF HAWAII

The legislative clerk read the nomination of Farrant Lewis Turner to be secretary of the Territory of Hawaii.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

COLLECTORS OF CUSTOMS

The legislative clerk proceeded to read sundry nominations of collectors of customs.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations of collectors of customs be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of collectors of customs are confirmed en bloc.

THE COAST AND GEODETIC SURVEY

The legislative clerk read the nomination of John A. Benning for permanent appointment to the grade of ensign in the Coast and Geodetic Survey.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be immediately notified of all nominations confirmed this day.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

WEIGHT TO BE GIVEN TO EVIDENCE FOR TESTS FOR ALCOHOL IN CERTAIN PERSONS IN THE DISTRICT OF COLUMBIA

The PRESIDING OFFICER (Mr. TALMADGE in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 969) to prescribe the weight to be given to evidence of tests of alcohol in the blood or urine of persons tried in the District of Columbia for operating vehicles while under the influence of intoxicating liquor which were to strike out all after the enacting clause and insert:

That, (a) if as a result of the operation of a vehicle, any person is tried in any court of competent jurisdiction within the District of Columbia for (1) operating such vehicle while under the influence of any intoxicating liquor in violation of section 10 (b) of the District of Columbia Traffic Act, 1925, approved March 3, 1925, as amended (D. C. Code, title 40, sec. 609), (2) negligent homicide in violation of section 802 (a) of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, title 40, sec. 606), or (3) manslaughter committed in the operation of such vehicle in violation of section 802 of such act approved March 3, 1901 (D. C. Code, title 22, sec. 2405), and in the course of such trial there is received in evidence, based upon a chemical test, competent proof to the effect that at the time of such operation—

(1) defendant's blood or urine contained five one-hundredths of 1 percent or less, by weight, of alcohol, or that an equivalent quantity of alcohol was contained in 2,000 cubic centimeters of his breath (true breath or alveolar air having 5½ percent of carbon dioxide), such proof shall be denied prima facie proof that defendant at such time was not under the influence of any intoxicating liquor;

(2) defendant's blood or urine contained more than five one-hundredths of 1 percent, but less than fifteen one-hundredths of 1 percent, by weight, of alcohol, or that an equivalent quantity of alcohol was contained in 2,000 cubic centimeters of his breath (true breath or alveolar air having 5½ percent of carbon dioxide), such proof shall constitute relevant evidence, but shall not constitute prima facie proof that defendant was or was not at such time under the influence of any intoxicating liquor; and

(3) defendant's blood or urine contained fifteen one-hundredths of 1 percent or more, by weight, of alcohol, or that an equivalent quantity of alcohol was contained in 2,000 cubic centimeters of his breath (true breath or alveolar air having 5½ percent of carbon dioxide), such proof shall constitute prima facie proof that defendant at such time was under the influence of intoxicating liquor.

(b) Upon the request of the person who was tested, the results of such test shall be made available to him.

(c) Only a physician acting at the request of a police officer can withdraw blood for the purpose of determining the alcoholic content therein. This limitation shall not apply to the taking of a urine specimen or the breath test.

(d) The person tested shall be permitted to have a physician of his own choosing administer a chemical test in addition to the one administered at the direction of the police officer.

SEC. 2. Nothing in this act shall be construed to require any person to submit to the withdrawal of blood, the taking of a urine specimen, from him, or to a breath test.

And to amend the title so as to read: "An act to prescribe the weight to be given to evidence of tests of alcohol in the blood, urine, or breath of persons tried in the District of Columbia for certain offenses committed while operating vehicles."

Mr. CLARK. Mr. President, I move that the Senate disagree to the amendments of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. CLARK, Mr. BIBLE, and Mr. JAVITS conferees on the part of the Senate.

THE CIVIL-RIGHTS BILL

Mr. JOHNSON of Texas. Mr. President, I ask that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business; namely, the amendments of the House of Representatives to Senate amendments Nos. 7 and 15 to House bill 6127, a bill to provide means of further securing and protecting the civil rights of persons within the jurisdiction of the United States.

The question is on agreeing to the motion of the Senator from Texas [Mr. JOHNSON] that the Senate concur in the amendments of the House to Senate amendments Nos. 7 and 15 to House bill 6127.

Mr. JOHNSON of Texas. Mr. President, if my friend from North Carolina [Mr. ERVIN], who is always so agreeable and cooperative, will indulge me, I should like to suggest the absence of a quorum in order that Senators may have an opportunity to hear the speech of the Senator from North Carolina. If that is agreeable, 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. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ERVIN. Mr. President, I have some constituents who would like for me to engage in a filibuster against the pending bill. I am compelled, however, to recognize the facts of legislative life. One of those facts is that those who entertain the sound views which I entertain on the bill are in a small minority, and it would be physically impossible for them to maintain a filibuster from this moment until midnight on the second day of January 1959.

I am also confronted by the fact that it is wise to heed the teachings of those who teach us that the Senate is the greatest deliberative body in the world, because it has preserved the right of unlimited debate.

From my study of history, I am satisfied that no meritorious piece of legislation has ever been defeated for long by the right of unlimited debate, even when it is designated by the name of filibuster.

On the contrary, the history of this great body shows that many times bad legislation has been defeated by unlimited debate.

We have a rule in the Senate, rule XXII, which many outsiders and even some Members of the Senate deplore. It preserves the right of unlimited debate. The Lord's Prayer says, "Lead us not into temptation." I do not favor a filibuster against the pending bill because I do not wish to lead any of my brethren in the Senate into the temptation to change the rule which preserves the right of unlimited debate.

The wisdom of the rule allowing unlimited debate has been better illustrated in the case of the pending civil-rights bill than in the instance of any other legislative proposal that has ever come to my attention.

If the rules of the Senate were altered so as to abolish the right of unlimited debate, and rules comparable to those of the House were adopted for the Senate, bills like the pending bill would pass Congress without Congress ever knowing what the bills contain.

Our brethren in the House did not have a fair opportunity under the rules which prevail there to expose to public view the iniquities, both legal and constitutional, which were originally embodied in the bill which is now the pending business before the Senate.

I believe that the Senate's previous action on the pending bill illustrates the fact that when an appeal to the Members of the Senate is based on reason, it is likely to find acceptance by a substantial number of them, even on a subject surrounded by hysteria, such as a civil-rights bill.

As an individual Senator, I do not have much trouble determining my stand on civil-rights bills. I have studied every civil-rights bill of modern vintage. I have never yet seen one which does not undertake to rob some Americans of rights just as precious as those it is allegedly designed to secure to other Americans. From my diagnosis of them, I believe all of them would inevitably sell a part of the birthright of the American people for awful sorry messes of political pottage. Therefore, I am not subject to any temptation to vote for any of them. Other persons of undoubted sincerity may have different views on this subject. I cannot expect everyone to entertain the same sound views on these bills that I entertain.

I want to preserve for every Senator, whether he acts for a majority or a minority or only as an individual, the benefit of a rule which insures him a full opportunity to state his views to the Senate and to receive a respectful audience on any proposition he may want to make.

For that reason I do not wish to lead anyone into the temptation of changing the rule of the Senate which makes the Senate, so far as I know, the last great deliberative body on the face of the earth. I do not wish to lead anyone into the temptation of adopting a new rule which will result in depriving Senators in the future of the precious right of unlimited debate.

From my own standpoint, the pending bill is a bad bill. It is a bad bill because it undertakes to do that which ought never to be done in a nation which boasts it has a government of laws, instead of a government of men. I have a conviction that any system of law which is worthy of the name of being called a system of justice is necessarily based on laws that are written with certainty in law books, not on supposed laws which are dependent upon the discretion or caprice of any human being, even though he be a judge.

I have the conviction that this Nation should have only one type of law, and that is a law which is certain, a law which is uniform, a law which applies alike to all persons in like circumstances. This bill, as it has been changed by the House in respect to the jury-trial provision, does not fit that standard. It commits a man's rights in the first instance to the discretion of a judge.

In the ancient days of Rome, Emperor Caligula wrote his laws in small letters and hung them high in order that his subjects might not know what the laws were, might violate them, and be punished for their violations. The House has gone beyond Caligula in the jury-trial amendment. It has hidden the law inside the head of the judge. Whether a respondent gets a jury trial in the first instance depends on the discretion of the judge. I have been a judge myself and I have watched judges operate a long time. I have never been greatly enamored of the idea that legislative bodies ought to commit legal questions to the discretion of judges. When all is said, a judge's discretion is sometimes dependent upon the state of his digestion. Legislative bodies should make the rights of citizens certain and uniform.

A great English constitutional lawyer, Lord Camden, said:

> The discretion of a judge is a law of tyrants; it is always unknown; it is different in different men; it is casual and depends upon constitution, temper and passion. In the best, it is oftentimes caprice; in the worst, it is every crime, folly, and passion to which human nature is liable.

One person whose views have been highly prized for generations by the American people was the great English statesman Edmund Burke. Edmund Burke spoke with wisdom about the danger of allowing the rights of people to be determined by the discretion of judges rather than by certain and uniform laws. After pointing out the danger of investing any sort of men with jurisdiction limited only by their discretion, Burke said:

> The spirit of any sort of men is not a fit rule for deciding on the bounds of their jurisdiction; first, because it is different in different men, and even different in the same at different times, and can never become the proper directing line of law; and next, because it is not reason but feeling, and when once it is irritated it is not apt to confine itself within its proper limits.

The provision that says a man is to have the right of trial by jury only if the judge sees fit to grant it to him in the first instance is unwise, in that it deprives Americans of the right they ought to have to look into the lawbook and determine from the lawbook and not from the independent brain of the judge what their legal rights are.

I also seriously doubt the constitutionality of this provision. The fifth amendment to the Constitution provides in effect that the United States cannot deprive any person of life, liberty, or property without due process of law.

Under that constitutional provision Congress has the power to classify offenses, provided the classifications are based upon reason. For example, Congress could draw a line between offenses based upon the character of conduct the defendant engages in or upon the intent with which the defendant acts.

But the right of a man to a jury trial under the House amendment does not depend in any way upon the character of the conduct of the defendant, whether it is outrageous or not outrageous. It does not depend upon his intent. The classification is based solely upon the unpredictable notion which the judge may have as to how much punishment the man should receive. One judge will decide that one way, and another judge will decide it another way, and, as Edmund Burke suggests, the same judge will decide it in different ways at different times.

Under the House amendment two men can be brought before a judge for criminal contempt under identically the same circumstances, and one of them can be given the right of trial by jury and the other denied that right.

Furthermore, the amendment puts a dollars-and-cents sign upon one of the most solemn rights that American citizens have, namely, the right of trial by jury.

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

Mr. ERVIN. I am happy to yield to the distinguished Senator from Virginia.

Mr. ROBERTSON. Is it not true that if this bill becomes law, we will try to do by statute that which is not in the Constitution? The Constitution states that in criminal cases a citizen is entitled to a jury trial. This so-called compromise provision will say "Yes; provided you do not punish him or put him in jail for more than a month and a half." Is that in the Constitution? The Constitution says for issues involving more than $20 a litigant can have a jury trial, but this says it has to be in excess of $300 before, on that issue, he can have a jury trial. Are we not amending the Constitution?

Mr. ERVIN. We are manhandling it, we are evading it; in truth, the whole object of this bill is to evade the constitutional right of trial by jury in criminal cases. But the amendment does give us one piece of information we did not have. It reveals exactly what a majority of the House of Representatives feels is the value of the constitutional right of trial by jury. They declare that this constitutional right is worth $300.01. That is the value they place on it. That is an astounding thing to me. I thought constitutional rights were so precious that it was impossible to assess their value, and yet we have a dollars and cents value placed upon them by the amendment. If one is to be locked up 45 days or less, or to be fined $300 or less, he can be robbed of his constitutional rights; but he cannot be robbed of them if he is going to be fined a penny more or sentenced to spend a day more in jail.

No amount of sophistry, no amount of splitting technicalities in law or equity, can erase the plain and obvious fact that this bill would never have been here had it not been for its purpose to rob Americans by indirection of their constitutional right of trial by jury. Such of its advocates as are willing to meet reality face to face admit as much. That fact gives me concern. It gives me concern that any men are willing under any circumstances to rob, either directly or indirectly, any American, whoever he might be, of a right which he ought to enjoy under the Constitution.

Mr. President, I have to admit that it causes me a great deal of additional discomfort to have it suggested that the people whom I have the honor to represent, in part, in the United States Senate should be deprived of rights which everyone by common consent will admit that persons charged with the foulest crimes which can be imagined are entitled to retain and enjoy.

Mr. President, I shall make certain personal references which I have previously made during the debate on this

bill. One of my collateral ancestors signed the Declaration of Independence. I have always thought that he signed it for the reason—among others—that it deplored the fact that the English Crown had deprived the American colonists, in many cases, of their right of trial by jury. Another of my ancestors sat in the North Carolina Constitutional Convention which ratified the Constitution of the United States containing the guaranty of the right of trial by jury in criminal cases. I am glad to be able to say that, so far as my voice and vote in this body are concerned, I have kept faith with them and with all the unborn generations of Americans of all races, by standing for preservation of the right of trial by jury.

Mr. President, I realize that the Senate is confronted by an unfortunate situation. The Senate adopted the O'Mahoney amendment, which squared with the theory that we have a Government of laws, rather than a government of men. The O'Mahoney amendment was designed to make the Federal law of criminal contempt certain and uniform. It applied alike to all men in like circumstances. The Senate adopted that amendment. Many Senators voted for it, despite tremendous pressure, political and otherwise, brought to bear upon them in an effort to get them to be faithless to one of their fundamental convictions; namely, their belief in the right of trial by jury. But, Mr. President, the House of Representatives has rejected this fair amendment; and now the Senate has before it a measure which whittles away or, we might say, nibbles away the right of trial by jury in one domain.

Mr. President, in closing I should like to adopt the words of one of the great judges of the United States, Judge Henry Clay Caldwell. He said:

> For a free people, "trial by judge and jury" is immensely superior to any other mode of trial that the wit of man has ever yet devised, or is capable of devising—

And, Mr. President, I invite the attention of the Senate particularly to the following—

> and evil will be the hour for the people of this country when, seduced by any theory, however plausible, or deluded by any consideration of fancied emergency or expediency, they supinely acquiesce in its invasion or consent to its abolition.

Mr. President, that is the fundamental objection to the amendment adopted by the House of Representatives. The House of Representatives has been seduced by some theory or has been deluded by some fancied emergency or expediency, to acquiesce in the invasion of the right of trial by jury.

Mr. President, I shall vote against the House amendment because I am unwilling to give my consent to any bill or any legislative proposal which invades or abolishes or curtails in any way the right of trial by jury for any American.

Mr. JOHNSTON of South Carolina. Mr. President, today we are confronted with what possibly is an accomplished legislative fact. This has been accomplished in the most unusual manner. In the time allotted to me, I shall renew my objections to the passage of H. R. 6127. The House of Representatives has further amended the Senate amendments.

The first most unusual thing that happened when H. R. 6127 passed the Senate was the vote to substitute the House bill for all such bills which were before the Senate. The House bill was not referred, according to the usual procedures, to the Senate Judiciary Committee. For several months the Judiciary Committee had been considering provisions somewhat similar to those in the House bill. We were awaiting the receipt of the House bill, in order to act upon it in conjunction with the bill then pending before the Judiciary Committee. The Senate, by a vote of 71 to 18, voted for immediate consideration of H. R. 6127. The obvious result of such a vote was to discharge the Judiciary Committee from any further consideration of the bill, pending before it on the same subject matter.

The distinguished senior Senator from Oregon [Mr. MORSE] then moved that the House bill be referred to the Judiciary Committee, in order that the normal legislative processes of our Government be preserved. By a vote of 54 to 35, the Senate was unwilling to preserve its normal legislative processes. These processes have become a part of our constitutional system of government. The majority of the Senate surrendered a most valuable right, because of the political propaganda appearing in the press. As a result of the bulldozing of loudmouthed minority groups, the Senate submitted—against my will—to this most abnormal procedure. All sorts of political claptrap, heat, pressure, and intimidation were practiced upon Members of the Senate by the professional agitators who delight in stirring up trouble merely for trouble's sake. These paid troublemakers were buttonholing Senators left and right. Everyone here knows what I am talking about, and knows I am giving a true account of what happened in the anterooms of this Chamber. These meddlers, these lobbyists, were bold. They were brazen in their browbeating tactics.

Another most unusual thing has happened. After most careful consideration, and even after many of the great newspapers of the country and the spokesmen for political pressure groups here and from the other side of Congress contended that the House bill must be taken as it passed the House, we made proper amendments. They further contended that there must not be any change in the House bill; not an "i" could be dotted; not a "t" could be crossed; no line could be stricken; not one word could be added. If anything was done, they contended, the entire structure and protection of all civil rights, as included in the House bill, would be lost. After careful, prudent, thorough, and soul-searching examination, the Senate found some very basic and fundamental errors in the House bill. The Senate found that the bill would give up more civil rights than it could possibly guarantee. The Senate adopted many important amendments. Among other things, the Senate provided that—

(a) The staff director of the Commission shall be appointed with the advice and consent of the Senate.

(b) The Senate also provided that the Commission shall report to the Congress as well as to the President.

(c) The vicious provision permitting voluntary and uncompensated personnel from intruding into the work of the Civil Rights Commission—those busybodies—was eliminated.

We went further by prohibiting the use of the do-gooders classified in the House bill as voluntary and uncompensated personnel.

(d) The Senate struck out the vicious injunctive provisions of section 121 of the House bill. This provision would have clothed the Attorney General with limitless power to harrass and annoy our people. It was so patently wrong it could not stand the light of day when we in the Senate examined it. Whoever conceived this section is an alien to American constitutional liberties.

(e) We repealed the provisions of the old Force Act. This old act—91 years old—was to be revived. It has not been used in about the same number of years—90 years. It was the old Reconstruction Act. It did not go so far as this bill goes, even in the reconstruction days.

It permitted the President to call out the Armed Forces or militia to enforce judicial decrees and orders. Think of that.

(f) We then provided for a jury trial in criminal contempt cases with proper safeguards to protect the innocent.

So that with all the clamor about there being no need for a change, that the House bill was perfect, that it was a "must" on the list of things this Congress must do, the Senate provided certain safeguards and protective provisions. When I say that it was a "must," I mean that the testimony of the Attorney General before the subcommittee of the Judiciary Committee of the Senate should be read, and Senators will see whereof I speak.

Now the most unusual thing of all has just happened. Under normal legislative procedure, when the House of Representatives passes a measure different from that which passes the Senate, or vice versa, a conference committee of representatives from the House and the Senate are appointed. These conferees meet and iron out, or attempt to iron out, their differences. All legislation of major consequence results primarily from compromise and conciliation of varying points of view. Conferees, however, must agree on the differing issues between each of the Houses of Congress in the bills each has passed No new matter can be brought into the picture. Not so with H. R. 6127. A most unusual departure has taken place. We have set aside precedent, procedure, and custom. The minority leader and the majority leader of the Senate substitute themselves for a normal conference committee. In the House, according to the news reports, the Speaker and the minority leader substituted themselves for a House conference committee. These four self-appointed, self-anointed conferees, with no

authority except that which goes with their respective offices, propose a substitute that had theretofore passed neither the House nor the Senate. We are presented with a fait accompli. "Here it is, boys; take it or later you will get something worse."

What our distinguished leaders have done—and this is not personal—is to present us in the most obtuse way with a compromise they have agreed upon which violates every legislative concept heretofore followed in our entire legislative history. Let that sink in.

They have presented us with a monstrosity. As the chairman of the House Judiciary Committee is reported to have said, "Criminal contempt is now divided into two parts, a Fifth Avenue type and a bargain basement type."

This thing we are to vote on is not of the flesh. It is neither fish nor fowl. It gives the court the discretion to grant or deny a jury trial. If the judge in his wisdom, or lack of it—think of this—should deem it just to levy a fine in excess of $300 or impose a sentence in excess of 45 days, the accused then may have a jury trial. This is the most asinine, puerile legislative provision I have ever known about or heard being presented to what we consider ourselves to be—the greatest deliberative, legislative body in the world.

What judge wants a jury to reverse him? Let us picture this: The judge comes into court. He hears the facts. Then he decides the man ought to be sent to jail for more than 45 days, or pay more than $300, and he says, "I cannot try it. Let a jury try it." Let me tell Senators what we are facing in giving to judges this right. I have had a great deal of experience in criminal courts. I think I have represented as many at the bar in Spartanburg, S. C., as did any other lawyer during the term of years I was at the bar. I have seen some strange things happen. I should like to call a few of them to the attention of Senators to see what it means when we leave it to one man to decide what is going to happen to a lawyer's client. What will happen to him will depend on whether or not the judge's wife kissed the judge goodby in the morning. It will depend on how he slept the night before, or where he was the night before, or with whom he was associated the night before. It goes even deeper than that. It will depend on whether what he ate the night before probably was working on his digestive organs in a certain way. I have seen that happen.

To illustrate the point, let me give Senators an example. I was representing a client in the Federal court. I did not think my client should have been convicted but he was convicted by a jury. The trial judge all the way through the trial was pretty rough on the defendant, and rough on me, so much so that I did not want to have the judge sentence the defendant at the time he was found guilty. I said, "If it please the court, I should like to ask for a continuance until next Tuesday for the sentencing of my client, at which time I shall have a motion to make." The judge granted me that privilege, although if he had gone ahead that day my client certainly would have wound up, I think, in the penitentiary at Atlanta, Ga.

Do Senators know what happened when the judge came in on Tuesday? I was present with my client. The case was called. The judge said, "Mr. JOHNSTON, do you have a further motion to make?" Of course, I did have a motion to make. However, when I had finished the judge went a little bit further than I had gone. He said, "I have listened to this case. I tried the first case. I think your client, Mr. JOHNSTON, testified in this case the same as he testified in the first case." The case was one of perjury, and the defendant was being tried for perjury. The judge said, "If he testified the same in the first case as he did in the second case, and if my mind serves me correctly that is what happened—as you know, testimony was not taken down—I would be derelict in my duty to sentence him."

He said, "I have had time to think the matter over, so I am going to set the verdict aside. Mr. District Attorney, if you bring this case back here again on the same statement of facts, or a similar statement of facts, I will nol-pros the case."

The officers had testified a little differently from my witness, and that is the basis upon which he was convicted. I turned around to the district attorney and whispered, "What are you going to do with those boys who testified?"

That illustration shows the judge went the way his mind decided that particular day, and the way he was feeling that particular day. That is the reason we do not wish to turn over all these cases to a one-man decision.

What judge wants a jury to reverse him? What judge, who can read, would assess a fine or impose a sentence beyond the limits of the statute, thereby inviting the reversal of his action by a jury? Senators must bear in mind that in the Federal courts in criminal cases the judge has a right to charge upon the facts. A great many States do not allow the judges to charge upon the facts, but in the Federal courts they have that right. We can imagine how the judge would charge upon the facts in the case when a second trial occurred.

What safeguard of human freedom or liberty is contained in such monstrosity? Forty-six days freedom is no more precious to an innocent man than 44 days. In point of seriousness and consequence, what is the difference between a sentence of 45 and 46 days? Think of the constitutional provision that guarantees us a trial by jury when more than $20 is at stake, and then think of a legislative compromise that permits a court without a jury to impose a jail sentence up to 45 days.

This is the most backward-looking, retrogressive compromise that has ever issued from any self-appointed conference committee within my knowledge, memory, or understanding.

I have great personal respect for our legislative leaders. I cannot and will not stultify myself, however, by accepting their present proposal. I have no respect whatever for the thing they have presented to us. It is not a just, nor is it a reasonable substitute for the Senate action. I have no respect for the authority they have voluntarily assumed. We, who have complained because the Court—the Supreme Court—disregards precedent; we who complain because the Supreme Court has opened the FBI files to every crook and Communist; we, who complain that custom, usage, and precedent built upon the broadest experiences of mankind are not followed, are now called upon to lay aside all our precedents, experiences, customs, and usages.

The great common law of England is built upon custom. It has been our heritage, our refuge, and our safety. Our custom and usage here, our precedents and rules now must be laid aside, forsaken, and held for naught. There is more at stake before the Senate than the expedient of passing a piece of legislation to appease vociferous minority groups. Great and fundamental legislative precepts are at stake. This is the last body on earth that I ever thought would permit itself to come to this pass. For the sake of free government, for the sake of orderly legislative procedure, for the sake of constitutional liberty, we must reject the House-approved bill. The House measure to all intents and purposes nullifies and renders meaningless the right of trial by jury except in the discretion of the judge. The erratic provision of the House proposal requires the trial judge to prejudge and pretry a case so that he may determine in advance whether he should impose a sentence in excess of the limitations provided for in the proposed statute.

Grave doubt exists in my mind as to the constitutionality of the proposal submitted to us. What becomes of the double-jeopardy prohibition contained in the Constitution of the United States? In our haste, in our desire, in our effort to satisfy and appease, we should carefully consider the constitutional prohibitions which stare us in the face.

I wish now for a few minutes to point out wherein I feel that the recent amendments by the House of Representatives to H. R. 6127 are unconstitutional. Specifically, the House amendments provide:

PART V—TO PROVIDE TRIAL BY JURY FOR PROCEEDINGS TO PUNISH CRIMINAL CONTEMPTS OF COURT ARISING OUT OF CIVIL RIGHTS CASES AND TO AMEND THE JUDICIAL CODE RELATING TO FEDERAL JURY QUALIFICATIONS

SEC. 151. In all cases of criminal contempt arising under the provisions of this act, the accused, upon conviction shall be punished by fine or imprisonment or both: *Provided, however,* That in case the accused is a natural person the fine to be paid shall not exceed the sum of $1,000, nor shall imprisonment exceed the term of 6 months: *Provided, further,* That in any such proceedings for criminal contempt, at the discretion of the judge, the accused may be tried with or without a jury: *Provided further, however,* That in the event such proceeding for criminal contempt be tried before a judge without a jury and the sentence of the court upon conviction is a fine in excess of the $300 or imprisonment in excess of 45 days, the accused in said proceeding, upon demand therefor, shall be entitled to a trial de novo before a jury, which shall conform as near as may be to the practice in other criminal cases.

This section shall not apply to contempts committed in the presence of the court or so near thereto as to interfere directly with the administration of justice nor to the mis-

behavior, misconduct, or disobedience of any officer of the court in respect to the writs, orders, or process of the court.

Nor shall anything herein or in any other provision of law be construed to deprive courts of their power, by civil contempt proceedings, without a jury, to secure compliance with or to prevent obstruction of, as distinguished from punishment for violations of, any lawful writ, process, order, rule, decree, or command of the court in accordance with the prevailing usages of law and equity, including the power of detention.

SEC. 152. Section 1861, title 28, of the United States Code is hereby amended to read as follows:

"SEC. 1861. Qualifications of Federal jurors:

"Any citizen of the United States who has attained the age of 21 years and who has resided for a period of 1 year within the judicial district, is competent to serve as a grand or petit juror unless:

"(1) He has been convicted in a State or Federal court of record of a crime punishable by imprisonment for more than 1 year and his civil rights have not been restored by pardon or amnesty.

"(2) He is unable to read, write, speak, and understand the English language.

"(3) He is incapable, by reason of mental or physical infirmities, to render efficient jury service."

First. This amendment is clearly unconstitutional because of vagueness. It is an established principle of constitutional law that crimes must be clearly defined. If this amendment were enacted, persons charged with contempt would be deprived of their liberty and property without due process of law, in violation of the 14th amendment to the Federal Constitution. Due process of law requires that one shall not be held criminally responsible under a statute by which offenses are so indefinitely defined or described as not to enable one to determine whether or not he is committing them—see Willoughby on the Constitution of the United States, second edition, volume 3, p. 1727.

The first sentence of the proposed amendment—section 151—refers to "criminal contempt" and provides for punishment upon conviction. The first proviso of the first sentence refers to "natural persons" and for such "natural persons" the fine is limited to $1,000 and in the alternative imprisonment is limited to 6 months. This first proviso is obviously drafted to bring the offense within the present definition of a "misdemeanor" as classified by the Congress in the adoption of title 18 of the United States Code on June 25, 1948. Section 1 of title 18, United States Code classifies offenses against the United States as follows:

SEC. 1. Offenses classified:

Notwithstanding any act of Congress to the contrary:

(1) Any offense punishable by death or imprisonment for a term exceeding 1 year is a felony.

(2) Any other offense is a misdemeanor.

(3) Any misdemeanor, the penalty for which does not exceed imprisonment for a period of 6 months or a fine of not more than $500, or both, is a petty offense.

When we read this and see how much a judge could do, and how much a jury could do, we must realize what we are getting into in connection with the particular amendment which is before the Senate at the present time.

The second proviso of the first sentence still refers to "criminal contempt" and vests in the Federal district judge the discretion as to whether the person accused of contempt is to be tried with or without a jury.

The third proviso of the first sentence, still referring only to "criminal contempts," says that where the district judge proceeds to summarily, without benefit of a jury, convict the accused and fine him or her in excess of $300 or imprison him or her for more than 45 days, then the person so convicted and fined or imprisoned may demand a "trial de novo." It is assumed that "trial de novo" contemplates a trial anew of the entire controversy, including the hearing of evidence, as though no previous action had been taken. In *Pittsburgh S. S. Co.* v. *Brown* ((1948 Ct. App. Ill.), 171 Fed. 2d 175, 177), "trial de novo" is defined as an entirely new trial, but this relates to civil cases. The term "trial de novo" nowhere appears in criminal cases referred to in volume 42 A, Words and Phrases, 1952 edition, or 1957 Supplement.

The second sentence of the amendment, without any reference to "criminal contempt" or without defining or differentiating between "criminal contempt" and "civil contempt," proceeds to make the provisions of the first sentence inapplicable to those contempts "committed in the presence of the court or so near thereto as to interfere directly with the administration of justice" and likewise inapplicable to "misbehavior, misconduct, or disobedience of any officer of the court in respect to the writs, orders or process of the court." In other words, this second sentence deals with certain "contempts" and with "misbehavior of any officers of the court" and excludes such "contempts" and "misbehavior of any officer of the court" from the provisions of the Civil Rights Act, H. R. 6127. In other words, the second sentence says that if the contempt is committed in the presence of the court or so near thereto as to interfere directly with the administration of justice it is not dealt with in the Civil Rights Act, H. R. 6127. Likewise excluded from coverage by the Civil Rights Act, H. R. 6127 would be "the misbehavior, misconduct, or disobedience of any officer of the court" in respect to any writ, order, or process of court issued presumably under authority of the Civil Rights Act, H. R. 6127.

The last sentence of the amendment—section 151—simply tries to restate the proposition now appearing in section 401 of title 18, United States Code, that a court of the United States has power to punish contempts of its authority. However, in restating that proposition, this last sentence refers to civil contempts, whereas section 401 refers to contempt of its—the court's—authority. Thus we see the last sentence of the amendment—section 151—refers to civil contempt as distinguished from first sentence which deals with criminal contempt.

Nowhere in the amendment is any definition given of either criminal contempt or civil contempt; nor has Congress ever attempted to draw any such distinction. The sole provision attempting to draw a distinction between criminal and civil contempt is contained in rule 42 (b) of the Federal Rules of Criminal Procedure in the requirement that the notice with respect to a criminal contempt shall describe it as such. The Advisory Committee on Rules appointed by the United States Supreme Court pursuant to the act of June 29, 1940, Fifty-fourth United States Statutes at Large, page 686, to assist in the preparation of rules of pleading in their notes indicate that the requirement of notice written into rule 42 (b) was intended to obviate the frequent confusion between criminal and civil contempt proceedings pursuant to the suggestion made in *McCann* v. *New York Stock Exchange* ((2d cir., 1935) 80 F. 2d 211). See civil and criminal contempt in the Federal courts, report of Los Angeles Bar Association, 17 Federal Rules Decisions 167–182, 1955. The Supreme Court itself has belabored the distinction between civil and criminal contempts. For the Court's distinction see *Bessette* v. *W. B. Conkey Co.* ((1904) 194 U. S. 324, 328).

A contempt statute certainly comes within the due process of law requirement of the Constitution. See Willoughby, supra, at page 1727, section 1141. The United States Supreme Court, in an opinion by Chief Justice Taft, held on April 13, 1925, that all the guaranties of due process of law are available to a person charged with contempt, *Cooke* v. *United States* ((1925) 267 U. S. 517). Thus it is quite clear that the amendment—section 151—as now drafted would subject a person to criminal prosecution for a statutory offense so indefinitely defined or described as not to enable him to determine whether or not he is committing such an offense, or how he will be tried. *Connally* v. *General Construction Co.* ((1926) 269 U. S. 385); *International Harvester Co.* v. *Kentucky* ((1914) 234 U. S. 216); *Collins* v. *Kentucky* ((1914) 234 U. S. 634).

Second. This amendment is unconstitutional, in violation of the fifth amendment prohibiting double jeopardy.

That provision of the amendment which permits the accused to be tried a second time by a jury for the same offense following conviction in a summary proceeding violates the fifth amendment to the United States Constitution which declares:

Nor shall any person be subject for the same offense to be twice put in jeopardy of life or limb.

Although in ex parte Grossman the Supreme Court held that "while contempt may be an offense against the law and subject to appropriate punishment, certain it is that since the foundation of our Government proceedings to punish such offenses have been regarded as sui generis and not criminal proceedings within the sixth amendment or common understanding," the Court proceeded to state that contempt is an offense within the meaning of the pardoning power of the President granted in article II, section 2, clause 1 of the enumerated powers of the President. Clause 1 declares the President "shall have power to grant reprieves and pardons of offenses against the United States, except in cases of

impeachment." Chief Justice Taft in *Ex parte Grossman* ((1925) 267 U. S. 87, 107) quoting *Myers* v. *United States* ((1924) 262 U. S. 95, 104–105). The sixth amendment of course declares the rights of the accused in criminal prosecutions, including a trial by jury.

There is nothing to indicate that the word "offense" has any different meaning as used in the fifth amendment from that used in clause 1 of section 2 of article II. So, if contempt is an offense when it comes to the pardoning power of the President, it certainly is an offense under the fifth amendment. This conclusion is further strengthened upon examination of the language of the proposed amendment—section 151—and a comparison thereof with the language of the Clayton Act—October 15, 1914, Thirty-eighth United States Statutes at Large, page 730. The Clayton Act expressly distinguishes between proceedings for contempt and criminal prosecutions. In proceedings for contempt under the act no trial by jury could be had, and none could be demanded under the sixth amendment. Myers against United States, supra, at page 104. However, in a criminal prosecution under the act a jury trial was expressly granted and punishment restricted, and a jury trial under the criminal prosecution provision would have been recognized as a constitutional right of the accused under the sixth amendment even had the act not so specifically provided.

Thus reading the language of the amendment—section 151—in pari materia with the Clayton Act and the decisions in ex parte Grossman and Myers versus United States, for the Congress to grant a second trial following conviction, with the same defendant, the same charges and the same evidence, with additional evidence the second time that the judge had already found him guilty, would place the defendant in double jeopardy.

The proposal—section 151—even if it were not in violation of the fifth amendment, would place Congress in the position of gambling with the rights of our citizens. Suppose a judge tries a man or woman and finds the person guilty. The press reports this fact to the public, and such cases are bound to stir the public interest. The person so convicted is then tried again on the same evidence. Any jury is bound to be influenced by the first conviction and its publicity.

In addition, what basis or standard of conduct is to be the determining factor as to whether the judge imposes the lesser fine or sentence and lets his verdict stand or imposes the greater fine or punishment and moves the case along to a jury trial. There would be no uniformity in the application of the proposed statute—section 151—and the entire procedure would be awkward, cumbersome, and impracticable.

An examination of words and phrases—West Publishing Co., one of our leading law authorities—discloses that the term trial de novo has no place in criminal legal history. The term is applicable only to civil cases.

Consequently, I have grave doubt as to the constitutionality of the hurriedly prepared amendments added by the recent action of the House of Representatives.

This is a sad week in the history of a free legislative assembly when we abandon for momentary political advantage a fundamental American civil right—the right of trial by jury.

I have consistently and persistently opposed this entire program. I have debated and argued its weaknesses and faults for months before the Senate Judiciary Committee. Before I conclude these remarks I desire to pay a personal tribute to the jury trial system. I wish to eulogize the remains of the last vestige of human rights which we, as a proud people, are about to surrender.

Trial by jury is an ancient tradition with us. It is a cherished heritage. It is a bulwark of every real democracy. It has never been so easy for 12 men to err as it has been for one. Whatever may be its faults—as human institutions have their frailties—it cannot be said that its rejection as a means of ascertaining the truth has produced a worthy substitute.

The problems imposed upon juries are fantastic. Jurors are chosen from all walks of life. They are chosen not because of their knowledge but because of their lack in a certain particular case. Yet, the greatest judge, the best lawyer, the most renowned surgeon, the learned scholar and the ordinary layman from whatever walk of life he may come, bows in humble obedience to the finality of the jury's verdict. It is the submission to a method of decision wherein honesty and integrity are insured rather than the accolade of learning and distinction. When the jury has spoken, the average man is satisfied. An American is loathe to trust his life, his possessions, his well-being, his peace of mind or the future of his family, except to the decision of 12 true and faithful fellow men. Out of the recesses of the past, out of the experiences of time, out of the methods of trial and error has come to us this institution of the right of trial by jury. On this institution, as a rock of ages, we place our disputes, our quarrels, and our wrongs. On it the scales of justice rest, and from its base our causes are weighed and justice is meted out to rich and poor alike.

There are few today who are willing to submit their lives or fortunes to the whim or caprice of a sole judge. The decision of one man is no substitute for the composite judgment of 12. The deliberation of the many takes the place of the possibility for error in the singleness of thought of one judge.

Jury trials afford a coveted protection. They give us a sense of freedom and security. When we feel we are beyond the pale of that protection, our complaint is real; it is substantial.

Thus, while jurors sometimes mistake their true goal in making their judgments, experience teaches us that in the larger affairs between man and man or between man and his government, the judgments of jurors are the safest means of protecting civil rights of individuals and of safeguarding the individual from the encroachments of his government.

Our charter of liberty, with its bill of rights which protects the individual from punishment or from the deprivation of his property, stands as a bulwark of freedom for the world to see. Peoples of other nations envy the liberties so freely enjoyed by Americans under our Constitution. So great have been the liberties guaranteed to our citizens, and enjoyed by all alike, that America has withstood the onslaught of time as a representative democracy longer than has any other representative government in all recorded history. Changes have been slow. They have been gradual, yet, with the diversities of conditions and circumstance, the progress of events, new discoveries and inventions, improvements wrought by science and technology, and our genius for advances in the arts and sciences, the Constitution and its few amendments have been adaptable to all such changes. Trial by jury is a part of our constitutional rights which some are now prepared to whittle away.

The right of a trial by jury and jury trial through all the years have been fundamental with us. By night or day, and in peace or war, that protection until now has remained unshaken and unimpaired. Out of a hazy and misty past, the right has slowly evolved. Tried in the fire of experience and the crucible of changing conditions, Americans value the right most when life, liberty, or property is imperiled. Little do we realize its immense importance and the great heritage of our possession. We should tamper little with such an inheritance. We should guard it safely. We should insure for future generations a continuance of the benefits which have been ours to enjoy. We fail in our appreciation of these rights to the extent that we fail to preserve them for the generations that follow us. We should transmit this precious right unimpaired to our posterity. This is a charge we have to keep. Those who value freedom and all its attributes should join as one in this determined effort.

Such is the character of our institutions. Such is the crowning glory of an evolution whose origin is shrouded in such darkness, but whose light is a guiding star in the firmament of our American system of equal justice under law.

The measure approved by the House is a rape of the deliberations of the Senate Judiciary Committee. The present proposal crucifies the sober deliberations of the Senate. The bill as passed by the Senate is trampled upon and rendered null and void. All the precepts of legislative custom, when disagreement exists between the coequal legislative branches of our Government, are set aside. We shall live to regret the day when we surrender our precedents and customs for temporary political gain. This is a week of unspeakable infamy in the legislative councils of our Government.

I shall vote to save our precedents. I shall vote to preserve our constitutional liberties. I shall vote to preserve our American way of life. States' rights will suffer a mortal blow by the passage of H. R. 6127, as amended by the House. Jury trial will have lost its meaning. The cornerstone of human liberty is being shattered. I pray that some day the evil the Senate may do will be rectified.

Mr. President, if the Senate sees fit to concur in the amendments of the House to the Senate amendments to the bill, I pray that some day the Senate will have the intestinal fortitude to restate and restore our rights. Such is my hope; such is my faith; such is my ardent prayer.

Mr. President, I have tried to point out to the Senate why I oppose the pending compromise proposal. I want the Senate, and especially the southern Senators, to know that although I am concluding my first speech, I have a right to make a second speech on this particular measure. I call the attention of the Senate and the attention of the people of the Nation to the fact that if we 17 southern Senators, meeting together, decide to debate this question extensively, until we can enlighten the people of the United States, and particularly the Senate, to our way of thinking, I stand ready and willing to proceed to do so. I have prepared, and have in my possession at the present time, a speech of 691 pages, properly indexed and arranged. I have delivered today only a short speech of 17 pages. I do not know what will happen or what will develop in the future. But as one Member of the Senate, so far as I am concerned, Mr. President, I am ready to join the other 16 southern Senators in doing whatever they see fit to do in connection with this matter.

Mr. President, I thank the Senate.

Mr. TALMADGE. Mr. President——

The PRESIDING OFFICER (Mr. ERVIN in the chair). The Senator from Georgia.

Mr. TALMADGE. Mr. President, on July 28, 4,000 members and guests of the American Bar Association assembled in the meadow which is called Runnymede in England and dedicated a monument commemorating the signing of the Magna Carta.

On August 1, the Senate upheld the concept of individual liberty under law which stems from that immortal document by its courageous and decisive vote of 51 to 42 to guarantee the right of trial by jury in civil-rights cases.

But now—within a month of those memorable, though unrelated, actions which demonstrated to the world the jealous regard of Americans for their heritage—the Senate is being asked to reverse its solemn commitment.

We are being asked to modify—or, if you please, to hedge on—the stand which was hailed throughout this Nation, by press and public alike, as a dramatic victory for constitutional government and individual rights.

We are being asked to repudiate the legislative pledge we made to the American people after mature and dignified deliberation, which earned for us the plaudits of the entire citizenry.

It is inconceivable, Mr. President, that there should be any doubt in the mind of any Senator as to the course this body should or must take—or the course the people of this Nation expect this body to take.

To those who would have the Senate reverse itself, I would ask: What has transpired since August 1 which requires a reexamination of our decision on this fundamental question?

Has the Constitution of the United States changed?

Has the Bill of Rights changed?

Has the composition of the Senate changed?

Has the attitude of the American people changed?

I submit, Mr. President, that nothing has changed except the approach of those who, in their rank hypocrisy, are using this bill for their own political advantage—those to whom a partisan issue means more than the preservation of the constitutional rights.

The fact that they are motivated by political expediency is demonstrated by their chameleon-like change from unyielding opposition to jury trials in any form to their current compromising advocacy of jury trials under certain conditions—their conditions, of course.

And I submit further, Mr. President, that if it would serve to obtain for them one more minority vote, they would tomorrow do another quick change to advocate trial by torture.

Their hypocrisy is not lost upon the American public. The man in the street is not fooled.

He knows, as was pointed out by the Atlanta Journal in its editorial of last Saturday, that "the great victory for trial by jury achieved on the Senate floor has been all but wiped out by backstage political maneuvering."

He knows, as was emphasized by the Washington Evening Star when this so-called compromise talk began, that "if this proposal is a compromise, it would appear that the only thing compromised is principle."

The position of those who would make a political plaything out of the cherished constitutional right of trial by jury is untenable.

It is untenable because principle cannot be compromised without being destroyed.

It is untenable because fundamental rights cannot be alternately enjoyed and denied without losing their inalienability.

It is untenable because it is based upon the false argument that one right can be strengthened by weakening or denying another.

The pundits and the papers have speculated that this reputed compromise will be accepted because the Members of Congress are weary from their labors and anxious to adjourn.

I say to you, Mr. President—and to all the Members of this Congress—that it will be a sad and lamentable day in the history of this Republic when the desire of Senators and Representatives for a vacation can cause them to hold their noses, shut their eyes and turn their backs upon their sworn responsibility to uphold inviolate all of the constitutional rights of the American people.

As for myself, Mr. President, I would choose to stay here until this session runs into the next before I would cast my vote to change one comma in the sacred guaranties of the Constitution and the Bill of Rights.

The citizens of this Nation are jealous of their constitutional rights and, unless I am badly fooled, they are not of a mind to be cheated in their enjoyment of any of them by those whose stock in trade is weasel words and personal aggrandizement.

Let me make it absolutely clear, Mr. President—in order that there may be no misunderstanding of my position on the part of anyone—I am addressing myself to the violence which this proposed change in H. R. 6127 would do to the right of trial by jury which is guaranteed not once, but four times, in the Constitution of the United States.

The right to vote is a cherished one and there is no one who objects to its exercise by all qualified citizens. Neither is there anyone who does not feel that any denial of or interference with the full exercise of that right should be corrected and those determined to be guilty punished.

But it is a grave matter indeed when it is proposed that the right to vote be made more secure by rendering impotent the right "to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed."

In the first place, it must be pointed out that our Constitution and laws already provide adequate and effective machinery for redress in such cases. And no one has submitted that first bit of evidence during the course of this debate to show that any qualified person desiring to vote has not been promptly and fully protected in the enjoyment of that right by our State and Federal courts.

And, in the second place, it cannot be denied that to condition the enjoyment of any of the rights guaranteed by the Constitution and the Bill of Rights upon the whims of appointed Federal judges, or to place a dollars-and-cents premium upon their exercise, would be for Congress to violate the constitutional prohibition that it shall make no law respecting the enjoyment of the rights enumerated in the Bill of Rights.

This so-called jury-trial compromise is unconstitutional on its face. Any court evaluating it solely on constitutional grounds—without seeking an out among the half-baked psychological and sociological notions of self-appointed modern authorities—would have to so rule it.

Mr. President, if a thing is right, it is right and it must be upheld. If it is wrong, it is wrong and it must be denied.

There is no middle ground when it comes to fundamental truths and basic rights. The question of right and wrong is a question of black and white. There can be no shading of gray in the definition of either.

That is true of the right of Americans to trial by jury.

That right either is fundamental or it is not.

That right either is guaranteed by the Constitution or it is not.

That right either is inalienable with the individual or it is not.

If our Founding Fathers had meant that the right of trial by jury should depend upon the benign generosity of an appointed Federal judge, I believe they would have so specified in the Constitution and the Bill of Rights.

If our Founding Fathers had felt that it was constitutional for appointed Federal judges to incarcerate American citizens for 45 days and fine them $300 on their own arbitrary motions, I believe they would have so provided in the Constitution and the Bill of Rights.

Mr. President, the American people will not tolerate such tampering with their cherished right to trial by jury as is proposed in this so-called compromise.

During the course of the past few weeks we have heard many harsh things said in attempts to discredit the constitutional right of trial by jury and the motives of those who seek to protect and preserve it. We have even heard the statement that to grant jury trials in civil-rights cases would weaken the power of the courts to enforce civil-rights laws.

The truth of the matter, Mr. President, is that those who make such irresponsible statements are looking in the mirror at themselves. It is they who, through seeking to deny or circumvent trial by jury, would weaken not only the enforcement of civil-rights laws but also our entire constitutional concept of rights inalienable with the individual.

Those who have arrayed themselves in opposition to the right of trial by jury for political gain try to picture themselves as great liberals. But they cannot justify this self-description when compared to the true liberals of this Nation's history.

There never has been a greater liberal than Thomas Jefferson—nor a stancher advocate of trial by jury.

One of Georgia's venerable journalists—Mr. H. T. McIntosh, editor emeritus of the Albany Herald—recently devoted one of his daily columns to what he imagined Jefferson would say were he alive today and permitted to participate in this debate.

This masterful column is of such significance that I would like to read it to this Senate and commend it particularly for the consideration of those of us who claim membership in the party of Jefferson. This is what Mr. McIntosh wrote in a column entitled "Jefferson and Jury Trial":

It is not difficult to be sure what Thomas Jefferson would say about sending men to prison without trial by jury if he were living today. For he said it while he was still among the living.

After adoption of the Constitution it became evident that certain highly important provisions had not been included, so without wasting time the Bill of Rights was adopted as the first 10 amendments.

One of the ten established the right of trial by jury. Some opposed it, contending that judges could be trusted not to abuse their power, but Jefferson brought into the controversy his clear understanding of the importance of the issue, declaring that democratic government which failed to guarantee jury trial could not endure. Insisting that the people should be "introduced into every department of government," he wrote that "this is the only way to insure a long-continued and honest administration of its (the Government's) powers." To that the great Virginian added:

"They (the people) are not qualified to judge questions of law, but they are very capable of judging questions of fact. In the form of juries, therefore, they determine all matters of fact, leaving to the permanent judges, to decide the law resulting from those facts.

"But we all know that permanent judges acquire an esprit de corps; that being known, they are liable to be tempted by bribery; that they are misled by favor, by relationship, by a spirit of party, by a devotion to the executive or legislative power; that it is better to leave a cause to the decision of cross and pile (head or tails), than to that of a judge biased to one side; and the opinion of 12 honest jurymen gives still a better hope of right than cross and pile does.

"It is in the power, therefore, of the juries, if they think permanent judges are under any bias whatever, in any cause, to take on themselves to judge the law as well as the fact. They never exercise this power but when they suspect partiality in the judges; and by the exercise of this power, they have been the firmest bulwarks of English liberty."

Juries make mistakes, but so do judges, and Jefferson contended that it was easier for one man to be wrong than for a dozen to err. He fought arduously for placing the guaranty of jury trial in the Bill of Rights, and had the satisfaction of seeing his argument prevail.

Some things in the realm of law and justice just simply are. They spring not so much from statutory enactments or constitutional provisions as from a deeply rooted conviction that right, fairness, justice, and truth are unchangeable and eternal.

I would remind my colleagues across the aisle who belong to the party of Lincoln that Lincoln, too, had strong feelings about the right of trial by jury. As a matter of fact, it is reported by historian Carl Sandburg on page 236 of volume 2 of his Biography of Lincoln that Mr. Lincoln in discussing with A. J. Grover the fact that the Runaway Slave Act did not provide for trial by jury declared with great emotion—and repeated it three times for emphasis:

Oh, it is ungodly!

As pointed out by David Lawrence in one of his recent columns, the favorite argument advanced by those self-styled liberals who wish to deny jury trials in civil rights cases is that since jury trials never have been granted in civil contempt cases there is no harm in denying them in criminal contempt cases.

A member of their own school, Associate Justice Hugo Black of the Supreme Court, effectively disposed of that contention in his recent decision reversing the cases of two Army wives convicted by courts-martial of slaying their husbands. He wrote:

The concept that the Bill of Rights and other constitutional protections against arbitrary government are inoperative when they become inconvenient or when expediency dictates otherwise is a dangerous doctrine and if allowed to flourish would destroy the benefit of a written constitution and undermine the basis of our Government.

Or, as ably stated by the Wall Street Journal in one of its recent editorials:

On this question history has already passed a verdict. It is not that every jury can be depended upon to do justice. We have jury trials because the experience of men is that, for all their imperfections, they remain still the best means of insuring justice.

The debate in Washington is on civil rights. But as we press on to insure more of them, we ought at least to be wary lest we trample underfoot those we have already.

The Saturday Evening Post commented editorially that the efforts of those seeking to deny jury trials in civil rights cases seemed to it to be following the theory:

If you can't hang 'em according to the rules, change the rules.

Jury trial opponents have sought to make much of the fact that there are now 28 laws under which Congress has authorized contempt proceedings without jury trials. Granted that that is true, it must be pointed out that none of them apply to individuals; and, even assuming they did, there is no logic under which justice can be built upon injustice or two wrongs added together to make a right.

For, as George Washington said, "Heaven itself has ordained the right."

One of the most unfortunate developments in the recent history of this Nation has been the subtle manner in which the jurisdiction of courts of equity has been extended so as to invest them, in effect, with the enforcement of criminal laws.

W. S. Henley, president of the Mississippi Bar Association, treated very ably on this subject in his recent address before that group. He said:

At the time of the drafting of the Constitution, courts of equity had never been vested with power to enforce the criminal laws, and the Founding Fathers did not deem it necessary to provide a constitutional guaranty for trial by jury in equity.

By a gradual process of authorizing the enforcement of criminal laws by injunction, courts of equity have been vested with concurrent jurisdiction to enforce criminal laws and are gradually usurping the police power of the State and Nation.

Beginning with the Interstate Commerce Commission' Act of 1887, Congress has adopted 28 statutes vesting the right in Federal judges to enforce various criminal laws by injunction. This encroachment has been gradual and limited to the field covered by each specific act. Nevertheless, many statesmen and leaders of the bar have issued warnings against such encroachments.

S. S. Gregory, president of the American Bar Association, in his address to the association in 1912, had this to say:

"To say that the commission of an offense against the laws of the United States or at common law may be enjoined, and then the person charged with the commission of that offense may be tried upon information for contempt without a jury, is a clear evasion of these salutary constitutional guaranties. * * *

"Where the law prohibits an act, the effect of enjoining against its commission is merely to change the procedure by which the guilt of the person charged with doing the act thus prohibited shall be ascertained and his punishment fixed. By enjoining against the commission of crime and then proceeding on a charge of contempt against those accused of committing it, the administration of the criminal law is transferred to equity and the rights to trial by jury and all other guaranties of personal liberty, secured by the Constitution, are pro nac vice destroyed."

The real question involved is whether trial by jury shall be retained in all essentially criminal prosecutions in the Federal courts.

Four of the most able men to serve in the Senate in this century eloquently warned of the dangers inherent in bypassing the right of trial by jury through the injunctive process. They were Senators Thomas J. Walsh, of Montana; William E. Borah, of Idaho; James A. Reed,

of Missouri, and George W. Norris, of Nebraska.

In previous speeches from this floor I have referred to excerpts from their remarks and today, Mr. President, in order that Members of the Senate may have the benefit of their wise conclusions in evaluating the present issue, I shall at this time read from the full texts of their major addresses on this subject as taken from the CONGRESSIONAL RECORDS of 1914 and 1932.

Said Senator Walsh:

The principle embodied in the provisions of the pending bill providing for trial by jury in cases of indirect contempt, when the facts shown constitute a public offense, has been the subject of much heated debate in and out of Congress. It has been denounced as socialistic and anarchistic, terms commonly and quite indiscriminately employed in our day to characterize any effort to curb or control the vast power that accompanies great wealth and concentrated capital. It is insisted with an assurance that assumes that question or contradiction is equally impossible; that its purpose and its necessary effect are to weaken the courts and frustrate them in the performance of their functions. However imposing may be the sources from which emanate criticism of this character, I assert that it can easily be demonstrated that such a departure instead of weakening the administration of justice would extend the power and influence of the courts by assuring to them in greater measure the esteem of the people invited to cooperate in enforcing their decrees.

The power to punish as for contempt is said to be one "arbitrary in its nature" (*Batchelder* v. *Moore* (42 Cal., 412)).

Recognizing the liability of judges who are only human, subject to human passions and human weaknesses, to abuse the power, there is scarcely a State in the Union that has not legislated to restrict and limit the exercise of it.

"In this country the power of the courts to punish for contempt has always been looked upon with jealousy and a very strong disposition shown to restrict it" (*Boyd* v. *Glucklich* (116 Fed., 131–136)).

Even in England this tendency has been exhibited. We are told by Chancellor Kent that "the power of the courts to punish summarily for contempt has lately been much restricted" there (1 Kent's Commentaries, 330).

Restrictive Federal legislation is not new. The arbitrary and tyrannical abuse of the power to punish as for contempt once led to the impeachment of a Federal judge—Judge Rice, of Missouri. He was acquitted, but the agitation to which the proceedings gave rise resulted in the passage by Congress of an act in the year 1831, by which Federal judges were deprived of the power to punish as for contempt newspaper comments on their proceedings, even though published during the course of a trial (*Cuyler* v. *Atlantic*, 131 Fed. 95).

The State courts generally hold that such publications may by their character become punishable as contempts, but the people of that day deemed it wise that any abuse of the right to print, as to the Federal courts, should be made triable and subject to punishment in some way other than summarily as a contempt of court. The act remains as the law even unto this day. It was signed by Andrew Jackson, President of the United States, who, perhaps, more prominently than any other figure in our history, stands for the maintenance of the power and authority of every department of the Federal Government.

The law has been made the subject of diatribes, not a few in number, by judges of the inferior Federal courts who have deplored their impotency in consequence of it in opinions, from which the uninformed might gain the impression that all liberty was about to be engulfed with our sacred institutions, its guardian, because of the innovation the statute makes. It has been in force, however, for over 80 years, but the Federal judiciary maintains a reasonable degree of vigor, and if our liberties have suffered any appreciable impairment the loss is not clearly traceable to the statute of 1831 as the cause thereof.

It is doubtful whether the law does or was intended to restrain or limit the power of the Supreme Court; but, with rare good judgment, that tribunal has never been moved to vindicate its honor or to assert its dignity by proceeding as for contempt against a journal or a journalist because of comments on its decisions. Some or all of the judges of that august court have been grossly libeled in connection with cases having a political aspect, notably the Dred Scott decision, the Legal Tender cases, and, more recently, the Standard Oil and American Tobacco Co. cases, in which the court was said to have read the word "reasonable" into the statute. To all intents and purposes the Supreme Court is restrained from the exercise of powers in connection with contempt cases, to deprive them of which some sensitive State courts have declared would render them contemptible.

Pennsylvania had an experience similar to that which gave rise to the Federal statute. Certain judges of that State were called to the bar for oppressive exercise of their arbitrary power as early as 1807, and a repetition of the offense guarded against by an act passed in 1809, defining what should constitute contempt and fixing the penalty which might be imposed.

And as legislation limiting the power to punish for contempt is not novel, neither is the method of trial by jury in cases of alleged contempt an innovation.

It is to be gathered from the discussions of this subject by more or less eminent jurists that such a procedure was unknown in English or American jurisprudence until unbridled radicalism gave countenance to it in the constitution of Oklahoma. The fact is that trial by jury in cases of contempt has long prevailed in the State of Kentucky, and that it is enjoined by the laws of Virginia, West Virginia, Georgia, Louisiana, and New Mexico. The Georgia statute was passed in conformity to a constitutional provision commanding the legislature to limit by law the power to punish for contempt. The constitution of Louisiana contains a similar provision. The constitution of Arizona, like that of Oklahoma, makes specific provision for trial by jury in cases of indirect contempt.

* * * * *

It is only those who have no confidence in the ability or the disposition of the people to govern themselves who harbor any doubt that juries of this country, so appealed to, will be found prompt and eager to visit merited punishment on any contemnor. Miscarriages of justice will sometimes occur. But so they will under any system, however contrived. The most perfect judicial systems ever known are those of which the jury forms an essential part.

But whatever criticism of trial by jury might be made from a purely judicial point of view, it must be acknowledged that as a political institution it is of inestimable value. It is the greatest school in self-government ever devised by the ingenuity of man.

At every session of court a body of citizens is called upon to aid in administering justice between contending litigants and to pass upon the guilt or innocence of those charged with transgressing the criminal law. They quit their duties very rarely without being impressed with a heightened sense of their obligations as citizens to uphold the law, to aid in the apprehension and punishment of transgressors, and to render justice to those with whom they deal. The eminent French philosopher, De Tocqueville, says:

"I think that the practical intelligence and political good sense of the Americans are mainly attributable to the long use which they have made of the jury in civil causes, and I look upon it as one of the most efficacious means for the education of the people which society can employ."

The State of Kentucky occupies, as indicated, by no means an isolated position in providing for trial by jury in cases of contempts. Its statute was borrowed from Virginia, where it originated, doubtless through the influence of Jefferson, who maintained all his life that cases in chancery should be tried before a jury, even as the law of my State commands that they be.

Are we to understand that the history of the State of Virginia gives any support to the belief expressed by a former President of the United States that trial by jury in cases of contempt "will greatly impair the indispensable power and authority of the courts"? It has been generally believed that if there is one State in the Union entitled to any distinction by reason of the superior reverence its people have for their courts it is the State that gave to us Marshall, Jefferson, Madison, and Henry.

Having remained the unquestioned law of the Old Dominion for nearly, if not quite, three-quarters of a century, the supreme court of that State, in that era when an unusual readiness was exhibited in nullifying legislative acts of a certain character for fancied conflict with constitutional principles, declared this law to be unconstitutional. It was held in *Carter* v. *Commonwealth* (96 Va., 791), a decision rendered in the year 1899, that the act in question trenched upon the inherent power of a constitutional court to punish for contempt, and that it was consequently void.

The people of that State had become so much attached, however, to the principle expressed in the law that when they wrote a new constitution in the year 1902 they expressly conferred upon the legislature of that State the power expressed in these words:

"The general assembly may regulate the exercise by courts of the right to punish for contempt" (sec. 63, art. 4, constitution of Virginia, 1902).

Justified by this provision of the constitution, a statute of that State provides that "No court shall, without a jury, for any such contempt as is mentioned in the first class embraced in section 3768, impose a fine exceeding $50 or imprisonment more than 10 days." The "first class" referred to comprises cases of "Misbehavior in the presence of the court or so near thereto as to obstruct or interrupt the administration of justice." I appeal to the distinguished Senators from the State of Virginia to tell this body whether the structure of republican government appears to be rocking upon its foundation in the State they so ably represent, whether the respect which its people ought to have for their courts is undermined, whether they are to any degree whatever embarrassed in their functions because of this statute, the incorporation of the principle of which in the Federal system has aroused so much apprehension in certain quarters?

The Senators from Kentucky might speak from intimate acquaintance with the actual working of the system in their State. The senior Senator from Georgia [Mr. Smith], in the light of a long and distinguished career at the bar in his State, and the senior Senator from Louisiana [Mr. Thornton], who had an honorable career as one of the judges of that State, might tell us how much of substance and how much of excited and ill-ordered fancy there is in the dread, expressed at times, that the system of trying issues of fact in contempt cases will paralyze the courts and bring them into disrespect.

In reason, why should any apprehension exist? An injunction has issued restraining one from taking ore from a mining claim. The judge calls in a jury, saying, in effect, to them: "The court heretofore issued an injunction in this case. The defendant is charged with having violated it. On your oaths I direct you to hear the evidence and to tell me whether he has or has not." If they say he has, he is punished; if they say he has not, he is dismissed. Is it unsafe to entrust the determination of that question to a jury? The rights of the parties in the first instance are entrusted to them. The title and right to the possession of a mining claim is submitted in the first instance to determination by a jury, so far as they depend upon questions in fact. If the jury awards the property to the plaintiff, he may have an injunction restraining the defendant from extracting the ore from it. But while centuries of experience have fully justified the belief that it is not only safe but wise to entrust to the arbitrament of a jury the facts upon which rest the basic rights of the parties, it is said to be unsafe to entrust to another jury the determination of the relatively unimportant question as to whether, as a matter of fact, after those rights are established by a decree, the defendant has violated them by disregarding the injunction contained in it.

An injunction issues only in an action in equity, except possibly by virtue of exceptional statutes. An action in equity is prosecuted ordinarily for the establishment and protection of property rights. The actions giving rise to the injunctions which precipitated the present discussion were prosecuted to protect property rights. If through an injunction crime is punished, that is incidental. No one undertakes to justify the procedure as a method of punishing crime. The decree in an injunction suit commands the defendant to restrain from doing certain things, being an interference with property rights of the complainant. The question is, "Did the defendant do so or not?" We submit to a jury to say whether a man committed murder or arson; we ask them to adjudicate upon life and liberty. We ask them to say, "Did the defendant fire the shot? Did he act in self-defense?" This is safe; this is a salutary method of resolving the fact. But it is neither safe nor wise to entrust to a jury to answer, "Did the defendant do the thing the injunction commanded him not to do?" And that question touches only a property right.

There is not an argument that can be advanced or thought of in opposition to trial by jury in contempt cases that is not equally an argument against the jury system as we now know it.

Test the plan by what may be considered likely to be its operation in connection with the very class of cases that give rise to the prominence it has attained in present-day thought. An injunction has issued in an industrial dispute. It is charged that it has been violated. If the judge himself assumes to determine whether it has been or has not been, he can scarcely hope to make a decision that will not subject him to the charge, if he finds the prisoner guilty, of subserviency to the capitalistic interests or hostility to organized labor, or if he shall acquit, to pusillanimity or the ambition of the demagog. In either case his court suffers in the estimation of no inconsiderable body of citizens. How much wiser it would be to call in a jury to resolve the simple question of fact as to whether the defendant did or did not violate the injunction. What good reason is there for believing that a jury will be likely to disregard their oaths, turn a deaf ear to the plain admonitions of duty, and acquit a defendant flagrantly guilty? What cause have we for believing that they would be any more responsive to popular clamor than through they were trying in indictment or other criminal charge? My own firm conviction is that a jury of citizens, selected in the manner provided by law, from among the citizens of the State, representing them in the performance of an important public duty, would not prove recreant. Their verdict would silence cavilling and strengthen in the minds of the people the conviction that the courts are indeed the dispensers of justice and not engines of oppression. Instead of being an attack on the court, the proposal to submit to trial by jury alleged contempts not committed in the presence of the court, is a plan to restore to the Federal courts the confidence and good will which the people ought to bear toward them, but which, unfortunately, by a liberal and sometimes inconsiderate exercise of the power to issue injunctions and to punish as for contempt, has, among certain classes of citizens, been all but forfeited.

It may fairly be demanded that any discussion of the proposed change in the method of the trial of alleged contempts shall proceed upon the assumption that the jury system as it prevails generally with us, in England, and her colonies, is an institution to be cherished as essential, in the language of Judge Story, "to political and civil liberty"; that trial by jury in civil as well as in criminal cases is one of the inestimable privileges of a litigant in our courts.

Either the utter abandonment of the jury system must be asked or some reason must be advanced to establish that, though it is a reliable method for determining the facts upon which rest the primary rights of the party, it is a pernicious method of deciding a controverted fact as to the observance of a decree declaring those rights.

In opposition to the claim that the essential power of the court is weakened by calling a jury to aid in deciding matters of fact, I submit these reflections of the distinguished student of our institutions whose words were quoted above, the author of Democracy in America:

"The jury, then, which seems to restrict the rights of the judiciary, does in reality consolidate its power, and in no country are the judges so powerful as where the people share their privileges. It is especially by means of the jury in civil causes that the American magistrates imbue even the lower classes of society with the spirit of their profession. Thus the jury, which is the most energetic means of making the people rule, is also the most efficacious means of teaching it how to rule well."

This was not written in the heat of political controversy. It was not written to sustain or to combat any political view or theory. The words are the words of a calm and profound philosopher of another country, having no purpose but the purpose of the historian to lay bare to the study of the world the causes that contributed to the success of the experiment in self-government in this hemisphere.

It has been advanced that Congress is without power to make such provision for the trial of cases of indirect contempt as the present bill contemplates. But that question is set at rest, as all the commentators agree, by the decision of the Supreme Court in Ex parte Robinson (19 Wall., 505), a case in which the famous contempt statute of 1831 was considered.

The attack having been made upon the law as an invasion of the inherent power of the court, it was pointed out that the inferior Federal courts are not created by the Constitution, which simply authorizes Congress to ordain and establish them; Congress can give to them such jurisdiction within the limit fixed by the Constitution as it sees fit. It may give them the same unlimited power to punish for contempt as was enjoyed by a court of general jurisdiction at the common law or as would be implied in the establishment of such a court without express limitations in the organic law, or, as was decided in the Robinson case, it may invest them with a limited jurisdiction, and particularly it may limit and restrain them in respect to punishing for contempt of their authority.

If Congress may say that certain acts shall constitute contempt before such court, and certain other acts shall not; if it can declare that not to be a contempt which under well-settled rules is contempt at the common law, it is difficult to conceive upon what basis it can be claimed, much less maintained, that Congress may not say that certain acts shall not be punished summarily as contemptuous unless a jury shall find they were committed. It has been sometimes questioned whether in the case of statutory courts, at least those of inferior jurisdiction, the power to punish as for contempt exists unless specifically conferred. It is a novel doctrine that the legislature which creates the court may not prescribe the procedure which shall be followed in it.

The Court of Appeals of the State of New York regards the Robinson case as holding, in effect, that Congress has plenary power over the courts inferior to the Supreme Court in respect to punishment for contempt. The commentators take the same view. (See notes to *Hale* v. *State* (36 L. R. A., 254–258); notes to *C. B. & Q. Ry. Co.* v. *Gildersleeve* (16 Am. and Eng. Cases, Ann. 749, 759).)

Whether it is within the power of the legislature to limit the authority of a court established by the Constitution as distinguished from one which owes its existence to a statute, though created under a constitutional provision, authorizing the establishment of inferior courts, it is unnecessary in this connection to inquire. Emphasis was placed in the Carter case referred to on the fact that the court whose judgment came under review was created by and derived its jurisdiction from the Constitution. The Supreme Court of Georgia, in commenting on it in *Bradley* v. *State* (50 L. R. A., 611), adverted to that feature as justifying the decision, and pointed out the essential difference between the two classes of courts, instancing the Federal tribunal as among those which, because of their statutory origin, are subject to the plenary authority of the legislature.

It is noticeable, however, that there is a strong trend of judicial opinion in favor of the view that even in the case of constitutional courts the legislature has the power to limit the authority to punish for contempt, at least to prescribe the penalty and regulate the procedure. Some recent decisions in the State of Missouri will illustrate this tendency. In the case of State ex relatione *Crow* v. *Shepherd* (177 Mo. 205), decided in 1903, a law of that State, in substance much like the Federal act of 1831, was held by a unanimous court to be unconstitutional as an invasion of the judicial power vested in the court by the Constitution, the argument being that the power to punish for contempt is inherent in the court and not subject to the regulatory authority of the lawmaking branch of the Government.

This decision was affirmed in the case of *Chicago, Burlington & Quincy Railway Co.* v. *Gildersleeve* (219 Mo. 170), decided in 1909, but by a divided court, Justice Lamme filing a vigorous dissenting opinion. In 1912, in the case of ex parte Creasy (243 Mo. 679), these cases were overruled; and in *State* v. *Reynolds* (158 S. W. 671–681), decided in 1913, Brown, judge, touching the Shepherd case, said that "the doctrines announced in that case have since been repudiated and now have very few defenders either among courts, lawyers, or laymen."

The doctrines referred to are those flowing from the claim of inherent power, upon which the Virginia court decided the Carter case. It is an interesting circumstance that Shepherd was made the victim of the judicial

wrath because, as in the case that led to the impeachment of Judge Peck, he had, through the columns of his paper, criticized with some severity the supreme court of that State. The subject of his comment was a case brought by dependent relatives against a railroad company to recover damages on account of the death of an employee. On this third appearance before the supreme court the right to recover was denied by a bare majority of the judges. It is significant that under the doctrine now firmly established in the State of Missouri, the Federal act of 1831 is justifiable aside from the consideration to which the supreme court referred in upholding the statute. Even constitutional courts are subject to regulation under the law as it is now administered in Missouri, in the exercise of the power to punish as for contempt, to the extent to which Congress went in the enactment of that law.

The supreme court of appeals of the State of West Virginia held that the power to regulate the punishment for contempt, so completely vindicated by the Missouri court, extends so far as to justify a statute which required resort to the ordinary criminal procedure for the punishment of certain classes of contempt cases.

The law having provided, as in the case of the parent State of Virginia, that no court should, without a jury, in certain cases of contempt impose a fine exceeding $50, or imprisonment for more than 10 days, continued:

"SEC. 30. If any person by threats or force attempt to intimidate or impede a judge, justice, juror, witness, or an officer of a court, in the discharge of his duty, or to obstruct or impede the administration of justice in any court, he shall be prosecuted as for a misdemeanor and punished by fine and imprisonment, or either, at the discretion of a jury."

In the case of *State* v. *Frew & Hart* (24 W. Va. 416) it was held that this statute did not apply to the appellate court, but was to be restrained in its operation to contempts of the inferior courts. As to them the court said:

"They have the right at any time to call before them both grand and petit juries, and under the statute they may, with but little delay—almost as summarily as before the statute—punish such contempts. The statute as to such courts may well be regarded as a regulation, and, perhaps, a necessary and proper limitation" (Diskin's case, 4 Leigh, 685; ex parte Robinson, 19 Wall., 505).

In the later case of *State* v. *McClaugherty* (33 W. Va., 250) the question presented will be gathered from the following, from the opinion:

"I think the offense charged in the rule is plainly one within the provisions of the 30th section of the statute—quoted above—and therefore punishable only as a misdemeanor by indictment" (Ex parte Robinson, 19 Wall., 505).

The opinion by Snyder, president, continues:

"The statute is, it seems to me, simply a regulation of the proceedings and not a limitation upon the jurisdiction of the courts in contempt cases."

And then referring to the reasoning of State against Frew & Hart, the contempt feature is disposed of in this language:

"For these reasons and upon the authorities cited we hold the said statute constitutional and valid as a regulation of the manner by which contempt shall be punished in the circuit courts of this State. From this conclusion it follows that the circuit court had no power to issue the rule for the alleged contempt of the defendant in this case."

The Senate of the United States gave its sanction as long ago as the year 1896 to a bill expressive of the principle of trial by jury in cases of indirect contempt. It was in the charge, during its consideration by this body, of the eminent lawyer, David B. Hill, then Senator from the State of New York. This body numbered among its Members at the time some of the most profound jurists that ever came to it, including among others Bacon, Hoar, George, Gray, and Morgan. It is not difficult at all for anyone conversant with import of parliamentary procedure to understand the significance of various attempts, sometimes successful, again ineffective, through the insistence of Mr. Hill to displace the bill when it finally came before the Senate. But only one voice was raised in opposition, and it eventually passed without the formality of a rollcall. Fortunately the RECORD preserves for us the views, as they were there expressed, of the late Senator Bacon, of Georgia, whose recent death removed from among us one who was loved by his colleagues no less for his nobility of character than he was admired for his brilliant talent and mature judgment. I conclude with the following from his remarks in the course of the debate on the Hill bill. He said:

"I have been impressed with the importance of such a measure for many years in the course of a not inactive practice of the law. I think the lodgment of the power in any one man to determine whether personal liberty shall be taken is something entirely inconsistent with the genius of this age and with the spirit of our institutions. Every other branch of government has been shorn of the power of despotism—the legislative and the executive—but it is a fact that the judicial authority has the same power for despotism and personal tyranny today in all practical effect that it had 300 years ago; and it is time that this legislation should be had.

"My experience is not like that of the distinguished Senator from Connecticut [Mr. Platt]. I have seen instances of judicial tyranny where time has not brought me to the conclusion that the power was wisely exercised. On the contrary, the lapse of time has but deepened the conviction which I had that those exercises of power could be denominated as nothing else than personal tyranny.

"Mr. President, it is not simply the fact that one man is clothed with this power, which no man ought to have; it is not simply the fact that there never was a man good enough and wise enough to be endowed with the power that judges now have in this regard; but it is the fact that they are frequently called upon to decide these questions when they have personal feelings in the matter. Frequently there is such feeling between the judge and the man whom he punishes; and yet he is judge and jury and prosecutor in the case in which he has his personal feeling."

Mr. President, I have just quoted from the speech on trial by jury, delivered by Senator Thomas J. Walsh, of Montana, which is to be found on pages 14367 to 14370 of the CONGRESSIONAL RECORD for August 28, 1914.

I now turn to the address on the same subject by Senator Borah, who declared:

Mr. President, I do not rise to confute the able argument of the Senator from Montana [Mr. Walsh] as to the right of trial by jury in contempt cases. He has perhaps stated it as clearly and as ably as the cause is capable of being stated; but every argument which the Senator has made in favor of the right of trial by jury upon the part of one citizen of the United States is equally applicable to the right of trial by jury upon the part of every other citizen of the United States. I am wondering whether, after this clear and logical statement appealing to the sense of justice of the American people and their conception of right, if we will apply the principle to one class of people only, and affirmatively deny it to another class of people. I am perfectly aware that no particular class is mentioned, but in the practical operation of the laws we are about to pass the result will be that one class will be tried by one rule and another class by another rule.

I am perfectly willing to go as far as the wisdom of the particular time will suggest in extending rights or in providing measures which would seem to prevent any act of so-called tyranny upon the part of our courts; but I am not willing to single out a class of people and extend to them a fundamental right, and deny to another very large class of people the same right. It offends every sense of justice of which I have any conception, and it offends against every principle of free institutions and equal rights. The laboring man is anxious for a trial by jury in contempt cases, but you cannot convince me that he wants to deprive his neighbor or his fellow countrymen of this right.

Mr. President, a few days ago we passed what is known as a trade commission bill, which, I presume, is soon to become a law. Under that bill and under the law, if it becomes a law, we have provided for practically the control of the business of this country through injunctions; we have put the businessmen of the country under the surveillance of the courts through the injunctive process; and if they violate the law they are not given a right of trial by jury, but must be tried by the court and punished by the court. These suits will be suits by the Government, and are excepted from the operation of the law under section 22 of this bill.

Upon what possible theory do we single out the businessmen of the country, unless we assume in the beginning that they are all criminals and so dishonest and unworthy as to be placed in an ostracized class and denied even the fundamental rights which we are prepared to grant to others? Upon what theory do we single them out, put them under the surveillance of the injunctive process of the court, and affirmatively deny them the right of a hearing by a jury? Is the businessman of this country who employs the laborer any different in his position under the laws of the United States than the laborer who is employed by him? Is one class of citizens to be placed in one category and another class in another? Will the Congress of the United States adjourn with such an inconsistent and incongruous contradiction as that in the law? Will we deny to any man the right of trial by jury where punishment is to follow judgment if we do not deny it to all?

Let me call your attention to what the author of the Trade Commission bill said about trial by jury when it relates to businessmen. He said:

"Then there is the power to punish by contempt for disobedience to the mandate of the law, which is much more effective than the criminal prosecution of individuals, bringing them before grand juries and petit juries and submitting all these questions to the varying influences, passions, and prejudices of the hour. I believe that in this way a complete system of administrative law can be built up much more securely than by the eccentric action of grand juries and trial juries. I believe that it is not always necessary to administer the law with the aid of grand and trial juries. The vast body of our law is civil law. The parties have their remedy either in damages or by the summary processes of a court of equity, which can seize hold of a recalcitrant and bring him into subjection to the law, and the administrative tribunal will aid and accelerate the administration of the civil law."

When you are dealing with the vast body of men who give employment to labor, upon

whose prosperity depends the prosperity of labor—when you are dealing with him juries are eccentric and passion-moved bodies, impractical and worthless. When you deal with these who have a different kind of a suit brought, juries are the palladium of American liberty, one of the pillars of free government.

Mr. President, if the Trade Commission should come to the conclusion that a certain practice was unfair competition, and should go into court to have it enforced against the objection of the man against whom the order was issued, and if, perchance, that businessman should violate the injunction, in the complex and multiplied affairs of the business world, if his conception of obeying the order should be slightly different from that of the court, he would be called before the court and given a trial by the court. I am not speaking now of instances where the act also constitutes a crime; but as I understand the bill, even if the act be also a crime, yet if it is in a Government suit no trial by jury can be had.

Mr. President, if you give the right of trial by jury in your Trade Commission case against the businessmen of this country, and if the Congress of the United States is prepared to give those men a right of trial by jury, there will be a reconsideration of the Trade Commission bill before it becomes a law, in my judgment. Yet, Mr. President, the argument of the Senator from Montana, which I repeat was so ably and clearly presented, must inevitably apply, if it applies at all, to every man who comes under the inhibition of an injunction. I do not see how you can, under any theory of justice, deny to a man a jury trial because of the business he happens to be engaged in.

What is the situation? Suppose we bring a suit under the Trade Commission bill against the fruit raisers and fruit marketers of my State, who may be engaged in competition with the fruit raisers just across the river in Oregon, or in the State of Washington. These fruit raisers are all men engaged, as a matter of fact, in actual labor. They are small farmers. Suppose an order is issued against them, and they do not comply with the order, and the Government brings an action to enjoin them. Suppose we see the Federal court of the United States performing the high function of an executive clerk for a Trade Commission, and they issue an injunction, and those 50 or 100 men in the Payette Valley in the State of Idaho violate the injunction, and they are brought before the court for trial. What kind of a hearing do they get? Why, they get a hearing before the court. If, perchance, every employee that they had, or that any of them had, were brought into a court under an injunction between employer and employee, the employer would be tried in the same court by the court, and the employee in the same court by a jury.

It is not the fact that we extend these rules that I complain of, because I think there is much to be said in support of the argument of the Senator that it will increase confidence in the courts in the minds of the people of this country; but it is the fact that we are unwilling to extend it to all our people.

"Government by injunction" originated in the Debs case. After the Debs case the cry of "Government by injunction" became quite general in this country among a great class of people, and was condemned very generally. Let us look at that case for a moment.

"On July 2, 1894, the United States, by Thomas E. Milchrist, district attorney for the northern district of Illinois, under the direction of Richard Olney, Attorney General, filed their bill of complaint in the Circuit Court of the United States for the Northern District of Illinois against these petitioners and others."

* * * * *

"The bill further averred that four of the defendants, naming them, were officers of an association known as the American Railway Union; that in the month of May 1894, there arose a difference or dispute between the Pullman Palace Car Co. and its employees, as the result of which a considerable portion of the latter left the service of the car company."

Then it sets forth the things they were charged with having done, and further says:

"On presentation of it to the court an injunction was ordered commanding the defendants 'and all persons combining and conspiring with them, and all other persons whomsoever, absolutely to desist and refrain from in any way or manner interfering with, hindering, obstructing, or stopping any of the business of any of the following-named railroads' (specifically naming the various roads named in the bill) 'as common carriers of passengers and freight between or among any States of the United States, and from in any way or manner interfering with, hindering, obstructing, or stopping any mail trains, express trains, or other trains, whether freight or passenger, engaged in interstate commerce or carrying passengers or freight between or among the States; and from in any manner interfering with, hindering, or stopping any trains carrying the mail; and from in any manner interfering with, hindering, obstructing, or stopping any engines, cars, or rolling stock of any of said companies engaged in interstate commerce or in connection with the carriage of passengers or freight between or among the States.'

"This injunction was served upon the defendants—at least upon those who are here as petitioners. On July 17 the district attorney filed in the office of the clerk of said court an information for an attachment against the four defendants, officers of the railway union, and on August 1 a similar information against the other petitioners. A hearing was had before the circuit court, and on December 14 these petitioners were found guilty of contempt."

Mr. President, that was the original case which really gave rise to the earnest discussion in this country of what we call government by injunction. It was a case in which the Government itself went all over the United States and restrained a vast body of employees from doing certain things, and when they refused to obey the injunction brought them into court and punished with contempt upon trial by the court alone.

Mr. Justice Brewer says:

"The case presented by the bill is this: The United States, finding that the interstate transportation of persons and property, as well as the carriage of the mails, is forcibly obstructed, and that a combination and conspiracy exists to subject the control of such transportation to the will of the conspirators, applied to one of their courts, sitting as a court of equity, for an injunction to restrain such obstruction and prevent carrying into effect such conspiracy."

Again, on page 594 of the opinion, the court says:

"If any criminal prosecution be brought against them for the criminal offenses alleged in the bill of complaint, of derailing and wrecking engines and trains, assaulting and disabling employees of the railroad companies, it will be no defense to such prosecution that they disobeyed the orders of injunction served upon them and have been punished for such disobedience."

Now, the principles and procedure of the Debs case, which gave rise to this demand for a jury trial in contempt cases, are left untouched and wholly intact. The right of the court in all such cases to try the party charged with contempt is carefully protected. In fact, all that class of cases which gave birth to this demand for jury trial are wholly excepted from the operation of this law. So we have, when the trade commission bill and this bill are in their practical workings taken together, a discrimination as to citizens engaged in different occupations; but we have also a discrimination based on the mere question of who is the plaintiff as to labor itself.

This bill provides "that nothing herein contained shall be construed to relate to contempts committed in the presence of the court or so near thereto as to obstruct the administration of justice."

Under the decision of the courts I do not know how far a thing would have to be away in order not to obstruct the administration of justice, because under the decisions anything that interferes with the decree or the carrying out of the decree interferes with the administration of justice. But we pass that over for the present time.

"Nor to contempts committed in disobedience of any lawful writ, process, order, rule, decree, or command entered in any suit or action brought or prosecuted in the name of, or on behalf of, the United States, but the same, and all other cases of contempt not specifically embraced within section 19 of this act, may be punished in conformity to the usages at law and in equity now prevailing."

Mr. President, how does any man defend that discrimination? It is not only a discrimination between the businessman and the employee, but take another illustration. Suppose any large employer of men brings a suit in equity and enjoins his men from doing certain things, and they violate it. Suppose at the same time the Government conceives the act of those employees to be interfering with interstate commerce, and the Government brings an action at the same time to enjoin them from interfering with interstate commerce. They violate the injunction which their employer had issued and they violate the injunction which the Government had issued. The laboring man comes into court under one injunction and he is tried by the court. He sits there until the next case is called, and he is tried by a jury. Will it be any particular consolation to this laboring man to know that a jury has acquitted him if the court has convicted him?

It is, in my judgment, an incongruous and indefensible position for us to take because it does not even protect the men whom it is designed to protect.

Now let us look at section 19, Mr. President:

"SEC. 19. That any person who shall willfully disobey any lawful writ, process, order, rule, decree, or command of any district court of the United States or any court of the District of Columbia by doing any act or thing therein, or thereby forbidden to be done by him, if the act or thing so done by him be of such character as to constitute also a criminal offense under any statute of the United States, or under the laws of any State in which the act was committed, shall be proceeded against for his said contempt as hereinafter provided."

That is in case his act chances to be a criminal act also, but it does not necessarily follow that it will be a criminal act. These things were general restraints for which the parties were punished in the Debs case. The multitude of their acts were not criminal acts. They were simply distinct violations of the order of the court not to interfere with the running of the train. The vast multitude of things which are restrained in these instances would not necessarily be a criminal act. So the instances in which parties would be restrained under the Trade Commission Act very often would simply be a violation of the order of the court relating to the ordinary business affairs of life, to the things which the business world conceive to be legal and proper.

Mr. President, I appeal to the Senate not to let these two bills go out with this clear, distinct, manifest classification of our citizens into two different classes of people so

far as their rights in the case are concerned. If the right of trial by jury in contempt cases is calculated to educate the people, is a great public school in which they can get a clearer and a broader conception of the duties of citizenship, if the right of trial by jury is essential in one instance to see that judicial tyranny does not oppress the citizen, tell me upon what constitutional argument or basis of reasoning we can deny to another man simply because he has engaged in a different line of business?

Those were the words of Senator William E. Borah, of Idaho, as taken from pages 14370 through 14372 of the CONGRESSIONAL RECORD of August 28, 1914.

Let us now proceed to consider the remarks of Senator James A. Reed, of Missouri, which were made the same day, as quoted on page 14415 of the same volume of the CONGRESSIONAL RECORD. He stated in this Chamber:

Mr. President, I have for a long time believed that one of the misfortunes or obstacles confronting the courts in the administration of justice is found in the fact that the violation of an order of a court must be tried, or is ordinarily tried, at least, by the judge whose order or mandate has been disobeyed. I think there is great strength in the argument that by submitting the question of fact to a jury we relieve the court from the charge, so frequently made, that the judge who has been offended has sought to punish the man who offended him, and hence can not be impartial.

We had a striking illustration of that in my own State. The case was referred to by the Senator from Montana [Mr. Walsh] in his very able exposition of the question of the right of trial by jury in contempt cases. I have ever since the decision mentioned been impressed with the fact that courts will not lose their real and proper power by submitting the question of fact in contempt proceedings to an impartial tribunal. In the case I refer to a very offensive and libelous editorial was written of the supreme court with reference to a case which was still before the court on a petition for rehearing. The attack was without justification. Our supreme court had always been held in the high respect to which it was justly entitled. A great wave of indignation against this editor followed the publication of his attack.

The supreme court, feeling that it must protect its dignity, summoned the editor before it for contempt and proceeded to inflict a very moderate penalty. At once the wave of indignation which had been created against the editor immediately changed into one of sympathy for him and against the court. It was said that a court that had been attacked was now engaged in using its great power to punish the very man with which it had a personal controversy. If the question of fact could have been submitted to an impartial tribunal, to some court and some jury other than the court that had been attacked, I have not the slightest doubt but that the editor would have received a very severe punishment and the court would have been saved from very great criticism.

I know of other cases somewhat similar. I am perfectly satisfied that if the questions of fact in all contempt cases, save where the contempt is committed in the immediate presence of the court or so near thereto as to be in effect in its presence, the juries will not fail to uphold the dignity of the court and the majesty of the law.

I believe that if it is right to submit questions involving the right of life to a jury it is not dangerous to submit to a jury a mere question of contempt. If we can safely repose in a jury the power to try all questions of property, all questions affecting the honor of the citizen, all questions affecting the liberty of the citizen—to a jury of 12 men—there is nothing unsafe in submitting to the same kind of a tribunal, summoned in the same way, the simple question of fact has this corporation or that individual violated the order of the court. I do not believe that such a procedure will result in lawlessness. I do not believe that it means disrespect for courts. I do not believe that it will drag down our courts. If I did so believe I would certainly not be found advocating the proposition, for I hold to this: The legislative branch of a government may make grievous errors, the Executive may even undertake the exercise of tyrannical power, but so long as the temple of justice stands open, as long as courts have the courage to declare the rights of the citizen as they are preserved in the law, and so long as a man has the right to be tried by a jury of his peers, no nation will ever be really enslaved.

So, Mr. President, I feel that it is safe, that it is proper, to support the amendment offered by the Senator from Idaho. I believe the dignity and authority of the courts will remain unimpaired. At the same time judges inclined to tyrannical practices or who are influenced by prejudice or passion will find a wholesome check has been placed upon unjust and arbitrary punishments.

From the speech of Senator Reed, I wish to go forward 18 years and read to the Senate the declaration of Senator George W. Norris, of Nebraska, on this subject, as found on pages 6454 and 6455 of the CONGRESSIONAL RECORD of March 18, 1932:

I have said so often, and I have suffered some abuse on account of it, even since this bill has been pending, that any man charged with contempt in any court in the United States, or, for that matter a State court, if we had jurisdiction, in any case, no matter what it is, ought to have a jury trial.

I have said so to the representatives of the Anti-Saloon League who have come to me about this bill. I have said to them, moreover, that in my judgment, prohibitionist that I am—and I think my record will sustain my statement that during all my public life I have tried to be consistent—as I recall I said to the men who called upon me about this bill, "You are not as good prohibitionists as I am. Prohibition is on trial. It has lost many of its best friends. We all have to concede that. In my judgment, it has not been honestly and fairly enforced at any time since the law was enacted, and if we follow you and say we want a different law, a different rule, applied to prohibition cases from what is applied to any other case we are going to lose the support of more good people in this country, who will take the other side of the question and demand the repeal of prohibition."

I am not finding fault with those who wanted to change this bill because they had reason for it; there was some reason for it based on logic; but in my judgment the two classes of people who have done more harm to their respective causes—one wet and the other dry—are the wet cranks and the prohibition cranks. If we want to have the people respect the prohibition law, we ought to ask for nothing under that law which we are not willing to ask for under any other law.

It is no answer to say that there will sometimes be juries which will not convict. That is a charge which can be made against our jury system. Every man who has tried lawsuits before juries, every man who has ever presided in court and heard jury trials, knows that juries make mistakes, as all other human beings do, and they sometimes render verdicts which seem almost obnoxious. But it is the best system I know of. I would not have it abolished; and when I see how juries will really do justice when a biased and prejudiced judge is trying to lead them astray I am confirmed in my opinion that, after all, our jury system is one which the American people, who believe in liberty and justice, will not dare to surrender. I like to have trial by jury preserved in all kinds of cases where there is a dispute of facts.

Mr. President, I submit that the Senate would do well to heed the sage advice of those giants of its history before undertaking any step which would have the effect of denying the citizens of this Republic their constitutional right of trial by jury.

I turn now to some of the testimony submitted at the hearings.

Mr. President, during the course of the hearings on this bill and on similar measures, Georgia's able and distinguished attorney general, the Honorable J. Eugene Cook, and Georgia's beloved and respected chairman of the State judiciary council, the Honorable Charles J. Bloch, of Macon, appeared and testified before the Judiciary Committee and the Judiciary Committee's subcommittee, of both the House of Representatives and the Senate. They testified in opposition to passage of the bills.

Mr. Cook and I in the past have been, at times, on the same side, and, at other times, on opposite sides, in litigation. Mr. Cook's grasp of constitutional law and his knowledge of legislative construction are without peer. He warns that this bill will sow the seeds of dissension.

Mr. LONG. Mr. President, will the Senator from Georgia yield to me?

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Does the Senator from Georgia yield to the Senator from Louisiana?

Mr. TALMADGE. I am glad to yield to the distinguished Senator from Louisiana.

Mr. LONG. Mr. President, the Senator from Georgia is making a very fine presentation.

I am certain he will agree with me that most of the evil of this bill was removed by the Senate, when the bill was previously before the Senate, for consideration on its merits.

Mr. TALMADGE. I agree with the distinguished Senator from Louisiana that the Senate, by striking out part III of the bill, removed the most pernicious part. By part III, authority would have been conferred on the Attorney General to proceed in litigation, in the name of the United States, against any individual, in any civil-rights matter; and that would have opened the entire spectrum of civil-rights litigation to the meddling of the Attorney General.

Mr. LONG. The worst thing about the bill, as it is now before us, as it has come back to the Senate from the House of Representatives, is that it seeks to substitute the contempt powers of a Federal court for the ordinary due process of law to which every American citizen should be entitled.

Mr. TALMADGE. I agree with the Senator. Of course, I think the entire bill is bad. It is unnecessary, unwise, and unneeded; but I believe the worst thing about the present bill is that it

authorizes the Attorney General of the United States to proceed in equity to enjoin the commission of crimes. That is certainly a perversion of every principle of equity that history has ever known.

Mr. LONG. Once the Attorney General and the courts of the Nation undertake to rule citizens by the contempt power of the courts, does it not stand to reason that over a period of time the people will have a contempt for the courts?

Mr. TALMADGE. The Senator is correct. It will get down to a rule by Gestapo agents instead of by the judiciary.

Mr. LONG. If this trend continues, it will not be long until the courts will be able to place people in jail, for any crime, by contempt proceedings, and there will not be any respect left for the courts.

If the provision which the Senate so wisely amended had been adopted and become law without such amendment, the Attorney General could have proceeded against any citizen in America, in the name of the Government of the United States, in any area of human relationships, denied him a trial by jury, and put him in jail for violating a decree of a judge.

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

Mr. TALMADGE. I am delighted to yield to my distinguished friend from North Carolina.

Mr. ERVIN. I am very much gratified that the junior Senator from Louisiana has pointed out what has happened in the Senate in respect to the bill. I will ask the Senator from Georgia if he agrees with me in this statement. As I construe the bill, outside of the part relating to the Commission and the new Assistant Attorney General in the Department of Justice, the only power of States and local governments which the Attorney General could usurp and exercise under the present bill is that of controlling elections in all States and divisions of States. Is that correct?

Mr. TALMADGE. I agree with the Senator that part IV has now been reduced to a voting bill, and that it authorizes the Attorney General to meddle in all areas of voting throughout the country and to usurp the prerogatives of local government in that regard.

Mr. ERVIN. I will ask the Senator if in eliminating part III from the original bill the Senate did not remove the proposal that the Attorney General should have the power to usurp and exercise all the functions of the States and their political subdivisions in other areas of rights of citizens.

Mr. TALMADGE. The distinguished Senator from North Carolina is entirely correct, and I want to congratulate him for the magnificent part he played in that victory. I also desire to congratulate my friend the distinguished junior Senator from Louisiana [Mr. LONG] for the magnificent part he played in the victory gained in striking part III from the bill.

Mr. ERVIN. I wish to thank the Senator from Georgia for his very gracious remarks concerning me and to say that, bad as the bill is in its present form—and it is so bad I cannot vote for it—it is substantially less harmful than its original sponsors intended it to be.

Mr. TALMADGE. I certainly agree with the Senator. I think they brought a dragon to the Senate. Now it is probably tamed down to a mad dog. I will put it in that category. That is where it remains.

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

Mr. TALMADGE. I yield to my friend the Senator from Louisiana.

Mr. LONG. I believe the legislative history of this bill, although I presume the political pressures for it are such that it will eventually pass, indicates every reason why we should have careful study and orderly procedure respecting the rights of every Senator in this body. It is too bad the House does not have similar procedure. Here we have a provision brought into the Senate which would deny every American of the right of trial by jury. There have been no hearings on the proposal. It has not been studied. Most lawyers believe it is unconstitutional. If the Supreme Court were made up of men possessed of qualifications such as members of the Court in the past had, I believe the Court would hold the provision unconstitutional.

Mr. TALMADGE. I thoroughly agree with the Senator, and I point out the absurdity of the Senate's not referring the bill to the Judiciary Committee, where it could have received careful study by eminent lawyers to determine its constitutionality. I deplore the idea that a man can be put in jail for 45 days without a trial by jury, but cannot be put in jail for 46 days without a trial by jury.

Mr. LONG. Presumably the proposition brought to the Senate is a political compromise. Let me say I was no party to that compromise. I know the Senator from Georgia was not a party to that compromise. I see the Senator from North Carolina [Mr. ERVIN] pointing to himself to indicate that he was no party to it. Some persons got together behind closed doors, discussed the matter, and decided this is what they would bring forth. The proposal had no study, no review by committee, and there was no testimony on it. It was passed by the House after 1 or 2 hours' debate. Nobody knew what they were voting for. All they knew was that it was some sort of compromise their leaders had agreed to.

Mr. TALMADGE. I thank the Senator. I assure him I am well aware of the fact that neither he nor the Senator from North Carolina had any part in any so-called compromise. I know the Senator from Louisiana is well aware that the Senator from Georgia had no part in it, either. I am going to oppose the bill as strongly as I know how. I think it would be setting a disastrous precedent in the history of our Nation to permit the bill to become law, so that the enforcement of laws or the prevention of crimes could be undertaken by injunction. I thank the Senator for his comments.

Mr. President, during the course of the hearings on this bill and similar measures, Georgia's able and distinguished attorney general, Hon. J. Eugene Cook, and Georgia's beloved and respected chairman of the State judicial council, Hon. Charles J. Bloch, of Macon, appeared and testified before both House and Senate subcommittees opposing their adoption.

Mr. Cook and I in time past have been sometimes on the same and sometimes on opposite sides in litigation, but his grasp of constitutional law and knowledge of legislative construction are without peer. He warns that this bill "will sow the seeds of dissension." He said in testimony before the House subcommittee of the Committee on the Judiciary of this measure:

> It will not solve any problems, but will create more problems than the mind can easily comprehend, and most serious of all, will endanger our national existence.

Answering effectively the "old hat" cliché that we must enact this civil-rights bill to fight Communist propaganda, the Georgia attorney general declared:

> It would be of little value to anyone, if in recklessly seeking to appease other countries, we destroyed our own.
>
> If we make our policies to meet Communist criticism we should abolish private enterprise, representative government, private schools, independent courts, and every other institution of our society.

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

Mr. TALMADGE. I am happy to yield to the Senator from Louisiana.

Mr. LONG. I might suggest that even following that course would not meet the demands of Communist propaganda. The Communists would not be satisfied unless Russia controlled the country.

Mr. TALMADGE. That is their whole purpose and scheme. When anyone stands on the floor of the Senate and says we must pass a civil-rights bill to combat the Communist propaganda being spread around the world, it makes me tremble to think that if we were to follow that line, the Communists would get us piece by piece, one step after another, destroy our whole Government, and turn the entire country over to them, and that is exactly what they want. I thank the distinguished Senator.

Another observation made by my State's chief legal officer, and one worthy of careful reflection and consideration, is that Federal interference in race relations in recent years have set us back 50 years, at a time when more progress was being reached in this field by voluntary action than ever before in the history of our country.

As a former prosecutor of distinction, Mr. Cook recognizes empire building when he sees it. He seriously questions the wisdom of expanding the Federal Justice Department's activities. He said of this proposal:

> It will encourage meddling and baseless suits by this new board of bureaucrats who will surely perceive that they must stir up litigation to justify the expense of their existence.
>
> Reduced to simple language, the police state must have an adequate supply of storm

troopers to keep the States and their citizens under constant fear.

MR. BLOCH SPEAKS ELOQUENTLY

Turning now, briefly, to committee testimony of Hon. Charles J. Bloch, of Macon, Ga., permit me to allude to his background. During his brilliant legal career many honors have been heaped upon him. He is a past president of the Georgia Bar Association, chairman of the Georgia Judicial Council; a member of the State Board of Regents of the University System; a former chairman of the Bib County Democratic Executive Committee of the Democratic Party; a member of the State Democratic Executive Committee; first vice president of the Georgia States Rights Council and others. He appeared on behalf of the Governor of Georgia.

Perhaps one of the most moving and impressive portions of his testimony was where Mr. Bloch explained that even though a member of a minority religious faith, himself, he feared the consequences of this bill. He said eloquently:

> If one group can today set aside the 10th amendment, another can tomorrow set aside the first, and the fifth, and all the others comprising the Bill of Rights.
>
> I have been told, that I, as a member of a religious faith which is in the minority should be on the side of a racial group which is numerically in the minority. I am on the side of no one except those who believe in the Constitution of the United States as it was written and as it was amended in accordance with the provisions written as a part of it.
>
> I know that no minority group, whether it be racial, religious, or sectional, is safe if the Constitution of the United States can be swept aside with the stroke of a pen.

Mr. President, those are the words of a real patriot.

To know Mr. Bloch is to love him.

Some of the fondest memories I have are of associations we have had together over the years in working for our beloved State and Nation. I rely heavily upon him for counsel and guidance and look upon him as one of the truly great Americans of our time.

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

Mr. TALMADGE. I am happy to yield to my friend, the Senator from North Carolina.

Mr. ERVIN. I might state to the Senator that I have had the privilege of knowing Mr. Charles J. Bloch personally for approximately 10 years. I think no person made a more accurate or a more brilliant contribution to the fight against this legal and constitutional monstrosity than did Mr. Bloch when he made his appearance before the Subcommittee on Constitutional Rights of the Committee on the Judiciary.

Mr. TALMADGE. I thank the distinguished Senator from North Carolina. I heartily agree with his statement. I do not believe there is a man in Congress who is better qualified to judge the efforts one has made in this fight than the eminent Senator from North Carolina, who, after a distinguished legal career of his own, including service in the judiciary of his State, has worked on this matter harder than any other Member of the United States Senate.

Mr. ERVIN. I want to thank the distinguished Senator from Georgia for his gracious remarks, and to state that I know of no one who has made a more courageous and intelligent fight against this iniquitous proposal than the junior Senator from Georgia.

Mr. TALMADGE. I am very grateful to my distinguished friend, the Senator from North Carolina.

Mr. President, some of the fondest memories I have are of my associations with Charles J. Bloch. I rely heavily upon him for counsel and guidance and look upon him as one of the truly great Americans of our time.

It is no wonder that upon the conclusion of Mr. Bloch's brilliant analysis of the legal and constitutional issues involved in the civil-rights proposals that Chairman CELLER and Representative KEATING, though not in agreement with him, were generous in their praise of his masterful presentation before the House subcommittee.

WILL WE REPEAT TRAGIC ERRORS OF PAST?

Now, Mr. President, permit me to recall here another day in our Nation's history when reason gave way to passions of the hour.

A study of the many and all embracing civil-rights laws presently on the books will readily demonstrate the absence of need for the proposed legislation under discussion here.

The most far-reaching of these statutes today is title 42, United States Code Annotated, section 1985.

So recently as 1951, in *Collins* v. *Hardyman* (341 U. S. 651, 656, 95 L. Ed. 1253, 1257, 71 S. Ct. 937), the Supreme Court criticized the unbalance wrought upon our Federal-State system by this statute in the following language:

> This statutory provision has long been dormant. It was introduced into the Federal statutes by the act of April 20, 1871, entitled "An act to enforce the provisions of the 14th amendment to the Constitution of the United States, and for other purposes." The act was among the last of the reconstruction legislation to be based on the conquered province theory which prevailed in Congress for a period following the Civil War.
>
> * * * * *
>
> The act, popularly known as the Ku Klux Act, was passed by a partisan vote in a highly inflamed atmosphere. It was preceded by spirited debate which pointed out its grave character and susceptibility to abuse, and its defects were soon realized when its execution brought about a severe reaction.
>
> The provision establishing criminal conspiracies in language indistinguishable from that used to describe civil conspiracies came to judgment in *United States* v. *Harris* (106 U. S. 629, 27 L. Ed. 290, I. S. Ct. 601). It was held unconstitutional. This decision was in harmony with that of other important decisions during that period by a court, every member of which had been appointed by Presidents Lincoln, Grant, Hayes, Garfield or Arthur—all indoctrinated in the cause which produced the 14th amendment, but convinced that it was not to be used to centralize power so as to upset the Federal system.

I am very happy, Mr. President, that the Senate, when it considered the bill sufficiently enough to understand what the particular provision of the law was, which was referred to only by reference in the bill, by a vote of 90 to 1 struck the provision from the bill. The provision had passed the House of Representatives without any great argument being made. In fact, apparently it was not discovered that the matter was referred to in the bill. That demonstrates what a study can do, when and what a desirable result can be achieved when such points are discussed in the United States Senate.

It is a real tragedy that the bill has not been sent to the Committee on the Judiciary of the Senate, in order to give the members of the staff and the members of the committee an opportunity to give the bill a searching study, to determine what should be brought before the Senate of the United States and what should be voted upon.

THE AGE OF HATE

Mr. President, during the period of reconstruction which followed the internecine strife, a series of laws were enacted so base that no American can read them even now without a sense of shame.—Andrew Johnson Stryker, page 311.

The first of these was the so-called Freedman's Bureau bill vetoed by President Andrew Johnson February 19, 1866, as contrary to the expressed language of the Constitution and inconsistent with the public welfare.

The President objected to the military jurisdiction established and to the penal provisions to be administered by agents of the Freedman's Bureau under regulations of the war. He pointed out that the punishment would not be defined by law but imposed by court-martial and that there would be no appeal from the decisions of these tribunals, not even to the United States Supreme Court.—The Age of Hate, Milton, page 288.

In his veto message President Johnson said:

> I cannot reconcile a system of military jurisdiction of this kind with the words of the Constitution which declare that "no person shall be held to answer for a capital or otherwise infamous crime unless on a presentment or indictment of a grand jury * * *." and that "in all criminal prosecutions the accused shall enjoy the right to a speedy and public trial by an impartial jury of the State and district wherein the crime shall have been committed." * * * The power that would be thus placed in the hands of the President is such as in time of peace certainly ought never to be entrusted to any one man.

The power to which the President referred above extended to supervision over a vast number of agents which, he said, "by the very hand of man—would—be attended by acts of caprice, injustice, and passion."—Messages and papers of the Presidents, volume VI, page 399.

While the radicals possessed the required two-thirds majority to override the Presidential veto in the lower House, they did not have quite the two-thirds required in the Senate.

CIVIL-RIGHTS BILL OF 1866 VETOED

The second in a series of similar measures to receive Presidential disapproval was the so-called civil-rights bill of 1866. It was vetoed by President Johnson, in a singular act of courage unmatched in the annals of this Nation's Executive leadership. He explained that he could

not, in good conscience, approve a measure which he believed broke the Constitution into bits.—The Age of Hate, Milton, page 308.

This measure was more drastic and in several respects similar to the bill here under consideration. Federal district courts were given jurisdiction and Federal district attorneys, marshals, and commissioners, officers and agents of the Freedman's Bureau, and others were specially authorized and required, at the expense of the United States, to institute legal proceedings against any and all who violated the provisions of the act.—The Age of Hate, Milton, page 305.

Close advisers urged the President to sign on the basis of expediency. This, he refused to do.—The Age of Hate, page 308.

In his veto message to the Senate, March 27, 1866, the President pointed out the minor absurdities as well as the major objections to the bill.—The Age of Hate, Milton, page 308.

He wrote that the machinery for the enforcement of the act was unprecedented and unnecessary. Adequate judicial remedies, he observed, could be found without invading the immunities of legislators. The means seemed to him not only anomalous but unconstitutional.

> For the Constitution guarantees nothing with certainty if it does not insure to the several States the right of making and executing laws in regard to all matters arising within their jurisdiction—

A right restricted only by the Constitution of the United States.

Whence did Congress derive its power to transfer to Federal tribunals the trial of cases of State offenses? he asked, showing by documented historical citation that it had no such power. He pointed out the imperfect machinery set up by the measure, and pronounced the details of the bill fraught with evil. It frustrated the readjustment of southern relations and fomented discord, the President declared with great clarity.

> This bill * * * attempts to settle questions of political economy through the agency of numerous officials whose interest it will be to foment discord. * * *
>
> In all our history no such system as that contemplated * * * has ever been proposed or adopted * * *. It is another step or rather stride toward centralization and the concentration of all legislative powers in the National Government. The tendency of the bill must be to resuscitate the spirit of rebellion and to arrest the progress of those influences which are more closely drawing around the States the bonds of union and peace. (Messages and papers of the President, 1789–1908, Richardson, vol. VI, p. 405.)

President Johnson emphasized that he would cheerfully cooperate with Congress in any measure that might be necessary for the protection of civil rights in conformity with the provisions of the Constitution.

Notwithstanding the President's disapproval, the Senate voted to override the veto by one vote after having ousted on a trumped-up charge a Senator disposed to the President's view. The House also voted to override.—The Age of Hate, Milton, 301 and following.

Thus was ushered in an era in our Nation referred to by historians as the age of hate.

It was a time of hysteria in which the President, himself, for the sole crime of upholding the Constitution was impeached and later acquitted by a single vote.

It was a time when no sooner was one harsh measure of oppression planned than another and a harsher one was joyously brough forward to punish a prostrate people—Andrew Johnson Stryker, page 297.

THE PRESIDENT KEPT HIS HEAD

While all those about him lost their heads there was one man who kept his and he was standing practically alone.

President Johnson's courage, rightness, patience, and ability as a fighter foiled the conspiracy against himself, against the Presidency and against constitutional law.

Every citizen of this country for all time to come whoever breathes the air freedom in this land of ours is in his debt.

While a man of moderate background—of the people—Johnson was perhaps better steeped in constitutional tradition than any other President save only his predecessor. For, in reality, Johnson's fight was Lincoln's as the latter's policies just prior to his death had invoked the wrath of the radicals both in his Cabinet and in Congress.—The Age of Hate, Milton, pages 157, 158.

Johnson's first message delivered to Congress December 5, 1865, contained one of the best statements of constitutional philosophy ever penned by a President.

The Constitution, he said, was the chart for his policies. Its authors intended the American Union to last as long as the States themselves might last. The hand of providence was never more apparent in mundane affairs than in its framing and adoption.—The Age of Hate, Milton, page 269.

The Government thus established is a limited government and so is every State government a limited government. The States, with proper limitations of their powers, are essential to the life of the United States Constitution. The assent of the States gave vitality to the Union, and the perpetuity of the Constitution brings with it the perpetuity of the States; their mutual relation makes us what we are, and in our political system their connection is indissoluble. The whole cannot exist without the parts, nor the parts without the whole. So long as the Constitution of the United States endures, the State will endure. The destruction of the one is the destruction of the other; the preservation of the one is the preservation of the other.—The Age of Hate, Milton, page 269.

The President thus explained his views of the mutual relations of the Constitution and the States, because they made plain the principles upon which he had sought to overcome the appalling difficulties which confronted him.

> It has been my steadfast object—
>
> Lincoln's successor declared—
>
> to escape from the sway of momentary passions, and to derive a healing policy from the fundamental and unchanging principles of the Constitution.

For holding this view, Mr. President, Andrew Johnson was haled before the bar of Senate justice to receive the full wrath of the age of hate.

SENATOR KENNEDY'S BOOK QUOTED

The distinguished junior Senator from Massachusetts [Mr. KENNEDY] writes movingly in his book, Profiles of Courage, of the decisive vote cast for acquittal of President Andrew Johnson in the impeachment trial by Senator Edmund G. Ross, a Republican Senator from Kansas.

Ross considered the attack on Johnson as one on the Presidency itself and an attempt by the radical Republicans to create a Congressional autocracy.

The Senator from Massachusetts quotes Senator Ross, who in later years wrote in magazine articles, as follows:

> This Government had never faced so insidious a danger * * * control by the worst elements of American politics * * *. If Andrew Johnson were acquitted by a nonpartisan vote * * *. America would pass the danger point of partisan rule which so often characterizes the sway of great majorities and makes them dangerous.

Senator Ross, like the President, was willing to sacrifice all to uphold the Constitution, Senator KENNEDY writes.

Ross' political career was ended but not his place in American history.

How many political leaders of today are willing to throw all away for a single act of conscience?

How many politicians would have the courage today to let pass from their lips Ross' swan song, when he said:

> Millions of men cursing me today will bless me tomorrow for having saved the country from the greatest peril through which it ever passed, though none but God can ever know the struggle it has cost me.

Fortunately, this brave man, unlike so many martyrs, lived to see public vindication.

The Senator from Massachusetts writes:

> But the twisting course of human events eventually upheld the faith he expressed * * *. Just prior to his death when he was awarded a special pension by Congress for his services in the Civil War, the press and the country took the opportunity to pay tribute to his fidelity to principle in a trying hour and his courage in saving his Government from a devastating reign of terror. They now agreed with Ross' earlier judgment that his vote had "saved the country from * * * a strain that would have wrecked any other form of government." Those Kansas newspapers and political leaders who had bitterly denounced him in earlier years praised Ross for his stand against legislative and mob rule: "By the firmness and courage of Senator Ross," it was said, "the country was saved from calamity greater than war, while it consigned him to a political martyrdom, the most cruel in our history * * *. Ross was the victim of a wild flame of intolerance which swept everything before it. He did his duty knowing that it meant his political death * * *. It was a brave thing for Ross to do, but Ross did it. He acted for his

conscience and with a lofty patriotism, regardless of what he knew must be the ruinous consequences to himself. He acted right."

I see on the floor the Senator from Massachusetts [Mr. KENNEDY], and I am very pleased to yield to him.

Mr. KENNEDY. I am very pleased that the Senator from Georgia has called attention again to Senator Ross, whose action constitutes an exhibition of a courage to which all of us can repair in difficult moments. I am delighted that he has drawn attention to it in his speech today.

Mr. TALMADGE. I thank the Senator from Massachusetts, and I congratulate him on a magnificent book. I found the stories of Ross and Andrew Johnson inspiring examples for anyone who serves in public life to emulate in holding fast to basic principles when troublous political and constitutional questions are involved.

Mr. KENNEDY. Then there was also the great Georgian, Senator Lamar, from Mississippi.

Mr. TALMADGE. The Senator is correct. We are very proud of him in his native State of Georgia.

JOHNSON VINDICATED BY RETURN TO SENATE

It was a blessing, too, that President Johnson did not die without complete vindication, having come back to the Senate and having had his say as a Senator of the United States from the State of Tennessee, against the admittedly corrupt administration that followed his own.

Even Charles Sumner, one of the three prime leaders of the radical opposition to the President, just before going to the grave, purged his soul and conscience for his complicity in the impeachment attempt, telling Senator Henderson, of Missouri:

I didn't want to die without making this confession, that in the matter of impeachment, you were right and I was wrong.

Subsequent decisions of the Supreme Court, as we have seen, upheld the constitutional concepts enunciated by President Johnson.

THE CONSTITUTION, A PILLOW FOR ETERNITY

Mr. President, in the friendly soil of his beloved Greene County in Tennessee, rests Senator Andrew Johnson, his mortal remains wrapped in the Stars and Stripes, his head cushioned on his own worn copy of the Constitution. Carved on the simple shaft above him are the words:

His faith in the people never wavered.

That sentiment is a great source of comfort to me in this hour for if we pass this bill under consideration I put my faith in the good sense of the American people to save us from ourselves.

I wish to quote the words of this courageous Senator uttered at a time when the earth about him veritably trembled but he stood solid as a rock, standing as a shield between the people and destruction of their fundamental rights:

They may talk about beheading but when I am beheaded, I want the American people to be the witness. * * * Are those who want to destroy our institutions * * * not satisfied with the blood that has been shed? * * * Does not the blood of Lincoln appease the vengeance and wrath of the opponents of this Government? * * *

It is now peace and let us have peace. Let us enforce the Constitution * * * I tell the opponents of this Government, and I care not from what quarter they come—East or West, North or South—you that are engaged in the work of breaking up this Government are mistaken. The Constitution and the principles of free government are deeply rooted in the American heart.

I intend to stand by the Constitution as the chief ark of safety, as the palladium of our civil and religious liberty. Yes, let us cling to it as the mariner clings to the last plank when the night and tempest close around him. (The Age of Hate, Milton, p. 292.)

Mr. President, the bill would overthrow and revolutionize every principle of equity jurisprudence as it pertains to the grant of injunctions in general and particularly in political matters.

As so forcefully observed by Representative JOHN BELL WILLIAMS, of Mississippi, in a recent speech:

Passage of the force bill would legalize for the first time in America the arrest and jailing of political prisoners who would be denied jury trials and the right to face their accusers in court.

In *Giles* v. *Harris* (189 U. S. 475), the object of the suit in a United States circuit court in Alabama was to restrain the operations of the State government for the assertion and vindication of a political right to be an elector—the right to vote. Counsel for the board of registrars in Alabama contended that such was not within the province of equity jurisprudence. The Supreme Court of the United States in an opinion written by Justice Oliver Wendell Holmes, of Massachusetts, upheld that contention. He and the Court decided that equity cannot undertake now, any more than it has in the past, to enforce political rights.

He cited and applied a case decided by Chief Justice Fuller, acting as circuit justice—*Green* v. *Mills* (69 Fed. 852).

In 1898, a great Georgian, John W. Akin, of Cartersville, Ga., was president of the Georgia Bar Association. On July 7 of that year he addressed the association at its annual meeting in Atlanta. The subject of his address was Aggressions of the Federal Courts. He commenced in this vein:

In every government ultimate power must reside somewhere. In England, it is in the Parliament; for its power to pass laws is supreme, and no court can declare them void or illegal. In Russia it is the Czar; for his will is the only law, and the imperial ukase can be neither disobeyed nor questioned. In the United States where resides this power? * * * The Federal judiciary * * * is the sole repository of ultimate power in this Republic, and the handful of men who wield this power may wield it as long as they live and choose to do so. * * * It may be conservatively said that no greater power has ever been vested in any officials or in any department of any government than is now exercised by the Federal judiciary. It is, therefore, of the utmost importance that these powers should be exercised with the greatest caution, and that the public at large should keep upon the possessors of such power an eye jealous of the first encroachment upon liberty.

What was he talking about?

Turn the page, and let me quote again:

Nothing in the history of our country's jurisprudence is more remarkable than the growth of what may be termed in a sense "judge-made law." In no department of "judge-made law" has the growth been wider or more rapid than in the law of injunctions as promulgated by the Federal judiciary. For instance, it is an ancient principle of equity jurisprudence that an injunction will never issue to restrain the commission of a criminal offense. Yet this fundamental principle has been qualified and modified, if not to some extent overruled but not by statute.

As a result of warnings from men like Judge Akin—and others to whom I have alluded—severe statutory restrictions were placed about this government by injunction. Now, not only are we asked to remove those restrictions but also we are asked to repeal and obliterate fundamental principles of equity jurisdiction and jurisprudence.

We are asked to permit the Attorney General of the United States, without anyone's having exhausted any administrative remedies, without anyone's having sought any redress for the correction of real or imagined evils, on behalf of other people to go before a court of his choosing, really a court of his appointment, and harass and enjoin citizens of the United States whenever he so chooses.

Judge Akin proceeded:

What is most to be feared, because most dangerous, is that this Republic will quietly submit to powers assumed against the spirit of our Constitution and the genius of our Government. Repression is the mother of revolution. Let all the people in all the States be aroused in time to peacefully, and by the forms of law, prevent and overthrow despotism, in whatever form and by whatever name, before it becomes so strong that only revolution can end it.

This bill would implement that very despotism he feared.

Let us look to a few decisions of the Supreme Court of the United States to see just what this bill would do to established law and equity.

Injunction is an extraordinary remedy. (*Hunnewell* v. *Cass County* (89 U. S. 464) (1874).)

This bill would make of it a remedy as ordinary and common as a suit on a note in a common law court.

Injunction is not a remedy which is issued as of course. (*City of Harrisonville* v. *W. S. Dickey Clay Co.* (289 U. S. 334) (1923).)

This bill would make of it a remedy which is issued as of course whenever the Attorney General desires it issued.

Injunction should not be granted unless necessary to protect rights against injuries otherwise irremediable (*State Corporation Commission of Kansas* v. *Wichita Gas Co.* (290 U. S. 561) (1934).)

This bill would cause injunctions to be granted whether necessary to protect rights or not, and without ascertaining whether the wrongs, real or fancied, were otherwise remediable.

For the rule that "an injunction is an extraordinary power to be used sparingly and only in a clear and plain case"—*Irwin* v. *Dixion* (50 U. S. 10)—would be substituted the rule that injunction is to be

used whenever the Attorney General desires it.

The rule that for an injunction to issue the case "must be one of strong and imperious necessity or the right must have been previously established at law, and the right must be clear and its violation palpable"—*Parker* v. *Lake Cotton and Woolen Co.* (67 U. S. 545)—would be utterly wiped out, as would the rule established in that same case more than a hundred years that "injunction will be granted only where the right is clearly established, where no adequate compensation can be made in damages, and where delay itself would be wrong."

One hundred and ten years ago the Supreme Court said in *Truly* v. *Wanzer* (46 U. S. 141), that the right to injunction must be clear, the injury impending, and threatened so as to be averted only by the preventive process of injunction. That rule would be supplanted in that the Attorney General would be suing on behalf of some complainant who had not, need not seek to avert his alleged wrong.

My State of Georgia once tried to enjoin a Secretary of War, Edwin Stanton, who was oppressing her. In 1867, the Supreme Court of the United States denied Georgia the right to protect herself by injunction, saying to her:

> To entitle party to injunction, a case must be presented appropriate for the exercise of judicial power, and rights in danger must be rights of property or persons, not mere political rights.

That rule would be abrogated.

The right to an injunction has historically been considered a personal right, one which must be invoked by him on whom injury is inflicted. Now it is proposed to grant the right to a next friend, the Attorney General.

Historically, too, it has been the rule that parties may not resort to a court of equity to restrain a threatened act merely because it is illegal, or transcends constitutional powers, but they must show that the act complained of will inflict upon them irreparable injury. So said the Supreme Court in *United Fuel Gas Co.* v. *Railroad Commission of Kentucky* (278 U. S. 300). That rule would be abrogated.

Very recently, in *Eccles* v. *Peoples Bank* (333 U. S. 426), the Supreme Court said that where claims of injury were supported only by affidavits and possibility of injury speculative and uncertain, anticipatory judicial determination was not necessary. We are asked to abrogate that rule.

I wish to reiterate the assertion which I made during the course of the debate on H. R. 6127, Mr. President, that I personally favor extending the right of trial by jury to all matters in which there are facts to be determined with the one exception of cases of direct contempt committed in the presence of the court. And I repeat my offer to join with any of my colleagues who feel likewise in sponsoring and seeking enactment of comprehensive legislation toward that end.

It is my considered judgment, Mr. President, that the jury trial language contained in H. R. 6127 as passed by the Senate is the very minimum safeguard which we can put into this bill without jeopardizing the rights of all American citizens.

I appeal to the Senate, Mr. President, to take as its guide in voting down this misnamed "compromise" and upholding the original Senate version of this bill these words of Thomas Jefferson taken from his first inaugural address:

> Freedom of religion; freedom of press; freedom of person under the protection of the habeas corpus; and trial by juries impartially selected—these principles form the bright constellation which has gone before us and guided our steps through an age of revolution and reformation. The wisdom of our sages and the blood of our heroes have been devoted to their attainment * * * and should we wander from them in moments of error or alarm, let us hasten to retrace our steps and to regain the road which alone leads to peace, liberty, and safety.

Mr. President, the eyes of the masses of the citizens of this Nation are on this Senate.

They are watching to see whether the men who sit in this body will be guided by principle or by politics.

How history judges this Congress may well be determined by the vote on this fundamental issue.

I beg, Mr. President, that our choice be to hasten to retrace our steps and to regain the road which alone leads to peace, liberty, and safety.

Mr. President, I yield the floor.

CHANGE IN UNIT OF GRAIN MEASURE

Mr. HUMPHREY. Mr. President, from time to time I have called the attention of the Senate to the concern being expressed by the grain trade to proposals under consideration by the Department of Agriculture for changing from the bushel to the hundredweight as a unit of grain measure. Practically all of the grain trade, as well as millers and other related industries, seem to be opposed to this change, and apparently the Commodity Stabilization Service will not be justified in adopting the new procedure without much further study and consultation with the trading groups.

Mr. President, I ask unanimous consent that an editorial on this issue from the August 13 issue of the Northwestern Miller be printed at this point in the RECORD.

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

BUSHEL AGAINST HUNDREDWEIGHT

Members of the feed trade have been vociferous in putting forward a plea for a switch from the bushel to the hundredweight as a unit of measure. Such was the steamroller effect of their demands—"Hundredweight in '58" was the slogan adopted—that for a time it looked as though no one was going to bring forward any strong objections. Grain and flour traders stood aloof and made few comments on the matter.

Only in the past few months has any degree of opposition become apparent. That opposition is now coming from authoritative quarters, particularly a strong statement from the Terminal Elevator Grain Merchants Association. That statement was so important that the American Feed Manufacturers Association was compelled to make counter-arguments. The AFMA case appears in the news columns of this issue.

The reported intention of Walter C. Berger, administrator of the Commodity Stabilization Service, to make the switch effective July 1, 1958, may have been governed in part by the paucity of the early opposition. Only now is it being brought home that there is strong disfavor for the plan in grain and flour circles. True, there does appear to be a split on the issue. Some feel it is not worth making a big fight of the matter; others are expressing a vehemence equalled only by AFMA in propounding the proposal.

The decision to switch will be a wholly administrative one. The decision does not need the approval of the board of the Commodity Credit Corporation. Administrative decisions often lend themselves to being classed as arrogant and arbitrary. Mr. Berger, undoubtedly, will never let his organization be placed in line to collect that accusation. That is why more thought must be given to the subject before an irrevocable decision is made.

The opposition is making itself heard. The three major exchanges of Kansas City, Chicago, and Minneapolis have voted against the switch. Futures traders, terminal elevator operators and commission men are opposed with varying degrees of violence. This is disagreement to be reckoned with; the views of people who make their living handling grain cannot be dismissed lightly.

Perhaps overlooked has been the fact that State grain laws require the issuance of warehouse credit certificates on a bushel basis. Those laws would need amendment. And it's common knowledge just how confusing an issue can become when State legislation is involved. That's just one of the problems.

The feed business is an important segment of the American trading picture. But there are other segments and they do not bow in any way to the omnipotence of the feed men. Mr. Berger has been subjected to some heavy pressure. The plan runs contrary to the best interests of important parts of the grain trade. The matter should be reappraised.

MOBILE SEAPOWER

Mr. HUMPHREY. Mr. President, recent events in the Middle East have emphasized the role of seapower in present and future American foreign policy. Soviet combatant units are converging on the Mediterranean from the Dardanelles and Baltic Sea areas. This, no doubt, relates directly with the subversion in Syria and the possible attempt by the Soviet Union to establish a naval base on the west coast of that country.

Mobile seapower has been vital to the implementation of the Middle East doctrine. Seapower helped stabilize the situation in Jordan and strengthened the hand of the Free World. In an area of the world where the sealanes have traditionally played an important role in the national economy, the peoples of the Middle East and Southern Europe witnessing the presence of the powerful and ably commanded sixth fleet are convinced that America is sincere in its expressions of support of the integrity of the smaller nations of the world.

Recently I have had opportunity to visit with two naval officers who have participated in and made a thorough study of seapower in its application in behalf of our foreign policy which seeks to preserve the integrity of small nations, for example, Korea. These men, Comdr. Malcolm W. Cagle and Comdr. Frank A. Manson, have just completed a very comprehensive book entitled "The Sea War

in Korea." I understand that a copy of this book is being mailed to every Member of Congress by the Navy League of the United States. I take this opportunity to call this timely work to the attention of my colleagues.

The threat that faced Korea in 1950 may manifest itself in another part of the world in the months ahead. The mature implementation of American foreign policy requires balanced military forces. It is only through the teamwork of a mobile Army, a ready and on-the-spot Navy and an alert Air Force that America can truly discharge its responsibilities of world leadership. In this connection we should take a real hard look at any economy moves, for national security is not primarily a fiscal problem.

Mr. President, I ask unanimous consent that the book review which appeared in the Washington Post and Times Herald for Sunday, August 18, 1957, on "The Story of Korean Sea War," be printed at this point in my remarks.

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

THE STORY OF KOREAN SEA WAR

Once in a blue moon the right subject comes in contact with the right author or authors, and the resulting book is bound to be right. This is the case with this comprehensive history of the sea war in Korea which is at the same time a rattling good action story based upon fact.

The authors, Comdr. Malcolm W. Cagle, USN, and Comdr. Frank A. Manson, USN, have brought to the task some impressive qualifications. As Navy officers, both made good combat records in Pacific battles of World War II. Both had excellent training in historical writing as assistants to the late Walter Karig in the preparation of several volumes of his "Battle Report" series. Both have visited Japan and Korea in search of material for their book, and both have had access to all essential Navy and Marine Corps records.

Historical books based entirely on records too often lack the redeeming "human touch." On the other hand, the interview method is subject to the frailties of memory, not to mention vanity. Comdrs. Cagle and Manson have struck a happy medium by judiciously combining both approaches to truth.

Could we have defeated the Chinese Communists in the summer of 1951, when 10,000 of them surrendered in a week? General MacArthur said we could, and so did General Van Fleet in interviews with the authors.

"In June 1951, we had the Chinese whipped," asserted Van Fleet. "They were definitely done. They were in awful shape. * * * It was only a short time later that the Reds asked for a truce. Then we were ordered not to advance any farther."

As to the importance of the Korean conflict, Adm. Arleigh A. Burke, Chief of Naval Operations, believes that it holds significant lessons for the future. "A limited war," he says in his foreword, "is the type of war most likely to occur in the thermonuclear age."

Naval derring-do has not been outdated, fortunately, and the book tells some adventure stories that might have happened in the day of John Paul Jones. There was the exploit of Navy Lt. Eugene Clark, who risked torture and execution in a one-man invasion of the enemy-held harbor area of Inchon.

And there were the destroyer captains who unmasked enemy shore batteries at Inchon by the bold expedient of sailing the cans in at 800 yards in a deliberate effort to draw fire.

In their analysis of tactical lessons, the authors are at their best. They explain why the attempt to strangle the enemy by bombing failed, even though a mountainous peninsula of few supply routes was a happy hunting ground for unopposed United Nations planes.

Illustrated with 170 photographs, the 532-page book has 20 charts or maps, 38 pages of appendixes crammed with statistics, and an unusually complete index. The only comprehensive book on the sea war in Korea, it is highly recommended reading.

TWENTIETH ANNUAL CONVENTION, MICHIGAN UNITED CONSERVATION CLUBS

Mr. HUMPHREY. Mr. President, I call attention to the 20th annual convention of the Michigan United Conservation Clubs held at Ludington, Mich., on June 13, 14, 15, and 16. This great organization represents more than 275 conservation clubs with a total membership in excess of 50,000 persons. It is affiliated with the National Wildlife Federation, the National Rifle Association, the Michigan Natural Resources Council, the Michigan Agricultural Conference, Nature Conservancy, and the Wilderness Society.

Mr. President, the August issue of Michigan Out-of-Doors contains the text of a resolution adopted by this group in support of Senate bill 871, and I ask unanimous consent to have it printed in the RECORD at this point.

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

RESOLUTION PASSED AT THE 20TH ANNUAL CONVENTION HELD AT LUDINGTON, MICH., JUNE 13, 14, 15, 16, 1957

"Whereas United States Senate bill S. 871, introduced by Senator HUBERT H. HUMPHREY, of Minnesota, strives to establish a study of the use of conservation programs to provide healthful outdoor training for young men and to establish a pilot Youth Conservation Corps; and

"Whereas under said proposed Senate bill S. 871, a commission would be established within the Department of Health, Education, and Welfare, such commission to include representatives from national parks, Forest Service, and Soil Conservation Service, to outline and direct such pilot program; and

"Whereas the work and accomplishments of the former Civilian Conservation Corps, established in 1933, is now considered a milestone in all phases of conservation endeavor and in the development of leadership in the ranks of our American youth; be it therefore

"*Resolved*, That the Michigan United Conservation Clubs, in convention assembled at Ludington, Mich., this 16th day of June 1957 do hereby record themselves in accord with the principles of United States Senate bill S. 871 and dedicate themselves diligently to support said bill; be it further

"*Resolved*, That this organization also hereby direct its secretary to inform the Congressional legislators of Michigan of the content of this resolution and ask for their active support of said Senate bill S. 871."

Mr. President, I move the adoption of this resolution.

Supported by Akerly, Mr. Smith stated it might be noted that the CCC erroneously drained marshland in many instances. Carried.

LUTHERAN WORLD FEDERATION

Mr. HUMPHREY. Mr. President, for the period August 15 to 25, Minneapolis and Minnesota have been the focus of attention for most of the world's Lutherans. The third assembly of the Lutheran World Federation met in the heartland of the Lutheran faith in the United States. Minnesota is proud of the fact that more than 20 percent of the members of this great denomination in our country live within the borders of our State.

We are doubly honored, for perhaps not again in our generation will a meeting of this great assembly convene on the American Continent. Many of the 275 delegates, 425 official visitors, and thousands of guests from all over the world will be seeing America for the first time. A delegation of young people is spending the entire summer. Mr. President, I can think of no other city or State where these distinguished visitors could have become better acquainted with the United States or have seen the American way of life at its finest.

The third assembly of the Lutheran World Federation was, indeed, an historic occasion. Lutherans of Minnesota and the United States were provided a unique opportunity to observe and appreciate the activities of the federation, which represents 50 million of the world's 70 million Lutherans.

The assembly's theme Christ Frees and Unites, sets the stage for the participants to consider worldwide problems. Delegates discussed disunity of the church, bondage to nationalism and cultural patterns, the relationship between church and state, the Christian's responsibility in the areas of congregational life, world missions, social concern and international affairs.

The discussions were primarily theological and spiritual. However, throughout all the deliberations and sessions there was a theme of practical realism. In a pamphlet prepared for laymen, this philosophy was stated explicitly:

Only the gospel is the church's business. But this gospel must go out with us from the church into our family relations, neighborhood affairs, daily work, politics—like the yeast in the dough—producing the benefits and beauty of Christlike living.

With this approach, the assembly discussed its obligations regarding such issues as race relations, the welfare state, accelerating industrialization, urbanization, and the status of churches living under persecution.

Mr. President, I at this time congratulate the hosts to the assembly whose tireless work and effort aided in the success of this great religious gathering. We are proud of the contributions made by Dr. E. Clifford Nelson, assembly director, who is presently on leave from the Luther Theological Seminary in St. Paul, and Dr. Paul Wetzler, pastor of the Salem English Lutheran Church, Minneapolis. We are grateful to Dr. F. Eppling Reinartz, president of the National Lutheran Council, New York, and to Dr. Paul C. Empie, executive director, National Lutheran Council, New

York, for the direction and planning necessary to insure the success of so large a conference.

Mr. President, I should like to offer my congratulations and best wishes to the retiring president, Bishop Hanns Lilje, of Hannover, Germany. Bishop Lilje, one of the outstanding religious leaders of the 20th century, was once arrested by the Gestapo and condemned to death, but was liberated by American troops. His leadership has been truly inspirational.

Dr. Carl E. Lund-Quist, executive secretary of the Lutheran World Federation was once pastor of Lutheran students at the University of Minnesota. He was elected to his position at the Hannover assembly in 1952, and has discharged his duties with rare ability and singular devotion.

At this time, Mr. President, I should like to congratulate the newly elected president, Dr. Frank Clark Fry. We know the heavy responsibility incumbent in this position, and our hopes and prayers are with him.

Our people were impressed by such men as Bishop Lajos Ordass of Hungary, who was deposed by the Communists in 1948, and who lived under house arrest and in isolation until 1956. At the same time, I know that these men were inspired by the manner in which our people opened their doors to them and to all the visitors from other lands. I am sure that both the visitors and their hosts benefited greatly from their contacts with each other, for an air of brotherhood and kinship for all mankind was everywhere evident.

Mr. President, I cannot hope to describe the impressive pageantry of the last day of the conference, as more than 100,000 Lutherans met on the capitol grounds in St. Paul. This was the largest gathering of Lutherans ever assembled in the Western World, and it provided a fitting culmination to a highly successful religious conference.

Minneapolis and Minnesota are justly proud of their role in this historic meeting, and of the generous and meaningful contributions made toward its success by our Lutheran pastors, churches, communities, and families.

Mr. President, I ask unanimous consent to insert at this point in the RECORD an article by Willmar Thorkelson, which appeared in the August 26 edition of the Minneapolis Star. The article summarizes the reactions of the participants in the Lutheran World Federation third assembly.

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

LWF ASSEMBLY EXCEEDED HOPES, LEADERS REPORT

(By Willmar Thorkelson)

Leaders of the Lutheran World Federation (LWF) said today the federation's 11-day assembly which ended Sunday with a festival attended by some 100,000 persons more than exceeded their hopes.

They also predicted that the assembly will strengthen world Lutheranism.

Dr. Carl E. Lund-Quist, Geneva, Switzerland, LWF executive secretary, said the assembly "more than fulfilled my expectations in every respect."

Dr. Franklin Clark Fry, New York, new LWF president, said "Our hosts in Minnesota provided a physical setting and an atmosphere of friendliness that were bound to lead to good results and they did."

Bishop Hanns Lilje of Germany, retiring LWF president, reported the assembly "even surpassed our expectations" in many cases. He referred to the general attendance at assembly sessions and to "the power of cohesion" within the assembly.

The bishop said the assembly "will help in a considerable way to strengthen the sense of unity among Lutherans and will help Lutheran congregations to realize their duties as over against the world."

Dr. Fry said the Minneapolis assembly represented "a kind of coming of age for the LWF."

The LWF's first assembly in Lund, Sweden, in 1947 was a time for renewal of acquaintances and, in some cases, reconciliation of former enemies, he pointed out.

Five years ago, in Hannover, Germany, the LWF began to find itself and adopted a more effective organization in place of scattered activities that had been carried on prior to that time, Dr. Fry said, adding:

"Here in Minneapolis all phases of the worldwide Lutheran work and fellowship were advanced and coordinated."

Dr. Lund-Quist said the assembly gave the LWF "much more solid backing and support for its total program" and represented a big advance in doctrinal and inner unity.

One effect of the assembly, he said, was to build solid support and understanding among many people of the Lutheran Church, Missouri Synod. The Missouri Synod is not a member of the LWF but it sent many official and unofficial visitors to the assembly.

For the overseas delegates, the assembly was an experience which will give them new ideas about American church life and a new conception of American friendliness, Dr. Lund-Quist said.

For American Lutherans, the concluding festival Sunday brought them to a consciousness of their worldwide responsibility and a sense of common strength not tested before, he said.

The LWF executive committee will meet today and Tuesday at the Messiah Lutheran Church parish house to elect commissions, vote budgets, evaluate the Minneapolis assembly, and discuss possible place for the 1962 assembly.

At a meeting Sunday night, the committee reelected Dr. Lund-Quist as executive secretary.

Also elected were Bishop Lajos Ordass of Hungary, first vice president; Bishop Bo Giertz of Sweden, second vice president; Bishop Rajah Manikam of India, third vice president; and Dr. Rudolph Weeber of Germany, treasurer.

FIFTIETH ANNIVERSARY OF ADMISSION OF OKLAHOMA TO THE UNION AND 100TH ANNIVERSARY OF BIRTH OF PRESIDENT THEODORE ROOSEVELT

Mr. MONRONEY. Mr. President, as Oklahoma approaches the climax of its semicentennial year, the actual date of its birth as the Union's 46th State, our celebration will coincide with another of great import, the yearlong schedule of activities planned by the Theodore Roosevelt Centennial Commission, honoring the 100th anniversary of that famous President's birth.

It is fitting that the two celebrations should overlap. Theodore Roosevelt was President on November 16, 1907; and it was he who signed the proclamation making Oklahoma a State.

In recognition of that historic coincidence, Governor Gary, of Oklahoma, has issued a proclamation setting the month of November 1957 as Theodore Roosevelt Month in the State of Oklahoma. I ask unanimous consent to have that proclamation printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. MONRONEY. Mr. President, the Roosevelt Centennial Year will begin this October 27, and will close on October 27, 1958, the anniversary of his birth.

There is another special link between Theodore Roosevelt and Oklahoma. He was the first man chosen for the National Cowboy Hall of Fame, which is to be built in Oklahoma City, honoring the cattlemen and pioneers who helped develop our great West.

Mr. President, I also ask unanimous consent to insert in the CONGRESSIONAL RECORD at a later date the story of the debates on Oklahoma's entrance into the Union.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXHIBIT A

PROCLAMATION

STATE OF OKLAHOMA

Whereas 1958 marks the 100th anniversary of the birth of Theodore Roosevelt; and

Whereas this great American was President when Oklahoma was first admitted to the Union of States in 1907; and

Whereas this historic date, November 16, is one during which every Oklahoman pauses to reflect with pride on the great progress we have enjoyed since Theodore Roosevelt signed the documents officially making Oklahoma the 46th State:

Now, therefore, I, Raymond Gary, Governor of the State of Oklahoma, hereby proclaim the month of November 1957 as Theodore Roosevelt Month in Oklahoma, and urge all our citizens to pay special tribute to one of the greatest leaders the world has known on the 100th anniversary of his birth.

In witness whereof, I have hereunto set my hand and caused the great seal of the State of Oklahoma to be affixed.

Done at the capitol, in the city of Oklahoma City, this 23d day of July 1957 and of the State of Oklahoma the 50th year.

RAYMOND GARY,
Governor.

Attest:

ANDY ANDERSON,
Secretary of State.

THE WELCOME GROWTH OF LIFE INSURANCE IN AMERICA

Mr. WILEY. Mr. President, one of the amazing and very welcome phenomena of recent years in our country has been the tremendous growth of the life insurance industry.

I note that Mr. Holgar J. Johnson, the president of the Institute of Life Insurance, has predicted that life insurance in this country will top three-quarters of a trillion dollars within 8 years.

Already 106 million policyholders hold more than $412 billion of protection. Last year alone they bought $55 billion of life-insurance protection.

The average amount of life insurance owned per family last year was $7,600. This is more than twice as much as 10

years before. Yet, in these high-cost-of-living days, it is essential that still more financial protection be provided for American families.

When I was in college, I first learned the value of life insurance. I sold insurance in order to earn my way through school. I became completely enthused about the value of insurance, just as I am today.

Everything I have seen and learned since then has confirmed my faith in the merits of insurance for our people. Today, life insurance is doubly essential for every American. The industry's investments have become a bulwark of our overall free economy, as well.

I send to the desk a statement which I have prepared on this subject. I ask unanimous consent that it be printed in the RECORD.

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

STATEMENT BY SENATOR WILEY ON MR. INSURANCE AGENT'S MEANING TO OUR PEOPLE

"Mr. Insurance Agent" has rightly become more and more familiar to "Mr. and Mrs. Average American."

"Mr. Insurance Agent" has rightly come to be regarded as an indispensable friend of the family, like one's attorney or banker.

"Mr. Insurance Agent" is welcome for his sound judgment, his factual, objective appraisal of family needs, his technical skill in coming up with the right individual formula for family security.

This expanded role of the insurance agent is a very worthwhile development on the American scene, from every standpoint.

Statistics amply bear out his role.

VAST COVERAGE IN U. S. A.

Thus I was pleased to note the results of a survey made by one of my alma maters, the University of Michigan for the Institute of Life Insurance.

The survey showed that around 86 percent of all families have some life insurance. Around 57 percent of all families have every family member insured.

Out of the total United States population, 58 percent of Americans owned individual policies issued by life companies; 14 percent owned group policies of life companies; 12 percent had fraternal or other types of policies; 4 percent held veterans life insurance.

(This veterans' insurance was owned by no less than 6 million persons.)

STILL TOO LITTLE INSURANCE FOR MANY FAMILIES

Some folks may, however, interpret these statistics to mean that Americans have too much insurance. Actually, they still have too little.

Of the families surveyed by the University of Michigan, 41 percent said they felt that had too little insurance.

Moreover, as I mentioned earlier, the present ownership of life insurance throughout the Nation is equivalent to $7,600 protection per family. The actual average amount in savings is $1,400 per family, in the form of policy reserves.

But we have to measure this amount by this standard: How much will the family need to maintain its living standard in the event that the breadwinner were to pass on?

Obviously, the family would need far more than the average man now has in protection.

TWENTY-THREE MILLION FAMILIES HAVE MORE THAN $5,000 INCOME

Let us remember that the income of the American people has been going up.

Today, almost half of all American families have incomes of $5,000 a year or more.

There are 52.2 million American families. Of this number 18.9 million American families have incomes from $5,000 to $10,000; 2.4 million families have incomes of $10,000 to $15,000; and 1.7 million have incomes of above $15,000.

That makes 23 million families in the $5,000 income level or above.

Incidentally, in lower income brackets, 14.5 million families have incomes under $3,000; 14.7 million have incomes of $3,000 to $5,000. That makes 29.2 American families which have incomes of under $5,000. In the coming years I am certain that these families will be enjoying higher incomes, too.

Each of these families must judge the adequacy of its present life insurance in terms of its living standards now and in the future.

HEAVY COSTS IN RAISING A FAMILY

A widow who must raise a family, of, say three youngsters, aged 5 to 12, obviously has far greater and longer needs than someone ordinarily might think. And when you start working out the arithmetic of year by year financial requirements for the widow and for the youngsters, what might have previously appeared as a sizable life-insurance "nest egg" shrinks in size.

But the needs for living insurance likewise are far higher than some folks think, especially considering sizable outlays like tuition for college when "junior" grows up.

Every head of the family wants his loved ones to have the very best, no matter what emergency arises; insurance is invaluable in assuring his peace of mind that he has accomplished his goal.

MANY VARIETIES OF INSURANCE

Fortunately, one of the most interesting developments has been the tremendous increase in varieties of insurance.

Of all the types of insurance, regular term insurance amounts to the greatest aggegate of financial value held by Americans.

Next comes straight life insurance, then limited payment life insurance, then endowment insurance.

After that, family income and other combination policies on a term basis and on a permanent basis. Then, there are retirement income with insurance, credit life insurance, extended term and reduced paid-up insurance, and decreasing term insurance.

Selecting the right type of insurance in the right amount at the right time is obviously neither an easy nor a static matter. It must be done carefully, and redone as needs change.

WISCONSIN'S CONSIDERABLE INSURANCE HOLDING

Naturally, I am especially gratified at Wisconsin's tremendous share of purchases of life insurance. In 1956, Wisconsinites purchased in ordinary life insurance alone $755 million.

Last year, Wisconsinites had $5.7 billion in ordinary life insurance in force, $2 billion in group insurance, $462 million in industrial insurance, $320 million in credit insurance. This represents $8.5 billion in force in all, out of the nationwide total of $412 billion in force.

Again, the statistics seem huge, but not necessarily when you consider our Badger population of 3.2 million people.

CREDIT INSURANCE, A NEW DEVELOPMENT

Like all other Americans, Wisconsites have been interested in the tailoring of new types of policies to meet new needs.

Consider credit life insurance which has jumped to the fore, and which has just come under State regulation at Madison in a pioneering new statute.

Credit insurance is written through lending offices on the lives of borrowers and installment purchasers. This insurance assures full payment of loans in the event of death, thus leaving survivors free of indebtedness.

At the end of 1956, 32 million loans were insured for a total of $17.1 billion. This represented about one-half of the outstanding consumer credit which might be covered by credit life insurance.

GROUP INSURANCE GROWING

Meanwhile, to cite another type, group life insurance has also become increasingly popular.

At the end of 1956, there were 35 million individual certificates under 106,000 master group life-insurance policies outstanding in the United States. The total amount in force under these policies was over $117 billion.

More than half of the Nation's civilian nonagricultural work force is covered under employer-employee group life insurance. The average amount of coverage per certificate is over $3,360.

Turning to still another front, fraternal life insurance provided by societies, lodges and similar fellowship organizations in the United States and Canada came to $10.7 billion in force at the close of 1956.

ANNUITIES AND PENSIONS BROADENED

We note, too, the needs of the elderly which rightly occupy the attention of the American people these days.

Today, more than $2 billion of annuities are in force (with life insurance companies); 5.3 million annuity units are owned with United States life-insurance companies.

Then too, there is an increasing amount of pension plan coverage. At the end of last year, nearly four and a half million persons in the United States were covered under 20,780 pension plans insured with life insurance companies.

Obviously, all these statistics spell out this fact—the average American seeks a reasonable amount of security. He knows that his social-security coverage is not going to be enough to meet his needs. He wants to help provide for his own and his family's protection later on through his own foresight and initiative.

THE ROLE OF INSURANCE COMPANIES' INVESTMENTS

Earlier, I referred to the important role which life-insurance assets play in our overall economy. This fact can hardly be underestimated. Today, the total assets of all United States life-insurance companies are over $96 billion. These funds are invested throughout the American economy. Thus, policyholders have an increasing stake in the growth of our Nation's whole economic system.

The policyholder should be gratified to note that the funds which he has invested for his own well-being are also providing well-being for government, for business, for industry, and for property ownership.

Of course, the great bulk of life-insurance assets are specifically earmarked to meet policy obligations. We can feel well content that assets are carefully maintained so that at all times there are sufficient funds to meet the payment of expected benefits, as provided in policies.

BILLIONS INVESTED IN BONDS, BUSINESS, REAL ESTATE

Meanwhile, however, last year the insurance companies put their assets to work. They held more than $7.6 billions in United States Government securities. They held a record high of $3.3 billion in State and local bonds.

They owned $41 billions in carefully selected securities of American business, especially in the form of bonds, notes, and debentures on utilities, railroads, and the like.

Of that total they held $19,800,000,000 in industrial and miscellaneous bonds over and above investment in public utilities and railroad bonds. They held $3,500,000,000 in carefully chosen preferred and common stocks.

Particularly spectacular has been the contribution made by life insurance investment in providing mortgage money—a record of $6,700,000,000 in mortgage loans to property owners in 1956 alone. All told, $33 billion have been invested in mortgages.

In 1955, life insurance companies owned $278 million in mortgages in the State of Wisconsin alone—both farm and nonfarm.

Last year, too, life-insurance companies in the 48 States held real-estate investment of $2.800,000,000, largely in commercial and industrial rental properties.

LOWERING COSTS, INCREASING EARNINGS

Meanwhile, companies are getting greater efficiency into their operations, so as to assure ever better service at lower cost for policyholders' needs.

Earnings on companies' careful investments have been increasing meanwhile. Of the average dollar received by the average company, 80.2 cents came in as premiums and 19.8 cents as net investment earnings and other income before Federal income taxes.

INFLATION THE BIG PROBLEM

Naturally, one of the biggest questions in the mind of Mr. and Mrs. Policyholder is the expected value of the dollars which will be returned from his and her life-insurance policies.

That brings us head on to the problem of curbing inflation.

All of us want to make sure that a dollar which we invest in policies today will be worth the same amount in years to come.

Inflation is a thief. It robs all holders of fixed investments of their hard earned savings.

That is why it is so essential that we curb inflationary forces. Everyone recognizes that we have had a very serious depreciation of the dollar in recent years.

We must now act effectively to maintain the integrity of the dollar. Every American must cooperate in this effort.

Every policyholder has a vital stake in this task. This is not something for "George to do." This is something for you and me and everyone to do—to be careful in our expenditures, to be thrifty, not to demand too much or to be greedy in our demands.

I BELIEVE IN INSURANCE

As I have indicated above, I am sold on life insurance. I believe in it just as I did back in my days at the University of Wisconsin and the University of Michigan. There is no quicker way for a young man just beginning his family life to build up an estate than to invest in life insurance.

Of course, every American should have liquid reserves in the form of dollars in the savings bank or the savings and loan association or the equivalent. But life insurance constitutes the minimum essential protection which no American should be without.

Every American should become familiar with the value of living insurance—the value of matured endowments, for example, or annuity payments, disability payments, and policy dividends.

Last year, alone, for example, Americans should note that $1.7 billion in health insurance benefits were paid out to Americans.

This, then, is a brief glimpse of the story of life insurance in our country.

Many of the facts above are spelled out in the Fact Book for 1957, published by the Institute for Life Insurance. The 12th edition of this book provides a most welcome reference tool for thinking Americans.

VITAL PERSONNEL—VITAL COMPANIES

All in all, the 414,000 persons employed in life insurance in our country are vital personnel on the American scene.

Of that number, the 195,000 agents, particularly, are part and parcel of the America of 1957 and of the future.

The 1,144 United States legal-reserve life companies play an increasingly important role in our entire economic structure. Stock companies incidentally comprise 86 percent of the total number. Mutual companies hold 63 percent of the total insurance in force.

To the United States insurance industry, America looks for continued growth and service.

GAMBLING ON THE VALUE OF THE GERMAN DEUTSCHEMARK

Mr. WILEY. Mr. President, we have heard comments about the convulsions which may occur because of the gambling which goes on with the German deutschemark. There is no question that the gamblers are proceeding on the theory that the deutschemark will rise in value. The capitals of the countries of Europe are worried that if the flood cannot be dammed, it will lead to some sort of crisis. All this shows how the welfare of the various countries of the world is interconnected, not only in connection with the developments respecting intercontinental missiles, but also because of developments in respect to the monetary systems. One country after another may have to cut its imports for lack of foreign credit, unless this development stops. Germany has been afraid to do very much about the matter.

In Paris, the Finance Minister has made a significant statement; but food prices are rising.

All these developments point out all the more clearly, as I stated the other day on the floor of the Senate, that all the countries of the world must think in terms of how best—not only by legislative means, but also by other means—to combat the eruptive influences which seem to be present in both our economic and our political life.

DEVELOPMENT OF THE INTERCONTINENTAL BALLISTIC MISSILE

Mr. SYMINGTON. Mr. President, the Moscow announcement that the Soviet Communists have fired successfully a multistage, intercontinental ballistic missile should alert the people of this country to a realization of just where we have now drifted.

We can make no such announcement, because we have not reached any such stage in the development of our ICBM and because for fiscal reasons we have now canceled our only supersonic, long-range guided missile.

We are probably behind the Soviets. We are behind primarily because of fiscal and budgetary policy. Now the people are beginning to get the truth.

I ask unanimous consent that at this point in the RECORD there may be inserted a few of the pertinent editorials from some of our outstanding newspapers, as follows:

From the Washington Evening Star of August 27, an editorial entitled "Soviet Missile Claim."

From the New York Times of August 28, an editorial entitled "The Moscow Missile."

From the Washington Post of August 28, an editorial entitled "The Missile and the Budget."

From the New York Herald Tribune of August 28, an editorial entitled "No Time for Complacency."

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

[From the Washington Evening Star of August 27, 1957]

SOVIET MISSILE CLAIM

The official reaction here to Russia's claim that it has successfully test-fired the ultimate weapon, an intercontinental ballistic missile, runs true to form. This reaction is marked by a certain note of reservation, a certain skepticism, a certain suggestion, colored perhaps by wishful thinking, that maybe it isn't true.

We do not know whether it is true or not, although it is worth remembering that past Russian claims to unexpected (by us) progress in the development of new weapons generally have turned out to be accurate. But perhaps it does not matter greatly whether Tass, which communicated this information, is telling the literal truth. For if the Russians have not already successfully tested an ICBM, they almost certainly will conduct such a test on some early tomorrow.

When that time comes, if it has not already come, our real concern should not be with what the Russians have done. What should concern us is where we stand in this business relative to the Russians. Will we be at least abreast of the Soviet Union, or will we be far behind? If the latter, our position will be little short of desperate. For at worst, our industrial and population centers will be vulnerable to attack—an attack that would come without warning and against which, as far as we are aware, there would be no prospect of successful defense. At best, we would be exposed to a kind of ballistic blackmail if the Russians chose to use their missile superiority for such a purpose.

In short, if the Russians have forged significantly ahead of us in this critical field, and if they have substantially perfected their own defenses against conventional air attack, the essential foundation of our defense policy has been undermined. For this policy has rested, in the main, on the deterrent effect of our assumed ability to destroy Russia in event of war with a nuclear counterattack. If we no longer have this capability, or if the Russians have achieved a lead in the ICBM field which will give them the ability to destroy us first, one does not need to be a military expert to recognize that the security of the United States is in grave jeopardy.

To repeat, we do not know what the facts are. The information which has been made public by our own official sources has been so meager, or so contradictory, that it is impossible to know where we stand; and, of course, no one in this country really knows where the Russians stand, either. It seems to us, however, that this Russian claim should be taken with the utmost seriousness by the men responsible for the security of this country. If they cannot tell the American people what the facts are, they at least can make up their minds to spare no effort, or money, to perfect our own missile program with all possible speed. In the past, we have not made the maximum effort of which we were capable. And today's news from Moscow may be a way of notifying us that that was a very serious mistake.

[From the New York Times of August 28, 1957]

THE MOSCOW MISSILE

At his news conference yesterday Secretary of State Dulles made no attempt to question the essential validity of the sensational Soviet announcement that Moscow has successfully tested a long-range rocket missile capable of reaching any part of the world. Taking account of Mr. Dulles' attitude and of past experience with Soviet announcements in such matters—for example, the con-

firmation of Malenkov's 1953 claim of having the hydrogen bomb—it is probably both prudent and correct to assume that the Soviet Union has made a major step forward in rocket and weapons technology.

We should not try to blind ourselves to the real magnitude of the achievement. We must assume that the Russians have solved successfully the three key problems: creation of powerful rocket motors capable of sending a rocket many thousands of miles, fabrication of a warhead which will not disintegrate from heat before reaching the earth, and development of a navigation system permitting the rocket to be aimed so that it will reach a specific target area of meaningful size.

But if we take the Soviet announcement at face value and recognize the major technical and production feat it represents, what has and has not changed in the world situation and what are the implications for us?

One fact has clearly not changed. Any future major war with use of modern weapons would still wipe out civilization. A Soviet city destroyed by a hydrogen bomb delivered by an American plane or an American intermediate range missile has its inhabitants just as dead as those of an American city destroyed by a hydrogen bomb delivered by an intercontinental ballistic missile.

Given that fact, it is clear that the immediate import of the Soviet achievement is likely to be primarily psychological and political. The Soviet rocket will now make it more possible than ever for the Kremlin to wage a war of propaganda terror against us and our allies, and we may well have much more use of the technique exemplified by last fall's implied threat to bombard France and Britain with rocket weapons. Moscow will undoubtedly try to use the new weapon as a means of frightening those countries which are our allies, which have given us bases, and which refuse to knuckle down to Soviet wishes. The Free World's statesmen will need stronger nerves than ever.

Within our country the Soviet revelation should cause a serious reexamination of past ideas and past policies. The comforting illusion many have tended to believe, to the effect that we must always—by some law of God or the like—be the most technically advanced country in every field, is now destroyed. That is probably a good thing, and the Soviet announcement has vindicated those, such as Senator SYMINGTON, who tried in past years to shatter the complacency born of this illusion.

But beyond that it is clear that a reexamination of our military policy is required. Is this the time to be cutting military budgets and to be winding up complex organizations involved in the missile field, such as the recent wiping out of the Navaho missile project? Are our authorities correct in keeping secret our own not inconsiderable achievements in the field—for example, the reported 3,500-mile flight of an American prototype missile some months ago? Clearly we must now overtake the Soviet scientists and engineers in the rocket field and demonstrate to the world that we too have been far from asleep in this field.

Yet above all these stands the central fact: man's new ability to destroy himself and all life on this planet. The fundamental problem remains that of reaching understanding and harmony among all nations and all peoples. We dare not lose sight of that key imperative.

[From the Washington Post of August 28, 1957]

THE MISSILE AND THE BUDGET

Whether or not Russia actually has tested a successful intercontinental ballistic missile, the United States must assume that she has. The portentous announcement from Moscow brings closer the day foreseen by Winston Churchill when peace may become the prisoner of mutual terror. Nothing could do more disservice than to view the Soviet ICBM skeptically or complacently. The speed with which the Russians achieved the hydrogen bomb should have sufficed to instill a profound respect for Soviet science. In a totalitarian state which devotes major energy to military preparation, the combination of science and technology is formidable indeed.

Obviously the Soviet development ought to stimulate a prompt and searching review of American defense policy, particularly in the missile field. What would not be helpful, however, is a frenzy of hand wringing or name calling. The United States must develop its own intercontinental and intermediate missiles as quickly as possible, and we ought to know whether the progress is as rapid as it could be. If money is the controlling factor, as is now asserted, the deficiency can and ought to be corrected.

Equally important, the Soviet announcement ought to dispel the dangerous notion that an arbitrary budget figure such as $38 billion is the proper measure of American defense. The only proper measure is Soviet capabilities and American ability to counter them. Obviously this measure must be translated into budgetary terms; but there has been altogether too much evidence in the Pentagon recently that the budget has been determining defense capabilities when the opposite ought to be the case.

In assessing the impact of the Soviet announcement it is useful to consider what Russian possession of a prototype of the ICBM may and may not mean. First let us look at its positive significance:

1. It gives the Russians at least a head start on a weapon which, when perfected, supposedly will be able to travel from Moscow to Washington or New York in a matter of a few minutes. When a reliable ICBM is perfected, the problems of defense may take on a different magnitude.

2. It gives the Russians an instrument for diplomatic blackmail over the world. The threat of a weapon that will be able to reach many parts of the world at fantastic speed may be used in attempts to intimidate other nations, dissuade them from alliances, and detach them from the United States. There is a clear indication of this in the sinister tone of the announcement.

3. It makes far more difficult, if not altogether impossible, the devising of an international security system based upon abolition or control of long-range missile tests. The Soviet rejection in London of the Western arms-control proposals is a further complication and indication of a hardened attitude in the Kremlin.

But if the ICBM confers certain positive advantages on the Rusisans, there also are some things it does not do. Let us look at what it probably does not mean:

1. It probably does not give the Russians the ultimate weapon, if indeed there is such a thing. Fortunately for the world, it is extremely unlikely that in one test or set of tests the Russians have perfected an accurate intercontinental weapon. Undoubtedly they have learned from their experiments, but rockets are tricky devices. Despite the heavy damage done to Britain by German rockets in World War II, a relatively small number of them reached the exact targets for which they were intended. The problems are greatly magnified in the far longer range ICBM.

Unquestionably a perfected ICBM would be a devastating terror weapon against centers of population where accuracy was not essential. The possibility of the use of such a weapon would in itself be a deterrent. But it is unlikely that the Soviet Union, or any nation, would stake its existence on an imprecise weapon. There is considerable doubt whether the ICBM can be made precise, at least for some years. Thus it probably is not now the sort of offensive weapon that would be the determining factor in a decision to initiate a war.

2. Contrary to the Soviet implication, the testing of an ICBM does not at all mean that the usefulness of the Strategic Air Command is at an end or seriously impaired. SAC is, by comparison with the intercontinental missile, a precision instrument. Its fast bombers with their system of aerial refueling could deliver weapons to any specific target in the Soviet Union. Despite the advances in antiaircraft defense which the Soviet announcement mentions, SAC power is enormous, and it remains the major deterrent for the Free World. Without being smug about it, there is reason to think that the Strategic Air Force is still ahead of the Soviet air force in capability. And if the Russians know that, whatever they may do with intercontinental missiles, the Strategic Air Force will retain the retaliatory power to demolish their own centers a few hours later, they will think twice before starting a holocaust.

3. The Soviet ICBM does not materially alter the strategic situation in Western Europe. Our NATO allies have been vulnerable all along to Soviet rockets and bombers. Again, American retaliatory power is the offset.

4. Notwithstanding the fierce potential of the ICBM, defense against it is in no sense hopeless. This does not mean that some enemy missiles would not get through to destroy American cities and industry. But much promising work has been done with long-range radar, antimissile missiles, and other warning and interception devices. At some point these may become sufficient to convince the Russians that they could not hope to knock out this country in one series of strikes.

5. The advent of the ICBM does not mean that the quest for a workable system of arms control is futile. It is a reproach to all the nations represented at London that they did not come to grips with the matter earlier. But the importance of inspection, control of nuclear materials and the fourth nation problem is accentuated.

What has come from Moscow is a warning, though not in the sense that the Russians intended it. The response in the United States ought to be, not merely to reexamine the preparation against all-out war, but also to look at the whole balance of the Military Establishment, in terms of total capability rather than of individual service prerogatives. Because the Russians may possess a new instrument of all-out war, they also may have a new technique for seeking to induce paralysis in the Free World. Only if we are prepared to meet limited war as well as to deter all-out war can such paralysis be avoided, and it is not comforting in this respect to see the apathy toward events in Syria, the inadequate military airlift and the continued whittling away at the Army. The defense of the United States in the now more pointed contest with the Soviet Union rests in a broad combination of military and economic preparedness at home and abroad. If the Soviet missile has any single meaning for this country, it ought to be that the richest nation in the world can afford an across-the-board defense.

[From the New York Herald Tribune of August 28, 1957]

NO TIME FOR COMPLACENCY

There is, it seems to us, only one sensible view to take of the Soviet Union's announcement. That is for the United States to take warning and exert every energy toward closing up the apparent gap in the missile race.

As to the complete accuracy of the Moscow claims, it is of course possible to express doubts about particulars and conclusions. Yet it would be extremely foolish to scoff at

the Soviets' assertion that they have conducted successful tests of an intercontinental ballistic missile in which this superweapon flew at unprecedented altitude over huge distance in a brief time and landed in the target area. This, incidentally, is substantially what Mr. Stewart Alsop reported in this newspaper on July 5 without contradiction. And, as Senator STUART SYMINGTON has forcefully reminded, when the Soviets say they have something in the way of this type of weapon, it turned out later to be a fact.

Now it can be said that there is a lot of difference in time and development between test firing and actual operational ability to direct the ICBM into any part of the world. Secretary Dulles, for instance, made the point yesterday that when Moscow spoke of hitting the target area it would make considerable difference whether the target was the size of a room or several hundred square miles. Yet this is a form of disparagement which is singularly unconvincing, as though the omission of every last detail should cast doubt over the whole announcement.

The fact remains that the Soviets claim to have successfully tested their ICBM prototype. If true, this is plainly a development of the gravest nature. So far as is publicly known, no defense exists against this ocean-spanning missile. And there is certainly no sound reason for disputing the Moscow statement, since every competent authority realizes that the weapon can be created and is technically feasible. To the layman it would appear that the Soviets have got ahead. They say they have broken through to a successful working test, which is more than the United States has accomplished so far.

How substantial this advantage may be, aside from propaganda values, can be accurately judged only by the experts. Unless this country is neck and neck with the Soviets in missile development, which is to be doubted, any indubitable gain for the opposition is surely the most serious threat to American deterrent strength. That superiority in defense, of keeping ahead in atomic weaponry, is absolutely assential to preserving our freedom and indeed our very existence.

The immediate business before the country is commandingly urgent. There must be greater coordination and speed in the existing program. The cutbacks in the Defense Department's research and testing facilities must be ended. The need here is for more funds, not less. A matter of balanced budget simply cannot be allowed to override the national security. What is needed right now is to get moving with redoubled speed on the defense program, to provide plenty of fiscal substance, and to insist that missiles have all-out priority.

There is no time for wait-and-see tactics. Where the balance of power is at stake, the Free World must stay ahead or perish.

UNITED STATES EFFORT IN INTERCONTINENTAL BALLISTIC MISSILE FIELD

Mr. SYMINGTON. Mr. President, in the past I have presented to the Senate many illustrations to verify the fact that the plans and programs of this administration incident to our national defense were and are being made primarily on the basis of what it believes the economy can afford—and without sufficient regard to the growing military strength of the Communist conspiracy.

Almost every time this has been done, a spokesman for the administration has made a blanket denial of the facts presented.

The people of this country trust their Government. They do not believe its spokesmen would deliberately deceive them about items vital to our national security.

The latest case has to do with the present United States effort in the intercontinental ballistic missile field.

After the Soviets announced their success with their own ICBM, the distinguished Senator from Washington and the Senator from Missouri noted that, despite many previous warnings about Soviet progress in this so-called ultimate weapon, recent budget and fiscal decisions in the Department of Defense meant that the Air Force was being forced to reduce its plans and programs for the ICBM.

This was denied, in blanket fashion, by the distinguished Senator from Massachusetts.

At this point, Mr. President, I ask unanimous consent that excerpts from an article by John Norris in the Washington Post of August 28, be inserted in the RECORD.

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

SLOWDOWN ON MISSILES IS CHARGED

(By John G. Norris)

Senator HENRY M. JACKSON (Democrat, Washington) charged yesterday that there has been a "slowdown" in the United States ballistic missile development program, caused partially by Eisenhower administration budget cutbacks.

His statement was disputed by Senator LEVERETT SALTONSTALL (Republican, Massachusetts) and backed up by Senator STUART SYMINGTON (Democrat, Missouri). All three are members of the Senate Armed Services Committee.

* * * * *

SALTONSTALL, ranking Republican on the Armed Services Committee, took issue with JACKSON.

"That is not my understanding at all," he told reporters. "There has been no cutback in research or development of the intercontinental ballistic missile or in guided missiles."

Mr. SYMINGTON. Such a statement is unfortunate, because once again, in this vital field of national security, the people are not being given the facts.

It is unfortunate that the Senator from Massachusetts has apparently been misled, because I am sure he would never knowingly make such a misstatement.

I am confident that he will correct this record.

I call upon President Eisenhower and Secretary of Defense Wilson to give the people the facts. They are entitled to the truth.

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

Mr. SYMINGTON. I yield.

Mr. JACKSON. Is it not a fact that the Department of Defense had an announced program as to when operational IRBM and ICBM missiles would become available?

Mr. SYMINGTON. The able Senator from Washington is correct.

Mr. JACKSON. Is it not a fact that information as to the date was given to the Senate Armed Services Committee this year, which is classified information?

Mr. SYMINGTON. The able Senator is again correct.

Mr. JACKSON. Is it not a fact that just recently the Department of Defense made a substantial change in its objectives for operational IRBM and ICBM missiles?

Mr. SYMINGTON. That is true, and may I add the distinguished Senator knows this subject at least as well as anyone, because he is chairman of the Military Applications Subcommittee of the Joint Committee on Atomic Energy; and he is a member of the Senate Armed Services Committee.

Mr. JACKSON. I appreciate the Senator's kind comments. I wish to say, however, that the distinguished Senator from Missouri, who is a former Secretary of the Air Force and a member of the Armed Services Committee, is far better informed on this subject than I am. But it is true, is it not, that this information is available to all members of the Senate Armed Services Committee; and that, despite that fact, some persons are completely misinformed on this all-important subject, a critical matter which affects the security of the United States and the Free World?

Mr. SYMINGTON. That is also true. As the able Senator from Washington will remember, not too long ago we had a statement from an administrative representative that the stockpile of our intercontinental ballistic missiles was increasing every month. We both know there is no such stockpile, and there will not be any such stockpile, for years to come.

Mr. JACKSON. I wish to compliment the distinguished junior Senator from Missouri for this able presentation of a subject which is so important to the security of our country.

Mr. SYMINGTON. I thank my friend.

PUBLIC WORKS

Mr. ELLENDER. Mr. President, the public works appropriation bill was signed by the President on August 26. The President issued a statement criticizing the Congress for including unbudgeted projects for rivers and harbors and flood control. I ask unanimous consent to include in the RECORD at this point in my remarks an article from the New York Times which comments on the President's message and contain a verbatim copy of his statement.

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

[From the New York Times of August 27, 1957]

CONGRESS CHIDED FOR ADDED FUNDS—PRESIDENT SIGNS RIVERS AND HARBORS BILL, BUT DECRIES 700 MILLION APPROPRIATION

WASHINGTON, August 26.—Congress was criticized by President Eisenhower today for authorizing $700 million in unbudgeted rivers and harbors projects in the Army civil functions bill.

A formal White House statement said that the President was deeply concerned about the continuing trend in Congress during the last few years to add projects above the administration estimates. The President added that his aim of maintaining economic stability and fiscal solvency for the present and future and been hampered by the Congressional decision.

He served notice that his request for appropriations to carry out the program would be dependent on the overall budgetary situation and his desire to maintain principles of fiscal soundness.

STATEMENT ISSUED

In signing the bill, which appropriates $858,094,323 for the year, the President issued this statement:

"I have approved H. R. 8090 making appropriations for civil functions administered by the Department of the Army and certain agencies of the Department of the Interior, for the fiscal year ending June 30, 1958, and for other purposes. I am deeply concerned, however, about the large financial commitments represented by the unbudgeted new construction starts for the Corps of Engineers which the Congress has provided for in this bill. This is the third successive year in which this has happened, with the result that future financial commitments of the Federal Government have increased about $2,500,000,000 in that period, most of which must be appropriated over the next 3 to 5 years if these projects are to proceed.

"In fiscal year 1956, the Congress added unbudgeted new starts for the Corps of Engineers involving direct future commitments in excess of $1 million. Last year the Congress added projects with future commitments of three-quarters of a billion dollars. In this bill for the fiscal year 1958 the Congress has added projects with future commitments of over $700 million, only slightly less than last year. This action has been taken in spite of the fact that in 1958 expenditures for the Corps of Engineers, civil functions, will approach the previous all-time high, with almost 500 projects, having a total cost of over $9 billion, in various stages of construction. These projects have a cost to complete at the end of fiscal 1958 in excess of $3,300,000,000.

In my budget recommendations to the Congress, I carefully weighed the need for water-resource developments against the needs of national defense and other necessary functions of Government. I attach particular importance to the necessity of maintaining economic stability and fiscal solvency both now and in future years. The Congress, by the action it has taken on this bill, has seriously hampered the attainment of these objectives. I shall continue to adhere to these principles of fiscal soundness and, therefore, the size of recommended future appropriations for these unbudgeted new starts will be dependent on the overall budgetary situation."

Mr. ELLENDER. Mr. President, as I pointed out when the bill was under consideration by the Senate, the committee heard 1,132 witnesses in 40 sessions between March 28 and June 21. The committee reported a good bill, which passed the Senate with only one dissenting vote. At that time I expressed concern over a letter from the Director of the Bureau of the Budget to the Secretary of the Army, directing that rates of commitments, obligations, and expenditures be kept at or below the rates for fiscal year 1958.

On August 19 the distinguished senior Senator from Alabama brought to the attention of the Senate the action of the Bureau of the Budget in the apportionment of funds for the National Institutes of Health. At that time he stated:

Officials in the Bureau of the Budget then perverted a law—the antideficiency statute—to override the considered will of Congress by making available to the National Institutes of Health for the first quarter of fiscal year 1958, $17.7 million less than was available and needed.

The expenditure of funds appropriated by the Congress is controlled by the Bureau of the Budget through the apportionment procedure. In the implementation of the letter from the Bureau of the Budget, the Chief of Engineers has ordered delays in starting new contracts wherever possible, and requests for apportionment are to be held to 75 percent of available funds or accompanied by a list of deferrable items that will bring the request down to the 75-percent level.

I bring this to the attention of the Senate so that each Senator will be aware of the distinct possibility that projects in his State for which funds were appropriated may not be started or may be delayed, and that completion dates for projects—possibly even some including power—will be delayed.

As I pointed out previously, this is false economy and represents an economic loss. This was recognized by the Chief of Engineers when he appeared before the committee. However, I believe an even more serious situation is developing, where contractors operating under a continuing contract are not receiving sufficient funds to carry on economical operations. The financing of Federal projects in this manner will force these contractors to include large contingency items in their future bids. This can only lead to rapid increases in the cost of these Federal projects.

The committee is beginning to receive complaints from contractors that they are not getting sufficient funds to meet the completion date for their contract.

This situation does not arise due to any lack of available funds. On June 30, 1957, the Corps of Engineers carried over into fiscal year 1958 over $100 million unobligated.

I believe that the Members of the Senate should have this information before they go back to their States, so that when they receive complaints from their constituents they will be aware of the situation and be familiar with the basic reason for the complaints.

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

Mr. ELLENDER. I yield.

Mr. COOPER. I understood it was stated the Bureau of the Budget would control the rate of commitment of funds.

Mr. ELLENDER. That is correct.

Mr. COOPER. Does the Senator consider the Bureau of the Budget would have the power or the right to postpone beyond a year a project for which the first step was being taken?

Mr. ELLENDER. I do not concede that authority, however, that is the position of the Bureau of the Budget.

Mr. COOPER. Would that not in a respect be an item veto?

Mr. ELLENDER. Exactly. It would be a bypassing of the law, as I understand it. Congress has actually appropriated the funds for certain purposes. As I understand the Budget letter and the President's statement, he is able, through the apportionment procedure, to curtail expenditures. As I pointed out, that will mean the cost of the projects is bound to increase, because it will cause the contractors to put in a greater sum for contingencies.

Mr. COOPER. I understood the point that there was authority to control the rate of commitment. The specific question I raise is whether in the opinion of the Senator from Louisiana there is authority to postpone beyond a year the initial steps in the construction of a project. It seems to me that would be in effect an item veto.

Mr. ELLENDER. It is my considered judgment, if I understand that statement correctly, that it will simply mean the postponement of many projects, particularly those which have been unbudgeted.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield to me?

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

Mr. JOHNSON of Texas. I wish to commend the distinguished Senator, the chairman of the Subcommittee on Public Works of the Committee on Appropriations, for the very fine, clear-cut, forthright statement he has just made, in which he puts the Senate on notice as to what may happen. I quite agree with the Senator that if the President should follow such a course of action, it would be very false economy.

I was shocked a few years ago when I saw a President from my own party seek to unjustifiably prevent the will of Congress from working itself. After we felt the needs of national defense dictated and required a specified sum to be appropriated, and appropriated that money, the President sought to impound it. I have heard that action criticized by Members on both sides of the aisle.

We have not provided the President with an item veto. If the President does not approve of the actions of the Congress, he should be forthright enough and courageous enough to frankly say so, and veto the bill, to permit the Congress to act on his veto.

I would be very disappointed and very surprised if the present occupant of the White House should seek to arrogate to himself such dictatorial powers as to override the will of a substantial majority of the Congress. I do not believe the President is being properly advised in this instance, but if he is, and if he should seek to extend the heavy hand of the Executive that far in this direction, I hope he will give consideration to impounding funds for some of the projects which may be called for in the bill passed yesterday, instead of the domestic projects which affect all the people of this land.

I thank the Senator. I think he has made a great contribution. I hope the Congress will watch the action to be taken and will assert itself if its will is overridden.

Mr. ELLENDER. I am in thorough agreement with my good friend, the Senator from Texas. I wish to say that from here on out I shall watch with care the action taken by the President and the Bureau of the Budget, and report it back, even if I have to write each Senator, so as to keep all Senators posted as to what is going to occur in their respective States.

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

Mr. ELLENDER. I yield.

Mr. DIRKSEN. I am quite confident the President would never approach the matter in that light.

Mr. ELLENDER. He has done it in the past, may I say to my good friend, the Senator from Illinois. I can cite quite a few projects on which that was done.

Mr. DIRKSEN. I was simply going to state that if, for instance, the President had to approach it in that way, I can say he would be motivated only by budget considerations and fiscal considerations which in his judgment would have some real impact upon the continuing solvency of the country and its fiscal well-being.

As everybody knows, there is certainly no dictatorial attitude about the President. He tries to see these matters in a broad focus and to take into account the welfare of all the people.

Mr. JOHNSON of Texas. I would not want to ever presuppose the President has such a power. If the President has the power to prevent Congress from exercising control over the purse, other than by a veto power, we might as well abolish the Congress. In other words, we appropriate the money. We say we want these things done. The President approves of our action. But subsequent to our adjournment he comes along and says, "I am going to vitiate everything the Congress has done. I am going to impound the money."

Mr. President, I want the RECORD to show that I protested that action when a Democratic President took it, and I am going to protest it if a Republican President should take it. I do not presuppose that he has the authority or the inclination to do so, and I pray to God he does not.

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

Mr. ELLENDER. I yield.

Mr. DIRKSEN. I could concur generally with the observations of the majority leader, but an emergency situation could confront the country, in view of the fact that the entire fiscal condition in the world is so fluid at the present time. Then of course it would become a duty of the President to take action. Perhaps he ought to notify the Congress in advance of any action he might take, but I would feel that he would be remiss in his duty if he did not take into account the whole delicate fiscal situation that obtains at the present time.

Mr. ELLENDER. Mr. President, I express the hope that with regard to work which is so important to us all—that is, the investment in public works, to preserve and conserve our precious water and precious natural resources—the President will not see fit to cut a dime off the most recent appropriation.

Mr. DIRKSEN. I share the hope of my distinguished friend, the Senator from Louisiana.

Mr. ELLENDER. Fine. The Senator can then see to it, being a member of the President's party, that the President does not take action in that regard, because if he does so he will hear from the Congress sooner or later.

Mr. DIRKSEN. I am afraid my distinguished friend arrogates to me powers and authorities and omniscience that I do not have.

ADDITIONAL REVENUE FOR THE DISTRICT OF COLUMBIA

The PRESIDING OFFICER (Mr. SCOTT in the chair) laid before the Senate the amendment of the House of Representatives to the amendment of the Senate to the bill (H. R. 6258) to amend the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," which was, on page 5 of the Senate engrossed amendment, strike out lines 6 through 8, inclusive, and insert "the Chief Clerk of the Senate, the Parliamentarian of the Senate."

Mr. JOHNSON of Texas. Mr. President, the very able Senator from Nevada has conferred with the majority leader and the minority leader with regard to the action he proposes to ask the Senate to take, and we are heartily in accord with it.

Mr. BIBLE. I thank the Senator.

Mr. President, the amendment of the House is acceptable, and I move that the Senate concur in the House amendment to the Senate amendment.

The motion was agreed to.

COMPUTATION OF ANNUAL INCOME FOR THE PURPOSE OF PAYMENT OF CERTAIN PENSIONS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2080) relating to the computation of annual income for the purpose of payment of pension for non-service-connected disability or death in certain cases.

Mr. JOHNSON of Texas. Mr. President, I express the hope that action on the amendments of the House can be postponed until I have an opportunity to confer with the minority leader. The subject has not been brought to his attention. We have a gentleman's agreement that one will not take any action without consulting the others.

The PRESIDING OFFICER. Without objection, action will be postponed.

Mr. BYRD subsequently said: Mr. President, there is at the desk a message from the House of Representatives in regard to Senate bill 2080. I ask that the message be laid before the Senate.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2080) relating to the computation of annual income for the purpose of payment of pension for non-service-connected disability or death in certain cases, which were, on page 1, line 3, after "That" insert "(1)"; on page 1, line 8, after "(c))," insert "and (2) in determining the dependency of a parent for the purpose of payment of death compensation by the Veterans' Administration"; on page 2, line 11, after "and" " insert "for the period"; on page 2, line 11, strike out "section" and insert "item"; on page 2, line 12, strike out "section" and insert "item"; on page 2, after line 16, insert:

SEC. 4. Section 102 (c) of the Veterans' Benefits Act of 1957, Public Law 85-56, is amended by adding after the word "Administration" the following: "or payments of bonus or similar cash gratuity by any State, Territory, possession, or Commonwealth of the United States, or the District of Columbia, based on military, naval, or air service."

SEC. 5. Section 205 (g) (1) of the Servicemen's and Veterans' Survivor Benefits Act (38 U. S. C. 1115) is amended (1) by substituting a semicolon for the period at the end of item "(E)", and (2) by adding the following new item:

"(F) Payments of bonus or similar cash gratuity by any State, Territory, possession, or Commonwealth of the United States, or the District of Columbia, based on service in the Armed Forces of the United States."

And to amend the title so as to read: "An act relating to the computation of income for the purpose of payment of death benefits to parents or pension for non-service-connected disability or death in certain cases."

Mr. BYRD. Mr. President, I move that the Senate concur in the amendments of the House of Representatives. This matter has been cleared with the leadership on both sides.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Virginia.

The motion was agreed to.

ADMINISTRATION OF DISASTER RELIEF UNDER PUBLIC LAW 875

Mr. KEFAUVER. Mr. President, as chairman of the Subcommittee on Civil Defense of the Armed Services Committee, I have been very much interested in the administration of the disaster-relief law, Public Law 875. I have had an opportunity to consider the application of that law with Mayor Lashkowitz and some of the other officials of the city of Fargo, N. Dak., in conjunction with the very able Senators from North Dakota [Mr. LANGER and Mr. YOUNG] and members of the North Dakota delegation in the House. I know that the Senators and Representatives are doing everything possible to obtain a fair amount of relief for the stricken city of Fargo, N. Dak., but I feel that the attitude of the Administrator in connection with the application of this law to the disaster which struck Fargo deserves the attention of Congress. I do not believe the Administrator is following the Congressional intent.

On June 20 the city of Fargo, N. Dak., experienced a disastrous tornado which took 11 lives and hospitalized over 100 people and caused damage estimated at upward of $20 million. Included in the damage were a public school which was totally demolished, a parochial high school which sustained nearly $1 million worth of damage in itself. Several churches were damaged or destroyed, and a convent which provided a home for over 70 nuns engaged in human service was destroyed. There were nearly 1,500 homes destroyed, damaged, or rendered uninhabitable as a result of the storm. One hundred and fifteen square blocks were demolished or severely dam-

aged. Due to the energetic efforts of Mayor Lashkowitz and the city government, not a single life nor serious injury nor even serious traffic accident took place after the act of God subsided, because all local forces were competently mobilized. However, great human suffering resulted from the tornado because of the critical housing situation which developed, the impairment of churches and schools, and a portion of the economic life of the city was disrupted.

Federal officials came in after the President had declared Fargo to be a major disaster area under provision of Public Law 875. Up until this moment there has not been one cent of Federal money used for direct assistance to the city of Fargo and its inhabitants, according to Mayor Lashkowitz and his associates. There has been a sum of $20,000 allocated by the administration as a result of a request by the Governor of North Dakota.

The mayor of Fargo describes this allocation as pitifully inadequate. We are obliged to agree with the mayor's observation because it was the intention of Congress when it adopted Public Law 875 that the Federal Government was to provide a study and continuing means of assistance to the States and local governments in carrying out their responsibilities to alleviate suffering and damage resulting from major disasters, as well as repairing essential public facilities in major disasters. It would appear that the purpose of the Congress in enacting Public Law 875 has not been carried out by the administrators of this act and that apparently some of the administrators are not willing to recognize certain forms of acute and terrible human suffering as eligible for assistance under Public Law 875. We certainly cannot agree with the administrators and must challenge this narrow, limited interpretation of the law in supporting the intentions of Congress.

Let us remember that this tornado occurred on June 20 last. The Federal Government has advised the mayor of Fargo and his associates that nothing that took place after June 24, then modified to June 25, will be eligible for assistance under this act. Those who have viewed the area, and we have all seen pictures of it, readily recognize that this is a very narrow and heartless limitation upon this act which gives great discretion to the administrators. Secondly, the mayor and his associates have pointed out that the administrators of the act refuse to recognize the existence of a health emergency in the city of Fargo after the tornado disaster. The position of the Federal administrators is in direct conflict with the position taken by the local government of the city of Fargo in proclaiming a health emergency to have existed. You will recall that after the terrible damage of June 20 in which these 1,500 homes were rendered uninhabitable that there was an accumulation of foodstuffs, animals, and other decaying matter exposed to the elements. Hot July weather together with a great rainfall aggravated a critical health situation which could well have proved extremely dangerous except that we are advised the city of Fargo exerted its full physical and financial resources under the direction of the mayor in meeting this challenge. Certainly Congress meant to assist suffering areas in meeting health emergencies.

Thirdly, the administrators have sought to give the people of Fargo what some have termed the rush act in making a final and complete application for assistance under the act when the full ramifications of the tragic tornado have not been fully assessed and felt and measured even in this State. We would call attention to the Congress to section 3D of Public Law 875 wherein the language clearly and expressly vests wide discretionary authority in the hands of the administrators in making available contributions to States and local governments.

This Fargo experience should be of concern to all sections of the Nation in view of the fact that natural disasters do not spare any section of the United States; and, if the administrators are going to narrow and water down the act of Congress to overlook human suffering and vital community needs eligible under Public Law 875, then it is high time the Congress takes another searching look at the administration of Public Law 875.

CIVIL-RIGHTS ACT OF 1957

The Senate resumed the consideration of the amendment of the House of Representatives to Senate amendments Nos. 7 and 15 to the bill (H. R. 6127) to provide means of further securing and protecting the civil rights of persons within the jurisdiction of the United States.

THE PRINCIPLE AT STAKE IN H. R. 6127

Mr. ROBERTSON. Mr. President, my colleagues who share my fondness for history may recall that the Roman orator Marcus Porcius Cato, called The Elder, rarely made a speech without including the warning: "Delenda est Carthago."

Cato, who was an historian, as well as a public official, foresaw the destruction of Roman civilization if it became corrupted by certain foreign ideologies, and he saw Carthage as a center of those evil influences. Therefore, he said, to preserve Rome, Carthage must be destroyed.

So, if I seem as repetitious as Cato, I trust I shall be credited with being no less sincere when in this, my fifth speech on the Senate floor this year on the subject of so-called civil-rights legislation, I reiterate what I have said each time before: This is an evil bill, and it ought not to become law.

It is evil because it will retard, rather than promote, the advance of harmonious race relations.

It is evil because it will encourage abuse of Federal authority for partisan, political purposes.

It is evil because it marks another step in the direction of centralization of governmental powers and of transfer of legislative functions to the executive and the judiciary.

It is evil because it tampers with such basic legal procedures as the requirement that administrative remedies be exhausted before resort to the courts and the restriction of equity jurisdiction to cases where a legal remedy is not available.

It is evil because it both circumvents and restricts the basic right of citizens to be tried by a jury of their peers.

The elaboration of those points, and of others which might be added, could take a great deal of time without resort to anything which could justifiably be called a filibuster, Mr. President; and I would willingly remain here for some time—throughout the fall months, if necessary—to participate in such an exposition, if I felt it would serve a useful purpose.

The value of extended, but pertinent and purposeful, debate has been demonstrated in our consideration of H. R. 6127. At the time when this bill came to the Senate, there was only a little band of opponents in this body, and only a limited segment of citizens generally, who realized that it contained proposals which would radically alter our system of Government and our national way of life. Soothing assurances that this was a very decent and moderate piece of legislation, or a watered-down version of last year's bill, had been widely accepted by editorial writers, commentators, and other leaders of opinion whose influence on the public generally was reflected in pressures upon the Senate to accept the bill without questioning or closely examining its content.

Gradually, however, the words which had to be repeated several times on this floor before they received wide attention, got around the country. I saw the change in my mail from States other than my own, and I am sure other Senators had a similar experience. First, there was questioning as to whether part III really would permit massive use of Federal power, including Armed Forces, to require immediate integration of schools, to force social mixing of the races, and to deny the right of individuals to pick their associates. Then there was a wave of reaction which caused the veiled incorporation, by reference, of the old act permitting use of Armed Forces to be stricken from the bill. As our educational process continued, sentiment built up against the whole radical intent of part III; and our Southern group, with the aid of fair-minded men from other sections, was able to have that taken out of the bill.

The part of H. R. 6127 to which I devoted the most attention was the provision in both part III and part IV having to do with jury trials. I felt from the start, and feel now, that in every case in which a citizen would be entitled to trial by jury under existing law, that right should be preserved; and that the right is seriously violated when it is circumvented by saying that what was a proceeding at law is now a proceeding in equity, and that because jury trials are not required in certain equity cases, they are not required in these newly labeled cases.

The original opponents of this bill made their case as best they could on the jury-trial issue, and, as on part III,

we found allies among the open-minded Members of this body from other areas of the country whose devotion to the principles of constitutional government outweighed political considerations.

We did not get all the changes we wanted in the bill, but we reluctantly allowed action to be taken on the basis of assurance that the right of trial by jury would be preserved, at least in criminal cases, and that no man would be branded as a criminal on the sole initiative of a judge in a civil-rights case without having an opportunity to have a panel of citizens consider the factual issues involved.

The other body—which had passed this bill at a time when, as I have said, there was a general public impression that it was mild and harmless—has refused to accept what, to me at least, already was a real compromise; and now we are asked to join in a new compromise on the jury-trial issue.

This so-called compromise provides, in effect, that a judge can brand a man as a criminal for disobeying his orders in a civil-rights case, but that the brand cannot be a very large one—only a $300 fine and up to 45 days in jail—without giving the defendant a chance to appeal—at his own expense, of course—for a review of the case by a jury, in a second trial.

By giving the judge discretion as to whether a jury shall be used in a case intended to enforce an order he has issued, this provision surrenders the principle that trial by jury is a right possessed by the defendant, and makes it no more than a privilege granted by the judge. This, as I have pointed out at some length in my previous discussions of H. R. 6127, does violence to the basic principles of our system of government. I agree with the President of the American Bar Association who said "It is more important to preserve the fundamental right of trial by jury than it is to dispose of cases in a hurry." I believe that a good judge would not want to prevent a jury from passing on questions of fact involving alleged violations of his personal orders, and I believe that a bad judge should not be allowed to make such a decision.

The provision also is faulty in proceeding on the assumption that a fine of $300, which may be a considerable sum for a minor official in a rural community, and a jail sentence of 45 days constitute so small a penalty that the full protection afforded by our traditional legal system is not required.

As I have pointed out on previous occasions, our Constitution never would have been ratified except for the assurances of influential leaders that it would promptly be supplemented by the Bill of Rights amendments. And when the seventh amendment was adopted it said:

> In suits at common law, where the value in controversy shall exceed $20, the right of trial by jury shall be preserved.

There has been, as all of us know, a tremendous inflation which has reduced the value of the dollar as a purchasing unit several times in the last century and a half, but that process of devaluation has not yet reached the point where we could justifiably say that a line drawn at a $300 fine now is in keeping with the intention of our forefathers when they said a man should have a jury trial in controversies where more than $20 was involved.

And, of course, the jail sentence of up to 45 days is a clear violation of the spirit of the jury-trial provisions of the Constitution. A citizen who is sent to jail for even one day has an indelible stain placed on his record. Cutting him off from his family and his occupation for a month and a half can have serious economic, as well as social consequences.

It should be emphasized that this so-called compromise provision is not one which applies to cases of what we call civil contempt—where a defendant is placed in jail to make him obey the order of the court, and is said to have the key in his pocket because he can be released any time he is willing to comply. The bill we are considering permits an indefinite sentence in that type of case.

The Senate amendment applied only to criminal cases—where the defendant was being punished for what he had done or failed to do, and where he had no control over the length of the term imposed by the judge.

We sought to say that when a judge attempted to punish a citizen for violating his orders, rather than merely to uphold the power of the court by compelling compliance, a jury should decide whether there were facts to justify such action.

The provision, as it comes back to us, gives the judge an unlimited right to brand a man as a criminal, but says that if his punitive action goes beyond certain limits there will be an opportunity for the defendant to obtain a rehearing, if he is willing to undergo the ordeal and the expense of a second trial, and is confident that a jury will not approve a still heavier penalty.

The issue at stake continues to be what I called in my first speech on this floor "the inestimable privilege of trial by jury."

As I said at the outset of these remarks, that issue is so important that I would willingly stay in Washington to discuss it so long as anything might be gained by that effort.

The record has been made, however, so far as background facts are concerned. The question no longer is one of something hidden in an involved piece of legislation which must be revealed before its dangers can be appreciated.

All southern Senators, and a number of Senators from other States, participated in the discussion of the constitutional right of trial by jury. My discussion of that issue, including answers to questions explaining the technique used in the bill to deny those accused of violating civil rights a jury trial, filled almost 25 printed pages of the CONGRESSIONAL RECORD.

A major part of the speech I made in the Senate just before final passage was devoted to the legal theory that one is not permitted to do by indirection what he is prohibited from doing directly. The provisions of H. R. 6127 to deny jury trials in criminal cases was an indirect repeal of constitutional provisions for jury trials, and, therefore, in violation of the Constitution.

The hybrid jury trial provision which has come back to us from the House is even more unconstitutional, because it admits, on the one hand, that if the penalty in a criminal trial exceeds a certain point, the defendant is then entitled to his constitutional rights, but below that point he is not. But, of course, the Constitution draws no such distinction, and any effort by the Congress to write such a distinction into law is unauthorized.

We are, if H. R. 6127 becomes law in the form in which it is now presented to us, sacrificing a part of the right of citizens to be tried by juries. We are permitting the Attorney General and his janizaries to go into communities and browbeat election officials by threatening fines and jail sentences if they do not permit certain individuals to vote, even if the local official is convinced he will be violating his State law by doing so. We are saying that when such prosecutions are initiated, a single judge can issue the order, hear the case, and impose the sentence without intervention of any opinion other than his own, provided only that he does not try to keep a man in jail for longer than 45 days after his opportunity to comply with an order has passed.

Members of this body should need no great elaboration to understand those simple facts. I hope that there will be enough of them who will see the danger involved in what we are asked to do to reject the House amendments and to demand that the other body accept the basic principle of preserving in full the right of trial by jury in civil-rights cases.

When the difference between contending groups is money, that difference can properly be compromised. But when men compromise between right and wrong, between good and evil, they compromise themselves. Once agreement has been reached on what is a fundamental principle, the issue has been put beyond the sphere of permissible compromise.

If a sufficient number of Members of this body see this issue, as I do, as a matter of principle, the bill will not be accepted in its present form.

But, if a sufficient number of Members of the Senate are not willing to block passage now, I frankly doubt our ability to win a majority by forcing the Senate to remain in session for an extended period.

As a realist I recognize also the fact that if we now antagonize those allies who helped us to eliminate some of the worst features of this bill, they may not continue to stand with us against those forces which would destroy the character of the Senate as a deliberative body by limiting debate in order to obtain more prompt action on radical reform measures.

The bill before us, as I said at the outset, is an evil one, and I hope will be rejected. The record is clear that I have never wavered in my opposition to it.

Mr. STENNIS. Mr. President——

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). The Senator from Mississippi.

Mr. STENNIS. During the entire course of the debate upon the pending measure, the civil-rights bill, I believe that, more than in any other previous time when bills on this subject were debated, the entire question, and the so-called problems that go with it, from a national standpoint, have been brought more clearly into focus, better explained, and better understood by the people of all areas of the country. I think that fact has been due in large part to the very fine debate upon the legal questions involved and on the practical problems that go with it, and the very tempered and reasonable approach by both sides, which included men who know about the practical aspects of the problem, as well as many of its legal aspects.

I also believe, Mr. President, that radio and television programs which were broadcast over the national networks, and otherwise, were a very valuable and contributing factor in bringing the problems connected with the subject matter into proper focus and proper perspective, and causing them to be more clearly, more generally, and better understood. I think that will be shown to be true in the months and years to come. I believe they contributed not only to the debate on the floor of the Senate, but in the House. I believe the evidence of a better understanding has been reflected in the two major Senate amendments which were adopted, and in the vote on those amendments.

Someone asked me, on a television program, if I considered the vote eliminating part III of the bill as a southern victory, and the same question was asked me with reference to the jury-trial amendment.

I immediately replied that I did not consider it a southern victory, not in the least, but that I considered it a victory for the Nation, because in my humble opinion both of those votes were based upon fundamental and necessary concepts of our form of government. They were sound and far-reaching, and set helpful precedents.

The vote on those two amendments, by the way, were cast not alone by Senators from the so-called South, but by Senators from the entire Nation: New England, the Midwest, the Far West, as well as the South.

In attempting to evaluate the debate and the results thereof, I should say I believe they were definitely on the affirmative and constructive side.

Mr. President, I have the honor of being one of the Senators from a State which is perhaps more acutely affected by this subject matter than any other State. I come from a State which has, with all humility, done as much, I believe, as any other State on the constructive side of the problem, although we do not get credit for it, because of a few unfortunate things which have happened. I really do not expect our people will get credit for their position and actions.

As one of the Senators from that State, I appeal to the national public opinion for a continuing honest, sincere study and examination and understanding of the great racial problem. The problem is not confined to my State, to the South, or to the United States. It is one of the conditions we find in many places in the world.

I do not condemn any other place where such conditions prevail, but I have found that wherever I have been—and I have been over most of Western Europe and the Mideast—unfortunately there is this problem in one form or another.

I appeal at this time and for future years to an informed public opinion throughout the Nation for a better understanding of this so-called problem as it exists today in the realities and actualities of everyday life, not as a political theory or a religious belief or purely a social problem. It is an age-old problem of races in great numbers living together in close proximity, living together in peace and harmony and within an order that is sound for both, without one trying to destroy the other.

That is exactly what is behind a great deal of the agitation, the instilled agitation, which persists on this subject, the attempt to pit one group against another, and assert the rights of one group at the expense of the rights of the other, or advance one group by sacrificing the other. Mr. President, that is not progress. That is not in accord with the American system of government.

Any plan of coercion or enforced effort by civil law, church law, or any other kind of law, will not make a contribution which will be helpful or lasting.

On this very difficult subject matter I have said on the floor of the Senate, in correspondence, and in speeches many times that I feel I represent the Negro citizens of my State, too, in this argument. There is a very strong, sustained sentiment among the leaders and the rank and file of those colored citizens for their own institutions, for their own social order, for their own schools, and for their own churches.

I have said also here and elsewhere that paid agitators or misguided sincere people were stirring up strife by pitting one group against another and one race against another.

Mr. President, I have in my hand a letter which I recently received, from a man in my hometown of DeKalb, Miss., a small town with a population of about 1,200 or 1,400, which is split about 50–50—50 percent white people and perhaps 55 or 45 percent colored people. The letter was mailed from that town on August 8, 1957, addressed to "Senator JOHN C. STENNIS, Washington, D. C." The letter, a 1-page letter, is written with a pencil on a piece of notebook paper. I will read it to the Senate.

DEAR SIR: I am an old Negro. Will you please help us. We do not want to go to school with the white people. Please help us keep our schools and our church at the same place.

Interpolating, Mr. President, I think there has been some little talk about a change in location, as well as much talk about a change in the setup by putting all the schoolchildren together.

I continue the quotation from the letter:

As you are a Kemper man—

Kemper County, Mr. President, is the name of my home county—

As you are a Kemper man, I do hope you will help us. We want our school and church at the same place. We do not want them moved. Please help us again if you can and I pray that you can. I hope God will show you a way.

This letter was written in the midst of all the debate. It is from an old Negro in my small hometown in Mississippi. He says:

I hope that God will show you a way. The only way that I can pay you is to pray for you.

Mr. President, I will yield to anyone who can bring forth a letter which is more sincere or more to the point, or which is more grassroots, or which better covers the subject.

Please help us keep our schools and our churches.

Another point I have raised here is that the paid agitators and strifemakers and some good-intentioned people who are dividing the races one against the other, races which have been living in peace and harmony and concord for more than a century, are not attempting to solve the problem.

Let me read the last sentence of the letter, Mr. President, on that point:

Do not let anyone know that you got this letter. I'll be in bad.

That old Negro says that he will be in bad there in his hometown. Would he be in bad with his white friends for having written a letter like this? Certainly not. He means that he would be in bad with his own group or some of his own group. That is the only possible interpretation for me to place upon his statement that he would be in bad for writing me a letter like that.

He did not sign his name. He doubtless knows me. He doubtless knows that I am in a position which he considers to be one which would permit me to help them keep their school.

The letter is an example of sincerity and genuineness all the way. As I say, it is written with a pencil on a leaf from a notebook. I shall be glad to file the letter for the RECORD. It speaks volumes, and tells the story to the Nation far better than I could, and with the utmost sincerity.

I wish to address my remarks now particularly to the subject of the Commission proposed to be established in accordance with the terms of the bill. If the bill should become law—and I hope it will not, because I think its main features are unsound and detrimental to the very problems I have been discussing—the membership of the proposed Commission will become very important. If it is to be composed of men and women who are mere race baiters, crusaders, troublemakers, and theorists, whether social, political, religious, or otherwise, it will tend to be a fountainhead of harm, strife, turmoil, and discontent, as well as a fountainhead of misleading information.

If the bill should become law, I hope that outstanding, practical men or women will be selected, people who have practical ideas, who understand human

nature, and who know something about the problem, entirely apart from partisan political considerations or sectional differences. I know that they will be persons whom the President considers to be persons of character and integrity. However, I hope they will also have a great capacity for understanding.

I am reminded of Solomon, in biblical times. Given the choice of all the gifts from Heaven that could be bestowed upon him, he did not call for wisdom as such. He asked for an understanding heart. If anyone is to make a real contribution in this field, other than by noise or headlines, he must have an understanding heart. I hope the President will bear that in mind when and if he is called upon to make appointments.

If the bill is to pass, it is very apparent that soon after its passage there will be an adjournment of the Congress. It is not clear in the bill, and it is not clear in my mind, as to when the appointments would be made. I have no inside information on the subject. I do not know that there would be time for the appointments to be made before the adjournment of Congress. I do not know that there would be time to pass upon the confirmation of the nominations should the appointments be made. I emphasize that I have no special inside knowledge on the subject, but I am concerned about it, as I have already indicated.

The bill requires that the nominations be confirmed. If Congress is not in session when the appointments are made, that will mean that the appointees, if the law permits their appointment during a recess or adjournment of the Congress—and apparently it does—could be in operation, vested with all these powers, for at least 4 months before the Senate would have an opportunity to act.

I do not say this by way of any kind of threat, but naturally those interested in the problem will be greatly concerned, and anyone appointed to the Commission will necessarily have to undergo the most exacting scrutiny and the utmost consideration by Members of this body. So I certainly hope there will be no quick appointments, or appointments which are not thought out.

If the bill should become law, I point out that the entire spirit of it, if not the letter, absolutely requires that the Senate be given an opportunity to consider the nominations before the members of the Commission actually undertake to discharge the vast powers and responsibilities vested in them in the bill.

If the Commissioners are to be merely fronts or rubber stamps for some staff director's work, however competent such staff director may be, such a situation will be entirely contrary to the spirit of the law. I say this not by way of a threat, but only as a warning from one Senator who is deeply concerned about the subject matter.

I wish to express again the hope that the members of the Commission will be people of ability, discretion, and judgment, who understand the practical affairs of life in many realms, political, religious, social, and otherwise, and that they will be given the most rigid—and at the same time fair—consideration by this body.

The original draft of the measure would have permitted the Commission to be studded with so-called volunteers, working without pay. Any organization or group, if it had the consent of the staff director or a majority of the Commission, could have placed on duty, in official or semiofficial capacities, its stooges and paid workmen. That provision was not in keeping with any good-faith study and consideration of the subject, and it was stricken out by this body.

The Senate has no way of changing the hearts or minds of people; and if the clause permitting the volunteers was typical of the spirit animating those who drew the original draft, and if that spirit is to continue to prevail, the Commission will have a great deal of trouble, and will not make any constructive, worthwhile contribution to this problem.

Very briefly, as I read the bill, the Commission will be given authority to investigate allegations, in writing and under oath, that certain citizens are deprived of their right to vote by reason of color, race, religion, or national origin; and, second, the Commission will have the power to study and collect information concerning legal developments constituting a denial of equal protection of the laws under the Constitution.

That is very broad and sweeping language, upon which many books have been written, some of fact and some of propaganda. I trust the Commission will not take the attitude that the bill, if enacted, gives them a license to submit anything other than factual reports based on factual information and on proper concepts of constitutional law.

The third major item deals with the Commission's duty to "appraise the laws and policies of the Federal Government with respect to equal protection of the laws under the Constitution."

Frankly, Mr. President, I do not understand how the Commission could any better appraise the laws and policies of the Federal Government than could be done by a committee of the House or a committee of the Senate or a joint committee of both Houses or of the executive department. That is a little-studied segment of the bill. I do not know that very much analysis has been made of it. Certainly it should not mean—and I do not understand how it could possibly mean—that there would be reports or propaganda or writings on theories proclaiming certain social patterns and functions, and attempts to give them nationwide application under the guise of appraisals of laws and policies.

If the provision was open to amendment, and I had the same knowledge of the section I now have, I would certainly question it very severely, and endeavor either to have it better drawn and better safeguarded, or else make as strong an attack upon it as I know how on the floor in an attempt to delete it from the bill.

Inasmuch as part III of the bill was stricken by amendment on the floor, I believe in retrospect, that the second provision I have mentioned about making a study and collecting information should also have been stricken from the bill. I say that because the two seem to be irrevocably tied together and related to each other—that is, the Commission and this power.

I mention this now as a part of the legislative history of the legal points involved, as well as the points involving the Commission. I wish to point out, for my part, that I do not believe Congress was looking for a propaganda study or a theoretical discussion or a theoretical summary of the laws and polices of the Nation. We are familiar with that, and, as the direct and chosen representatives of the people, bear the primary responsibility of making such studies and evolving laws. I trust that the Commission will not go far afield on those two sections.

When the Commission submits reports on appraisals and studies, I hope it will give the sources of its information and give other persons who are interested in the subject matter an opportunity to study the sources and appraise them and determine, if they can, their correctness. In that way there could be avoided what happened during the debate, when a great mass of so-called data and information and statistics were presented, the source of which no one exactly knew, nor who was responsible for it—certainly, no one in official responsibility—and a great part of which was found to be false during the debate and in the course of disposing of other legislative matters.

I wish to mention that point particularly as one of the guidelines—if I may use that term—which the Commission, if it is appointed, should follow.

Mr. President, I wish to make particular reference to the so-called amendment which came to us only yesterday afternoon, and which was added to the measure by the House of Representatives. I refer to the amendment which deals with trial by jury. I shall read all of the section which is No. 151 in the amendment of the House of Representatives, and will note particularly the House amendment when I come to it:

SEC. 151. In all cases of criminal contempt arising under the provisions of this act, the accused, upon conviction, shall be punished by fine or imprisonment, or both: *Provided, however*, That in case the accused is a natural person the fine to be paid shall not exceed the sum of $1,000, nor shall imprisonment exceed the term of 6 months: *Provided further*—

I come now to the part which was added by the House of Representatives:

Provided further, That in any such proceeding for criminal contempt, at the discretion of the judge the accused may be tried with or without a jury: *Provided further, however*, That in the event such proceeding for criminal contempt be tried before a judge without a jury and the sentence of the court upon conviction is a fine in excess of the sum of $300, or imprisonment in excess of 45 days, the accused in said proceeding, upon demand therefor, shall be entitled to a trial de novo before a jury, which shall conform as near as may be to the practice in other criminal cases.

I shall indicate what I think is a good point about that provision before I conclude. However, I am compelled to say that the overwhelming major points about it are so contrary to practice, so contrary to the practical methods of

administering justice, and so contrary to what I think is certainly an essential constitutional requirement of the Federal Constitution, that I think the proposal is overwhelmingly bad.

However, it does provide that any person charged with criminal contempt shall have a jury trial unless it is denied by the presiding judge. That is the way I interpret the language. That is plain and unmistakable language. I raise that point now in the debate. If there is any other interpretation placed upon it, I should like to have the proponents or anyone else interested in the subject challenge that position now. The language is clear and plain. The judges themselves and, certainly, the people are entitled to have that point clearly and unmistakably determined now. In other words, in criminal contempt the accused may be tried with or without a jury at the discretion of the judge. That means that, if he does not get a jury trial in the first place, it will be because the judge elects not to give it to him. I think he ought to have it as a matter of right. Let us not mistake that nor detract one bit from its sanctity as a constitutional right.

Mr. President, the burden of my argument and I believe the burden of the argument of most of us on this jury question is not that we are attempting to protect from a just verdict someone who is guilty of a crime. The Senate amendment was never intended to apply to the man who was under the direct orders of the court after he was brought into court and expressly put under the mandate of the court. I never did argue that the Senate amendment as adopted would entitle such a man to a jury trial. What I was concerned about, and what I think all of us were concerned about, was that, if the right of jury trial is not guaranteed in criminal cases, then a bystander, an innocent citizen, one at a school meeting, an election official not connected with a court case, and anyone else in the community who might be interested in the subject matter, stands a chance of being caught within a net and tried before a judge without a jury, where guilt by association could so easily be imputed to him.

But that is not the main complaint. It is not that there will be citizens who are brought into court and sentenced without a jury trial, but it is the threat, the coercion and the intimidation affecting all the people and making them feel that they do not have the protection of the rights guaranteed to them by the Constitution. The threat hangs over them when they wish to take part in elections of any kind. If the provision applying to schools were still in the bill as it originally was, there would be thrown into people a sense of fear, of coercion and intimidation, and, to use a good old crossroads word, it would tend to keep them "cowed" and keep them from taking part in their local public affairs.

That is my objection, Mr. President, to this bill, which puts such power in the hands of a judge, even one who can be sent in from another area of the country, one who knows nothing about the problems he is trying to deal with, or a judge who can be sent into a jurisdiction other than his own as a crusader, seeking to reform some individual or some area of the country. We have not done things that way in America heretofore, and we have progressed a long way in dealing with our problems. Where those problems are the most acute and most concentrated is where the greatest real progress has been made.

So I object, Mr. President, to the original concept of unlimited power being used against people who are not parties to a suit, who have not been brought into court, people against whom no charges have been made and to whom no warning has been given, citizens to whom no written order of the court has issued, but against the rank and file of people generally who could be caught up in the net, brought into court, tried and sentenced without a trial by jury. Their guilt could be only constructive guilt, or largely guilt by association with a disturbance of some kind.

While it is repetitious, I restate that my even further and stronger objection is to the coercive, intimidating and overwhelming influence that it will have among the little people, if I may use that term, in whatever unit of Government may be affected. That is why I wanted them to have the protection of a jury trial, not that I wanted to have anyone who was guilty turned loose. I believe the Nation rejected the slanderous charge that juries in the South would not convict when the facts justified conviction. I believe the Senate as a whole certainly rejected that idea. Those who made that argument in the beginning never did a poorer day's work than when they made that charge. They gave this debate its lowest and basest note, Mr. President.

Coming back to my objection of the coercion and the intimidation that can flow and will flow in many instances, I am willing to repeat at the same time that under this amendment parties brought into court would get a jury trial unless it was refused by the Federal judge. In dealing with a matter of this kind it seems to me there would be a special call on the conscience of the judge, on his discretion and the sound use of his judicial power to give, without the point ever being raised, a jury trial in such cases.

Article VI of the Constitution of the United States was written by men who fully understood the problems connected with the administration of justice. It was written at a time when the so-called courts of equity had very limited jurisdiction and very, very limited application, and certainly at a time when the courts of equity had virtually no powers and no jurisdiction when it came to the enforcement of the criminal law. I lay it down as not capable of being successfully challenged that if the Founding Fathers had had the faintest idea that the courts of equity then had any appreciable power to enforce the criminal law, or that they ever would have, then the provision of the Constitution would have clearly said that there had to be a jury trial to enforce criminal statutes, even if it was in a court of equity. If they would not go that far we would convict them of being insincere men or men without vision and they certainly could not be accused of either.

So, unfortunately, Mr. President, for that reason, and for that reason alone, the actual language of the Constitution may not fully and clearly cover the idea of a trial by jury for certain criminal acts or what amount to criminal offenses, the sixth amendment to the Constitution, and the entire spirit and concept of the Constitution make such a guarantee.

The Apostle Paul in one of his memorable arguments told the lawyers that "the letter killeth, but the spirit giveth life." On this jury trial provision it is the spirit that giveth life to this fundamental principle, and it ought to apply in any court regardless of name or history whenever the court is used to enforce criminal law. But what we are doing, Mr. President, in this bill is transferring a great segment of the criminal law of this Nation to a court of equity. We are, however, not facing up to the spirit of the Constitution and we are not saying, "Yes; we transfer the jurisdiction of this case to the court of equity, and we will face the facts, and we will send the jury-trial provision along with it." Mr. President, when we fail to do that, we are violating the spirit of the Constitution. That is clear, despite any mere words or arguments to the contrary.

Furthermore, Mr. President, the amendment which has come to us from the House of Representatives recognizes the need for a jury trial in these cases, even though they will be heard in an equity court. Where did that recognition come from? It came from the very section of the Constitution about which I have been talking, because the amendment provides that if the punishment is a fine of more than $300 or a sentence of more than 45 days in jail, the accused shall have a jury trial. To that extent, the Constitution would be followed.

But, Mr. President, by what right or by what split-level reasoning do we assume to ourselves the authority to go half the way, but not all the way? By what authority do we have a right to say to a man whose punishment will be a sentence of 46 days in jail, "You will have a jury trial," but to say to a man whose punishment will be a sentence of 45 days in jail, "You will not get a jury trial"? I consider that discrimination, Mr. President.

To provide for split-level procedure in connection with the provision of a trial by jury or the failure to provide a trial by jury, and to draw the line of distinction at the point of a 45-day sentence in jail, is a wilfull, arbitrary, political compromise. It is a split-level, partisan, political compromise on the part of some of the leaders—and I speak of them with all deference—of the two national parties. Such a provision has no business in serious legislation which will affect 170 million people.

Again I ask, what right do we have to say that a man who is to receive a sentence of 45 days in jail shall not have a jury trial, but that a man who is to receive a sentence of 46 days or more in jail shall have a jury trial? There is no basis for making such a distinction.

Therefore, I believe this provision is contrary to the Constitution. The Congress has no power to make a division on this subject, because the Constitution made no such division. We have to take all the Constitution or leave it all, insofar as the jury system is applied. By means of the original Senate amendment, the Senate followed that part of the Constitution.

But now we have before us an amendment which is neither fish nor fowl; it is neither wholly inside nor wholly outside the Constitution. It recognizes the validity of the constitutional requirement, but it does not follow it up. Thus we are flirting with a constitutional provision older than the pages on which the original Constitution itself was written, a provision reflected in every State constitution, and reflected in the English Constitution long before it was written into our own—namely, the provision for the right of trial by jury in criminal cases.

Let me issue another warning in regard to the effect of this proposed legislation. It would continue the trend to transfer to our equity courts more and more of our criminal law, thus disturbing the original purpose of, and doing violence to, our system of jurisprudence.

Every time such a transfer is made, it is an admission by us of a lack of faith in our basic institutions. That is the case when we seek to shortcut, to supply so-called quicker remedies. When we do that, I believe we do our basic institutions a great disservice. I believe we load them down with cases with which they will not be able to cope, in the application of the truly equitable principles upon which cases of that type are based.

Mr. President, these are some of the most serious matters to which we should give careful consideration. We should continue to devote grave, searching, and careful thought to this bill, which already has been debated at length, although it has not yet received the microscopic study, analysis, and recommendations of a Senate committee of experts who are capable of passing properly on these matters.

Talk about consuming time, Mr. President. This amendment is new matter injected by the House of Representatives, and it concerns some of the most far-reaching principles which have been debated in the Senate this year, and some of the most basic concepts of the American system of justice. It is less than 24 hours since this amendment officially came to this body. Approximately the first 6 hours thereafter were devoted by the Senate to debate on, and the passage of, other major legislation. As I said last evening, some of those 6 hours on yesterday were taken up by the debate on an appropriation bill, by means of which the Congress appropriated more than $3 billion of the money of the taxpayers—more than enough money to operate the entire Federal Government just a short 25 years ago.

Another 1 of those 6 hours, last evening, was devoted to consideration of the bill dealing with the salaries of the Post Office employees.

Another 1 of those 6 hours was devoted to consideration of the bill which affects the salaries of the so-called classified employees of the Federal Government—nationwide, and, in fact, worldwide.

Following the debate upon those far-reaching measures, yea-and-nay votes were taken in the Senate.

Thereafter, the Senate adjourned after 10 p. m. However, upon our return this morning, some Members asked, "Why are you not ready to vote?"

Mr. President, this measure, including this amendment, deserves the utmost of careful weighing and consideration. I should like very much to have a chance to engage in real legal research, in order to develop just what are the implications of this amendment. With all deference to everyone else, I say that I do not believe the amendment has ever been studied from that point of view. Instead, it was written in a spirit of so-called compromise; but it was done in a political atmosphere, in an attempt to get something—anything—done.

This split-level concept of the right of trial by jury according to the quantity of punishment is a monstrous innovation in American law. I repeat that, in my opinion, it raises a serious constitutional question. To me, there is a serious constitutional question as to whether such a provision is permissible under the sixth amendment.

In some respects it has been held that the offense must be grave, if the protection of this amendment is to be invoked in securing the right to trial by jury. But under the pending compromise plan, we could have a given set of acts, the gravity of which would not be affected by the quantity of punishment meted.

I do not believe that a statute which makes a jury trial dependent upon the degree of punishment—which is largely in the discretion of the judge who issued the original order, heard the contempt proceedings, and fixes the punishment—is constitutional. In an effort to make this provision more palatable, the authors of this compromise plan have provided that the judge may, at his discretion, employ a jury in the contempt proceeding. But trial by a jury is a right which should not be placed at the discretion of any public official, because such a plan changes the nature of our judicial process. A subsequent trial de novo with a jury, which may be available to the accused, makes this fundamental right dependent on double jeopardy.

By the way, Mr. President, I have been asked this question, as a lawyer: If a person had been convicted by a judge, and had been sentenced to more than 45 days in jail and to the payment of a fine of $300 or more, were subsequently charged with the commission of a crime, and if he then asked for a jury trial, would his prior conviction by the judge be admissible in evidence, in the trial before the jury? I unhesitatingly say I do not think it would. I do not think that is a criticism which could be made of the bill, because certainly if one is to be given a new trial, it means no evidence of conviction on prior trial before a judge would be admissible, and I am sure no judge would let such evidence in.

Mr. President, continuing with my statement, the risk the accused would run is a grave one. Besides the strain of being subjected to a second trial, he would incur the expenses of that trial, and the punishment might be equally as great as or greater than that imposed by the judge sitting alone in the previous proceeding. As a lawyer it would be difficult to advise a client whether this remedy should be pursued, because of the risk of incurring even greater penalties than those previously prescribed, and, as a lawyer, I believe this provision to be unconstitutional.

The so-called saving grace of the amendment, relating to jury trial where the punishment is above 45 days or there is a fine of $300 imposed, will have, for practical purposes, very, very little application. The so-called little people, whom I mentioned a while ago, would virtually all be included among those who would be subjected to so-called smaller penalties. Whatever virtue the amendment may have, in practical reality, that is one of the bases for my legal objection. The virtue is it is provided, unless the judge otherwise rules, all of that group would have a jury trial. Certainly, should the bill become law, that would be the least any judge should do, in my opinion, and if the bill does become law, I hope it will be what a judge will do.

Mr. President, I have concluded my remarks, and I yield the floor.

Mr. EASTLAND. Mr. President, this compromise is not in fact a compromise, and it is a part of an attack, which for several years has been gaining in intensity, against the people of the South. We have a peculiar racial condition in the Southern States. The people of both races have found that there is greater harmony, less friction, and less tension when the races live side by side but under separate conditions.

Racial segregation, Mr. President, is not a badge of inferiority for any man or for any race, but it has been found that both races can make more progress, can better develop their own cultures under separate conditions, when each has its own institutions.

I believe, and I am confident that the vast majority of the American people believe, in the economic equality of all races and of all men. A great majority of the people, both in the North and in the South, draw the line where questions of social equality and social relationships enter the picture. I think that better results would be achieved in settling this controversy if the people in each of the great areas of the country realized that there is very little difference between them in what they believe and what they practice. The position of the Southern States and of the southern people has been greatly misrepresented throughout the country. A high barrage of propaganda, most of it false, has been directed against the southern people. I think it is going to be necessary for the Southern States, acting through their State governments, to lay their case at the bar of public opinion, and to give the

people of the country the facts as to conditions in the Southern States.

We have more Negro schoolteachers, Negro college professors, and Negro professional men than live in any other section of the country. We have more property owners among the Negro race in the South than live in any other section of the United States. Since public opinion is the law, since public opinion, in the last analysis, writes court decisions, since public opinion, in the last analysis, enacts statutes and laws and passes bills in the Senate and in the House of Representatives, I think it is essential that the southern people lay their side of the controversy before the Nation, and that it be done by their State governments and with the use of State funds.

In the light of that statement, Mr. President, I am going to discuss this afternoon the bill which is before the Senate.

Mr. President, while we have debated this bill for weeks, somehow the festering germs which it contains continue to thrive, apparently beyond the antiseptic powers of the Senate. It still contains provisions creating a Commission for the purpose of prying into State, local, and individual affairs. It still creates another personnel pyramid in the Department of Justice. It still confers unusual and unnecessary powers upon the Attorney General. And, now, Mr. President, as the bill comes back to us from the House of Representatives, it substitutes trial by jury at the discretion of the judge for trial by jury as a statutory right.

Although I have discussed some of these objectionable features in my previous statements on this floor, I think I should reemphasize some of these points, and I certainly intend to discuss this new proposal which has been thrust upon us by the House of Representatives.

I shall start with the Commission, because that is where the bill starts.

Mr. President, the Commission proposed by H. R. 6127 is no more nor no less than a super Federal grand jury to be armed with the power of subpena and coercive process. Its powers are so broad, general, and ill-defined that it amounts to a blind authority and a blank check being given by Congress to the executive branch of the Government. It carries within its authorization the power to intimidate, harass, and punish law-abiding citizens. It is designed to invade and subvert the constitutional guaranties and limitations contained in the Bill of Rights.

I deny that the Constitution gives to this Congress any right to constitute such a Commission. The investigative and factfinding power of the Senate or House of Representatives must be geared to a legislative purpose. There is no legislative purpose set forth for this Commission. It does not pretend to be a regulating body or agency. At best it proposes a gigantic fishing expedition into an undefined and uncharted sea. Can Congress delegate to an executive commission powers and duties that are in excess of its own authority? Can it permit an agent to perform acts prohibited to the principal? Of course not, and this is the purpose that the proposed bill seeks to effectuate.

The President needs no legislative authority to establish executive commissions for any proper purpose that he desires. The only reason he comes to Congress to constitute such a Commission is to obtain the plenary powers necessary to a grand inquisition: coercive process, contempt proceedings for disobeying directions of the Commission, and perjury indictments for false swearing.

The creation by Congress of a Commission in the executive branch with subpena and contempt powers is subject to the test of a proper constitutional delegation of powers. Where such Commission, as in H. R. 6127, is created for the purpose of investigating and witchhunting, it is an illegal delegation of the legislative prerogatives and is proscribed by the Constitution. Commissions established with these powers to regulate legitimate objects within the purview of the executive are lawful creations. Such is not the case in H. R. 6127.

In my judgment, the Supreme Court has attempted to circumscribe the investigatory powers of Congress far beyond the limits permitted by the Constitution under the division of powers. However, the rules applied by the Court in regard to the operation of Senate and House of Representatives committees must necessarily be applied with even greater stringency and force when Congress attempts to delegate a part of its legislative function to an independent executive Commission divorced entirely from the control and direction of Congress.

The Department of Justice is the legally constituted agency to "investigate allegations that certain citizens are being deprived of their right to vote and have their vote counted by reason of their color or race." There are multitudes of laws on the statute books to protect this right to vote and have the vote counted. There also exists sufficient law enforcement machinery to bring offenders to justice. Any investigation that need be conducted for a legitimate legislative purpose should be made by the Senate Judiciary Committee or House of Representatives Judiciary Committee. This is a fixed and immutable principle of the Constitution.

The bill proposes that Congress authorize the establishment of a roving Presidential Commission with authority to wander to and fro over the geographical confines of the United States for the purpose of investigating such a vague and unlimited matter as "legal developments constituting a denial of equal protection of the laws" under the 14th amendment to the United States Constitution.

What could be the justification for the establishment of any such Presidential Commission? Congress is already empowered with the duty to conduct such investigations through the instrumentalities of existing Congressional committees both in the House and the Senate which are operated by men who are elected by the American people to legislate for them and who must necessarily take the political consequence of any errors committed in such investigations. If this Presidential Commission is created, on the other hand, its members and personnel would not be responsible to the electorate for any action which they might take.

It is important to realize that there are no criminal provisions overtly stated in this part of the bill. It is ostensibly not a penal statute but one claimed to be established for factfinding purposes With the possible exception of the contempt powers contained therein, the penal provisions are not highlighted by specific delineation. This does not mean, however, that there are no penal overtones or ulterior purposes in mind. On the contrary, a factfinding commission, if misused, can be one of the most vicious instrumentalities for future penal action that man can devise. In this case, since the Commission has such vast authority to investigate, it may well become the instrument by which the Department of Justice, not possessed of the power of subpena, may seek to develop criminal cases.

There is no question but that it is a mistake for Congress to create such a roving commission as proposed in H. R. 6127. This Commission could harass the American people beyond measure in the proposed investigations, because the bill contains no standards whatsoever as to what the phrase "the equal protection of the law" means, and in addition, this clause of the 14th amendment is so broad as to cover every economic, political, and other activity carried on under State statutes and municipal ordinances.

There is no question but that the Commission will create evil in the relationship between the races in this country. This is because the subject matter of the bill, by its very nature, will attract to it complainants who are socially maladjusted. Such persons suffer from persecution complexes and delusions of racial grievances and they will pour out their imagined wrongs in numbers equal to the sands of the deserts.

As a consequence of the matters which the Commission will handle, its activities will undoubtedly foment considerable bitterness in the area of racial relations.

There is no question in my mind that the great forward steps of harmony among the races in this country will be damaged by the bitterness resulting from political machinations within the Commission.

In addition, the Commission will readily be used as a means of exploiting so-called minority groups for political purposes.

Our attention should be directed to this unusual procedure of setting up an executive commission by legislative enactment. This has seldom been done in our jurisprudence. Commissions, however, as instrumentalities for gathering facts are a well-known procedural device but their establishment does not require Congressional action.

It is recalled that the last Commission on Civil Rights was established by Executive order and it seemed to handle its

job without the need of an act of the National Legislature. If the President wishes a commission to study this problem, he is over 4 years late in asking Congress for it as well as being over 5 years late in setting it up himself by Executive order.

As to the cost of this Commission, we have no estimate or budgetary figures. The law is poorly worded without proper safeguards on the public purse. The travel and subsistence expense provisions empower the members and personnel to live, if they do desire, on a continuous junket, for there is no place within the political confines of our Government that does not have some question of civil rights under its nebulous definition in recent years.

An examination of the duties of the Commission indicates a complete lack of "words of art." Certainly, a definition section should have been provided as proper draftsmanship. What, for instance, does the phrase "equal protection of the laws under the Constitution" mean? This clause is, as everyone knows, a provision of the 14th amendment and Corpus Juris Secundum alone contains 250 pages of categories encompassed within its terms. Actually, "equal protection of the laws" means what is contained in court cases and decisions as they are issued. It is a very nebulous phrase and certainly should not be used as a criteria to determine the duties of a Commission such as is established in this bill. A study of the Court decisions on equal protection of the laws will convince anybody that the Commission will have its job cut out for it, for they will be dealing purely in the field of intangibles.

It may be recalled that this Commission idea sprang out of the recommendation of the Truman Commission some 10 years ago, whose report is entitled "To Secure These Rights." Thus, we have an oddity of one commission making a big investigation and recommending another commission be established. That is why these commissions are referred to in popular parlance as revolving commissions, for one only ends to create another, and as they roam to and fro throughout the country eking out the people's sustenance, bureaucratic government inevitably grows stronger and the rights of the people in their States and localities wax weaker.

All this is a kind of legislative, executive, bureaucratic, perpetual motion, the one difference being that Mr. Truman's Commission wanted a perpetual existence and the one in the pending bill seems to prefer the procedure of expiring every 2 years with the recommendation that a new one be created.

The bill dovetails the Commission into the establishment of a new Civil Rights Division in the Department of Justice. Of course, pressure groups will insist that this Division act as their guardian masquerading as they will as so-called minority groups. There is no question in my mind but that the Attorney General in this Division will employ swarms of personnel which will be, to say the least, a feather in the Executive's political nest.

H. R. 6127 is deliberately designed to confer upon the Attorney General autocratic and despotic powers more used in a totalitarian country than a republic such as ours. Such powers are incompatible with the office of chief law officer of a democracy having, as we do, a government of laws rather than of men.

The Commission is granted the subpena power for both witnesses and the production of papers. There should be strong objection to the granting of such an extreme power, as the subpena.

Commissions created as a Government device for factfinding are well-known entities in Anglo-Saxon law, but it has been generally considered that the use of subpenas is neither needed nor called for. The subpena is a punitive measure generally reserved for penal process whereby powers are granted to force or coerce the production of testimony otherwise unavailable. Factfinding, by its very nature, does not require this extreme measure, and one is forced to conclude that the insertion of this power in a bill of this type is done advisedly so as to harass and punish innocent peoples in their home localities.

The Truman Commission on Civil Rights did not have this power nor do many of the subcommittees and special committees in Congress. When the legislative branch of the Government grants a subpena power to any entity, it has always done so circumspectly, for it is too dangerous an instrumentality to treat in a cavalier fashion.

We are beginning to see the reason why the Executive wishes a Commission set up by Congress rather than one by Presidential order. The Executive wants the subpena power and he cannot get it by Presidential order. If he wants the power, he intends to use it, and when he uses it he destroys his Commission's purpose of factfinding and turns his entity into a witch hunt.

It can be stated categorically that the very people who support this bill are the one and same who unmercifully criticized the House Un-American Activities Committee because of its use of this very same subpena power. What is sauce for the goose apparently is not sauce for the gander in this case.

A further device is conferred upon the Commission by arming it with contempt powers. This is an outright criminal matter, yet the bill is presented to us in the benign climate of brotherhood and brotherly love. We see now why it was said earlier that the bill has penal overtones of very serious import, for when we arm anyone with the one-two punch of subpena and contempt, we have armed him to the teeth and created a monstrosity of power which tends to corrupt.

In the debates in the House, proponents of the bill readily admitted that this Commission will be used in furtherance of the forced program to integrate the schools. This also is coercion and belies the factfinding features of the bill.

As to the volume of work that must be undertaken by the Commission, it is astronomical, and after it is done the results will be picayunish. It is a known fact that more complaints are made in the field of civil rights than in any other field. Testimony at a previous time furnished by the Honorable Tom Clark shows that in 1940, 8,000 civil-rights complaints were received with prosecutions recommended in 12 cases, including the Hatch Act violations. In 1942, 8,612 complaints were received and prosecuted action taken in 76 cases, the report being silent as to the number of convictions. In 1944, 20,000 complaints were received, and 64 prosecutions undertaken, but it is not revealed how many were convicted.

As to the substance of these complaints, attention is directed to an unhappy experience before the Senate Judiciary Committee in the 84th Congress. When the Attorney General testified he stated that in a certain locality in Mississippi before citizens were permitted to register to vote they had to answer the question, "How many bubbles in a bar of soap?" This testimony was given, leaving no doubt that this question was only asked of Negro voters. Upon cross-examination, the Attorney General was asked why he did not prosecute this case under existing civil-rights statutes. He stated he did so investigate and on being further pushed, he finally admitted that there was no factual justification for it for he could not secure a true bill. In other words, it was a trivial complaint without factual justification.

It is interesting to note that in public hearings on two occasions, the NAACP took the position that they had no desire for the creation of such a Commission. It could be possible that the Attorney General wishes the Commission for purposes other than the protection of civil rights.

It is noticed that the bill does not contain any prohibition against the gathering of evidence by the method of wiretapping.

The last thought on the Commission concerns its constitutionality. The sponsors of the bill blandly reassure us that there are no constitutional questions involved since the Government obviously has the right to make a finding of facts in order to govern. This is perhaps true, but when we leave the realm of factfinding and enter the realm of investigation, we have assumed the duty of acting constitutionally.

It is obvious that this Commission is an investigatory body, as shown by its subpena and contempt powers, and it is axiomatic that the Federal Government should have authority to conduct investigations only in those areas in which it has delegated authority to act. Since this Commission is attempting to act in areas other than those permitted by the Constitution, I feel certain that it is an invalid enactment.

It could very possibly be that the Commission's report would affirmatively state that the one thing we do not need is the rest of this bill. But need it or not, it is there. Since it is there, we need to reexamine it and to determine the nature of the departure from the principle endorsed by the Senate.

Mr. President, on the night of August 1, the Senate of the United States marched up the hill of principle and firmly implanted a pennant of freedom, the right of trial by jury, where all could see it. In the weeks since that time the Senate has basked in the splendor available only to those who, through arduous struggle, have attained the summit. Now, Mr. President, it is proposed that from this lofty peak of principle the Senate straggle down the hillside to the valley of expediency from which we so recently emerged. Indeed, we are back at the basement bargain counter where price is more to be esteemed than sense; where quality is unimportant and quantity takes on luster. We are now told that we must have something and that to get it, we must sell our birthright for a mess of potage. We must surrender the right of trial by jury and accept in its stead the discretion of the judge.

I cannot so easily surrender convictions that to me are basic. I cannot accede to the entreaties that we yield to the demands to satisfy the hunger of a bear whose appetite never wanes. I speak with some knowledge on this point for I have watched the maneuvering year after year to provide sustenance to these pressure groups. For years, the demands were for an antilynching bill, an FEPC bill, an anti-poll-tax bill. To the eternal credit of the Senate of the United States, those outlandish and unconstitutional proposals were never approved.

Now, however, the prize has proved too great. What is the prize? An anticipated bloc of votes in the northern metropolitan cities. This is the prize which has brought us to the verge of passing a bill which is just as loosely drawn as its predecessors and which, in the light of calmer days, I predict the Senate will regret having endorsed in any form. In an endeavor to obtain the votes of minority pressure groups in the northern cities, it is now proposed that the rights of American citizens to the protections normally afforded in criminal cases be denied or severely restricted through the use of proceedings in equity, such as permanent and temporary injunctions. The accent is on speed rather than upon excruciating care, and it is therefore legislation which deviates from the spirit and intent of the language of the Constitution as given to us by the Founding Fathers. In this debate, Mr. President, we have ignored the presumption of innocence that normally would attach in any criminal case. We have not required that the necessity for this legislation be established beyond all proof of doubt. We have not even required that its necessity be shown by a preponderance of the evidence. We have been referred to a series of statistics which are suspect at the outset, for I am informed that such statistics are not available through the regular election officials. It was developed during the debate that in most cases these were merely estimates but they were used as if they were citations of offenses against the dignity and majesty of the United States Government. Since when has the Senate disregarded the burden of proof which must rest on those who propose additional laws for our statute books? Ironically, in the latter days of the previous debate on this subject attempts were made to make it appear that those who were against this legislation should demonstrate that there was no need for its enactment. What a perversion of the ordinary legislative processes this is. But, nevertheless, that is the position in which we now find ourselves. We are asked to conduct ourselves as reasonable men, when reason itself has been discarded. We are asked to accept proposals which we believe to be adverse to the relationships between the various peoples of the United States. What is reasonable, Mr. President, about the injection into State and local affairs of a federally created Commission with the power to probe minutely into the business affairs, the economic affairs, the social and political affairs of the people of our country? What is reasonable about a bill which enlarges the size of the Department of Justice so that the "eager beavers" may justify their new personnel pyramid by further interference in local affairs? What is reasonable about a bill which sweeps away all the prior protections afforded by the Constitution in criminal cases and seeks to invoke the dangerous principle of criminal equity?

Mr. President, when the day comes that we can look back at this period with some degree of calm, I think we shall mourn the fact that we here substituted criminal equity for criminal law. In the name of, and for the sake of, convictions we now propose to forsake the long established remedies against the commission of acts which constitute crime and substitute in its stead untried, but dangerous, procedures affording only the most limited protections to those accused. Most regrettably, this is being done in the name of liberalism but it is, in fact, the most reactionary tendency which has pervaded our legislative scene since the establishment of the Constitution.

Mr. President, I want to be candid with my colleagues. I have made no secret of my opposition to this bill, no matter what amendments were adopted to it. I think the procedure employed is undesirable, and I expect that at some future time we will see its use against other areas of the country and against other groups in the United States. Then the error may be apparent to those who today advocate the procedure. However, even though I am opposed to the proposed legislation in principle, I intend, because of the parliamentary situation, to discuss specifically the inadequacies of the amendment which we are now being offered as a substitute for the desirable language previously adopted by the Senate.

In all my years in the Senate there has been no question so thoroughly discussed as the right to trial by jury, yet so completely misunderstood. It almost seems that the issue has been buried under its own detail of explanation. What is the existing law? What was the Senate amendment, and how did it change the existing law? What is the House compromise and how does it, first, change the Senate position, and second, jibe with existing law?

Where have we been and what finally reposes in this Chamber? If any issue has played the game of musical chairs, it is this issue of trial by jury, and I, for one, fear that the fading chords of the melody in the Senate will leave this great constitutional right standing alone.

It has been said that only trash is enacted in the closing days of the Congress. The overwhelming desire for speed, to get away, to get home, clouds judgment and levels like a scythe both the wheat and chaff before it.

I earnestly feel that the record should show this peculiar legislative legerdemain whereby the issue of jury trial has been turned into chaos.

The existing law comprises 4 statutes and 1 rule.

Title 18, United States Code, section 401, defines the power of the United States courts to punish contempts of their authority. Punishment by fine or imprisonment at the court's discretion is permitted in three classes of cases: First misbehavior in the court's presence or so near thereto as to obstruct the administration of justice; second, misbehavior of the court's own officers; and, third, disobedience of lawful writs.

Title 18, United States Code, section 402, provides penalties for criminal contempts. Any person who willfully disobeys a writ, if the act of disobedience also constitutes a crime under a State or Federal law, shall be punished by a fine or imprisonment. The fine may be paid to the United States or to the complainant or prorated among complainants. The fine cannot exceed $1,000 nor may the jail sentence exceed 6 months. To this there are two exceptions: First, those contempts in the face of the court or so near thereto as to obstruct justice; and, second, the section does not apply where the suit is brought in the name of the United States or on its behalf.

Title 18, United States Code, section 3691, provides for jury trial in criminal contempts. If the contempt is a willful disobedience of a writ, and if the act of disobedience also constitutes a crime under Federal or State law, the accused is entitled to a jury trial with the same two exceptions as in section 402 of the same Code title, namely, first, where the contempt takes place in the face of the court or so near thereto as to obstruct justice; and, second, where the suit is brought in the name of the United States or on its behalf.

Title 18, United States Code, section 3692, provides for jury trial in contempt cases involving labor disputes. By this provision, labor receives a jury trial in all cases except where the contempt takes place in the face of the court or so near thereto as to obstruct justice; thus, in those cases where the suit is brought in the name of the United States or on its behalf, a contemptuous laborer receives a jury trial preferentially over other contemnors.

Rule 42 of the Federal Rules of Criminal Procedure applies to criminal contempts. There are two avenues of procedure. The first one involves summary disposition; and the second one involves disposition, upon notice and hearing.

As to the first, a judge may punish a criminal contempt summarily if he certifies that he heard it or that it took place in the presence of the court.

As to the second, all other criminal contempts are prosecuted upon notice, and the defendant receives a jury trial in those cases provided by statute. The usual bail provisions are allowed, and the judge must disqualify himself if the contempt involves disrespect to him personally.

The foregoing, Mr. President, is a paraphrase of the existing law.

When the Senate received H. R. 6127 from the House, the bill precipitated the debate which opened up for the first time the scope and seriousness of the proposed legislation. Some 15 amendments were adopted, the most important of which were those striking out part III and inserting a provision for jury trial in criminal contempt cases. It is now proposed to dilute and render effete the right of trial by jury. A complete understanding of the pending amendment requires an analysis of the Senate amendment and a comparison with the existing law and with the compromise amendment. Again there is an attempt to foist upon us the fiction and fallacy that this is a mild proposal. Therefore, it is asked, why should there be complaints? Not long ago, as we recall, the House bill was characterized as a mild form of proposed legislation relating to voting rights. Now—when, in effect, the right to jury trial is destroyed—we are asked to believe that it is the most mild and most innocuous compromise.

How one can compromise a constitutional right, I fail to understand. Perhaps the most lamentable and vicious feature of this situation is the recognition in this Chamber that the so-called House compromise is the epitome of miscraftsmanship. The thing to do, it is claimed, is to correct the situation at the next session, by means of general legislation. If I were to vote knowingly for proposed legislation which I believe faulty, I would be violating my convictions.

The Senate jury-trial amendment granted such a trial in criminal contempt cases, and, in doing so, changed the existing law in four salutary respects:

First. It did away with the statutory definition of criminal contempt when such contempt had to depend upon an act which also was a violation of a State or Federal law. This turned the definition of criminal contempt back to the common law.

Second. It eliminated the provision whereby a fine in a criminal contempt case could be paid to a private party, the complainant, or prorated among a number of complainants. This obviously is a proper correction, for in criminal contempt the purpose of the action is to protect the respect for the sovereign, and not, as in civil contempt, to remedy a situation, as by the payment of money damages.

Third. The punishment is limited to a fine of $1,000 or 6 months' incarceration. A careful reading of existing law will reveal that where the United States brings the suit, there is no jury trial; and also the statutory limit on the punishment to a fine of $1,000 or 6 months in jail is avoided. The Senate amendment corrects this.

Fourth. The amendment provides for no jury trial for criminal contempts committed by the officers of the court in carrying out their duties. No criticism may be leveled at this provision, for the court must have control of its own employees or else suffer irreparable damage to its own integrity or sovereignty.

There remains to be seen what change has been wrought by the House so-called compromise amendment. It is a misnomer to label it "a compromise," for actually it cancels or repeals the Senate amendment, by substituting the vaguest wording I have ever studied. This so-called compromise applies to the provisions of H. R. 6127 only, and thereby at its outset creates different preferential classes of defendants. As will be pointed out later, there are contained within the amendment itself categories of defendants, as standards for jury trial—some depending upon money, some on length of sentence, some on the whim of the judge, and, occasionally, some on the election of the defendant. Superimposed upon all of this is the provision for the chancery judge's right to have advisory juries. So there could be two sets of juries, each with a different jurisdiction, some whose verdicts would be binding, and some whose verdicts would be merely advisory.

The compromise amendment, which applies only to the bill itself and to criminal contempts, grants the right to fine up to $1,000 or imprisonment up to 6 months, with a discretionary right for the judge either to grant or to withhold a jury trial. If the fine, however, exceeds $300 or if the jail sentence exceeds 45 days, the accused may, upon demand, have a jury trial as a matter of right, de novo. The only exception is the logical one found in the statutory law, as it existed in common law, whereby there may be summary punishment where the contempt takes place in the face of the court or so near thereto as to obstruct justice.

This amendment is pure judicial chaos. Both the judge, the prosecutor, the defendant, and the public would be without knowledge of the course of the trial.

Under the compromise amendment, it is now proposed that the trial of cases of criminal contempt arising under the provisions of this so-called civil-rights bill, may be had either with or without a jury. When the bill passed the Senate, the bill provided that a defendant in such cases was entitled, as a matter of right, to a trial by jury. Now, however, it is proposed that the discretion of the judge be substituted for trial by jury as a matter of right. When the bill passed the Senate, it provided for the maximum fine and term of imprisonment which could be imposed, and at least that provision has not been eliminated. However, now it is proposed that a subceiling be provided in the case of the punishment to be inflicted on a contemnor, so that whenever a court proceeded without a jury, the limitation on the punishment would be a fine of $300 or imprisonment for 45 days. Thus, not content with the elimination of trial by jury as a matter of right, the current proposal would place a premium upon the heads of those who might secure a jury trial. The price of trial by jury, it seems, is the willingness to subject one's self to an increase in the fine by more than three times the subceiling and an increase in the term of imprisonment by more than four times the subceiling. Under the current proposal, if a defendant is tried for criminal contempt before a judge and a sentence greater than a fine of $300 or imprisonment for more than 45 days is imposed, the accused must then decide whether he wishes a trial de novo, in which case he will subject himself to greater pains and penalties for his exercise of a right which the Founding Fathers thought important enough to include in the Constitution by direct reference at least four times. This new proposal places the accused in the untenable position of having to judge for himself, after conviction and sentence, whether he will risk the imposition of greater penalties in order to secure a determination by his peers of his guilt or innocence.

This is probably the oddest procedure that the Senate has ever been called upon to approve. It is a proposal so ridiculous that had it been proposed at any other time or at any other place, it would have brought cries of derision rather than statements of approval. We seem to have forgotten in the Senate of the United States that the due process of law clause of the Constitution applies to procedures equally as it does to substantive law. I do not see how it can be concluded that there is due process of law procedurally when the accused is confronted with the dilemma presented to him by this proposal. In effect, the judge at the outset must decide whether he wants to stop at the first plateau or try for the $64,000 question. Presuming the judge determines not to try the case with a jury, then later invokes a higher penalty than the subceiling imposed by the amendment, the accused must then decide whether he will take what has been imposed upon him, even though it may be higher than subceiling, or take a trial de novo by jury, in which case he may incur a higher penalty than that inflicted by the judge.

At the time the Senate was considering a straight jury trial amendment there were many who said that its adoption would interfere with the judicial processes and the ability of the court to see that its orders were executed. I marvel at the ability of those who made that statement to accept this amendment which is far more cumbersome and therefore more of an interference with the judicial processes. Under the Senate amendment it would have been relatively simple for the judge to impanel a jury in each case involving a charge of criminal contempt. Now, however, the judge must determine at the outset, before having heard any pleadings, whether the offense is sufficiently flagrant that he ought to impanel a jury and thereby permit the higher penalty to be imposed in the event of conviction. A judge under the proposed pro-

cedure must determine not only that the contempt committed constitutes a criminal contempt and he must also determine that it is not a direct contempt, but, he must further determine whether he will hear the evidence and then at the risk of a demand for a trial de novo impose a greater sentence than 45 days imprisonment or a $300 fine. In addition, I want to invite the attention of the Senate to the fact that if this proposal is adopted, there is no limitation in time on the right of the accused to demand a trial de novo. Indeed, the contemnor, if convicted, may take his appeal to the Court of Appeals and perhaps apply for a writ of certiorari to the Supreme Court, and, failing these remedies, then demand a trial de novo which, under the proposed legislation, the court must grant. How is it possible for those who so recently claimed to be defending the processes of the court to accept this sort of meddlesome procedure? Is this improving the administration of justice?

There is yet another danger which I see in this proposal aside from the dilemma in which it places both the accused and the judge. I see in this proposal an opportunity for the clever judge to state at the outset of the proceedings for criminal contempt that he is going to impanel the jury under his general equity powers. At the conclusion of the proceedings, if the jury then returns a verdict of not guilty, the judge could then say that under his general chancery powers he thanked the jury for its advice but that in his judgment the defendant was guilty and he was, therefore, going to sentence him to 45 days in jail and a $300 fine. If, on the other hand, the jury brought in a verdict of guilty, the judge might then, having satisfied the limited requirements of this section, impose the heavier penalty, although in fact the jury was little more than an advisory jury whose expression of verdict the court could have chosen to disregard entirely.

When all of these things are considered, I fail to see how anyone can arrive at the conclusion that what is proposed here satisfies the constitutional requirement of due process of law. This proposal is nothing but an expedient admittedly patterned after a police court procedure, and the Senate of the United States is now asked to adopt legislation which would apply police court procedure to a Federal District Court. This is irresponsible.

Suppose that an accused under this amendment is tried by the court without a jury and sentenced to a term in excess of the limit sought by the House amendment. Suppose, further, that on an appeal the appellate court reduced the term of the sentence to less than 45 days. What, I ask the Senate, would be the rights of the defendant in that instance? Under the terms of the House amendment, would he have the right to insist upon a jury trial after the appellate court had reduced the sentence to a term less than 45 days? Even if this question should be answered in the affirmative, however, it must be apparent that such a proposal places the defendant in an unenviable dilemma insofar as his rights are concerned. He must at this instance determine whether after conviction his chances before a jury are sufficient to warrant the risk of the imposition of an even greater penalty. He must also consider the expense of the trial—the cost of printing of briefs, for instance. In addition, while the defendant in such case, under the provisions of part IV, would be entitled to request the court to furnish him with counsel in the first instance, I should like to ask if under this proposal he would be entitled to such assistance in the trial de novo and the subsequent appeals which might result from the trial de novo? If he is not, certainly the additional cost resulting from attorneys' fees might be listed as an additional deterrent against the exercise by the defendant of the statutory right supposedly furnished by this amendment.

Mr. President, I don't know how others view this proposal, but it appears to me that the confusion which would undoubtedly result from the application of this proposal would invariably lead the court to proceed against an alleged contemnor through the avenue of civil contempt where a jury trial is not available, in order to avoid the pitfalls inherent in this proposal. Thus, as a practical matter, instead of conferring a right of trial by jury in cases of criminal contempt, the proposed amendment might well operate to deprive defendants of a right which it is clear the Senate of the United States intended they should have.

In this regard, I think the Senate should remember that under the Federal Rules of Criminal Procedure, a judge has some discretion as to whether he will proceed against a defendant for criminal or civil contempt. If he chooses to charge mere disobedience, as contrasted with willful disobedience, he may proceed under civil contempt. Thus, by omitting a charge of willfulness and under the guise of securing compliance with the order of the court, punishment could be imposed under this measure without any trial by jury, and this may be precisely the direction which prosecutions for contempt may take if the garbled language of the House amendment is approved by the Senate.

I think, Mr. President, that it might prove helpful if I would review precisely what the situation is now with respect to the right of a defendant accused of committing an act for the purpose of denying another the right to vote. Under present law, this is a criminal offense and, as in the case of all criminal offenses, the accused would be afforded the right of trial by jury. With passage of this bill, however, the threat to accomplish the same act may lead to the imposition of an injunction by a court of equity. Whereupon the same act, which constitutes a criminal offense, would then subject an individual to prosecution for both the criminal offense and likewise for contempt of court. This proposal was designed for that purpose. This is admitted by the principal sponsor, the Department of Justice. The Assistant Attorney General in Charge of the Criminal Division at one time stated that if trial by jury were granted, it would defeat the purposes of this bill. I can only take that to mean that this bill was designed to avoid trial by jury. But the Senate in its wisdom decided that a trial by jury should be had in proceedings for criminal contempt when the object was to punish rather than to secure compliance. Now we are at the point of retreating from this position to a point where a jury trial is available only at the discretion of the judge whenever he imposes too severe a penalty.

In urging the rejection of H. R. 6127 I seek earnestly to preserve the American constitutional and legal systems for all Americans of all races and all generations.

Diligent efforts have been made to present H. R. 6127 in the guise of a meritorious and mild bill. It is in truth, as I have shown, as drastic and indefensible a legislative proposal as was ever submitted to any legislative body in this country. This legislation has been presented to Congress at a time when never-ending agitation on racial subjects by both designing and sincere men impairs our national sanity and diminishes in substantial measure the capacity of our public men to see the United States steady and to see it whole.

This legislation is based on the weird and strange thesis that the best way to promote the civil rights of some Americans is to strip other Americans of civil rights equally as precious and to reduce the supposedly sovereign States with their political subdivisions to meaningless zeros on the Nation's map.

The only reason advanced by the proponents of H. R. 6127 for urging its enactment is, in essence, an insulting and insupportable indictment of a whole people. They charge that southern officials and southern people are generally faithless to their oaths as public officers and jurors, and for that reason can be justifiably denied the right to invoke for their protection in courts of justice constitutional and legal safeguards erected in times past by the Founding Fathers and the Congress to protect all Americans from governmental tyranny.

This body must pause and ponder the indisputable fact that the provisions of this legislation are far broader than the reason assigned for urging its enactment. If this bill can be used to make second-class litigants out of southerners involved in civil rights cases today, it can be used with equal facility tomorrow to reduce other Americans involved in countless other cases to the like status of second-class litigants. In its final essence, the legislation ignores the primary lesson taught by history, which is that no man is fit to be trusted with unlimited governmental power. It attempts to vest in a single fallible human being, the temporary occupant of the political office of Attorney General, regardless of his character or qualifications, despotic powers which have no counterpart in American history and which are repugnant to the basic concepts underlying and supporting the American constitutional and legal systems.

I would be derelict in my elected duty if I did not resist legislation such as this to the very limit of my abilities.

LEAVE OF ABSENCE—FELICITATIONS TO THE MORSE FAMILY UPON THE APPROACHING MARRIAGE OF THEIR DAUGHTER JUDY

During the delivery of Mr. EASTLAND'S speech,

Mr. MORSE. Mr. President, I ask unanimous consent to be excused from further attendance upon sessions of the Senate through Saturday of this week.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Does the Senator from Mississippi yield for that purpose?

Mr. EASTLAND. I yield for that purpose provided I do not lose my right to the floor.

The PRESIDING OFFICER. Without objection, the request of the Senator from Oregon is granted.

Mr. MORSE. Mr. President, in making this request I express my very deep thanks and appreciation to the Senator from Montana [Mr. MANSFIELD], who is paired with me on the civil-rights matter. I shall continue, of course, to vote against the bill, which I consider to be a sham bill. That is all the conference report is, in my opinion.

I now ask unanimous consent to introduce, out of order a bill, and ask to have printed in the RECORD a statement explaining the bill.

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

Mr. EASTLAND. I yield, provided I do not lose my right to the floor, and provided I am not charged with two speeches.

The PRESIDING OFFICER. With that reservation, the bill will be received and appropriately referred, and the statement submitted by the Senator from Oregon will be printed in the RECORD.

Mr. MORSE. I suggest that my interruption be printed elsewhere in the RECORD so that it will not interrupt the continuity of the speech of the Senator from Mississippi.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill introduced by Mr. MORSE, together with the statement submitted by him, will be found elsewhere in today's RECORD under the appropriate heading.

Mr. GORE. Mr. President, will the Senator from Mississippi yield to me?

Mr. EASTLAND. I yield under the same conditions as previously mentioned.

Mr. GORE. I understand that the distinguished senior Senator from Oregon is traveling to the beautiful and romantic Northwest for the purpose of giving his lovely daughter in marriage to a handsome, promising young Lochinvar.

Mr. MORSE. The Senator is quite right. Not only is the Northwest romantic, but I am going there to witness the culmination of one of the most beautiful romances I have ever seen. As a father I am very proud; and I am sure that under the circumstances the Senate will excuse me from further attendance through Saturday. However, if the Senate is still in session on Monday I shall be back to speak at some length against the conference report.

Mr. GORE. I am sure that the Senate will excuse the distinguished Senator, because of the wonderful mission upon which he is going. He has worked very hard during this session. His labors have borne wonderful fruit. He goes with the good wishes of the Senate, and particularly of the junior Senator from Tennessee. May love add years to his life.

I send to the lovely daughter and her groom best wishes for future happiness, and Godspeed.

Mr. MORSE. I appreciate the kind words of the Senator very much, because of the friendship I have for the Senator from Tennessee.

I should like to ask him to perform a mission for me. Although I have sent the Senator-elect from Wisconsin a telegram, I should like to delegate to the Senator from Tennessee the mission of saying to the new Senator from Wisconsin, when he arrives tonight, that I am delighted to welcome, from my boyhood State, another Senator who exercises an honest independence of judgment on the merits of issues as he sees them. If the Senator from Tennessee will deliver that message, he will be rendering a great personal favor to me.

I thank the Senator from Mississippi for his usual courtesy and kindness in permitting me to interrupt his speech.

Mr. EASTLAND. Mr. President, I desire to join in everything the distinguished Senator from Tennessee has said. I offer my congratulations to my distinguished friend from Oregon, with whom I seldom agree. Notwithstanding our frequent disagreements, we are good friends.

Mr. MORSE. I appreciate the Senator's good wishes; and I also appreciate very much his sincere friendship.

Mr. WILEY. Mr. President, will the Senator from Mississippi yield to me?

Mr. EASTLAND. I yield, under the same conditions as previously stated.

Mr. WILEY. I am very happy that I entered the Chamber just when I did, because I want the distinguished Senator from Oregon to convey my love and affection to his very lovely daughter. I feel that, in a way, I helped to raise her. For many years we lived in the same apartment house. The girls grew up together. I have a very affectionate regard for her. I wish for her, in her new adventure, a great deal of love and a great deal of success.

May the journey of the Senator from Oregon be full of good things.

Mr. MORSE. I appreciate very much the Senator's good wishes.

I think I should remind the Senator that Judy always refers to him as her "favorite Dutch uncle."

Mr. WILEY. "Uncle Alex."

Mr. MORSE. Yes. I appreciate very much the wonderful things my friend from Wisconsin has done for her.

Mr. PURTELL. Mr. President, will the Senator from Mississippi yield to me?

Mr. EASTLAND. I yield, under the same conditions as previously mentioned.

Mr. PURTELL. I should like to join my colleague from Tennessee in congratulating the Senator from Oregon, on behalf of the minority leader, and also on behalf of myself, as acting minority leader. I wish him not only a happy journey, but a happy reception in his hometown.

I wish the Senator from Oregon would extend to Mrs. Morse, on behalf of my wife and myself, our felicitations.

Mr. MORSE. I very much appreciate the Senator's kind words.

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

Mr. EASTLAND. I yield under the same conditions as previously stated.

Mr. LANGER. I join my associates in wishing the distinguished Senator from Oregon and his wife, and the entire Morse family every happiness. He is a great adornment to the Senate. The people over the United States know what a very fine family the Morse family is.

I hope the daughter and her husband will be very happy.

Mr. MORSE. I thank the Senator from North Dakota very much. I should like to have him express to Mrs. Langer our appreciation for this message.

I wish to say to my dear friend from North Dakota, as I leave, that I am again indebted to him for the inspiration he has afforded me this year, by his great courage and dedication to public service, which he has always demonstrated as a Senator from North Dakota.

EXCHANGE OF LANDS TO PROVIDE A SITE FOR SIBLEY MEMORIAL HOSPITAL

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate temporarily lay aside the pending business and proceed to the consideration of Calendar 1107, H. R. 8918.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 8918) to further amend the act of August 7, 1946 (60 Stat. 896), as amended by the act of October 25, 1951 (65 Stat. 657), to provide for the exchange of lands of the United States as a site for the new Sibley Memorial Hospital; to provide for the transfer of the property of the Hahnemann Hospital of the District of Columbia, formerly the National Homeopathic Association, a corporation organized under the laws of the District of Columbia, to the Lucy Webb Hayes National Training School for Deaconesses and Missionaries, including Sibley Memorial Hospital, a corporation organized under the laws of the District of Columbia, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

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

Mr. JOHNSON of Texas. Mr. President, the purpose of the bill is to accomplish the following:

First. Authorize the Administrator of the General Services Administration to exchange, at fair market value, the land now occupied by the Hahnemann Hospital, Kirby and N Streets NW., for approximately 12 acres of land on the Dalecarlia Reservoir tract formerly used by the National Training School for Girls, but abandoned by the District of Columbia government in March 1957,

Second. Provide for the orderly dissolution of the Hahnemann Hospital and its merger with the Sibley Memorial Hospital.

Third. Permit the lien that was attached to the Hahnemann Hospital land to be transferred to the new Sibley Memorial Hospital which will be constructed on the Dalecarlia site and consolidated with the lien to be established as the result of this new construction.

Extend to other hospitals constructed under the Hospital Center Act the privilege of transferring to their new sites any liens in favor of the United States against the lands such hospitals formerly occupied.

Mr. President, I ask unanimous consent to insert in the RECORD at this point a statement prepared by the very able senior Senator from Oregon [Mr. MORSE], who has spent considerable time in connection with this proposed legislation, and who spoke to me on several occasions in an attempt to get the measure considered before he was called away.

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

STATEMENT BY SENATOR MORSE

The purpose of this bill is to accomplish the following:

1. Authorize the Administrator of the General Services Administration to exchange, at fair market value, the land now occupied by the Hahnemann Hospital (Kirby and N Streets NW.) for approximately 12 acres of land on the Dalecarlia Reservoir tract formerly used by the National Training School for Girls, but abandoned by the District of Columbia government in March 1957.

2. Provide for the orderly dissolution of the Hahnemann Hospital and its merger with the Sibley Memorial Hospital.

3. Permit the lien that was attached to the Hahnemann Hospital land to be transferred to the new Sibley Memorial Hospital which will be constructed on the Dalecarlia site and consolidated with the lien to be established as the result of this new construction.

4. Extend to other hospitals constructed under the Hospital Center Act the privilege of transferring to their new sites any liens in favor of the United States against the lands such hospitals formerly occupied.

Hearings on the companion bill (S. 1760) were held by the Subcommittee on Public Health, Education, Welfare, and Safety, on June 21, 1957, and July 31, 1957, and in addition, the members of the subcommittee inspected the site area on July 10, 1957, accompanied by the District Commissioners and their staff, representatives of the Corps of Army Engineers, officials of the General Services Administration, and private proponents and opponents of the legislation.

The physical inspection of the proposed hospital area caused the subcommittee to request additional information from the Corps of Army Engineers and the District government about buildings and structures within the drainage area of the reservoir used by the Corps of Engineers and the Army Map Service for purposes unconnected with the water supply of the District. In the opinion of the committee the replies received and the testimony taken upon these aspects of the water supply problem of the District of Columbia greatly weakened the case made for vesting the control of this 12-acre site with the Corps of Army Engineers as vitally necessary to the preservation of the water supply of the District.

The committee found that the use of the 12-acre Loughboro site, which is outside the drainage area of the Dalecarlia Reservoir, would not within the next 40 to 50 years be needed for a water-use facility per se, and it concludes that the hospital-site purpose is in the public interest as the highest use of this land.

With respect to the provision permitting the transfer to new sites of existing encumbrances on the old site properties occupied by hospitals affected by the legislation, the committee is of the opinion that the District will suffer no long-range financial hardship from the deferment of the payment of these liens.

I should like to make it perfectly clear to the Senate that the Corps of Army Engineers has been most cooperative and helpful to the committee. The representative of the corps who testified before the committee, was open, frank, and I may say a skillful advocate, in his defense of the Army's position in this matter. That the committee on the basis of all the evidence came to a decision other than that desired by the Army engineers, should in no way be construed as a criticism of Colonel Sumner. He is a very able officer, who made an excellent presentation of, in the opinion of the subcommittee, an inherently weak case. The decisions that were taken many years in the past to locate the Beach Erosion Board and the Army Map Service on the Dalecarlia reservation cannot in justice and fairness be charged to him, and these decisions were the factors that among others carried weight with the committee.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendments to be proposed, the question is on the third reading and passage of the bill.

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

Mr. JOHNSON of Texas. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. ALLOTT. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Colorado to lay on the table the motion of the Senator from Texas.

The motion to lay on the table was agreed to.

INVESTIGATION BY TARIFF COMMISSION CONCERNING TUNGSTEN PRICES

Mr. MALONE. Mr. President, I submit for myself, the Senator from Nevada [Mr. BIBLE], the Senator from Wyoming [Mr. BARRETT], and the Senator from Montana [Mr. MURRAY], a resolution, and ask that it lie on the table so that other Senators may join in it if they care to.

Mr. President, it is a simple resolution, directing the Tariff Commission to make an investigation of the difference in cost between domestically produced tungsten ore and concentrates and foreign-produced tungsten ore and concentrates, and report the results of its investigation on or before March 1, 1958.

The purpose of this resolution is to put the matter squarely up to the President under the escape clause.

Neither the escape clause or the peril point provisions have been effective for the survival of American industries—but this is just another arrow in the bow and we are overlooking nothing to keep this Nation self-sufficient in the production of this indispensible mineral in war and peace.

The real solution is allowing the 1934 Trade Agreements—so-called reciprocal trade—Act to expire in June next year, 1958, and then the Tariff Commission, an agent of Congress, will take over and continually adjust the flexible duty or tariff on the basis of fair and reasonable competition.

Under the 1934 Trade Agreements Act, 34 foreign competitive nations are now sitting in Geneva, Switzerland, dividing the American markets between them.

The PRESIDING OFFICER. For what period of time does the Senator desire to have the resolution lie on the table?

Mr. MALONE. Until called up by the majority leader.

The PRESIDING OFFICER. Without objection, the resolution will be received and lie on the table.

Mr. JOHNSON of Texas. Mr. President, I may say that I have not talked to the minority leader about the resolution, but I have conferred with the very able Senator from Nevada and the chairman of the Finance Committee. If it is agreeable, the Senator could have the resolution lie on the table for the next 2 days. Is that agreeable?

Mr. MALONE. Until the majority leader sees fit to call it up. I have discussed this matter with the chairman of the Finance Committee, the Senator from Virginia [Mr. BYRD], the Senator from Oklahoma [Mr. KERR], and the Senator from Pennsylvania [Mr. MARTIN], the senior members of the committee.

Mr. JOHNSON of Texas. Has the Senator from California [Mr. KNOWLAND] cleared it?

Mr. MALONE. The Senator from California has cleared it.

Mr. JOHNSON of Texas. I have no objection to its present consideration.

Mr. MALONE. I should like to have it considered now, if it is agreeable.

Mr. ALLOTT. Mr. President, I have not heard the resolution read. I was called off the floor.

Mr. JOHNSON of Texas. Mr. President, may we have the resolution stated?

The PRESIDING OFFICER. The resolution will be read.

The legislative clerk read the resolution (S. Res. 195) as follows:

Resolved, That the United States Tariff Commission is hereby directed, pursuant to section 336 of the Tariff Act of 1930, as amended (19 U. S. C. 1336), to make an investigation of the differences in the cost of production of domestically produced tungsten ore and concentrates and the cost of production of foreign-produced tungsten ore and concentrates, and to report the results of its investigation on or before March 1, 1958.

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

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

Mr. JOHNSON of Texas. Mr. President, the distinguished Senator from Nevada has talked to me about this matter. I think this is a proper procedure. I would favor the resolution. We are now in the closing days of the session.

Certainly, I would not want the Senate to conclude its session without taking action on the resolution.

I wish to be positive that the RECORD shows the distinguished Senator from Nevada [Mr. MALONE] has cleared this with the minority leader [Mr. KNOWLAND].

Mr. MALONE. I have cleared it with the minority leader.

Mr. JOHNSON of Texas. And that he has cleared it with the ranking minority member of the Committee on Finance, the Senator from Pennsylvania [Mr. MARTIN]. Is that correct?

Mr. MALONE. That is correct.

Mr. JOHNSON of Texas. The distinguished chairman of the Committee on Finance is present in the Chamber. I should like to have him make a brief statement as to whether he is in accord with this action.

Mr. BYRD. Mr. President, I have conferred with the Senator from Navada. I can see no objection to the adoption of the resolution.

Mr. ALLOTT. Mr. President, reserving the right to object—and I shall not personally object—this is a matter in which a great many people have been interested. It occurs to me that many Members, particularly members of the Committee on Interior and Insular Affairs, might wish to have an opportunity to join in sponsorship of the resolution. I personally should like to have an opportunity to join in the submission of the resolution. I think perhaps other Senators might wish to do so, also.

Mr. JOHNSON of Texas. I ask unanimous consent that the Senator from Colorado [Mr. ALLOTT] be listed as a cosponsor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. ALLOTT. I have no objection to the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 195) was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. ALLOTT. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Colorado to lay on the table the motion of the Senator from Texas to reconsider.

The motion to lay on the table was agreed to.

STATUTORY DEBT LIMIT

Mr. BYRD. Mr. President, I should like to state that I had a conference with the Secretary of the Treasury, Mr. Robert B. Anderson, with respect to the debt limit.

The Secretary of the Treasury today personally delivered to me as chairman of the Senate Finance Committee a letter relative to the public debt situation which I make public herewith.

In the current debt situation, the Secretary of the Treasury has taken proper and appropriate action in notifying the Congress and the spending agencies of the Federal Government with respect to the narrow fiscal margin on which the Government of the United States is operating.

With the Federal debt virtually at the $275 billion statutory ceiling, I am convinced that holding the present limit is the best control over expenditures now available to the Congress. The Secretary did not request immediate increase in the ceiling, and I would oppose an increase under any circumstances short of dire national emergency, after the executive branch of the Government exhausted its authority to control expenditures.

By allowing the huge accumulation of unexpended balances in prior appropriations, now approximately $70 billion, in addition to the new appropriations just enacted, the Congress has virtually destroyed its control over the rate of expenditures by Federal agencies, and from a practical standpoint the debt ceiling at this time is the one remaining safeguard.

Secretary Anderson has very properly called upon the spending agencies to hold expenditures to the absolute minimum in order to avoid necessity for requesting an increase in the debt limitation when Congress reconvenes in January, and I join him in this demand.

Mr. President, I ask unanmious consent that the letter from Mr. Anderson be printed in the RECORD at this point.

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

MY DEAR MR. CHAIRMAN: As I assume the responsibilities of the Office of Secretary of the Treasury and review the situation which confronts the Treasury for the fiscal year which began July 1, I am concerned with the small margin which present forecasts indicate will exist between our financial requirements and the statutory debt limitation of $275 billion.

During the past 3 years, the Treasury has been operating under temporary year-to-year increases in this limitation—$6 billion increases during fiscal years 1955 and 1956 and $3 billion for the year ended June 30, 1957. Even with this leeway, the effective management of Treasury financing has been difficult and, at times, more costly expedients had to be adopted to operate within the debt limit.

In part, the difficulty is caused by the seasonal peaks in collection of corporate income taxes. While the corporate collection plan has been changed by law and collections are gradually being leveled off, it will take 2 more years before corporate tax collections are on a relatively even quarterly basis. In the meantime, the Treasury must borrow large sums in the first half of the fiscal year (July–December) to meet expenditures and pay off such borrowing in the last half of the fiscal year. This happens even though we operate with a budget surplus, as has been the case during 1956 and 1957 and as estimated for 1958.

The best present estimates for the current fiscal year indicate that, during the period October 1957, until March 1958, we shall be within a few hundred million dollars of the $275 billion debt limit with, at times, very small cash balances. This not only interferes with orderly debt management but gives little margin to meet unexpected contingencies.

However, realizing the importance of keeping within the lowest practicable debt limit, we are ready to try to operate within the present limit. We can do so safely only if there is full understanding of the problem on the part of both the executive departments and the Congress.

Within the administration, this matter has been discussed fully, and I can assure you that every effort will be made to operate within the President's budget.

It is possible that, despite our best endeavors, situations might develop requiring an increase in the debt limit. However, I hope that, by mutual cooperation, we can avoid that contingency.

I have felt I would be remiss in my duties if I failed to bring a current analysis of this matter to the attention of the Finance Committee of the Senate at this time. I am sending a similar letter to the chairman of the House Committee on Ways and Means.

Sincerely yours,

ROBERT B. ANDERSON,
Secretary of the Treasury.

WILLIAM HOWARD TAFT CENTENNIAL

Mr. BRICKER. Mr. President, William Howard Taft, 27th President and 10th Chief Justice of the United States, was born in Cincinnati, Ohio, on September 15, 1857. Since the Congress will not be in session on the 100th anniversary of his birth, I want to take this opportunity to review briefly his splendid career of unselfish public service.

Of all the men who have attained high public office I think William Howard Taft is the most underrated. This relative obscurity is due in part to Taft's innate modesty and in part to an amiability so great that it tended to overshadow a really first-rate mind. It would be a pity if future generations remember William Howard Taft only for the fact that he alone served America both as its President and on the Supreme Court of the United States.

Bill Taft, "Will" to his intimate friends, was the son of a distinguished father and the father of a distinguished family. His father achieved success at both bench and bar after coming to Cincinnati from Vermont in 1838. Judge Alphonso Taft was Secretary of War and Attorney General in Grant's Cabinet and Minister to Austria and Russia under President Arthur.

In the memoirs of Mrs. William Howard Taft we read of his parents:

Judge Alphonso and Mrs. Taft had created a family atmosphere in which the children breathed in the highest ideals, and were stimulated to sustained and strenuous intellectual and moral effort in order to conform to family standards. They had an abiding confidence in the future of their children which strongly influenced the latter to justify it.

Those same ideals, pursued through four generations, have helped to make the Taft family one of the first families of America.

From Woodward High School in Cincinnati young Will Taft went to Yale. He graduated in 1878 standing second in a class of 132. His affection for Yale and the importance he attached to education were shown by his return to New Haven after leaving the White House. With almost every important job in the world open to him, he chose to be professor of

constitutional law at Yale from 1913 to 1921.

Just 9 years after graduating from the Cincinnati Law School in 1880, Taft had important backing for a vacancy on the United States Supreme Court. Although he was then only 32 years of age, he had already served 2 years on the Superior Court of Ohio. He had already demonstrated his ability in private practice and as a prosecuting attorney. The appointment to the Supreme Court did not come to Taft in 1889, but it always remained his dearest hope.

Taft became Solicitor General of the United States in 1890 and United States circuit judge for the 6th judicial circuit in 1892. He served as a Federal circuit judge until 1900.

By 1900 Judge Taft, then only 43, was widely recognized as one of the best lawyers in America. Such recognition in itself was unusual because Taft was not a corporation lawyer in any sense of the word. It was that legal specialty which, in 1900, produced fame and its attendant rewards.

In 1900 Taft's eventual appointment to the Supreme Court was as certain as such an appointment can ever be. He felt then, as he did following his appointment in 1921, that the Supreme Court "next to my wife and children, is the nearest thing to my heart in life." No wonder Taft hesitated when President Roosevelt offered him the job of President of the Philippine Commission.

It was Elihu Root, then Secretary of War, who played the role of Dutch uncle. As Taft later recalled, Root said:

> You have had an easy time of it holding office since you were 21. Now your country needs you.

Root added:

> You may go on holding the job you have in a humdrum, mediocre way. But here is something that will test you; something in the way of effort and struggle, and the question is, will you take the harder or the easier task?

William Howard Taft, characteristically, heeded the call of duty.

In the march of the Filipinos to full self-government, no man deserves greater credit than William Howard Taft. He firmly rejected rule by the bayonet and all other forms of colonialistic oppression. Just as firmly he rejected the utopian counsel of those who would have applied abstract principles of government to the Philippines which were utterly unadapted to their stage of development. The enlightened rule of the Taft Commission in the Philippines is still a worthy model for governments which seek to extricate themselves from the dead end of colonialism or which seek to avoid more subtle forms of imperialism.

Taft summarized his policy in these words:

> We hold the Philippines for the benefit of the Filipinos, and we are not entitled to pass a single act or to approve a single measure that has not that as its chief purpose.

Taft applied that policy to himself. When the cherished offer of appointment to the Supreme Court finally came in January 1903, Taft declined it because his work in the Philippines was unfinished. When, as President, Taft signed the commission of Edward D. White as Chief Justice, he remarked:

> There is nothing I would have loved more than being Chief Justice of the United States. I cannot help seeing the irony in the fact that I, who desired that office so much, should now be signing the commission of another man.

After serving as Secretary of War and general troubleshooter for Theodore Roosevelt from 1904 to 1908, Taft became a candidate for the Presidency. He was nominated on the first ballot by the Republican Party at its convention in Chicago. He defeated William Jennings Bryan in the November election by an electoral vote of 321 to 162.

During the administration of President Taft many progressive reforms were instituted. A Department of Labor was created, the civil service was extended, the budget was brought under executive supervision and control, inordinately high tariffs were reduced, the Standard Oil and tobacco trusts were dissolved, and peace with honor was maintained. Time does not permit me to elaborate on the commendable achievements of the Taft administration. But in the light of all that was done, it is still hard to understand why the Republican Party split so disastrously in 1912.

Taft's biographer, Henry F. Pringle, suggests that it was Taft's "inability to popularize or make exciting his accomplishments." There is certainly some truth in this conclusion, surprising though it is in view of Taft's Cincinnati newspaper experience and family connections. Taft himself, after reviewing in 1912 all that had been accomplished in 4 years, wrote in a letter to his wife, Helen:

> It is a very humdrum, uninteresting administration, and it does not attract the attention or enthusiasm of anybody, but after I am out I think that you and I can look back with some pleasure in having done something for the benefit of the public weal.

Taft's failure to popularize his administration was not due entirely to inability. For example, he rejected the idea that the President should "play the part of a universal providence and set all things right." He considered it more important to fight monopoly by litigation than by press releases. When his Secretary of the Interior was unjustly attacked, he refused to fire him, saying:

> Life is not worth living and office is not worth having if, for the purpose of acquiring the popular support, we have to do a cruel injustice or acquiesce in it.

And, finally, Taft did not take the easy road to popularity which then lay in the direction of threatening or making war on some weak neighbor of the United States.

Taft achieved his life-long ambition in 1921 when President Harding appointed him Chief Justice of the United States Supreme Court. The years from 1921 to 1930 were the golden years of Taft's life. For example, he wrote in 1925 that "in my present life I don't remember that I ever was President."

When Taft finally realized his ambition, he gave to the Supreme Court all that he had. His schedule called for 4 hours of Court work and 8 hours of work outside of the Court each day that the Court was in session. By 1926 he was forced to ease up because he had worked so zealously as Chief Justice that he impaired his health.

Under the Chief Justiceship of William Howard Taft, the Court was more unified than it has been at any time since. The Supreme Court enjoyed more prestige than it has ever known under any of his successors.

In regard to Taft's decisions on the Supreme Court, it would be a mistake to label them either as liberal or as conservative. Some critics of Taft's opinions who describe them as conservative or even reactionary, tend to ignore the nature of the judicial function. The Supreme Court, then as now, was required to interpret a large body of Federal legislation, some of which might be described as reactionary in character. William Howard Taft, however, never believed that a member of the United States Supreme Court should assume the role of a superlegislator.

Chief Justice Taft forged several strong links in the chain of a broad commerce power extending from John Marshall's decision in Gibbons against Ogden down to the present time. He breathed new life into the Sherman Antitrust Act which had been the subject of several mutilating constructions.

Perhaps more important to the Supreme Court than any decision in which Chief Justice Taft participated, was his successful advocacy of the Judiciary Act of February 13, 1925. It was this measure of judicial reform which relieved the Court's docket of intolerable congestion. By making much of the jurisdiction of the Supreme Court discretionary rather than obligatory, the Judiciary Act of 1925 enabled the Supreme Court to concentrate on important constitutional issues and on other cases of great national importance. Chief Justice Taft's vigorous lobbying for the bill was perhaps his most important contribution to the Supreme Court.

William Howard Taft was preeminently a man of peace. He viewed with extreme distaste the experiences of the United States in the Spanish-American War and the belligerent attitude assumed by the United States in relation to some of the countries of Central and South America. As President, he firmly resisted war with Mexico.

President Taft did more to advance the cause of international arbitration than any of his predecessors in office. The biggest block to arbitration as an alternative to war was the question of national honor. When Taft was asked if he would arbitrate a question of national honor, he said frankly, "I am not afraid of that question, of course I would." However, it is important to recognize that Taft was realistic on the subject of international law. He realized that it was both intolerable and impractical to vest any international tribunal with jurisdiction over political issues involving possibly the life and death of sovereign nations. He insisted that arbitration be limited to justiciable

issues such as, for example, the kind of issue recently represented in the Suez Canal controversy.

It is indeed unfortunate that the Senate of the United States was unwilling to accept without crippling reservations the arbitration treaties which President Taft had worked out with England and with France. It is also unfortunate that other countries, particularly Germany, withdrew from the negotiations spearheaded by Taft and Secretary of State Knox. If the Senate and the civilized world had followed Taft's lead in this matter, World War I might have been avoided.

Taft also was a realist on the subject of the League of Nations. He vigorously condemned Woodrow Wilson's stubbornness in refusing to make any concessions to public opinion in the United States and he condemned with equal vigor the isolationists of that time who wanted no part of the League. If Taft's views on the League of Nations had been accepted, World War II might have been avoided. This is, of course, pure speculation, but no reasonable man would argue that the world would be any worse off today if the views of William Howard Taft had prevailed.

William Howard Taft died in Washington on March 8, 1930, and was buried in Arlington National Cemetery. I hope very much that the 100th anniversary of the birth of William Howard Taft, which falls on September 15 of this year, will be the occasion for recalling and signalizing his many and varied achievements.

FIFTIETH ANNIVERSARY OF FIRST CONFERENCE OF GOVERNORS FOR PROTECTION OF NATURAL RESOURCES OF THE UNITED STATES

The PRESIDING OFFICER (Mr. LANGER in the chair) laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 35) to provide for the observance and commemoration of the 50th anniversary of the first conference of State governors for the protection, in the public interest, of the natural resources of the United States, which were, on page 1, strike out all after the title down to line 1, page 3; on page 3, line 10, strike out "Interior" and insert "Interior and Chief of Engineers, Department of Army"; on page 4, line 5, strike out "Chairman shall, with the advice of the Commission", and insert "President of the United States may"; on page 4, line 6, after "include" insert "not more than"; on page 4, line 8, after "and" insert "not more than"; on page 5, line 2, strike out "1958." and insert "1958, but neither the Commission nor such committees, task forces, or advisory groups shall solicit funds from the general public."; and on page 5, line 9, after "resolution," insert "not to exceed $20,000.".

Mr. MANSFIELD. Mr. President, the House of Representatives has passed with amendments Senate Joint Resolution 35 to establish a Conservation Anniversary Commission to observe the 50th anniversary of the first conference of State governors, called by President Theodore Roosevelt in 1908, on conservation problems.

After conferring with the distinguished chairman of the Interior and Insular Affairs Committee and other Members on both sides of the aisle, I move that the Senate disagree to the amendments of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. MURRAY, Mr. NEUBERGER, Mr. CARROLL, Mr. MALONE, and Mr. KUCHEL conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the following bills and joint resolution of the Senate:

S. 1645. An act to authorize the Secretary of he Interior to grant easements in certain lands to the city of Las Vegas, Nev., for road widening purposes;

S. 2500. An act to make uniform the termination date for the use of official franks by former Members of Congress, and for other purposes; and

S. J. Res. 18. Joint resolution to authorize and request the President to issue a proclamation in connection with the centennial of the birth of Theodore Roosevelt.

The message also announced that the House had passed the bill (S. 2792) to amend the Immigration and Nationality Act, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the joint resolution (S. J. Res. 35) to provide for the observance and commemoration of the 50th anniversary of the first conference of State governors for the protection, in the public interest, of the natural resources of the United States, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 6322) to provide that the dates for submission of plan for future control of property and transfer of the property of the Menominee Tribe shall be delayed; asked a conference with the Senate on the disagreeing votes of the two Houses thereon and that Mr. HALEY, Mr. ENGLE, Mr. ASPINALL, Mr. MILLER of Nebraska, and Mr. PERRY were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 3028. An act to provide for the relief of certain female members of the Air Force, and for other purposes;

H. R. 3625. An act to amend section 214 of the Interstate Commerce Act, as amended, to prevent the use of arbitrary stock par values to evade Interstate Commerce Commission jurisdiction; and

H. R. 3940. An act to grant certain lands to the Territory of Alaska.

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

H. R. 6562. An act to clarify the law relating to leasing of lands within Indian reservations in Alaska, and for other purposes;

H. R. 6760. An act to grant to the Territory of Alaska title to certain lands beneath tidal waters, and for other purposes;

H. R. 8030. An act to amend the Agricultural Adjustment Act of 1938 with respect to acreage history; and

H. R. 8256. An act to amend the District of Columbia Income and Franchise Tax Act of 1947, as amended, to exclude social security benefits and to provide additional exemptions for age and blindness, and to exempt from personal property taxation in the District of Columbia boats used solely for pleasure purposes, and for other purposes.

The message further announced that the House had agreed to the amendments of the Senate numbered 1½, 2, and 3 to the concurrent resolution (H. Con. Res. 172) to establish a joint Congressional committee to investigate matters pertaining to the growth and expansion of the District of Columbia and its metropolitan area, and that the House had agreed to the amendment of the Senate numbered 1 to the concurrent resolution, with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 2603. An act to amend the act entitled "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved June 3, 1896;

H. R. 2462. An act to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes;

H. R. 2474. An act to increase the rates of basic salary of employees in the postal field service; and

H. R. 3377. An act to promote the national defense by authorizing the construction of aeronautical research facilities and the acquisition of land by the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research.

THE PROBLEMS OF THE SHEEP INDUSTRY

Mr. BARRETT. Mr. President, four years ago the sheep business was in a bad way. The sheep industry was sick, in fact, very sick. It needed mighty strong medicine if it was going to get well. It got it. The Wool Act of 1954 did the job. As a result, Mr. President, the sheep industry of our country is now improving in good shape. True, this great industry is not completely out of the woods, but it has made splendid progress. However, Mr. President, the Wool Act expires after payments on next year's wool clip. The Wool Act must be extended for another four years if we are to keep the sheep industry safely on the road to recovery. I rise today, Mr. President, to speak on the operation of the Wool Act.

As everyone knows, Mr. President, livestock is the basic industry of the Western

States. The economy of 200 counties in the Mountain West can be maintained in a sound and prosperous condition only with a thriving livestock industry. Grass is the main crop harvested from about 90 percent of the West's 800 million acres. The western empire represents a little more than one-third of the entire area of the United States. Today nearly 12 million head of sheep are grazing on the ranges of the 11 Western States gathering the products of the soil and processing them for utilization in our economy. The vast expanse of rangelands in the Western States is suitable largely for grazing cattle and sheep. It represents a wise and proper use of that great natural resource. The conversion of grass into food and fiber is an important contribution to our economy, but in addition, gathering the grass is an important factor in reducing the danger of fire in our large and priceless forests. To use these lands wisely and in the public interest is imperative from a national standpoint. It is important also that these lands be used to maintain the traditional balance in numbers between sheep and cattle. Both industries are of vital importance not only to the Western States but to the country as well.

From January 1, 1942, to January 1, 1957, the sheep population of the United States dropped from 49,807,000 to 26,370,000 head. The sheep population today is the lowest in 75 years. Our country has grown from 80 million people in 1880 to 172 million, yet we have less sheep today than in 1880.

Statistics tell the story better than words, Mr. President. Strange as it may seem, the sheep industry suffered its greatest blow during the dark days of World War II, when it was so terribly important to produce food and fiber for the war effort. The liquidation took place in the midst of the war and at the very time the Army and Navy Munitions Board had advised the Congress that "wool is a strategic and critical material necessary for the security of the Nation."

The price of wool was frozen at 41 cents a pound at the time of Pearl Harbor. It remained at that price during the entire war. The operating expenses of the wool growers increased by leaps and bounds all along the line, and thousands of wool growers went out of business because they could not make both ends meet. Since their ranch properties were suitable only for livestock, many growers went into the cattle business and, as a result, our cattle population increased year after year until it reached an all-time high of 97 million head a couple of years ago. At the same time sheep numbers in this country dropped nearly 50 percent to an all-time low. The unprecedented liquidation in sheep numbers brought about a tremendous shift by old-time wool growers into the cattle business. For two long decades our domestic wool growers had been confronted with a difficult and uncertain outlook in the market place. To make matters worse, the tariff on wool was reduced by 25 percent in 1948. This was a body blow to the wool growers of the country. To make matters even worse, with every rise in the general level of prices and costs in recent years the protection provided by the tariff was further reduced. Today, Mr. President, the tariff affords the growers protection equivalent to only about 17 percent of the price they receive for their wool, compared with protection of 77 percent in 1930. The dislocation in the sheep industry became so acute that the Department of Agriculture found it necessary in 1951 to make this statement in its yearbook:

> We want to keep our wool industry vigorous because wool is essential to our national health and security; the Armed Forces consider wool a strategic and essential material. Domestic wool production, even in peacetime, has never been equal to consumption. Normally we produce only from one-fourth to one-third of our total requirements. To meet any emergency we should produce at least two-thirds of our normal requirements of apparel wool.

There is no doubt that the wool growers of America were in a desperate condition when this Administration came into power. The price-support program of loans and purchases for wool at 90 percent of parity had proved completely ineffective. The end result of the Government-support program was to stockpile domestic wool in the hands of the Government while foreign producers captured the American market practically in its entirety. The Commodity Credit Corporation acquired a great deal of our production of wool each year. The constantly increasing stockpile in its hands exerted a depressing influence on the growers' market.

It was generally agreed at the time that the wool industry of America was at the crossroads and that it would be completely wiped out if we did not take drastic action. At that time the military reported that it took 135 pounds of wool to equip and maintain a soldier in the field and that our annual production would equip less than 2 million boys. The danger of relying upon imports which must be shipped over highly vulnerable sealanes extending over thousands of miles is apparent when one realizes that 85 percent of the cargoes bringing strategic materials to our shores from Africa were sunk en route.

Recognizing the desperate condition confronting the wool growers of America at that time, President Eisenhower on July 9, 1953, directed the Tariff Commission to institute an investigation of the effects of imports on the domestic wool-price-support program, and also requested the Secretary of Agriculture to supplement that investigation by a broader study of the domestic factors which contributed to the decline in the wool industry. The President called upon the Secretary to make constructive suggestions which would promote a sound and prosperous domestic wool industry.

The Tariff Commission on February 19, 1954, reported to the President in these words:

> * * * The best evidence of the comparative costs of domestic and foreign wools is to be obtained from data on mill consumption and imports. From these, it is clear that foreign wools laid down in the United States duty paid have generally been available below the sale and CCC loan prices of domestic wools on a comparable basis * * * *

* * * * *

The Commission concludes that imports are materially interfering with and are tending to render ineffective the price-support program for wool. For reasons already cited, there is no certainty that the legislatively prescribed production goal for wool can, as a practical matter, be achieved without resorting to measures outside the framework of the present price-support program for wool * * * *

DOMESTIC WOOL PRODUCTION UNDER THE SPECIAL LEGISLATION FROM WYOMING

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

Mr. BARRETT. I am glad to yield to the distinguished Senator from Nevada.

Mr. MALONE. Mr. President, I should like to ask the distinguished Senator from Wyoming if the legislation does not expire on 1958; that is 1958 is the last effective year?

Mr. BARRETT. It expires after the payments are made for 1958. The final date on the Act is March 31, 1959, but that is for the clip of wool produced in 1958.

Mr. MALONE. The effective date is 1958?

Mr. BARRETT. The Senator is correct.

Mr. MALONE. So long as the 1934 Trade Agreement Act is in full force and effect, and tariffs and duties are regulated by the 34 competitive foreign nations of Geneva, Switzerland, under the General Agreement on Tariffs and Trade, there is no recourse for the wool growers except through special legislation. Is that correct?

Mr. BARRETT. The Senator is correct.

Mr. MALONE. If the 1934 Trade Agreement Act, the so-called Reciprocal Trade Agreement Act, was allowed to expire in June of next year, and in the meantime the Act to which the Senator refers was extended to cover the period until the regulation of flexible duties and tariffs would revert to the Tariff Commission, an agent of Congress under the 1930 Tariff Act, so that there would be a regular adjustment of the flexible duty or tariff on the basis of fair and reasonable competition, then no further special legislation would be required after the 1930 Act had again become effective.

Mr. BARRETT. The Senator is correct. The presumption in the Wool Act was based on the fact that the tariff as it existed at that time would not be interfered with. If it were increased, the price of domestic wool would be raised accordingly, and there would be very little necessity for having any incentive payments.

Mr. MALONE. Mr. President, I should like to ask the Senator one more question. Has there not been a continual decrease in the annual production of wool in the United States over a long period of time, due to the virtual free trade policy under the 1934 Trade Agreements Act?

Mr. BARRETT. In 1942 the sheep population of the country was 49 million head, and today it is 26,370,000 head. Therefore, today it is approximately one-half of what it was in 1942.

Mr. MALONE. And it is still being reduced. Is that correct?

Mr. BARRETT. It has been holding its own during the last year or two.

Mr. MALONE. But the trend generally over the years has been down. Is that correct?

Mr. BARRETT. It certainly has.

Mr. MALONE. Is it not a fact that before there was any interference with the regular adjustment of duties and tariffs, which were always used roughly, to make up the difference between the wages and cost of doing business including taxes in this country and similar wages and cost in the chief competing nation on each product, we were producing somewhere in the neighborhood of one-third of all the wool consumed in this country?

Mr. BARRETT. At one time our production of wool was around 400 million pounds. That was approximately two-thirds of our consumption at that time.

Mr. MALONE. Roughly, what is the percentage of our consumption of wool today?

Mr. BARRETT. We are producing about 232 million pounds of shorn wool. I believe our consumption is roughly about twice as much as that.

Mr. MALONE. We are producing, then, roughly one-half of our consumption at the present time.

Mr. BARRETT. At the present time; that is true.

Mr. MALONE. I asked these pertinent questions to complete the record, since the Senator from Wyoming, I know, is very well informed on the subject, and he had a great deal to do with the original legislation, which we propose now to extend. I know of no better way to do the job. I thank him for the effective work he has done. I thought the record should be complete.

Mr. BARRETT. I thank the Senator for his contribution.

Mr. President, something had to be done and various measures were considered to improve the outlook for domestic wool growers. A good many of us contended that an adequate tariff to compensate between differences in the cost of production abroad as compared to those at home was the proper remedy. State Department officials were adamant in their opposition to a protective tariff because of international complications. Also, there were those who felt that a high tariff would adversely affect the competitive position of wool with other fibers. The Commodity Credit Corporation had already acquired a stockpile of 150 million pounds of wool under the Government support at 90 percent of parity. It was apparent to all that to support wool prices at a higher level would only result in the Government acquiring more wool and storing it in Government warehouses all over the country, while foreign producers supplied an increasingly larger proportion of our market demand.

Wool occupies a unique position in our agricultural economy. We have surplus supplies of every agricultural commodity save and except wool and sugar. We produce less than a third of our domestic demand for each of those crops. The Sugar Act, in my opinion, has proved sound and equitable for both the producers and consumers. At the time it was considered imperative that a workable plan be designed to revive and rehabilitate the sheep industry.

In January 1954 President Eisenhower sent a message to the Congress recommending the adoption of certain proposals for the relief of the wool industry in the following language:

> Price support for wool above the market level has resulted in heavy accumulations of wool, now nearly 100 million pounds, by the Commodity Credit Corporation and the substitution of imported for domestic wool in our home consumption. Two-thirds of the wool used in the United States is imported, yet our own wool piles up in storage.
>
> A program is needed which will assure equitable returns to growers and encourage efficient production and marketing. It should require a minimum of governmental interference with both producers and processors, entail a minimum of cost to taxpayers and consumers; and align itself compatibly with over-all farm and international trade policies.
>
> It is recommended that—
>
> 1. Prices of domestically produced wool be permitted to seek their level in the market, competing with other fibers and with imported wool, thus resulting in only one price for wool—the market price.
>
> 2. Direct payments be made to domestic producers sufficient, when added to the average market price for the season, to raise the average return per pound to 90 percent of parity.
>
> 3. Each producer receive the same support payment per pound of wool, rather than a variable rate depending upon the market price he had obtained. If each grower is allowed his rewards from the market, efficient production and marketing will be encouraged. This has the further advantage of avoiding the need for governmental loans, purchases, storage, or other regulation or interference with the market. Further, it imposes no need for periodic action to control imports in order to protect the domestic price support program.
>
> 4. Funds to meet wool payments be taken from general revenues within the amount of unobligated tariff receipts from wool.
>
> 5. Similar methods of support be adopted for pulled wool and for mohair, with proper regard for the relationships of their prices to those of similar commodities.

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

Mr. BARRETT. I yield to the distinguished Senator from South Dakota.

Mr. MUNDT. First I should like to associate myself with the compliments paid to the distinguished Senator from Wyoming by our colleague from Nevada [Mr. MALONE].

Mr. BARRETT. I thank the Senator.

Mr. MUNDT. On the floor of the Senate, the Senator from Wyoming is generally recognized as the leader of the Senate from the standpoint of protecting the best interests of the wool producers.

Mr. BARRETT. The Senator is very generous in his remarks.

Mr. MUNDT. He has done a fine job of keeping together the Members of the Senate who are interested in this particular proposal, and I am happy to join with him today in introducing a bill to continue the Wool Act on the statute books.

Mr. BARRETT. I appreciate the very valuable help of the Senator from South Dakota in getting the bill introduced and supported by so many Senators.

Mr. MUNDT. In considering an agricultural product which is in deficit supply, when we are actually consuming domestically more than twice as much as the producers are able to provide domestically, and when that product, in turn, is selling below parity, it is obvious that there is something about the national tariff policy which is injurious to the producers of the commodity. That is the situation which confronts us in the wool industry.

Mr. BARRETT. The Senator is correct.

Mr. MUNDT. As a consequence, in lieu of having the adequate protection which they require, the wool producers, in conjunction with Members of the House of Representatives and Members of the Senate, have worked out special legislation designed to meet the specific problem of the wool producer created by the national tariff policies, which were felt by the State Department and others to be essential to international goodwill.

Mr. BARRETT. The Senator is entirely correct. He has stated the situation far better than I could, and I agree with him 100 percent.

Mr. MUNDT. I am confident, because of the essential equity of the situation, insofar as the wool producers are concerned, when the bill comes before the Committee on Agriculture and Forestry, of which I am a member, it will receive strong and favorable support. I am hopeful and confident that the Senate, in its good judgment, will enact the required legislation.

Mr. BARRETT. I thank the Senator for his very fine contribution. I am sure he will be a powerful influence on the Committee on Agriculture and Forestry, and that we will get a favorable report from his committee on the bill; and I am certain the Senate will pass the necessary legislation next year.

Mr. MUNDT. I am equally confident that on that occasion we will have the pleasure of again hearing the distinguished Senator from Wyoming before our committee as the prime ace witness in support of the proposed legislation.

Mr. BARRETT. I thank the Senator.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. BARRETT. I will be delighted to yield to my distinguished colleague from South Dakota.

Mr. CASE of South Dakota. Mr. President, I wish to join in what my colleague from South Dakota [Mr. MUNDT] and other Senators have said with respect to the leadership of the Senator from Wyoming on wool legislation. He certainly has handled well the responsibility which rested upon a leader from a Western State who has been aware of the situation in the wool industry during the last quarter of a century. The Senator from Wyoming, both in the House of Representatives and in the Senate, has been most active in this field.

Mr. BARRETT. I may say to my distinguished colleague from South Dakota that I cannot take a great deal of credit for that fact, for the simple reason that I was engaged in the sheep business for 35 years and I learned many things about the industry the hard way.

Mr. CASE of South Dakota. Last Saturday afternoon, Mr. President, it was my privilege to see one of the leading men of the sheep industry of western South Dakota, Otto Wolff, with whom I think the Senator from Wyoming is familiar. In talking with Mr. Wolff I found he, who is a relatively large operator, feels that both for those who have a great deal of money invested and for those who have smaller sums invested in the sheep industry, the legislation which the Senator from Wyoming now seeks to have enacted would constitute a very beneficial and stabilizing influence.

Mr. BARRETT. I am sure that is true, and I believe the wool growers not only of our States but of the whole country feel the same way about the Wool Act.

Mr. CASE of South Dakota. I believe the public at large may not realize the essentiality of sheep growing as an industry for the country. I need not say to the Senator from Wyoming that we learn by experience. In World War I and in World War II we learned that wool is essential material and we went to great lengths at that time to keep it out of the hands of the enemy. Now we are trying to keep a sheep-growing industry and a wool-producing industry alive in the United States. The present legislation has proved its value in that regard, and I certainly am happy to join with the Senator from Wyoming in the introduction of the bill he is proposing.

Mr. BARRETT. I thank the Senator and I could not agree with him more.

I call attention, Mr. President, to the fact that in his message President Eisenhower recommended that the "wool payments be taken from general revenues within the amount of unobligated tariff receipts from wool." It was therefore assumed that the tariff on wool would not be reduced during the life of the Wool Act. When the Senate Committee on Agriculture and Forestry was conducting its 1954 hearings on the wool bill, the chairman very kindly permitted me to sit with the committee and to interrogate the witnesses. I asked Assistant Secretary of Agriculture Ross Rizley about the use of tariff receipts to make the wool payments and the following colloquy took place:

Senator BARRETT. Might I ask Mr. Rizley one question? In your statement you say the tariff established to protect the industry would be continued. I assume by that you meant the present tariff of 25½ cents would be continued?

Mr. RIZLEY. That is correct.

Senator BARRETT. During the life of this program?

Mr. RIZLEY. That is correct.

Senator BARRETT. I want to congratulate the Assistant Secretary of Agriculture on a fine statement, Mr. Chairman.

Mr. President, extensive hearings were conducted by the Committees on Agriculture of both the Senate and House and the National Wool Act of 1954 was approved by the President on August 25, 1954. The five important provisions of that Act are as follows:

First. The Congress declared its policy to encourage an annual production of 300 million pounds of shorn wool in order to promote the general economic welfare and to protect the national security.

Second. It established an incentive price to encourage larger production.

Third. The competitive position of wool with other fibers in the free market is not affected by the payments authorized to growers to bring their income from wool up to the incentive level.

Fourth. It was directed that not to exceed 70 percent of the accumulated totals of the specific duties collected on imports on wool and wool manufactures beginning January 1, 1953, be used to finance the incentive payments.

Fifth. It established a self-help feature whereby wool growers can work together more effectively in developing and financing advertising and sales promotion programs to improve the demand for the industry's products and thereby increase the prices received in the free market. Under Section 708 of the Act the wool growers were provided a means of raising funds to promote their products. It was provided that the funds for financing such programs shall be obtained by deductions from the payments to growers. The method approved is quite similar to the way funds are collected from wool growers in Australia, New Zealand, and South Africa for the worldwide promotion and advertising of wool.

A number of prominent national farm organizations, including the National Grange, supported the bill before the Senate and House committees.

As shown by a letter dated March 10, 1954, addressed to Hon. CLIFFORD HOPE, the chairman of the Committee on Agriculture of the House of Representatives, and recorded in committee hearings at that time, Allan B. Kline, the President of the American Farm Bureau Federation, recommended enactment of the wool bill including the broadening of the self-help features of Section 8 of the bill, now Section 708 of the Wool Act. I ask unanimous consent, Mr. President, that the letter from Allan B. Kline, President of the American Farm Bureau Federation, be printed in the RECORD at this point in my remarks.

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

AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., March 10, 1954.

Hon. CLIFFORD R. HOPE,
House of Representatives,
Washington, D. C.

DEAR MR. HOPE: The American Farm Bureau Federation recommends the enactment of H. R. 7775 with amendments as proposed herein.

The American Farm Bureau Federation believes that Government payments to farmers are not a desirable substitute for price supports or a satisfactory means of bringing income into agriculture. On the other hand, we do not support the principle that payments should never be used to support farm returns. We supported the Agricultural Act of 1948 which contained carefully circumscribed authority which could have been used to make payments on wool.

It is our belief that the peculiar circumstances surrounding the production and marketing of wool justify providing carefully prescribed authority for the use of payments to support returns of wool producers. Most important of these circumstances is that wool is a commodity for which the major portion of our needs is imported and for which United States production, even with a 90 percent of parity support, is declining. In the case of wool, the operation of the present price-support program has tended to pile up domestic production in the hands of Government and to substitute foreign wool in consumption outlets.

We believe that it is desirable for the United States to maintain production of wool at a level sufficient to meet a certain percentage of our national needs for wool. To do so, under present conditions, it is obvious that it must be supported at a relatively high level. In order to meet this objective and at the same time encourage domestic wool going into consumption rather than into storage, the payment method of supporting the income of wool producers appears to represent a desirable approach.

The following changes in H. R. 7775 are respectfully recommended:

1. Pulled wool should not be included in the payment program. The inclusion of pulled wool would result in substantial payments to slaughtering establishments without materially contributing to the objective of maintaining increased wool production in this country.

2. Section 8 should be amended to provide that in addition to sales promotion programs, the marketing agreements may include provision for research and education with respect to the production and marketing of wool and wool products.

It would be appreciated if this letter is included as a part of the printed record of this subject.

Very sincerely,

ALLAN B. KLINE,
President.

Mr. DWORSHAK. Mr. President, will the Senator from Wyoming yield?

Mr. BARRETT. I shall be delighted to yield to my distinguished colleague from Idaho.

Mr. DWORSHAK. Will the Senator from Wyoming tell us whether there is general agreement now throughout the wool industry concerning the efficacy of this program and its resultant stabilization of the industry?

Mr. BARRETT. I would say there is as near unanimous agreement in support of this program as could be had for any similar program throughout the whole country, including particularly the Western States.

Mr. DWORSHAK. What is the alternative to this plan if it is not continued? Would there be a gradual dwindling of wool production in this country with eventual extermination of the industry and complete reliance upon foreign sources for our wool?

Mr. BARRETT. I will say to my distinguished colleague that if the Wool Act is not extended, and if an adequate tariff is not imposed on imports of wool, then the liquidation of the domestic sheep industry is a certainty over a period of years, and an extremely short period at that.

Mr. DWORSHAK. Has it not been the experience of our Government and the American people in past emergencies when it was necessary to have an increase in the availability of wool that reliance upon foreign sources has proved not only embarrassing but extremely expensive?

Mr. BARRETT. It has proved very embarrassing to this country on a number of occasions. As I pointed out earlier in my remarks, we lost about 85 percent of our cargoes of wool coming in from South Africa during World War II. That

was a pretty rough experience, I may say to my distinguished colleague from Idaho.

Mr. DWORSHAK. Does the Senator from Wyoming recall during World War II, when there developed a shortage of wool for our Armed Forces within the borders of the United States, that the price situation became acute, and as a result the price of Australian wool virtually doubled overnight?

Mr. BARRETT. That is true, and very unfortunately the OPA set the ceiling on the price of wool at 41 cents a pound on a grease basis and maintained it there all during the war, and that started the liquidation of the sheep industry that I spoke of a moment or so ago.

Mr. WATKINS. Mr. President, will the Senator from Wyoming yield further?

Mr. BARRETT. I shall be delighted to yield to my distinguished colleague from Utah.

Mr. WATKINS. I did not hear the first part of the Senator's speech. Did the Senator say anything about the condition of the wool industry at the time this Wool Act was enacted?

Mr. BARRETT. I mentioned that a short while ago. I said it was in a desperate condition and it took legislation of this type to correct the situation and to put the wool industry on its feet, and at the present time a splendid recovery is in process. If the Wool Act is extended, I believe the domestic sheep industry will eventually return to its former position of a strong, sound and prosperous industry.

Mr. WATKINS. I noted a few moments ago something was said about whether or not this program received the general approval of the wool industry and whether the people who are engaged in that industry are back of it.

Mr. BARRETT. I say the sheep growers are 100 percent back of this piece of legislation, and I am sure that they want it reenacted at the next session of the Congress.

Mr. WATKINS. Mr. President, let me say to the Senator from Wyoming that not more than an hour ago I was speaking by telephone to Mr. Marsh, the Executive Secretary of the National Wool Growers Association. His headquarters are in Salt Lake City, Utah. In my conversation with him, he said he thinks substantially all the wool growers are very much in favor of this program, and that, as a matter of fact, the funds necessary to make the program operate during the coming year will be only approximately one-half of the funds required for this purpose in the past year, because of the great recovery which has been made as a result of this outstanding piece of legislation.

Mr. BARRETT. The Senator from Utah is eminently correct. The fact is that for the first year of the program the cost was approximately $56 million. The cost for the second year was slightly less. But the price of wool has improved so that the cost of the program in 1957 will probably be approximately $23 million, or less than half the cost of the program in the first year.

Mr. WATKINS. As I understand, the money for the program is not actually appropriated from the Treasury.

Mr. BARRETT. That is correct. It comes from the tariff receipts on wool imported into the United States. So the tariff does double duty. In the first place, the proceeds from the tariff of 25½ cents a pound on clean wool imported into the United States are paid into the Treasury as customs receipts, and then paid to the producers in the United States as an incentive for increasing their production of wool. So the tariff does double duty.

Mr. WATKINS. Mr. President, I appreciate very much the remarks of the Senator from Wyoming. I desire to compliment him on his great service to the wool industry for the past 20 years, both in the House of Representatives, before he came to the Senate, and now as a distinguished Member of the Senate, and, prior to his service in the Senate, when he was Governor of the great State of Wyoming.

Mr. BARRETT. I thank the Senator from Utah.

Mr. CURTIS. Mr. President, will the Senator from Wyoming yield to me?

The PRESIDING OFFICER. (Mr. SCOTT in the chair). Does the Senator from Wyoming yield to the Senator from Nebraska?

Mr. BARRETT. I yield to the distinguished Senator from Nebraska.

Mr. CURTIS. I am very much interested in what has been said by the Senator from Wyoming, the Senator from Utah, and other Senators about the success of the program and its diminishing cost. The measure which was enacted and which was supported by all of us 4 years ago was not only a necessary piece of legislation; but is it not also the opinion of the Senator from Wyoming that it has had marked success, far beyond what we really hoped for at that time?

Mr. BARRETT. It certainly has. The program has proved to be most effective for reviving the sheep industry in the United States. But, as I shall point out a little later in the course of my remarks, the renewal of the Wool Act is essential for the welfare of this country.

Mr. CURTIS. Probably it is true that a number of Senators would prefer a different approach in order to give domestic wool producers a just share of our domestic market at a fair price.

Mr. BARRETT. And I am one of them. I would much prefer to have an adequate tariff which would protect the industry.

Mr. CURTIS. Likewise, the junior Senator from Nebraska takes that view.

However, in view of all the circumstances and all the policies of the Government, and all the commitments made, and all the other factors, which we of the area which is directly interested in this matter must face as realities, this measure is perhaps the best legislative answer at which we can arrive.

Mr. BARRETT. That is my conclusion. I certainly agree with the Senator from Nebraska on that point.

Mr. CURTIS. And the anticipated costs—unlike those of most Government programs—instead of increasing, are likely to decrease; are they not?

Mr. BARRETT. That is correct.

Mr. CURTIS. Coming from a State which is vitally interested in the soundness of the economy relating to the production of wool and sheep and lambs and also the feeding of a great many lambs, I was happy to have an opportunity to join with the distinguished Senator from Wyoming in the introduction of the bill; and I shall be happy to do what I can to secure its enactment at an early date.

I wish to say that all of us are very appreciative and very much indebted to the distinguished Senator from Wyoming for the leadership he has given in connection with this matter and for the position he has taken in connection with matters relating to wool, the production of sheep, reclamation and irrigation, agriculture generally, the development of our natural resources, and the oil industry. The leadership he has given to the Senate and the influence he has exerted have been very, very helpful not only to the economy of the West, but also to the economy of the entire country. His efforts in spearheading the drive for the extension of the Wool Act are greatly appreciated. As the leading Senator of both parties in the taking of steps in the interest of the West, the Senator from Wyoming is doing an outstanding job.

Mr. BARRETT. Mr. President, I certainly thank the Senator from Nebraska for his kind remarks.

I may say that my State produces the lambs which eventually find their way into his State and are fattened in the North Platte Valley of western Nebraska. As a matter of fact, with my partner I produced thousands of lambs year after year and saw them shipped to western Nebraska and fattened for the markets in Omaha.

Mr. CURTIS. They are finished and slaughtered in Nebraska. Although some sheep are raised in Nebraska——

Mr. BARRETT. That is correct.

Mr. CURTIS. Yet Nebraska is as directly interested in the soundness of the economy of the sheep growers as is any other State of the Union. As I said a moment ago, the people of Nebraska realize their indebtedness to the distinguished Senator from Wyoming for exercising his fine leadership in this body in order to have this Act extended.

Mr. BARRETT. I thank the Senator from Nebraska for his very kind words.

Mr. CARLSON. Mr. President, will the Senator from Wyoming yield to me?

Mr. BARRETT. I am delighted to yield to my distinguished colleague, the Senator from Kansas.

Mr. CARLSON. Mr. President, I do not wish to let this opportunity pass without expressing my appreciation to the distinguished Senator from Wyoming, on behalf of the sheep growers and wool producers of Kansas and, in fact, of the entire Nation.

Mr. CURTIS. I thank the Senator from Kansas; it is very kind of him to say that.

Mr. CARLSON. I know of his great interest in this work. It was my privilege to serve as Governor of the State of

Kansas at the time when the distinguished Senator from Wyoming served as Governor of the State of Wyoming, and I am familiar with the work he did, not only in behalf of the wool and sheep industry, but also in behalf of agriculture as a whole and the problems of the West, which I assure the Senator from Wyoming are mutually the problems of all our States.

Again the Senator from Wyoming has taken the lead in extending this Act, which is so important to the wool growers.

So I desire to express to him my personal appreciation.

Mr. BARRETT. Mr. President, I thank the Senator from Kansas. I am very happy that he has joined in sponsoring this proposed legislation, which we hope will be enacted at the next session of Congress.

Mr. MANSFIELD. Mr. President, will the Senator from Wyoming yield to me?

Mr. BARRETT. I am delighted to yield to my distinguished friend, the Senator from Montana.

Mr. MANSFIELD. Mr. President, I am very happy, indeed, to be one of the cosponsors of the bill the distinguished Senator from Wyoming has just introduced.

I know he has had vast experience in the sheep industry, over a period of many years; and I know that his experience covers many facets of that industry, which is so important to our area.

I am delighted to have this opportunity to commend not only the Senator from Wyoming for the initiative he has consistently shown, but also to commend the Administration for the interest it has taken in the sheep industry and the lift it has given to our people. As a result, they have found it possible to emerge from a depression and make some approach to stability.

Frankly, I wish I could say the same for some of the other aspects of the agricultural program of this Administration; but I cannot.

However, I think I should give credit where credit is due; and this Administration has done a good job in rehabilitating the sheep industry, which in my opinion was on the way out in the Rocky Mountain area.

I think the distinguished Senator from Wyoming in his many years of fine service, both in the House of Representatives and in the Senate, has shown great foresight and leadership; and I desire to commend him for the active part he has taken in this field.

Mr. BARRETT. Mr. President, I wish to thank my friend, the distinguished Senator from Montana, for his kind remarks.

I may say to him that it is my judgment that we have come to the time when we must deal with agricultural commodities one at a time and try to find a solution for them, as we have done, first, for sugar and then for wool. I hope that if we are able to liquidate the tremendous surpluses the Commodity Credit Corporation has had on its hands for a long time, perhaps we can get down to business and can work out a sound agricultural program, commodity by commodity.

I thank the Senator from Montana for his kind remarks.

Mr. WATKINS. Mr. President, will the Senator from Wyoming yield further to me?

Mr. BARRETT. I am glad to yield again to my distinguished colleague, the Senator from Utah.

Mr. WATKINS. Mr. President, I have appreciated the comments of my colleagues which I am glad to endorse, during the time that the Senator from Wyoming has yielded to them, in respect to this very important matter.

I am very happy, indeed, also to be associated with the Senator from Wyoming, as a cosponsor of this important piece of proposed legislation. My State has relied on the sheep industry for many years for one of its greatest economic supports. When the growers of sheep and producers of wool suffer, the whole State is in trouble. Merchants, schools, and all our activities face difficulty.

Mr. BARRETT. The Senator is correct in that statement.

Mr. WATKINS. We have to rely upon the sheep industry for a great deal of the tax revenues which help us in many of our activities. When the sheep growers are in trouble it is difficult to maintain some of the country schools, especially in the areas where the sheepmen usually have their ranges and where the sheep are taxed. That is where we have one of the great problems in our State in getting enough revenues for the country school districts.

Mr. BARRETT. The Senator is correct.

Mr. WATKINS. Will the Senator agree with me that the more or less abolition of the tariff support of many of our western industries has had a harmful effect, and that the so-called reciprocal trade arrangement has not worked too well with respect to the interests of the Intermountain States?

Mr. BARRETT. The Senator is absolutely correct. As I have pointed out heretofore, the tariff on wool was lowered in 1948 from 35 cents a pound to 25½ cents a clean pound. That lowering of the tariff compounded the difficulties of the sheep industry of this country.

Mr. WATKINS. May I call the Senator's attention to another industry in the Intermountain States which have likewise been affected, namely, the lead and zinc industry.

Mr. BARRETT. There can be no question about that.

Mr. WATKINS. That industry is now in the same position as the wool industry was in a few years ago. That industry certainly requires protective relief in order to keep it from going completely out of business.

Mr. BARRETT. I certainly agree with the Senator from Utah, and I joined with him in an effort to get some help through the Tariff Commission, so that an import fee of some character may be imposed for the benefit of the lead and zinc industry. I know that industry needs help badly. That is what I meant a moment ago when I said to my distinguished friend from Montana [Mr. MANSFIELD] I think it is imperative that we take up all the agricultural commodities one after the other and try to find a solution that will fit each particular case. The same thing should be done for other farm commodities as the Congress has done for sugar and later for wool. I think the same solution could easily be applied to lead and zinc, with respect to which our domestic production is deficient to meet the needs of our economy.

Mr. MANSFIELD. Mr. President, will the Senator yield at that point, in view of the statement he has just made?

Mr. BARRETT. I yield to the distinguished Senator from Montana.

Mr. MANSFIELD. I would express the hope that the President, under the authority he has by virtue of the escape clause in the Reciprocal Trade Agreement, would give us in our part of the country, both Republicans and Democrats, some relief from the depression now facing the lead and zinc industry. It is too late for legislation. We need help. Our mines are closing down. Shafts are being flooded. Timbers are falling in. If we do not get some help, I dislike to think what will happen.

Mr. BARRETT. I agree with the Senator. As I interpret the position of the President, he proposes to do that very thing. I hope he sees to it that the Tariff Commission acts very promptly on the request before it, and that the President will act under the escape-clause provision of the Reciprocal Trade Agreement, and impose fees or tariffs on imports of lead and zinc.

Mr. MANSFIELD. The Senator is correct, because we need action now.

Mr. BARRETT. I agree with the Senator.

Mr. WATKINS. Mr. President, will the Senator yield so that I may make an observation on the remarks of the Senator from Montana?

Mr. BARRETT. I yield to the Senator from Utah.

Mr. WATKINS. I am glad to have the observations of the Senator from Montana. I may say that in the last few days I have been in close conference with representatives of the lead and zinc industry. Within a very few days that industry is going to file its application with the Tariff Commission for relief under the escape-clause provision of the Reciprocal Trade Agreement. We have already had a statement by the President of the United States in answer to Mr. Cooper, Chairman of the Ways and Means Committee of the House, in which he said that he had an understanding the industry would file an application for relief with the Tariff Commission, and that the President would cooperate at least to the extent of asking the Commission to expedite that proceeding, just as rapidly as it can be carried forward in a practical way.

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

Mr. BARRETT. I yield to the distinguished Senator from Arizona.

Mr. GOLDWATER. In connection with the colloquy between the distinguished Senator from Utah and the distinguished Senator from Wyoming just a few moments ago, regarding the effect of a lack of tariff, I should like to point out some very interesting figures which I have before me. These figures are not so

recent as I would like to have them, but they indicate that in 1910 we had 39,644,000 sheep on our ranges. In 1942, we had 49,346,000 head of sheep on our ranges. But in 1953, which is the latest year for which I have the figures available, we had only 27,857,000.

There has been a constant decline in the sheep population since the peak of the war years, which was 49 million in 1942, and 44 million in 1944. I wanted to point those figures out.

Mr. BARRETT. I thank the Senator for his helpful contribution.

Mr. GOLDWATER. I may say I am very happy to join the Senator as a cosponsor of his bill. The sheep growers of Arizona are interested in the constant concern of the Senator from Wyoming for them.

Mr. BARRETT. I am delighted to have my distinguished colleague from Arizona as a cosponsor of this proposed legislation.

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

Mr. BARRETT. I yield to the distinguished Senator from Montana.

Mr. MANSFIELD. I should like to bring out one point. As the Senator from Arizona stated, the sheep population has been declining, but the imports from overseas have been increasing, and that is the squeeze in which the sheep industry has found itself in the past years.

Mr. BARRETT. The Senator is eminently correct.

Mr. ALLOTT. Mr. President, will the Senator from Wyoming yield?

Mr. BARRETT. I yield to my distinguished colleague from Colorado.

Mr. ALLOTT. I must apologize for interrupting the Senator at this point, but he was kind enough to provide me with a copy of his very comprehensive speech, which very adequately and very well covers the situation with respect to wool.

If I may, without embarrassing him, I should like to say that no Member of the Senate has done so much to create a constructive program and an atmosphere in which our sheep growers and the sheep industry may be able to live, as the Senator from Wyoming has done. I know I will be embarrassing him by my saying that, he being the extremely modest man that he is, but, nevertheless, that fact should be known throughout the West and by those who are engaged in the wool industry.

Mr. BARRETT. Let me say to my distinguished colleague that he is far more generous than he should be in his remarks about me, but, nevertheless, I appreciate them.

Mr. ALLOTT. I understated my praise of him because my command of English is not completely adequate to the occasion.

On page 12 of the Senator's speech, he refers to a 25½-cent tariff. Later in the speech the Senator discusses this matter. However, as we go deeper into an inflationary period, a fixed tariff becomes less and less significant, does it not?

Mr. BARRETT. The Senator is eminently correct, and I may say it would be extremely difficult to impose an adequate tariff. I have thought about that matter. I think it would take a tariff of well over $1 a pound on a clean basis to protect the industry.

Mr. ALLOTT. In that respect, that industry is in somewhat the same situation as the tungsten industry, which would require a 300 percent ad valorem duty in order to protect it.

Mr. BARRETT. I am afraid the Senator is correct.

Mr. ALLOTT. May I state one other thought? I think we have gotten into a free-trade era, and I believe we should do all the trading with the world we can. However, if we are competing with countries which do not pay their laborers adequate wages, we really will not receive the advantages of so-called free trade, will we?

Mr. BARRETT. The Senator is correct.

Mr. ALLOTT. If we deal with countries and trade with countries which pay their workers very substandard wages, compared to the wages in the United States, the money involved in the trade will not go toward raising the standard of living in those countries and creating a demand for more goods or creating a demand for capital wealth. Most of the money will go to the owner of the sheep or the owner of the mine or whatever it may be, as well as taxes to the government involved, but such trade certainly does not succeed in bringing about what was the ideal of the people who proposed free trade in the first place, which was the raising of the standard of living of the people of the other countries.

Mr. BARRETT. The Senator is entirely correct. I think the end result will not be to raise the standard of living of our competitors in foreign lands but to decrease the standard of living of our own people. That is a very discouraging situation.

Mr. ALLOTT. That brings up a final question, which is this: If we engage in this competition in the world market for wool, for example, with countries which pay substandard wages, and we import wool or are able to do so at much lower prices, without some protection such as the Wool Act affords, will we not eventually deplete the wool industry and the sheep industry to a point of danger, so that when we get into a situation such as we faced at the beginning of World War II we shall have no industry, with no way of creating it overnight, in a year, or even in 2 or 3 years?

Mr. BARRETT. The Senator is correct. We could not create it in a much longer period of years, I may say.

Mr. ALLOTT. I want to thank the Senator for permitting me to interrupt him, because I have to leave the Chamber for a few minutes.

I hope the people of the West know I sincerely mean what I say about the work of the Senator from Wyoming, and I hope they realize the great contribution he has made to the wool and sheep industry of the West.

Mr. BARRETT. I thank the Senator very much for his kind remarks.

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

Mr. BARRETT. I am delighted to yield to the distinguished senior Senator from Nebraska.

Mr. HRUSKA. I should like, Mr. President, to associate myself with the other remarks commending the Senator from Wyoming for his very fine analysis and presentation of the National Wool Act extension bill. With his usual characteristic thoroughness and his systematic legal mind he is producing something here which I am sure will be of great assistance when it comes to the final consideration of the proposed legislation.

Mr. President, I think the Senator from Wyoming would be interested in knowing that I received this morning a telegram from the Nebraska Wool Growers Association, signed by Dwight Holloway, its Vice President, who states that it is his understanding that the Wool Act expires next year. He reports that the sheep industry has agreed unanimously to support the extension of the Act, which has proved to be as sound as any agricultural legislation developed to date. He states further that the Nebraska Association has been advised that the Senator from Wyoming has introduced proposed legislation to cover the extension of the Act, and that the legislation was originally sponsored by the present Administration and has the full support of the Department of Agriculture.

Mr. Holloway states further that he would appreciate any support which the Senator from Nebraska can accord the Senator from Wyoming in this venture. I want to assure the Senator from Wyoming that any act on my part which be of avail will certainly be cheerfully extended toward that end.

Mr. BARRETT. I thank the distinguished Senator from Nebraska. I want to say that he very readily agreed to be one of the cosponsors of this bill. I appreciate his help very, very much.

Mr. HRUSKA. I thank the Senator from Wyoming.

Mr. MARTIN of Iowa. Mr. President, will the Senator yield?

Mr. BARRETT. I am delighted to yield to my distinguished colleague, the Senator from Iowa.

Mr. MARTIN of Iowa. Mr. President, I have likewise received word from the wool growers of Iowa. I am very proud to join with the Senator from Wyoming as a cosponsor of the proposed legislation.

Mr. BARRETT. I appreciate that statement very, very much. I was delighted when the distinguished junior Senator from Iowa and his colleague the senior Senator from Iowa [Mr. HICKENLOOPER] agreed to become cosponsors of the bill.

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

Mr. BARRETT. I am delighted to yield to the distinguished Senator from Minnesota.

Mr. THYE. Mr. President, I commend the distinguished Senator from Wyoming for having spoken on the question of extending the National Wool Act, which has served so very notably to further the interests of the sheep industry. This Act has increased the number of flocks of sheep throughout the United States in the various diversified areas of the Na-

tion where the small flocks are possible. For size, those flocks cannot be compared to those found on the big range areas, where there are large flocks.

We must continue to produce the domestic wool needs of this Nation, for they represent a part of our national defense or military needs. We can only produce the needed wool provided we have the flocks of sheep. We will not have the flocks required unless there is some incentive, because of the cost of caring for the sheep and handling them on the range area where the flocks are large.

Mr. BARRETT. I may say to the Senator that he could not state the case any better or any stronger. While we do have large flocks of sheep in the Mountain West, nevertheless, the small numbers on the farms in the Senator's State as well as in Ohio and Indiana and in all of what we call the Native States amount in the aggregate to nearly as much as our large herds in the West.

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

Mr. BARRETT. I yield further.

Mr. THYE. The Wool Producers and Wool Growers Association of Minnesota is in full support of this proposed legislation. In fact, they have urged that the Act be extended. I think it is an absolute national defense requirement that the Act be extended, because only if this legislative proposal is approved will the sheep growers have the incentive necessary to continue to provide the small flocks in the diversified area of the agricultural section of the Nation. In the West, without this sort of an incentive, we are not going to have the continued range operation in the sheep industry.

Mr. BARRETT. The Senator is absolutely correct. I thank the Senator for his worthwhile contribution.

Mr. President, under the Wool Act the tariff was called upon to do double duty. In the first place, it afforded a measure of protection to the domestic industry and, in the second place, money collected on competitive foreign wool would be used to pay the grower the price he should receive but cannot receive because of an inadequate and insufficient tariff. This is a more reasonable approach to the problem than would be a subsidy program designed to take dollars directly out of the taxpayers' pockets.

It took longer than was expected for the industry to get back on a free-market basis after having relied on loan and purchase programs as means of price support for a number of years. The drop in wool prices during the transition period from fixed levels of support to a free market was much greater than had been expected.

In carrying out the Wool Act the Secretary of Agriculture announces the incentive price for shorn wool in the fall of the year for the marketing year beginning the next spring so as to permit growers to plan their production of the next year. The incentive price for shorn wool is established at such level as the Secretary determines to be necessary to encourage an annual production of 300 million pounds of shorn wool on a grease basis, after consultation with producer representatives, and after taking into consideration prices paid and other cost conditions affecting sheep production. However, the Act provides that the price of wool shall not exceed 110 percent of parity. It should be pointed out here that the payments have never been set at the full 110 percent of parity. In fact, the effective parity price for shorn wool for this year is a trifle over 65 cents per pound and so the incentive level of 62 cents is less than parity.

The operating costs of the wool growers of the country have increased materially since the Secretary fixed the incentive level in 1954 at 62 cents for the 1955 clip. In December 1954 the index of prices paid by farmers for goods and services used in the production of agricultural products including interest, taxes, and wages was 284 compared to 1910–14 prices. It is now 301, which represents an increase of 6 percent between December 1954 and July 1957. It would seem that the Secretary should give careful consideration to an increase in the incentive level for the 1958 clip.

The Act further provides that it must be kept within a level where the total of all payments shall not at any time exceed an amount equal to 70 percent of the specific duties collected on imports of wool and wool manufactures beginning January 1, 1953. The incentive level has been held at 62 cents per pound so far during the life of the Wool Act. At the end of the marketing year payments are made to the growers to bring the national average received by all growers for shorn wool up to the incentive level of 62 cents per pound. Payments are made at the percentage rate required to bring the national average price for wool sold in the open market up to the incentive level established by the Secretary. By making the payments on a percentage basis, quality production is recognized. Judge Ross Rizley, who was Assistant Secretary of Agriculture in 1954, stated the case for incentive payments in this way:

> Payments on a percentage basis would encourage wool growers to obtain the best possible price for their wool in the open market by improvement of the quality of their wool through better breeding and care, better preparation for market, and better marketing. It will result in each producer's total returns reflecting the proper market differential for grade and quality and at the same time avoid Government appraisal for grade and shrinkage.

This rate is applied to the net sales proceeds received by each grower for shorn wool to determine the amount of his incentive payment. With an incentive level of 62 cents per pound as established for the years 1955, 1956, and 1957, and in the case of the 1955 marketing year, the growers received an average price of 42.8 cents per pound. The payment rate was, therefore, 44.9 percent, computed as follows:

	Cents
Incentive price	62.0
Average price assumed received	42.8
Difference	19.2
Shorn wool payment rate, percentage necessary to bring 42.8-cent average up to 62-cent level	44.9%

The difference between the average price of 42.8 cents received by the growers and the incentive level of 62 cents being 19.2 cents, it follows that 19.2 cents is 44.9 percent of the 42.8 cents and growers for that year were paid 44.9 percent of the price they received for their wool for the 1955 marketing year.

The average price received by growers for their wool at the end of the last marketing year under the old loan price support program in March 1955 was 49 cents per pound. After the Wool Act went into effect the price of wool declined for the balance of that year and in January 1956 the average price was 38 cents per pound. The price of wool remained at a relatively low level until about a year ago, but since then there has been substantial improvement and the national average is now over 55 cents per pound.

The average price received by growers for shorn wool during the 1955 marketing year ending March 31, 1956, was 42.8 cents per pound and for the 1956 marketing year ending March 31, 1957, was 44.3 cents per pound. These averages were determined by the Agricultural Marketing Service on the basis of prices reported by producers in their applications for payment as filed during each of the marketing years and were announced by late June following the close of the marketing year. The shorn wool incentive payment rate required to bring the average return per pound up to the incentive level was 44.9 percent for the 1955 marketing year and 40 percent for the 1956 marketing year.

It is certain now that the average price the growers will receive for their wool for the 1957 marketing year commencing on April 1 last will be about 10 cents a pound higher than last year. The Department reports that the average price received by growers for the first 4 months of the 1957 marketing year, being the months of April through July 1957, is 54½ cents per pound. The following table shows the average price received by growers on a month-by-month basis since April 1955.

Mr. President, I ask unanimous consent that the table be printed in the RECORD at this point as a part of my remarks.

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

The average price of wool sold on a month-to-month basis throughout the country computed by weighting State prices by estimated sales of shorn wool since the Wool Act has been in effect is as follows:

	Cents
1955 marketing year:	
April 1955	46.5
May	45.6
June	45.0
July	44.9
August	42.7
September	41.6
October	39.0
November	38.3
December	39.4
January 1956	37.8
February	39.3
March	40.3
1956 marketing year:	
April 1956	41.2
May	42.2
June	42.4
July	42.3

1956 marketing year—Continued	Cents
August	41.3
September	42.2
October	44.8
November	46.5
December	47.6
January 1957	48.9
February	48.5
March	51.4
1957 marketing year:	
April 1957	50.9
May	55.2
June	56.4
July	55.6

Mr. BARRETT. Mr. President, under the provisions of the Wool Act, an amount equal to 70 percent of the specific duties on wool and wool manufactures collected beginning January 1, 1953, are available for incentive payments to growers. The payments for the 1955 marketing year totaled a little less than $58 million as compared to a little more than $53 million for the 1956 marketing year, and based on the average price the growers received for their wool so far this year it is estimated that the total cost for incentive payments for the 1957 marketing year will be only $21 million.

The wool industry is now operating on a reasonably sound and stable basis. The Wool Act has succeeded in stabilizing the wool business in a fairly good fashion. It appears now that there will be a balance of $37,192,000 remaining in the fund after all payments are made for the 1958 marketing year, ending March 31, 1959. The following table indicates the receipts and expenditures under the Act.

Mr. President, I ask unanimous consent that the table be printed in the RECORD at this point as a part of my remarks.

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

Projections of assumed payments under wool payment program and duty collections available for payments through the 1958 marketing year with incentive price at 62 cents

Period	Price of wool (cents)	Total payments [1]		Duty collections available for payments	
		Year	Cumulative	Year	Cumulative
Jan. 1, 1953–Mar. 31, 1955, actual					$68,655,000
1955 marketing year, actual	42.8	$58,000,000	$58,000,000	$31,480,000	100,135,000
1956 marketing year	44.3	[2] 53,100,000	111,100,000	28,157,000	128,292,000
1957 marketing year, projected	55.0	[2] 21,000,000	132,100,000	[3] 30,000,000	158,292,000
1958 marketing year, projected	55.0	[2] 21,000,000	153,100,000	[3] 32,000,000	190,292,000

[1] Assuming no payments will be required to support the price of mohair.
[2] At $3,000,000 for each 1 cent the national average price received by growers for wool is below the incentive level of 62 cents.
[3] Allows for increased imports to offset CCC-owned wools previously available to domestic manufacturers.

Mr. BARRETT. Mr. President, for the 12-year period, 1942 through 1953, the tariff on wool amounted to $1,284,884,092 or an average of over $100 million a year. During that period over $385 million from the customs receipts on wool was set over to the Secretary of Agriculture for use under Section 32 of the Agricultural Adjustment Act and during the same period of time a total of $1,658,000,000 was allocated for use under Section 32 from all customs receipts. It is significant to note, Mr. President, that 86 different agricultural commodities were benefited by the use of tariffs, including the tariff on wool during that 12-year period, but not 1 cent of Section 32 funds was used to help the sheep industry.

The figures were supplied by the Treasury Department for the years 1942 to 1953 inclusive.

Mr. President, I ask unanimous consent that the table furnished me by the Treasury Department be printed in the RECORD at this point as a part of my remarks.

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

Year	Total computed duties	Duties on wool and manufactures	Ratio of duties on wool to total duties
			Percent
1942	$318,489,571	$112,973,246	35.4
1943	391,540,025	134,360,307	34.3
1944	368,234,490	114,378,891	31.0
1945	382,211,613	144,039,378	37.6
1946	$482,860,279	$167,758,902	34.7
1947	427,678,670	95,071,850	22.2
1948	404,777,910	81,409,809	20.1
1949	364,618,107	58,039,722	15.9
1950	522,336,599	94,293,824	18.0
1951	591,261,382	103,170,493	17.4
1952	570,062,081	103,622,707	18.1
1953	584,349,802	75,768,963	13.02

Mr. BARRETT. Mr. President, the following table shows the imports of dutiable wool for consumption, actual weight, for the years 1900 and each 5 years thereafter together with each year from 1941 to date.

Mr. President, I ask unanimous consent that the table referred to be printed in the RECORD at this point as a part of my remarks.

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

1900	27,823,946
1905	96,066,030
1910	136,868,042
1915	233,123,977
1920	216,630,750
1925	163,085,570
1930	70,135,000
1935	28,957,306
1940	197,783,768
1941	613,638,000
1942	794,493,000
1943	648,924,000
1944	547,725,000
1945	675,673,000
1946	811,909,000
1947	438,752,000
1948	416,261,000
1949	262,277,000
1950	402,033,000
1951	430,614,000
1952	379,677,000
1953	260,804,000
1954	159,580,000
1955	169,054,000
1956	151,839,000

Mr. BARRETT. As I have indicated before, Mr. President, the total specific duties on wool for the 1955 marketing year totaled $44,972,000 and 70 percent thereof, or $31,480,000, was credited to the wool incentive payment fund. The total for the marketing year 1956, which ended on April 1 last, of specific duties collected amounted to $40,226,000 and the amount credited to the incentive payment fund was $28,157,000. Under the Wool Act payments are limited to 70 percent of the specific duties collected on imports of wool and wool manufactures beginning January 1, 1953. The following table shows the specific duties for the years 1948 to 1954 inclusive together with the 1955 and 1956 marketing years.

Mr. President, I ask unanimous consent that the table be printed in the RECORD at this point as a part of my remarks.

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

Duties collected on wool and wool manufactures imported into the United States

[In thousands of dollars]

Period	Specific duties	Specific of compound	Total specific duties	70 percent of total specific
1948	63,826	3,233	67,059	46,941
1949	42,752	3,011	45,763	32,034
1950	68,361	5,306	73,667	51,567
1951	69,870	7,068	76,938	53,857
1952	66,501	8,396	74,897	52,428
1953	43,732	7,001	50,733	35,513
1954	30,873	5,399	36,272	25,390
1955 marketing year	36,691	8,281	44,972	31,480
1956 marketing year	30,061	10,165	40,226	28,157

Mr. BARRETT. It is true that the growers received a higher price for their wool under the price-support program in effect prior to the Wool Act. For the first year or so under the Wool Act there was a decline in the price of domestic wool. The decline in the transition to a free market resulted in total payments under the Wool Act much higher than was anticipated. Some adjustment in the price of wool was occasioned by declines in the world market. In addition, the stocks of wool carried over from the previous price-support program tended to depress the price the growers received in the market place. When the Wool Act went into effect the Commodity Credit Corporation had on hand about 150 million pounds of wool. This stockpile has operated as a continuing threat to the market price during the life of the Wool Act. The Department of Agriculture is to be commended for the orderly manner in which it has liquidated

the stockpile. In November 1955 the Department instituted a program calling for the sale each month by competitive bids of a total of not to exceed 6,225,000 pounds of wool in order to have the least possible adverse effect upon market prices. The limit was established so that there would be no uncertainty on the part of either the grower or the trade as to the rate the CCC wools would be placed on the market. In addition to the sales in the domestic market, the CCC has bartered over 12 million pounds of the stockpile wools to Turkey for strategic materials. The stockpile has been reduced to 20 million pounds which is less than 2 weeks' consumption at the current rate and its depressing influence on growers' prices has been practically eliminated.

Although the market has been quite slow during the summer, still the CCC wool stocks are moving at about $1.60 per clean pound for Graded Territory fine wool compared with $1.25 2 years ago and $1.50 for one-half blood compared with $1.15 in 1955 and $1.30 for three-eighths blood wool compared with $1.05 of 2 years ago. Over 170 of the grades and classes accumulated in the CCC inventory under the price-support loan programs have been completely liquidated and the remaining wools are of five standard grades and classes.

At this point in my remarks I wish to pay tribute to Preston Richards, longtime employee of the Department of Agriculture. He was Vice President of the Commodity Credit Corporation and Deputy Administrator for Price Support of the Department's Commodity Stabilization Service. Unfortunately, while still a young man, Mr. Richards died early this week. I wish to pay tribute to him for his fine services in the disposition of the stockpile of wool and the exchange and barter of wool with Turkey, as well as sales of wool in the open market.

The following table, Mr. President, shows in detail the amounts and grades of wool in the stockpile on July 1 last.

Mr. President, I ask unanimous consent that the table be printed in the RECORD at this point in my remarks.

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

Inventory of CCC-owned wool as of July 1 last and the selected prices

	Inventory July 1, 1957		Price per pound, clean basis, Boston		
	Grease basis	Clean basis	Minimum prices accepted		Schedule prices [1]
			November 1955	Latest sales	
Graded Territory and Texas wool:	*Thousand pounds*	*Thousand pounds*			
Fine 64s and finer:					
Strictly Staple	183	66	----------	$1.66	$1.75
Staple and good French Combing	6,645	2,592	$1.25	1.64	1.71
Average and good French Combing	1,452	523	1.20	1.55	1.65
½ Blood, 60s, 62s: Staple and good French Combing	6,442	2,834	1.15	1.52	1.55
⅜ Blood, 56s, 58s: Staple and good French Combing	7,717	3,704	1.05	1.30	1.34
Total all classes (5)	22,439	9,719	----------	----------	----------

[1] Prices at which handlers are authorized to sell wool without limit (103 percent of 1954 loan rates plus selling commission).

Mr. BARRETT. As I indicated earlier, the Commodity Credit Corporation has disposed of nearly its entire stockpile of wool in a good and businesslike fashion. I have selected various dates since the Commodity Credit Corporation instituted the sale of its wool in November 1955 to show the price received for selected grades and classes at the opening of competitive bids at the sales on the weeks selected together with the total amount of wool sold at that time.

Mr. President, I ask unanimous consent that the table be printed in the RECORD at this point as a part of my remarks.

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

Date opening	Graded Territory—Staple and Good French Combing				Graded Fleece—Staple and Good French Combing				Sales all classes (1,000 pounds)
	Fine	½	⅜	48-50's	Fine	½	⅜	48-50's	
1955									
Dec. 6	$1.28	$1.17	$1.075	$0.97	$1.173	$1.13	$0.98	$0.92	6,245
1956									
Jan. 3	1.32	1.202	1.11	1.04	1.25	1.142	1.055	1.012	3,005
Feb. 7	1.34	1.255	1.165	1.07	-------	1.19	1.105	1.05	3,033
July 3	1.321	1.25	1.151	1.053	1.255	-------	1.071	.96	3,184
July 17	1.32	1.251	1.511	1.051	-------	-------	-------	.961	1,378
Aug. 28	1.35	1.262	1.171	----------	1.25	-------	-------	1.00	918
Sept. 4	1.35	1.261	1.161	1.05	1.26	-------	-------	1.00	1,782
Sept. 18	1.43	1.286	1.177	1.068	1.33	1.26	-------	1.021	1,931
Oct. 2	1.44	1.30	1.19	1.07	1.34	1.261	1.151	1.03	3,019
Nov. 13	1.531	1.411	1.27	1.16	1.415	1.275	1.181	1.101	2,010
Nov. 20	1.551	1.452	1.281	1.161	-------	1.323	1.182	1.105	1,866
Dec. 4 [1]	1.71	1.55	1.34	1.22	1.63	-------	1.24	1.16	3,015

Date opening	Graded Territory—Staple and Good French Combing				Graded Fleece—Staple and Good French Combing				Sales all classes (1,000 pounds)
	Fine	½	⅜	48-50's	Fine	½	⅜	48-50's	
1957									
Jan. 2	$1.643	$1.501	$1.30	$1.16	-------	$1.385	$1.182	----------	1,700
Feb. 5	1.641	1.521	1.31	1.17	-------	-------	1.201	----------	2,365
Feb. 12	1.64	1.521	1.311	----------	-------	-------	-------	$1.05	227
Apr. 16	1.623	1.50	1.302	1.16	-------	-------	1.16	----------	3,834
May 7	1.65	1.52	1.316	1.183	-------	-------	1.21	----------	2,404
May 21	1.662	1.52	1.31	----------	-------	-------	-------	----------	604
May 28 [1]	-------	1.55	1.34	1.22	-------	-------	-------	----------	597
June 11	1.64	-------	1.311	----------	-------	-------	-------	----------	121
July 9	1.65	1.50	1.30	----------	-------	-------	-------	----------	492
July 16	-------	1.51	1.301	----------	-------	-------	-------	----------	613
July 30	-------	-------	1.30	----------	-------	-------	-------	----------	80

[1] Sales at "Schedule Prices" in addition to the sales by competitive bid.

Mr. BARRETT. The following table indicates the disposition of the shorn wool in its stockpile by the Commodity Credit Corporation since the Wool Act has been in operation. The sales for each month, together with the amount of shorn wool on hand at the end of each month, are shown in the table. The following table shows that in June of this year the total wool in the stockpile amounted to 22,439,000 pounds, but as of this date it is down to 20 million with about 1½ million pounds yet to be selected on the barter deal for strategic materials with Turkey.

Mr. President, I ask unanimous consent to have the table printed in the RECORD at this point.

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

Sales and other dispositions

[In thousands of pounds]

Month	Sales				Remaining in inventory, shorn, greasy
	Competitive bid	Schedule prices	Barter exchange	Total	
1955					
Oct	----------	----------	----------	----------	141,499
Nov	6,244	----------	----------	6,244	135,302
Dec	6,245	----------	----------	6,245	129,302
1956					
Jan	6,263	----------	----------	6,263	121,009
Feb	6,211	----------	----------	6,211	115,201
Mar	1,995	----------	----------	1,995	113,964
Apr	1,967	----------	----------	1,967	112,123
May	5,891	----------	----------	5,891	107,673
June	3,918	----------	----------	3,918	105,163
July	6,226	----------	----------	6,226	100,048
Aug	5,701	----------	----------	5,701	96,077
Sept	6,225	----------	----------	6,225	90,102
Oct	6,228	----------	----------	6,228	83,874

Sales and other dispositions—Continued

[In thousands of pounds]

Month	Sales				Remaining in inventory, shorn, greasy
	Competitive bid	Schedule prices	Barter exchange	Total	
Nov	6,225	----------	----------	6,225	77,648
Dec	6,231	3,139	----------	9,370	68,275
1957					
Jan	6,234	288	----------	6,522	61,242
Feb	3,648	988	----------	4,636	56,961
Mar	1,782	----------	----------	1,782	55,169
Apr	6,233	7,923	----------	14,156	41,020
May	4,057	3,289	10,641	17,987	23,031
June	592	----------	----------	592	22,439

Mr. BARRETT. The Wool Act also provides for the support of mohair prices to be accomplished by payments similar

to those in the case of shorn wool. The support price for mohair has been set at 70 cents per pound for each of the marketing years to date. The prices received by growers in the free market have been above the 70-cent support level and consequently payments have not been required. However, mohair growers should obtain and hold sales documents for use in support of their applications in the event payments should become necessary.

Also, payments are made under the Act for lambs marketed with their wool in order to avoid causing unusual shearing of lambs prior to marketing solely for the purpose of getting the payment on shorn wool and in that way disrupt normal marketing practices. Payments are made on all sales of unshorn lambs irrespective of whether the lambs are sold for replacement, feeding, or slaughter. If the new owner sells the lambs without shearing them, his payment is adjusted downward by this same amount.

In this way, the original producer and the later breeder or feeder-owner shares in the payments. Payments are made only on lambs that have never been shorn. Growers are required to report on their applications the date, number of head, and live weight of unshorn lambs purchased to the Agricultural Stabilization Committee county office in order for it to make the adjustment in their payments to eliminate duplication with changes in ownership.

The average weight of wool per hundredweight of live lamb is figured at 5 pounds for payment purposes. Because lamb wool is normally coarser in grade and shorter in staple length than the average United States shorn wool clip, lamb wool value for payment purposes has been set at 80 percent of shorn wool value. Assuming the incentive price for shorn wool is 62 cents and the average price received by growers for wool sold during the marketing year is 50 cents, the payment rate for unshorn lambs would be 48 cents per hundredweight figured as follows.

Mr. President, I ask unanimous consent that the table be printed in the RECORD at this point as a part of my remarks.

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

	Cents
Incentive price	62.0
Average price received by growers from shorn wool during the year	50.0
Difference	12.0
80 percent of difference to adjust for grade and staple	9.6
Unshorn lamb (pulled wool) payment rate (5 pounds of wool per hundredweight)	48.0

Mr. BARRETT. Wool payments are made only to bona fide producers. Growers must have owned the animals from which the shorn wool was sheared or the unshorn lambs for a period of at least 30 days and must so certify on their applications for payment. In the case of shorn wool, the applicant must have owned the animals at the time of shearing but the wool may have been shorn from them any time during the 30-day period.

The payments are made by the Agricultural Stabilization and Conservation office serving the county in which the grower's farm or ranch headquarters is located. Each application must be supported by the sales document covering the sale of shorn wool or unshorn lambs for which payment is requested. Applications for payment should be filed with the local ASC county office promptly after the grower completes his sales for the marketing year but no later than April 30 after the close of the marketing year. The incentive price for shorn wool has been established at 62 cents per pound for each marketing year of the program to date.

The rates for payments on sales of unshorn lambs for the 1955 marketing year were 77 cents per hundredweight and for the 1956 marketing year 71 cents per hundredweight. The incentive payment for shorn wool to each producer amounted to $44.90 for the 1955 marketing year for every $100 received from the sale of shorn wool and $40 for the 1956 marketing year.

Mr. President, because of the fact that the method of computing the payments under various circumstances is somewhat intricate, I am submitting herewith examples of payments under six different sets of cases.

Mr. President, I ask unanimous consent that the table be printed in the RECORD at this point as a part of my remarks.

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

The examples are based on a United States average price of shorn wool at 50 cents per pound and accordingly the payment rates are 24 percent for shorn wool and 48 cents per hundredweight for unshorn lambs (pulled wool).

1. Shorn wool, with no purchases of unshorn lambs:

Net sales proceeds from 6,000 pounds of shorn wool at 50 cents: $3,000.

Payment rate: 24 percent.

Incentive payment: $720.

2. Unshorn lambs (pulled wool), with no purchases of unshorn lambs:

Net weight of 300 unshorn lambs sold: 21,000 pounds.

Payment rate per hundredweight of unshorn lambs: 48 cents.

Unshorn lamb (pulled wool) payment: $100.80.

3. Shorn wool, all from lambs purchased unshorn:

Net proceeds from sale of 2,100 pounds of shorn wool at 50 cents: $1,050.

Shorn wool payment rate: 24 percent.

Gross payment: $252.

Less amount due on weight of unshorn lambs purchased: 21,000 pounds.

Payment rate per hundredweight of unshorn lamb, at 48 cents: $100.80.

Incentive payment: $151.20.

4. Shorn wool, partly from lambs purchased unshorn:

Net proceeds from sale of 4,200 pounds of shorn wool at 50 cents: $2,100.

Shorn wool payment rate: 24 percent.

Gross payment: $504.

Less amount due on weight of unshorn lambs purchased: 21,000 pounds.

Payment rate per hundredweight of unshorn lamb, at 48 cents: $100.80.

Incentive payment: $403.20.

5. Unshorn lambs, all purchased unshorn:

Weight of 300 unshorn lambs sold: 30,000 pounds.

Less weight of 300 unshorn lambs purchased: 21,000 pounds.

Net weight produced: 9,000 pounds.

Payment rate per hundredweight of unshorn lamb: 48 cents.

Unshorn lamb (pulled wool) payment: $43.20.

6. Unshorn lambs, partly purchased unshorn:

Weight of 600 unshorn lambs sold: 60,000 pounds.

Less weight of 300 unshorn lambs purchased: 21,000 pounds.

Net weight produced: 39,000 pounds.

Payment rate per hundredweight of unshorn lamb: 48 cents.

Unshorn lamb (pulled wool) payment: $187.20.

Mr. BARRETT. Mr. President, it is expected that the payments under the Act for 1956 will total over $53 million but the breakdown by States is not available as yet. However, the total payments under the first year of the Act amounted to $57,584,951, distributed among the States in the following fashion.

Mr. President, I ask unanimous consent that the table be printed in the RECORD at this point as a part of my remarks.

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

Payments under the National Wool Act of 1954

WOOL PAYMENTS UNDER THE 1955 PROGRAM THROUGH APR. 30, 1957

State	Marketings covered by payments		Amount of payments				
	Shorn wool	Unshorn lambs, liveweight	Shorn wool	Unshorn lambs	Total	Promotion deductions	Paid producers
	Thousand pounds	*Thousand pounds*					
Maine	126	360	$27,828	$2,797	$30,625	$1,436	$29,189
New Hampshire	36	36	7,610	271	7,881	382	7,499
Vermont	49	166	10,815	1,153	11,968	569	11,399
Massachusetts	63	44	15,420	338	15,758	650	15,108
Rhode Island	10	16	2,029	100	2,129	105	2,024

Payments under the National Wool Act of 1954—Continued

WOOL PAYMENTS THROUGH APR. 30, 1957, FOR 1955 MARKETING YEAR—Continued

State	Marketings covered by payments		Amount of payments				
	Shorn wool	Unshorn lambs liveweight	Shorn wool	Unshorn lambs	Total	Promotion deductions	Paid producers
	Thousand pounds	*Thousand pounds*					
Connecticut	32	6	$7,008	$30	$7,038	$325	$6,713
New York	1,178	5,600	247,406	47,890	295,296	14,575	280,721
New Jersey	52	302	11,248	2,328	13,576	670	12,906
Pennsylvania	1,493	2,520	326,300	19,481	345,781	16,186	329,595
North Atlantic	3,039	9,050	655,664	74,388	730,052	34,898	695,154
Ohio	11,157	31,130	2,263,344	245,152	2,508,496	127,134	2,381,362
Indiana	3,841	21,708	734,676	167,568	902,244	49,263	852,981
Illinois	4,981	34,366	905,170	253,886	1,159,056	66,997	1,092,059
Michigan	3,586	14,510	718,188	109,926	828,114	43,111	785,003
Wisconsin	1,762	9,878	337,858	79,121	416,979	22,554	394,425
North Central Eastern	25,327	111,592	4,959,236	855,653	5,814,889	309,059	5,505,830
Minnesota	6,271	35,518	1,141,044	271,858	1,412,902	80,265	1,332,637
Iowa	10,242	80,092	1,974,040	605,381	2,579,421	142,471	2,436,950
Missouri	5,592	38,448	1,104,014	304,544	1,408,558	75,148	1,333,410
North Dakota	5,402	27,918	975,672	214,776	1,190,448	67,975	1,122,473
South Dakota	10,503	54,280	2,024,151	428,057	2,452,208	132,171	2,320,037
Nebraska	3,701	55,548	626,785	425,590	1,052,375	64,780	987,595
Kansas	3,685	24,302	609,187	200,859	810,046	48,997	761,049
North Central Western	45,396	316,106	8,454,893	2,451,065	10,905,958	611,807	10,294,151
Delaware	18	34	3,768	261	4,029	196	3,833
Maryland	219	844	42,286	6,586	48,872	2,610	46,262
Virginia	1,583	14,908	327,979	110,986	438,965	23,280	415,685
West Virginia	1,493	11,472	331,019	86,177	417,196	20,663	396,533
North Carolina	189	1,072	43,127	5,526	48,653	2,427	46,226
South Carolina	38	62	8,605	473	9,078	416	8,662
Georgia	98	150	21,621	1,149	22,770	1,053	21,717
Florida	16	2	2,964	233	3,197	160	3,037
South Atlantic	3,654	28,544	781,369	211,391	992,760	50,805	941,955
Kentucky	3,822	29,804	807,696	215,723	1,023,419	53,121	970,298
Tennessee	1,360	11,550	296,393	89,530	385,923	19,372	366,551
Alabama	261	878	52,414	6,663	59,077	3,048	56,029
Mississippi	376	780	70,479	7,053	77,532	4,152	73,380
Arkansas	299	1,586	59,647	11,011	70,658	3,786	66,872
Louisiana	423	230	84,233	1,499	85,732	4,348	81,384
Oklahoma	1,724	9,316	265,396	70,800	336,196	21,902	314,294
Texas	49,754	26,218	9,600,356	204,535	9,804,891	510,650	9,294,241
South Central	58,019	80,362	11,236,614	606,814	11,843,428	620,379	11,223,049
Montana	14,817	25,614	3,007,808	198,131	3,205,939	160,979	3,044,960
Idaho	13,369	96,692	2,566,868	674,248	3,241,116	179,317	3,061,799
Wyoming	19,238	26,626	3,390,438	205,067	3,595,505	205,697	3,389,808
Colorado	14,276	99,628	2,657,720	758,375	3,416,095	192,574	3,223,521
New Mexico	12,329	4,984	2,004,627	38,266	2,042,893	125,786	1,917,107
Arizona	3,368	11,734	642,736	91,633	734,369	39,545	694,824
Utah	11,614	46,326	2,229,410	357,027	2,586,437	139,298	2,447,139
Nevada	3,161	6,526	639,362	50,253	689,617	34,877	654,738
Washington	3,243	16,130	603,686	124,170	727,854	40,495	687,361
Oregon	7,149	21,520	1,475,537	168,374	1,643,911	82,252	1,561,659
California	22,248	95,084	4,683,270	730,858	5,414,128	270,022	5,144,106
West	124,812	450,864	23,901,462	3,396,402	27,297,864	1,470,842	25,827,022
United States	260,247	996,518	49,989,238	7,595,713	57,584,951	3,097,790	54,487,161

Mr. BARRETT. Under an agreement with the Secretary of Agriculture, as provided in Section 708 of the National Wool Act, growers have approved a deduction of 1 cent per pound for shorn wool and 5 cents per hundredweight for unshorn lambs to be used for the advertising and sales promotion of wool and lamb. Such deductions for the 1955 marketing year totaled $3,098,904, and it is expected that the deductions for the 1956 marketing year will be approximately the same. This self-help program, under Section 708, is carried on by the American Sheep Producers Council, which was established for that purpose by sheep producers and producer organizations. These advertising and sales promotion efforts financed by the growers are designed to increase returns from the sale of their products in the free market and thereby lessen the amount of payments required.

Mr. President, the production of shorn wool in the 13 western sheep States, including Texas and South Dakota, for this year is estimated at 155 million pounds, which represents a reduction of about 5 percent over last year. The sheep population in these States for this year is estimated at 17,524,000 head compared to 18,317,000 head last year. The reduction in numbers is accounted for largely because of the drought that prevailed throughout the entire area for the last few years. Wyoming, South Dakota, and Arizona are the only States among the group that show an increase in the number of sheep shorn this year over last. Because Wyoming is an average State, I trust that I will be pardoned somewhat for mentioning my State specifically.

It seems to me that the operation of the Wool Act and moisture conditions are entitled to equal consideration for bringing about a rather healthy and prosperous condition among the wool growers of Wyoming. Recently a new high price of 24 cents was announced for ewe lambs and 20 cents for wether lambs in my State. As high as 74 cents was reported recently in western South Dakota for choice clip of wool and sales of old ewes at $10 a head have been noted.

Recently Dr. A. F. Vass, long-time professor of agricultural economics at the University of Wyoming, stated that it costs Wyoming wool growers well over $26 million to produce a crop of wool and lambs for market. He compiled the figures after an extensive study and broke down the total annual costs in this manner.

Mr. President, I ask unanimous consent that the table be printed in the RECORD at this point as a part of my remarks.

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

Ranch labor	$10,000,000
Supplies (including gas and oil)	4,600,000

Feed	$2,920,000
Shearing	992,000
Taxes	1,043,000
Grazing fees and leases	1,035,000
Interest	3,636,000
Depreciation	1,533,000
Ram replacement	735,000
Total	$26,450,000

Mr. BARRETT. The cost of operation varied in different sections of the State. In the Big Horn Basin area it cost the growers an average of $13.84 per sheep to carry on their annual operations. The cost was less in the Red Desert section in the southern part of the State but costs ran up to $17 a head per year in Crook and Weston Counties in the northeast part of the State.

In my State of Wyoming the average price received by the growers for their wool during the 1955 marketing year was 39.2 cents per pound and there was paid to 3,178 growers a total of $3,377,913.42. In the 1956 marketing year the average price received was 41.6 cents and payments were made to 3,254 growers totaling $3,623,679.97.

The payments earned by growers, county by county, were relatively the same in 1956 as in 1955. The following table shows the payments by county and the average price per pound received by the growers in Wyoming for the 1955 marketing year and the average price received county by county during the 1956 marketing year, as well as the first 4 months of the 1957 marketing year.

Mr. President, I ask unanimous consent that the table be printed in the RECORD at this point as a part of my remarks.

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

Wyoming shorn wool payment program, county by county in Wyoming

County	Incentive payments shorn wool Apr. 1, 1955, to Mar. 31, 1956	Average price of wool per grease pound (cents)					
		Apr. 1, 1955, to Mar. 31, 1956	Apr. 1, 1956, to Mar. 31, 1957	April 1957	May 1957	June 1957	July 1957
Albany	$37,758.86	33.6	33.6	52.5	49.1	47.4	46.6
Big Horn	228,277.33	39.0	39.1	49.8	52.5	52.3	49.3
Campbell	201,345.28	43.3	43.2	55.7	54.7	54.6	52.8
Carbon	482,823.89	36.5	36.4	45.3	49.6	47.3	50.2
Converse	163,234.59	39.6	39.6	58.8	53.8	50.4	53.0
Crook	110,376.34	48.3	48.3	61.7	60.4	61.9	58.3
Fremont	185,945.32	39.5	39.3	52.8	52.1	53.0	52.4
Goshen	24,643.91	35.3	35.4				53.9
Hot Springs	72,243.17	38.6	38.6	52.2	49.0	51.7	55.1
Johnson	214,509.13	39.6	39.6	53.7	50.6	50.2	50.5
Laramie	113,389.00	37.4	37.4	50.0	55.4	53.9	51.9
Lincoln	247,648.76	39.2	39.2	50.0			
Natrona	272,139.62	35.3	36.8			47.7	51.8
Niobrara	72,999.48	40.0	40.0	55.5	56.0	53.1	58.0
Park	136,829.84	41.5	41.5			52.6	
Platte	17,986.47	33.7	33.7	17.1	50.0		60.6
Sheridan	90,322.75	44.2	44.2	54.1	52.0	56.2	55.1
Sublette	24,825.19	44.7	44.9		54.4	55.8	55.8
Sweetwater	295,133.21	37.6	37.6			52.2	52.7
Teton	1,273.62	47.9	47.9				
Uinta	166,445.87	40.5	40.5		56.0	52.1	54.0
Washakie	190,911.99	42.6	42.6	52.2	57.5	59.3	53.5
Weston	26,849.80	43.1	43.1		59.3	54.0	50.1
State average	$3,377,913.42	39.2	41.6	55.0	51.3	51.1	52.3

Mr. BARRETT. Mr. President, because of the fact that the price of wool improved considerably in the latter half of the 1956 marketing year, I have broken down the reports from Wyoming for that year on a month-to-month basis.

Mr. President, I ask unanimous consent that the table be printed in the RECORD at this point as a part of my remarks.

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

	Average price pound (cents)
April 1956	39.3
May 1956	37.8
June 1956	39.5
July 1956	39.4
August 1956	39.9
September 1956	39.8
October 1956	39.7
November 1956	39.6
December 1956	40.5
January 1957	42.5
February 1957	41.1
March 1957	44.8
Average price per pound for 1956 marketing year	41.6

Mr. BARRETT. Mr. President, early this fall the Secretary of Agriculture will announce incentive payments for the final year of the 1954 Wool Act beginning on April 1 of next year and ending March 31, 1959. As I pointed out before, costs of production have continued to rise since the incentive price of 62 cents was first announced in 1954.

Without a question of doubt the incentive payment program under the National Wool Act has restored initiative and enterprise to our domestic wool industry. It is encouraging the development of a sound domestic industry and laying the basis for increased production of wool important for national security and for our general economic welfare. It is providing the necessary price assistance to our domestic wool growers without involving the Government in the wool merchandising business.

It is a trifle early to measure the full effectiveness of the incentive program toward encouraging a larger production of shorn wool in accordance with the intent of the Act. The growers did not receive their first payments until a year ago and the payments now being made for the 1956 marketing year supply 2 years of tangible benefits upon which to draw conclusions with regard to the accomplishments of the program to date. It must be borne in mind that sheep and wool production is a longtime enterprise and increases in production will be only gradual at best, and it will take some time to bring our annual domestic production of shorn wool to the goal of 300 million pounds set by the Act.

Reports have indicated greater demand for breeding ewes and replacement stock during last year which shows the likelihood of increased production of sheep and wool as forage and range conditions permit. Production of shorn wool last year continued at the low level of around 232 million pounds.

Legislation extending the National Wool Act should be enacted early in 1958 so that growers can be assurred of continuance of the needed price assistance after March 31, 1959, and can plan their sheep and wool production operations accordingly. After long and careful study the National Wool Act of 1954 was found by the industry and by the executive branch of the Government as well as by the Congress to be the most effective and practical measure to handle a price situation which is peculiar to our domestic wool growers. After 2 years of operation the wool program is generally considered to be sound and effective.

Mr. President, I have in my possession a copy of a letter from an official of one of the large chemical companies of the country addressed to an acquaintance of mine in which he states:

> You probably also know that the United States has never been a very important wool producer. Most of the wool we use is imported, which makes the country dependent upon foreign sources and subject to severe shortages in times of war or national stress.

As a matter of fact, Mr. President, the 13 range States, which include the States of Wyoming, Montana, Idaho, Colorado, New Mexico, Arizona, Utah, Nevada, Washington, Oregon, California, as well as Texas and South Dakota, had nearly twice as many sheep in 1884 as we have in the whole country today.

The following table shows the number of stock sheep on the farms and ranches in the 13 range States and in the United States in selected peak and low years from 1867 to 1939 and annually thereafter.

Mr. President, I ask unanimous consent that the table be printed in the RECORD at this point as a part of my remarks.

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

Number of stock sheep and lambs

[In thousands]

	13 range States	United States
1867	7,411	44,997
1871	9,565	34,063
1884	24,526	51,101
1897	23,488	38,891
1909	31,131	47,098
1923	22,810	32,597
1934	34,060	48,244
1937	31,640	45,251
1939	31,811	45,463
1940	32,162	46,266
1941	33,016	47,441
1942	34,444	49,346
1943	33,537	48,196

Number of stock sheep and lambs—Con.

[In thousands]

	13 range States	United States
1944	31,177	44,270
1945	28,241	39,609
1946	25,536	35,525
1947	22,656	31,805
1948	21,091	29,486
1949	19,335	26,940
1950	18,753	26,182
1951	19,414	27,253
1952	19,524	28,050
1953	19,030	27,857
1954	18,471	27,079
1955	18,464	27,137
1956	18,145	27,012
1957	17,288	26,370

Mr. BARRETT. Mr. President, the sheep population in the country dropped 2 percent this year over 1956. Texas showed a drop of 14 percent. Arizona, Wyoming, and South Dakota showed a slight increase but the 13 Western States, including Texas and South Dakota, showed a drop of 5 percent in 1957 over 1956.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a table showing the trend country-wide by divisions and States.

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

Stock sheep and lambs on farms and ranches, by States

[In thousands]

State or division	1942	1952	1953	1954	1955	1956	1957
North Atlantic	766	446	480	487	500	515	537
East North Central	4,523	2,489	2,645	2,604	2,602	2,545	2,563
West North Central	8,384	4,408	4,443	4,402	4,509	4,669	4,846
South Atlantic	980	741	762	763	768	816	831
South Central	12,645	7,333	6,793	6,567	6,706	6,519	5,840
Montana	3,853	1,707	1,656	1,606	1,606	1,590	1,526
Idaho	1,858	1,050	1,050	1,040	1,030	999	999
Wyoming	3,654	2,107	2,065	2,003	1,903	1,941	1,960
Colorado	1,889	1,299	1,299	1,293	1,241	1,216	1,167
New Mexico	2,103	1,392	1,320	1,242	1,215	1,178	1,172
Arizona	719	378	410	438	412	416	422
Utah	2,137	1,412	1,426	1,383	1,383	1,369	1,355
Nevada	698	485	475	466	457	448	448
Washington	583	304	304	295	283	269	250
Oregon	1,577	723	745	790	822	822	822
California	2,977	1,670	1,720	1,700	1,700	1,700	1,632
Western States	22,048	12,527	12,470	12,256	12,052	11,948	11,753
Texas	10,332	6,071	5,525	5,249	5,354	5,086	4,374
United States	49,346	27,944	27,593	27,079	27,137	27,012	26,370

Mr. BARRETT. Mr. President, one must take into consideration the terrific change in the purchase power of the dollar when he considers the price received for a given commodity over a long period of years. The prices received by the growers for their cattle over the years have increased proportionately more than the prices growers received for their wool or sheep. The following table shows the relative prices of wool, sheep, lambs, and beef in 1910 and each 5 years thereafter until 1950 and annually thereafter.

Mr. President, I ask unanimous consent that the table be printed in the RECORD at this point in my remarks.

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

Average prices received by farmers per pound of shorn wool and per hundredweight of sheep, lambs, and beef cattle, United States, 1910–57

Year	Wool per pound	Sheep per hundredweight	Lambs per hundredweight	Beef cattle per hundredweight
	Cents			
1910	21.7	$4.99	$6.16	$4.86
1915	22.1	5.30	6.98	6.26
1920	45.5	8.17	11.64	8.71
1925	39.5	7.56	12.40	6.53
1930	19.5	4.74	7.76	7.71
1935	19.3	3.75	7.28	6.04
1940	28.4	3.95	8.10	7.56
1945	41.9	6.38	13.10	12.10
1950	62.1	11.60	25.10	23.30
1951	97.0	16.00	31.00	28.70
1952	53.3	10.10	24.30	24.30
1953	54.9	6.66	19.30	16.30
1954	53.2	6.14	19.10	16.00
1955	42.6	5.81	18.40	15.60
1956	42.7	5.64	18.50	14.90
1957 (mid-July)		6.19	19.80	18.40

Mr. BARRETT. Mr. President, the production of shorn wool in the 11 public-land States every 5 years from 1910 to 1955 and for each year thereafter shows clearly the great change in our sheep industry. I ask unanimous consent that a table showing statistics for these years be printed in the RECORD at this point in my remarks.

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

State and division	1910	1915	1920	1925
Montana	38,061	27,184	16,800	20,158
Idaho	16,366	14,852	17,600	15,438
Wyoming	41,723	28,736	20,655	22,500
Colorado	8,178	7,668	6,266	6,956
New Mexico	14,602	16,427	12,555	12,033
Arizona	6,666	7,510	7,654	6,252
Utah	16,542	14,689	16,170	18,438
Nevada	8,029	8,485	8,467	7,560
Washington	4,164	4,463	5,481	4,750
Oregon	20,721	15,690	17,388	16,958
California	14,803	13,152	19,616	21,572
Western	189,855	158,856	148,652	152,615
United States	305,834	241,175	250,888	253,203

State and division	1930	1935	1940	1945
Montana	34,034	32,364	29,624	23,707
Idaho	18,156	18,980	16,627	11,825
Wyoming	29,702	30,153	31,718	24,700
Colorado	13,446	12,369	14,170	12,885
New Mexico	16,870	15,768	16,446	13,868
Arizona	5,640	4,907	4,371	3,567
Utah	24,440	19,125	18,507	14,229
Nevada	7,944	6,256	5,416	4,424
Washington	6,175	6,486	5,446	3,977
Oregon	21,420	18,609	14,016	8,300
California	25,779	24,288	23,415	20,408
Western	208,606	189,305	179,756	141,890
United States	352,129	361,531	372,014	307,949

State and division	1950	1955	1956	1957
Montana	12,662	15,553	14,651	14,627
Idaho	9,400	10,384	9,878	9,590
Wyoming	17,120	18,762	20,120	18,788
Colorado	11,098	11,515	10,760	10,633
New Mexico	11,309	11,111	10,849	10,509
Arizona	2,886	3,006	3,024	3,061
Utah	10,856	12,610	12,741	12,358
Nevada	3,578	4,080	4,042	3,873
Washington	2,598	2,802	2,607	2,465
Oregon	5,366	6,723	6,647	6,494
California	14,936	15,666	15,666	14,936
Western	101,809	112,215	110,806	107,334
United States	215,422	233,370	232,126	226,021

Mr. BARRETT. Mr. President, in 1938 the first loan program for wool was enacted. It is interesting to note the trend in sheep population and wool production together with wool imports.

The following table shows the price the growers received for their wool together with the support level.

Mr. President, I ask unanimous consent that the table be printed in the RECORD at this point.

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

Domestic production and wool imports as well as wool prices and payments

Year	Million pounds domestic greasy shorn basis		Wool price	
	Wool production, shorn	Wool imports for consumption [1]	Received by producers	Support level
			Cents per pound	*Cents per pound*
1938	360	45	19.1	18.0
1939	362	133	22.3	18.0
1940	372	269	28.4	----------
1941	388	761	35.5	----------
1942	388	1,039	40.1	----------
1943	379	903	41.6	41.7
1944	338	784	42.3	42.4
1945	308	950	41.9	41.9
1946	281	1,075	42.3	42.3
1947	251	589	42.0	42.3
1948	232	560	49.2	42.3
1949	213	352	49.4	42.3
1950	217	568	62.1	45.2
1951	228	618	97.1	50.7
1952	233	565	54.1	54.2
1953	332	377	54.9	53.1
1954	236	236	53.2	53.2
1955	234	256	42.8	62.0
1956	232	236	44.3	62.0

[1] Apparel wool converted to domestic greasy shorn equivalent on basis scoured yield equal to 44 percent of greasy shorn wool.

Mr. BARRETT. Mr. President, from 1952 to 1954 inclusive, the price of wool country-wide averaged 54 cents per pound. The first year of the Wool Act, from April 1955 to March 1956, the average price was 42.8 cents per pound. As shown by the following table, the average price received by the growers for their wool was 44.3 cents for the 1956 marketing year. The table also shows that the average price has increased from 41.3 cents in April 1956 to 55.6 cents per pound in July of this year.

Mr. President, I ask unanimous consent that the table be printed in the RECORD at this point in my remarks.

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

1956 marketing year:	(*Cents*)
April 1956	41.3
May 1956	41.4
June 1956	41.9

	(Cents)
1956 marketing year:	
July 1956	41.5
August 1956	41.6
September 1956	41.4
October 1956	44.3
November 1956	45.0
December 1956	46.2
January 1957	47.2
February 1957	47.5
March 1957	48.7
Average	44.3
1957 marketing year:	
April 1957	50.9
May 1957	55.2
June 1957	56.4
July 1957	55.6

Mr. BARRETT. Mr. President, as I pointed out earlier, the 1954 Wool Act went into effect under rather adverse circumstances. In the first place, a corrective movement was under way in the world market which caused a reduction in world prices, and in the second place, the Commodity Credit Corporation had accumulated a stockpile of 150 million pounds of wool which served to depress wool prices in our country. The return to a free market after prices had been supported for a good many years also had an adverse effect on wool prices. In addition, most of the larger wool producing States were struck by a drought that extended 4 or 5 years during the life of the Wool Act until this year. As a consequence, the sheep population as a whole has not increased since 1955. While it must be admitted that increased operating costs and inadequate prices for sheep products contributed to the drop, yet it must be admitted that the major factor in the reduction in the sheep numbers was the prolonged and devastating drought covering the range States of the western empire.

Experienced observers in the livestock field have maintained that the Wool Act saved the wool industry from complete liquidation and offered the necessary incentive to encourage the wool growers of the country to continue their operations. There are many favorable factors operating to the advantage of the growers at the present time. Adequate, if not abundance of, moisture has returned to the range in almost every wool producing State. The stockpile of wool in the hands of the Commodity Credit Corporation has just about been liquidated. The bulk of the 1957 wool clip has been sold at better prices than for quite some time. Wool is moving into consumption rather than into warehouses for storage.

The advertising and self-help promotion program under Section 708 of the Act approved by producers in a referendum held in 1955 is making substantial progress. Over a million dollars has been spent for lamb advertising and a fund of $800,000 has been allocated for wool promotion.

The major portion of the world promotion and advertising program is being handled by the Wool Bureau. Some time back the Bureau issued this statement:

> The impact of the program is evidenced by the increasing interest and enthusiasm on the part of the various segments of the wool textile industry, the increasing amount of tie-in cooperation by retailers across the country, and by the large number of consumer inquiries received to date. The position of wool in the United States improved during the year 1956–57. Consumption of apparel wool at the mill level was 5 percent greater in the calendar year 1956 than in the preceding year. Production of civilian woolen and worsted apparel fabrics was likewise up 8 percent in 1956 as compared with the year before. These continuing gains mean that from 1954 to 1956 wool regained 21 percent of the losses in mill consumption of apparel wool which it sustained from 1950 to 1954. Similarly, it regained 65 percent of its losses from 1950 to 1954 in the production of woolen and worsted women's wear fabrics—and 73 percent of its losses in the production of men's wear fabrics.
>
> These gains have extended through all categories of apparel, but—predominantly this past year—in women's coats and lighter-weight dresses, men's outer coats and sport wear, and men's and women's sweaters. The renewed interest in wool sweaters is particularly gratifying—as it also is in women's wool swimming suits, a category which had been completely lost to other fibers. In fact, because of the campaign's influence on various segments of the industry, wool today is an established fabric in women's wear resort and spring lines, as well as in travel clothes.

Mr. President, as I pointed out earlier in my remarks, livestock is the basic industry in the Western States. A review of the economy of the Western States indicates that the sheep and wool industry stands third in economic importance in Wyoming and Nevada; fourth in New Mexico; fifth in Idaho, Utah and Montana; sixth in Arizona, Colorado, Oregon, South Dakota and Texas; ninth in California; and tenth in Washington. That indicates clearly, Mr. President, the tremendous importance of this great industry to the economy of the country and particularly to the Western States.

When the wool bill passed the Senate in 1954 it did not have a termination date and the Committee on Agriculture of the House placed a four-year limitation on the Act but it indicated in its report on the bill it hoped and believed the program would provide a relatively permanent solution to the wool problem. The Committee felt, however, that since the program was new and different that it would be well to review its operation after a time.

In view of the splendid results achieved by the Wool Act, it seems to me, Mr. President, that the conclusion is irresistible and that the Congress has no alternative but to extend the Act for another four years in the public interest, not alone for the benefit of the wool growers of the country but for the Western States and the country as a whole.

Mr. President, I ask unanimous consent to have inserted in the body of the RECORD at this point a copy of the bill extending the Wool Act which I introduced earlier for myself and Mr. O'MAHONEY, Mr. AIKEN, Mr. ALLOTT, Mr. ANDERSON, Mr. BEALL, Mr. BENNETT, Mr. BIBLE, Mr. BRICKER, Mr. CARLSON, Mr. CARROLL, Mr. CASE of South Dakota, Mr. CHAVEZ, Mr. CHURCH, Mr. CURTIS, Mr. DWORSHAK, Mr. GOLDWATER, Mr. HICKENLOOPER, Mr. HRUSKA, Mr. HUMPHREY, Mr. JACKSON, Mr. KENNEDY, Mr. KNOWLAND, Mr. KUCHEL, Mr. LANGER, Mr. MAGNUSON, Mr. MALONE, Mr. MANSFIELD, Mr. MARTIN of Iowa, Mr. MCNAMARA, Mr. MORSE, Mr. MUNDT, Mr. MURRAY, Mr. NEUBERGER, Mr. PAYNE, Mr. POTTER, Mr. REVERCOMB, Mr. SALTONSTALL, Mr. SCHOEPPEL, Mr. SYMINGTON, Mr. THYE, Mr. WATKINS, Mr. YARBOROUGH, and Mr. YOUNG.

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

Be it enacted, etc., That section 703 of the National Wool Act of 1954 is amended by striking out "March 31, 1959" and inserting in lieu thereof "March 31, 1963".

THE AGRICULTURAL RECORD

Mr. MARTIN of Iowa. Mr. President, during recent months there have been many misleading and inaccurate statements made about the record of the Eisenhower administration in agricultural matters.

It is only fair that we set the record straight with the facts.

While every effort is being made to bring about further improvements in the overall agricultural picture, it is well to note the outstanding record of accomplishments during the Eisenhower administration.

Because of distorted statements about agriculture which have had widespread publicity, it becomes especially important that we list and discuss the true facts. A brief summary of accomplishments in agriculture during the past 4½ years is as follows:

First. Farm income is increasing for the second consecutive peacetime year—the only such increases since 1947. Figured on a per farm basis, the increase from 1955 to 1956 was 7 percent.

Second. The index of farm prices has risen 3 points during the past month, according to the United States Department of Agriculture report of July 31 while the index of prices paid by farmers declined 1 point. The parity ratio index has risen 2 points to 84.

Third. Prices farmers receive have increased each month since February. The index of prices received by farmers is at the highest level since August 1954.

Fourth. Farmers received about $15 billion from marketing in the first 7 months of 1957 compared with $14.8 billion for the corresponding months a year earlier.

Fifth. Farm assets are at an all-time high and farms have only $12 in debts for each $100 of assets. Farm ownership is at a record high and only 1 out of 3 farms has a mortgage.

Sixth. Exports of farm commodities in fiscal 1957 were at an all-time high in both quantity and value and they establish foreign markets which will be of great benefit to American farmers for many years to come.

Seventh. Surplus holdings of Commodity Credit Corporation have been reduced by approximately one-sixth during the last 16 months.

Eighth. Family farms continue to dominate the agricultural scene as large-scale farms are about 4 percent of all commercial farms, about the same as 30 years ago. A greater percentage of farmers left the farms during the last few months of the Truman Administration than during the entire Eisenhower Administration.

Ninth. There has been a 37-percent increase in farmers participating in programs of the Soil Conservation Service during the past 4 years and a similar increase in practices undertaken through the agricultural conservation program.

Tenth. The rural development program is underway in 24 States and is being expanded.

Eleventh. For the Nation as a whole, the total of businesses and services pushed above the $400 billion mark during the latter part of 1955. It went on up to $424 billion in 1956 and is moving on up to even higher levels this year. This prosperity gives stronger markets for farm products.

Before elaborating on these accomplishments and others, it is well to examine the historical facts which surround this general subject. The facts are that this administration has inaugurated a program of solutions for agricultural problems which replaces the previous administration's program of stopgap measures.

The previous administration refused to use production controls which were available. Long after it was apparent that demand was decreasing and price-depressing surpluses were being accumulated, production controls were still not initiated. As late as 1952, Secretary of Agriculture Brannan failed to order acreage allotments for 1953 crops of leading basic commodities. Instead, the Secretary issued a call for continued all-out production.

It seems very strange but undoubtedly significant that this action was taken just prior to the elections of 1952 when principles of sound economics and basic ethics should have outweighed political expediency. But they did not and price-depressing surpluses filled our elevators and warehouses to overflowing.

Farmers in 1953 grew the third largest cotton crop on record, the fourth largest wheat crop, and well over 3 billion bushels of corn.

In spite of these facts, there has been an attempt, and in some cases it has been unfortunately successful, to confuse the American people and make it appear that policies of the present administration are responsible for surplus problems. But the facts prove that this administration received an unwanted inheritance of vast surpluses and a rapidly declining farm parity index.

During the last 2 years of the Democratic administration, farmers of this Nation suffered the greatest decrease in parity of any 2-year period in our history. From a high point of 113 in February 1951, parity level began to spin downward. By October 1951, it was down to 105. The fall continued to 100 in April of 1952 and by January 1953 had plummeted to 95.

The facts stand. Within the short space of 23 months, the Democrats allowed the farm parity level to decline 19 points.

The parity ratio in February 1953, the first full month under Republican stewardship, was 94. Price-depressing surpluses had been accumulated and other serious agricultural problems were inherited by the new administration, but the downward momentum of falling farm prices was lessened and now in recent months has actually been reversed as farm prices are moving upward. It is true that further declines in farm income occurred under the present administration but the parity index has remained relatively stable, averaging 86 from February 1953 through July 1957, a period of 54 months.

The significant fact is that farm income is on the increase with the index of farm prices rising 3 points during the past month while the index of prices paid by farmers declined 1 point. Now that the administration program is going into effect, farm prices are on the upswing.

An effort has been made by some to make an unfavorable and unfair comparison of current peacetime farm prices with inflationary prices caused by war and the insatiable demands of war. Persons who make these comparisons certainly do not wish to claim responsibility for the war and neither can they logically claim credit for inflated wartime prices.

Recent accomplishments have been brought about through a reasonable, logical farm program. When the present administration came into office, it called for reinstatement of adjustment programs, but they, of course, could not be effective until 1954. It was actually the 1955 crop before the beneficial effects of the flexible support program went into operation and in the meantime, the great surplus buildup was already out of hand.

The facts stand that the Republicans were saddled for 2 years with unsound unrealistic farm programs that had been inherited from the previous administration. Only now is agriculture beginning to recover from its trip into an economic wonderland.

The flexible support program has been combined effectively with the transitional aspects of the soil-bank program as we move toward full parity for agriculture in the market place. It is significant to note that both the Democrats and the Republicans endorsed the flexible support program in their 1948 party platforms as the most logical peacetime program for agriculture. Not until the presidential campaign of that year did support programs become a political issue. Prior to that time, Secretaries of Agriculture under both Republicans and Democrats had advocated flexible supports and had unanimously warned of catastrophes under rigid supports in time of peace.

Secretaries of Agriculture Clinton P. Anderson and Henry A. Wallace oftentimes spoke out in favor of flexible programs and administered the Department on that basis. The range of support levels directed or authorized by Federal legislation on basic commodities in 1933 to 1937 was 55 to 76 percent of parity. In the period 1938 to 1940, it was 52 to 75 percent.

Only during World War II and in times of emergency, including the vast recovery program under the Marshall plan, were supports held at 90 percent or above. In 1951, they were authorized at 80 to 90 percent; in 1952, at 75 to 90 percent. In 1953 to 1954, they were set rigidly at 90 percent, and in 1955, 82½ to 90 percent. At the present time, support levels are authorized from 75 to 90 percent.

We do not need the artificial stimulus of rigid supports in time of peace that have been deemed necessary to achieve maximum production in time of war. In fact, farm legislation based on rigid formulas can only result in more production, price-depressing surpluses and chaos in agriculture.

The objective of this administration is to place agriculture on a sound, peacetime foundation with farmers obtaining full parity prices for farm products in the market place.

Secretary of Agriculture Ezra Taft Benson has done an outstanding job of administering the Department, starting with a needed and effective reorganization of the various agencies under his direction during the first few days of 1953. The record speaks for itself in the summary of accomplishments which only last week were prepared for each of the agencies within the Department.

Let me cite some examples:

COMMODITY CREDIT CORPORATION

In the last 16 months, CCC's total investment in price support commodities has been reduced by nearly $1½ billion—from a peak of $8.9 billion early in 1956 to approximately $7.5 billion by mid-1957. In the last 4 years commodities costing the Government $9.6 billion have been moved out of the CCC inventory. CCC has recovered a total of $6.7 billion on these operations, of which $4.1 billion (about 60 percent) were dollar sales through normal trade channels. With barter operations included, total dollar sales reach $5 billion.

The Department has been aggressive also in the use of donations wherever it was most helpful in meeting nutritional needs. Useful outlets—largely donations—have been found for more than 5 billion pounds of dairy products. Through this program great numbers of people in the United States and abroad have been able to raise their dietary levels. It has also prevented wasteful deterioration—which can easily be the result when perishable commodities such as dairy products are held too long in storage.

SOIL BANK

Through the acreage reserve of the soil bank, over 21.3 million "allotment" acres of basic crops—wheat, corn, cotton, rice, and tobacco have been taken out of production this year. Participating farmers, if they remain in compliance with agreements, will be eligible for payments of slightly over $614 million. By crops, the "allotment" acres put in the 1957 acreage reserve are: Wheat, 12,785,000; corn, 5,235,000; cotton, 3,015,000; rice, 242,600; and tobacco, nearly 80,000. Nearly 7 million additional acres of cropland have been put in the soil bank conservation reserve so far under contracts running 3, 5, or 10 years. Payments on these contracts total $108.3 million.

The soil bank has greatly reduced total production of American farms in this time of surplus and is combined with the highly beneficial aspects of conserving our soil and water for a time of national emergency or future years when our growing population will require maximum efficient use of every acre to adequately feed and clothe our citizens.

FOREIGN AGRICULTURAL SERVICE

United States agricultural exports were at an alltime high in fiscal year 1957, totaling $4.7 billion. This total is 16 percent above the previous record of $4 billion in fiscal year 1952, at the time of the Korean war, and 35 percent above the $3.5 billion in fiscal year 1956.

This attests to the effective job this administration is doing in seeking new markets for agricultural products.

Figures released by the Foreign Agricultural Service of this Department prove this record was achieved without disrupting trade programs of other countries as 1956 estimates of agricultural exports by foreign countries are also the highest on record.

In real dollars (calculated to eliminate price changes), exports by foreign countries of 52 major agricultural commodities had a value of $16.1 billion in the 1956 marketing year. This compares with $15.5 billion in 1954 and $15 billion in 1953.

SOIL CONSERVATION SERVICE

Soil and water conservation work for which USDA's Soil Conservation Service has responsibility has moved ahead decisively in three major aspects since January 1, 1953. Soil conservation district farmers have increased their acreages of land planned and treated. Several hundred communities have initiated, for the first time, local action to obtain attention to watershed problems. And a new approach to solution of the special problems of the vast Great Plains area has been launched.

Numbers of soil conservation districts went from 2,493 on January 1, 1953, to 2,744 on January 1, 1957, a 10-percent increase. Acreage in districts jumped 14 percent to 1,565,209,153 acres. And in that same period, numbers of farmers and ranchers cooperating with their districts increased by 37½ percent to nearly 1,700,000.

THE GREAT PLAINS PROGRAM

Climaxing a series of Great Plains conferences, beginning with a Governors Conference at the White House in April 1954 and recommendations of the President to the Congress on January 11, 1956, and March 5, 1957, there is now ready for operation a Great Plains conservation program. This is providing an important new conservation tool in the form of long-term cost-sharing contracts which support conservation plans of operations that will help to minimize climatic hazards and protect lands from erosion and deterioration by natural causes.

AGRICULTURAL-CONSERVATION PROGRAM

Under the agricultural-conservation program, a farmer or rancher may obtain cost-sharing assistance through his agricultural stabilization and conservation county committee to enable him to carry out needed conservation. The Government generally pays about half the cost of approved practices. The farmer or rancher pays the balance and installs or arranges for the installation of the practices.

Under the 1955 ACP, new or additional practices were established on 1,142,025 farms and ranches in the 48 States, Alaska, Hawaii, Puerto Rico, and the Virgin Islands. This was 46,395 more than in 1954.

The 419 million acres on farms participating in the 1955 ACP constituted 34 percent of all the farmland in the United States and Territories.

FARMERS HOME ADMINISTRATION

In the past 4 years the administration has sponsored measures which have expanded the regular loan services of the Farmers Home Administration and increased the number of credit services the agency provides.

For example, the maximum amount that a family-type farmer may be indebted for operating credit has been raised, under certain conditions, from $10,000 to $20,000. Real-estate loans may now be made primarily for refinancing debts. In connection with the rural development program, operating and farm development loans are now available to eligible farmers who have part-time employment off the farm. Permanent authority has been established for farm housing loans. Soil and water conservation loans are now available throughout the United States. A special credit program has been devised to help farmers and ranchers in the Great Plains area make proper use of their land. Several types of emergency loans are now available.

The total volume of loans made and insured by the agency has reached a new high each year since 1953. Approximately $356 million was advanced in fiscal 1957. This compares to $229 million in 1953.

The major objective of the Farmers Home Administration—to strengthen the position of farm families on family-type farms—remains unchanged. Supervision in the development of balanced systems of farming is provided to the extent needed with each loan. Loans are made by the agency only when farmers and ranchers are temporarily unable to obtain needed credit from other sources.

RURAL ELECTRIFICATION ADMINISTRATION

From fiscal year 1953 the program has shown a steady advance to the fiscal year 1957 peak of $440,434,375 in loan authorizations and loans to borrowers amounting to $300,461,514.

The telephone program is currently at its peak. It has grown from a fiscal 1950 authorization of $25 million and loans of $3.4 million to an authorization of $133,326,176 and loans of $81,729,000 in fiscal 1957.

FOREST SERVICE

Operation Outdoors is an example of the many progressive advancements made in the Forest Service under this administration.

Recreational visits to the national forests have doubled since 1950, totaling now an estimated 55 million visits. Campgrounds and picnic areas are overloaded. Sanitation facilities are inadequate, and in many places public health is endangered by pollution of water supplies. Fireplaces where fires can be made safely are wholly inadequate to meet the need; and controlling large fires resulting from escape of campfires started in unsafe unauthorized places is extremely costly. Assistant Secretary Peterson took the intiative in developing a 5-year action program—now widely publicized as "Operation Outdoors"—to meet this situation aggressively and adequately. Additional funds were requested in the President's budget for the fiscal year 1958, and Congress appropriated most of the money requested. Work already is under way to rehabilitate existing badly deteriorated facilities, to expand campgrounds and picnic areas, and to build new ones.

FEDERAL EXTENSION SERVICE

Outstanding advancements have been made to provide an even more effective program for rural America through the Extension Service.

FARMER COOPERATIVE SERVICE

The Farmer Cooperative Service has intensified its work to help cooperatives increase their operating efficiency in marketing farm products and obtaining farm supplies for farmers.

AGRICULTURAL RESEARCH SERVICE

Recent research accomplishments, many of them attained by scientist teams representing the Department and the State agricultural experiment stations, benefit all phases of agriculture.

They include such developments as Pima S–1, the new long staple cotton variety that can compete in yield and quality with foreign-grown cottons; the mono-germ sugar beet seed that opens the way to complete mechanization of sugar-beet production, and hybrid sorghums that this year made up a large part of the total United States sorghum acreage. They include such livestock advances as the development of a vaccine that may save poultrymen $50 million a year from visceral lymphamatosis disease; a dietary control for parakeratosis in swine; and the discovery of parthenogenesis in turkeys, that gives scientists a new weapon with which to attack the most serious problems facing the turkey industry—those in connection with the fertility and hatchability of eggs. Chemists have developed an important market for animal and vegetable fats as plasticizers (softeners) in the manufacture of vinyl plastics; engineering studies of air movement through stored grains has made on-the-farm forced-air drying of corn commonplace; entomologists have devised a method of screwworm control that will ultimately result in the eradication of this pest from the Southeast; soil scientists have broadened the opportunity for farming western saline soils, by discovering that crops planted on the sloping shoulder of a well-rounded seedbed tolerate many times more salinity than crops planted in the center of a high flat bed; and human nutritionists have determined the content of pantothenic acid—an essential B vitamin—in 161 foods.

FARM CREDIT ADMINISTRATION

For 14 years, farmers wanted the Farm Credit Administration to be an independent agency. Secretary of Agriculture Benson, through his many years of experience as a farmer and as former executive secretary of the National Council of Farmer Cooperatives, recognized the value of having the FCA farmer-owned and controlled. This has been accomplished.

AGRICULTURAL MARKETING SERVICE

Excellent work is being done by the Agricultural Marketing Service in expanding markets for all agricultural products. Savings in handling crops and spoilage losses are being brought about through replacement of obsolete and inefficient facilities with modern buildings and equipment designed by the Marketing Research Division of AMS. Significant changes in standards and grades are being established, to the benefit of both producer and consumer.

RURAL DEVELOPMENT PROGRAM

In the past 12 months, the new rural development program has grown into a truly national program, with effective organization and project development going forward in half the States. There is growing interest in this balanced approach to rural area development, and increasing national attention to the basic needs of low-income rural areas.

During this period—since September 1956—the Department of Agriculture was able for the first time to contribute funds to the program for special extension services, conservation assistance, and basic economic research in selected areas.

This assistance has made possible a greatly expanded rural development program in the States. On June 30, 1956, less than 10 States had undertaken to organize pilot county programs on a systematic basis. By June 30, 1957, this number had risen to 24 States, with several others planning to enter the program. At present, there are 49 "pilot or demonstration" counties and eight trade areas—of two or more counties each.

Most of these counties and areas have formed committees of local farm, business, and civic leaders to help guide rural development at the local level. Efforts of these leaders, working closely with Government agency personnel, have already produced a great variety of economic projects—resource surveys, vocational training classes in trades and industry, renovation of small industry, better established rural community clubs, night classes in improved farming and market development. These are a few of the many projects reported.

Nearly 100 basic economic and social surveys covering farm-family living, manpower resources, employment needs, industrial sites, and so forth, have been started or completed in the pilot rural development areas. Information obtained through these surveys is used in formulating development projects.

CONCLUSION

There are some who attempt to misrepresent these accomplishments by making comparisons with inflated price indexes in time of war or recovery from war. No one should be fooled by agricultural statistics based on casualty lists. The facts comprise the record. The record is one of outstanding accomplishment with further improvements under way by the Eisenhower-Benson administration for a prosperous, peacetime agriculture.

INSIDE RUSSIA

Mr. HUMPHREY. Mr. President, the future of the Free World may depend upon how well we understand the nature and innerworkings of Communist Russia, and the attitudes of the Russian people themselves.

Every effort that can contribute to such an understanding is a valuable contribution toward the preservation of our freedom.

During June, Mr. Malcolm Muir, president and editor in chief of Newsweek magazine, made a tour of the Soviet Union. As a trained and thoughtful observer, Mr. Muir returned with impressions and observations that should be of valuable assistance to everyone seriously interested in development of improved international relations. For that reason, Mr. President, I ask unanimous consent to have printed in the RECORD some excerpts from notes prepared by Mr. Muir on his trip, for the use of Newsweek's editors.

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

EXCERPT FROM NOTES PREPARED BY MALCOLM MUIR, PRESIDENT AND EDITOR IN CHIEF OF NEWSWEEK, ON HIS VISIT IN JUNE 1957, TO THE SOVIET UNION

MY TALKS WITH MALENKOV AND MIKOYAN

I had an animated three-quarter-of-an-hour discussion with Georgi Malenkov, who later proved to be the leader in the plot to overthrow Khrushchev, and Anastas Mikoyan, who, it turned out, was supporting Khrushchev.

Mikoyan began by saying: "Why do you just see the important people? Get around Russia and talk to the common people, and you will realize how much sense they have, how much they hate war, and what this country is really like." He continued, "We do not want war, but if you don't, why do you permit your generals to make such speeches about how they can bomb us to extinction? Our generals would not be allowed to talk the way yours do. Our people want peace. Some of your people do, too, but your leaders do not listen to the right people." He said, "Your country does not know the horrors of war; it has never been invaded as ours has. We do not want war but our soldiers are not afraid to fight. You know what their record is, and they are ready again to die for their country if need be."

I reminded Mikoyan that in the United States it was the people who decided, through their Congressmen, the amount of money to be spent on defense, that it was the responsibility of our generals, and our politicians to inform our public of the warlike intentions of the Russians, of their duplicity in controlling their satellites, and all of their many actions which forced us to distrust them. I told him that "some of our generals and politicians are beginning to believe that you do not want war but, to use an American boxing expression, we dare not let down our guard as you have not yet justified by your actions that amount of confidence in you." He said, "We admire your country, we think it is a great Nation, and I am not saying this merely as a compliment."

After many pleasantries by Malenkov, Mikoyan picked up the conversation again and began talking about Newsweek. He asked me whether, if I found on my trip that Newsweek was wrong on the subject of Russia, I could and would change our policy. I said that I definitely could and would, but that I had to be shown. This brought a most enthusiastic toast on the part of both Mikoyan and Malenkov.

Mikoyan finally said, "This has been a good meeting," and then expressed the highest regards for President Eisenhower, which he said they had held ever since he came to Russia to be decorated.

HIGHLIGHTS OF CONVERSATIONS WITH OTHER MEMBERS OF MINISTRIES AND THE PRESS

G. A. Zhukov, Chairman of the New State Committee on Cultural Relations With Foreign Countries

Mr. Zhukov discussed the obstacles to better understanding between our countries, admitting that some of the faults are theirs but insisting that more are ours. He thought that neither side should give up its good propaganda, but that we both should abandon our bad. He asked if I did not think it was silly for us to spend millions urging the Russians to "throw off their masters" and trying to spread discontent while they in turn spend millions to jam our broadcasts.

Zhukov had on his desk excerpts from the current American newspapers. He cited many instances of what he called "our interference with the internal affairs of Russia." He quoted a recent dispatch describing Senator MORSE's proposal for a Committee for the Liberation of the Satellite and Baltic Countries, and asked how we would like them to suggest a committee to liberate Texas. I of course called him on comparing the status of Texas with Poland and the other countries.

The editor of Tass doubletalks

Mr. Palgunov, editor of Tass, like so many Russians, is a past master at dialectical doubletalk. He heartily seconded my own statements on the importance of a better understanding between our two peoples and the responsibility of the press to contribute to this cause. When I suggested, however, that the American magazines and newspapers with international circulation be allowed to distribute throughout Russia, he said that this was not a good idea because the number of people who could read English was so small compared with the total population that the papers "could not be expected to be helpful."

When I tried to get an expression of opinion as to the value of our Russian-language paper America and their English-language paper U. S. S. Russia," he sidestepped by saying that he had not read copies of either magazine and, therefore, could not express an opinion, but he would think their limited circulation would make them quite ineffective.

The editors of Pravda hold forth

The two editors of Pravda responsible for their American desk talked about our bases, our pointing atomic cannon at Russia, and questioned the sincerity of our desire for peace. They admitted that there were certain elements in the United States who were as much for peace as were the Russians, but that there were other powerful elements who wanted to maintain a war economy. They tried to dodge being specific, but when I pressed them they named Foster Dulles as No. 1 because he was "the richest international lawyer who had made his money out of defending corporations and protecting their antisocial practices." They then ran down the entire list of big businessmen in the administration, and wound up citing the influence of the big oil companies on our

Middle East policies. I gave them the works in rebuttal but they were unconvinced.

An editorial staff is worried

My next appointment was with Mr. Malnikov, editor of International Affairs, and his staff. Here again their first questions had to do with the reasons why our generals and admirals made such warlike statements and why, if we were not intent on war, did we ring Russia with bases? The editor of their paper who also spends a great deal of time lecturing throughout the country said that the one question always asked him is, "What can we do about the bases? Can they mean anything other than that America is intent on war?"

I explained that it was necessary for us to have these bases because we did not have confidence in the men in the Kremlin, and how shocked the American public was when Russia refused to give back to the Poles, the Czechs, the Hungarians, and the other countries their freedom. There followed a long exposition of the party line to the effect that these countries, even including Hungary, have their freedom.

My reply was that as long as you take the kind of action that you did in Hungary you are going to have to be ringed by bases and we can never give them up. This seemed to upset them very much.

The Baibakov interview on industrial decentralization

N. Baibakov, Chairman of the State Planning Committee of the R. S. F. S. R. and First Deputy Chairman of the Council of Ministers devoted two hours to answering my questions and explaining Gosplan to me in detail. Internal dissension over this revolutionary plan of handling the Soviet economy was one of the principal factors in the Kremlin shakeup.

I asked whether the reorganization of industry on such a vast scale would not make it difficult for them to reach their production goals set for 1957. He stated frankly that many individual difficulties and serious problems would crop up that some industries might not make their 1957 goals, but that others would more than meet theirs and that, on the whole, the 1957 goal for industrial production would be met.

I obtained so much detailed information from Mr. Baibakov on the operations of this farflung program that I am making it the subject of a special memorandum. Suffice it to say that the concept is tremendous in scope. If it works, it may well bring about the industrial revolution that is their aim. If it fails, it could result in chaos. But its very success could spell great trouble for the masters in the Kremlin. A decentralized industry, freed from the bureaucrats in Moscow, might well demand greater freedom from the political dictators in the Kremlin. This is the crucial issue in the recent battle in the Kremlin. Molotov, Malenkov, Kaganovich and company were the conservatives who feared just such an eventuality and therefore fought it to the bitter end.

We call on the only woman member of the Presidium

Madam Furtseva, the only woman member of the Presidium and a protege of Khrushchev, gave us the complete propaganda treatment on the peace-loving attitude of the Russian people, their real friendship for America, etc., etc., as well as the familiar question, "How can you convince us that you want peace when you have ringed us with bases?" She also talked about the fear of war on the part of the people. She then said, "You musn't be jealous of our efforts to catch up with your productive capacity. We cannot have a better standard of living until we have achieved many production goals, and this should not make you jealous."

THE RUSSIANS ARE PAST MASTERS AT USING TOURISM AS A MEANS OF PROPAGANDA

Tourism is being used to build in the minds of the Russian people and the satellite and neutral states the feeling that everything Russian is supreme. Moscow was jammed with organized tours of peasants from Uzbek, Turkemenia, Kasahstan and all the vast areas of the Soviet Union as well as East Germans, Chinese, Poles, Hungarians, Czechs, and some from India, Burma, and the southeast Asian and Middle Eastern states.

The tourists are being shown all of the grandeur of Moscow, its permanent and impressive Agricultural Fair, its marble platformed subway, its museums, its modern skyscrapers, the famous and towering Moscow University, a tour through the Kremlin, a reverent view of the two dead boys in the Mausoleum, and all the rest.

In Leningrad, they tour the Hermitage and the old Winter Palace of the Czars. They are taken to the Summer Palace of the Czars at Peterhof, and to the country palace of Catherine the Great at Tsarskoe Selo. It is interesting the way they parade before these tourists all of the tradition of Russia which they have destroyed.

SOME CONCLUSIONS

Can the Russian people be reached by our propaganda?

Ever since the revolution the Russian leaders have been carrying out a master plan to fan the flames of a fanatical pride in Mother Russia, the achievements of its people and to keep from them anything that could shake their belief that all things Russian are best.

I suppose their success is the greatest example in history of how complete control by a powerful few over every means of communication can condition the minds of the many.

They have been so brainwashed that it is impossible to get over to them by usual methods of propaganda any conception of our way of life and the true meaning of democracy. Our Voice of America, when and if it reaches them, may help. I am convinced, however, that an understanding of our institutions, or our standard of living, can only be achieved by encouraging an exchange of industrial, agricultural, scientific, and cultural groups, as well as plain tourists in ever increasing numbers, even though we may run the risk of adding some spies to those who are now here.

Can the Russian people be aroused to revolt against their masters?

I discussed this subject with every well-informed European I met, some of whom have been in Russia for a very long time. I first asked if the great pride in their country was universal or if it was mainly a Muscovite manifestation. I was told that as you get farther from Moscow the degree of pride and enthusiasm is not as apparent but that it is basically there. They say that this pride in and love of country on the part of the peasants goes very deep and that, while there is dissatisfaction in some spots, we should not be misled into thinking of the Russians as a downtrodden race, crushed under the heel of their masters, waiting to revolt. It is true that there is political unrest in many of the villages and dissatisfaction with the way things are being handled. There is discord in Georgia, where Stalin came from. There is some grumbling among the journalists, authors, and other groups of the intelligentsia such as the teachers, but nowhere near enough to justify being called an underground movement. There are also certain disgruntled factions in the army, but no more than one might find in many countries and, if war came, they would fight with the same fanatical zeal as they did against Germany.

It may be hard to realize it, but the truth is that these people on the whole are better off than they were under the Czars, even though by our standards their living standard is very low. Those who should know say it is wishful thinking to feel that we could arouse them to revolt. Of course, a distinction must be made between their attitude and that of the people in the satellite states toward their Russian overlords.

It is believed that a change toward their masters in the Kremlin must come from within. As their productive wealth increases with the exploitation of their resources and their growth as an industrial nation, the upper class, consisting of the management group, the engineers, technicians, artists, writers, and teachers, will become very large. These, together with the bureaucrats—vast numbers of whom are being decentralized under Khrushchev's Gosplan—are the haves in this have not nation. They are the first ones who will want freedom from an all-powerful police state, and in this evolutionary process lies the best hope of weakening from within the hold of the Kremlin.

I firmly believe that this evolutionary process can be stimulated by exposing as many as possible to the American way of life as suggested previously.

Are the Russians sincere in wanting disarmament?

Here again, informed people feel that the Kremlin must work toward disarmament but not primarily because of pressure by the Russian people for a higher standard of living. They cannot carry on a war economy, the enormous housing program, the expansion of industry as outlined in their sixth 5-year plan, continue their extravagant expenditures on public works to feed the ego of their people, and make good on promises of aid to all of the neutral countries—where they are in direct competition with us—and to their satellites. It just can't be done.

Recognizing also that East and West are approaching a nuclear stalemate, it is logical that they should try to divert part of their resources from war production to peaceful economic penetration. Right now it looks as if they are trying to trick us into a piecemeal disarmament program from which they could switch back to a war economy far more easily than we could. We can afford to go more slowly on disarmament than they. The longer they wait the greater strain there will be on their economy.

Barriers in the road to peaceful coexistence

The lives of the Russian people have been so conditioned by their masters over these last 40 years that one gets an uneasy feeling of a united nation driving toward a common goal. Even though the motives of the masters may be different from those of the people, their objective seems the same: The domination of as much of the world as possible by the superior Russian race. Their minds work differently from ours; we are truly planets apart in our thinking; and we cannot win them over to our point of view by the use of our logic. Nor can we let down our guard, as they will be quick to take advantage of it. We must continue to talk bases, weapons, and air power loud and long enough to make them realize our guard is not down, and yet not press their fear of war so far that in desperation they will strike back.

Mutual fear, distrust, and total lack of understanding are the biggest barriers to finding a means of coexistence. Therefore, the road is a slippery and dangerous one and far more complex for us than for them. With its entire strategy controlled by a few men, Soviet Russia can switch from a war to a peace economy and back again, as best suits their strategy, free from the pressures

of public opinion. Each western move, on the other hand, must be weighed in the light of its effect upon the economies, the public opinion, and the political reactions in the United States, the United Kingdom, and France, as well as in the smaller NATO countries. By the time we have been able to agree on a strategic move the Russians could have run around our flank and attacked from a different direction.

After all of this pessimism I still have a feeling that this vast and growing nation, just beginning to feel its strength, needs and wants peace, and that we must continually strive to unlock the door that will lead to it.

CIVIL RIGHTS ACT OF 1957

The Senate resumed the consideration of the amendments of the House of Representatives to Senate amendments Nos. 7 and 15 to the bill (H. R. 6127) to provide means of further securing and protecting the civil rights of persons within the jurisdiction of the United States.

Mr. HOLLAND. Mr. President, on August 7 last, I stated on the floor of the Senate my objections to the passage of the so-called civil-rights bill, H. R. 6127, in the greatly amended and vastly improved form in which it emerged from Senate debate and was passed by the Senate. It is unnecessary for me to restate at this time my fundamental objections to the passage of coercive Federal legislation in this field. I stand upon my position, as stated several times in the Senate debate and as summarized in my remarks of August 7, which appear on pages 13838–13841 of the CONGRESSIONAL RECORD.

I regret, Mr. President, that the form in which this bill comes back before the Senate, not from conference, but after additional amendments adopted by the other body, makes it necessary for me to state my strong objections to the enactment of this proposed legislation in its present mutilated form.

All of us recognize that compromise is frequently necessary to the passage of legislation. I do not object, therefore, to the fact that the bill now before us is a compromise bill, but I do object to the nature and substance of the compromise, which I regard as extremely objectionable.

In his able discussion of the present measure the chairman of the House Committee on the Judiciary, the distinguished gentleman from New York [Mr. CELLER], discussed this question of compromise as it affects this bill in the following words:

> Many of us wanted and wholeheartedly worked for a strong bill, wanted no watered-down one. Others with sincere convictions sought the defeat of any civil-rights bill. Neither side won; neither side lost.

I respectfully, but completely, disagree with the distinguished gentleman in his statement that "neither side won; neither side lost," in agreeing upon the final House compromise on the jury-trial provision adopted by the Senate. It is my strong belief that everybody who has convictions on either side of this jury-trial question would lose greatly by the adoption of the proposed jury-trial compromise. The first portion of the compromise, upon which I shall comment briefly, is as follows:

> *Provided further*, That in any such proceeding for criminal contempt, at the discretion of the judge, the accused may be tried with or without a jury.

Remembering that there is a fundamental principle involved here, which is that jury trials in criminal prosecutions under American law are a part of the constitutional rights of every accused person, it seems to me that the provision which I have just quoted does violence to the convictions of both those who believe that accused individuals do have a constitutional right to jury trials in criminal cases and those who believe that since such right to jury trial does not apply, customarily, in equity cases, the right can be nullified by merely transferring what has always been a criminal trial to the jurisdiction of the equity courts. It is clear that the strong beliefs of both of the groups which I have just mentioned, which I think include practically every Member of the Senate, on one side or the other, are violated by the compromise provision that I have just quoted, which allows the trial judge in every case, and at his sole discretion, to decide whether the person accused of criminal contempt may be tried with or without a jury. This provision certainly gives offense to those of us who believe that the Constitution does grant to every accused the right of trial by jury in criminal cases and that such right cannot be lawfully taken away by us or by any judge. And I believe that this provision, in giving to the trial judge the right in his sole discretion to allow trial for criminal contempt by jury, is equally offensive to the convictions of those who feel that such a provision is disruptive of the processes of courts of equity and that it destroys their ability to uphold their own dignity, jurisdiction, and power. Such provision might easily bring about a situation under which accused persons appearing before one judge in a district would be granted the right of trial by jury, whereas if they appeared before another judge in the same district their right of trial by jury would be denied. In addition, the provision might easily bring about a condition under which accused persons in one district would be uniformly granted the right of trial by jury whereas in an adjoining district such right would be withheld and denied. I do not see how it would be possible to frame a law which would be more confusing than this, more destructive of individual rights, and more violative of the principle that our laws should be enforced uniformly and that our Government should be a government of definite, certain, and understandable law, and not a government of men, dependent in fundamental matters upon the discretion of a presiding judge.

But the proposed compromise does not end with the extremely bad provision which I have just discussed, but continues further to pile uncertainty upon uncertainty and, I think, absurdity upon absurdity—for the proposed compromise continues in these words:

> *Provided further, however*, That in the event such proceeding for criminal contempt be tried before a judge without a jury and the sentence of the court upon conviction is a fine in excess of the sum of $300 or imprisonment in excess of 45 days, the accused in said proceeding upon demand therefor shall be entitled to a trial de novo before a jury which shall conform as near as may be to the practice in other criminal cases.

Restated briefly, in the event a trial judge has refused the defendant a jury, conducted the trial without a jury, entered a verdict of guilty, and imposed a sentence of a fine in excess of $300 or imprisonment for longer than 45 days, the last provision would allow the defendant thus found guilty and sentenced by the judge to set aside the trial and verdict of the judge in his sole discretion by demanding a trial by jury. In such case he would receive a trial de novo before a jury in conformity with the practice in other criminal trials.

Mr. President, how absurd a proposal this is. Apparently some are so anxious to pass a bill and so zealous in their desire to claim the credit for the passage of a so-called civil-rights bill, regardless of what it contains, that they are willing to include this particular compromise provision, which I think is so monstrous as to do violence to every concept of fair judicial procedure. In substance, this provision would allow the determination of the judge that the accused was not entitled to have a jury trial to stand until the trial was completed and the judge had entered the verdict and imposed the sentence. Then if the sentence is for more than 45 days or $300, two new conditions immediately come into play. First, the defendant is entitled to a jury trial, notwithstanding the fact that the judge has earlier ruled that he is not so entitled; and, second, the defendant can invoke his new right to a jury trial in such case at his own sole option so as to reverse the decision of the judge, insist upon trial by jury, and have the trial all over again before a jury which in its judgment could enter a verdict undoing all that the judge had done in the earlier trial.

Mr. President, I do not believe I ever heard anybody seriously suggest heretofore a criminal law under which a defendant who does not like his trial and sentence by the judge can make the same court do it all over again, not by going through some appellate procedure but simply by his own demand. Mr. President, I think I realize the outcome of the approaching vote on this bill, but I could not sit idly by without comment when proposals as absurd as those which I have discussed and which are contained in the so-called compromise are being seriously considered by serious-minded legislators whom I know to be men of conscience, conviction, and long experience in the art of lawmaking.

Mr. President, to me it is completely obvious that this matter is being decided in an atmosphere of supreme scrambling for political advantage. I feel sure that every member of the Senate knows in his heart of hearts that such is the case. I could not and I shall not criticize others for any decision they may reach in this matter, but I do want to call to their clear attention the fact that the knowledge of the political implications which

dominate the present scene is not confined to the Congress. The public generally is completely aware of the situation and its respect for and confidence in the Congress will certainly not be enhanced, and I think will be diminished greatly by the adoption of this ludicrous compromise.

All of us have had ample evidence of the fact that the press, the radio, the public generally know that we are playing the rankest sort of politics with this measure. I have seen any number of well considered editorials which establish that charge, and I feel that for the record I should include two of the ablest among these editorials so that it may clearly appear that what we are about to do in adopting the pending measure is done with full knowledge of the fact that we are operating in a goldfish bowl and that everybody knows just what sort of a job of political maneuvering is nearing completion. The first editorial which I shall read in part into the RECORD appeared in the Washington Daily News of last Friday, August 23, under the title "Let's Go." That editorial, written by a capable editorial writer and one who in the light of subsequent developments can lay full claim to being an excellent prophet and a soothsayer, reads in part as follows:

LET'S GO

The GOP civil-rights compromise offer would establish a kind of misdemeanor contempt of court in addition to the criminal classification.

There would be no jury trials if penalties were limited to $300 fine and 90 days in jail. If greater penalties were contemplated, there would be jury trials.

This provision is mainly a face-saver—

Mr. President, I hope Senators will listen to this, because it shows a deliberate opinion stated by a responsible editorialist as to the quality of the negotiations and machinations which have been going on relative to the bill—

This provision is mainly a face-saver for the Northern Members of Congress who have been stalling the civil-rights bill since the amended version came out of the Senate. Some modification of it says to a $289.98 fine and 47½ days in jail will, in turn, save the opposition face. Then maybe the bill can be passed and Congress can go home.

Not justice but political advantage is the obvious motive for the endless maneuvering on civil rights. In our opinion the country is getting weary of it.

Mr. President, the editorial writer almost hit the nail on the head. He missed the amount of the compromise fine—the compromise to the compromise—by $10.02 and the amount of the compromise jail sentence by 2½ days. His suggestion was that the amended version of the compromise which would allow a saving of face for supporters of the bill on both sides of the political fence, would be a $289.98 fine and 47½ days in jail. I think that his strongest paragraph and one which should make the Senate stop, look, and listen, even at this late date reads "not justice but political advantage is the obvious motive for the endless maneuvering on civil rights. In our opinion the country is getting weary of it."

Mr. President, there have been times in the past when I think the country has been weary of long discussion in the Senate. Sometimes it has been referred to as a filibuster. I predict in this particular situation Senators are going to find that the country indeed is weary of endless negotiations, of endless political shenanigans which have gone on in the effort to take credit for this so-called civil-rights bill which has practically nothing in the way of substantial civil rights in it.

Mr. President, the second editorial which I shall include, in part, in my remarks comes from the Tampa Sunday Tribune of August 25, after the amended version of the compromise had seen the light and appeared in full in the press.

Mr. President, this is an excellent editorial by a very fine editorialist. I am only sorry that the distinguished occupant of the chair cannot have the privilege of seeing the cartoon which accompanies it, which I shall try to describe in a few moments.

The Tribune editorial, which bears the title "To Congress a Platypus Is Born," reads, in part, as follows:

Looking over the latest and final compromise bill on civil rights, we are convinced that Congress and mother nature have at least one thing in common: Both can give birth in moments of stress or caprice to strange hybrids unlike anything else in the biological (or political) kingdom.

The House has crossbred Democratic and Republican versions of the so-called jury-trial amendment, and come up with a design historians may describe as the duck-billed platypus of American jurisprudence. The platypus is somewhat duck and somewhat mammal. The new compromise is somewhat trial-by-jury and somewhat trial-by-judge, with fur and feathers haphazardly intermingled.

As we get it, the compromise would work like this in the enforcement of voting rights:

If a person is accused of criminal contempt for violating a judge's order, the court can decide whether to permit or deny a jury trial.

In either case, the top penalty would be 6 months' imprisonment and $1,000 fine.

But if the judge tried it himself, and imposed more than 45 days and $300, then the defendant could ask that his case be tried again and this time by jury.

This may well prove the oddest judicial design ever written into the criminal law. If a defendant doesn't like his sentence, he can make the court do it all over again.

Yet it is but slightly more bizarre than the first compromise which the Republicans unveiled a couple of days earlier with great fanfare.

Under this offering, a choice was up to the judge. He could have jailed a man without trial for not more than 90 days, or he could have called a jury trial with a maximum penalty of 180 days.

In other words, the judge would have determined the penalty ahead of the verdict. Before the evidence was heard, the judge would have been forced to decide if the defendant was merely moderately and academically contemptuous or guilty of revolving, free-wheeling contempt. This, too, was an ingenious plan; we have long labored under the idea the sentence came last.

This first, or Republican, compromise was a transparent plan to try and put the Republican label back on the bill which Democrats had put through the Senate. Democrats didn't take it. The last plan, the compromised compromise, is probably acceptable to majorities in both Houses because both Democrats and Republicans will be able to claim the bill is theirs.

The PRESIDING OFFICER (Mr. CASE of New Jersey in the chair). The Chair hopes the Senator from Florida will be so good as to follow through on his suggestion about attempting to give a description of the cartoon. The Chair would indeed be pleased.

Mr. HOLLAND. The Chair is very gracious. I can assure the Chair that he shall have the pleasure of hearing my description of that immediately.

Mr. President, I am extremely sorry that the rules of the Senate do not allow me to include as part of my remarks the very fine cartoon by that skilled cartoonist George White, which appears in connection with the editorial.

If the distinguished occupant of the chair will listen carefully I think he will hear something described that will bear repeating to those fine children of his, because I find the cartoon most interesting, and I am sure they will too.

This cartoon shows a scene in a zoo, with an American citizen gazing in complete astonishment and utter disbelief at a new animal, the Congressional duck bill, the jury-trial compromise, exhibited in a tank on which is marked "Duck-Billed Platypus." The duck bill of this weird animal protrudes above the surface of the water. His timid eyes are visible, showing the greatest degree of apprehension as he peers out at the startled citizen. His feet, of course, are off the ground, as might be expected. The hairy body of the animal terminates in an impressive groundhog tail and the cartoonist makes it very clear that Mr. John Q. Citizen, seeing for the first time the jury-trial compromise, is gazing upon a monstrosity the like of which he never even dreamed of before.

Mr. President, the editorial makes clear and sharp analytical comment on both the original compromise offered by the Republicans and the last plan which it calls the compromised compromise. The most cynical note in this editorial, which clearly emphasizes the political aspects of this matter, is the last sentence which I have quoted, and which reads:

The last plan, the compromised compromise is probably acceptable to majorities in both Houses because both Democrats and Republicans will be able to claim the bill is theirs.

Speaking deliberately and seriously, Mr. President, I think the amendments adopted in the other body are a sorry mess of incongruities and that no sound credit or good results can accrue to anyone for their adoption, no matter how conscientious their objectives have been or how zealously anxious they are to enact a statute which may be referred to as a civil-rights law. I hope, therefore, against every reasonable expectation, that the House amendments may be rejected by the Senate.

Mr. President, in closing, let me say that I agree completely with the distinguished senior Senator from North Carolina [Mr. ERVIN] in his able statement to the effect that no good could possibly result from a prolonged discussion of the pending measure.

Mr. President, I am prepared to yield the floor.

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

Mr. HOLLAND. I am happy to yield to my distinguished friend from North Carolina.

Mr. ERVIN. I ask the Senator if he agrees with me that there is one thing that can be said both about the animal depicted in the cartoon and the House amendment, the jury-trial provision, namely, that for the first time in human experience we find a complete disproof of the statement of the writer of the Book of Ecclesiastes, that there is nothing new under the sun?

Mr. HOLLAND. The Senator is exactly correct; and when I look at the face of John Q. Citizen in the cartoon, who is gazing with utter disbelief and incredulousness at the monstrous animal presented to his view, I can almost hear the words which Phineas T. Barnum put into the mouth of a citizen under a similar situation, when the citizen, upon looking at a giraffe, said, "There just ain't no such animal." [Laughter.]

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

Mr. HOLLAND. I yield to the Senator from Mississippi.

Mr. EASTLAND. I desire to congratulate the distinguished senior Senator from Florida, who has made one of the ablest arguments I have heard made in the Senate during the 15 years I have been a Member.

Mr. HOLLAND. I thank the Senator warmly, and express my appreciation for his kind remarks.

Mr. EASTLAND. Mr. President, 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. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS TO 8:45 P. M.

Mr. JOHNSON of Texas. Mr. President, earlier this morning we had scheduled speakers for the day, and attempted to estimate the number of speakers. In connection with the next speaker, we had estimated that we would reach him about 9 o'clock. We are running a little ahead of schedule. Therefore, there are no speakers available at this time. We do not desire to have a vote on the bill until every Senator has had an opportunity to express himself, and we do not wish to take advantage of any Senator, or inconvenience any Senator more than is necessary.

Therefore I ask unanimous consent that the Senate stand in recess until 8:45 p. m. At 8:45 p. m. we will reconvene and I shall suggest the absence of a quorum. I assume that by 9 o'clock the speaker will be ready to proceed.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate (at 7 o'clock and 38 minutes p. m.) took a recess until 8:45 p. m.

AFTER RECESS

On the expiration of the recess, the Senate reassembled, when called to order by the Vice President.

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

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McNAMARA. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FREAR in the chair). Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I rise to speak against the so-called voting-right bill H. R. 6127, which bill was passed by the House of Representatives. It came to the Senate without being referred to a committee and was placed on the Senate Calendar, which is something unusual and out of ordinary procedure. The bill was then amended by the Senate and returned to the House, after which time the House amended it again by adopting what was called a compromise. The compromise as well as the bill is entirely unreasonable, and I hope that the Senate will not pass the bill.

There are mainly three reasons why I feel the bill should not be passed. The first is that it is unnecessary.

STATE LEGISLATION PROTECTING THE VOTING RIGHTS OF CITIZENS

Every State has enacted some legislation making it unlawful to intimidate a voter or to hinder him in the exercising of his voting rights. Penalties have been provided for such violations.

I now expect to take up the voting laws in each of the 48 States and show that each of the States affords adequate protection to the voting right. The first is Alabama.

Alabama: Unless otherwise designated, references are to the code, 1940, title 17:

Intimidating or hindering voter: It is a corrupt practice for any person on election day to intimidate an elector or an election officer, or to obstruct, hinder, or prevent or to attempt to obstruct, hinder, or prevent the forming of lines of the voters awaiting their turn to enter the election booths (sec. 285).

It is a corrupt practice for any person directly or indirectly to hire a person to take a place in line or to otherwise obstruct, hinder, or prevent the forming of the line of voters awaiting their turn to enter the polling place (sec. 286).

Penalty: Any person who does any act declared to be a corrupt practice under the election laws of the State shall be guilty of a misdemeanor, and, on conviction, must be fined not more than $500, and may also be imprisoned in the county jail or sentenced to hard labor for the county for not more than 6 months at the discretion of the court (sec. 332).

Attempt to influence voter: Any person who by corrupt means attempts to influence any elector in giving his vote, or deter him from giving the same, or to disturb, or to hinder him in the free exercise of the right of suffrage, at any election, must, on conviction, be fined not less than $50 nor more than $500 (sec. 304).

Disturbing elector on election day: Any person who, on election day, disturbs or prevents or attempts to prevent any elector from freely casting his ballot, must, on conviction be fined not less than $500 nor more than $1,000, and also be sentenced to hard labor for the county, or be imprisoned in the county jail for not less than 6 months nor more than 1 year (sec. 306).

Employer intimidating employee: Any employer or officer of an employer corporation, who attempts by coercion, intimidation, or threats to discharge or lessen wages, to influence the vote of an employee or who demands an inspection of employee's ballot, shall be guilty of a misdemeanor, punishable by a fine of not less than $500 (secs. 317, 318).

Arizona: Unless otherwise designated, references are to Revised Statutes, Annotated, 1956, title 16:

Coercion or intimidation of elector: It is unlawful for a person, directly or indirectly, to use or threaten to use force, violence, or restraint, or in any other manner to intimidate a person in order to induce him to vote or refrain from voting for a particular person or measure, or to commit such acts on account of a person's having voted or refrained from voting at an election.

It is unlawful for a person, by abduction, duress, or any forcible or fraudulent device, to hinder, prevent, or otherwise interfere with the free exercise of the elective franchise by any voter, or to compel him to either vote or refrain from voting at an election, to vote or refrain from voting for a particular person or measure.

Violation of this provision by a person, whether acting in his individual capacity or as an officer or agent of a corporation, is a misdemeanor, punishable by a fine not exceeding $5,000 (secs. 16–1303, 16–1305).

Intimidation of elector by employer: It is unlawful for an employer to place written or printed material in pay envelopes or, within 90 days prior to an election, to put up notices or placards, etc., in the place of employment, containing express or implied threats intended to influence the political opinions or actions of employees.

Violation of this provision by an employer, whether an individual or an officer or agent of a corporation, is a misdemeanor, punishable by a fine not exceeding $5,000 (sec. 16–1304).

Changing vote of elector by corrupt means: It is unlawful for a person by force, threats, menaces, bribery, or any corrupt means, either directly or indirectly, to attempt to influence an elector in casting his vote or to deter him from casting his vote, or to attempt to awe, restrain, hinder, or disturb an elector in the free exercise of the right of suffrage, or to defraud an elector by deceiving him and causing him to vote for a different person or measure than he intended. A person violating this provision is guilty of a felony (sec. 16–1307).

Primary: The penal provisions involving crimes against the elective franchise apply to general, primary, and special elections (sec. 16–1311).

Arkansas: Unless otherwise designated, references are to Statutes 1947, Annotated, 1956 replacement:

Intimidation of electors: It shall be unlawful for any person to threaten or attempt to intimidate any elector or his family, his business, or his profession, and it shall also be unlawful to attempt to prevent any qualified elector from voting at any primary election. Violation of this provision shall be deemed a misdemeanor, punishable by a fine of not over $500 (sec. 3–1414).

Intimidation of voters: No person shall coerce, intimidate, or unduly influence any elector to vote for or against the nominee of any political party or for or against any question or candidate, by threat of personal violence or of ejectment from rented premises, of foreclosure of mortgage, of discharge from employment, of any action at law or

equity or of expulsion from membership in any church or society. Violation of this provision shall be deemed a felony, punishable by imprisonment in the penitentiary for from 1 to 3 years (sec. 3-1415).

California: Unless otherwise designated, references are to Elections Code Annotated—West's—1955:

Hindering public meeting: Every person is guilty of a misdemeanor who, by threats, intimidation, or unlawful violence, willfully hinders or prevents electors from assembling in public meetings for consideration of public questions (sec. 5004).

Intimidating voter: Every person or corporation is guilty of a misdemeanor, who directly or indirectly uses or threatens to use force, violence, restraint, or inflicts or threatens to inflict any injury, damage, harm, or loss or other forms of intimidation to compel a person to vote or refrain from voting at any election (sec. 1158).

Interference with free exercise of elective franchise: Every person or corporation is guilty of a misdemeanor who, by abduction, duress, or any forcible or fraudulent means, impedes or prevents the free exercise of the elective franchise by any voter; or who compels or induces a voter either to give or refrain from giving his vote at any election or to vote or refrain from voting for a particular person (sec. 11582).

Election officers: Any election officer who induces or attempts to induce any voter either by menace or reward, to vote differently from the way he intended to vote, is guilty of a felony (sec. 11583).

Threat by employer: Any employer, whether a corporation or natural person, is guilty of a misdemeanor, if he encloses material in the pay envelopes containing threats, express or implied, intended to influence political opinions or actions of employees, or who within 90 days before an election exhibits any placard, etc., in the place of employment, containing such threats (secs. 11584, 11585).

Penalty: Any corporation guilty of intimidating a voter shall forfeit its charter (sec. 11586).

Misdemeanor: Unless a different penalty is prescribed, a misdemeanor is punishable by imprisonment in the county jail for not more than 6 months or by fine of not over $500, or by both (Penal Code, sec. 19).

Scope of penalty provisions: All penalty provisions listed above apply to both final elections and primary elections (sec. 11500).

Colorado: Unless otherwise designated, references are to Revised Statutes, 1953, chapter 49:

Intimidation unlawful: It shall be unlawful for any person, directly or indirectly, to use force, violence or restraint, or to inflict or threaten to inflict any injury, harm or loss or other forms of intimidation to induce or compel a person to vote or refrain from voting for any particular person or measure at any election. It shall be unlawful for any person, by abduction, duress, or any forcible or fraudulent means to impede or prevent or interfere with the free exercise of the elective franchise of any voter. It shall be unlawful for an employer, whether corporation, firm, or person, to enclose material in the pay envelopes, containing threats, express or implied, intended to influence the political opinion or actions of employees, or within 90 days before an election, to display placards in the place of employment, containing such threats (sec. 49-21-5).

Penalty: Any person convicted of violating the above provision shall be guilty of a misdemeanor, and punished by a fine of not over $1,000 or by imprisonment in the county jail for not more than 1 year, or by both (secs. 49-21-5, 49-21-9).

Discharge or promotion illegal: It shall be unlawful for any corporation or any of its officers to influence or attempt to influence, by force, violence, or restraint or by inflicting or threatening to inflict injury, harm or loss, or by discharging from employment or promoting in employment, or by other intimidation, any employee to vote or refrain from voting at any election or for any particular candidate. Violation of this provision shall be deemed a misdemeanor and shall be punishable as outlined in the "Penalty" provision above. In addition a corporation shall forfeit its charter and right to do business in the State (sec. 49-21-6).

Connecticut: Unless otherwise designated, references are to 1955 Supplement to the General Statutes:

Interference with electors in voting: Any person who does any act which invades or interferes with the secrecy of the voting or causes the same to be invaded or interfered with, shall be imprisoned for not more than 5 years (sec. 843d).

Primaries: Any person who influences or attempts to influence the vote or speech of any person in a primary, caucus, or convention by force or threat, shall be fined not less than $25 nor more than $100, or imprisoned not less than 7 days nor more than 3 months, or be both fined and imprisoned (sec. 821d).

Employers' threats: Any person who, within 60 days before an election attempts to influence any employee in his vote, by threats of withholding employment or who dismisses an employee because of the way he voted at an election, shall be fined from $100 to $500 or be imprisoned for from 6 to 12 months, or be both fined and imprisoned (sec. 842d).

Delaware: Unless otherwise designated references are to Code, Annotated, 1953, title 15:

Intimidation by election officer: An election officer who in any way attempts to intimidate or coerce any voter in the marking of his ballot or in the choice of the candidates for whom he votes, or who willfully discloses the manner in which any person has voted, shall be guilty of willful and malicious perjury (as violating his oath of office) and in addition to the penalties for perjury, shall be fined not more than $500, and may be imprisoned for not more than 2 years (sec. 5125).

Intimidation by employer: If any person or corporation hinders, controls, coerces, or intimidates any employee in the exercise of his right to vote at any general, special, or municipal election by threats of depriving him of employment, every elector, so aggrieved, may bring a civil action and recover $500 from such employer (secs. 5162, 5163).

Civil remedy: Any qualified elector who is prevented from voting at any election because of intimidation or threats, or because of the requirement of unconstitutional qualifications, may bring a civil action against the person who promoted such interference, and the court or jury may give exemplary damages (sec. 5304).

Primaries: Whoever, at any primary election, attempts to influence an elector in giving his vote, by force, threat, or intimidation, or prevents or hinders or attempts to prevent or hinder any qualified voter from exercising the rights of suffrage, shall for each offense, be fined not more than $200 or imprisoned not more than 2 years, or shall both be fined and imprisoned (sec. 3168 (a)).

Florida: Unless otherwise designated, references are to Statutes Annotated, 1955 Supplement:

Corruptly influencing voting: Whoever, by bribery, menace, threat, or other corruption whatsoever, directly or indirectly, attempts to influence or deceive an elector in giving his vote, or to deter him from giving the same, or disturbs or interferes with him in the free exercise of the right of suffrage at any election, shall be guilty of a misdemeanor upon the first conviction and of a felony upon the second conviction (sec. 104.061).

Felony penalty: The penalty for every felony under the election laws, not otherwise specifically provided, shall be imprisonment in the State prison for not more than 1 year or a fine of not more than $5,000, or both (sec. 104.40).

Threats of employers: It shall be unlawful for any person, firm, or corporation to discharge or threaten to discharge any employee for voting or not voting in any State, county, or municipal election for any candidate or measure. Any person violating this provision shall be guilty of a misdemeanor. If a firm or corporation violates this provision, each officer or agent who participated in the violation shall be punished for a misdemeanor, and the firm or corporation, shall, in addition, be fined not more than $1,000 (sec. 104.081).

Georgia: Unless otherwise designated, references are to Code Annotated, 1936:

Improper voting; disorderly conduct: No person outside a voting room or voting booth shall in any manner, either by words or gestures, attempt to influence or interfere with any voter who is in said room or booth preparing his ballot; nor shall any person enter any booth while a voter is in there; nor shall any person commit any act of disorder, or be guilty of any disorderly conduct in or near the voting rooms or booths (sec. 34-1909).

Violation of this provision shall be a misdemeanor (sec. 34-9918).

Primary: All penal laws relating to illegal practices in general elections are extended to all primary elections held for State, county, or municipal offices (1955 Supp., sec. 34-9933).

Idaho: Unless otherwise designated, references are to code, 1948:

Intimidation, corruption, and frauds: Every person, who, by force, threats, menaces, bribery, or any corrupt means, directly or indirectly, attempts to influence an elector in giving his vote or to deter him from giving same, or to awe, restrain, hinder, or disturb him in the free exercise of his right of suffrage, or defrauds an elector at an election by deceiving him and causing him to vote differently than he intended, or who, being an officer of any election, induces or attempts to induce any elector, by menace or reward, to vote differently than he desired, is guilty of a misdemeanor (sec. 18-2305), punishable by imprisonment in a county jail for not more than 6 months, or by a fine of not over $300, or by both (sec. 18-113).

Interference with election: Any person who willfully disturbs any election place, or is guilty of riotous conduct near such place with intent to disturb same, or interferes with the access of electors to the polling place, or interferes in any manner with the free exercise of the election franchise of any of the voters there assembled, is guilty of a misdemeanor, punishable as stated above (sec. 18-2313).

Attempt to influence vote: No person shall attempt to influence the vote of any elector by means of a promise of a favor, or by means of violence or threats of violence, or threats of withdrawing custom or business dealing, or enforcing of a debt, or discharging from employment, or bringing a suit or criminal process, or any other threat of injury to be inflicted on him, or by any other means (sec. 18-2319). Violation of this provision is punishable by a fine not exceeding $1,000, or by imprisonment in the State prison not exceeding 5 years, or by both (sec. 18-2315).

Illinois: Unless otherwise designated, references are to Smith-Hurd Annotated Statutes, 1944, chapter 46:

Offenses involving polling places: No person shall interrupt, hinder, or oppose any voter while approaching the polling place for the purpose of voting. Violation of this provision is punishable by a fine of from $50 to $500, or by imprisonment in the county jail for not more than 1 year, or by both, in the discretion of the court, for each offense. It shall be the duty of judges of election to enforce this provision (sec. 29–14).

Miscellaneous offenses: Any person, who, at a primary or any election, shall (1) by force, threat, menace, intimidation, bribery, or otherwise unlawfully, directly or indirectly, induce or attempt to induce any voter or any person to exercise the right of franchise, or to vote for or against any person or measure, or (2) intentionally practice any fraud on any elector regarding his ballot, or (3) otherwise defraud him of his vote, or (4) by unlawful means prevent or attempt to prevent any voter from attending or voting at an election or primary, shall be fined not more than $5,000 or imprisoned in the county jail for not more than 1 year, or imprisoned in the penitentiary for from 1 to 5 years (sec. 29–16).

Indiana: Unless otherwise designated, references are to Burma Statutes Annotated, 1949, replacement:

Using violence, threats, or restraint: Whoever, for the purpose of influencing a voter, by violence or threats, seeks to enforce the payment of a debt, or ejects or threatens to eject a person from any house he may occupy, or begins a criminal prosecution, or injures the business or trade of a person, or threatens to withhold the wages of or to dismiss from service, any laborer in his employ, or refuses to allow such employee time to vote, shall be guilty of a felony (sec. 29–5941).

Coercion by election board officer: Any member of a precinct election board, who attempts, by persuasion, menace, or reward to induce any elector to vote for any person, shall be guilty of a misdemeanor (sec. 29–5935).

Defrauding voter: Whoever fraudulently causes or attempts to cause any voter, at any election, to vote for a different person than he intended, shall be guilty of a misdemeanor (sec. 29–5938).

Bribery or threat by candidate: Whoever gives or offers a bribe or makes a threat to procure his election to any office, shall be guilty of a felony (sec. 29–5907).

Threats by employer: Every employer who places written or printed material in the pay envelopes, or, within 90 days prior to an election or primary, exhibits placards, etc., in his place of employment, containing express or implied threats intended to influence the political opinions or actions of such employees, shall be guilty of a misdemeanor (sec. 29–5711).

Felonies, penalty: A person, convicted of a felony under the election laws, shall be imprisoned for from 1 to 5 years in either the State prison or the reformatory, as may be required by law, and shall be disfranchised for any determinate period, to which may be added a fine of from $50 to $1,000 (sec. 29–5964).

Misdemeanors, penalty: Any person convicted of a misdemeanor under the election laws may either be fined from $1 to $500, or be imprisoned in either the county jail or the State farm for from 30 days to 1 year, or by both such fine and imprisonment, and shall be disfranchised for any determinate period not to exceed 5 years (sec. 29–5965).

Iowa: Unless otherwise designated, references are to Code Annotated, 1949:

Prohibited acts: Interrupting, hindering, or opposing any voter while in or approaching the polling place for the purpose of voting, or interfering or attempting to interfere with a voter when inside the closed space or when marking his ballot, are prohibited on any election day (sec. 49.107).

Any violation of these provisions is punishable by a fine of from $5 to $100, or by imprisonment for from 10 to 30 days in the county jail, or by both (sec. 49.108).

Duress to prevent voting: If any person unlawfully and by force or threats of force prevents or attempts to prevent an elector from giving his vote at any public election, he shall be imprisoned in the county jail for not more than 6 months, and fined not more than $200 (sec. 738.13).

Procuring vote by duress: If any person, by means of violence, threats of violence, or threats of withdrawing custom or business dealing, or enforcing the payment of debts, or bringing a civil or criminal action or by any other threat of injury, endeavors to procure the vote of any elector, at any election, or the influence of any person over other electors, either for himself or for or against any candidate, he shall be fined not more than $500 or imprisoned in the county jail for not more than 1 year (sec. 738.15).

Intimidation by employer: Any employer who shall refuse to allow an employee 2 hours to vote at a general election or who shall reduce his wages for such privilege, or who shall attempt to influence an employee's vote by reward or by threats of discharge, or shall otherwise attempt to intimidate an employee from exercising his right to vote, shall be fined not less than $5 nor more than $100 (sec. 49.110).

Kansas: Unless otherwise designated, references are to General Statutes Annotated, 1949:

Unlawful attempt to deter voting: If any person, by menaces, threats, or force, or other unlawful means, directly or indirectly attempts to influence a voter in giving his vote, or to deter him from giving the same, or hinders him in the free exercise of his right of suffrage, at any election, he shall be guilty of a misdemeanor, punishable by a fine of not over $500, or by imprisonment in the county jail for not more than 1 year (sec. 21–815).

Hindering voters: Any person who shall willfully hinder the voting of others shall be punished by a fine of from $10 to $100, or by imprisonment in the county jail for from 10 to 30 days or by both (sec. 25–1717).

Hindering voters at polls: No person shall interrupt, hinder, or oppose any voter while approaching the polling place for the purpose of voting. Violation of this provision is punishable by a fine of from $25 to $100, or by imprisonment in the county jail for from 10 to 30 days, or by both such fine and imprisonment, for each offense (sec. 25–1719).

Kentucky: Unless otherwise designated, references are to Kentucky Revised Statutes, 1953:

Interfering with election: Any person who unlawfully prevents or attempts to prevent any voter from casting his ballot, or intimidates or attempts to intimidate a voter to prevent him from casting his ballot, shall be confined in the penitentiary for from 1 to 5 years for each offense (sec. 124.140).

Coercion by employer: No person shall coerce an employee to vote for any political party or candidate for nomination or election to any office in the State, or threaten to discharge an employee for exercising his right of suffrage or for voting for any candidate, nor shall an employer circulate statements that employees are expected to vote for any candidate, party, or measure (sec. 123.110 (1)).

Any person who violates this provision shall be fined from $1,000 to $5,000, or imprisoned in the county jail for not more than 6 months, or shall be both so fined and imprisoned (sec. 123.990 (13)).

Louisiana: Unless otherwise designated, references are to Revised Statutes Annotated, West's, 1951:

Primary: No person shall intimidate any voter at a primary election. Violation of this provision is punishable by a fine of from $50 to $500 and imprisonment for from 6 months to 2 years (sec. 18.369 (8)).

Obstructing voter: No person shall willfully and without lawful authority obstruct, hinder, or delay any voter on his way to a polling place to vote in an election. Violation of this provision is punishable by a fine of not over $1,000, or imprisonment for not more than 1 year (secs. 18.587, 18.589).

Hindering voters: Prior to or during an election, no person shall willfully hinder the voting of others. Violation of this provision is punishable by a fine of not over $1,000 or imprisonment for not more than 1 year (secs. 18.736, 18.589).

Public intimidation: The use of violence, force, or threats upon a voter in a general, primary, or special election to influence his conduct, is deemed public intimidation and is punishable by a fine of not over $1,000, or imprisonment with or without hard labor for not more than 5 years, or both (sec. 14.122 (4)).

Maine: Unless otherwise designated, references are to Revised Statutes, 1954, chapter 5:

Interfering with voter: Any person who shall interfere or attempt to interfere with any voter while inside the voting enclosure or while marking his ballot shall be fined from $5 to $100. Election officers shall report any such person to a police officer or constable, whose duty it shall be to see that the offender is duly brought before the proper court (sec. 107).

Corruption at elections: Whoever by menace, bribery, or other corrupt means, directly or indirectly attempts to influence a voter in giving his vote or to induce him to withhold his vote, or hinders or disturbs him in the free exercise of his right of suffrage at any election, shall be fined not more than $500, or imprisoned for not more than 11 months, and shall be ineligible to office for 10 years (sec. 109).

Maryland: Unless otherwise designated, references are to Annotated Code of Maryland, Flack, 1951, article 33.

Hindering voters: If, at any general, special or primary election, any person shall by force, threat, menace, intimidation, or bribery, either directly or indirectly influence or attempt to influence any voter in giving his vote or hinder or attempt to hinder a voter from freely voting or induce him to vote, such person shall be imprisoned in jail or in the penitentiary for from 6 months to 5 years (sec. 179).

Coercion by employer: Any employer, whether an individual or a corporation, who shall deny an employee time off for voting at a general, special, or primary election or shall directly or indirectly hinder him from exercising his right to vote freely or shall attempt to influence his vote by threats concerning his employment, shall be guilty of a misdemeanor, punishable, for each offense, by a fine of not over $500 or imprisonment in jail for not over 6 months, or both, in the discretion of the court (sec. 180).

Massachusetts: Unless otherwise specified, references are to Annotated Laws, Michie, 1953 edition.

Corrupt practice by candidate: A candidate is deemed to have committed a corrupt practice if he fraudulently and willfully obstructs and delays a voter in a general election, primary or caucus (ch. 55, secs. 27, 29).

If five or more persons have reason to believe that a corrupt practice has been committed by any successful candidate, other

than a candidate for the United States Congress or the general court, such voters may apply to a justice of the superior court sitting in equity in Suffolk County, for leave to bring an election petition declaring the election of such candidate void (ch. 55, sec. 28).

A candidate found guilty, upon an election petition, of such corrupt practice who forfeits his office, or who is convicted in a criminal proceeding of violating a law relating to corrupt practices in elections, shall be disqualified to hold office and to vote, for 3 years (ch. 55, sec. 37).

Interfering with voter: Whoever willfully and without lawful authority hinders, delays, or interferes with a voter while on his way to a primary, caucus, or election, or while within the guardrail, or while marking his ballot, or while voting or attempting to vote, shall be fined not more than $500, or imprisoned not more than 1 year (ch. 56, sec. 29).

Obstructing voting: Whoever willfully obstructs the voting at a primary, caucus, or election shall be fined not more than $100 (ch. 56, sec. 30).

Coercion by employer: No person shall by threats to discharge or to reduce wages, or promises of rewards, attempt to influence his employee to either give or withhold a vote, nor shall he discharge an employee or reduce his wages because he gave or withheld a vote. Violation of this provision is punishable by imprisonment for not more than 1 year (ch. 56, sec. 33).

Michigan: Unless otherwise designated, references are to Statutes, Annotated, 1956 Revision, title 6.

Violation deemed felony: Any person who shall, by menace, bribery, or other corrupt means, directly or indirectly, attempt to influence any elector in giving his vote or to deter him from or interrupt him in giving same at any general or primary election, shall be guilty of a felony (sec. 6.1932 (a)), punishable by a fine not exceeding $1,000, or by imprisonment in the State prison for not more than 5 years, or by both, in the discretion of the court (sec. 6.1935).

Coercion by employer: It shall be unlawful for an employer, whether an individual, firm, or corporation, to enclose written or printed matter in the pay envelopes, or within 90 days before a primary or general election, to exhibit a placard, etc., in establishment where his workers will see it, containing express or implied threats concerning employment, intended to influence the political opinion or actions of his employees (sec. 6.1912). Violation of this provision is deemed a misdemeanor (sec. 6.1931 (d)), punishable by a fine not exceeding $500, or by imprisonment in the county jail for not more than 90 days, or by both, in the discretion of the court (sec. 6.1934).

Minnesota: Unless otherwise designated, references are to Statutes, Annotated, 1946.

Coercing voters: Any person who, within or without any polling place, directly or indirectly uses or threatens to use force, violence, or restraint, or causes or threatens to cause damage, harm, or loss to any person, with intent to induce or compel a person to vote or refrain from voting or to vote in a particular way at any election, or who by abduction, duress, or other fraudulent device, impedes the free exercise of the right of franchise at any election, shall be guilty of a gross misdemeanor (sec. 210.05).

Undue influence by candidate: No person shall, directly or indirectly, use or threaten to use force, coercion, violence, restraint, or undue influence or shall inflict or threaten to inflict any injury, loss, or harm, upon any person in order to compel him to vote or refrain from voting in any particular way; nor shall anyone by abduction, duress, or fraudulent means impede or prevent the free exercise of the franchise by any voter at a primary or election or to induce an elector to give or refrain from giving his vote at a primary or election (sec. 211.12). Violation of this provision is deemed a gross misdemeanor (sec. 211.30).

Refusing employee election privilege: Any person who, as principal or as agent for another, shall directly or indirectly refuse, abridge or interfere with the election privileges of an employee, shall be guilty of a misdemeanor (sec. 210.11).

Coercion by employer: No employer or his agent shall make any verbal or written, express or implied threats against his employees, involving their employment, with the intention of influencing their political opinion or action (sec. 211.24). Violation of this provision by any person as an individual shall be deemed a gross misdemeanor (sec. 211.30). Violation by an officer or agent of a corporation shall be punished by a fine of from $100 to $5,000, or by imprisonment in the State prison for from 1 to 5 years or by both (sec. 211.28). Violation by an officer shall be deemed prima facie evidence of violation by the corporation. It is made the duty of the county attorney to conduct prosecutions under this chapter (211) on proper complaint.

Mississippi: Unless otherwise designated, references are to code, 1942.

Intimidating electors: Whoever shall procure or endeavor to procure the vote of any elector or the influence of any person over electors, at any election, by violence, threats of violence, threats of withdrawing trade, or of enforcing a debt, or of bringing civil or criminal action, or of inflicting any injury, shall be imprisoned in the county jail for not more than 1 year, or shall be fined not more than $1,000, or shall be both so fined and imprisoned (sec. 2032).

Intimidating electors: Any person who shall by illegal force or threats of force, prevent or attempt to prevent any elector from giving his vote, shall be punished by imprisonment in the penitentiary for not more than 2 years, or in a county jail for not more than 1 year, or by a fine of not over $500, or by both fine and imprisonment (sec. 2106).

Coercing employees in primary: It shall be unlawful for any employer, whether an individual, firm, or corporation, to directly or indirectly coerce his employees to vote for any particular person or party in a primary election, by express or implied threats involving their employment (sec. 3172). Violation of this provision is punishable by a fine of not over $500 or imprisonment in the county jail for not more than 1 year, or both, and if violation is by a candidate, he shall forfeit his nomination (sec. 3193 (a)).

Missouri: Unless otherwise designated, references are to Vernon's Annotated Statutes, 1952.

Violence to influence voter: Any person who shall, directly or indirectly, use or threaten to use force, violence or restraint, or shall inflict or threaten to inflict any injury, damage, or loss upon or against any person in order to compel him to vote or refrain from voting at any election, or who shall by abduction, fraud or duress, impede or prevent the free exercise of the franchise by any elector or shall thereby induce him to vote or refrain from voting, shall be imprisoned in the county jail for from 1 month to 1 year (sec. 129.050).

Intimidating voters: If any person by menaces, threats or force, or other unlawful means, attempts to influence any qualified voter in giving his vote, or to deter him from giving same, or to disturb or hinder him in the free exercise of his right of suffrage at any election, he shall be adjudged guilty of a misdemeanor (sec. 129.430).

Interference with voter: Any person who shall interfere or attempt to interfere with any voter when inside the guardrail or when marking his ballot, shall be deemed guilty of a misdemeanor (sec. 129.880).

Coercion by employer: Every person, whether an individual employer or an officer or agent of a firm or corporation, who shall directly or indirectly discharge or attempt to discharge any employee for his political opinions or who shall coerce or threaten to coerce, intimidate, or bribe any employee in an attempt to influence him to vote or refrain from voting for any candidate or measure at any election, shall be deemed guilty of a felony, punishable by imprisonment in the penitentiary for from 2 to 5 years (sec. 129.080).

Violation of this provision by a corporation shall be held as a forfeiture of its charter or franchise, which may be so adjudged in a suit brought by the county or circuit prosecuting attorney or by the attorney general (sec. 129.070).

Denial of time to vote: Any person or corporation who shall deny an employee a certain time for voting without a penalty or reduction in wages, shall be guilty of a misdemeanor, punishable by a fine of not over $500 (1956 Supp., sec. 129.060).

Montana: Unless otherwise designated, references are to Revised Codes, 1947.

Intimidating electors: Every person who, directly or indirectly, by force, threats, menaces, bribery, or other corrupt means, attempts to influence an elector in giving his vote, or to deter him from giving same, or who attempts by any means to awe, restrain, hinder or disturb any elector in the free exercise of his right of suffrage, is guilty of a misdemeanor, punishable by a fine of not over $1,000, or imprisonment of not over 1 year, or both (sec. 94–1411).

Preventing public meetings of electors: Every person who, by threats, intimidation, or violence, willfully hinders or prevents electors from assembling in a public meeting for the consideration of public questions, is guilty of a misdemeanor (sec. 94–1419).

Coercion by employer: It shall be unlawful for any employer, whether individual or corporation, to enclose printed or written material in the pay envelopes, or, within 90 days prior to an election, to display placards, etc., in his working establishment, containing express or implied threats or promises regarding their employment, with the intention of influencing the political opinion or actions of his employees. Violation of this provision by an individual is a misdemeanor, punishable by a fine of from $25 to $500, and imprisonment for not over 6 months in the county jail. Violation by a corporation is punishable by a fine of not over $5,000, or forfeiture of its charter, or both (sec. 94–1424).

Nebraska: Unless otherwise designated, references are to Revised Statutes, 1943, reissue of 1952.

Registration: If at any registration of voters, any person, by force, threat, menace, intimidation, bribery, or other unlawful means, shall prevent, hinder, or delay any qualified person from being registered, he shall be guilty of a felony, punishable by imprisonment in the State prison for from 1 to 5 years (sec. 32–1224 (7)).

Obstructing voters: It shall be unlawful for any person to willfully or wrongly obstruct or prevent persons from voting who have the right to do so, at any election. Violation of this provision is a misdemeanor, punishable by imprisonment in the county jail for from 1 to 6 months. This shall apply to all elections and caucuses (sec. 32–1237 (2)).

Coercion by employer: It shall be unlawful for any person, firm, or corporation to coerce or attempt to coerce an employee in his voting at any caucus, convention, or

election by threats concerning his employment. Violation of this provision is punishable by a fine of not over $100, or imprisonment in the county jail for not over 30 days (sec. 32–1223).

Nevada.

Coercion of voters: Every person who shall, directly or indirectly use or threaten to use force, coercion, violence, restraint, or undue influence or other means or who shall inflict or threaten to inflict injury, damage or harm, or publish or threaten to publish any fact concerning a person in order to induce him to vote or refrain from voting for any candidate, party, or measure, or who shall by abduction, fraud, or duress, or by threats to discharge an employee, impede or prevent a voter from exercising freely his right of suffrage, shall be guilty of undue influence and shall be punished as for a gross misdemeanor (Laws, 1951, ch. 242, p. 360).

Time off to vote: Any employer who shall deny an employee certain time for voting without penalty or reduction in wages, shall be guilty of a misdemeanor (Laws, 1955, ch. 203, p. 301).

New Hampshire: Unless otherwise designated, references are to Revised Statutes Annotated, 1955.

Intimidation: If any person shall, directly or indirectly, by threats, intimidation, or bribery, induce or attempt to induce any voter to stay away from, or to avoid voting at, or to vote for or against any candidate in any town meeting, primary, or election, he shall be fined not more than $500 or imprisoned for not more than 3 months (sec. 69: 11).

New Jersey: Unless otherwise designated, references are to Statutes Annotated, 1940, title 19.

Obstructing voter: A person who shall, on election day, obstruct or interfere with any voter, shall be guilty of a misdemeanor, punishable by a fine of not over $500, or by imprisonment for not more than 1 year, or both (1956 Supp., sec. 19: 34–6).

Intimidating voters: No person shall, directly or indirectly, use or threaten to use force, violence, or restraint, or shall inflict or threaten to inflict any injury, damage, harm, or loss on any person in order to induce him to vote or refrain from voting at any election, or for any particular person, or on account of such person having voted or refrained from voting at any election (1956 Supp., sec. 19: 34–28).

Hindering voter: Whoever shall, at any election, in any way, willfully hinder or prevent a voter from casting his legal vote, knowing such person to have a right to vote, shall be guilty of a misdemeanor, punishable by a fine of $500, or imprisonment in the State prison for 3 years, or both (sec. 19: 34–20).

Interfering with voter: Any person who shall, by abduction, duress, force, or fraud, impede, prevent or interfere with the free exercise of the elective franchise by any voter, or induce him to vote or refrain from voting at any election or for any particular candidate shall be guilty of a misdemeanor (secs. 19: 34–29, 19: 34–31). An employer who shall so act toward an employee shall be guilty of a misdemeanor, punishable by fine of not over $2,000, or imprisonment for not over 5 years, or both (sec. 19: 34–27), and any corporation so acting, shall forfeit its charter (sec. 19: 34–31).

Expenditures prohibited: No person shall contribute money toward the hiring of a person to obstruct, hinder, or prevent the forming of lines of voters awaiting their turn to enter a polling place to vote (sec. 19: 34–38 d).

Coercion by employer: No employer shall insert written or printed material into the pay envelopes, or, within 90 days before an election, shall exhibit placards, etc., in his establishment, containing express or implied threats relative to their employment, with the intention of influencing the political opinions or actions of his employees (sec. 19: 34–30).

Violation of this provision is punishable as for Interfering with voter, above.

New Mexico: Unless otherwise designated, references are to Statutes, 1953, Annotated.

Intimidating voter: Any person who shall willfully coerce, browbeat, intimidate, or threaten any voter within a polling place, or shall attempt to do so in order to influence the voter in marking his ballot, shall be guilty of a misdemeanor, punishable by a fine of not over $200, imprisonment for not more than 6 months, or both (sec. 3–8–29).

Intimidation: Any person who shall, directly or indirectly, use force, violence or restraint or shall inflict or threaten to inflict injury, damage, or loss on any person to induce him to vote or refrain from voting for any candidate, party or measure, or who shall by abduction, fraud, or duress, impede or prevent the free exercise of his right of suffrage by any elector, shall be guilty of a felony, punishable by a fine of from $500 to $1,000, or by imprisonment in the penitentiary for from 1 to 5 years, or by both (sec. 3–8–17).

Coercion by employer: Any employer, whether individual, firm, or corporation, who shall directly or indirectly discharge or threaten to discharge any employee on account of his political opinion, or who shall by corrupt means attempt to induce him to vote or refrain from voting for any candidate or measure, shall be fined from $100 to $1,000, or imprisoned for not more than 6 months, or both (sec. 3–18–15).

New York: Unless otherwise designated, references are to Penal Law (McKinney's), 1949.

Hindering voter: Any person who willfully and unlawfully hinders or delays or aids in obstructing or delaying an elector on his way to register or vote or while he is attempting to register or vote in a general or special election, is guilty of a misdemeanor (sec. 764 (3)).

Intimidation of elector in military service: Any person, who, directly or indirectly by menace, bribery, or other corrupt means attempts to control an elector in the military service of the United States in the exercise of his election rights, or who annoys, injures, or punishes him for the manner in which he exercises those rights, is guilty of a misdemeanor for which he may be tried in the future when in the State, and upon conviction of which he shall thereafter be ineligible to any office in the State (sec. 771).

Intimidation of electors: It shall be unlawful for any person to intimidate, threaten, or coerce, or to attempt to intimidate, threaten, or coerce any person for the purpose of interfering with his right to vote or to vote as he may choose. Violation of this provision shall be punishable by a fine of not over $1,000, or imprisonment for not over 1 year, or both (sec. 772–a (1)).

Duress and intimidation of voters: Any person or corporation who directly or indirectly uses or threatens to use force, violence, or restraint, or threatens to inflict any injury, damage, or loss on, or otherwise intimidates, any person in order to induce him to vote or to refrain from voting at any election for or against any person or measure, or to refrain from registering to vote, or for having registered and voted, or for having refrained from registering and voting, or who by abduction, duress, or fraud interferes with his free exercise of his right of suffrage, is guilty of a misdemeanor and, if a corporation, shall in addition forfeit its charter (sec. 772 (1) (2)).

Coercion by employer: Any employer who inserts in the pay envelopes written or printed matter, or, within 90 days before a general election displays placards, etc., in his establishment, containing express or implied threats relating to their employment, intended to influence the political opinion or actions of his employees, is guilty of a misdemeanor, and if a corporation, shall in addition forfeit its charter (sec. 772 (3)).

North Carolina: Unless otherwise designated, references are to General Statutes, 1952 Recompilation.

Interference with voters: Any person who shall interfere with or attempt to interfere with any voter when inside enclosed polling space or when marking his ballot, shall be guilty of a misdemeanor and shall be fined or imprisoned or both, in the discretion of the court (sec. 163–176).

Intimidation: Any person who shall, in connection with any primary or election, directly or indirectly, discharge or threaten to discharge from employment, or otherwise intimidate or oppress any qualified voter on account of any vote such voter may cast or intend to cast or not to cast, or which he may have failed to cast, shall be guilty of a misdemeanor and shall be fined or imprisoned, or both, in the discretion of the court (sec. 163–196 (6)).

North Dakota: Unless otherwise designated, references are to Revised Code of 1943.

Hindering electors: Every person who by force, threat, bribery, or other corrupt means, directly or indirectly, attempts to influence an elector in giving his vote at any election, or to deter him from giving his vote, or who attempts by any means to owe, restrain, hinder, or disturb an elector in the free exercise of his right of suffrage or to induce him to vote differently than he intended to vote, is guilty of a misdemeanor, punishable by a fine of from $100 to $1,000 and by imprisonment in the county jail for from 3 months to 1 year and shall forever be disfranchised and ineligible to any office of trust or profit within the State (sec. 12–1106).

Obstructing elector: Every person who wilifully and without authority, obstructs, hinders, or delays any elector on his way to the polls to vote, is guilty of a misdemeanor (sec. 12–1111).

Unlawful influence: Every person, who, willfully, by unlawful arrest, force and violence, threats of violence, intimidation, threats of withdrawing trade or of enforcing payment of debts, or of bringing civil or criminal action, or by any other threat of injury, endeavors to prevent an elector from freely giving his vote at any election, or hinders him from voting or attempts to influence his vote, is guilty of a misdemeanor (sec. 12–1121).

Ohio: Unless otherwise designated, references are to Revised Code, Page's, 1954.

Congregating at the polls: Nobody shall congregate in or about a voting place during the voting, so as to hinder an elector in registering or casting his ballot, after having been ordered by the election officer to disperse. Violation of this provision is punishable by a fine of from $20 to $300, or imprisonment for not more than 6 months, or both (sec. 3599.30).

Intimidation: No person shall before, during or after any primary, convention, or election, attempt by intimidation, coercion,

or other unlawful means to induce a delegate or an elector to register or to vote, or to refrain from registering or from voting for a particular person or measure.

Violation of this provision is deemed bribery and is punishable by a fine of not over $1,000, or imprisonment of from 1 to 3 years, or both, and if offender is a candidate for office or has been elected to office, he shall forfeit such nomination or office (1956 Supp., sec. 3599.01 (B)).

Coercion by employer: No employer shall insert in pay envelopes or shall post on placards, etc., any express or implied threats concerning their employment, with intent to influence the political opinion or votes of his employees.

Violation of this provision is a corrupt practice, punishable by a fine of from $500 to $1,000 (sec. 3599.05).

Second offense: Any person who is again convicted of a violation of the election laws, whether for the same offense or not, shall be fined from $500 to $1,000, or imprisoned for from 1 to 5 years, or both, and in addition shall be disfranchised (1956 Supp., sec. 3599.39).

Oklahoma: Unless otherwise designated, references are to Statutes, Ann., 1937, title 21.

Obstructing elector on way to polls: Every person who willfully and without authority, obstructs, hinders, or delays any elector on the way to the polls to vote, is guilty of a misdemeanor (sec. 186).

Preventing public meeting: Every person, who, by threats, intimidation, or unlawful violence, willfully hinders or prevents electors from assembling in, or prevents an elector from attending public meeting to consider public questions, is guilty of a misdemeanor (secs. 212, 213).

Intimidating voter: Every person who willfully, by unlawful arrest, force, violence, threats, or intimidation, prevents or attempts to prevent an elector from freely giving his vote at an election or attempts to hinder him from voting or to cause him to vote for any person or candidate, shall be fined from $50 to $1,000 (sec. 214).

Illegally influencing vote: Every person who procures or attempts to procure the vote of any elector either for himself or for or against any candidate, by means of violence, threats of violence, threats of withdrawing trade, of enforcing payment of debts, of bringing civil or criminal action, or any other threats of injury, shall be fined not more than $1,000 and imprisoned in the county jail for not over 6 months (sec. 215).

Intimidations: If any person in any manner intimidates or attempts to intimidate or deter anyone from voting at a general or primary election, he shall be fined not less than $10, or be imprisoned for not more than 3 months (title 26, sec. 479).

Coercion by employer: Every employer, whether individual, firm, or corporation, who denies employees certain time for voting in an election, shall be deemed guilty of a misdemeanor, punishable by a fine of from $50 to $500 for each elector so denied, and every agent of employer who violates this provision, shall in addition to the fine, be imprisoned in the county jail for from 2 to 6 months (title 26, sec. 438).

Employer corporation: Any corporation which attempts to influence the votes of its employees or of other persons by threat, intimidation, bribe, or other corrupt means, shall be guilty of a misdemeanor, punishable by a fine of from $500 to $5,000, and the person acting as its agent, who so acts shall be fined from $500 to $1,000 and imprisoned in the county jail for from 60 to 120 days (title 26, sec. 440).

Oregon: Unless otherwise designated, references are to Revised Statutes, 1955.

Undue influence: No person shall directly or indirectly use or threaten to use force, coercion, violence, restraint, or undue influence or inflict or threaten to inflict harm or damage on any person in order to induce him to vote or refrain from voting for any candidate, party, or measure. No minister, priest, or officer of a church, shall otherwise than by public speech or print persuade any voter to vote or refrain from voting for any candidate, party, or measure. No person shall by abduction, fraud or duress, impede or prevent any voter in the free exercise of the franchise in any election.

Violation of this provision shall be punished as for a corrupt practice (sec. 260.300), by imprisonment in the county jail for not more than 1 year, or by a fine of not more than $5,000 or both (sec. 260.510).

Interference with voter: No person shall interfere or attempt to interfere with any voter when inside the enclosed space or when marking his ballot (sec. 260.640 (4)). Violation of this provision is punishable by a fine of from $50 to $200 (sec. 260.640 (6)).

Intimidation of voter: No person shall by menace, threat, or violence, whether armed or unarmed, intimidate or prevent any person from voting, or attempt to do so. Violation of this provision is punishable by imprisonment in the county jail for from 3 months to 1 year (sec. 260.720).

Coercion by employer: No person or corporation shall directly or indirectly use or threaten to use force, violence or restraint or shall inflict or threaten to inflict any injury, harm, or loss, on any of his employees to compel them to register or to vote or refrain from registering or from voting at any election or for or against any person or measure.

No person or corporation shall by abduction, fraud, or duress, attempt to hinder, prevent, or otherwise interfere with the free exercise of the elective franchise by any of his employees.

No such employer shall insert in the pay envelopes any written or printed matter, or within 90 days before a general election display placards, etc., which shall contain express or implied threats intended to influence the political opinion or votes of his employees.

Violation of this provision is a misdemeanor (sec. 260.730), punishable by a fine of from $100 to $1,000, and if a corporation, by forfeiture of its charter in addition (sec. 260.740).

Pennsylvania: Unless otherwise designated, references are to Purdon's Statutes Annotated, 1938, title 25.

Interference with primaries and election: If any person shall block up the avenue to the door of any polling place or shall attempt to do so, or shall use intimidation, threats, force, or violence, to unduly influence or overawe any elector or to prevent him from voting or to restrain his freedom of choice at a primary or election, he shall be guilty of a misdemeanor, punishable by a fine of not over $1,000, or by imprisonment of from 6 months to 5 years, or by both, in the discretion of the court (sec. 3527).

Duress and intimidation: Any person or corporation who directly or indirectly (a) uses or threatens to use force, violence, or restraint, or inflicts or threatens to inflict injury, harm, or loss on any person in order to induce him to register or vote or refrain from registering or from voting at any election or for or against any person or measure, or for having so registered, voted, or refrained, or (b) by abduction, fraud, or duress impedes or hinders any voter from freely exercising his right of suffrage, or (c) being an employer, inserts in the pay envelopes written or printed matter or within 90 days before an election or primary exhibits placards, etc., containing express or implied threats concerning their employment, with the intention of influencing the political opinion or votes of his employees, shall be guilty of a misdemeanor, punishable by a fine of not over $1,000, or by imprisonment of the offending officers or agents for not more than 1 year, or by both, in the discretion of the court (sec. 3547).

Rhode Island: Unless otherwise designated, references are to General Laws of 1938, chapter 325.

Intimidation: Every person who shall directly or indirectly use any threat or employ any means of intimidation for the purpose of influencing an elector to vote or withhold his vote at any election, for or against any candidate or measure, shall be punished by a fine of from $500 to $1,000, or by imprisonment for from 6 months to 2 years or by both in the discretion of the court, and shall be disfranchised (sec. 5).

Coercion by employer: Any person, being an employer, who within 90 days before a general election inserts written or printed matter into the pay envelopes of employees or exhibits placards in his establishment, containing express or implied threats relating to their employment, intended to influence the political opinion or actions of his employees, shall be punished by a fine of from $500 to $1,000, or by imprisonment for from 6 months to 2 years, or by both, in the discretion of the court, and shall thereafter be disfranchised and ineligible for public office. If employer is a corporation, it shall forfeit its charter (sec. 5).

South Carolina: South Carolina constitution election provisions:

Article 1, section 9:

ARTICLE 1, SECTION 9: SUFFRAGE

The right of suffrage, as regulated in this constitution, shall be protected by law regulating elections and prohibiting, under adequate penalties, all undue influences from power, bribery, tumult, or improper conduct.

ARTICLE 1, SECTION 10: ELECTIONS FREE AND OPEN

All elections shall be free and open, and every inhabitant of this State possessing the qualifications provided for in this constitution shall have an equal right to elect officers and be elected to fill public office.

ARTICLE 2, SECTION 5: APPEAL; CRIMES AGAINST ELECTION LAWS

Any person denied registration shall have the right to appeal to the court of common pleas, or any judge thereof, and thence to the supreme court, to determine his right to vote under the limitations imposed in this article, and on such appeal the hearing shall be de novo, and the general assembly shall provide by law for such appeal, and for the correction of illegal and fraudulent registration, voting, and all other crimes against the election laws.

ARTICLE 2, SECTION 8: REGISTRATION PROVIDED; ELECTIONS; BOARD OF REGISTRATION; BOOKS OF REGISTRATION

The general assembly shall provide by law for the registration of all qualified electors, and shall prescribe the manner of holding elections and of ascertaining the results of the same: *Provided*, At the first registration under this constitution, and until the 1st of January 1898, the registration shall be conducted by a board of three discreet persons in each county, to be appointed by the Governor, by and with the advice and consent of the senate. For the first registration to be provided for under this constitution, the registration books shall be kept open for at least 6 consecutive weeks; and thereafter from time to time at least 1 week in each month, up to 30 days next preceding the first election to be held under this constitution. The registration books shall be public records open to the inspection of any citizen at all times.

ARTICLE 2, SECTION 15: RIGHT OF SUFFRAGE FREE

No power, civil or military, shall at any time interfere to prevent the free exercise of the right of suffrage in this State.

SOUTH CAROLINA CODE—TITLE 23

23–73. Appeal from denial of registration

The boards of registration to be appointed under section 23–51 shall be the judges of the legal qualifications of all applicants for registration. Any person denied registration shall have the right of appeal from the decision of the board of registration denying him registration to the court of common pleas of the county or any judge thereof and thence to the supreme court.

23–74. Proceedings in court of common pleas

Any person denied registration and desiring to appeal must within 10 days after written notice to him of the decision of the board of registration file with the board a written notice of his intention to appeal therefrom. Within 10 days after the filing of such notice of intention to appeal, the board of registration shall file with the clerk of the court of common pleas for the county the notice of intention to appeal and any papers in its possession relating to the case, together with a report of the case if it deem proper. The clerk of the court shall file the same and enter the case on a special docket to be known as calendar No. 4. If the applicant desires the appeal to be heard by a judge at chambers he shall give every member of the board of registration 4 days' written notice of the time and place of the hearing. On such appeal the hearing shall be de novo.

23–75. Further appeal to supreme court

From the decision of the court of common pleas or any judge thereof the applicant may further appeal to the supreme court by filing a written notice of his intention to appeal therefrom in the office of the clerk of the court of common pleas within 10 days after written notice to him of the filing of such decision and within such time serving a copy of such notice on every member of the board of registration. Thereupon the clerk of the court of common pleas shall certify all the papers in the case to the clerk of the supreme court within 10 days after the filing of such notice of intention to appeal. The clerk of the supreme court shall place the case on a special docket, and it shall come up for hearing upon the call thereof under such rules as the supreme court may make. If such appeal be filed with the clerk of the supreme court at a time that a session thereof will not be held between the date of filing and an election at which the applicant will be entitled to vote if registered the chief justice or, if he is unable to act or disqualified, the senior associate justice shall call an extra term of the court to hear and determine the case.

23–100. Right to vote

No elector shall vote in any polling precinct unless his name appears on the registration books for that precinct. But if the name of any registered elector does not appear or incorrectly appears on the registration books of his polling precinct he shall, nevertheless, be entitled to vote upon the production and presentation to the managers of election of such precinct, in addition to his registration certificate, of a certificate of the clerk of the court of common pleas of his county that his name is enrolled in the registration book or record of his county on file in such clerk's office or a certificate of the secretary of state that his name is enrolled in the registration book or record of his county on file in the office of the secretary of state.

23–349. Voter not to take more than 5 minutes in booth; talking in booth, etc.

No voter, while receiving, preparing and casting his ballot, shall occupy a booth or compartment for a longer time than 5 minutes. No voter shall be allowed to occupy a booth or compartment already occupied by another, nor to speak or converse with anyone, except as herein provided, while in the booth. After having voted, or declined or failed to vote within 5 minutes, the voter shall immediately withdraw from the voting place and shall not enter the polling place again during the election.

23–350. Unauthorized persons not allowed within guardrail; assistance

No person other than a voter preparing his ballot shall be allowed within the guard rail, except as herein provided. A voter who is not required to sign the poll list himself by this title may appeal to the managers for assistance and the chairman of the managers shall appoint one of the managers and a bystander to be designated by the voter to assist him in preparing his ballot. After the voter's ballot has been prepared the bystander so appointed shall immediately leave the vicinity of the guard rail.

23–656. Procuring or offering to procure votes by threats

At or before every election, general, special, or primary, any person who shall, by threats or any other form of intimidation, procure or offer or promise to endeavor to procure another to vote for or against any particular candidate in such election shall be guilty of a misdemeanor and, upon conviction, shall be fined not less than $100 nor more than $500 or be imprisoned at hard labor for not less than 1 month nor more than 6 months, or both by such fine and such imprisonment, in the discretion of the court.

23–657. Threatening or abusing voters, etc.

If any person shall, at any of the elections, general, special, or primary, in any city, town, ward, or polling precinct, threaten, mistreat, or abuse any voter with a view to control or intimidate him in the free exercise of his right of suffrage, such offender shall upon conviction thereof suffer fine and imprisonment, at the discretion of the court.

23–658. Selling or giving away liquor within 1 mile of voting precinct

It shall be unlawful hereafter for any person to sell, barter, give away, or treat any voter to any malt or intoxicating liquor within 1 mile of any voting precinct during any primary or other election day, under a penalty, upon conviction thereof, of not more than $100 nor more than 30 days' imprisonment with labor. All offenses against the provisions of this section shall be heard, tried, and determined before the court of general sessions after indictment.

23–659. Allowing ballot to be seen, improper assistance, etc.

In any election, general, special, or primary, any voter who shall (a) except as provided by law, allow his ballot to be seen by any person, (b) take or remove or attempt to take or remove any ballot from the polling place before the close of the polls, (c) place any mark upon his ballot by which it may be identified, (d) take into the election booth any mechanical device to enable him to mark his ballot, or (e) remain longer than the specified time allowed by law in the booth or compartment after having been notified that his time has expired and requested by a manager to leave the compartment or booth and any person who shall (a) interfere with any voter who is inside of the polling place or is marking his ballot, (b) unduly influence or attempt to influence unduly any voter in the preparation of his ballot, (c) endeavor to induce any voter to show how he marks or has marked his ballot, or (d) aid or attempt to aid any voter by means of any mechanical device whatever in marking his ballot shall be fined not exceeding $100 or be imprisoned not exceeding 30 days.

23–667. Illegal conduct at elections generally

Every person who shall vote at any general, special, or primary election who is not entitled to vote and every person who shall by force, intimidation, deception, fraud, bribery, or undue influence obtain, procure, or control the vote of any voter to be cast for any candidate or measure other than as intended or desired by such voter or who shall violate any of the provisions of this title in regard to general, special, or primary elections shall be punished by a fine of not less than $100 nor more than $1,000 or by imprisonment in jail for not less than 3 months nor more than 12 months or both, in the discretion of the court.

South Dakota: Unless otherwise designated, references are to Code of 1939.

Unlawful influence of voters: Every person who directly or indirectly, willfully, by force or violence, or unlawful arrest, or abduction, duress, damage, harm or loss, or by fraud, or by threats to use any such means, or by threats to bring civil or criminal action, or to withdraw trade or to enforce payment of debts, or to inflict any injury on the voter or other person, attempts to intimidate a voter into voting or refraining from voting for any candidate or measure, or who does any of these things because a voter has already voted or refrained from voting for any candidate or measure, or who willfully and without lawful authority obstructs, hinders, or delays any elector on his way to the polls to vote, is guilty of a misdemeanor (sec. 13.0913).

Obstructing public meeting of electors: Every person who by threats, intimidation, or unlawful force or violence, willfully hinders or prevents electors from assembling in public meeting for considering public questions, or who so hinders or prevents any elector from attending any such meeting, is guilty of a misdemeanor (sec. 13.0915).

Primary: Any person who shall in any way obstruct the voting of any elector at a primary election, or intimidate any elector from attending a primary or voting thereat shall be guilty of a misdemeanor (sec. 16.9907).

Coercion by employer: Any person who shall deny an employee certain time for voting at a general election without penalty or reduction in wages, shall be guilty of a misdemeanor (sec. 16.9922). This shall only apply in the case of an employee who does not have a period of 2 consecutive hours during the time the polls are open when he is not required to be at work (Laws, 1955, ch. 57, p. 157).

Any employer who shall insert written or printed matter into the pay envelopes of employees or shall within 90 days prior to an election exhibit placards, etc., containing express or implied threats regarding their employment, with the intention of influencing the political opinion or votes of his employees, shall be guilty of a misdemeanor, and if a corporation, shall forfeit its charter (sec. 13.0914).

Tennessee: Unless otherwise designated, references are to Code Annotated, 1955.

Intimidation: It is a misdemeanor for any person, directly or indirectly, by force or threats, to prevent or attempt to prevent an elector from voting at a primary or general election or to inflict or threaten to inflict injury, damage or harm or other means of intimidation upon any person in order to compel him to vote or refrain from voting for any person or measure or because he has already so voted or refrained from voting (sec. 2–2211).

Coercion by employer: It shall be unlawful for an employer to coerce or direct any employee or to threaten to discharge him, in order to induce him to vote or refrain from

voting for any candidate at a primary or general election or for any measure. It shall be unlawful to discharge an employee for his having voted or refrained from voting or for his having voted for or against any candidate or measure. Violation of these provisions is punishable by a fine of from $1,000 to $5,000, or imprisonment in the county jail or workhouse for not more than 6 months, or both, and in addition thereto, if employer is a corporation, by forfeiture of its charter and right to do business in the State (sec. 2–2236).

It is a misdemeanor for an employer, within 90 days of an election or primary, to display placards, etc., in his establishment, containing express or implied threats relating to their employment, intended to influence the political opinions or actions of his employees (sec. 2–2237).

Texas: Unless otherwise designated, references are to Vernon's Penal Code, Annotated 1951.

Intimidation by election officer: Any election officer who shall, by violence or threats of violence, attempt to influence the vote of an elector for or against any particular candidate, shall be fined not over $1,000 (art. 220).

Intimidation of electors: Whoever shall by force or intimidation, obstruct or influence, or attempt to obstruct or influence any voter in his free exercise of the elective franchise, shall be fined from $100 to $500, and in addition thereto, may be imprisoned in jail for not more than 1 month (art. 256, 255).

Election for constitutional amendments: Any election officer or any other person within 100 feet of the voting box on election day, who shall intimidate or attempt to intimidate any qualified voter from voting on any question submitted to the people for amending the constitution of the State, or who shall attempt to influence his vote, shall be fined from $50 to $500 (art. 272).

Person in service of United States: Any person in the civil or military service of the United States in Texas, who by threats, bribery, menace, or other corrupt means, controls or attempts to control the vote of an elector, or annoys, injures, or punishes him for the manner in which he has exercised his right of elective franchise, shall be fined not more than $500, and may be arrested and tried at any future time when he may be found in Texas (art. 258).

Coercion by employer: Whoever shall deny an employee the privilege of attending the polls without penalty or deduction of wages, shall be fined not more than $500 (art. 209).

Utah: Unless otherwise designated, references are to Code Annotated, 1953.

The following provisions apply to general, special, and primary elections (sec. 20–13–20):

Disturbance: Any person who so interferes with the voters at any election as to prevent such election from being fairly held, is guilty of a felony (sec. 20–13–3), punishable by a fine of not over $1,000, or by imprisonment in the State prison for not more than 5 years or by both (sec. 20–13–4).

Intimidation: It shall be unlawful for any person, directly or indirectly, to use force, violence, or restraint, or to inflict or threaten to inflict any injury, damage, harm, or loss, or other form of intimidation on any person to induce him to vote or refrain from voting for any person or measure at any election, or on account of such person having voted or refrained from voting at any election. It shall be unlawful for any person, by abduction, fraud, or duress, to impede, prevent, or otherwise interfere with the free exercise of the elective franchise by any voter. Violation of these provisions is a misdemeanor (sec. 20–13–6).

Coercion by employer: It shall be unlawful for an employer, whether individual, firm, or corporation, to enclose in pay envelopes of employees, written or printed matter, or within 90 days of any election, to exhibit placards, etc., containing express or implied threats concerning their employment, intended to influence the political opinion or actions of employees. Violation of this provision is a misdemeanor (sec. 20–13–6).

It shall be unlawful for any corporation or its agent to influence or attempt to influence any employee, by force, violence or restraint or by inflicting or threatening to inflict injury or damage, or by discharging from employment or promoting in employment, or by any other form of intimidation, to vote or not to vote at any election or for any person or measure. Violation of this chapter is a misdemeanor, in addition to punishment for which, a corporation shall forfeit its charter and right to do business in the State (sec. 20–13–7).

Any person who shall refuse to allow an employee certain time off for voting without penalty or reduction in wages, shall be guilty of a misdemeanor. This shall not apply to employees who are paid by the hour (sec. 20–13–18).

Vermont: Unless otherwise designated, references are to Statutes, Revision of 1947.

Interference with voter: A person who interferes with a voter when inside the guardrail, shall be fined $50. The election officers shall see that the offender is duly prosecuted (sec. 379).

Undue influence: A person who attempts by bribery, threats, or any undue influence to dictate, or control, or alter the vote of a freeman about to be given at a general election shall be fined not more than $200 (sec. 388).

Hindering voting: A person who willfully hinders the voting of others during an election, shall be fined $50 (art. 390).

Primary: The above provisions under "undue influence" and "hindering voting" shall also apply to primary elections (sec. 391).

Virginia: Unless otherwise designated, references are to Code of 1950.

Intimidation of voters: If it shall appear at an election that the voters are being intimidated or coerced from any source in the exercise of their suffrage by bystanders about the polling place, or that voters are being hindered or tampered with in any way so as to prevent their casting a secret ballot, the judges of election may order the person engaged in so intimidating, coercing, or hindering the voters, to cease such action, and if he does not forthwith desist, the judges or a majority of them may order the arrest of such person by anyone authorized to make arrests, and may confine him in the county or city jail for not over 24 hours, and such person, upon conviction thereof, shall be punished as for a misdemeanor (sec. 24–190).

Voting offenses: If any person, by threat or bribery, attempts to influence any elector in giving his vote, or attempts to deter him from giving his vote, he shall be confined in jail for not more than 1 year and fined not over $1,000 (sec. 24–450).

Registration: Any registration officer who willfully or maliciously rejects from registering any person, contrary to law, shall be deemed guilty of a misdemeanor (sec. 24–453).

Misdemeanor: A misdemeanor, under the election laws, unless otherwise specified, is punishable by a fine of not over $1,000, or by confinement in jail for not over 12 months, or both (sec. 24–455).

Washington: Unless otherwise designated, references are to Revised Code, 1951, title 29.

Hindering electors: Any person who uses menace, force, threat, or corrupt means, at or prior to any election, toward any elector to hinder or deter him from voting at such election, or authorizes another to do so, shall be guilty of a felony. Any election officer who, by menace, persuasion, or reward, attempts to induce an elector to vote for any person, shall be guilty of a gross misdemeanor (sec. 29.85.060).

Influencing voter: Any person who directly or indirectly, by menace or other corrupt means, attempts to influence a person in giving or refusing to give his vote in any election, or deters, disturbs, hinders, persuades, threatens, or intimidates any person from giving his vote therein, shall be guilty of a misdemeanor, punishable by a fine of not over $250 or by imprisonment for 6 months or both (sec. 29.85.070).

Recall: Every person shall be guilty of a gross misdemeanor, who by any corrupt means or by threats or intimidation, interferes with or attempts to interfere with the right of any legal voter to sign or not to sign any recall petition, or to vote for or against any recall (1953 Supp., sec. 29.82.220 (5)).

West Virginia: Unless otherwise designated, references are to Code of 1955, Annotated (Michie).

Interference with voter: Any person who shall, by any manner of force, fraud, menace, or intimidation, prevent or attempt to prevent any voter from attending any election or from freely exercising his right of suffrage thereat, shall be guilty of a misdemeanor, punishable by a fine of not over $1,000 or by confinement in the county jail for not over 1 year, or both, in the discretion of the court (sec. 164).

Threat of violence: Any person who shall directly or indirectly, use or threaten to use force, violence, or restraint, or shall inflict or threaten to inflict injury, harm, or loss, or other form of intimidation on any person in order to induce him to vote or refrain from voting or on account of his having voted or refrained from voting at any election, or who shall by abduction, fraud, or duress, prevent or impede any voter from exercising freely his right of suffrage or shall thereby compel him to either vote or refrain from voting for or against any particular candidate or measure, shall be guilty of a misdemeanor, punishable by a fine of not over $10,000, or by confinement in jail for not over 1 year (sec. 191 (c)).

Coercion by employer: Any employer, whether individual or corporation, who prints on pay envelopes of employees or on placards, etc., in his establishment, express or implied threats relating to their employment, intended to influence the political opinion or votes of his employees, shall be guilty of corrupt practices, punishable by a fine of from $1,000 to $20,000, or by imprisonment in jail for not more than 1 year, or both (sec. 169 (1)).

Any employer who shall give any notice or information to his employees containing any threat, either express or implied, intended to influence the political view or actions of his employees, shall be guilty of a misdemeanor, punishable by a fine of not over $10,000, or by confinement in jail for not over 1 year (sec. 191 (d)).

Wisconsin: Unless otherwise designated, references are to Statutes, 1951.

Threats: Every person who shall directly or indirectly, use or threaten to use force, violence, or restraint in order to compel any person to vote or refrain from voting at any election, or who shall by abduction, fraud, or duress, impede or prevent the free exer-

cise of the franchise at any election, or shall thereby induce an elector to give or refrain from giving his vote at any election for or against any particular candidate or measure, shall be punished by imprisonment in the county jail for from 1 month to 1 year (sec. 346.17, renumbered sec. 12.52 by Laws, 1955, ch. 696, sec. 160).

Coercion by employer: No employer shall distribute among his employees any printed or written matter containing express or implied threats relating to their employment, calculated to influence the political opinion or actions of his employees (sec. 12.19). Penalties for violation of this provision refer to violations by candidates or their committees (sec. 12.28).

Wyoming: Unless otherwise designated, references are to Wyoming Compiled Statutes Annotated, 1945.

Interfering with election: Any person who shall during an election, willfully hinder the voting of others, shall be fined from $25 to $100 (sec. 31–2309).

Misconduct: No person shall attempt to influence the vote of election by means of violence or threats of violence or threats of withdrawing trade, or enforcing payment of a debt, or discharging from employment, or bringing a civil or criminal action or any other threat of injury to be inflicted on him (sec. 31–2312 (8)).

No person shall prevent or attempt to prevent any qualified elector from voting (sec. 31–2312 (10)).

Violation of these provisions is punishable by imprisonment in the county jail for not over 6 months, or by fine of not over $500, or both (sec. 31–2312 (22)).

Mr. President, I have read the election laws.

The PRESIDING OFFICER (Mr. CLARK in the chair). The Senate will be in order. The Chair cannot hear the Senator from South Carolina.

Mr. THURMOND. I have read the election laws of every State in the Union, from Alabama to Wyoming, showing that the States now have, on their statute books and in their constitutions, provisions to protect the right to vote. The accuracy of the statutes which I have just recited is confirmed by the Legislative Reference Service of the Library of Congress.

No one can say that any State, from Alabama through Wyoming, does not have statutes to protect the right to vote.

The bill before the Senate is called a right-to-vote bill. Why is it called that? Every State has statutes to protect the right to vote. The sovereign States are protecting their citizens in the right to vote. Yet there is a big cry and a big hue about a voting law. As a matter of fact, the only thing that instigated this bill was the desire of both parties, the Democratic and the Republican, to play to minority votes. That is the purpose of the bill. It is purely political. Why do we need a Federal law when every State has a statute to protect the right to vote? And who is in a better position to protect the right to vote than the officials of the States?

Suppose the voting laws of all the States were abrogated and violated. Does the Federal Government have a police system which would enable it to send officials into every State to police the election laws of every State? If so, it would change our entire conception of the Government of this Nation.

The Constitution of the United States was written in 1789, in Philadelphia. It was ratified by nine Colonies which made them States and created the Union; 2 years later the Bill of Rights was adopted; and in the 10th amendment, which is a part of the Bill of Rights, it is provided that all powers not specifically delegated to the Federal Government are reserved to the States. There is nothing in the Constitution that delegates those powers to the Federal Government. Therefore, those rights are reserved to the States, and it is unlawful and unconstitutional for Congress to attempt to pass a law that will set up an administration which will attempt to bring about a policing of all the elections in all the 48 States of this Nation.

Some persons say, "Well, the States won't enforce the voting laws. We have got to have a Federal law. Some States deny the vote to citizens." I question that. Has there been a single instance brought before the Judiciary Committee of the Senate of the United States and proof presented that anyone has been denied the vote? From my understanding, and from the minority report which was submitted by some members of the Judiciary Committee, that has not been the case. So why does the Federal Government want to enter a field into which it has no constitutional authority to enter? As a matter of fact, the Federal Government already has a statute, I say to those who say the States are not protecting the right to vote. I am wondering if the Members of the Senate and of the House of Representatives have overlooked the Federal statute. I shall read that statute, so that Senators can know that we now have a Federal statute to protect the right to vote.

I shall read several provisions. The last one is the most applicable, and one on which I shall comment a little more, but I want to start with chapter 29 of title 18 of the Criminal Code and Criminal Procedure.

That is the United States Code, Criminal Code, and Criminal Procedure. Chapter 29 is entitled "Elections and Political Activities."

Section 591 reads:

Definitions:

When used in sections 597, 599, 602, 609, and 610 of this title—

The term "election" includes a general or special election, but does not include a primary election or convention of a political party.

But under a decision of the Supreme Court, in a case which went up from my own State of South Carolina, it was held that the primary election was a part of the election machinery; and the decision was rendered on that subject.

The term "candidate" means an individual whose name is presented for election as Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States, whether or not such individual is elected;

The term "political committee" includes any committee, association, or organization which accepts contributions or makes expenditures for the purpose of influencing or attempting to influence the election of candidates or presidential and vice presidential electors (1) in two or more States, or (2) whether or not in more than one State if such committee, association, or organization (other than a duly organized State or local committee of a political party) is a branch or subsidiary of a national committee, association, or organization;

The term "contribution" includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement to make a contribution, whether or not legally enforceable;

The term "expenditure" includes a payment, distribution, loan, advance, deposit, or gift of money, or anything of value, and includes a contract, promise, or agreement to make an expenditure, whether or not legally enforceable;

The term "person" or the term "whoever" includes an individual, partnership, committee, association, corporation, and any other organization or group of persons;

The term "State" includes Territory and possession of the United States. (June 25, 1948, ch. 645, sec. 1, 62 Stat. 719; May 24, 1949, ch. 139, sec. 9, 63 Stat. 90.)

SEC. 592. Troops at polls.

Whoever, being an officer of the Army or Navy, or other person in the civil, military, or naval service of the United States, orders, brings, keeps, or has under his authority or control any troops or armed men at any place where a general or special election is held, unless such force be necessary to repel armed enemies of the United States, shall be fined not more than $5,000 or imprisoned not more than 5 years, or both; and be disqualified from holding any office of honor, profit, or trust under the United States.

This section shall not prevent any officer or member of the Armed Forces of the United States from exercising the right of suffrage in any election district to which he may belong, if otherwise qualified according to the laws of the State in which he offers to vote. (June 25, 1948, ch. 645, sec. 1, 62 Stat. 719.)

SEC. 593. Interference by Armed Forces.

Whoever, being an officer or member of the Armed Forces of the United States, prescribes or fixes or attempts to prescribe or fix, whether by proclamation, order, or otherwise, the qualifications of voters at any election in any State; or

Whoever, being such officer or member, prevents or attempts to prevent by force, threat, intimidation, advice, or otherwise any qualified voter of any State from fully exercising the right of suffrage at any general or special election; or

Whoever, being such officer or member, orders or compels or attempts to compel any election officer in any State to receive a vote from a person not legally qualified to vote; or

Whoever, being such officer or member, imposes or attempts to impose any regulations for conducting any general or special election in a State, different from those prescribed by law; or

Whoever, being such officer or member, interferes in any manner with an election officer's discharge of his duties—

Shall be fined not more than $5,000 or imprisoned not more than 5 years, or both; and disqualified from holding any office of honor, profit, or trust under the United States.

This section shall not prevent any officer or member of the Armed Forces from exercising the right of suffrage in any district to which he may belong, if otherwise qualified according to the laws of the State of such district. (June 25, 1948, ch. 645, sec. 1, 62 Stat. 719.)

I shall now comment on section 594, which is entitled "Intimidation of Voters." I cannot help but believe that

Members of Congress in some way must have overlooked this statute, if they believe a Federal statute is essential on this subject, which I do not. This is the way the section reads:

SEC. 594. Intimidation of voters.

Whoever intimidates, threatens, coerces, or attempts to intimidate, threaten, or coerce, any other person for the purpose of interfering with the right of such other person to vote or to vote as he may choose, or of causing such other person to vote for, or not to vote for, any candidate for the office of President, Vice President, Presidential elector, Member of the Senate, or Member of the House of Representatives, Delegates or Commissioners from the Territories and possessions, at any election held solely or in part for the purpose of electing such candidate, shall be fined not more than $1,000 or imprisoned not more than 1 year, or both. (June 25, 1948, ch. 645, sec. 1, 62 Stat. 720.)

Mr. President, I do not think this statute is constitutional, in section 594, because I think the question is a matter reserved to the States. Since evidently there were people who thought the Federal Government did need to enter this field and who must have felt that it would not be unconstitutional for the Federal Government to enter it, this section was adopted. This section provides, as I have just read, for the punishment of anyone who attempts to intimidate, threaten, or coerce any other person for the purpose of interfering with his right to vote or to vote as he may choose.

What is the purpose of the bill now under consideration, H. R. 6127? It is called the right-to-vote bill. The Federal statute here, in section 594 of title 18, Criminal Code and Criminal Procedure, is just as plain on the subject as it can be. There is the Federal statute on the question of voting. I do not like it, because I do not think the Federal Government has jurisdiction in this field, but we have the statute, in section 594.

If there has been any violation of voting rights in this country, if there has been a single case of any person who claims that he has been intimidated or threatened or coerced to vote, the Federal Government has the power, under that statute, to punish anyone if he is convicted for such offense.

Either this statute has not been enforced, if there have been violations, or else there have been no violations. So when the Federal Government asks that another voting law be passed, such as House bill 6127, it is admitting 1 of 2 things: Either there have been no violations of the rights of people to vote, or the Justice Department is not enforcing the law on this subject.

I do not see what good it would do to enact another statute. What good would another statute do, if we have a statute already on the books? I have heard of no cases brought under this statute. There must not have been any violations. If there have been violations, the Federal Government has failed to prosecute violators, which it could do under this law.

SEC. 595. Interference by administrative employees of Federal, State, or Territorial governments.

Whoever, being a person employed in any administrative position by the United States, or by any department or agency thereof, or by the District of Columbia, or any agency or instrumentality thereof, or by any State, Territory, or possession of the United States, or any political subdivision, municipality, or agency thereof, or agency of such political subdivision or municipality (including any corporation owned or controlled by any State, Territory, or possession of the United States or by any such political subdivision, municipality, or agency), in connection with any activity which is financed in whole or in part by loans or grants made by the United States, or any department or agency thereof, uses his official authority for the purpose of interfering with, or affecting, the nomination or the election of any candidate for the office of President, Vice President, Presidential elector, Member of the Senate, Member of the House of Representatives, or Delegate or Resident Commissioner from any Territory or possession, shall be fined not more than $1,000 or imprisoned not more than 1 year, or both.

This section shall not prohibit or make unlawful any act by any officer or employee of any educational or research institution, establishment, agency, or system which is supported in whole or in part by any State or political subdivision thereof, or by the District of Columbia or by any Territory or possession of the United States; or by any recognized religious, philanthropic, or cultural organization. (June 25, 1948, ch. 645, sec. 1, 62 Stat. 720.)

SEC. 596. Polling Armed Forces.

Whoever, within or without the Armed Forces of the United States, polls any member of such forces, either within or without the United States, either before or after he executes any ballot under any Federal or State law, with reference to his choice of or his vote for any candidate, or states, publishes, or releases any result of any purported poll taken from or among the members of the Armed Forces of the United States or including within it the statement of choice for such candidate or of such votes cast by any member of the Armed Forces of the United States, shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both.

The word "poll" means any request for information, verbal or written, which by its language or form of expression requires or implies the necessity of an answer, where the request is made with the intent of compiling the result of the answers obtained, either for the personal use of the person making the request, or for the purpose of reporting the same to any other person, persons, political party, unincorporated association or corporation, or for the purpose of publishing the same orally, by radio, or in written or printed form. (June 25, 1948, ch. 645, sec. 1, 62 Stat. 720.)

SEC. 597. Expenditures to influence voting.

Whoever makes or offers to make an expenditure to any person, either to vote or withhold his vote, or to vote for or against any candidate; and

Whoever solicits, accepts, or receives any such expenditure in consideration of his vote or the withholding of his vote—

Shall be fined not more than $1,000 or imprisoned not more than 1 year, or both; and if the violation was willful, shall be fined not more than $10,000 or imprisoned not more than 2 years, or both. (June 25, 1948, ch. 645, sec. 1, 62 Stat. 721.)

SEC. 598. Coercion by means of relief appropriations.

Whoever uses any part of any appropriation made by Congress for work relief, relief, or for increasing employment by providing loans and grants for public-works projects, or exercises or administers any authority conferred by any appropriation act for the purpose of interfering with, restraining, or coercing any individual in the exercise of his right to vote at any election, shall be fined not more than $1,000 or imprisoned not more than 1 year, or both. (June 25, 1948, ch. 645, sec. 1, 62 Stat. 721.)

SEC. 599. Promise of appointment by candidate.

Whoever, being a candidate, directly or indirectly promises or pledges the appointment, or the use of his influence or support for the appointment of any person to any public or private position or employment, for the purpose of procuring support in his candidacy shall be fined not more than $1,000 or imprisoned not more than 1 year, or both; and if the violation was willful, shall be fined not more than $10,000 or imprisoned not more than 2 years, or both. (June 25, 1948, ch. 645, sec. 1, 62 Stat. 721.)

SEC. 600. Promise of employment or other benefit for political activity.

Whoever, directly or indirectly, promises any employment, position, work, compensation, or other benefit, provided for or made possible in whole or in part by any act of Congress, to any person as consideration, favor, or reward for any political activity or for the support of or opposition to any candidate or any political party in any election, shall be fined not more than $1,000 or imprisoned not more than 1 year, or both. (June 25, 1948, ch. 645, sec. 1, 62 Stat. 721.)

SEC. 601. Deprivation of employment or other benefit for political activity.

Whoever, except as required by law, directly or indirectly, deprives, attempts to deprive, or threatens to deprive any person of any employment, position, work, compensation, or other benefit provided for or made possible by any act of Congress appropriating funds for work relief or relief purposes, on account of race, creed, color, or any political activity, support of, or opposition to any candidate or any political party in any election, shall be fined not more than $1,000 or imprisoned not more than 1 year, or both. (June 25, 1948, ch. 645, sec. 1, 62, Stat. 721.)

SEC. 602. Solicitation of political contributions.

Whoever, being a Senator or Representative in, or Delegate or Resident Commissioner to, or a candidate for Congress, or individual elected as, Senator, Representative, Delegate, or Resident Commissioner, or an officer or employee of the United States or any department or agency thereof, or a person receiving any salary or compensation for services from money derived from the Treasury of the United States, directly or indirectly solicits, receives, or is in any manner concerned in soliciting or receiving, any assessment, subscription, or contribution for any political purpose whatever, from any other such officer, employee, or person, shall be fined not more than $5,000 or imprisoned not more than 3 years or both. (June 25, 1948, ch. 645, sec. 1, 62 Stat. 722.)

SEC. 603. Place of solicitation.

Whoever, in any room or building occupied in the discharge of official duties by any person mentioned in section 602 of this title, or in any navy yard, fort, or arsenal, solicits or receives any contribution of money or other thing of value for any political purpose, shall be fined not more than $5,000 or imprisoned not more than 3 years, or both. (June 25, 1948, ch. 645, sec. 1, 62 Stat. 722; October 31, 1951, ch. 655, sec. 20 (b), 65 Stat. 718.)

SEC. 604. Solicitation from persons on relief.

Whoever solicits or receives or is in any manner concerned in soliciting or receiving any assessment, subscription, or contribution for any political purpose from any person known by him to be entitled to, or receiving

compensation, employment, or other benefit provided for or made possible by any act of Congress appropriating funds for work relief or relief purposes, shall be fined not more than $1,000 or imprisoned not more than 1 year, or both. (June 25, 1948, ch. 645, sec. 1, 62 Stat. 722.)

SEC. 605. Disclosure of names of persons on relief.

Whoever, for political purposes, furnishes or discloses any list or names of persons receiving compensation, employment or benefits provided for or made possible by any act of Congress appropriating, or authorizing the appropriation of funds for work relief or relief purposes, to a political candidate, committee, campaign manager, or to any person for delivery to a political candidate, committee, or campaign manager; and

Whoever receives any such list or names for political purposes—

Shall be fined not more than $1,000 or imprisoned not more than 1 year, or both. (June 25, 1948, ch. 645, sec. 1, 62 Stat. 722.)

SEC. 606. Intimidation to secure political contributions.

Whoever, being one of the officers or employees of the United States mentioned in section 602 of this title, discharges, or promotes, or degrades, or in any manner changes the official rank or compensation of any other officer or employee, or promises or threatens so to do, for giving or withholding or neglecting to make any contribution of money or other valuable thing for any political purpose, shall be fined not more than $5,000 or imprisoned not more than 3 years, or both. (June 25, 1948, ch. 645, sec. 1, 62 Stat. 722.)

SEC. 607. Making political contributions.

Whoever, being an officer, clerk, or other person in the service of the United States or any department or agency thereof, directly or indirectly gives or hands over to any other officer, clerk, or person in the service of the United States, or to any Senator or Member of or Delegate to Congress, or Resident Commissioner, any money or other valuable thing on account of or to be applied to the promotion of any political object, shall be fined not more than $5,000 or imprisoned not more than 3 years, or both. (June 25, 1948, ch. 645, sec. 1, 62 Stat. 722.)

SEC. 608. Limitations on political contributions and purchases.

(a) Whoever, directly or indirectly, makes contributions in an aggregate amount in excess of $5,000 during any calendar year, or in connection with any campaign for nomination or election, to or on behalf of any candidate for an elective Federal office, including the offices of President of the United States and presidential and vice presidential electors, or to or on behalf of any committee or other organization engaged in furthering, advancing, or advocating the nomination or election of any candidate for any such office or the success of any national political party, shall be fined not more than $5,000 or imprisoned not more than 5 years, or both.

This subsection shall not apply to contributions made to or by a State or local committee or other State or local organization or to similar committees or organizations in the District of Columbia or in any Territory or possession of the United States.

(b) Whoever purchases or buys any goods, commodities, advertising, or articles of any kind or description, the proceeds of which, or any portion thereof, directly or indirectly inures to the benefit of or for any candidate for an elective Federal office including the offices of President of the United States, and presidential and vice-presidential electors or any political committee or other political organization engaged in furthering, advancing, or advocating the nomination or election of any candidate for any such office or the success of any national political party, shall be fined not more than $5,000 or imprisoned not more than 5 years, or both.

This subsection shall not interfere with the usual and known business, trade, or profession of any candidate.

(c) In all cases of violations of this section by a partnership, committee, association, corporation, or other organization or group of persons, the officers, directors, or managing heads thereof who knowingly and willfully participate in such violation, shall be punished as herein provided.

(d) The term "contribution," as used in this section, shall have the same meaning prescribed by section 591 of this title. (June 25, 1948, ch. 645, sec. 1, 62 Stat. 723.)

The PRESIDING OFFICER (Mr. CLARK in the chair). The Senate will be in order. The Chair cannot hear the Senator from South Carolina. The Senator may proceed.

Mr. THURMOND. I continue by reading section 609:

SEC. 609. Maximum contributions and expenditures.

No political committee shall receive contributions aggregating more than $3 million, or make expenditures aggregating more than $3 million, during any calendar year.

For the purposes of this section, and contributions received and any expenditures made on behalf of any political committee with the knowledge and consent of the chairman or treasurer of such committee shall be deemed to be received or made by such committee.

Any violation of this section by any political committee shall be deemed also to be a violation by the chairman and the treasurer of such committee and by any other person responsible for such violation and shall be punishable by a fine of not more than $1,000 or imprisonment of not more than 1 year, or both; and, if the violation was willful, by a fine of not more than $10,000, or imprisonment of not more than 2 years, or both. (June 25, 1948, ch. 645, sec. 1, 62 Stat. 723.)

SEC. 610. Contributions or expenditures by national banks, corporations or labor organizations.

It is unlawful for any national bank, or any corporation organized by authority of any law of Congress, to make a contribution or expenditure in connection with any election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office, or for any corporation whatever, or any labor organization to make a contribution or expenditure in connection with any election at which presidential and vice presidential electors or a Senator or Representative in, or a Delegate or Resident Commissioner to Congress are to be voted for, or in connection with any primary election or political convention or caucus held to select candidates for any of the foregoing offices, or for any candidate, political committee, or other person to accept or receive any contribution prohibited by this section.

Every corporation or labor organization which makes any contribution or expenditure in violation of this section shall be fined not more than $5,000; and every officer or director of any corporation, or officer of any labor organization, who consents to any contribution or expenditure by the corporation or labor organization, as the case may be, and any person who accepts or receives any contribution, in violation of this section, shall be fined not more than $1,000 or imprisoned not more than 1 year, or both; and if the violation was willful, shall be fined not more than $10,000 or imprisoned not more than 2 years, or both.

For the purposes of this section "labor organization" means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exist for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work. (June 25, 1948, ch. 645, sec. 1, 62 Stat. 723; May 24, 1949, ch. 139, sec. 10, 63 Stat. 90; Oct. 31, 1951, ch. 655, sec. 20 (c), 65 Stat. 718.)

SEC. 611. Contributions by firms or individuals contracting with the United States.

Whoever, entering into any contract with the United States or any department or agency thereof, either for the rendition of personal services or furnishing any material, supplies, or equipment to the United States or any department or agency thereof, or selling any land or building to the United States or any department or agency thereof, if payment for the performance of such contract or payment for such material, supplies, equipment, land, or building is to be made in whole or in part from funds appropriated by the Congress, during the period of negotiation for, or performance under such contract or furnishing of material, supplies, equipment, land, or buildings, directly or indirectly makes any contribution of money or any other thing of value, or promises expressly or impliedly to make any such contribution, to any political party committee, or candidate for public office or to any person for any political purpose or use; or

Whoever knowingly solicits any such contribution from any such person or firm, for any such purpose during any such period—

Shall be fined not more than $5,000 or imprisoned not more than 5 years, or both. (June 25, 1948, ch. 645, sec. 1, 62 Stat. 724.)

SEC. 612. Publication or distribution of political statements.

Whoever willfully publishes or distributes or causes to be published or distributed, or for the purpose of publishing or distributing the same, knowingly deposits for mailing or delivery or causes to be deposited for mailing or delivery, or, except in cases of employees of the Post Office Department in the official discharge of their duties, knowingly transports or causes to be transported in interstate commerce any card, pamphlet, circular, poster, dodger, advertisement, writing, or other statement relating to or concerning any person who has publicly declared his intention to seek the office of President, or Vice President of the United States, or Senator or Representative in, or Delegate or Resident Commissioner to Congress, in a primary, general, or special election, or convention of a political party, or has caused or permitted his intention to do so to be publicly declared, which does not contain the names of the persons, associations, committees, or corporations responsible for the publication or distribution of the same, and the names of the officers of each such association, committee, or corporation, shall be fined not more than $1,000 or imprisoned not more than 1 year, or both. (June 25, 1948, ch. 645, sec. 1, 62 Stat. 724; Aug. 25, 1950, ch. 784, sec. 2, 64 Stat. 475.)

Mr. President, I have read those Federal statutes to show that we have in title 18, chapter 29, provision for elections and political activities, and the specific section to which I referred and attempted to emphasize, section 594, provides especially for the punishment of anyone who intimidates, threatens, or coerces any other person for interfering with his right to vote or to vote as he may choose. That is in the Federal statutes.

Again I ask, Why does the Congress need to pass another law when we have a law, a law with teeth in it, a law that

provides a punishment of as much as $1,000 or imprisonment for as long as one year, or both? In other words, under this statute, the Federal Government through the Justice Department, can prosecute any person who intimidates, threatens, or coerces another person for the purpose of interfering with his right to vote and to vote as he chooses. If we have that kind of law on the books now, why do we need another law? As I stated a few moments ago, I do not think the Federal Government has jurisdiction in this field. But they have entered this field, and laws on the subject have been enacted. Section 594 gives the Federal Government all the authority it needs to protect the right to vote in any State of this Nation. Section 594 makes provision for specific punishment if anyone violates the section and attempts to deny the right to vote, or threatens, intimidates, or coerces one in his right to vote and to vote as he chooses.

So with every State in the Nation having laws on the subject to protect the right to vote, and with the Federal Government having laws on this subject to protect the right to vote, why do we need to pass another bill, another bill which is unconstitutional, another bill which violates the Constitution of the United States? I will come to that later on in my address. We cannot compromise the Constitution of the United States.

I am going to take up after a while a decision which shows that criminal contempt is a crime, and if criminal contempt is a crime, then it falls within the category of the provision of the Constitution of the United States which says that a man charged with a crime is entitled to a jury trial. It does not specify by degree. If he is entitled to a jury trial, he is entitled to it. The Senate passed a bill with an amendment providing for jury trial. The bill went back to the House, the House amended it, and added a provision that the judge in his discretion could try the case if the punishment was not over 45 days or a fine of $300. That is not what the Constitution says. The Constitution does not provide that a man is entitled to a jury trial under certain conditions, if the House had fixed the fine at $1 instead of $300 and denied a man the right of a trial by jury, in my opinion it still would have been unconstitutional. I shall develop that more as my address goes on.

Mr. President, I shall now take up specific points of the proposed compromise on the jury trial provisions of H. R. 6127, so as to point out the lack of constitutionality of the provisions in connection with contempt of court proceedings.

A so-called compromise has been reached among advocates of civil-rights legislation—H. R. 6127—whereby a jury trial would be given in certain criminal contempts of Federal courts.

The purpose of this speech is to point out the objectionable features of the proposed compromise and to show conclusively that it is unconstitutional.

The proposed jury-trial amendment being part V of H. R. 6127 reads as follows:

PART V—TO PROVIDE TRIAL BY JURY FOR PROCEEDINGS TO PUNISH CRIMINAL CONTEMPTS OF COURT ARISING OUT OF CIVIL-RIGHTS CASES AND TO AMEND THE JUDICIAL CODE RELATING TO FEDERAL JURY QUALIFICATIONS

SEC. 151. In all cases of criminal contempt arising under the provisions of this act, the accused, upon conviction shall be punished by fine or imprisonment or both: *Provided, however,* That in case the accused is a natural person the fine to be paid shall not exceed the sum of $1,000, nor shall imprisonment exceed the term of 6 months: *Provided further,* That in any such proceeding for criminal contempt, at the discretion of the judge, the accused may be tried with or without a jury: *Provided further, however,* That in the event such proceeding for criminal contempt be tried before a judge without a jury and the sentence of the court upon conviction is a fine in excess of the $300 or imprisonment in excess of 45 days, the accused in said proceeding, upon demand therefor, shall be entitled to a trial de novo before a jury, which shall conform as near as may be to the practice in other criminal cases.

This section shall not apply to contempts committed in the presence of the court or so near thereto as to interfere directly with the administration of justice nor to the misbehavior, misconduct, or disobedience of any officer of the court in respect to the writs, orders, or process of the court.

Nor shall anything herein or in any other provision of law be construed to deprive courts of their power, by civil contempt proceedings, without a jury, to secure compliance with or to prevent obstruction of, as distinguished from punishment for violations of, any lawful writ, process, order, rule, decree, or command of the court in accordance with the prevailing usages of law and equity, including the power of detention.

SEC. 152. Section 1861, title 28, of the United States Code is hereby amended to read as follows:

"1861. Qualifications of Federal jurors.

"Any citizen of the United States who has attained the age of 21 years and who has resided for a period of 1 year within the judicial district, is competent to serve as a grand or petit juror unless:

"(1) He has been convicted in a State or Federal court of record of a crime punishable by imprisonment for more than 1 year and his civil rights have not been restored by pardon or amnesty.

"(2) He is unable to read, write, speak, and understand the English language.

"3. He is incapable, by reason of mental or physical infirmities to render efficient jury service."

Mr. President, those are the provisions of the so-called compromise.

I wish to have all other Members of the Senate and all other citizens of these United States know just what the compromise provides.

First, Mr. President, this amendment is clearly unconstitutional because of vagueness.

It is an established principle of constitutional law that crimes must be clearly defined. If this amendment were enacted, persons charged with contempt would be deprived of their liberty and property without due process of law, in violation of the 14th amendment to the Federal Constitution. Due process of law requires that one shall not be held criminally responsible under a statute by which offenses are so indefinitely defined or described as not to enable one to determine whether or not he is committing them.

This point is clearly brought out in Willoughby on the Constitution of the United States, in the second edition, third volume, at page 1727. Here is what this great authority on the Constitution has to say on this point:

1142. Crimes must be clearly defined.

Due process of law requires that one shall not be held criminally responsible under statutes by which offenses are so indefinitely defined or described as not to enable one to determine whether or not he is committing them. "A statute which either forbids or requires the doing of an act in terms so vague that men of common intelligence must necessarily guess at its meaning and differ as to its application violates the first essential of due process of law." *Connally* v. *General Construction Co.* (269 U. S. 385).

The first sentence of the proposed amendment—section 151—refers to criminal contempt and provides for punishment upon conviction. The first proviso of the first sentence refers to natural persons; and for such natural persons, the fine is limited to $1,000 or—in the alternative—imprisonment is limited to 6 months. This first proviso is obviously drafted to bring the offense within the present definition of "misdemeanor," as classified by the Congress in the adoption of title 18 of the United States Code on June 25, 1948. Section 1 of title 18, United States Code, classifies offenses against the United States as follows:

1. Offenses classified:

Notwithstanding any act of Congress to the contrary:

(1) Any offense punishable by death or imprisonment for a term exceeding 1 year is a felony.

(2) Any other offense is a misdemeanor.

(3) Any misdemeanor, the penalty for which does not exceed imprisonment for a period of 6 months or a fine of not more than $500, or both, is a petty offense.

The second proviso of the first sentence still refers to criminal contempt, and vests in the Federal district judge the discretion to determine whether the person accused of contempt is to be tried with or without a jury.

The third proviso of the first sentence, still referring only to criminal contempts, says that where the district judge proceeds summarily—without benefit of a jury—to convict the accused and fine him or her for more than $300 or imprison him or her for more than 45 days, then the person so convicted—fined or imprisoned—may demand a trial de novo. It is assumed that trial de novo contemplates a trial anew of the entire controversy, including the hearing of evidence, as though no previous action had been taken. In *Pittsburgh S. S. Co.* v. *Brown* ((1948 Ct. App. Ill.) 171 Fed. 2d 175, 177), "trial de novo" is defined as an entirely new trial, but that was a civil case. The term "trial de novo" nowhere appears in criminal cases referred to in volume 42 A, Words and Phrases, 1952 edition or 1957 supplement.

The second sentence of the amendment, without any reference to "crimi-

nal contempt" or without defining or differentiating between "criminal contempt" and "civil contempt." proceeds to make the provisions of the first sentence inapplicable to those contempts "committed in the presence of the court or so near thereto as to interfere directly with the administration of justice" and likewise inapplicable to "misbehavior, misconduct, or disobedience of any officer of the court in respect to the writs, orders or process of the court." In other words this second sentence deals with certain "contempts" and with "misbehavior of any officers of the court" and excludes such "contempts" and "misbehavior of any officer of the court" from the provisions of the Civil Rights Act—H. R. 6127. In other words, the second sentence says that if any contempt is committed in the presence of the court, or so near thereto as to interfere directly with the administration of justice, it is not dealt with in the Civil Rights Act—H. R. 6127. Likewise excluded from coverage by the Civil Rights Act—H. R. 6127—would be "the misbehavior, misconduct, or disobedience of any officer of the court" in respect to any writ, order, or process of court issued presumably under authority of the Civil Rights Act—H. R. 6127.

The last sentence of the amendment—section 151—simply tries to restate the proposition now appearing in section 401 of title 18, United States Code, that a court of the United States has power to punish contempts of its authority. However in restating that posposition, this last sentence refers to "civil contempts," whereas section 401 refers to "contempt of its—the court's—authority." Thus we see the last sentence of the amendment, section 151, refers to "civil contempt," as distinguished from the first sentence, which deals with "criminal contempt."

Nowhere in the amendment is any definition given of either "criminal contempt" or "civil contempt"; nor has Congress ever attempted to draw any such distinction. The sole provision attempting to draw a distinction between criminal and civil contempt is contained in rule 42 (b) of the Federal Rules of Criminal Procedure in the requirement that the notice with respect to a criminal contempt shall describe it as such. The Advisory Committee on Rules, appointed by the United States Supreme Court pursuant to the act of June 29, 1940—Fifty-fourth United States Statutes at Large, page 686—to assist in the preparation of rules of pleading, in their notes indicate that the requirement of notice written into rule 42 (b) was "intended to obviate the frequent confusion between criminal and civil contempt proceedings" pursuant to the suggestion made in *McCann* v. *New York Stock Exchange* ((2d Cir., 1935) 80 F. 2d 211). See Civil and Criminal Contempt in the Federal Courts, report of Los Angeles Bar Association, 17 Federal Rules Decisions 167–182—1955. The Supreme Court itself has belabored the distinction between civil and criminal contempts. For the Court's distinction see *Bessette* v. *W. B. Conkey Co.* ((1904) 194 U. S. 324, 328).

A contempt statute certainly comes within the due process of law requirements of the Constitution. To substantiate this point, I refer again to Willoughby on the Constitution of the United States, page 1727, section 1141. In this section Willoughby points out that a contempt which is not committed in open court does require due process of law for the defendant. The United States Supreme Court, in an opinion by Chief Justice Taft, held on April 13, 1925, that all the guaranties of due process of law are available to a person charged with contempt. *Cooke* v. *United States* ((1925) 267 U. S. 517.) Thus it is quite clear that the amendment—section 151—as now drafted would subject a person to criminal prosecution for a statutory offense so indefinitely defined or described as not to enable him to determine whether or not he is committing that offense. *Connally* v. *General Construction Co.* ((1926) 269 U. S. 385); *International Harvester Co.* v. *Kentucky* ((1914) 234 U. S. 216); *Collins* v. *Kentucky* ((1914) 234 U. S. 634).

Second. This amendment is unconstitutional, in violation of the fifth amendment prohibiting double jeopardy.

That provision of the amendment which permits the accused to be tried a second time by a jury for the same offense following conviction in a summary proceeding violates the fifth amendment to the United States Constitution, which declares "nor shall any person be subject for the same offense to be twice put in jeopardy of life or limb."

In ex parte Grossman the Supreme Court stated that contempt is an "offense" within the meaning of the pardoning power of the President granted in article II, section 2, clause 1 of the enumerated powers of the President. Clause 1 declares the President "shall have power to grant reprieves and pardons of offenses against the United States, except in cases of impeachment." Chief Justice Taft in *ex parte Grossman* ((1925) 267 U. S. 87, 107) quoting *Myers* v. *United States* ((1924) 264 U. S. 95, 104–105).

If contempt is an offense when it comes to the pardoning power of the President, it certainly is an offense under the fifth amendment. Thus reading the language of the amendment—section 151—in pari materia with the decisions in ex parte Grossman and Myers against United States, for the Congress to grant a second trial following conviction, with the same defendant, the same charges, and the same evidence, would place the defendant in double jeopardy.

The proposal—section 151—even if it were not in violation of the fifth amendment, would place Congress in the position of gambling with the rights of our citizens. Suppose a judge tries a man or woman and finds the person guilty. The press reports this fact to the public and such cases are bound to stir the public interest. The person so convicted is then tried again on the same evidence. Any jury is bound to be influenced.

In addition, what basis or standard of conduct is to be the determining factor as to whether the judge imposes the lesser fine or sentence and lets his verdict stand or imposes the greater fine or punishment and moves the case along to a jury trial. There would be no uniformity in the application of the proposed statute—section 151—and the entire procedure would be awkward, cumbersome, and impracticable.

(Although Mr. THURMOND had not concluded his speech at this point, but continued for some time, in view of the circumstances, the following matters, which were ordered to be printed at the end of his speech, are printed at this place in the RECORD:)

SENATOR FROM WISCONSIN

During the delivery of Mr. THURMOND's remarks,

Mr. JOHNSON of Texas. Mr. President, will the distinguished Senator from South Carolina yield to me, with the understanding——

Mr. THURMOND. I will yield for a question.

Mr. JOHNSON of Texas. Mr. President, I should like to ask the Senator if he would be agreeable to yielding to me for the purpose of making a brief announcement, with the understanding that the announcement appear at the conclusion of his remarks, with the further understanding that when he resumes after the interruption it will not be counted as a second speech, and with the further understanding that the Senator retain the floor.

Mr. THURMOND. If unanimous consent is obtained, and there is no objection on the part of the majority leader or minority leader, I will do so.

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I am pleased to announce that the Senator-elect, Mr. WILLIAM PROXMIRE, from the State of Wisconsin, who was on yesterday chosen by the citizens of Wisconsin in a landslide vote, is present, ready, and prepared to take the oath of office.

I should like to read at this time into the RECORD of the Senate a telegram sent at 12:52 today, as follows:

Hon. FELTON M. JOHNSTON,
Secretary of the United States Senate,
Capitol Building, Washington, D. C.:

On the basis of unofficial returns of the vote cast August 27, 1957, for the United States Senator Mr. WILLIAM PROXMIRE is the United States Senator-elect from Wisconsin for the residue of the unexpired term ending January 3, 1959. Official certificate of election will follow upon completion of official canvass of vote cast.

STEWART G. HONECK,
Attorney General,
WARREN R. SMITH,
State Treasurer,
Members of the Board of State Canvassers.

Mr. President, the United Press ticker, at 4:17 this afternoon, carried the following statement:

MADISON, WIS.—The State board of canvassers today agreed to certify WILLIAM PROXMIRE's senatorial victory and allow him to go to the Senate before the official canvass.

The board will certify PROXMIRE's election to the Senate clerk late today. He could take office Thursday.

Declaring a candidate elected before the official canvass is believed to be unprecedented in Wisconsin elections.

Gov. Vernon W. Thomson said, "We are not going to stand on technicalities. We want Wisconsin to have representation in the United States Senate as soon as possible."

The Senate clerk has informed the canvass board that PROXMIRE's rapid certification would be acceptable on the basis of his wide margin of victory in the unofficial election tallies.

I read from the records of the Senate in a case directly in point, wherein the late Senator Hoey presented the Senator-elect from North Carolina, his colleague, Mr. Willis Smith:

SENATOR-ELECT FROM NORTH CAROLINA

Mr. HOEY. Mr. President, I present herewith a letter from the executive secretary of the State board of elections of North Carolina, showing that Willis Smith received a majority of the votes cast for United States Senator for the unexpired term of the late Senator Broughton, ending January 2, 1955. The State board of elections does not meet until tomorrow, and the certificate of election has not been officially issued. There is no controversy, and the certificate will be issued tomorrow. I ask unanimous consent that I may be permitted to file the statement today and the official certification tomorrow, and that the Senator-elect, who is present, may be permitted to take the oath of office.

The VICE PRESIDENT. Is there objection to the unanimous-consent request of the senior Senator from North Carolina?

Mr. WHERRY. I have no objection.

Mr. LUCAS. I have no objection. (Extract from CONGRESSIONAL RECORD, volume 96, part 12, p. 15772.)

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a memorandum prepared by the Parliamentarian of the Senate, entitled "Administration of oath to Senators-elect or designate prior to receipt of credentials by the Senate."

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

ADMINISTRATION OF OATH TO SENATORS-ELECT OR DESIGNATE PRIOR TO RECEIPT OF CREDENTIALS BY THE SENATE

There have been 10 instances since 1924 when Senators elected or appointed to fill vacancies in the Senate were sworn in, by unanimous consent, prior to the receipt by the Senate of duly issued certificates of election or appointment.

In each case there was transmitted to the Vice President or the Secretary of the Senate a telegram or letter from State officials having authority to issue such certificates that the Senator-elect named had received a majority of the votes cast, and that certificates of election or appointment were being transmitted by mail to the President or Secretary of the Senate.

The case most directly in line with the present Wisconsin situation seems to be that of Senator Willis Smith, who was elected Senator from North Carolina on November 7, 1950, to fill the vacancy in the term expiring January 3, 1955.

The Congress on September 23, 1950, adjourned until November 27, of that year. On the opening day of the adjourned session, namely, November 27, 1950, Mr. Hoey, of North Carolina, presented a letter from the executive secretary of the State Board of Elections of North Carolina showing that Mr. Smith had received a majority of the votes cast for Senator, but that the State board of elections would not meet until the next day and therefore the certificate of election had not been officially issued. He further stated there was no controversy about the matter.

By unanimous consent, the oath was then administered to Mr. Smith. See attached excerpt from the CONGRESSIONAL RECORD.

(NOTE.—Of the 10 Senators referred to, 5 were Republicans, and 5 were Democrats.)

Mr. JOHNSON of Texas. The memorandum reads, in part:

There have been 10 instances since 1924 when Senators elected or appointed to fill vacancies in the Senate were sworn in, by unanimous consent, prior to the receipt by the Senate of duly issued certificates of election or appointment.

As soon as I received this memorandum and the telegram from the Secretary, a copy of which was sent to Hon. RICHARD M. NIXON, President of the United States Senate, I conferred with my colleague, the distinguished minority leader [Mr. KNOWLAND] and asked him to give consideration to the possibility of swearing in the Senator-elect upon his arrival in Washington this evening. My colleague, the minority leader, in his usual courteous manner, agreed to consider the matter, and stated that he would review the precedents.

After reviewing them, he informed me that he thought it desirable that the Senate have on file a communication from the Governor of the State.

The statement made to the press by the Governor, which is in my possession, reads:

We are not going to stand on technicalities. We want Wisconsin to have representation in the United States Senate as soon as possible.

In view of that statement, I urged the minority leader to contact the Governor by telephone, which he was unable to do until about 6:30. I understand from the minority leader that he had a conversation with the Governor by telephone. The Governor was not in his office, but the Governor informed him that he would dispatch a telegram, as requested, and that the telegram would be available early tomorrow.

Therefore, I should like to announce that, although we had hoped, expected, and believed, in line with the precedents, that it would be possible to have the oath administered to our colleague this evening, in view of the fact that it was not convenient or possible for the Governor to send the telegram, and we have not received the telegram, it will not be possible to administer the oath this evening.

It is expected that, upon receipt of the telegram tomorrow morning, the proceedings of the Senate will be interrupted at that point. I should like to inform the press and the friends of the Senator-elect that, when we receive the telegram, we shall ask that the Senate proceed to administer the oath to the Senator-elect.

Mr. KNOWLAND. Mr. President, will the Senator yield to me under the same conditions under which he secured the floor from the distinguished Senator from South Carolina?

Mr. JOHNSON of Texas. I yield.

Mr. KNOWLAND. The distinguished majority leader has made a factual statement of the situation, in which I concur, with this additional observation.

Normally, the procedure in the Senate is for a Senator-elect or a Senator-designate to present himself to take the oath of office, at the same time presenting a certificate duly made out and attested. Normally, such certificate is signed by the governor and attested by the secretary of state. That is the procedure which I believe applies to 90 percent of the cases of Senators sworn in, or perhaps even a far larger percentage. That is the proper and orderly procedure as we normally know it.

It is true, as the majority leader has pointed out, that there have been exceptions to that general rule.

Mr. JOHNSON of Texas. If the Senator will permit an interruption, I should like to point out that there have been 10 such instances in recent years, in which, by consent of all Members of the Senate—and there is no dispute that consent is required—the oath of office was administered previous to the receipt of the certificate by the Senate. The only point I wish to make is that consent is not given.

Mr. KNOWLAND. That is correct; but I also wish the RECORD to be clear, because I think it is an important matter in this body, where precedents are important. So far as I know, with the exception of the single precedent of the North Carolina case, in which the late distinguished Senator Hoey presented his colleague-designate, Senator Willis Smith, the other cases generally followed this pattern: the certificate of election or appointment had been duly made by the governor in the home State, and had been attested to by the secretary of state, and was in the mail.

However, because of the delays in the mail and the passage of time, the governor or the secretary of state—and I have the precedents before me—had sent a telegram stating that the certificate was in order, that it was in the mail, on the way to the Senate, and that the governor or the secretary of state was notifying the Senate to that effect. Under those circumstances, the oath has been administered.

In the case in North Carolina, in which a particular precedent was set, the late Senator from North Carolina rose in the Senate. He had previously filed a certificate of some kind—I have not seen the exact document—in which it was stated that, on the very next day, the official canvassing board would complete the official canvass of the vote, and would mail the official certificate to the Senate. Because of the circumstances existing at that time it was felt highly desirable for the oath to be administered to the Senator-elect, Mr. Smith. There was no contest in that case, just as there is none in this case. In view of the fact that on the next day the official canvass would take place, the Senate accepted the telegram and the statement of the Senator from North Carolina.

This case is slightly different, inasmuch as, as I understand, the official canvass would normally not take place for perhaps a week or 10 days. I do not wish to state that as an absolute fact, but it is my understanding that it is not a case in which the canvassing board would make the official canvass tomorrow. Normally, it would not be made for a week or 10 days.

Under those circumstances, I thought the Senate, for its own protection, in addition to having the telegram from 2 of the 3 members of the canvassing board saying that, on the face of the unofficial returns, Mr. PROXMIRE had been elected—and I know of no one who disputes that fact—we should have a telegram from the Governor of the State.

The same procedure should apply whether the governor be a Republican or a Democrat. He is the highest responsible official in the State. We should have a communication from him stating to us that the canvassing board had furnished him the necessary information, and that as soon as the official canvass was completed, the necessary certificates would be forwarded to the Senate.

I felt that the distinguished Senator-elect from Wisconsin, Mr. PROXMIRE, would not in any way lose any of his rights. It is not as though we were about to adjourn sine die and that an inequity might be experienced by him because he had not taken his oath of office. I informed the distinguished majority leader that that was my feeling in the matter.

I had communicated with the Governor of Wisconsin. I was informed that he was not in Madison but was en route from Madison to Milwaukee. I did get in touch with him, but not until approximately 6 o'clock. As the Senator from Texas has said, the Governor told me that as soon as he returned to Madison—he would be in his office first thing in the morning—he would send a telegram to the Secretary of the Senate, Mr. Felton Johnston, to that general effect. Under all the circumstances, I thought the Senate would be better protected by having a telegram from the Governor, and I said that I would take that position whether the Senator-designate was a Republican or a Democrat.

Mr. JOHNSON of Texas. I am not criticizing the conduct of the minority leader. I should like to suggest only that if he talked to the Governor of Wisconsin at 6 o'clock and the Governor felt at 6 o'clock as he felt at 4 o'clock, that he wanted Wisconsin to have full representation in the United States Senate as soon as possible—and I assume that Western Union is still operating—that in 4½ hours a telegram could have been received from the Governor of Wisconsin. It is not a matter of great moment. We are prepared to wait for a telegram, and the Senator-elect is prepared to wait for it even though it is a little disappointing. The only announcement I would like to make is that when the Governor desires to send the telegram, and follow through on the announcement he made earlier in the day, the Senator-elect is ready and willing to take his oath of office.

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

Mr. JOHNSON of Texas. I yield.

Mr. KNOWLAND. I ask unanimous consent to have printed at this point in the RECORD the other cases which have been referred to heretofore, the predominant number of which are cases in which the certificate had been signed and attested to and were merely being delayed in being forwarded.

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

CREDENTIALS—INSTANCES OF OATH ADMINISTERED TO SENATORS PRIOR TO RECEIPT OF CREDENTIALS

RICE W. MEANS, OF COLORADO

On December 1, 1924, the President pro tempore (Albert B. Cummins, of Iowa) laid before the Senate a telegram from the State canvassing board of Denver, Colo., stating it had convened on that day and canvassed the votes cast at the general election held November 4 for United States Senator to fill the vacancy caused by the death of Senator Nicholson, and that a certificate of election had been issued to Rice W. Means, who received the highest number of votes for the office.

No objection was made to the administration of the oath to Mr. Means. (Senate Journal, 68th Cong., 2d sess., p. 4.)

BENNETT C. CLARK, OF MISSOURI

On February 3, 1933, the President pro tempore (George H. Moses, of New Hampshire) laid before the Senate a telegram from the Governor of Missouri, stating that on that day he had appointed Hon. Bennett C. Clark to fill the vacancy caused by the resignation of Hon. Harry B. Hawes, and that a certificate of appointment had been mailed to Mr. Clark.

Mr. Robinson, of Arkansas (the minority leader), said: "Mr. President, Mr. Clark is present and ready to take the oath of office. I ask unanimous consent that he be permitted to take the oath."

No objection was made, and Mr. Clark thereupon took the oath. (CONGRESSIONAL RECORD, vol. 76, pt. 3, p. 3237.)

CARL A. HATCH, OF NEW MEXICO

On January 3, 1935, the Vice President (John N. Garner, of Texas) laid before the Senate a telegram from the Governor of New Mexico, dated January 2, 1935, and attested by the secretary of state, as follows:

"The PRESIDENT OF THE SENATE OF THE UNITED STATES:

"This is to certify that on the 6th day of November 1934, Carl A. Hatch was duly chosen by the qualified electors of the State of New Mexico a Senator from said State to fill the vacancy in the term ending January 3, 1937, caused by the resignation of Sam G. Bratton.

"Done at the executive office this the 2d day of January 1935.

"Witness my hand and the great seal of the State of New Mexico.

"Certificate follows by airmail."

Mr. Hatch took the oath of office. (CONGRESSIONAL RECORD, vol. 79, pt. 1, p. 4.)

WARREN R. AUSTIN, OF VERMONT

On January 3, 1935, during the presentation of credentials of Senators elected on November 6, 1934, Mr. McNary, of Oregon, said:

"Mr. President, under the statute of the State of Vermont, the canvassing board cannot convene until the 9th of January, as authorized by the legislature. In lieu of the usual credentials, therefore, I offer a certificate of the Secretary of State and the Governor of the State of Vermont showing the election, precinct by precinct and poll by poll, of Warren R. Austin as Senator from the State of Vermont. When the certificate shall be issued and received, I will offer it for filing in the Senate."

Mr. Robinson, of Arkansas, the majority leader, said: "Mr. President, I understand there are a number of precedents for the request of the Senator from Oregon, and also that no question has arisen or has been suggested to the Senate as to the election of the Senator from Vermont. I therefore make no objection."

The oath was administered to Mr. Austin. (CONGRESSIONAL RECORD, vol. 79, pt. 1, p. 7.)

The formal certificate of election was received on January 15 (p. 432).

MON C. WALLGREN, OF WASHINGTON

On December 19, 1940, Mr. Barkley, of Kentucky, presented a telegram from Senator Lewis B. Schwellenbach, of Washington, dated December 16, 1940, stating that he was that day submitting his resignation as Senator to the Governor of Washington, effective at 12 o'clock noon on that day.

Mr. Barkley then presented a telegram from the Governor of Washington, dated December 18, 1940, stating that he had that day appointed Mon C. Wallgren to fill the unexpired term caused by Senator Schwellenbach's resignation, and that certificate of appointment was being sent that day by airmail.

Mr. Barkley asked unanimous consent that Mr. Wallgren be permitted to take the oath of office, and no objection was made. (Senate Journal, 76th Cong., 3d sess., p. 801.)

JAMES OLIVER EASTLAND, OF MISSISSIPPI

On June 30, 1941, Mr. Bilbo, of Mississippi, presented a telegram from the Governor of that State, dated June 30, 1941, addressed to the Secretary of the Senate, stating that he had that day commissioned JAMES OLIVER EASTLAND United States Senator to succeed the late Senator Pat Harrison, and that the commission had been sent by airmail to the President of the Senate.

Mr. Bilbo asked unanimous consent that Mr. EASTLAND be permitted to take the oath of office, and no objection was made. (CONGRESSIONAL RECORD, vol. 87, pt. 5, p. 5745.)

ARTHUR E. NELSON, OF MINNESOTA

On November 18, 1942, Mr. McNary, by unanimous consent, presented a telegram from the secretary of state of Minnesota, as follows:

ST. PAUL, MINN.,
November 18, 1942.

Colonel HALSEY,
Secretary of the Senate, Capitol, Washington, D. C.:

Minnesota Canvassing Board yesterday declared Arthur E. Nelson duly elected United States Senator, short term, November 3 to January 3. Certificate to that effect special delivery airmail mailed yesterday.

MIKE HOLM,
Secretary of State.

The Vice President (Henry A. Wallace) said: "Is there objection to the Senator-elect from Minnesota taking the oath on the basis of the telegram just read?"

There was no objection, and the oath was administered to Mr. Nelson. (CONGRESSIONAL RECORD, vol. 88, pt. 7, p. 8923.)

ADMINISTRATION OF OATH TO SENATOR-ELECT WILLIS SMITH, OF NORTH CAROLINA, PRIOR TO RECEIPT OF CREDENTIALS

Hon. Willis Smith was elected at the general election on November 7, 1950, to fill out the unexpired term of Senator Broughton, deceased, expiring January 2, 1955. The canvassing board of the State, however, had not met when the Senate reconvened on November 27, but was to meet on the 28th. When the Senate opened, Senator Hoey, of North Carolina, made the following statement and request:

"Mr. President, I have presented to the Secretary of the Senate a certified statement with reference to the election of Willis Smith as United States Senator from North Carolina. The State board of elections does not meet until tomorrow, and the certificate of election has not been officially issued. There is no controversy, and the certificate will be issued tomorrow. I ask unanimous

consent that I may be permitted to file the statement today and the official certification tomorrow, and that the Senator-elect, who is present, may be permitted to take the oath of office."

Senator Wherry, of Nebraska, and Senator Lucas, of Illinois, having stated there was no objection on their part, the oath of office was administered to Mr. Smith by the Vice President. (CONGRESSIONAL RECORD, vol. 96, pt. 12, p. 15772.)

ADMINISTRATION OF OATH TO SENATOR-ELECT DWORSHAK, OF IDAHO, PRIOR TO RECEIPT OF CERTIFICATE OF ELECTION

On November 28, 1950, the following proceedings occurred with reference to the administration of the oath to Hon. HENRY DWORSHAK as Senator-elect from the State of Idaho for the unexpired term ending January 2, 1951:

"Mr. WHERRY. I ask the Senator [Mr. O'MAHONEY] to yield for a matter of personal privilege, that is, for the administration of the oath of office to Hon. HENRY C. DWORSHAK as a Senator from the State of Idaho. I have a telegram in my hand from the Governor of the State of Idaho certifying to his election. The telegram reads as follows:

"BOISE, IDAHO, *November 27, 1950.*

"Hon. LESLIE L. BIFFLE,

"Secretary, United States Senate:

"Idaho official canvass complete show HENRY C. DWORSHAK elected to United States Senate for unexpired term ending January 2, 1955. Certificate in mail.

"C. A. ROBINS,

"Governor, State of Idaho.

"While the official document has not yet been received, yet the Senate gave unanimous consent yesterday to the swearing in of Senator-elect Smith of North Carolina, under the same conditions and, if there is no objection, I should like very much to have the Senator from Idaho sworn in.

"The VICE PRESIDENT. Does the Senator from Wyoming yield for that purpose?

"Mr. O'MAHONEY. I yield.

"The VICE PRESIDENT. If the Senator-elect will come forward, the Chair will administer the oath of office to him.

"Mr. DWORSHAK, escorted by Mr. Wherry, advanced to the desk, and the oath prescribed by law was administered to him by the Vice President." (CONGRESSIONAL RECORD, vol. 96, pt. 12, p. 15919.)

ADMINISTRATION OF OATH PRIOR TO RECEIPT OF CREDENTIALS—RICHARD M. NIXON, OF CALIFORNIA

On December 4, 1950, Mr. KNOWLAND (California) presented a telegram from the Governor of California, stating that on December 1 he had appointed RICHARD M. NIXON a Senator to fill the vacancy created by the resignation of Mr. Downey on November 30, and that on that day he had mailed a certificate of appointment to Mr. NIXON at Washington. The certificate not having been received, on request of Mr. KNOWLAND, the oath was administered to Mr. NIXON by the Vice President (Mr. Barkley), no objection having been made. (CONGRESSIONAL RECORD, vol. 96, pt. 12, p. 16042.)

Mr. KNOWLAND. I quite agree that under the Constitution no State can be deprived of its representation in the Senate without its consent. I also know that the Senate should lean over backward at all times to be sure that each State has its full representation. If we were confronted with a situation in which a yea-and-nay vote was about to be had in the Senate on a vital question, we might have a different situation. I might say that such a situation would deserve different treatment. So far as I know, however, we are engaged in a prolonged discussion, which will last for several hours. Neither Wisconsin nor Mr. PROXMIRE will be deprived of any rights by Mr. PROXMIRE taking his oath of office tomorrow. I believe that the orderly procedures of the Senate and the precedents of the Senate will be better protected by having the highest official in the State, the chief executive of the State, send a telegram to the Secretary of the Senate attesting to the facts.

Mr. JOHNSON of Texas. I merely would add that the Governor of Wisconsin, who earlier in the day announced that he wanted Wisconsin to have the Senator sworn in as early as possible, has found it impossible to send a telegram to the Senate in 4½ hours. I only wish to make it clear to the friends of the Senator-elect and the press that when the Governor of Wisconsin decides to file a telegram with Western Union, we will make an attempt to have the Senator-elect sworn in. The Governor of Wisconsin made the announcement regarding the representation of Wisconsin in the Senate earlier in the day.

I have every reason to assume that he meant what he said. So far as I know, Western Union is still in business.

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

Mr. JOHNSON of Texas. In a moment I shall yield. It has been some 4½ hours since the Governor was contacted. The last time the press contacted the Governor, he said, "We want Wisconsin to have representation in the United States Senate as soon as possible."

I want the people of Wisconsin to know that it was possible for Wisconsin to have a second Senator in the Senate at about 9 o'clock, and that the only reason the oath was not administered to the second Senator was that the Governor had not sent a telegram and that the minority leader had requested that the telegram be in hand.

I cannot agree with the minority leader that we can forecast how many votes we will have tonight. He is a well-informed, as well as a well-advised man. He is also an even-tempered man. But even he was caught off base last night, as was I, by a motion, which was voted on at a late hour.

It may be that while we are waiting on a wire from Wisconsin a Senator will make a motion tonight, and it may be that Wisconsin would like to have its vote recorded. It will be unable to have its vote recorded, not because of the precedent in the Hoey case, but because we are not going to allow the oath to be administered to the Senator-elect until the Governor of the State, who wants full representation of the State in the Senate, sends a telegram. I assume the Governor of Wisconsin left the impression with the Senator from California that he wanted the Senator-elect to take the oath. Is that correct?

Mr. KNOWLAND. The Governor made it perfectly clear that he was going to send the telegram when he got back to his office in Madison in the morning. He asked the minority leader if that would be satisfactory to him, and the minority leader informed him that in his judgment it would be.

Mr. JOHNSON of Texas. It is satisfactory to the minority leader, and I am sure it is satisfactory to the Governor. I should like to point out that it is quite disappointing to a man who has received a vote of confidence from his people and who has come here, in the expectation the oath would be administered to him this evening. I am sorry it is necessary to have the swearing in go over until tomorrow, but apparently that is all that can be done. I hope that at the earliest time in the morning when Western Union opens for business, and when the Governor decides that he can confirm what he said to the press, a telegram may be forthcoming.

Mr. KNOWLAND. Mr. President, I am frankly surprised a little——

Mr. JOHNSON of Texas. I ask the Senator to wait a moment. The Senator from Tennessee [Mr. KEFAUVER] has been on his feet. I first yield to him.

Mr. KEFAUVER. I know that quite a number of people came from Wisconsin with the Senator-elect and that many of his friends are very eager to be here at the time the Senator-elect takes the oath. Does the minority leader have any indication when the Governor will send the telegram, or when the minority leader will recognize the fact that Mr. PROXMIRE has been elected in Wisconsin?

Mr. JOHNSON of Texas. I believe the minority leader recognizes that fact already. I believe the minority leader wants to be cooperative. I think it is the minority leader's expectation that the Senator-elect will be sworn in by noon tomorrow. That is in accordance with the conversation he had with me earlier. If that is not correct, I will be glad to have him correct it. I yield to the minority leader for that purpose.

Mr. KNOWLAND. I will say to the majority leader that we expect to have a telegram in the morning, and I see no reason why the oath could not be administered around noon tomorrow, or whenever the telegram is received.

If the Senator will extend the courtesy of yielding to me further, I should like to say that I am a little surprised at the Senator's statement. I do not believe any criticism is due the Governor of Wisconsin. I called him at 6 o'clock. I was not notified of this until about 4 o'clock this afternoon, or perhaps a little later, and I immediately tried to reach the Governor at Madison. He had left the capital for Milwaukee. I finally did reach him, and I explained the situation to him. I thought that under the procedures of the Senate and under the precedents I had read, the Senate of the United States, as an institution, was entitled to have from the highest executive officer of the State a telegram of the type I have described. I think that is good procedure.

Mr. JOHNSON of Texas. Mr. President——

Mr. KNOWLAND. The Senator had yielded to me.

Mr. JOHNSON of Texas. I had yielded to the Senator, but I should like to say at this point that I agree with the Senator that we are entitled to receive a telegram. I express the hope that the Governor will go ahead and dispatch it.

Mr. KNOWLAND. If the Governor of the State is now away from the capital, but if he is going to be in his office in

the morning, I do not believe it is either fair or equitable to criticize him. If any criticism is due in this regard, it is due to the minority leader. I suggested to the Governor that I thought it would be perfectly appropriate, when he returned to his office at Madison in the morning, for him to send the telegram at that time. The people of Wisconsin themselves delayed some 4 months in filling this vacancy. There is no undue delay in this regard. I think the procedure is in keeping with the precedents of the Senate, and I do not think it has warranted any criticism of the Governor of Wisconsin. If the Governor dispatches the telegram in the morning, as I expect he will do, I believe he will not be subject to any criticism in that regard. I think the Senate of the United States, in the swearing in of a new Member of this body, who will represent, in part, one of the 48 States in the Union, is entitled to more than a news ticker slip or more than a statement by two of the three members of an official board. We do not have the unanimous decision of the board, because I understand the secretary of state was not available when the other two members met and sent the telegram which has been referred to. Under the circumstances, I think we are entitled to receive from the chief executive of the sovereign State of Wisconsin a telegram such as the one I have indicated. I hope in the future this discussion will be helpful to the Senate, and I hope, whether the vacancy is a Republican or a Democratic vacancy, and whether the vacancy is in the North, South, East, or West, that the Senate will protect its own prerogatives and will at least have from the chief executive of the State an indication that is in keeping with the laws and the general customs of the State.

Mr. AIKEN. Mr. President, will the Senator from California yield?

Mr. JOHNSON of Texas. Mr. President, I should like to reply to the Senator from California.

First of all, no one is criticizing the Governor. We are merely pointing out that at 6 o'clock the Governor, pursuant to a suggestion I made a little after 4 o'clock that the Senator-elect would like to take the oath this evening, was so notified, and at 11 o'clock the Senate has not received the telegram which had been requested. That is a matter completely within his jurisdiction. I do not criticize him.

I should like to point out that the Senator-elect was elected. The Senator elect is present and ready to take the oath. The Senator from California was notified to that effect, and a special request was made that he attempt to follow the last precedent we had, and permit the Senator-elect to take the oath. He said he wanted to talk to the Governor. He did talk to him at 6 o'clock. I do not know what transpired in that telephone conversation.

I make no criticism of the minority leader or the Governor. There are many people who wanted to know when the swearing-in ceremony was going to take place. I attempted to announce to the Senate that it could not take place tonight, for the reasons given. It may very well be that the Governor was in touch with the telephone company, but was unavailable to Western Union. It may be that in his good judgment he preferred the telegram to be sent tomorrow. I do not know and I do not particularly care. I merely want the RECORD to show that we made the request, that we followed the precedents of the Senate, that we asked the consideration of the minority leader and the Governor of the State, I do not ask that the Senator-elect be administered the oath until the Governor has been heard from; but I hope he will be heard from in the morning; and if he is, when he is, I shall ask that the oath be administered.

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

Mr. JOHNSON of Texas. I yield to the Senator from California.

Mr. KNOWLAND. I have tried to state the situation as clearly as I could. I have stated the reasons, which I believe to be sound. The fact of the matter is that in all the 10 precedents mentioned by the majority leader, in all of which the certificate had been signed by the Governor, had been attested to by the secretary of state, and was actually in the mail, on the way to Washington, and the Governor of the State or the secretary of state had sent a telegram—even under those conditions the only way a Senator-elect or a Senator-designate could take his oath of office would be by the unanimous consent of the 95 other Senators of this body.

I have tried to cooperate with the Senator from Texas and told him as minority leader I would do everything possible to facilitate the taking of the oath tomorrow by the Senator-elect from the State of Wisconsin.

Mr. JOHNSON of Texas. Does the Senator object to my announcing that fact?

Mr. KNOWLAND. No; I do not, but I believe the criticism of the Governor is unwarranted.

Mr. JOHNSON of Texas. I am not criticizing the Governor.

Mr. KNOWLAND. I leave that to the record. I believe the Senator has.

Mr. JOHNSON of Texas. The Senator can leave it to the record. The Governor said, "We want Wisconsin to have representation in the United States Senate as soon as possible." I submit the Senator-elect is in the Chamber, that the Governor was notified some 5 hours ago, that Western Union is still operating, and Wisconsin is still deprived of a vote in this body. Let the record speak for itself; and if there is a Senator here who can speak with cool authority when the roll is called, let him stand up.

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

Mr. JOHNSON of Texas. Yes, I yield to the Senator from Vermont.

Mr. AIKEN. I merely wanted to say there may be an explanation for this delay. I was Governor of a State for 4 years, and I do not believe that any governor would send a telegram of the type which is expected to be received from the Governor of Wisconsin until the telegram had been carefully gone over by the attorney general of the State, to make sure that the Governor had the right to send such a telegram and that it complied with the laws of the State. I think that is possibly the explanation.

Mr. JOHNSON of Texas. I am confident there are explanations. I simply want the country to be on notice that tomorrow, when the Governor of Wisconsin decides to send a telegram which says in effect what he said to the press early today, the oath will be administered. I also point out to my delightful friend from Vermont, since he is concerned with the Attorney General's opinion, that the Attorney General is one of the persons who signed the telegram attesting to the election of the Senator, and evidently he is a member of the State board of canvassers.

Mr. AIKEN. I do not know but that the Attorney General has already gone over a proposed telegram.

Mr. JOHNSON of Texas. He has. He has telegraphed the Vice President to that effect, and I hold in my hand a telegram from the State board of canvassers.

Mr. AIKEN. I would not expect a governor to send a telegram of that kind without having it scrutinized by the Attorney General, to make sure the governor had the right to send such a telegram, and that the wording was correct. I know as governor I would not do otherwise.

Mr. JOHNSON of Texas. I would not know what the Governor of Wisconsin would wish to require before he sent such a telegram. I did not have a conversation with him. I do know the Attorney General telegraphed. I do know that the Governor has stated publicly that he does not want to stand on technicalities. He wants Wisconsin to have full representation in the United States Senate as soon as possible; and I submit that if we follow the most recent precedent of the Senate in the Hoey case, the State of Wisconsin would now have full representation by two Senators. When the State has it I think will depend upon when the telegram arrives. The only purpose of the Senator from Texas was to make a simple announcement, in line with the Hoey precedent.

The Senator-elect is present, ready to take the oath; and except for the fact that the minority leader wanted a telegram from the Governor, and except for the fact that the Governor was away from his office, and except for the fact that he talked to him at 6 o'clock and he had not sent the telegram, the oath would have been administered by now. When that will come about, I do not know. I hope it will be at an early date.

I now yield to my friend from California.

Mr. KNOWLAND. Mr. President, at this point in the RECORD I ask unanimous consent that there be printed rule VI relative to the presentation of credentials, and the form of credentials which are expected of a Senator-elect or a Senator-designate of the United States.

Mr. JOHNSON of Texas. Mr. President, I have no objection to that. I do not wish to make the point that unanimous consent is required for the swearing in ceremony. We all know that it is. The point I want to make to my gracious friend from California is that unanimous consent has not been given.

The PRESIDING OFFICER. Is there objection?

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

RULE VI

PRESENTATION OF CREDENTIALS

1. The presentation of the credentials of Senators elect and other questions of privilege shall always be in order, except during the reading and correction of the Journal, while a question of order or a motion to adjourn is pending, or while the Senate is dividing; and all questions and motions arising or made upon the presentation of such credentials shall be proceeded with until disposed of.

2. The Secretary shall keep a record of the certificates of election of Senators by entering in a well-bound book kept for that purpose the date of the election, the name of the person elected and the vote given at the election, the date of the certificate, the name of the governor and the secretary of state signing and countersigning the same, and the State from which such Senator is elected.

On January 4, 1934, the Senate agreed to the following:

Resolved, That, in the opinion of the Senate, the following are convenient and sufficient forms of certificate of election of a Senator or the appointment of a Senator to be signed by the executive of any State in pursuance of the Constitution and the statutes of the United States:

"CERTIFICATE OF ELECTION

"To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

"This is to certify that on the — day of ———, 19——, A ——— B ——— was duly chosen by the qualified electors of the State of ——— a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January, 19——.

"Witness: His excellency our governor ———, and our seal hereto affixed at ——— this — day of ——, in the year of our Lord 19——.

"By the governor:

"C——— D———,
"Governor.

"E——— F———,
"Secretary of State."

"CERTIFICATE OF APPOINTMENT

"To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

"This is to certify that, pursuant to the power vested in me by the Constitution of the United States and the laws of the State of ———, I, A——— B———, the governor of said State, do hereby appoint C——— D——— a Senator from said State to represent said State in the Senate of the United States until the vacancy therein, caused by the ——— of E——— F———, is filled by election as provided by law.

"Witness: His excellency our governor ———, and our seal hereto affixed at ——— this ——— day of ———, in the year of our Lord 19——.

"By the governor:

"G——— H———,
"Governor.

"I——— J———,
"Secretary of State."

Resolved, That the Secretary of the Senate shall send copies of these suggested forms and these resolutions to the executive and secretary of each State wherein an election is about to take place or an appointment is to be made in season that they may use such forms if they see fit. (Senate Journal 17, 73–2, January 4, 1934.)

Mr. KEFAUVER. Mr. President, will the Senator from Texas yield to me?

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Tennessee?

Mr. JOHNSON of Texas. I yield.

Mr. KEFAUVER. Of course, it is customary for the senior Senator from the State in question to escort a Senator-elect to the desk, to take the oath of office.

When the Senator-elect arrived, I saw the senior Senator from Wisconsin [Mr. WILEY] ready to escort him to the desk. Is there any question in that connection?

Mr. JOHNSON of Texas. There is not the slightest question, so far as I know.

The only observation I should like to make is that many questions were raised about when the Senator-elect would be sworn in. I attempted to announce that the Senator-elect was present and was willing to be sworn in whenever unanimous consent could be obtained. The obtaining of unanimous consent was dependent upon the request made of the Governor at 6 p. m. We thought the telegram from him would be obtained immediately, because of the announcement the Governor had made at 4 o'clock. However, that telegram has not been forthcoming.

Therefore, I should like to have the Senate be on notice and the Senator-elect be on notice and his friends be on notice that when the telegram arrives, the Senate will proceed to have the oath of office administered, if unanimous consent is then given.

We realize that unanimous consent is required, and that any one Senator can then object.

Therefore, I am not now making a unanimous-consent request, because I have been informed by the minority leader that unless and until the Governor sends the telegram, unanimous consent will not be given. I have also been informed that the telegram will be here before noon, tomorrow.

The Senator-elect and his friends may be on notice that when the telegram arrives, we shall take judicial notice of it, and shall proceed to ask that the oath be administered.

Mr. President, I thank my friend, the Senator from South Carolina [Mr. THURMOND], for his courtesy. I trust that he appreciates the situation which prompted our unusual request of him.

Mr. THURMOND. Mr. President, I have been very glad to yield.

AUTHORIZATION FOR SUBCOMMITTEE ON DISARMAMENT TO SUBMIT A REPORT SUBSEQUENT TO SINE DIE ADJOURNMENT

Mr. HUMPHREY. Mr. President, I ask unanimous consent to submit a report of the Subcommittee on Disarmament following the adjournment of the Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERSONNEL POLICIES IN THE DEPARTMENT OF DEFENSE

During the delivery of Mr. THURMOND's speech,

Mr. GOLDWATER. Mr. President, the most serious threat to the potential of the United States to defend itself through the strategy of retaliation, or even the strategy of long defense, is the constant drain on our trained manpower. I have discussed this problem with hundreds of enlisted men and officers during my annual tours of duty with the Air Force and during the many visits I make to posts in the course of a year. I find, almost universally, that men do not want to leave the service, but they are forced to do it for economic reasons. In my opinion, the Cordiner report is the solution to this problem, inasmuch as it is based upon the recognition of skill and ability, instead of longevity or rank. Incentive has been the driving force in the American economy. It should likewise be the driving force in the professional Army—in the Navy, Marines, and Air Force.

Hearings on S. 2014 have been started. This urgent need to retain the right kind of personnel in our Armed Forces is the most pressing issue in the entire realm of national defense. The chiefs of the uniformed services and the Chairman of the Joint Chiefs of Staff, as well, have stated this to be true. They recognize the problem as the one most basic to providing in the most economical and sensible way the kind of efficient defense we must have. No other single problem reaches in magnitude the gravity of this problem of manning our Armed Forces with the caliber of leaders and technicians so necessary for the protection of our country.

These hearings and the testimony given in them will do more than anything has yet done to arouse the people to the want for new and realistic personnel policies within the Department of Defense. The people of this country must be given the means to understand the problems confronting a serviceman, to know those things which weigh against his decision to stay in the service. Once they know, they will rush to support measures aimed at alleviating the plight in which the serviceman now finds himself.

To adequate housing, limited fringe benefits, inequitable pay, and a general lack of professionalism and organizational esprit de corps are working against our service members. Improved housing, readjusted pay scales and the inauguration of remedial personnel policies will cause the esprit to rise and the high rate of personnel turnover to taper off. Not only will efficiency improve but many billions of dollars will be saved.

I am appalled at the recent statistics published on the resignations among the graduates of West Point and Annapolis. These are the men in whom we have invested large sums of money for training. Yet they are resigning—leaving the services in large numbers. Just recently the newspapers carried the story of West Point's class of 1954. Exactly 3 years after their graduation, and on the first instance of their becoming eligible, about 10 percent of the graduates of that class submitted their resignation. Undoubtedly, others of the class will follow. Why are they leaving the service, and why is the investment of more than $2 million spent in training these 48 young officers being lost? The answer is sim-

ple. The beckoning of much higher pay and the greater opportunities for advancement in civilian employment is only part of the answer. The shedding of many worries over such things as housing and the indifference of the public to their profession is the other side of why these high potential young men are stepping out of uniform.

Not only the class of 1954 from West Point, but men of many classes from both of the service academies are resigning in significant numbers. One of the most dramatic cases is that of Navy Capt. Chester W. Nimitz, Jr., son of the fighting admiral, who recently resigned. His pay, he claimed, and rightfully so, had not kept pace with living costs. When the services lose officers with such distinguished records and with the potential for high command as possessed by Captain Nimitz they are suffering losses for which they can never be compensated.

Businessmen in all corners of commerce and industry recognize the logic and practicality of the proposals contained in the Cordiner committee report on which S. 2014 is based. The bill calls for the acceptance and implementation of these proposals into legislation. Passage of the bill will improve the combat effectiveness of our Armed Forces while, at the same time, saving up to $5 billion annually in national defense expenditures.

I predict that we will follow the lead of the Government of Canada which recently adopted measures similar to those contained in S. 2014, especially with respect to the adjustment of pay as an incentive to the members of the armed services. An aroused public and the expression of public opinion, I feel certain, will follow the hearings and indicate the public demand for a solution to the personnel retention problem in the Department of Defense.

Mr. President, I ask unanimous consent that an article entitled "New Worry for Military—Young Officers Leaving," published in the August 30 issue of the U. S. News & World Report, be printed in the RECORD as a part of my remarks.

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

NEW WORRY FOR MILITARY—YOUNG OFFICERS LEAVING

(Best trained career officers are now quitting the military in droves. In some cases, rate is highest since World War I. Worried chiefs of Army, Navy, Air Force are all trying new policies to combat the trend, hope for a real pay boost to help.)

Armed services of the United States, already faced with deep cutbacks in total manpower, now find that they are losing the cream of their officer corps—career military leaders educated at West Point and Annapolis—in near-record numbers.

Resignations, made or threatened by career officers, are starting to cause real alarm in all three services at a time when Congress is opening hearings on military incentive pay. Latest reports show this:

The Army, on the basis of resignations in recent weeks, now expects to lose more than one-fourth of its officers from the 1954 class of the United States Military Academy. This is the highest rate of resignation for a West Point class since World War I. West Pointers are committed to serve for 3 years, so this is the most recent class of graduates to show resignations.

The Air Force, concerned, polled its own career officers, who come from both West Point and Annapolis. Of these, 21 percent are now undecided about staying in uniform, while 4.1 percent definitely plan to get out. This could mean a 25-percent loss of career Air Force officers in the period just ahead.

Navy career officers, too, are starting to resign at a faster clip, with 200 resignations in the first half of 1957 and many more expected in the second half. The Annapolis class of 1950, committed to serve 4 years of active duty, has seen 29 percent of its members leave the Navy or Marine Corps.

REASONS FOR RESIGNING

What's behind these increasing resignations by officers who had planned to make the military service a career? To help find out, the Army ordered its generals to interview all career officers who resign.

Prosperity, with the opportunities now offered in civilian life, is given as the principal reason in nearly half of those interviews. The biggest group of officers resigning—24.7 percent—simply quit to take better jobs in private industry. Some—10.3 percent—planned to get more schooling in preparation for civilian careers. A few—5.9 percent—had no specific job in mind, but wanted more money than a military career offered. The rest of this group—3.6 percent—gave as their reason the slowness of promotion in the armed services.

Family situations account for about a quarter of the current resignations, the Army interviews discovered. Lack of stability for the officer's family was given as the chief reason for resigning in 9.2 percent of the cases, personal family problems in 7.2 percent, family finances in 3.5 percent, prolonged separations from the family in 3.3 percent, substandard housing, 2.2 percent, too many moves, 2.1 percent.

Of the other resignations, 8.6 percent were said to stem from a lack of adjustment to military life.

WHAT TO DO?

To combat the increase in resignations caused by such factors, the services are trying many things.

Steps already have been taken, for example, to provide longer assignments for career officers in order to require fewer moves. New legislation is being pushed to improve the quality of family housing on military posts. Medical and dental care for officers' families has been broadened. An outstanding officer promotion program is being tried, to step up advancement for some. Opportunities are being provided for officers to go to school at Government expense.

LURE OF HIGH PAY

But, to combat the lure of higher pay in civilian life, the services are able to do little except press for adoption of the incentive-pay plan proposed by the Cordiner committee, appointed by the President to study the problem of turnover in the Armed Forces.

How serious is the loss of these Academy-trained career officers? In testimony to Congress last week, Ralph Cordiner observed: "When [the graduates] depart, the Armed Forces suffer a loss in continuity, loyalty, and professional leadership that is never quite made up."

Mr. GOLDWATER. Mr. President, I wish to thank the distinguished Senator from South Carolina for yielding to me on a matter in which he has a great interest because of his long connection with the Reserve and Regular military forces of our country.

Mr. THURMOND. It was a pleasure to yield to the able Senator from Arizona, who is one of the great patriots of this country, who has a vital interest in national defense, and who made such an outstanding record in World War II.

Mr. GOLDWATER. I thank the Senator.

ADDITIONAL RECORD MATTERS

By Mr. HOLLAND:

Article entitled "The House Versus the Senate," written by Representative EUGENE J. MCCARTHY, and published in the New York Herald Tribune of recent date.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 28, 1957, he presented to the President of the United States the following enrolled bills:

S. 1153. An act for the relief of Zdenka Sneler;

S. 1167. An act for the relief of John Nicholas Christodoulias;

S. 1175. An act for the relief of Helene Cordery Hall;

S. 1241. An act for the relief of Edward Martin Hinsberger;

S. 1290. An act for the relief of Lee-Ana Roberts;

S. 1293. An act for the relief of Eithaniahu (Eton) Yellin;

S. 1306. An act for the relief of Pao-Wei Yung;

S. 1307. An act for the relief of Toribia Basterrechea (Arrola);

S. 1308. An act for the relief of Carmen Jeanne Launois Johnson;

S. 1335. An act for the relief of Sandra Ann Scott;

S.1370. An act for the relief of Wanda Wawrzyczek;

S. 1387. An act for the relief of Rebecca Jean Lundy (Helen Choy);

S. 1421. An act for the relief of Ansis Luiz Darzins;

S. 1482. An act to amend certain provisions of the Columbia Basin Project Act, and for other purposes;

S. 1496. An act for the relief of Nicoleta P. Pantelakis;

S. 1685. An act for the relief of Sic Gun Chau (Tse) and Hing Man Chau;

S. 1736. An act for the relief of Rosa Sigl;

S. 1767. An act for the relief of Eileen Sheila Dhanda;

S. 1783. An act for the relief of Randolph Stephan Walker;

S. 1804. An act for the relief of Marjeta Winkle Brown;

S. 1815. An act for the relief of Nicholas Dilles;

S. 1817. An act for the relief of John Panagiotou;

S. 1838. An act for the relief of Charles Douglas;

S. 1848. An act for the relief of Michelle Patricia Hill (Patricia Adachi);

S. 1896. An act for the relief of Maria West;

S. 1902. An act for the relief of Belia Rodriguez Ternoir;

S. 1910. An act for the relief of Salvatore Salerno;

S. 1962. An act to authorize the Secretary of Agriculture to convey a certain tract of land owned by the United States to the Perkins Chapel Methodist Church, Bowie, Md.;

S. 2003. An act for the relief of Jozice Matana Koulis and Davorko Matana Koulis;

S. 2063. An act for the relief of Guy H. Davant;

S. 2095. An act for the relief of Vaclav Uhlik, Marta Uhlik, Vaclav Uhlik, Jr., and Eva Uhlik;

S. 2165. An act for the relief of Gertrud Mezger;

S. 2229. An act to provide for Government guaranty of private loans to certain air carriers for purchase of modern aircraft and equipment, to foster the development and use of modern transport by such carriers, and for other purposes;

S. 2434. An act to amend the act entitled "An act to provide books for the adult blind";

S. 2438. An act to amend the District of Columbia Business Corporation Act;

S. 2460. An act to authorize the transfer of certain housing projects to the city of Decatur, Ill., or to the Decatur Housing Authority; and

S. 2603. An act to amend the act entitled "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved June 3, 1896.

THE CORDINER REPORT

During the delivery of Mr. THURMOND'S speech,

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

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Arizona?

Mr. THURMOND. I yield for a question.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the distinguished Senator from South Carolina may yield to the junior Senator from Arizona for the purpose of making a few remarks relative to the Cordiner report and S. 2104.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

Mr. THURMOND. Not if unanimous consent is obtained and it is not construed that I am speaking more than one time while making this address. If that is the case, I shall be pleased to yield to my distinguished colleague, the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I include that in my unanimous-consent request.

The PRESIDING OFFICER. It is the understanding of the Chair that the Senator from South Carolina does not wish to lose his right to the floor.

Mr. THURMOND. That is correct.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

Mr. MANSFIELD. Mr. President——

The PRESIDING OFFICER. The Senator from Montana.

Mr. MANSFIELD. May I ask, what is the request?

The PRESIDING OFFICER. The request of the Senator from Arizona is that he be permitted to make some remarks without the Senator from South Carolina losing the floor.

There being no objection, it is so ordered.

Mr. GOLDWATER. Mr. President, I further ask unanimous consent that the remarks I make may appear elsewhere in the RECORD than in the remarks of the distinguished Senator from South Carolina.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona? The Chair hears none, and it is so ordered.

Mr. GOLDWATER. Mr. President, on yesterday—just a few hours ago—I addressed myself to S. 2104. I desire to address myself to the same measure again today in a little more lengthy fashion, because this session is drawing to a close, and I want the record to be complete on this matter before the session resumes in January.

I say that because I want my colleagues to have available to them some studies which have been made by members of my staff, which I inserted in the RECORD earlier, but which I feel have not been fully read or understood by Members of the Senate.

Mr. President, Congress, in 1926, enacted legislation designed to provide more effectively for the national defense by increasing the efficiency of the Air Corps of the United States Army. The bill, among many other things, elevated the military air arm of the Army from the status of a service to that of a corps. In addition, the legislation recognized that the newly established Air Corps needed highly qualified personnel to maintain its complicated equipment.

This latter matter had received considerable attention by a special aircraft committee of the House of Representatives and the President's Aircraft Board, known respectively as the Lampert committee and the Morrow Board. Both of these committees, and particularly the Lampert committee, recommended:

> That additional compensation necessary to secure an adequate number of competent mechanics to maintain aircraft in efficient operation, be provided; that such mechanics should be relieved of routine military duty.

Under the existing law, enlisted personnel in the Army were classified in seven pay grades from $21 to $126 a month. In addition to these basic pay rates, Congress, by act of June 3, 1916, as amended by act of June 4, 1920, established a system of bonus pay for certain specialists ranging from $3 to $30 a month.

It was brought out in the hearings of 1926 that these bonuses were not sufficient to attract and retain required Air Corps skills in view of the fact that:

> In the automobile industry the average monthly wage of those who do the same kind of work is $150.22 a month. In the airmail service the average wage is $154.04.

Based upon the justification presented by the Air Corps, the act of July 2, 1926 (Public Law 446) provided:

> Enlisted men of the fourth, fifth, sixth, and seventh grades in the Air Corps who have demonstrated their fitness and shown that they possess the necessary technical qualifications therefore and are engaged upon the duties pertaining thereto may be rated as air mechanics, first class, or air mechanics, second class, under such regulations as the Secretary of War may prescribe. Each enlisted man while holding the rating of air mechanic, first class, and performing the duties as such shall receive the pay of the second grade, and each enlisted man while holding the rating of air mechanic, second class, and performing the duties as such shall receive the pay of the third grade: *Provided*, That such number as the Secretary of War may determine as necessary, not to exceed 14 percent of the total authorized enlisted strength of the Air Corps, shall be rated as air mechanics, first class, or air mechanics, second class.

Taking the then existing pay rates, any man in the fourth, fifth, sixth, or seventh pay grades who held the rating of air mechanic, first class, would be entitled to receive the pay of a second-grade airman, or $84. Any man in these grades classed as an air mechanic, second class, would receive the pay of an enlisted man of the third grade, which at that time was $72.

It should be noted that the Secretary of War determined the number of ratings that were needed but he was limited by law to restrict the number of ratings not to exceed 14 percent of the authorized strength of the Air Force. For example, the act of July 2, 1926, which laid down a 5-year program of expansion of the Army Air Corps, both as to equipment and personnel, established a force of 1,800 planes, 1,650 officers, and 15,000 enlisted personnel in the Air Corps. Actually, however, as of June 1928 the Air Corps had 9,493 enlisted men of which 305 were rated as air mechanics, first class, and 577 were rated as air mechanics, second class. On June 30, 1930, the Air Corps had 12,034 enlisted personnel, of which 616 were rated as air mechanics, first class, and 882 were rated as air mechanics, second class. In 1941—the last year that this system of classification was used—the enlisted strength of the Air Corps totaled 133,775, of which 3,713 were rated as first class air mechanics and 4,753 were rated as second class air mechanics.

In the hearings of 1941 before the Senate subcommittee of the Committee on Military Affairs, which preceded the enactment of the Pay Readjustment Act of 1942, an Interwar, Navy, Treasury, and Commerce Departments Committee, reporting on the specialist rating system, stated:

> Theoretically the system is good, but as a matter of practical application, it is not satisfactory. Modern equipment, its maintenance, repair, and operation requires that many of these specialists exercise command incident to the supervision as well as the instruction of others. Many of the duties for which specialists' ratings were designed require highly intelligent and able men who are either not to be found in the lower grades or who should not be kept there. It is recommended that specialist ratings be paid on the basis of grades rather than trades. If this is done grades would be used in lieu thereof by the Army and Marine Corps as it now done in the Navy and Coast Guard.

It was brought out in the hearings that the Air Corps was abolishing these specialist ratings "as fast as they—the Air Corps—can reprint the Tables of Organization." Therefore, under the Pay Readjustment Act of 1942—Public Law 607, 77th Congress—specialists' pay ratings were abolished and the monthly base pay of enlisted personnel ranging from $50 to $138 was established.

ORDER FOR ADJOURNMENT TO 10 O'CLOCK A. M. TODAY AND FOR LIMITATION ON STATEMENTS DURING THE MORNING HOUR

During the delivery of Mr. GOLDWATER'S speech while Mr. THURMOND had the floor,

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

Mr. THURMOND. I am glad to yield, provided I do not lose the floor, and provided I am not charged with a second speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it adjourn to meet at 10 o'clock a. m.

The PRESIDING OFFICER (Mr. CLARK in the chair). Is there objection to the request?

Mr. PURTELL. Mr. President, may I hear the request?

Mr. MANSFIELD. The request is that when the Senate meets today, it meet at 10 o'clock a. m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. At that time there will be the usual morning hour. I ask that statements in connection therewith be limited to not to exceed 3 minutes.

Mr. PURTELL. What is the request, Mr. President?

The PRESIDING OFFICER. The request of the Senator from Montana is that when the Senate adjourns, it adjourn to meet at 10 o'clock a. m. today. There will be the usual morning hour, and the Senator from Montana asks that statements in connection therewith be limited to 3 minutes.

Without objection, it is so ordered.

The Senator from Arizona [Mr. GOLDWATER] temporarily has the floor, by agreement with the Senator from South Carolina.

Mr. GOLDWATER. The junior Senator from Arizona merely wished to acknowledge the usual optimism of the junior Senator from Montana. The junior Senator from Arizona feels that we shall be here at 10 o'clock this morning.

Mr. PURTELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Connecticut, recognizing that the Senator from South Carolina has the floor?

Mr. GOLDWATER. We will protect his right to the floor.

Mr. PURTELL. Let me make the observation——

The PRESIDING OFFICER. Does the Senator from South Carolina permit the Senator from Connecticut to have the floor briefly, without the Senator from South Carolina losing the floor?

Mr. THURMOND. With regard to the request which was made, I do not think it would apply unless I am through speaking. I do not know how long I shall require to complete my address.

Mr. GOLDWATER. Mr. President, a parliamentary inquiry.

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

Mr. GOLDWATER. The Senator would not lose the floor so long as he has the floor; and if he should continue until 10 o'clock the request of the acting majority leader would be invalid, would it not?

The PRESIDING OFFICER. It is the understanding of the Chair that the request of the Senator from Montana is dependent on the Senator from South Carolina having yielded the floor. The Chair asks the Senator from Montana if that is not a correct understanding.

Mr. MANSFIELD. That is correct. My request was the usual formality, and it would apply only in case the Senator from South Carolina had completed his speech, and the Senate met in a new session. I think the usual procedure should be observed.

The PRESIDING OFFICER. Without objection, the request of the Senator from Montana is agreed to.

The Chair now asks the Senator from South Carolina whether he desires to yield to the Senator from Connecticut?

Mr. GOLDWATER. The Senator from Arizona has the floor, with the understanding that the Senator from South Carolina will not lose the floor.

The PRESIDING OFFICER. That is the understanding. The Senator from Connecticut requests the floor.

Mr. GOLDWATER. He requests me to yield.

Mr. PURTELL. I ask if the Senator from Arizona will yield for a question?

The PRESIDING OFFICER. The Senator from Arizona does not have the floor.

Mr. GOLDWATER. The Senator from Arizona does have the floor, having been yielded to by the Senator from South Carolina under the agreement that the Senator from South Carolina will not lose the floor.

The PRESIDING OFFICER. When the colloquy appears in the CONGRESSIONAL RECORD, it will show that the Senator from Connecticut is recognized.

Mr. PURTELL. It is quite a while since I started to ask my question. However, I still shall ask it. Is it not the Senator's belief that if we continue operating the way we have been for the last 20 minutes, probably we will be here until 10 o'clock tomorrow morning?

Mr. GOLDWATER. The Senator from Arizona would observe that probably we will be. He would observe further that, so long as we have ruined the summer, we might as well wreck it.

Mr. PURTELL. I should like to ask a further question. I assure the Senator from Arizona that it is his prerogative to determine what he wishes to do with his summer. It so happens that there are other Senators, and many attachés of the Senate, who do not feel as the Senator from Arizona does about wrecking the night or the summer.

Mr. GOLDWATER. I might observe that it is a very pleasant evening. Furthermore, it is only 1:40 in the morning. I am sure that the Senator from Connecticut has been up as late as 1:40 in the morning on other occasions, and perhaps many times, without such pleasant company. I am sorry to keep others up, but we have not had an occasion to get together like this in about 4 years, and I do not want to miss an opportunity like this.

The PRESIDING OFFICER. The Chair would observe that he is very much interested in the Senator's statement on the Cordiner report, because the Chair finds himself in agreement with the Senator from Arizona in that regard.

Mr. GOLDWATER. If the Senator from Connecticut will permit me to continue, he will be able to have the floor in about an hour and a half. I should like to continue with my remarks.

Mr. PURTELL. Will the Senator assure me that I shall have the floor in an hour and a half?

Mr. GOLDWATER. I cannot assure the Senator of that because in an hour and a half I intend to be in bed. He will have to ask the junior Senator from South Carolina, who is a very courteous gentleman, and who, I am sure, will be glad to yield to the Senator from Connecticut.

Mr. PURTELL. I very much hope that the Senator from Arizona will continue to read from the CONGRESSIONAL RECORD for an hour and a half. If I were certain that I would have the floor in an hour and a half, I would assure the Senator that I would then very quickly finish my remarks and suggest that the Senate adjourn until tomorrow.

Mr. GOLDWATER. I have only about 2 minutes more of material to read from the RECORD. If the Senator from Connecticut will resume reading his paper, I will resume reading from the CONGRESSIONAL RECORD.

An analysis as to how effective the air mechanic specialist ratings were in improving the retention of airmen in the Air Corps can be gleaned from a review of the Air Corps reenlistment rate for the period fiscal year 1926 to 1940. These statistics are contained in table 2. Table 3 shows the reenlistment rates in the infantry corps for certain comparable years. It is realized, of course, that the comparatively better reenlistment rate in the Air Corps was naturally due in some part to such factors as glamour of the Air Force, and opportunities for receiving training in skills that would be of value in a civilian occupation. It is also recognized that the economic consequences following the stock market crash of October 1929 also played a large part in influencing enlisted military personnel to reenlist. However, this latter factor was equally as true of the infantry as it was of the Air Corps. Yet from the statistics given, the rate of Air Corps retentions was considerably greater than it was for the infantry. Thus it should be concluded that special pay attractions offered air mechanic specialists did play a large part in improved Air Corps retention rates in the pre-World War II period.

I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, the three tables which appear on page 2223 of the CONGRESSIONAL RECORD of February 19, 1957.

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

TABLE 1.—*Act of June 10, 1922, Public Law 235, 67th Cong.—Monthly base pay of enlisted men of the Army and Marine Corps*

Grade:	Amount
1st	$126
2d	84
3d	72
4th	54
5th	42
6th	30
7th	21

TABLE 1.—*Act of June 10, 1922, Public Law 235, 67th Cong.—Monthly base pay of enlisted men of the Army and Marine Corps*—Continued

Specialist ratings:	
1st	$30
2d	25
3d	20
4th	15
5th	6
6th	3

TABLE 2.—*Air Corps reenlistments, fiscal years 1926–40*

Fiscal year	Air Corps total enlisted strength (end of fiscal year)	Number discharged		Number reenlisted within 3 months after discharge	Percent rate
		Expiration of service	Other [1]		
1926	8,723	1,585	1,949	1,262	35
1927	9,077	2,410	2,087	1,735	38
1928	9,493	1,619	2,110	1,605	43
1929	10,890	1,739	2,295	2,025	50
1930	12,034	2,703	2,470	2,817	54
1931	13,194	2,443	1,859	2,947	68
1932	13,369	2,964	1,742	3,401	73
1933	13,497	3,849	1,637	4,132	75
1934	14,314	3,257	910	3,341	80
1935	14,719	2,931	1,414	3,565	82
1936	15,640	3,368	1,241	3,785	82
1937	17,299	3,704	1,795	4,100	74
1938	18,909	3,034	1,570	3,967	86
1939	20,838	3,799	2,780	5,318	81
1940	47,812	4,643	8,448	12,479	91

[1] Honorable causes such as: Return from overseas with less than 2 months' service retainability, disqualified as flying cadet, special cases, accept appointment as officer, enter flying training.

TABLE 3.—*Infantry reenlistments*

[Sample year]

Fiscal year	Total Infantry enlisted strength	Number discharged		Number reenlisted within 3 months after discharge	Percent rate
		Expiration of service	Other [1]		
1926	40,344	8,955	6,624	5,504	36
1927	39,574	12,208	6,624	7,596	41
1930	41,259	11,533	5,486	8,056	48
1931	40,569	9,497	3,652	7,604	57
1933	39,049	10,993	4,544	11,492	70
1934	39,476	8,629	2,027	7,001	69
1937	54,707	8,361	4,634	8,021	61
1938	57,293	7,667	5,467	8,341	64

[1] Honorable causes such as: Return from overseas with less than 2 months service retainability, disqualified as flying cadet, special cases, accept appointment as officer, enter flying training.

Mr. GOLDWATER. In conclusion, I merely wish to say I have read portions from the RECORD which now appear in small type, so as to promote them to large type, in order that Senators may read them in the RECORD tomorrow.

I also wish to point out that some of the things which the Cordiner report suggests were in effect from 1926 until 1940, and that during those years the reenlistment rate in the Air Corps was at an extremely high level. It is my opinion that if the provisions of the Cordiner report are applied, particularly to the lower grades we would be able to retain those skills not only in the Air Force, but also in the Army, Navy, and Marine Corps.

Again I find myself indebted to the distinguished junior Senator from South Carolina, and I wish to thank him again for allowing me the same privilege today that he allowed me yesterday of commenting on this very important subject.

Mr. THURMOND. The Senator from Arizona is perfectly welcome. I was very happy to yield to him.

Incidentally, if my distinguished friend from Connecticut is tired or sleepy, I do not wish to detain him, because I am sure he would not vote for any motion I would make. I will therefore be very glad to excuse him.

Mr. PURTELL. I did not hear the remarks of the distinguished Senator. My attention was diverted.

Mr. THURMOND. If the distinguished Senator from Connecticut, my good friend, is tired or sleepy, or wants to go home, it is perfectly all right with me. I shall not detain him. I doubt that he would vote for my motion anyway.

Mr. PURTELL. I wish to tell the distinguished Senator from South Carolina, tired as I am, I would not deny myself the privilege of listening to his fine remarks.

Mr. THURMOND. I thank the Senator.

(At this point, at 2 o'clock a. m., Thursday, August 29, 1957, with Mr. THURMOND still speaking, the printing of the proceedings and debates of the Senate for the session beginning Wednesday, August 28, at 10 o'clock a. m., was suspended; but will be continued in the next edition of the CONGRESSIONAL RECORD.)

NOMINATIONS

Executive nominations received by the Senate August 28, 1957:

DEPARTMENT OF STATE

Gerard C. Smith, of the District of Columbia, to be an Assistant Secretary of State, vice Robert R. Bowie.

IN THE NAVY

The following named captains of the Medical Corps and the Supply Corps of the Navy for temporary promotion to the grade of rear admiral in the staff corps indicated, subject to qualification therefor as provided by law:

MEDICAL CORPS

Edward C. Kenney

SUPPLY CORPS

Lionel C. Peppell
Thomas A. Long

IN THE MARINE CORPS

The following-named officers of the Marine Corps for temporary appointment to the grade of major general, subject to qualification therefor as provided by law:

Roberts, Carson A.
Berkeley, James P.
Weller, Donald M.

The following-named officers of the Marine Corps for temporary appointment to the grade of colonel, subject to qualification therefor as provided by law:

Beeman, Theodore F.	Moss, Richard I.
Meyerhoff, Wilbur F.	Thompsan, Eugene N.
Gallagher, Frank E., Jr.	Stevens, John W., II
	Oelrich, Martin E. W.
Smart, Henry J.	Gray, Joseph A.
Wismer, Ralph M.	Rooney, John T.
Dooley, George E.	King, Louis N.
Mickey, Ross S.	Platt, Jonas M.
Owens, Robert G., Jr.	Appleyard, James O.
Ahern, Thomas J.	Holomon, Walter
Marshall, David E.	Drake, Clifford B.
Gilliam, William M.	Baker, Charles R.
White, John A.	Armstrong, Robert H.
Larsen, Carl V.	Robinson, Wallace H., Jr.
Waters, George F., Jr.	
Lawton, Crawford B.	York, Howard A.
Hooper, Marshall J.	Finn, Edward V.
Riche, Hulon H.	Crockett, Winsor V., Jr.
Bell, James O.	Croizat, Victor J.
Johnston, Paul T.	Fusan, Ernest C.
Bergren, Orville V.	Warren, Charles E.
Cornell, Walter F.	Batterton, Roy J., Jr.
Wilson, Elliott	Anderson, Earl E.
Kelly, Bernard T.	Taplett, Robert D.
Kolb, Karl W.	Humphreys, Wilson F.
Cortelyou, Stoddard G.	Harwick, Victor J.
Souder, William H., Jr.	Hitt, Wade H.
Gomez, Andre D.	Houser, Robert H.
Kantner, George B.	Peters, Tillman N.
Smoak, Tolson A.	Barnum, Allen T.
Pregnall, Daniel S.	Merchant, Robert A., Jr.
Oddy, Robert J.	
Banning, Virgil W.	Benson, Alexander R.
Wyczawski, Richard W.	Jones, John H.
Nihart, Franklin B.	Martin, Marlin C., Jr.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 28, 1957:

UNITED STATES DISTRICT JUDGE

Roby C. Thompson, of Virginia, to be United States district judge for the western district of Virginia.

TERRITORY OF HAWAII

William Francis Quinn, of Hawaii, to be Governor of the Territory of Hawaii.

SECRETARY, TERRITORY OF HAWAII

Farrant Lewis Turner, of Hawaii, to be Secretary of the Territory of Hawaii.

COLLECTOR OF CUSTOMS

John E. Paterson, of Alabama, to be collector of customs for customs collection district No. 19, with headquarters at Mobile, Ala.

Frank A. Thornton, of California, to be collector of customs for customs collection district No. 25, with headquarters at San Diego, Calif.

Olivia C. Erpenbach, of Minnesota, to be collector of customs for customs collection district No. 35, with headquarters at Minneapolis, Minn.

THE COAST AND GEODETIC SURVEY

John A. Benning, for permanent appointment to the grade of ensign in the Coast and Geodetic Survey.

WITHDRAWAL

Executive nomination withdrawn from the Senate August 28, 1957:

POSTMASTER

Lee L. Altemose, to be postmaster at Tatamy, in the State of Pennsylvania.

HOUSE OF REPRESENTATIVES

WEDNESDAY, AUGUST 28, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Eternal God, our Father, may this be a day of noble and worthy achievement and at the evening hour may we receive the benediction which Thou dost bestow upon the faithful.

Grant that in all our plans and purposes we may be eager to seek and possess the certainty of Thy gracious presence, the counsel of Thy divine wisdom, and the consolation of Thy understanding heart.

Give us the blessings of insight and inspiration, and may we live out each

day in faith, in faithfulness, and in the fear of the Lord.

When we come to the close of this session of the Congress may we have within our hearts the testimony that in all our efforts and work we have sought to do that which is well pleasing unto Thee.

Hear us in Christ's name. Amen.

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

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 2462. An act to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes; and

H. R. 2474. An Act to increase the rates of basic salary of employees in the postal field service.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 2377) entitled "An act to amend chapter 223, title 18, United States Code, to provide for the production of statements and reports of witnesses," and agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. O'MAHONEY, Mr. EASTLAND, and Mr. DIRKSEN to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 969) entitled "An act to prescribe the weight to be given to evidence of tests of alcohol in the blood or urine of persons tried in the District of Columbia for operating vehicles while under the influence of intoxicating liquor," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CLARK, Mr. BIBLE, and Mr. JAVITS to be the conferees on the part of the Senate.

ATOMIC RADIATION

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

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

There was no objection.

Mr. ASHLEY. Mr. Speaker, the recently disclosed testimony of Lewis Strauss, chairman of the Atomic Energy Commission, that the radium dial of a wristwatch delivers far more radiation "than all that received from the accumulated fallout to date" is typical of the deception and misinformation to which the American public has long been subjected on this critically important issue.

In the first place, it is impossible to compare point radiation from a watch dial with total body radiation, both external and internal. In the second place, we know that fallout does not collect uniformly. Individual communities, as Mr. Strauss certainly knows, have received as much radiation from a single test as the average level predicted for the general population covering a 30-year period. Surely Mr. Strauss must remember the 1953 atomic shot which for 16 days resulted in atmospheric contamination in the area of St. George, Utah—population 4,545—atmospheric contamination which during one 24-hour period was 1,260 times greater than the provisional permissible concentrations established for radiation workers by the National Committee on Radiation Protection of the National Bureau of Standards.

It is equally hard to believe that Mr. Strauss has forgotten the radioactive cloud resulting from the shot on April 25, 1953, which deposited on a motel on United States Highway 91 the heaviest dose of fallout ever recorded in the United States on an inhabited place outside the immediate test site. It is significant that no public statement of the incident was made until 3 months later and that no record has been kept of the names of the 15 tourists who were exposed.

At a time when all intelligent people are concerned about the biological and genetic effects of radiation, Mr. Strauss continues to put forth his soothing assurances that both the pathologic and genetic harm from radiation fallout have been exaggerated by irresponsible, overly emotional, or politically biased individuals.

Apparently, Mr. Speaker, there is only one person to go to to get the right answer—and that is Strauss. The only trouble is that most of the information available to him is withheld from the American public on the basis that it might jeopardize our national security.

On August 19, for example, the Associated Press reported Strauss as saying that he is convinced the Russians are not "anywhere near the position that we are in the development of atomic energy." This earth-shaking pronouncement, however, was neither conceived nor uttered on August 19. On the contrary, it was an extract of testimony which Mr. Strauss gave before a House appropriations subcommittee on July 10.

The hearing transcript—according to the Associated Press—indicated much of Mr. Strauss' testimony was off the record and not made public.

At this same off-the-record hearing on July 10, Mr. Strauss also briefed the subcommittee on AEC efforts to produce "clean" atomic weapons. Despite the fact that this information was withheld from the American public, Mr. Strauss since has berated and derided those who criticize either the scientific feasibility of cleaner bombs or their development as the savior of civilization.

Mr. Strauss says that these critics, whatever their motivation, have one thing in common: ignorance. It doesn't seem to have occurred to Mr. Strauss that he, as much as any single individual, has contributed to public misunderstanding and ignorance by withholding the factual information upon which sound judgment can be based.

Several weeks ago, Mr. Speaker, I informed Secretary of Defense Wilson of the death from cancer of three former servicemen who during their tour in the Army were exposed to the effects of nuclear testing. The young men were in their late twenties and they died within a year of each other. I suggested to Secretary Wilson that consideration be given to initiating a medical case history study of present and former servicemen who have been exposed to atomic fallout.

Soon thereafter I received a reply from Dr. Frank Berry, the Assistant Secretary of Defense, Health and Medical, expressing interest in the deaths which I reported and his willingness to investigate them further. I was informed, however, that medical science tends to disprove the possibility of any causal relationship between the development of cancer and prior exposure to atomic radiation.

This, of course, is much the same position which the Atomic Energy Commission has taken. For example, it emphatically rules out any possibility of a connection between a 1955 detonation and the death from leukemia of 7-year-old Martin Bardoli a year and a half later. Although the AEC has stated that leukemia can be induced only by much larger doses of radiation than Martin could have received, the fact is that the AEC does not know exactly how much radiation exposure the boy received as a result of radioactive fallout from the explosion.

In like fashion, the AEC disclaims any possibility of a connection between its experiments and the development of cancer in Mrs. Dan Sheehan, who at the time of the 1953 test lived just outside the area of the Nevada test site.

Nor does the AEC believe that the sudden and complete loss of hair which scores of Nevada citizens have suffered results from low level doses of radiation fallout, as charged by the victims.

And what of the death of thousands of sheep grazing near the test site during operation Upshot–Knothole in 1953? There being no visible damage to the animals, the AEC denied responsibility and refused compensation to the owners. For the 16 horses which incurred visible burns, however, prompt settlement was made.

In the past 10 days, Mr. Speaker, I have received letters from people all over the country who take a contrary view to that of the Atomic Energy Commission and Department of Defense. From Wachula, Fla., I received a letter from Anna V. Conner telling me that her son, William M. Conner, was in the early Bikini bomb tests. She states that shortly thereafter a mole on his neck became malignant, that he was operated on in October of 1947 and given radical surgery to try to save him, but that it was not successful.

An Army major at the 97th General Hospital in Germany has written to me suggesting that—

Some provision should be made to ascertain the possible delayed adverse effects on the health of Government employees probably or directly caused through radiation exposure, especially in the research area.

Radioactivity injury—

Says the major—

is not like others. It may be delayed effect for 10 or more years. More study on this is urged.

A Knoxville attorney has written to say that he is handling the claims for the next of kin of former employees at the AEC experimental facility at Oak Ridge, Tenn. These victims of cancer, I am informed, were also exposed to heavy doses of atomic radioactivity.

Also of interest is the letter I recently received from Dr. G. Francis Nauheimer, director, Glare Research Institute, Chicago, Ill. Dr. Nauheimer states that the Nevada testing site is "used more to explode atomic garbage than to test war missiles, and the AEC is extremely careless in allowing military and other personnel to enter such sites too soon after the explosion of atomic radiation."

Mr. Speaker, the atomic age which we have entered into poses many mysteries. It also confronts us with many dangers, the greatest of which is that we will assume more knowledge than we actually have.

Perhaps the Department of Defense and the Atomic Energy Commission are right. Perhaps there is no connection between atomic radiation and death from cancer. But until we are certain, until we are absolutely certain, every conceivable precaution must be taken. It is for this reason that I again urge the Department of Defense and other Government agencies to consider keeping a current medical history of servicemen, civilian Government employees, and others who are exposed to the effects of nuclear radiation arising out of experiments conducted by the Atomic Energy Commission.

LET US HAVE ONE-PRICE COTTON

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

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

There was no objection.

Mr. PHILBIN. Mr. Speaker, I have previously addressed the House on the inequities of the two-price cotton system whereby foreign textile producers can purchase American surplus cotton abroad at prices substantially lower than those prevailing in the American market for American producers.

The Senate Monday took a step forward in trying to provide a solution to the cotton-price problem which has been another burden to our New England textile industry, already beset by wage differentials, excessive taxes, power costs, market accessibility and other factors. It passed S. 314, sponsored by our former esteemed colleague, Senator MARGARET CHASE SMITH, of Maine.

Under the provisions of S. 314, the Secretary of Agriculture will make available to our American textile mills 750,000 bales of surplus cotton at such prices as may be necessary to enable the American producers to regain their share of export markets.

I urge the House to take early action on this meritorious bill and I hope that it will have the support it deserves. It's time that we put a stop to the two-price cotton program which has only served to hasten the liquidation of our New England textile mills.

In this connection, Mr. Speaker, I include in the RECORD a recent excellent article in the New Bedford, Mass., Standard-Times, which outlines the support of the Textile Workers Union of America for the Smith bill, S. 314.

The material follows:

[From the New Bedford (Mass.) Standard-Times of August 8, 1957]

TWUA OFFERS ALTERNATIVE COTTON PLAN

The cotton mill workers are in approximate agreement with the position taken by the American Cotton Manufacturers Institute that continuation of the present two-price system for American cotton is intolerable. They regard it as extremely disadvantageous to the entire cotton textile industry—to workers, the management, and the stockholders, as well as to the consumers.

Since it boosts the cost of cotton to the mills, it greatly increases the price of cotton goods, it puts the domestic producers of cotton goods at great competitive disadvantage, helps to shrink the market for cotton fabrics, and is a factor in forcing the mills to curtail operations.

In a letter to the Standard-Times, George Carignan, director and financial secretary of the New Bedford branch of the Textile Workers Union of America, CIO, cites on behalf of the New Bedford joint board, the organization's concern over the cotton problem and its damaging effect on the cotton manufacturing industry.

Carignan urges the elimination of the two-price system and offers an extended analysis of the cotton industry's problems and their causes, made by the TWUA research department. This analysis also offers several suggestions for solution of the problem.

TWUA SUGGESTS PROGRAM

As a substitute for the present 2-price system, the following 1-price system of cotton-price supports with compensatory subsidy payments to the cottongrowers is proposed by the TWUA:

"A single price, determined on the open market, for raw cotton, to equalize domestic and world prices.

"Compensatory production payments to farmers, equal to the difference between the price received and the support price for that portion of the crop used for domestic consumption or that produced under a defined marketing program.

"Maximum production payments of $10,000 to any single enterprise; under present price-support levels, this would mean payments for approximately 400 bales.

"We have also proposed that, pending the adoption of this program, support be given to the Smith bill (S. 314), which would authorize the Secretary of Agriculture to make available to American textile manufacturers of cotton products for export the surplus cotton owned by the Commodity Credit Corporation at such prices as the Secretary determines will allow the United States cotton textile industry to regain the level of exports of cotton products maintained by it during the period 1947 through 1952 and to meet competition from foreign imports."

SEVERAL BILLS PROPOSE CHANGE

Several bills are now before Congress, and well attended hearings on them have been in progress before the House Committee on Agriculture.

H. R. 7816, introduced by Representative JONES (Democrat, Missouri), has received some favorable consideration. It provides for the establishment each year of a national marketing quota for cotton to be at least equal to the estimated domestic consumption plus exports of cotton for the marketing year, and also for cotton-price supports at a level of 95 percent of the estimated world price for cotton of comparable quality.

These price supports shall be available to those growers who cooperate with the United States Department of Agriculture in its efforts to control cotton acreage, and they shall be payable in the form of equalization payments from the Department of Agriculture to the buyer of the cottongrower's cotton provided he has advanced to the cottongrower a price equal to the current value of the cotton plus the amount of the equalization payment."

The cottongrower is eligible for equalization payments only to the extent of his share of the domestic cotton consumption market. That part of his crop outside of his percentage of the domestic market is considered theoretically to be for export and on this part of his crop he receives no equalization-payment money.

In order to prevent the large growers of cotton from reaping a bonanza from the equalization payments, it is proposed to limit the amount of equalization payment to not more than $10,000 to any one enterprise.

WHOLESALING IN THE AGE OF THE ATOM

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

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

There was no objection.

Mr. OSMERS. Mr. Speaker, the President has called a 3-day conference on technical and distribution research for the benefit of small business. One of the most important groups taking part will be wholesalers, a group which has been making increasingly important contributions to our economic growth. They have, in return for this outstanding service, been treated like the proverbial redheaded stepchild.

The peculiar injustice of this attitude on the part of the Government and the public was brought home to me the other day by the man who is taking over the direction of the National Association of Wholesalers. "We talk about the American standard of living," he said, "and point with pride to our low-cost system of mass production, but none of this would be possible without a highly developed system of distribution." Whereupon he proceeded to put me straight with regard to some of the economic facts of life.

In the first place, this business of distribution employs over 17 million persons—or about one-quarter of the total labor force, including the Armed Forces—and it was, in 1956, a $527 billion business. And again, the largest, fastest-growing group is the wholesaling group. The 1954 census of business reveals wholesalers' sales volume to be over $100 billion a year with 2.6 million employees. Wholesaling is the big business in big cities. In New York the total volume of wholesale trade is 4 times that of retail sales, in Chicago and St. Louis the ratio is 2½ to 1, in Philadelphia 2 to 1, and in San Francisco wholesaling is 3 times as large as retailing.

However, it is not size that makes them important, it is what they do. We can begin to get an idea of the value of their services when we read that many economists firmly believe that the failure of distribution in the 1930's was one of the

big factors in the depression. We begin to appreciate the scope of their activities when we realize that they perform 47 different functions for industry and the public. Let us take a look at some of them, financing, for instance.

People in general realize what a potent factor consumer credit has been in raising our standard of living, but most of them associate it with retailers only. Let me offer an interesting example of what the wholesaler does to support this factor of our economy. Merchant wholesalers' credit extension on December 31, 1954, was $12.2 billion, or about 1 month's customers' sales during which time retailers operated on wholesalers' funds, and they were, at the same itme, warehousing another 1 month's supplies to the tune of $13.1 billion. They were performing these financial feats of strength on margins that, someone has said, would be considered ridiculous by any other segment of our economy.

Another outstanding service they offer, to both industry and the general public, is a streamlined supply line, which is the result of uniting in one operation services that must otherwise be duplicated by every manufacturer, every retailer, because while you might, to a limited degree, replace the wholesaler by yourself performing some of his functions, you cannot eliminate the functions themselves. I would also like to mention just one order filled by one wholesaler for a retail druggist. This particular order, and it was not being offered as particularly unusual, included 83 items, from 68 suppliers in 35 cities in 20 States. The wholesaler had it assembled and ready for delivery in less than 2 hours.

There is another way in which wholesalers save time. You may or may not know it, but today's really large drugstores stock an average of some 30,000 or 40,000 items. Even allowing for the fact that some manufacturers' representatives might be selling several items, it would take one man 2 or 3 years, working full 8-hour days, to see them all; and he would have no time left for the other facets of his business. You can perhaps begin to see why wholesalers are growing so fast; we need them. It pays to use their services. One industry in Illinois switched to wholesalers—after 30 years of direct selling—because investigation proved that this method of distribution would be more profitable to them.

As a nation we are becoming more and more conscious of the way our homes look. We are becoming more and more concerned that they be beautiful as well as comfortable. With regard to many items that make our homes more comfortable or more functional, it is of no particular importance that items in the homes of several of our friends or neighbors exactly duplicate our own. When we select an item like wallpaper, however, we want something that is distinctly our own.

Mass production makes it possible to produce wallpapers of good design at low cost, but it is the wholesaler—buying these designs in carload lots and then breaking bulk and sending so much of it to Philadelphia, so much to Chicago, so much of it to Washington—who makes it possible for us to choose from a variety of good designs.

Why, then, if wholesalers perform such vital services, do some of us still regard them as unproductive parasites? Well, there is a well-thought-out line of economic reasoning that accounts for this to some extent, but I think there may be an even simpler psychological explanation.

In a primitive economy an individual was self-sufficient, more or less. He was both producer and consumer. He produced objects that were useful to him. This was utility of form. This was something concrete, something he could see. Now that civilization has become more complex and labor more specialized, consumers still see only the utility of form, want to pay only for that. This utility of form is only one-fourth of the picture. While the producer-consumer in a primitive economy was producing utility of form he was also producing three other utilities which he took for granted, because they were intangibles that he could not see. He was also producing utilities of time, place, and possession.

A. L. Meyers defines "production" as "the creation of economic value by the addition of utilities to goods." Of the four utilities just mentioned, distribution creates the last three. Wholesalers not productive? On the contrary, they would seem to be about as busy a productive group as one could find. I would like to quote an authority, Carl Menger, founder of the Austrian school of economics, on this subject. In Principles of Economics, Mr. Menger says:

> Implicit in what has been said is an explanation of the source from which all the thousands of persons who are intermediaries in trade derive their incomes. Because they do not contribute directly to the physical augmentation of goods, their activity has often been considered unproductive. But an economic exchange contributes, as we have seen, to the better satisfaction of human needs, and to increase of the wealth of the participants just as effectively as a physical increase of economic goods. All persons who mediate exchange are therefore—provided always that the exchange operations are economic—just as productive as the farmer or the manufacturer. For the end of economy is not the physical augmentation of goods but always the fullest possible satisfaction of human needs. Tradespeople contribute no less to the attainment of this end than persons who were, for a long time, and from a very one-sided point of view, exclusively called productive.

We have spent a lot of time this session alleviating, or laying the groundwork for alleviating, unfair tax burdens, and redressing various grievances of one type or another. When we return to our respective communities, we should, it seems to me, spend a little time looking at the essential service performed by our friends, the wholesalers. Our misconceptions with regard to wholesalers will automatically be corrected when we fully realize the value of their services in such a complex civilization as ours.

Most of us are thoroughly familiar with the function of the manufacturer in our economic system. He has spent a lot of time and money seeing to it that we are. Most of us are familiar with retail functions. The retailer, too, has spent time and money acquainting us with his service and relative importance—we meet him face to face almost every day. About the wholesaler we know very little, and most of what we know may be based on hearsay. Wholesalers have invested very little time and/or money in developing educational channels of communication with the general public. Who knows? Even their suppliers and customers—the manufacturers and retailers of the Nation—may not truly understand the wholesalers' contribution to our economy.

Let us all take a look at this little-known but most important behind the scenes group of businessmen and workers. These people are performing an indispensible service in this atomic age.

ONE HUNDREDTH ANNIVERSARY OF THE BIRTH OF WILLIAM HOWARD TAFT

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

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

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, this year, on September 15, we celebrate the centennial of a native Ohioan who achieved worldwide recognition. I speak of William Howard Taft, who, with honor and dignity, achieved fame as a statesman and jurist and filled the first position in this Nation, that of President, with greatness and distinction. But he did more: William Howard Taft gave his fellow men an example to follow. He was a man who governed his every action with a sense of honesty and duty which benefited all mankind.

The son of a brilliant lawyer who had been Attorney General of the United States and a foreign minister, William Howard Taft was born September 15, 1857, in Cincinnati, Ohio. Anxious to follow in his father's and grandfather's steps, the young Taft chose law as his life's work. He graduated from Yale, second in his class, in 1878. Returning to the city of his birth, he received his law degree from the Cincinnati Law School and was admitted to the Ohio bar 2 years later. His formal education completed, William Howard Taft began his enviable career of public service.

Throughout his long life of selfless public service, he was a man seemingly relaxed and carefree, but was, nonetheless, a harsh critic of himself. Trained in the field of law, Taft's first position was that of law reporter for the local Times and later for the Cincinnati Commercial. Politics seemed to come natural to the young reporter, and it was not long before he became politically active locally. Leaving his newspaper work, William Howard Taft became assistant prosecuting attorney for Hamilton County, following which he left public office for a short time to practice law. In 1887 he once again answered the call of civic duty and accepted a position as judge of the superior court in Cincinnati. Next, the future President became the Solicitor General of the United States,

and 2 years later, was named United States circuit court judge and dean of the Law School of the University of Cincinnati.

The many contributions of William Howard Taft in the field of law were not unnoticed. In 1900, President McKinley appointed him first Governor of Philippines. He performed his duties in this office so nobly that he won lasting fame for his accomplishments in the islands' progress and development. He served ably as Secretary of War under Theodore Roosevelt, who, in turn, endorsed him for the Republican Presidential nomination in 1908. On March 4, 1909, William Howard Taft ascended to the highest office of the United States, becoming our 27th President.

His term of office expired, and Taft was not reelected. He did not, however, retire. Once again, he became an educator and assumed the position of Kent professor of law at Yale, serving until 1921. This same year, President Harding named him Chief Justice of the United States Supreme Court, the highest honor that could come to an ex-President. In this position Taft realized his fondest dreams as to service and accomplishment in the profession of law.

Looking back on his career, one can readily see that William Howard Taft has left a standard to which all men in public positions should aspire. He accomplished much of great value in all the various positions he held, whether they were local office, in education, the Philippine Islands, the Cabinet, the White House, or the Supreme Court. So it is only fitting and proper we pay homage to William Howard Taft, one of Ohio's most illustrious sons, on the 100th anniversary of his birth. As a man, he was steadfast in the pursuit of that which he believed was right, yet tolerant of the views of others; he worked in the best interests of his fellow men; he performed his various duties faithfully, ably, and well; he lived a life of morality and service which has been an inspiration to millions of Americans. His name will live in the ever unfolding story of this great Republic.

SUGGESTIONS TO CONGRESSMEN

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

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

There was no objection.

Mr. DOYLE. Mr. Speaker, we are about to go home to our constituents, the American people, citizens of the greatest nation in the world's history. I have three suggestions: I urge their merit to your favorable attention and action.

First, let us advise our constituents accurately and honestly about our Government's problems and about our Congress, of which we have the honor and responsibility of membership.

Second, let us inspire by our own example the constituents in each of our respective Congressional districts, with the pride and high privilege of being American citizens.

Third, let us encourage our constituents, whether they are Democrats or Republicans, to be active in support of our form of constitutional government. Let us urge and encourage them to participate on a high level of attitude and motive in citizenship responsibilities.

Certainly it will do our Nation a great blessing and a great, resulting benefit if we will do this; it will also do us, as individual representatives and as American citizens, a like blessing. It will be an honorable discharge of an obligation. It will be enriching to the cause of the best interests of our beloved Nation, for us all, in our respective Congressional districts, or wherever we may find ourselves during this recess, to inspire, to encourage, and, by our own examples, honestly lead our fellow Americans to even a higher level of citizenship thinking, action, and discharge of the responsibilities of our God-given privileges as American citizens.

TIME OF MEETING OF THE 2D REGULAR SESSION OF THE 85TH CONGRESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H. J. Res. 453) setting the time for the meeting of the second regular session of the 85th Congress.

The Clerk read the title of the joint resolution.

The Clerk read the joint resolution, as follows:

Resolved, etc., That the second regular session of the 85th Congress shall begin at noon on Tuesday, January 7, 1958.

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

There was no objection.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the concurrent resolution (H. Con. Res. 172) to establish a joint Congressional committee to investigate matters pertaining to the growth and expansion of the District of Columbia and its metropolitan area, with Senate amendments thereto, concur in Senate amendments Nos. 1½, 2, and 3, and concur in Senate amendment No. 1 with an amendment.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendments as follows:

Senate amendment No. 1½: Page 2, line 14, strike out "January 31, 1958," and insert "January 31, 1959."

Page 2, line 17, after "terminate" insert "but the joint committee shall make a progress report on its activities by January 31, 1958."

Page 3, after line 3, insert:

"SEC. 5. The expenses of the joint committee, through January 31, 1958, which shall not exceed $50,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the joint committee."

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

There was no objection.

Senate amendments Nos. 1½, 2, and 3 were concurred in.

The SPEAKER. The Clerk will report Senate amendment No. 1.

The Clerk read as follows:

Page 1, line 2, strike out all after "concurring)," down to and including "Representatives." in line 6, and insert "That there is hereby established a joint Congressional committee to be composed of three members of the Committee on the District of Columbia of the Senate, to be appointed by the chairman of such committee, and three members of the Committee on the District of Columbia of the House of Representatives, to be appointed by the chairman of such committee."

Mr. SMITH of Virginia. Mr. Speaker, I offer an amendment to the Senate amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Virginia: Strike out all after the word "Senate," and insert "to be appointed by the chairman of such committee, and three members of the Committee on the District of Columbia of the House of Representatives, to be appointed by the Speaker of the House of Representatives."

The amendment to the Senate amendment was agreed to.

The Senate amendment as amended was concurred in.

A motion to reconsider was laid on the table.

AMENDMENT OF DISTRICT OF COLUMBIA INCOME AND FRANCHISE TAX ACT OF 1947

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 8256) to amend the District of Columbia Income and Franchise Tax Act of 1947, as amended, to exclude social-security benefits and to provide additional exemptions for age and blindness, and to exempt from personal property taxation in the District of Columbia boats used solely for pleasure purposes, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 4, line 14, strike out "sec. 47–1507b (a) (13)" and insert "(sec. 47–1557b (a) (13)."

Page 4, line 25, strike out "wife, living" and insert "wife living."

Page 5, line 21, strike out "1352" and insert "1352),".

Page 6, line 15, strike out "1957" and insert "1957,".

Page 6, line 19, strike out "business" and insert "business,".

Page 6, line 23, strike out "business" and insert "business,".

Page 6, line 25, strike out "business" and insert "business,".

Page 7, line 6, strike out "$5,000 and provided further that" and insert "$5,000: *And provided further*, That."

Page 7, line 7, strike out "year" and insert "year,".

Page 7, line 18, strike out "business" and insert "business,".

Page 7, lines 20 and 21, strike out "business" and insert "business,".

Page 7, line 24, strike out "business" and insert "business,".

Page 8, line 1, after "required" insert "(1)."

Page 8, line 4, after "Columbia," insert "(2) of any person licensed under chapter II, section 26, of the 'Life Insurance Act', approved June 19, 1934 (48 Stat. 1125, ch. 672; sec. 35–425, D. C. Code, 1951), for the purpose of acting within the District of Columbia for any life insurance company as a general agent, agent, or solicitor in the solicitation or procurement of applications for insurance."

Page 8, line 4, strike out "and no" and insert "or (3) of any person engaged in the ministry of healing by prayer or spiritual means alone and who is a member of a church or denomination whose tenets and teachings include the practice of such healing. No."

Page 8, line 14, strike out "joint venturer" and insert "joint venture."

Page 8, line 15, after "Columbia." insert "The license required to be obtained under the provisions of this subsection shall be in addition to all other licenses, fees, and permits required by law."

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

Mr. MARTIN. Reserving the right to object, Mr. Speaker, will the gentleman explain the Senate amendments?

Mr. McMILLAN. Several amendments were written into this legislation purely for clarification. There are, however, two amendments of major importance.

First an amendment to section 7 of the bill would add to those exempted from the licensing requirements persons licensed under chapter II, section 26, of the Life Insurance Act, approved June 19, 1934, when such persons are acting under their license, for any life insurance company as a general agent, agent, or solicitor in the solicitation or procurement of applications for insurance.

Another amendment written to the bill on the floor of the Senate would exempt any person engaged in the ministry of healing by prayer or spiritual means alone and who is a member of a church or denomination whose tenets and teachings include the practice of such healing.

It was certainly not the intention of either the committee of the House or the committee of the Senate to reach this particular class of people and this amendment simply assures that they will be excluded from this law.

The total loss in revenue because of these two amendments amounts to approximately $52,500.

Mr. MARTIN. These amendments have the approval of the committee?

Mr. McMILLAN. Yes, of the committee; and of the two ranking Members on the gentleman's side of the aisle, the gentleman from Illinois [Mr. SIMPSON] and the gentleman from Minnesota [Mr. O'HARA].

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

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

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

There was no objection.

Mr. McMILLAN. Mr. Speaker, I am today inserting in the body of the RECORD a statement of the activities of the House District Committee of which I am privileged to be chairman. My committee has worked long hours and diligently in an effort to assist the people of our Nation's Capital in solving their problems. We have at all times used our best efforts to keep the Nation's Capital the most beautiful capital in the world.

I want to take this opportunity to congratulate every member of the House District Committee for their untiring efforts and the excellent cooperation they have given me in our efforts to keep the Nation's Capital one of the greatest cities in the world. There are approximately 253 nationwide conventions held here in the city of Washington each year and people from every State in the United States attend these conventions. I have had numerous letters from people visiting Washington on sightseeing tours and business trips expressing great pride in their Capital and the Members of Congress who have assisted in keeping Washington a beautiful city.

I have been a member of the House District Committee for approximately 20 years and have spent hundreds of hours of valuable time trying to keep the Nation's Capital a beautiful and a decent place in which to live. The Members of Congress who have served on the House District Committee with me have given their valuable time and, I believe, that our efforts are generally appreciated by our constituents and the people throughout the United States. I fully realize that we do not receive very many thanks from people who are privileged to reside here in the city of Washington; however, this is the Nation's Capital and our interests should be directed toward keeping the city of Washington a decent place for our constituents to visit. The Constitution of the United States places this responsibility directly upon the shoulders of the Members of Congress and I am happy that I have been able to be of some assistance in writing legislation and providing the tools for the appointed District officials to properly protect our Nation's Capital.

I am enclosing a list of the bills the House District Committee has passed during the first session of the 85th Congress:

H. R. 2018, Lorton Reformatory, sell gun carriages and gun mountings.

H. R. 192, Board of Education members, removed for cause.

H. R. 3400, disclosure of character of solicitations in District of Columbia.

H. R. 1937, stadium, provide for in District of Columbia.

H. R. 6454, retirement of teachers, amend act.

H. R. 6508, uniform succession of real and personal property in cases of intestacy.

H. R. 4932, police band director, increase in rate of compensation.

H. R. 7249, reciprocal support, provide for in District of Columbia.

H. R. 6517, police, firemen, amend retirement act.

H. R. 7835, hospital center, amend act.

H. R. 6306, 14th Street bridge, increase appropriation for construction of.

H. R. 6258, amend act relating to license fees for trailers and antique automobiles.

H. R. 4813, Auditorium Commission, extend life of.

H. R. 3486, Simultaneous Death Act, apply in District of Columbia.

H. R. 4840, Metropolitan Police Relief Association, incorporate.

H. R. 4874, Columbia Historical Society, exempt certain property from taxation.

H. R. 7785, Juvenile Court Judge, provide for.

H. R. 8256, Income and Franchise Tax Act, amend.

H. R. 7409, Oldest Inhabitants, District of Columbia, transfer of property to.

H. R. 6259, Revenue Act of 1937, amend relative to marine insurance.

H. R. 5893, Board of Education, borrow vehicles for driver-training.

H. R. 7349, bonds, exemption of in criminal cases, amend act.

H. R. 7568, service, grade of inspector and private, deemed service in same grade.

H. R. 7863, A, B, C, Act, amend, tax stamp on wine.

H. R. 7825, B'nai B'rith, exempt certain property from taxation.

H. R. 8918, site, Sibley Memorial Hospital.

H. R. 7450, Police and Firemen's Retirement Act, amend to cover widows and orphans and retired police and firemen.

H. R. 7467, directors, trustees, certain trust companies, amend law with respect to citizenship and residence qualifications.

H. R. 9285, St. Thomas' Literary Society, amend charter of.

S. 768, Rochambeau Bridge, name of east 14th Street bridge.

S. 1576, war memorials, exempt materials from sales tax.

S. 1264, National Trust for Historic Preservation.

S. 1586, American Historical Society, exempt from taxation.

S. 969, drunken driven, tests for.

S. 2438, District of Columbia Corporation Act, to amend (in lieu of H. R. 8220).

LEASING OF LANDS WITHIN INDIAN RESERVATIONS IN ALASKA

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6562) to clarify the law relating to leasing of lands within Indian reservations in Alaska, and for other purposes, with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert "That the withdrawal and reservation of the north half, section 33, township 28 south, range 56 east, Copper River meridian, near Klukwan, Alaska, by an order of the Secretary of the Interior dated April 27, 1943, for school, health, and other purposes, under the provisions of the act of May 31, 1938 (52 Stat. 593), is hereby revoked.

"SEC. 2. The reservation established by Executive Order No. 1764, dated April 21, 1913, and amended as to the boundaries thereof by Executive Order No. 3673, dated May 15, 1922, for the use of the natives of Alaska residing near the village of Klukwan, is hereby enlarged to include the north half of said section 33.

"SEC. 3. Said reservation, as so enlarged, may be leased for mining purposes by Chilkat Indian Village organized under the provisions of the act of June 18, 1934 (48 Stat. 984), as amended by the act of May 1, 1936 (49 Stat. 1250), with the approval of the Secretary of the Interior, in accordance with the provisions of the act of May 11, 1938 (52 Stat. 347), as amended or supplemented."

Amend the title so as to read: "A bill relating to the north half of section 33, township 28 south, range 56 east, Copper River meridian, Alaska."

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

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

GRANTING TO TERRITORY OF ALASKA TITLE TO CERTAIN LANDS BENEATH TIDAL WATERS

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6760) to grant to the Territory of Alaska title to certain lands beneath tidal waters, and for other purposes, with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, lines 1, 2, and 3, strike out "as the outer limit to which manmade facilities may be permitted to extend into Federal waters."

Page 2, line 3, after "*Provided,*" insert "That the pierhead line shall be a line parallel to the existing line of mean low tide at such distance offshore from the line of mean low tide that said pierhead line shall encompass, to the landward, all stationary, manmade structures (but shall not encompass any part of breakwaters, bridges, or piers used for vessel dockage which part extends beyond such a parallel line marking the seaward extremity of other manmade structures) which were in existence as of February 1, 1957, to the seaward of the particular townsite for which the pierhead line is being established, and shall encompass no more: *And provided further.*"

Page 2, line 11, after "line." insert "For the purposes of this act, the term 'line of mean high tide' shall mean the meander line as heretofore established by Government survey, or, in the event that such a survey has not been made, the present line of mean high tide."

Page 2, line 19, after "Territory" insert "in the same manner and subject to the same conditions as set forth in this act for lands lying offshore of townsites which are now surveyed."

Page 3, line 14, after "tract" insert "*Provided,* That all oil, gas, or other minerals shall be reserved to the Territory in the event that any part or all of said granted lands are sold or disposed of to a political subdivision or to any other person or organization, such minerals to be subject to exploitation under mineral lease from the Territory only."

Page 4, line 5, after "SEC. 3." insert "Any lands which are (1) within the purview of section 2 (a) of this act, and (2) situated to the seaward of the 'coastline' as that term is defined in section 2 (c) of the Submerged Lands Act of 1953 (67 Stat. 29), shall be subject to the said Submerged Lands Act and, as to such lands, the Territory shall have equal title, right, and interest as is accorded to States which are subject to that act in relation to their similar lands; all other lands which come within the purview of section 2 (a) of this act shall be subject to the provisions of this act."

Page 4, line 5, after "of" insert "the first sentence of this section and the operation of."

Page 6, line 22, after "is" insert "now or in the future."

Page 7, line 4, strike out all after "lines" down to and including "waters," on line 6.

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

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

GRANTING CERTAIN LANDS TO THE TERRITORY OF ALASKA

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3940) to grant certain lands to the Territory of Alaska, with an amendment of the Senate 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 9, after "supra" insert: "*And provided further,* That the Territory of Alaska may not sell or convey any part or all of said property to any person or organization other than a political subdivision of said Territory for less than fair market value."

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

Mr. GROSS. Mr. Speaker, reserving the right to object, is this the bill that deals with tidelands?

Mr. ENGLE. I yield to the Delegate from Alaska, Mr. BARTLETT, to answer the inquiry.

Mr. BARTLETT. That was the previous bill.

Mr. GROSS. That was the previous bill?

Mr. BARTLETT. Yes

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MENOMINEE TRIBE

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6322) to provide that the dates for submission of plan for future control of property and transfer of the property of the Menominee Tribe shall be delayed, with amendments of the Senate thereto, disagree to the Senate amendments, and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from California? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. HALEY, ENGLE, ASPINALL, MILLER of Nebraska, and BERRY.

AMENDING AGRICULTURAL ADJUSTMENT ACT OF 1938 WITH RESPECT TO ACREAGE HISTORY

Mr. MATTHEWS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 8030) to amend the Agricultural Adjustment Act of 1938 with respect to acreage history, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 6, strike out "1957" and insert "1956."

Page 1, line 7, strike out all after "farm" down to and including "programs)" in line 10.

Page 2, line 5, after "farm", insert "but the 1956 acreage allotment of any commodity shall be regarded as planted under this section only if the owner or operator of such farm notified the county committee prior to the 60th day preceding the beginning of the marketing year for such commodity of his desire to preserve such allotment."

Page 2, line 9, strike out "wheat or rice" and insert "the commodity."

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

Mr. AUGUST H. ANDRESEN. Mr. Speaker, reserving the right to object, will the gentleman explain this matter?

Mr. MATTHEWS. I will be delighted to do so.

In enacting the Soil Bank Act, Congress provided, as an additional inducement to farmers to underplant their acreage allotments, that they would receive full credit for history purposes for any acres not planted if the county committee was notified in advance of the farmer's intention not to plant his full allotment.

After a year of administering this provision, the Department of Agriculture suggested that it could see no real reason for requiring farmers to notify the county committee of their intention to underplant their acres.

The Committee on Agriculture concurred with the Department in this matter and reported the bill H. R. 8030, which has the sole purpose of relieving farmers of the necessity of notifying the county committee in advance that they will underplant their acres. For the years 1957 through 1959—the duration of the Soil Bank Act—farmers will receive credit for history purposes for allotted acres not planted, without special notice to the county committee.

The Senate has made three clarifying amendments to this bill. They do not change the substance or intent of the bill as described in the House report but merely make it clear that the acreage underplanted in 1956 is to be counted for history purposes if the farmer did file the required notice with the county committee, that acreage released under surrender and reapportionment provisions of law will not be counted as acreage planted, and that the bill applies equally to all allotted crops.

Mr. AUGUST H. ANDRESEN. The sole purpose is to protect the historic acreage on the farm?

Mr. MATTHEWS. The gentleman is absolutely correct.

Mr. AUGUST H. ANDRESEN. I withdraw my reservation of objection.

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

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

CAREER COMPENSATION ACT OF 1949

Mr. BROOKS of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3028), an act to provide for the relief of certain female members of the Air Force, and for other purposes, with 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, after line 19, insert:

"SEC. 4. The Career Compensation Act of 1949, as amended (37 U. S. C. 231 et seq.), is further amended by adding the following new section at the end thereof:

"'§ 534. Regulations affecting pay and allowances

"'No regulation under this act, or any other law relating to pay and allowances of military personnel, shall be prescribed by the Secretary of a military department within the Department of Defense, relating to the pay and allowances of members of the Armed Forces under such military department, unless such regulation be first approved under procedures prescribed by the Secretary of Defense. Regulations of the Secretaries of the Treasury, Commerce, and Health, Education, and Welfare, which relate to similar items of pay and allowances authorized for members of the Coast Guard, the Coast and Geodetic Survey, and the Public Health Service, shall, to the extent practicable, agree with regulations so approved. Nothing in this section shall prevent the Secretary of Defense or the Secretaries of the Treasury, Commerce, and Health, Education, and Welfare from securing from the Comptroller General an advisory ruling with respect to a proposed regulation especially affecting the department or departments under such Secretary's jurisdiction.'

"SEC. 5. The analysis to the Career Compensation Act of 1949, as amended, is amended by adding the following new section caption:

"'SEC. 534. Regulations affecting pay and allowances.'"

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

Mr. MARTIN. Reserving the right to object, will the gentleman explain the bill, please?

Mr. BROOKS of Texas. I will be glad to.

The bill provides for the validating of payments to women members of the Air Force which were paid because they were living with their husbands while the Government would provide them with single quarters. They did not want to live in barracks. The Air Force paid them a quarters allowance. This legislation validates those payments, and the amendment of the Senate provides that future such requests must be approved by the Secretary of Defense.

Mr. BASS of Tennessee. Mr. Speaker, reserving the right to object, will this make possible the payment of Air Force personnel who were denied payments by Congress because their wives happened to be stationed at the same base, but they were not given joint quarters?

Mr. BROOKS of Texas. I believe this takes care of all the problems of female members of the Air Force who were paid as a result of that problem.

Mr. BASS of Tennessee. But it would not take care of the male members of the Air Force whose wife was a civilian employee on the same base but they were not given joint quarters?

Mr. BROOKS of Texas. This deals with women only.

The SPEAKER. Is there objection?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

CONSENT CALENDAR

The SPEAKER. The Clerk will call the first bill on the Consent Calendar.

PAYMENT OF BENEFITS TO WIDOWS OF CERTAIN FORMER EMPLOYEES OF LIGHTHOUSE SERVICE

The Clerk called the bill (S. 235) to increase from $50 to $75 per month the amount of benefits payable to widows of certain former employees of the Lighthouse Service.

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

Mr. BYRNES of Wisconsin. Mr. Speaker, at the request of the gentleman from Michigan [Mr. FORD] I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

USE OF CERTAIN LANDS FOR CEMETERY PURPOSES IN NORTH CAROLINA

The Clerk called the bill (H. R. 1262) to authorize and direct the Administrator of Veterans' Affairs to accept certain land in Buncombe County, N. C., for cemetery purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is authorized and directed to accept for and in the name of the United States from the city of Asheville, N. C., by deed satisfactory to the Attorney General of the United States, title to two tracts of land in Buncombe County, N. C., being a portion of the property owned by the city of Asheville, known as the Riverside Cemetery, and to maintain such tracts for the burial of veterans of the Armed Forces of the United States who die in the Veterans' Administration Hospital, Oteen, N. C.

SEC. 2. The tracts of land referred to in the first section are a portion of that property conveyed to the city of Asheville by the Asheville Cemetery Co., July 2, 1955, by deed recorded in book 760 at page 407 in the office of the register of deeds for Buncombe County, N. C., which said property is known as the Riverside Cemetery and is shown on a plat recorded in plat book 26 at page 106 of the Buncombe County register, and more particularly described as follows:

Tract I: Beginning at a concrete monument (formerly iron pin) (formerly an old poplar tree) in a corner of the southern boundary of the property deeded to the city of Asheville by the Asheville Cemetery Co. dated July 2, 1955, and recorded in deed book 760 at page 407 of the Buncombe County registry; said beginning point and concrete monument is located by measuring from a 2-inch iron fence post in concrete in the easternmost corner of said property described in said deed book 760 at page 407, the following courses and distances: North 83 degrees 50 minutes west 166.6 feet to a white oak; south 60 degrees 00 minutes west 142.2 feet to an iron pin; south 43 degrees 45 minutes west 194.5 feet to the beginning concrete monument of this tract I herein described; runs thence from said beginning point with the southern boundary line of the property described in said deed book 760 at page 407, the following courses and distances: South 36 degrees 12 minutes west 107.2 feet to a Spanish oak; south 70 degrees 41 minutes west 194.5 feet to an iron pin; south 59 degrees 37 minutes west 66 feet to a concrete monument; north 85 degrees 30 minutes west 576.5 feet to a stake; thence leaving said southern boundary line of said property described in said deed book 760 at page 407 and runs north 17 degrees 15 minutes east 38.2 feet to a stake; thence north 58 degrees 33 minutes east 110.4 feet to a stake; thence north 24 degrees 43 minutes east 107 feet to a stake in the southern margin of a cemetery road, known as Parker Road; thence with the southern margin of said Parker Road the following courses and distances: South 65 degrees 17 minutes east 64.1 feet to a stake; south 87 degrees 47 minutes east 157.3 feet to a stake; north 84 degrees 58 minutes east 161.6 feet to a stake; south 86 degrees 32 minutes east 188.4 feet to a stake; north 68 degrees 28 minutes east 35 feet to a stake; north 49 degrees 58 minutes east 77.2 feet to a stake; thence leaving said southern margin of said Parker Road and running south 48 degrees 39 minutes east 117.5 feet to the place of beginning.

Tract II: Beginning at a stake in the northern margin of a cemetery road, known as Parker Road, which said road has been hereinbefore referred to in tract I above, which said beginning stake is located by measuring from the beginning concrete monument hereinbefore referred to in tract I above, the following courses and distances: North 48 degrees 39 minutes west 117.5 feet to a stake in the southern margin of said Parker Road; thence with the southern margin of said Parker Road, south 49 degrees 58 minutes west 77.2 feet to a stake; south 68 degrees 28 minutes west 35 feet to a stake; north 86 degrees 32 minutes west 61.2 feet to a stake; thence crossing said Parker Road, north 37 degrees 10 minutes west 26.35 feet to the beginning stake of this description of tract II; thence running from this beginning stake of tract II, north 37 degrees 10 minutes west 68.9 feet to a stake; north 47 degrees 52 minutes east 49.5 feet to a stake; south 46 degrees 48 minutes east 29 feet to a stake; north 44 degrees 58 minutes east 28.3 feet to a stake; north 35 degrees 22 minutes west 165.3 feet to a stake in the eastern margin of a cemetery road, known as Shuford Road, thence runs with the eastern margin of said Shuford Road, north 00 degrees 02 minutes west 23.1 feet to a stake; thence leaving said Shuford Road south 45 degrees 10 minutes east 179.8 feet to a stake; thence north 69 degrees 06 minutes east 73.3 feet to a stake; thence south 43 degrees 31 minutes east 83.9 feet to a stake in the northern margin of said Parker Road; thence runs with the northern margin of said Parker Road south 49 degrees 58 minutes west 123.4 feet to a stake; south 68 degrees 28 minutes west 27.5 feet to a stake; north 86 degrees 32 minutes west 74 feet to the place of beginning.

With the following committee amendment:

Page 5, line 6, insert:

"SEC. 3. As a condition precedent to the transfer of land authorized by section 1, evidence of title and a land survey, if required by the Government, shall be furnished by and at the expense of the city of Asheville, N. C."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING DISPOSAL OF CERTAIN UNCOMPLETED VESSELS

The Clerk called the bill (H. R. 8547) to authorize the disposal of certain uncompleted vessels.

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

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

AMENDING SECTIONS 22 AND 24 OF THE ORGANIC ACT OF GUAM

The Clerk called the bill (H. R. 4215) amending sections 22 and 24 of the Organic Act of Guam.

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

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

NATIONAL CONSERVATION ANNIVERSARY COMMISSION

The Clerk called the resolution (S. J. Res. 35) to provide for the observance and commemoration of the 50th anniversary of the first conference of State governors for the protection, in the public interest, of the natural resources of the United States.

There being no objection, the Clerk read the Senate Joint Resolution, as follows:

Whereas the year 1958 marks the fiftieth anniversary of the first conference of State governors ever held in the history of the United States; and

Whereas President Theodore Roosevelt, who called the conference, in his opening address on May 13, 1908, said in part:

"So vital is this question of conservation, that for the first time in our history the chief executive officers of the States separately, and of the States together forming the Nation, have met to consider it. It is the chief material question that confronts us, second only—and second always—to the great fundamental question of morality.

"The occasion for the meeting lies in the fact that the natural resources of our country are in danger of exhaustion if we permit the old wasteful methods of exploiting them longer to continue. In the development, the use, and therefore the exhaustion of certain of the natural resources, the progress has been more rapid in the past century and a quarter than during all preceding time of history since the days of primitive man.

"All these various uses of our natural resources are so closely connected that they should be coordinated, and should be treated as part of one coherent plan and not in haphazard and piecemeal fashion"; and

Whereas this first conference of governors, in complete agreement with the thinking of President Theodore Roosevelt, adopted unanimously a series of resolutions calling for a national policy and programs that would preserve and protect the forests, the water and streams, the soil and the range, wildlife, the minerals, fuels, and all other natural resources; and

Whereas this action by the State governors, assembled together for the first time in history, gave formal approval to the conservation movement in the United States; and

Whereas the problems involving the protection, development, and wise use of our natural resources are as great today, if not greater than ever before, as pointed out by President Dwight D. Eisenhower at the Mid-Century Conference on Resources for the Future held in Washington, District of Columbia, in December 1953; and

Whereas it has been emphasized repeatedly by both Democratic and Republican Presidents of the United States since Theodore Rosevelt that conservation of our natural resources is a bipartisan, continuing, and never-ending struggle that should have the interest and support of all citizens; and

Whereas the conservation of natural resources is the key to the future because the very existence of our Nation depends on conserving and making wise and efficient use of the resources which are the foundations of its life; and

Whereas it is vital for the continued welfare and prosperity of our citizens that conservation policies be followed in the future for the protection of our natural resources which will make certain that the purpose of "conservation is the greatest good of the greatest number for the longest time"; and

Whereas the most effective way of maintaining such conservation policies is for the greatest possible number of citizens to maintain a continuing interest in the problem of conserving our natural resources; and

Whereas this interest of all citizens will be aroused, renewed, and stimulated through the proper observance of the golden anniversary of the first conference of State governors, which was on conservation problems: Therefore be it

Resolved, etc., That (a) there is hereby established a Commission to be known as the National Conservation Anniversary Commission (hereinafter referred to in this joint resolution as the "Commission").

(b) The Commission shall be composed of the following members: The President of the United States, who shall be honorary chairman, the Secretary of Agriculture, and the Secretary of the Interior, ex officio; the President of the Senate and four Members of the Senate appointed by him; the Speaker of the House of Representatives and four Members of the House of Representatives appointed by him. The Commission members shall serve without compensation and shall select a chairman from among their number. The Chairman shall, with the advice of the Commission, expand its membership to include 15 representatives of national nonprofit organizations dedicated to conservation of various natural resources and 10 citizens at large from private life.

SEC. 2. It shall be the duty of the Commission to prepare and carry out a comprehensive plan for the observance and commemoration of the 50th anniversary of the 1st conference of State governors on conservation in the United States and generally promote among all citizens a realization of the importance of protecting the natural resources of the United States. In the preparation of such plan, the Commission shall have the cooperation and assistance of all departments and agencies of the Federal Government. It shall also cooperate with the governors of the individual States in order that there may be proper coordination and correlation of plans for such observance. The Commission is authorized to appoint such volunteer special project committees, task forces, and advisory groups as will advance its work, and it shall seek the cooperation of all citizens, and of groups and associations with activities in the conservation field, in bringing conservation's importance to public attention during the year 1958.

SEC. 3. (a) The Commission is authorized to appoint and prescribe the duties and fix the compensation of such employees as are necessary in the execution of its duties and functions.

(b) There is hereby authorized the appropriation of such sums as may be necessary to carry out the purposes of this joint resolution, including all necessary traveling and subsistence expenses incurred by the members and employees of the Commission. All expenditures of the Commission shall be allowed and paid upon presentation of itemized vouchers therefor, approved by the chairman of the Commission.

(c) The Commission shall cease to exist not later than 1 year after the date of the observance of the golden anniversary.

With the following committee amendments:

Amendment 1: Strike out all language on pages 1, 2 and 3 between the title and the enacting clause.

Amendment 2: Page 3, line 10, strike "Interior," and insert "Interior and Chief of Engineers, Department of the Army."

Amendment 3: Page 4, line 5, strike the words "Chairman shall, with the advice of the Commission," and insert "President of the United States may."

Amendment 4: Page 4, line 6, after the word "include" insert the words "not more than."

Amendment 5: Page 4, line 8, after the word "and" insert the words "not more than."

Amendment 6: Page 5, line 2, strike "1958." and insert "1958, but neither the Commission nor such committees, task forces, or advisory groups shall solicit funds from the general public."

Amendment 7: Page 5, line 9, after the word "resolution," insert "not to exceed $20,000."

The committee amendments were agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RECREATIONAL ASPECTS OF WATERSHED PROJECTS

The Clerk called the bill (H. R. 5497) to amend the Watershed Protection and Flood Prevention Act.

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

Mr. BOW, Mr. ENGLE, and Mr. BOLAND objected.

TENNESSEE RIVER BASIN WATER POLLUTION CONTROL COMPACT

The Clerk called the bill (H. R. 6701) granting the consent and approval of Congress to the Tennessee River Basin water pollution control compact.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent and approval of Congress is given to the Tennessee River Basin Water Pollution Control Compact, as hereinafter set out. Such compact reads as follows:

"TENNESSEE RIVER BASIN WATER POLLUTION CONTROL COMPACT

"*Article I*

"The purpose of this compact is to promote effective control and reduction of pollution in the waters of the Tennessee River Basin through increased cooperation of the States of the basin, coordination of pollution control activities and programs in the basin, and the establishment of a joint interstate commission to assist in these efforts.

"*Article II*

"The party States hereby create the 'Tennessee River Basin Water Pollution Control Commission,' hereinafter referred to as the 'commission,' which shall be an agency of each party State with the powers and duties set forth herein, and such others as shall be conferred upon it by the party States or by the Congress of the United States concurred in by the party States.

"*Article III*

"A. The party States hereby create the 'Tennessee River Basin Water Pollution Control District,' hereinafter called the 'district,' which consists of the area drained by the Tennesseee River and its tributaries.

"B. From time to time the commission may conduct surveys of the basin, study the pollution problems of the basin, and make comprehensive reports concerning the prevention or reduction of water pollution therein. The commission may draft and recommend to the parties hereto suggested legislation dealing with the pollution of waters within the basin or any portion thereof. Upon request of a State water pollution control agency, and in a manner agreed upon by such agency and the commission, the commission shall render advice concerning the various governments, communities, municipalities, persons, corporations or other entities with regard to particular problems connected with the pollution of waters. The commission shall present to the appropriate officials of any government or agency thereof its recommendations relating to enactments to be made by any legislature in furthering the intents and purposes of this article. The commission, upon request of a member State or upon its own instance may, after proper study, and after conducting public hearings, recommend minimum standards of water quality to be followed in the several areas of the district.

"*Article IV*

"The commission shall consist of three commissioners from each State, each of whom shall be a resident voter of such State. The commissioners shall be chosen in the manner and for the terms provided by the laws of the State from which they are oppointed, and each commissioner may be removed or suspended from office as provided by law of the State from which he is appointed.

"*Article V*

"A. The commission shall elect annually from its members a chairman and a vice chairman to serve at its pleasure. It shall adopt a seal and suitable bylaws for its management and control. The commission is hereby authorized to adopt, prescribe, and promulgate rules and regulations for administering and enforcing all provisions of this compact. It may maintain one or more offices for the transaction of its business. Meetings shall be held at least once each year. It may determine duties, qualifications and compensation for and appoint such employees and consultants as may be necessary and remove or replace them.

"B. The commission shall not compensate the commissioners for their services but shall pay their actual expenses incurred in and incidental to the performance of their duties.

"C. The commission may acquire, by gift or otherwise, and may hold and dispose of such real and personal property as may be appropriate to the performance of its functions. In the event of sale of real property, proceeds may be distributed among the several party States, each State's share being computed in a ratio to its contributions; and in the event of dissolution of the commission, the property and assets shall be disposed of and proceeds distributed in a like manner.

"D. Each commissioner shall have one vote. One or more commissioners from a majority of the party States shall constitute a quorum for the transaction of business, but no action of the commission imposing any obligation on any party State or any municipality, person, corporation, or other entity therein shall be binding unless a majority of all of the members from such party State shall have voted in favor thereof. The commission shall keep accurate accounts of all receipts and disbursements, and shall submit to the governor and the legislature of each party State an annual report concerning its activities, and shall make recommendations for any legislative, executive, or administrative action deemed advisable.

"E. The commission shall at the proper time submit to the governor of each party State for his approval an estimate of its proposed expenditures. The commission shall subsequently adopt a budget and submit appropriation requests to the party States in accordance with the laws and procedures of such States.

"F. The commission shall not pledge the credit of any of the party States. The commission may meet any of its obligations in whole or in part with funds available to it, from gifts, grants, appropriations, or otherwise, provided that the commission takes specific action setting aside such funds prior to the incurring of any obligation to be met in whole or in part in this manner. Except where the commission makes use of funds already available to it, the commission shall not incur any obligations prior to the making of appropriations adequate to meet the same.

"G. The accounts of the commission shall be open at any reasonable time to the inspection of such representatives of the respective party States as may be duly constituted for that purpose. All receipts and disbursements of funds handled by the commission shall be audited yearly by a qualified public accountant, and the report of the audit shall be included in and become a part of the annual report of the commission. The commission shall appoint an executive director. The commission shall also appoint a treasurer who may be a member of the commission. The executive director shall be custodian of the records of the commission with authority to attest to and certify such records and copies thereof under the seal of the commission. The commission shall require bonds of its executive director and treasurer in the amount of at least 25 percent of the annual budget of the commission.

"*Article VI*

"Each of the commission's budgets of estimated expenditures shall contain specific recommendations of the amount or amounts to be appropriated by each of the party States. In determining these amounts, the commission shall prorate one half of its budget among the several States in proportion to their land area within the district, and shall prorate the other half among the several States in proportion to their population within the district at the last preceding Federal census.

"*Article VII*

"A. It is recognized, owing to such variable factors as location, size, character, and flow, and the many varied uses of the waters subject to the terms of this compact, that no single standard of sewage and waste treatment and no single standard of quality of receiving waters is practical and that the degree of treatment of sewage and industrial wastes should take into account the classification of the receiving waters according to present and proposed highest use, such as for drinking water supply, industrial, and agricultural uses, bathing and other recreational purposes, maintenance and propagation of fish life, navigation, and disposal of wastes.

"B. The commission may establish reasonable physical, chemical, and bacteriological standards of water quality satisfactory for various classifications of use. It is agreed that each of the signatory States through appropriate agencies will prepare a classification of its interstate waters in the district in entirety or by portions according to present and proposed highest use, and for this purpose technical experts employed by appropriate State water pollution control agencies are authorized to confer on questions relating to classification of interstate waters affecting two or more States. Each signatory State agrees to submit its classification of its interstate waters to the commission for approval. It is agreed that after such approval, all signatory States through their appropriate State water pollution control agencies will work to establish programs of treatment of sewage and industrial wastes which will meet standards established by the commission for classified waters. The commission may from time to time make such changes in definitions of classifications and in standards as may be required by changed conditions or as may be necessary for uniformity and in a manner similar to that in which these standards and classifications were originally established.

"*Article VIII*

"A. A State pollution control agency of any party State may certify to the commission an alleged violation of the commission's standards of quality of water entering said State. Upon such certification the commission may call a hearing at which the appropriate State pollution agencies shall be represented. If the commission finds a violation has occurred, is occurring, or is likely to recur, it shall make recommendations as to the manner of abatement of the pollution to the appropriate water pollution control agency of the party State within which the violation has occurred, is occurring, or is likely to recur. In the event that commission recommendations made pursuant to the preceding provisions of this article do not result in compliance within a reasonable time, the commission may, after such further investigation if any as is deemed necessary and proper and after a hearing held in the State where a violation occurs or has occurred, issue an order or orders upon any municipality, person, corporation, or other entity within said party State violating provisions of this compact by discharging sewage or industrial wastes into the waters of the district which flow through, into, or border upon any party State. Such order or orders may prescribe the date on or before which such discharge shall be wholly or partially discontinued, modified, or treated, or otherwise disposed of. The commission shall give reasonable and proper notice in writing of the time and place of the hearing to the municipality, person, corporation, or other entity against which such order is proposed except that when the commission shall find that a public health emergency

exists, it may issue such an order pending hearing. In all such instances, the hearing shall be promptly held and the order shall be withdrawn, modified, or made permanent within 30 days after hearing. No order prescribing the date on or before which such discharge shall be wholly or partially discontinued, modified, or treated, or otherwise disposed of, shall go into effect upon a municipality, person, corporation, or other entity in any State unless and until it receives the approval of a majority of the commissioners from each of not less than a majority of the party States, provided that such order receives the assent of not less than a majority of the commissioners from such State.

"B. It shall be the duty of the municipality, person, corporation, or other entity within a party State to comply with any such order against it or him by the commission, and any court of competent jurisdiction in any of the party States shall have jurisdiction, by mandamus, injunction, specific performance, or other form of remedy, to enforce any such order against any municipality, person, corporation, or other entity domiciled, located or doing business within such State: *Provided, however,* Such court may review the order and affirm, reverse, or modify the same in any appropriate proceeding brought and upon any of the grounds customarily applicable in proceedings for court review of administrative decisions. The commission or, at its request, the attorney general or other law enforcing official of the appropriate State shall have power to institute in such court any action for the enforcement of such order.

"Article IX

"Nothing in this compact shall be construed to limit the powers of any party State, or to repeal or prevent the enactment of any legislation, or the enforcement of any requirement by any party State, imposing any additional conditions and restrictions to further reduce or prevent the pollution of waters within its jurisdiction.

"Article X

"A. Nothing contained in this compact shall be construed so as to conflict with any provision of the Ohio River Valley Water Sanitation Compact or to impose obligations on any party State inconsistent with those which it has undertaken or may undertake by virtue of its membership in said compact: *Provided,* That nothing contained in this article shall be deemed to limit the commission's power to set higher standards for the waters of the Tennessee River Basin Water Pollution Control District or any portion thereof than those required for the Ohio River Valley Water Sanitation District.

"B. Nothing contained in this compact shall be deemed to give the commission any regulatory power or jurisdiction over any aspect of pollution abatement or control within the district unless existing or future pollution of such waters does or is likely to affect adversely the quality of water flowing among, between, into or through the territory of more than one party State.

"Article XI

"Any two or more of the party States by legislative action may enter into supplementary agreements for further regulation and abatement of water pollution in other areas within the party States and for the establishment of common or joint services or facilities for such purpose and designate the commission to act as their joint agency in regard thereto. Except in those cases where all member States join in such supplementary agreement and designation, the representatives in the commission of any group of such designating States shall constitute a separate section of the commission for the performance of the function or functions so designated and with such voting rights for these purposes as may be stipulated in such agreement: *Provided,* That, if any additional expense is involved, the member States so acting shall appropriate the necessary funds for this purpose. No supplementary agreement shall be valid to the extent that it conflicts with the purposes of this compact and the creation of such a section as a joint agency shall not affect the privileges, powers, responsibilities, or duties of the member States participating therein as embodied in the other articles of this compact.

"Article XII

"This compact shall enter into force and become effective and binding when it has been enacted by the Legislature of Tennessee and by the legislatures of any one or more of the States of Alabama, Georgia, Kentucky, Mississippi, North Carolina, and Virginia and upon approval by the Congress of the United States and thereafter shall enter into force and become effective and binding as to any other of said States when enacted by the legislature thereof.

"Article XIII

"This compact shall continue in force and remain binding upon each party State until renounced by act of the legislature of such State, in such form and manner as it may choose; provided that such renunciation shall not become effective until 6 months after the effective date of the action taken by the legislature. Notice of such renunciation shall be given to the other party States by the secretary of state of the party State so renouncing upon passage of the act.

"Article XIV

"The provisions of this compact or of agreements thereunder shall be severable and if any phrase, clause, sentence, or provision of this compact, or such agreement, is declared to be contrary to the Constitution of any participating State or of the United States or the applicability thereof to any State, agency, person, or circumstance is held invalid, the constitutionality of the remainder of this compact or of any agreement thereunder and the applicability thereof to any State, agency, person, or circumstance shall not be affected thereby, provided further that if this compact or any agreement thereunder shall be held contrary to the Constitution of the United States or of any State participating therein, the compact or any agreement thereunder shall remain in full force and effect as to the remaining States and in full force and effect as to the State affected as to all severable matters. It is the legislative intent that the provisions of this compact shall be reasonably and liberally construed."

SEC. 2. The consent of Congress is given to any of the States of Alabama, Georgia, Kentucky, Mississippi, North Carolina, Tennessee, and Virginia to become a party to the Tennessee River Basin water-pollution-control compact in accordance with its terms.

SEC. 3 (a). The President shall appoint a Federal representative to the Tennessee River Basin Water Pollution Control Commission. Such representative shall maintain liaison between the Federal Government and the commission, and from time to time shall report on the activities of the commission to the President, either directly or through such agency or official of the Government as the President may specify, and to the Congress.

(b) Such representative shall receive compensation and travel expenses, including per diem in lieu of subsistence, in the manner provided for experts and consultants in sections 5 and 15 of the Administrative Expenses Act of 1946, except that (1) the time limitation with respect to the length of services authorized in such section 15 shall not apply, (2) the per diem rate of compensation for such representative shall be such amount, not in excess of $100, as is established by the President, and (3) the total compensation paid in any calendar year to such representative shall not exceed $15,000. A retired military officer of the United States or a retired civilian employee of the United States may be appointed to serve as such representative without prejudice to his retired status, and shall receive compensation as authorized in this subsection except that his retired pay or annuity under Federal law and compensation under this subsection shall not exceed $15,000 in any calendar year. If an employee of the United States is appointed to serve as such representative in addition to his regular duties as such employee, he shall serve without additional compensation. Compensation paid under the authority of this subsection shall be paid from funds appropriated to the Executive Office of the President for salaries in the White House office.

(c) Such representative shall be provided with necessary office space, consulting, engineering, and stenographic service, and other administrative services by such agency of the Government as may be designated by the President. Travel and other expenses for such representative shall be paid from funds appropriated to such agency.

SEC. 4. Copy of any supplementary agreement entered into pursuant to article XI of the Tennessee River Basin Water Pollution Control Compact set forth in section I of this act shall be transmitted to the President, the President of the Senate, and the Speaker of the House. No such supplementary agreement shall become effective if, within the first period which consists of 90 calendar days in a session of the Congress and which follows the date on which such agreement is first received by either the President of the Senate or the Speaker of the House of Representatives, the Congress by concurrent resolution disapproves of such agreement.

SEC. 5. The right to alter, amend, or repeal this act is expressly reserved.

With the following committee amendment:

Page 16, strike out lines 10 through 21, inclusive, and insert in lieu thereof the following:

"SEC. 4. No additional power or duty proposed to be conferred upon the Tennessee River Basin Water Pollution Control Commission by the party States under authority of article II of the compact set forth in the first section of this act, and no supplementary agreement entered into pursuant to article XI of such compact, shall be effective until specifically approved by the Congress of the United States."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MONUMENT SYMBOLIZING IDEALS OF DEMOCRACY

The Clerk called the bill (H. R. 8290) to authorize the erection of a national monument symbolizing the ideals of democracy in the fulfillment of the act of August 31, 1954 (68 Stat. 1049), "An act to create a National Monument Commission, and for other purposes."

The Clerk read the title of the bill.

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

Mr. HAGAN. Mr. Speaker, I object.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

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

There was no objection.

PENSIONS FOR SERVICE IN MORO PROVINCE

The Clerk called the resolution (H. J. Res. 73) placing certain individuals who served in the Armed Forces of the United States in the Moro Province, including Mindanao, and in the islands of Leyte and Samar after July 4, 1902, and their survivors, in the same status as those who served in the Armed Forces during the Philippine Insurrection and their survivors.

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

Mr. CUNNINGHAM of Iowa. Mr. Speaker, I am advised by the gentleman from Illinois [Mr. O'HARA], that he plans to call this resolution up under suspension of the rules today. I therefore ask unanimous consent that the resolution be passed over without prejudice.

The SPEAKER. It will not come up today.

Is there objection to the request of the gentleman from Iowa?

There was no objection.

ADVERTISEMENT OF MAIL ROUTES

The Clerk called the bill (H. R. 9240) to revise certain provisions of law relating to the advertisements of mail routes, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first sentence of section 245 of the act of June 8, 1872 (17 Stat. 313), as amended (18 Stat. 235, 66 Stat. 286; 39 U. S. C. 426), is amended by striking out "approved by a postmaster, and in cases where the amount of the bond exceeds $5,000, by a postmaster of the 1st, 2d, or 3d class," and inserting in lieu thereof "approved as the Postmaster General shall direct."

SEC. 2. When advertising is required under section 3709 of the Revised Statutes (41 U. S. C. 5) or any other law, the Postmaster General shall advertise, for a period of not less than 20 days, for bids for a contract for transporting the mails, unless he shall publish with the advertisement a finding that the public exigencies surrounding the particular contract require a shorter period.

SEC. 3. The following provisions of law are hereby repealed:

(1) the paragraph relating to the advertisement of mail lettings under the heading "Office of the Fourth Assistant Postmaster-General," contained in the act of May 12, 1910 (36 Stat. 366; 39 U. S. C. 421); and

(2) the first section of the act of July 26, 1892 (27 Stat. 268), as amended (54 Stat. 228; 39 U. S. C. 422).

SEC. 4. This act shall not apply to contracts for the transportation of mail—

(1) by mail messengers under the act of March 3, 1887, as amended (24 Stat. 492, 68 Stat. 1116; 39 U. S. C. 578),

(2) by highway post office service under the Highway Post Office Service Act of 1955 (70 Stat. 781; Public Law 862, 84th Cong.; 39 U. S. C. 1051–1056), and

(3) by steamships under section 5 of the act of May 17, 1878 (20 Stat. 62; 39 U. S. C. 449).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTABLISHING FISH HATCHERY IN NORTHWESTERN PENNSYLVANIA

The Clerk called the bill (H. R. 662) to provide for the establishment of a fish hatchery in the northwestern part of the State of Pennsylvania.

Mr. ASPINALL. Mr. Speaker, reserving the right to object, I wish to ask the sponsor of the bill whether or not the Department downtown favors the enactment of this legislation; and, if so, what is the contemplated cost?

Mr. GAVIN. This is a bill that comes from the Committee on Merchant Marine and Fisheries. It is an authorization bill. I would like to point out to the gentleman that the Allegheny River Reservoir has been authorized for construction, an appropriation has been established to initiate construction commencing in 1958. When constructed, this reservoir will create an artificial lake 29 miles long in the northwestern part of the State of Pennsylvania. It will be one of the largest inland lakes in the eastern part of the United States.

Mr. ASPINALL. The gentleman from Pennsylvania does not have to sell me on the legislation; I am for it; I just want to know what the cost is to be.

Mr. GAVIN. I would say that the cost would be considerably less than the million dollars the gentleman has in mind.

Mr. ASPINALL. Would the gentleman state definitely that the cost would not exceed a million dollars?

Mr. GAVIN. I cannot estimate, as the plans and specifications have not been completed and estimated costs determined; however, it is my opinion the cost will not be anywhere near a million dollars.

Mr. ASPINALL. If I understand, the gentleman then promises that if the cost does go in excess of a million dollars he will come back to Congress for authorization?

Mr. GAVIN. I certainly will be glad to do so.

Mr. ASPINALL. Mr. Speaker, I withdraw my reservation of objection.

Mr. GAVIN. I thank the gentleman from Colorado.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized to establish, construct, equip, operate, and maintain a new fish hatchery in the northwestern part of the State of Pennsylvania.

SEC. 2. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FOOD SUPPLIES FOR MIGRATORY WATERFOWL

The Clerk called the bill (H. R. 6959) to authorize the Secretary of the Interior to cooperate with Federal and non-Federal agencies in the augmentation of natural food supplies for migratory waterfowl.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purpose of assuring a sufficient food supply for migratory birds by augmenting available sources where conditions warrant such action, the Commodity Credit Corporation shall make available to the Secretary of the Interior such wheat, corn, or other grains, acquired through price-support operations and certified by the Commodity Credit Corporation to be available for purposes of this act or in such condition through spoilage or deterioration as not to be desirable for human consumption, as the Secretary of the Interior shall requisition pursuant to section 2 hereof. With respect to any grain thus made available, the Commodity Credit Corporation may pay packaging, transporting, handling, and other charges up to the time of delivery to one or more designated locations in each State.

SEC. 2. Upon a finding by the Secretary of the Interior that the supply of migratory birds is threatened by lack of sufficient food, the Secretary of the Interior is hereby authorized and directed to requisition from the Commodity Credit Corporation and to make available to Federal, State, or local governmental bodies or officials, or to private organizations or persons, such grain acquired by the Commodity Credit Corporation through price-support operations in such quantities and subject to such regulations as the Secretary determines will most effectively augment normal food supplies along the routes of the usual flight patterns.

SEC. 3. With respect to all grain made available pursuant to section 2, the Commodity Credit Corporation shall be reimbursed by the Secretary of the Interior for its expenses in packaging and transporting such grains for purposes of this act.

SEC. 4. There are hereby authorized to be appropriated such sums as may be necessary to reimburse the Commodity Credit Corporation for its investment in the grain transferred pursuant to this act.

With the following committee amendments:

On page 2, beginning at line 7, delete the entire section 2, and insert in lieu thereof the following new section 2:

"SEC. 2. Upon a finding by the Secretary of the Interior that the supply of migratory birds is threatened by lack of sufficient food, the Secretary of the Interior is authorized to requisition from the Commodity Credit Corporation and to make available to Federal agencies or to the appropriate State conservation agency for feeding on wildlife refuges, wildlife management areas, or other lands owned, leased, or otherwise controlled or managed for wildlife purposes by Federal or State governmental agencies, such grain acquired from the Commodity Credit Corporation in such quantities and subject to such conditions as the Secretary determines will most effectively augment normal migratory bird food supplies. The Secretary may prescribe regulations that he considers to be in the public interest for the purpose of carrying into effect the provisions of this section."

On page 2, beginning at line 18, delete the entire section 3, and insert in lieu thereof the following new section 3:

"SEC. 3. There are authorized to be appropriated such amounts as may be necessary to enable the Secretary of the Interior to reimburse the Commodity Credit Corporation for its expenses in packaging, transporting, and handling grain made available to Federal agencies pursuant to this act."

On page 3, delete the entire section 4.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REMOVING LIMITATION ON PROPERTY AT AUSTIN, TEX.

The Clerk called the bill (H. R. 7964) to remove the limitation on the use of certain real property heretofore conveyed to the city of Austin, Tex., by the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of General Services shall convey to the board of trustees of the Austin Independent School District, Travis County, Tex., without consideration therefor, all right, title, and interest of the United States in and to the real property conveyed to the city of Austin, Tex., under authority of the act entitled "An act to authorize the Secretary of War to convey to the city of Austin, Tex., a tract of land in said city for educational purposes," approved March 5, 1888 (25 Stat. 44).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CREDITING OF CERTAIN LEGISLATIVE SERVICE FOR CIVIL-SERVICE RETIREMENT PURPOSES

The Clerk called the bill (H. R. 8424) to include certain service performed for Members of Congress as annuitable service under the Civil Service Retirement Act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any person serving as a Congressional employee (as defined in the Civil Service Retirement Act) on January 3, 1957, may include, in computing his annuitable service, any period during which he was employed by, and paid from the personal funds of, a Member of Congress (as defined in the Civil Service Retirement Act), if (1) he was employed by such Member in his Congressional capacity, (2) such employment, and compensation received therefor, is (A) certified to by such Member, or (B) established by other evidence satisfactory to the Civil Service Commission if such Member is deceased or incapacitated, within a period of 90 days after the date of enactment of this act, and (3) such employee deposits, to the credit of the civil service retirement and disability fund, the sum required by section 4 of the Civil Service Retirement Act covering such employment.

Mrs. PFOST. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. PFOST: On page 2, immediately following line 7, insert the following:

"SEC. 2. The amount of annuity payable to any person by reason of the enactment of the first section of this act shall not exceed $4,000 per annum."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 77 (C) (6) OF THE BANKRUPTCY ACT

The Clerk called the bill (H. R. 982) to amend section 77 (c) (6) of the Bankruptcy Act.

Messrs. CRETELLA, MORANO, and SEELY-BROWN objected.

FRANKING PRIVILEGE FOR FORMER MEMBERS OF CONGRESS

The Clerk called the bill (S. 2500) to make uniform the termination date for the use of official franks by former Members of Congress, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the second sentence of section 7 of the act of March 3, 1875 (39 U. S. C. 329), is amended by striking out the words "for the period of 9 months after" and by inserting in lieu thereof "until the 30th day of June following."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JEWISH WAR VETERANS NATIONAL MEMORIAL

The Clerk called the bill (H. R. 109) to incorporate the Jewish War Veterans, United States of America, National Memorial, Inc.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, I should like to ask a few questions of some member of the Committee on the Judiciary, either the author of the bill or someone else. Does this provide a Federal charter?

Mr. CELLER. This provides a Federal charter; however, only for a national shrine. It does not provide a national charter for recruiting members or anything like that. This shrine is to be erected in Washington, in which there will be housed relics of those who fought in the various wars, in other words, Jewish war veterans.

Mr. GROSS. Were hearings held on this bill?

Mr. CELLER. Yes.

Mr. GROSS. Before the Committee on the Judiciary?

Mr. CELLER. By Mr. FRAZIER'S subcommittee. If Mr. FRAZIER is here, I will yield to him.

Mr. GROSS. Let me say to the gentleman from New York that I have had a bill before his committee for a number of years. Hearings have been held on that bill which would provide a Federal charter for a veterans organization. As of this date I have had no success whatever in getting the bill to the House floor for consideration. Therefore, I am not constrained at this time to permit a Federal charter being granted to a veterans organization for any purpose so long as I cannot get consideration for the bill I have before the committee.

Mr. CELLER. I assure the gentleman we would be very happy to give him every reasonable consideration on his bill. I do not know what the bill is.

Mr. GROSS. The answer I have been given is that Federal charters are not being approved. That is the answer I have received from the Committee on the Judiciary.

Mr. CELLER. No. I think the gentleman got the information that the Committee on the Judiciary at that particular time was flooded with many bills of this type. We wanted a breathing space so we could adequately consider these matters. Comes the next session and I can assure the gentleman he will be given very earnest consideration.

Mr. GROSS. Does it take from 1950 to 1957 to provide a breathing space for the committee? In other words, does it take some 7 years?

Mr. CELLER. Of course not. If the gentleman will let me know the nature of his bill, I will be very glad to give him proper consideration and to get some action.

Mr. GROSS. I am sure this is not an emergency measure, so under the circumstances, Mr. Speaker, I feel that I must ask unanimous consent that this bill be passed over without prejudice until the next session when consideration may also be given to the bill I have introduced.

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

There was no objection.

SURVIVOR BENEFITS FOR MEMBERS OF CONGRESS

The Clerk called the bill (H. R. 8606) to amend the Civil Service Retirement Act with respect to annuities of survivors of employees who are elected as Members of Congress.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) section 6 (f) of the Civil Service Retirement Act is amended by striking out the words "or survivor of a Member."

(b) Section 10 (c) of such act is amended by striking out "If an employee dies after completing at least 5 years of civilian service, or a Member dies after completing at least 5 years of Member service", and inserting in lieu thereof the following: "If an employee or a Member dies after completing at least 5 years of civilian service."

(c) Section 10 (d) of such act is amended by striking out "If an employee dies after completing 5 years of civilian service or a Member dies after completing 5 years of Member service" and inserting in lieu thereof the following: "If an employee or a Member dies after completing at least 5 years of civilian service."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CITY OF COUNCIL BLUFFS, IOWA

The Clerk called the bill (H. R. 8928) to amend the act of June 9, 1880, entitled "An act to grant to the corporate authorities of the city of Council Bluffs, in the State of Iowa, for public uses, a certain lake or bayou situated near said city."

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of June 9, 1880, entitled "An act to grant to the corporate authorities of the city of Council Bluffs,

in the State of Iowa, for public uses, a certain lake or bayou situated near said city" (21 Stat. 171), is hereby amended by the insertion of a period immediately after "fifth principal meridian of Iowa", and by the deletion of all thereafter.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CODE OF ETHICS FOR GOVERNMENT SERVICE

The Clerk called House Concurrent Resolution 175.

There being no objection, the Clerk read the House concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the following code of ethics should be adhered to by all Government employees, including officeholders:

CODE OF ETHICS FOR GOVERNMENT SERVICE

Any person in Government service should:

1. Put loyalty to the highest moral principles and to country above loyalty to persons, party, or Government department.
2. Uphold the Constitution, laws, and legal regulations of the United States and of all governments therein and never be a party to their evasion.
3. Give a full day's labor for a full day's pay; giving to the performance of his duties his earnest effort and best thought.
4. Seek to find and employ more efficient and economical ways of getting tasks accomplished.
5. Never discriminate unfairly by the dispensing of special favors or privileges to anyone, whether for remuneration or not; and never accept, for himself or his family, favors or benefits under circumstances which might be construed by reasonable persons as influencing the performance of his governmental duties.
6. Make no private promises of any kind binding upon the duties of office, since a Government employee has no private word which can be binding on public duty.
7. Engage in no business with the Government, either directly or indirectly, which is inconsistent with the conscientious performance of his governmental duties.
8. Never use any information coming to him confidentially in the performance of governmental duties as a means for making private profit.
9. Expose corruption wherever discovered.
10. Uphold these principles, ever conscious that public office is a public trust.

The House concurrent resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FISH FARMING

The Clerk called the bill (S. 1552) to authorize the Secretary of the Interior to establish a program for the purpose of carrying on certain research and experimentation to develop methods for the commercial production of fish on flooded rice acreage in rotation with rice field crops, and for other purposes.

Mr. PELLY. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

CITY OF LAS VEGAS, NEV.

The Clerk called the bill (S. 1645) to authorize the Secretary of the Interior to grant easements in certain lands to the city of Las Vegas, Nev., for road-widening purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc., That the Secretary of the Interior is authorized and directed to grant and convey to the city of Las Vegas, Nevada, without consideration, and subject to such conditions as the Secretary may deem necessary, perpetual easements for road widening purposes in two small strips of land in the city of Las Vegas, Nevada, owned by the United States (under the jursidiction of the Fish and Wildlife Service, Department of the Interior), described as follows:

PARCEL NO. 1

The east 45 feet of the west 75 feet of the north 507 feet of the northwest quarter of the northwest quarter of section 30, township 20 south, range 61 east, Mount Diablo meridian; save and except the north 40 feet thereof.

PARCEL NO. 2

A strip of land 10 feet wide in the northwest quarter northwest quarter of said section 30 having for its beginning corner a point 30 feet east and 30 feet south of the northwest corner of said section; thence north 89 degrees 23 minutes 45 seconds east with a line 30 feet south of and parallel with the north line of said section a distance of 869.42 feet (approximately) to the east line of the aforesaid land of the United States; thence south 13 degrees 41 minutes west 10.32 feet (approximately) to the southeast corner of said 10-foot strip herein described; thence south 89 degrees 23 minutes 45 seconds west with a line 40 feet south of and parallel with the north section line 866.87 feet (approximately) to a point 30 feet east and 40 feet south of the northwest section corner; thence north 10 feet to the beginning.

The above-described two parcels contain 0.68 acre, more or less.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CASPER-ALCOVA IRRIGATION DISTRICT

The Clerk called the bill (S. 1996) to approve the contract negotiated with the Casper-Alcova Irrigation District, to authorize its execution, to provide that the excess-land provisions of the Federal reclamation laws shall not apply to the lands of the Kendrick project, Wyoming, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the contract with the Casper-Alcova Irrigation District, Kendrick project, Wyoming, approved by the District Board of Commissioners on February 26, 1957, which has been negotiated by the Secretary of the Interior pursuant to subsection (a) of section 7 of the Reclamation Project Act of 1939 (53 Stat. 1192; 43 U. S. C. 485f) is hereby approved, and the Secretary is hereby authorized to execute said contract on behalf of the United States.

SEC. 2. The excess-land and antispeculation provisions of the Federal reclamation laws (act of May 25, 1926, sec. 46, 44 Stat. 636, 649, 43 U. S. C. sec. 423e) shall not apply to the lands of the Kendrick project, Wyoming, and any agreements heretofore made by any landowners of Kendrick project lands with the United States to conform their excess lands to such provisions may be disregarded by such landowners. The provisions of this section 2 are intended to meet the special conditions existing on the Kendrick project, Wyoming, and shall not be considered as altering the general policy of the United States with respect to the excess-land provisions of the Federal reclamation laws.

SEC. 3. The part of the cost of operation and maintenance of Seminole Dam and Reservoir and Alcova Dam and Reservoir of the Kendrick project, Wyoming, incurred by the United States for the calendar year 1958, which is properly allocable for payment by project irrigation water users, is hereby assigned to be repaid from Kendrick project power revenues.

With the following committee amendments:

Page 1, line 3, following the word "That" insert the words ", subject to the provisions of section 2 of this act."

Page 2, line 5, strike out the sentence: "The excess-land and antispeculation provisions of the Federal reclamation laws (act of May 25, 1926, sec. 46, 44 Stat. 636, 649, 43 U. S. C., sec. 423e) shall not apply to the lands of the Kendrick project, Wyoming, and any agreements heretofore made by any landowners of Kendrick project lands with the United States to conform their excess lands to such provisions may be disregarded by such landowners." and insert in lieu thereof: "The limitations on acreage and restrictions on delivery of water to excess lands under the Federal reclamation laws shall apply to the lands of the Kendrick project, Wyoming, except that 480 irrigable acres shall, in this instance, be substituted for 160 irrigable acres."

The committee amendments were agreed to.

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

The title was amended so as to read: "An act to approve the contract negotiated with the Casper-Alcova Irrigation District, to authorize its execution, and for other purposes."

A motion to reconsider was laid on the table.

RICE ACREAGE ALLOTMENTS

The Clerk called the bill (H. R. 8490) to amend the Agricultural Adjustment Act of 1938, as amended, with respect to rice-acreage allotments.

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

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GROSS. May I ask what disposal was made of the bill S. 1552, Calendar No. 275?

The SPEAKER. The bill was passed over.

REMOVING LIMITATION ON CLAIMS ARISING OUT OF AIRCRAFT CRASH

The SPEAKER. The Chair recognizes the gentleman from Massachusetts [Mr. LANE].

Mr. LANE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the next bill on the Consent Calendar (H. R. 8868) to remove the present $1,000 limitation which prevents the settlement of certain claims arising out of the crash of an aircraft belonging to the United States at Worcester, Mass., on July 18, 1957.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the $1,000 limitation on claims contained in the paragraph under the center heading "Claims" in title II of the Department of Defense Appropriation Act, 1958, shall not apply with respect to claims arising out of the crash on July 18, 1957, at Worcester, Mass., of an aircraft belonging to the United States and being operated on a routine training flight by a member of the Air National Guard while on a camp of instruction.

SEC. 2. No part of the amounts awarded under this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTAIN REVISIONS OF THE IMMIGRATION AND NATIONALITY LAWS

Mr. CELLER. Mr. Speaker, I move to suspend the rules and pass the bill (S. 2792) to amend the Immigration and Nationality Act, and for other purposes, as amended.

The Clerk read as follows:

Be it enacted, etc., That subparagraph (B) of section 101 (b) (1) of the Immigration and Nationality Act is amended to read as follows:

"(B) a stepchild, whether or not born out of wedlock, provided the child had not reached the age of 18 years at the time the marriage creating the status of stepchild occurred; or"

SEC. 2. Section 101 (b) (1) of the Immigration and Nationality Act is amended by adding at the end thereof the following new subparagraphs:

"(D) an illegitimate child, by, through whom, or on whose behalf a status, privilege, or benefit is sought by virtue of the relationship of the child to its natural mother;

"(E) a child adopted while under the age of 14 years if the child has thereafter been in the legal custody of, and has resided with, the adopting parent or parents for at least 2 years: *Provided*, That no natural parent of any such adopted child shall thereafter, by virtue of such parentage, be accorded any right, privilege, or status under this act."

SEC. 3. Section 203 (a) (1) of the Immigration and Nationality Act is amended by striking out "him." and inserting in lieu thereof the following: "or following to join him.".

SEC. 4. (a) On or before June 30, 1959, special nonquota immigrant visas may be issued to eligible orphans as defined in this section who are under 14 years of age at the time the visa is issued. Not more than two such special nonquota immigrant visas may be issued to eligible orphans adopted or to be adopted by any one United States citizen and spouse, unless necessary to prevent the separation of brothers or sisters.

(b) When used in this section, the term "eligible orphan" shall mean an alien child (1) who is an orphan because of the death or disappearance of both parents, or because of abandonment or desertion by, or separation or loss from, both parents, or who has only one parent due to the death or disappearance of, abandonment, or desertion by, or separation or loss from the other parent and the remaining parent is incapable of providing care for such orphan and has in writing irrevocably released him for emigration and adoption; (2) (A) who has been lawfully adopted abroad by a United States citizen and spouse, or (B) for whom assurances, satisfactory to the Attorney General, have been given by a United States citizen and spouse that if the orphan is admitted into the United States they will adopt him in the United States and will care for him properly and that the preadoption requirements, if any, of the State of the orphan's proposed residence have been met; and (3) who is ineligible for admission into the United States solely because that portion of the quota to which he would otherwise be chargeable is oversubscribed by applicants registered on the consular waiting list at the time his visa application is made. No natural parent of any eligible orphan who shall be admitted into the United States pursuant to this section shall thereafter, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

(c) Any visa which has been or shall be issued to an eligible orphan under this section or under any other immigration law to a child lawfully adopted by a United States citizen and spouse while such citizen is serving abroad in the United States Armed Forces, or is employed abroad by the United States Government, or is temporarily abroad on business, shall be valid until such time, for a period not to exceed 3 years, as the adoptive citizen parent returns to the United States in due course of his service, employment, or business.

(d) The Attorney General may, pursuant to such terms and conditions as he may by regulations prescribe, adjust the status to that of an alien lawfully admitted for permanent residence, as of the date of his arrival in the United States, in the case of an alien who was paroled into the United States under section 212 (d) (5) of the Immigration and Nationality Act if such alien at the time of his arrival in the United States was an eligible orphan as defined in section 5 of the Refugee Relief Act of 1953, as amended, and was, or thereafter has been, adopted by a United States citizen and spouse in a court of proper jurisdiction.

SEC. 5. Any alien, who is excludable from the United States under paragraphs (9), (10), or (12) of section 212 (a) of the Immigration and Nationality Act, who (A) is the spouse or child, including a minor unmarried adopted child, of a United States citizen, or of an alien lawfully admitted for permanent residence, or (B) has a son or daughter who is a United States citizen or an alien lawfully admitted for permanent residence, shall, if otherwise admissible, be issued a visa and admitted to the United States for permanent residence (1) if it shall be established to the satisfaction of the Attorney General that (A) the alien's exclusion would result in extreme hardship to the United States citizen or lawfully resident spouse, parent, or son or daughter of such alien, and (B) the admission to the United States of such alien would not be contrary to the national welfare, safety, or security of the United States; and (2) if the Attorney General, in his discretion, and pursuant to such terms, conditions, and procedures as he may by regulations prescribe, has consented to the alien's applying or reapplying for a visa and for admission to the United States.

SEC. 6. Notwithstanding the provisions of section 212 (a) (6) of the Immigration and Nationality Act as far as they relate to aliens afflicted with tuberculosis, any alien who (A) is the spouse or child, including the minor unmarried adopted child, of a United States citizen, or of an alien lawfully admitted for permanent residence, or (B) has a son or daughter who is a United States citizen or an alien lawfully admitted for permanent residence, shall, if otherwise admissible, be issued a visa and admitted to the United States for permanent residence in accordance with such terms, conditions, and controls, if any, including the giving of a bond, as the Attorney General, in his discretion, after consultation with the Surgeon General of the United States Public Health Service, may by regulations prescribe: *Provided*, That the Attorney General shall promptly make a detailed report to the Congress in any case in which the provisions of this section are applied: *Provided further*, That no visa shall be issued under the authority of this section after June 30, 1959.

SEC. 7. The provisions of section 241 of the Immigration and Nationality Act relating to the deportation of aliens within the United States on the ground that they were excludable at the time of entry as (1) aliens who have sought to procure, or have procured, visas or other documentation, or entry into the United States by fraud or misrepresentation, or (2) aliens who were not of the nationality specified in their visas, shall not apply to an alien otherwise admissible at the time of entry who (A) is the spouse, parent, or a child of a United States citizen or of an alien lawfully admitted for permanent residence; or (B) was admitted to the United States between December 22, 1945, and November 1, 1954, both dates inclusive, and misrepresented his nationality, place of birth, identity, or residence in applying for a visa: *Provided*, That such alien described in clause (B) shall establish to the satisfaction of the Attorney General that the misrepresentation was predicated upon the alien's fear of persecution because of race, religion, or political opinion if repatriated to his former home or residence, and was not committed for the purpose of evading the quota restrictions of the immigration laws or an investigation of the alien at the place of his former home, or residence, or elsewhere. After the effective date of this act, any alien who is the spouse, parent, or child of a United States citizen or of an alien lawfully admitted for permanent residence and who is excludable because (1) he seeks, has sought to procure, or has procured, a visa or other documentation, or entry into the United States, by fraud or misrepresentation, or (2) he admits the commission of perjury in connection therewith, shall hereafter be granted a visa and admitted to the United States for permanent residence, if otherwise admissible, if the Attorney General in his discretion has consented to the alien's applying or reapplying for a visa and for admission to the United States.

SEC. 8. The Secretary of State and the Attorney General are hereby authorized, in their discretion and on a basis of reciprocity, pursuant to such regulations as they may severally prescribe, to waive the requirement of fingerprinting specified in sections 221 (b) and 262 of the Immigration and Nationality Act, respectively, in the case of any nonimmigrant alien.

SEC. 9. In the administration of the Immigration and Nationality Act, the Attorney General is authorized, pursuant to such terms and conditions as he may by regulations prescribe, to adjust the status to that of an alien lawfully admitted for permanent residence in the case of (A) an alien, physically present within the United States on July 1, 1957, who is the beneficiary of an approved visa petition for immigrant status under section 203 (a) (1) (A) of the Immigration and Nationality Act filed on his behalf prior to the date of enactment of this act, and (B) his spouse and children physically present within the United States on July 1, 1957. This section shall be applicable only to aliens admissible to the United States except for the fact that an immigrant visa is not promptly available for issuance to them because the quota of the quota area to which they are chargeable is oversubscribed. Upon the payment of the required visa fee and the adjustment of status under this act, the Attorney General shall record the alien's lawful admission for permanent residence as of the date of the order adjusting status. Nothing contained in this section shall be held to repeal, amend, or modify any of the provisions of the act of June 4, 1956 (70 Stat. 241), nor shall any person acquiring exchange visitor status subsequent to the enactment of that act, and who has not received a waiver pursuant thereto, be eligible for adjustment of status under this section. Pursuant to such terms and conditions, and in accordance with such procedure, as he may by regulations prescribe, the Attorney General is authorized to grant nonquota status, and a nonquota immigrant visa shall be issued, to the otherwise admissible spouse and child of any alien specified in clause (A) whose status has been adjusted under this act if the marriage by virtue of which such relationship exists occurred prior to July 1, 1957.

SEC. 10. The quota deductions required under the provisions of the following acts are terminated effective July 1, 1957—

(1) section 201 (e) (2) of the Immigration and Nationality Act;

(2) the Displaced Persons Act of 1948, as amended (62 Stat. 1009, 64 State. 219; 65 Stat. 96);

(3) the act of June 30, 1950 (64 Stat. 306); and

(4) the act of April 9, 1952 (66 Stat. 50).

SEC. 11. Section 323 of the Immigration and Nationality Act is amended by adding at the end thereof the following new subsection:

"(c) Any such adopted child (1) one of whose adoptive parents is (A) a citizen of the United States, (B) in the Armed Forces of the United States or in the employment of the Government of the United States, or of an American institution of research recognized as such by the Attorney General, or of an American firm or corporation engaged in whole or in part in the development of foreign trade and commerce of the United States, or a subsidiary thereof, or of a public international organization in which the United States participates by treaty or statute, and (C) regularly stationed abroad in such service or employment, and (2) who is in the United States at the time of naturalization, and (3) whose citizen adoptive parent declares before the naturalization court in good faith an intention to have such child take up residence within the United States immediately upon the termination of such service or employment abroad of such citizen adoptive parent, may be naturalized upon compliance with all the requirements of the naturalization laws except that no prior residence or specified period of physical presence within the United States or within the jurisdiction of the naturalization court or proof thereof shall be required, and paragraph (3) of subsection (a) of this section shall not be applicable."

SEC. 12. Any alien eligible for a quota immigrant status under the provisions of section 203 (a) (1), (2), or (3) of the Immigration and Nationality Act on the basis of a petition approved by the Attorney General prior to July 1, 1957, shall be held to be a nonquota immigrant and, if otherwise admissible under the provisions of that act, shall be issued a nonquota immigrant visa: *Provided*, That, upon his application for an immigrant visa, and for admission to the United States, the alien is found to have retained his relationship to the petitioner, and status, as established in the approved petition.

SEC. 13. Notwithstanding any other provision of law—

(a) Any alien admitted to the United States as a nonimmigrant under the provisions of either section 101 (a) (15) (A) (i) or (ii) or 101 (a) (15) (G) (i) or (ii) of the Immigration and Nationality Act, who has failed to maintain a status under any of those provisions, may apply to the Attorney General for adjustment of his status to that of an alien lawfully admitted for permanent residence.

(b) If, after consultation with the Secretary of State, it shall appear to the satisfaction of the Attorney General that the alien is a person of good moral character, that he is admissible for permanent residence under the Immigration and Nationality Act, and that such action would not be contrary to the national welfare, safety, or security, the Attorney General, in his discretion, may record the alien's lawful admission for permanent residence as of the date of the order of the Attorney General approving the application for adjustment of status is made.

(c) A complete and detailed statement of the facts and pertinent provisions of law in the case shall be reported to the Congress with the reasons for such adjustment of status. Such reports shall be submitted on the first day of each calendar month in which Congress is in session. If, during the session of the Congress at which a case is reported, or prior to the close of the session of Congress next following the session at which a case is reported, either the Senate or the House of Representatives passes a resolution stating in substance that it does not favor the adjustment of status of such alien, the Attorney General shall thereupon require the departure of such alien in the manner provided by law. If neither the Senate nor the House of Representatives passes such a resolution within the time above specified, the Secretary of State shall, if the alien was classifiable as a quota immigrant at the time of his entry, reduce by one the quota of the quota area to which the alien is chargeable under section 202 of the Immigration and Nationality Act for the fiscal year then current or the next following year in which a quota is available. No quota shall be so reduced by more than 50 percent in any fiscal year.

(d) The number of aliens who may be granted the status of aliens lawfully admitted for permanent residence in any fiscal year, pursuant to this section, shall not exceed 50.

SEC. 14. Except as otherwise specifically provided in this act, the definitions contained in subsections (a) and (b) of section 101 of the Immigration and Nationality Act shall apply to section 4, 5, 6, 7, 8, 9, 12, 13, and 15 of this act.

SEC. 15. (a) Notwithstanding the provisions of section 20 of the Refugee Relief Act of 1953, as amended (67 Stat. 400; 68 Stat. 1044), special nonquota immigrant visas authorized to be issued under section 3 of that act which remained unissued on January 1, 1957, shall be allotted, and may be issued by consular officers as defined in the Immigration and Nationality Act, in the following manner:

(1) Not to exceed 2,500 visas to aliens described in paragraph (1) of section 4 (a) of the Refugee Relief Act, as amended;

(2) Not to exceed 1,600 visas to aliens described in paragraphs (9) or (10) of such section 4 (a);

(3) All the rest and remainder of said visas to aliens who are refugee-escapees as defined in subsection (c).

(b) The allotments provided in subsection (a) of this section shall be available for the issuance of immigrant visas to the spouses and unmarried sons or daughters under 21 years of age, including stepsons or stepdaughters and sons or daughters adopted prior to July 1, 1957, of persons referred to in subsection (a) of this section if accompanying them: *Provided*, That each such alien, as described in this section, is found to be eligible to be issued an immigrant visa and to be admitted to the United States under the provisions of the Immigration and Nationality Act: *Provided further*, That all special nonquota immigrant visas authorized to be issued under this section shall be issued in accordance with the provisions of section 221 of the Immigration and Nationality Act: *Provided further*, That a quota number is not available to such alien at the time of his application for a visa.

(c) (1) For purposes of subsection (a), the term "refugee-escapee" means any alien who, because of persecution or fear of persecution on account of race, religion, or political opinion has fled or shall flee (A) from any Communist, Communist-dominated, or Communist-occupied area, or (B) from any country within the general area of the Middle East, and who cannot return to such area, or to such country, on account of race, religion, or political opinion.

(2) For the purposes of this section, the term "general area of the Middle East" means the area between and including (1) Libya on the west, (2) Turkey on the north, (3) Pakistan on the east and (4) Saudi Arabia and Ethiopia on the south.

(d) Except as otherwise provided in subsection (a) of this section, nothing in this section shall be held to extend the Refugee Relief Act of 1953, as amended (67 Stat. 400; 68 Stat. 1044), and nothing in this section shall be held to authorize the issuance of special nonquota immigrant visas in excess of the number provided in section 3 of that act.

SEC. 16. In the administration of section 301 (b) of the Immigration and Nationality Act, absence from the United States of less than 12 months in the aggregate, during the period for which continuous physical presence in the United States is required, shall not be considered to break the continuity of such physical presence.

The SPEAKER. Is a second demanded?

Mr. KEATING. Mr. Speaker, I demand a second.

Mr. CELLER. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

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

There was no objection.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

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

[Roll No. 216]

Abbitt	Gwinn	Pilcher
Alger	Harden	Powell
Allen, Calif.	Harvey	Preston
Anderson, Mont.	Hillings	Prouty
Anfuso	Hoffman	Rains
Bailey	Holifield	Robsion, Ky.
Barden	Holtzman	Sadlak
Beamer	Horan	Scott, N. C.
Bolton	Jackson	Scrivner
Bray	Kearney	Sikes
Buckley	Kearns	Siler
Cannon	Kilburn	Smith, Calif.
Clevenger	Kirwan	Smith, Kans.
Curtis, Mass.	Krueger	Teague, Calif.
Dawson, Ill.	LeCompte	Thompson, N. J.
Dellay	Lesinski	Udall
Dempsey	Loser	Vinson
Dies	McConnell	Vursell
Farbstein	McDonough	Walter
Fascell	Magnuson	Wier
Flood	Mailliard	Williams, N. Y.
George	Mason	Withrow
Gordon	Miller, Calif.	Young
Green, Oreg.	Moulder	Younger
Griffiths	Nicholson	
	Norblad	

The SPEAKER. On this rollcall 347 Members have answered to their names, a quorum.

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

CERTAIN REVISIONS OF THE IMMIGRATION AND NATIONALITY LAWS

The SPEAKER. The gentleman from New York [Mr. CELLER] is recognized.

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

The SPEAKER. The gentleman from New York may proceed.

Mr. CELLER. Mr. Speaker, I should like to read a letter I received from our colleague, the gentleman from Pennsylvania [Mr. WALTER] who is now in the hospital:

DEAR MANNIE: As you know, due to a most untimely accident, I am confined to Georgetown Hospital.

I trust that you with the help of our colleagues on the committee, will pilot through the House, the Senate immigration bill, S. 2792, with amendments which I have worked out in order to bring it in line with my own bill, H. R. 8123.

This is very important legislation. It is humanitarian and meritorious. We worked on it for several months; and I hope that my colleagues will follow your lead and secure expeditious House action.

With best regards,

FRANCIS.

The bill S. 2792 is, indeed, as the gentleman from Pennsylvania has stated, humanitarian in its purpose. Many of the provisions stress the reuniting of families, a principle, I am sure, no one would oppose. In the past the Congress has had to put into motion all of the machinery for a private bill, which can now be eliminated by enactment of this legislation. Some 800 private bills now before the committee are covered by the general provisions of this Senate bill.

This committee, and I am sure many Members, has received hundreds and hundreds of beseeching letters requesting the enactment of private bills now before us dealing for example, with the entrance of adopted children and the uniting of families. Failure to enact this legislation would dash the hopes of American couples who await the enactment of this bill so that they can go forward with the adoption of children.

There is no change at all—none whatsoever I want to assure the Members—in the screening process provided by the Immigration and Nationality Act of 1952. It makes no changes—no changes whatsoever, in the controversial issue of the national origins quota system. It does not provide for any unused quotas to be distributed or redistributed among nations.

Every Member has had experience with the hardship cases of individual constituents on the very measures that are covered by this bill. There are those who say the legislation does not go far enough, but I believe few can find objection to dealing with the hardship cases that this bill covers. The Committee on the Judiciary with its experience of thousands upon thousands of private bills has found this legislation both necessary and proper.

It is very interesting to note that this Senate bill now before us has had a very wide sponsorship, the Senators coming from the farflung regions of the Nation. I will give you but a few: Senator KENNEDY, Senator WATKINS, Senator HUMPHREY, Senator DIRKSEN, Senator PASTORE, Senator LAUSCHE, Senator CLARK, Senator NEUBERGER, Senator JACKSON, and Senator KEFAUVER. You will notice the bipartisan sponsorship endorsement by Members of each region of the Nation. It passed the Senate by an overwhelming majority of 65 to 4.

The bill takes care of about 1,500 orphans each year, over a 2-year period so that you will have approximately 3,000 orphans coming in. It provides for the unused Refugee Relief Act numbers which were allotted but unused to the extent of 18,656.

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

Mr. CELLER. Mr. Speaker, I yield myself 3 additional minutes.

Mr. Speaker, there is provision for the admission of 2,500 German expellees, 1,600 Dutch nationals, and fourteen-thousand-odd who have escaped from Communist or Communist-dominated lands or refugees from the Middle East who covet entrance into this country.

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

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

Mr. FEIGHAN. I would like to ask the gentleman if in connection with the definition involving flight from a Communist-dominated or Communist-occupied territory it is the intention of the Congress that it would exclude all persons who have freely departed or will depart from Communist-dominated or Communist-occupied areas, including persons who depart from such areas who hold exit permits issued by the Communist regime in control of such area?

Mr. CELLER. I must say emphatically "No" to the first part of the gentleman's question. But the very fact that they have some sort of exit visa or exit permission from the Communist-dominated country would absolutely exclude them from entrance under the provisions of section 15 of this bill since an alien leaving such territory with the Communist's blessing or with a Communist exit visa or with a Communist passport, could not establish himself to be a refugee-escapee in flight.

Mr. FEIGHAN. Mr. Speaker, will the gentleman yield for a correction?

Mr. CELLER. I yield to the gentleman.

Mr. FEIGHAN. There have been persons who were residents of Red China who have come from Red China, who were in possession of certain so-called foreign passports or passports issued by the U. S. S. R. and in possession of exit permits granted by the Red Chinese Government who have been admitted to the United States as eligible immigrants under the immigration and nationality law.

Mr. CELLER. If that has happened then somebody violated the law and the responsible individual in the administrative agency should get his knuckles cracked or even, beyond that, be dismissed from the Service because he violated the law that we have on the statute books.

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

Mr. CELLER. I yield to the gentleman.

Mr. CHELF. Does this not apply chiefly to the so-called White Russians who were loyal to the Czars and for that reason hate communism with a passion?

Mr. CELLER. There is a provision concerning 500 of those refugees—mainly White Russians—who escaped to China during the Russian Revolution of 1917. They are the ones the gentleman from Ohio has in mind.

Mr. CHELF. They fought the Communists and they hate the Communists.

Mr. CELLER. In addition the bill makes provision for adjustment of status of approximately 400 specialists and skilled workers who are in this country and would permit the entry in nonquota status of their families, their spouses, their children. Approximately 1,500 persons would be covered by this section. We give permanent status to 839 parolee children who are already in this country. We give nonquota status to first, second, and third preference immigration applicants who have registered before July 1, 1957; and for whom petitions have been approved. The first preference is an essential worker or specialist whose skill is needed in this country. The second preference covers parents of United States citizens. The third preference covers spouses and unmarried minor children of lawfully resident aliens.

In addition we do away with the former mortgaging of various quotas in the various countries. Some of the countries have quota mortgages that are carried forward for many years. In the case of Estonia, the mortgage will not be terminated until 2146; the Greek quota is presently mortgaged to 2018; the Latvian quota to the year 2274. So, in a true humanitarian spirit we do away with these mortgages, and that, in and of itself, will save us countless private bill considerations.

I do indeed hope that this bill will meet the unqualified approval of this House.

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

Mr. CELLER. I yield to the gentleman from New Jersey, a member of the committee.

Mr. RODINO. Is it not a fact that the fundamental principle behind the provisions and the most important provisions of this bill is the reunification of families?

Mr. CELLER. That is correct.

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

Mr. CELLER. I yield to the gentleman.

Mr. GROSS. Has the gentleman stated why this is called up under suspension of the rules, it being a Senate bill? Where is the House bill?

Mr. CELLER. The reason why we are taking up the Senate bill is that it would get expeditious action, there would be no need of going to conference. The Senate bill is not too unlike the House bill. There are some changes which we are making. Many of them are technical changes, clarification of language. If we accept the Senate bill it would involve very little difficulty, if any at all, getting the Senate to approve. Our intelligence service, you might call it, tells us that the Senate will not object and we will have expeditious action.

Mr. GROSS. May I point out to the gentleman that as of 2 or 3 minutes ago there was no copy of the Senate bill available on this side of the aisle.

Mr. CELLER. The Senate acted on the bill on August 21. There has been no time for printing the Senate act. Copies of the bill as reported by the Senate are available and the official copy is on the Speaker's desk. I hope that will not influence the gentleman in anywise.

I wish to include a section-by-section analysis of the bill, with amendments, at this point:

S. 2792

SECTION 1

This section clarifies the status of stepchildren under the Immigration and Nationality Act. The word "stepchild" has been administratively ruled to exclude from benefits the child born out of wedlock prior to an alien woman's marriage to a United States citizen.

SECTION 2

Section 2 grants to illegitimate children immigration status identical with that enjoyed by legitimate children as far as the relationship between the natural mother and the child is concerned.

This section also proposes that a child adopted while under the age of 14 years, shall have the status of a natural-born child for immigration purposes, if such child has been in the legal custody of, and has resided with, the adoptive parents for at least 2 years.

A technical amendment is proposed (page 2, line 10) to bring this section into accord with section 4 of the bill insofar as curtailment of parental privileges of the natural parent under the Immigration and Nationality Act is concerned.

SECTION 3

This section relates to the spouse and children of the alien who has been admitted as a first preference applicant. His family would benefit by his first preference status if following him, as well as if accompanying him. Benefits under present law are extended only to the accompanying spouse and child.

SECTION 4

Section 4 of the bill grants nonquota immigrant status to alien children under 14 years of age adopted by United States citizens abroad or coming to the United States for the purpose of adoption. The authorization to grant nonquota status to such eligible children is extended to June 30, 1959.

An amendment is proposed, to add a subsection which appears in the House bill, H. R. 8123, to permit visas issued under this section to be valid up to 3 years in the case of children adopted by United States citizens residing abroad temporarily on business or in the military or civilian service of the United States.

Another subsection taken from the House bill, H. R. 8123, provides for the adjustment of status of 839 alien children adopted by United States citizens abroad and admitted to the United States under parole after the expiration of the Refugee Relief Act of 1953, as amended.

SECTION 5

Section 5 would grant discretionary authority to the Attorney General to waive grounds for exclusion—specifically crimes and prostitution—in the cases of spouses, parents, or children (including minor adopted children), of United States citizens or lawfully resident aliens, if they are otherwise admissible.

The Senate bill has been modified by the inclusion of language appearing in the House bill, H. R. 8123, to add the requirement that there be a showing of extreme hardship and a finding that such admission would not be contrary to the national welfare, safety, and security of the United States.

SECTION 6

This section permits the entry, under bond and medical safeguards, of close relatives of the United States citizens and of aliens lawfully admitted for permanent residence notwithstanding the fact that the immigrant may be afflicted with tuberculosis.

The proposed amendment would bring this section into accord with a similar waiver proposed in the House bill, H. R. 8123. In each case the Attorney General shall submit a report to the Congress and the authority contained in this section will expire on June 30, 1959.

SECTION 7

This section condones the misrepresentations regarding nationality and place of birth made by displaced persons and refugees while applying for immigrant visas. The misrepresentations were made by a considerable number of recent immigrants (displaced persons) fearful of forcible repatriation to Communist-dominated countries.

This section also provides for leniency in the consideration of visa applications made by close relatives of United States citizens and aliens lawfully admitted for permanent residence who in the past may have procured documentation for entry by misrepresentation.

SECTION 8

Under this section, the Secretary of State and the Attorney General, acting jointly, are granted discretionary authority to waive, on a basis of reciprocity, fingerprinting requirements in the case of nonimmigrant aliens (visitors, tourists, artists, businessmen, students, treaty traders, newspapermen, etc.).

SECTION 9

This section authorizes the Attorney General to adjust the status of approximately 800 alien skilled specialists, where such skilled specialists have been in the United States on July 1, 1957, and the first preference petition is filed by their American employer prior to the date of the enactment of the bill; and to provide nonquota status for their spouses and children in order that they may join them here.

A technical amendment is proposed, utilizing language appearing in the House bill, H. R. 8123, to insure compliance with the act of June 4, 1956, in the cases of exchange visitors within the purview of that act.

(An amendment to correct a typographical error—"sections" to be changed to "section" is also offered.)

SECTION 10

As of July 1, 1957, all "mortgages" imposed on various immigration quotas under the Displaced Persons Acts of 1948 and 1950, as well as under the two "Sheepherders Acts" enacted in 1950 and 1952, respectively, will be wiped out. Under this provision of the bill, the immigration quota for 14 eastern European countries will be restored to the full size as provided by law. At the present time, under the "mortgage" provision, only one-half of those quotas is available.

The proposed amendment to provide that quota deductions terminate on July 1, 1957, will aid the Quota Control Office in its bookkeeping. This language follows the House bill, H. R. 8123.

SECTION 11

This section provides expeditious naturalization for minor adopted children whose adoptive United States citizen parent is stationed abroad temporarily in the military or civilian service of the United States or temporarily on business, as specified.

(An amendment is proposed to correct a typographical error—"adopted parent" should read "adoptive parent.")

SECTION 12

Nonquota status is being granted under this section to first, second, and third preference immigrants comprising skilled specialists, parents of United States citizens, and spouses and children of aliens admitted for permanent residence, if petitions conferring such preferential status were approved by the Immigration and Naturalization Service prior to July 1, 1957.

SECTION 13

This section proposes that the Attorney General—after consultation with the Secretary of State—may adjust the status of certain high ranking foreign diplomats or foreign delegates to the United Nations and their immediate families who have come to the United States as diplomatic representatives and because of the fact that they broke with their government, cannot return to their homes. The Attorney General will have to report to Congress on each case and the proposed adjustment of status would become final if either the Senate or the House of Representatives does not pass a resolution objecting to such granting of immigrant status. Not more than 50 persons may receive the benefits of this section in any single fiscal year. Servants of diplomats and clerical personnel of foreign diplomatic missions are not included in the amendment.

Technical amendments are offered to bring this section into accord with the similar section in the House bill, H. R. 8123.

SECTION 14

Section 14 of this bill provides that pertinent definitions under the Immigration and Nationality Act be applicable under this act.

SECTION 15

A total of 18,656 nonquota immigrant visas allocated—but not used—under the Refugee Relief Act of 1953, as amended, are being made available under this section to two categories of immigrants specified in the

1953 law, namely: expellees of German ethnic origin residing in West Germany or in Austria, and to refugee-escapees as defined (including escapees from Communist dominated or occupied territories, as well as certain escapees from the Middle East).

An amendment is proposed to strike out the far eastern European refugees appearing in paragraph 3 of subsection (a) of this section, since any qualified escapees would also be defined under the term "refugee-escapee."

NEW SECTION 16

This section provides leniency in the administration of naturalization laws as they pertain to the 5 years residential retention requirement in the case of a child born abroad of one parent who is a citizen of the United States, while the other parent is an alien. Such child's residence in the United States would not be deemed to have been interrupted by absences totaling not more than 12 months.

This section appeared in the bill, H. R. 8123, and had the unanimous approval of the committee.

Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. FEIGHAN].

Mr. FEIGHAN. Mr. Speaker, I wish to make this clear in the first instance, that while this bill has some very fine fringe benefits, which I support, I am opposed to the bill.

The gentleman from Iowa [Mr. GROSS] has just asked how this Senate bill 2792 happens to come here. This is not the House bill, H. R. 8123, which was agreed upon by the House Committee on the Judiciary and by the subcommittee as the bill that was going to be called up. All of a sudden we hear about a change. This bill now is before us under these additional strange circumstances where it is not permissible to offer any amendment, because it is felt that there might be a reasonable discussion as to what is in the bill and possibly it could not squeeze through so hurriedly.

There are fundamental differences in this Senate bill that are not in the House bill. These fundamental differences were considered by the House full Committee on the Judiciary and turned down. They were, again, considered by the subcommittee of the House Committee on the Judiciary and were turned down. It was agreed by the subcommittee that we were going to call up the House bill with one amendment which would knock out section 4 (a) (11), which provided permission for 1,099 so-called White Russians residing in Red China to come to this country.

What the Senate bill does is bring forth an absolutely new concept of a definition of a so-called refugee-escapee. It has never been determined what such a person is or who specifically would qualify under this term. Yet under this entirely new and undefined term there is permission for approximately 14,000 people who are so-called escapee-refugees, whatever that may mean, to come into this country. They will come from the general area of the Middle East. That area is far greater than that encompassed by the Eisenhower doctrine. There were never any hearings whatever on this new definition. We heard no testimony from the Eisenhower administration whether the President understands what this new definition means, whether it is consistent with our national policy in that critical area of the world and whether it is acceptable.

The fact is, the countries and areas from which these people will come include, among others, Libya, Egypt, Turkey, Iran, Iraq, Syria, Jordan, Saudi Arabia, Israel, Afghanistan, Pakistan, Ethiopia, Eritrea, Somaliland, Anglo-Egyptian Sudan, Cyprus, Lebanon, and Yemen.

We have had no hearings whatever with reference to the provisions of this bill. In the Senate they had only 1 or 2 witnesses before they brought the bill out. As the gentleman from Iowa [Mr. GROSS] said, we do not have copies of this bill before us. The bill has not been printed. Even in the House Committee on the Judiciary there is not one single copy of the bill we are acting on now.

I appreciate the fact that the distinguished chairman of the Committee on the Judiciary has made it clear, beyond any doubt, that it is the intention of Congress to put a complete stop to the admission of people into the United States from Communist, Communist-occupied, or Communist-dominated areas who freely leave such areas by virtue of exit permits granted by the Communist regimes in control of such areas. This understanding has particular reference to so-called White Russians residing in or who resided in Red China and who enter Hong Kong from Red China en route to countries of the Free World, including the United States. By preventing the admission into the United States of such individuals, the Members of the House have struck a significant blow against the worldwide espionage apparatus of the Kremlin.

For those Members of the House who have not had an opportunity to read my minority views on the House bill, I include them, as follows:

MINORITY VIEWS

H. R. 8123 is by no means to be considered as a remedy to the basic immigration problems which have long been before Congress. At best, it contains some fringe benefits for certain types of cases for which the present law offers no remedy.

The serious defects of this bill are as follows:

NEED TO PROVIDE FOR POLITICAL AND RELIGIOUS ASYLUM

1. It offers no remedy for the embarrassing position our Government found itself in during October 1956 when the Hungarian freedom revolution created a new group of refugees from Communist tyranny and oppression who sought asylum in the Free World. Most of the nations of the Free World responded to this situation quickly by offering resettlement opportunities to these fighters for human freedom. Our Government was unable to take effective action. Consequently President Eisenhower issued a directive to the Attorney General to admit some of the Hungarian refugees into our country.

With the fast-moving events in Poland and the restlessness so manifest in East Germany, we should be prepared in the event of another freedom revolution to take quicker and more affirmative action than our response in the Hungarian revolt. This is the least we, as responsible leaders of the Free World, can do in such circumstances.

STATUS OF HUNGARIAN FREEDOM FIGHTERS

2. It completely neglects the 28,000 Hungarian refugees who were admitted as parolees under President Eisenhower's directive. On the one hand, the President has been condemned for taking this action to show our sympathy with the Hungarian fight for freedom while, on the other hand, nothing is done to resolve the legal dilemma the President found himelf in last November. Keeping these people in a parolee status indefinitely minimizes the good will we created throughout the world by taking them into our country in the first instance. Moreover, the indefinite parolee status cannot help but, with the passing of time, set the Hungarian refugees apart from the rest of American society, a situation which can have very harmful consequences. A remedy should be promptly provided so that the Justice Department can begin to take steps to finalize the status of these newcomers.

A BREACH IN THE SECURITY OF THE UNITED STATES

3. It authorizes the reenactment of section 4 (a) (11) of the Refugee Relief Act of 1953, which expired December 31, 1956. That section reads as follows:

"Not to exceed 2,000 visas to refugees, residing within the district of an American consular office in the Far East: *Provided*, That such visas shall be issued only in said consular office district and only to refugees who are not indigenous to the area described in this paragraph."

The grave danger exists that through the reenactment of section 4 (a) (11), the door will be opened to admission into the United States of more so-called White Russians who reside in Red China.

It is well known that all these so-called White Russians leave Red China with exit permits granted by the Communist authorities and the majority have valid U. S. S. R. passports in their possession. It is not unreasonable to question the political reliability of persons who are able to secure and maintain valid U. S. S. R. passports because the Kremlin exercises rigid control over those who get such passports and for what purpose. Nor is it unreasonable to question the political reliability of persons who are able to secure exit permits from the Red Chinese authorities, when these same Red Chinese detain hundreds of United States military and civilians against their will and imprison many of them in filthy Communist jails.

After a personal investigation into this matter in the Far East, I called to the attention of the proper United States Government authorities the fact that no field security investigation was made on these so-called White Russians before they were sent to countries of the Free World from Hong Kong. In response to my queries on this breach in the Free World security, the International Cooperation Administration, the agency which paid the expenses of moving these so-called White Russians from Hong Kong to countries of the Free World, replied as follows:

"It is, of course, true that no on-the-spot field investigation of these refugees by United States personnel is currently possible on the mainland of China."

If H. R. 8123 becomes law, the danger of large-scale infiltration into this country by Russian agents as an integral part of the Russian international Communist conspiracy and by pro-Russian imperialists is imminent.

H. R. 8123 DIMS THE SPARK OF FREEDOM BEHIND THE IRON CURTAIN

In its present form H. R. 8123 will dim the spark of freedom behind the Iron Curtain. It denies political asylum to those who would dare to stand up and fight against Russian communism. At this very moment Polish patriots are striking against the Russian tyrants who occupy their homeland. I want these brave patriots fighting for the cause of their nation's independence and fighters for freedom in other enslaved nations to know that the door to political asylum in the United

States has been opened to them. I am also mindful of those 20,000 escapees from the Tito tyranny in Yugoslavia who are now living in camps in Austria awaiting resettlement in countries where human freedom is a reality. H. R. 8123 totally ignores this need and, in fact, keeps a tight lock on the door to political asylum in the United States to people who stand up and fight against tyranny and human slavery.

While H. R. 8123 may carry some long-overdue relief for special categories of immigrants or prospective immigrants, these benefits are far outweighed by neglect of the basic immigration problem which has confronted Congress in the past and which will continue as a serious problem so long as the tyranny of communism exists in the world. For this reason I voted against it in the committee.

Following the printing of the committee report which includes my minority views, the chairman of the subcommittee [Mr. WALTER] took up with me the problem of the so-called White Russians. He offered to exclude any benefits for them from the House bill. With this understanding, I then agreed to support H. R. 8123, with the other reservations contained in my minority views. Therefore, it was my intention to support H. R. 8123 when it came before the House.

In opposing S. 2792 I am standing firmly by my commitment to my colleague from Pennsylvania [Mr. WALTER], and my views expressed in the House committee report.

Mr. KEATING. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, before discussing S. 2792, I feel I must register emphatic protest against the manner in which this immigration legislation has been handled. A complicated matter such as this should never come before us under the restrictive practices inherent in proceedings under suspension of the rules. There is no adequate debate. No opportunity is afforded for amendment. There is no chance for a motion to recommit. We are faced with a take-it-or-leave-it proposition. There are many points of view on this important subject. There are many persons and organizations who desire to be heard, both pro and con. This arbitrary method of legislating at the very end of the session is not responsible and is not fair to the membership.

But despite my strong misgivings about the way we are going about meeting this problem, I cannot withhold my support from S. 2792, the bill before us. This bill contains many excellent features. It embodies no provisions with which I disagree. My objection is to what it does not contain rather than to what it does contain. It is a skeleton where there should be a robust body.

The President has recommended some sweeping revisions in our immigration laws to wipe out numerous inequities and discriminatory provisions. It has not been possible to obtain any hearings on this legislation or any of the other bills submitted by various members. The chairman of the House Immigration Subcommittee has, however, now indicated that he will hold full hearings on all proposed immigration law changes next January, at which everyone will have an opportunity to be heard to express his viewpoint. In the light of that commitment, I urge support for the bill before us today.

Briefly, S. 2792 provides for the admission to the United States of certain worthy and deserving orphans and relatives of American citizens. It provides for the entry of certain skilled specialists and grants permanent residence annually to some 50 foreign diplomats who break with their government. The measure also allows the discretionary waiver of the fingerprinting requirement which has proven so obnoxious to many visitors to our shores.

One of the most important provisions of this bill is one that I have urged for a long time—that is, the reuniting of families tragically separated by the end of the Refugee Relief Act or the filling of quotas, or both. Under terms of this section, many families who sent their breadwinner on ahead to America, fully expecting to follow soon, will be relieved of the needless suffering and heartache of prolonged separation. Their speedy reunion will represent a victory for the American tradition of living up to its promises, whether implied or direct.

Especially worthy of note in this measure is the provision made for the use of left-over visas from the Refugee Relief Act. Under terms of this bill, they can be distributed not only among some of the classes of aliens listed in that law, which has now expired, of course, but also among aliens who have fled from Communist persecution or from cruel tyranny in Nasser's Egypt, and who cannot return because of fear of further persecution on account of race, religion, or political origin.

About 14,500 visas will be made available to such escapees under this provision, and the recipients will include those noble and courageous Hungarian anti-Communists now tragically stranded in European camps, and those Jews and Christians viciously stripped of their property and ruthlessly exiled from Egypt, who now wander aimlessly the map of the Middle East and Europe.

While this provision will enable the use of only a limited number of visas for those worthy people, it is a step in the right direction; and, with wise and fair administration, it can serve to great advantage in our cold-war struggle with our Communist foes. It will demonstrate to the world that we intend to participate fully and with confidence in further humanitarian moves to help those escaping from tyranny. Enactment of this portion of S. 2792, coupled with the future enactment of the provisions for relief of escapees which are contained in the measure recommended by the administration, will encourage other groups to rise up against their tyrannical masters, confident that a lasting haven awaits them in America.

Another provision in this bill, which was also contained in H. R. 4205, the bill I sponsored to carry out the President's recommendations, will eliminate the onerous mortgages which have built up on some quotas. These mortgages, piled up under the Displaced Persons Acts, have served to dim the hopes of many a fine immigrant from small-quota countries. By elimination of these accruals, there will be made available, on a worldwide basis, about 8,000 additional visas.

Though this is a small number, its importance in terms of the normal reputation of the United States is tremendous. It is high time that Congress did away with an unrealistic system which has resulted in filling the quotas of some countries for as much as hundreds of years into the future. I have long advocated this most worthy revision in the law. It furnishes further justification for support of this measure.

The bill before us would also permit the Attorney General, under proper safeguards, to waive certain minor offenses and affliction with tuberculosis as grounds for excluding close relatives of American citizens or lawfully resident aliens who desire to come here to live. This likewise represents a partial adoption of the provisions of the President's recommendations.

S. 2792 incorporates other provisions of my bill designed to carry out the President's program. For example, there are amendments permitting the spouse and children of first preference skilled immigrants to join their husband and father in this country; for the expeditious naturalization of adopted children who are going abroad with a parent who is stationed overseas in our Armed Forces or in the employ of the United States Government or an American firm; and for relief from deportation of certain aliens who, for fear of forcible repatriation behind the Iron Curtain, misrepresented their identity when applying for visas under the Displaced Persons Acts.

These are all relatively minor, though not unimportant reforms, which deserve the backing of all Members.

There is, however, one outstanding void in S. 2792—as well as in the bill reported out by the House Judiciary Committee—which should be noted, and noted well. It is regrettable in the extreme that both committees turned their backs on the homeless exiles who have risked their all in Hungary in the name of freedom.

One of the provisions of my bill, which I also offered as an amendment in the committee, would have defined the authority for, and the proper procedure to be followed in paroling refugees and escapees seeking asylum in the United States. The committee should give full consideration to this problem in its hearings next January, and come up with a definite and unequivocal answer.

The committee turned thumbs down completely on the amendment I offered to establish a procedure to enable these brave people, after thorough screening, to acquire permanent residence. Without the assurance of a permanent home here, these courageous sufferers face a dismal prospect, a troubled and stateless future, with no guaranty of ever acquiring permanent residence, or the ultimate goal of American citizenship.

It is clear there has been much confusion concerning this situation. Let me emphasize that no one—at any time—sought a change in the law which would have given all the paroled Hungarians permanent residence in the

United States immediately. As a matter of fact, what the President recommended—and my bill, H. R. 4205, and my amendment in committee embodied—was that they should be required to wait at least 2 years before they could even apply to the Attorney General for an adjustment of their status to that of permanent residence. During that period their background and conduct could be fully checked and appraised.

What is needed, Mr. Speaker, and what I shall again press for in the next session, is precise and immediate legislation which will provide the machinery whereby paroled aliens may at least apply for permanent residence status.

The pall of anxiety and uncertainly which hangs over these brave Hungarian freedom fighters in our midst must be removed by Congress as soon as possible. Let us assure them—in no uncertain terms—that the United States means what it says—that the asylum we offer is a real asylum, a real haven from the oppressive powers of the world. Let us give these worthy aliens who have come to live with us a future filled with hope, rather than one clouded with needless uncertainty.

In sum, Mr. Speaker, I support this quarter-loaf measure not because it answers the needs of the country and not because it makes all the necessary revisions in the immigration laws, but because it represents substantial progress and exhibits a recognition by Congress of some of its responsibilities in this vital field of legislation.

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

Mr. KEATING. I yield.

Mr. GROSS. Will the gentlemen tell me how many additional aliens this will permit to come to the United States?

Mr. KEATING. I cannot answer the overall question, for I have never had it presented to me in that way. During the debate I will try to inform the gentleman.

Mr. CELLER. Mr. Speaker, if the gentleman will yield, over a 2-year period in all categories there will be about 60,000.

Mr. KEATING. How many?

Mr. CELLER. Sixty thousand.

Mr. KEATING. Mr. Speaker, I now yield 5 minutes to the gentleman from Maryland [Mr. HYDE], member of the subcommittee which considered this legislation.

Mr. HYDE. Mr. Speaker, I rise in support of this legislation. I do not want to take the time now to get into a debate over the method of bringing this particular provision before us. There is something to be said for some of the protests that have been made, but I do not believe we should get into that for this reason: I have yet to find anybody on the committee—that is, the full Judiciary Committee—or others who are familiar or somewhat familiar with the provisions of this particular legislation, who disagree with the humanitarian purposes of the provisions of the bill now before us as amended.

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

Mr. HYDE. I yield to the gentleman briefly, but my time is limited.

Mr. FEIGHAN. I agree with the gentleman that people are in favor of the humanitarian purposes of the bill; but as the gentleman from New York just stated, the full committee turned down an amendment which the Senate bill offers.

Mr. HYDE. Let me say to the gentleman from Ohio, I think our amendment to the Senate bill will prevent the people from coming from Red China about whom the gentleman from Ohio is concerned.

Mr. FEIGHAN. It takes care of them by deleting the provision, but in this new definition "refugee-escapees" it might include them.

Mr. HYDE. Of course, I disagree with the gentleman that that will be the effect. That is an argument that lawyers can engage in, but I think we have taken care of the thing the gentleman fears.

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

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

Mr. McCORMACK. If I understand, it is the intent that it not have that effect.

Mr. HYDE. That is the intent, that it not have that effect. The gentleman from Massachusetts is correct. I should think that every Member of the House would be more than glad to see the provisions of this bill adopted, because, for one thing, it will relieve most of us of the burden of many of these private bills, with which we are confronted every year, to take care of distressing situations where families are separated and seeking to be joined, where we are attempting to bring over children who have been adopted by citizens or permanent residents of this country, or in distress situations where one member of the family may be suffering from a disease or might have been guilty of some minor offense which has the effect of keeping that member of the family from accompanying the rest when they come to this country. This bill will take care of those situations and relieve the Members of the House from the difficulty of handling those bills. It will relieve the Committee on the Judiciary of the burden of sitting week after week considering hundreds and hundreds of these cases and will, of course, greatly relieve the burden of the Private Calendar. It is provided in this bill that the Attorney General can waive a lot of provisions with respect to health requirements and with respect to prohibitions because of minor criminal offenses. In that connection I should point out that, the Attorney General will be required to report back to the House on his action with respect to these people for whom a waiver has been granted.

Another thing this bill will do will be to admit many skilled specialists into the country. I have always felt that it was rather ridiculous for us to have in our immigration law a provision which says: Here is a person who has scientific and technical skill that this country must have; and then, on the other hand, say that in order to get the person with that skill he has got to come within an immigration quota. That seems ridiculous, because we admit when we allow a person who is a skilled specialist to come in that we need him; however, our law says that we need them but they must conform to some quota.

I hope we can go further than this bill goes in legislation which we will consider next year.

Mr. KEATING. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, I too wish that we could have taken this legislation up under conditions which would permit the adoption of amendments, because I have one or two I should like to offer. But I certainly am not going to oppose this bill because of that fact. I support it wholeheartedly. There is nothing bad in it. It cannot harm our country; it can only bring benefit, and it will very greatly help many people and many families who sorely need that help.

I want to make a statement for the record to guide those who will administer the bill's provisions with respect to certain groups that ought to be given special preference in allotting the 14,000 visas provided for refugee-escapees. The first is a small group of aliens who were employed by the United States Government in the refugee relief program at the time that program expired and whose applications have been completely processed. In the last minute rush there were not enough visas to take care of all of them and their families. They had helped others get visas and did not take care of themselves in time. This group involves 2 who were employees in Athens and 4 in Hong Kong, and their wives and children—a total of about 20 persons. The American consuls and other officials under whom these aliens worked are familiar with these cases; in fact, it is our own officials that are urging their admission at the earliest possible date. They should be first in line for the 14,000 visas that are made available in section 15 for refugee-escapees. None are finer or more deserving.

A second group in Hong Kong consists of 42 Chinese of unusually high caliber and outstanding attainments. They are engineers, doctors, scholars, accountants, and other professional people. They and their families—a total of about 100 persons—had been processed and approved but failed to receive visas before expiration of the Refugee Relief Act. They are the sort of highly trained persons who have greatest difficulty in adjusting to refugee conditions but refuse to return to Communist enslavement. They also can contribute most to our country. I discussed this group with Chairman WALTER, whose misfortune and unavoidable absence today we all so deeply regret, and he agreed they are exactly the kind of immigrant we want most.

Mr. Speaker, it is sometimes said that these refugee visas should be granted strictly on a basis of first come first served. It ought to be made clear that such is not the intent of the Congress. It is a privilege to be admitted to the United States as an immigrant and the privilege should go first to those who are most needy and will bring most to our country. We have seen in the past certain pressure groups or economic groups that were interested in bringing

in refugees to work in their own businesses. They were organized. They provided sponsors and got their applications in first—and they got the visas. They wanted laborers to work in their kitchens, laundries, or other establishments. Such immigrants are naturally most valuable to those businesses, and I have nothing against them; but it is scholars and scientists and other persons of superior intellectual attainments who are of most value to our country and should be given higher priority.

Mr. Speaker, I should like to make it clear in the record that it is our intent that those who administer this program give primary consideration, in granting these visas, to bona fide refugees from Communist—or other persecution, who have special abilities, training or skills which will make them of maximum value to the United States of America.

Mr. CELLER. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. PASSMAN. Mr. Speaker, will the gentleman yield for a unanimous-consent request?

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

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that the managers on the part of the House have until midnight tonight to file a conference report on the bill H. R. 9302. The bill may not come back, but we are going to try to get it over here.

The SPEAKER pro tempore (Mr. ENGLE). Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. McCORMACK. Mr. Speaker, may I say to the gentleman from Louisiana [Mr. PASSMAN] that I was very glad to yield to him for that unanimous-consent request. We all hope that they will get together and that we will be able to dispose of the bill.

Mr. PASSMAN. It would take an optimist to have those views.

Mr. McCORMACK. Mr. Speaker, while the present bill does not constitute a major revision of the existing basic immigration law, nevertheless it is a bill that liberalizes, in a number of important respects, the present law. While some of us feel that the bill does not go as far as we would like to see it go, nevertheless it is a decided step forward in bringing humane considerations to countless thousands of human beings. This bill will benefit relatives of many thousands of Americans and others legally in the United States. It will also allow for some 8,000 additional admissions every year by canceling the mortgages on quotas incurred under the old Displaced Persons Act; make available about 18,000 unused visa numbers which expired under the Refugee Relief Act; permit the unlimited immigration of orphans over a 2-year period, as well as other beneficial provisions. In relation to the 2-year period with regard to orphans, the debate in both branches of Congress clearly indicates that it is the intention to extend this provision.

The pending bill represents, for this session, a compromise of divergent views, and is a decided step in the right direction. It will enable happiness to be brought to countless thousands of persons, both in the United States and in countries abroad. While, personally, I would like to see the bill go further, nevertheless I wholeheartedly subscribe to the provisions of the pending bill, representing progress, and hope that it will be enacted into law during this session of Congress.

I thoroughly understand the position of my friend from Ohio [Mr. FEIGHAN]. I am in accord with his views, but that does not stop me from supporting the bill. His views can be taken care of later on. We should not defeat this bill simply because of dissatisfaction in one or two respects. I hope the bill will pass.

Mr. KEATING. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky [Mr. CHELF].

Mr. CELLER. Mr. Speaker, I yield the balance of my time to the gentleman from Kentucky.

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

Mr. CHELF. I yield to the gentleman from Florida.

Mr. HALEY. Will the gentleman tell the House if this bill as it is now before the House with the amendments proposed, somewhat brings it in line with the proposed bill of the gentleman from Pennsylvania [Mr. WALTER]?

Mr. CHELF. That is right.

Let me say at the outset that this is not the Walter bill, H. R. 8123. It is the Senate bill, S. 2792, but with amendments. We feel that it will parallel and be in line with the bill of our able chairman [Mr. WALTER], who, as you know, suffered a broken hip and is now undergoing surgery at Georgetown Hospital. Let me say that TAD WALTER has urged all of his colleagues both on the committee and in this House, to support this legislation.

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

Mr. CHELF. I yield to the gentleman from New Jersey.

Mr. RODINO. Is it not a fact that many of the private immigration bills have not been acted upon by the committee up until now because they have not had the time to be taken care of in this bill.

Mr. CHELF. That is substantially true, for this reason: There have been hundreds and hundreds of private immigration bills introduced every session by the various Members of the House and the Senate. It is a very difficult task for the subcommittee to hear each and every individual Member. We always do them the courtesy of hearing them and we give them priority, of course, but it does take time. This bill will obviate the necessity for the introduction of these hundreds of bills and relieve not only the individual Members of the House but certainly your committee of a terrific workload. They take up the time of the member sponsoring the legislation, your Committee on Immigration, and, the House.

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

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

Mr. COLMER. As I understand, there was an effort made to get a much more liberal bill than this, but this is in the nature of a compromise.

Mr. CHELF. That is right.

Mr. COLMER. In the final analysis, it is a liberalization over existing law?

Mr. CHELF. It is a bill that will not please, shall I say, our most liberal friends, and by the same token I do not think it will make our most conservative friends happy, but it is a compromise and is an honest attempt to get together and to secure some legislation that is desperately and sorely needed, especially for orphan children and people who are already legally here and whom we can help reunite with members of their families. But the main thing I should like to have all of you definitely understand is that this particular piece of legislation does not change the national origin quota system or rewrite our basic, fundamental immigration and naturalization laws. If it did, frankly, I would not be here speaking for it.

Mr. COLMER. As I understand, it is a compromise bill?

Mr. CHELF. It is a compromise bill.

Mr. COLMER. It is a liberalization over existing law.

Mr. CHELF. Yes, because among other things it allows the entry of poor little orphan children who have been adopted by mothers and fathers of America.

Since we have touched on this thing, I hate to say this, and I offer no apologies, but I was left an orphan at the age of 5, therefore I never knew the tender, sweet love of a mother or the warm handclasp or the counsel of a father; and let me tell you this, it is no fun to be kicked and slapped around in an orphans asylum. For that reason, I am proud to stand here today and try to help these poor homeless orphan kids abroad to have homes here in America. I drafted the section of the Displaced Persons Act of 1948 that first gave recognition and admission to homeless, destitute children.

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

Mr. CHELF. I yield.

Mr. FEIGHAN. I think it should be made patently clear that the Walter bill, H. R. 8123, never included the new concept of the definition of escapee-refugee as set forth in the Senate bill by which over 14,000 would be admitted into the United States. The House Committee on the Judiciary turned down such proposal.

Mr. CHELF. Let me say to the gentleman from Ohio, and I respect him and honor him, we voted his views down in the full committee.

Mr. Speaker, I had not planned to speak on this legislation until I received word that our distinguished and beloved chairman, TAD WALTER, had been hospitalized for surgery on a broken hip. We all pray for his full and complete recovery—and soon.

Mr. Speaker, this is not a Hungarian, Polish, Italian, German, Greek, or any other specific nationality bill. It is an all-nations bill, and one that I sincerely

believe will be approved by all Americans. For instance, this bill does not do all that our most liberal friends want done. Specifically, it does not change the national origin quota system or rewrite our basic, fundamental immigration and naturalization laws. While it does not go as far as the liberal heart desires, nevertheless, it frankly goes a little further than the conservative heart would counsel. In other words, this definitely is a compromise piece of legislation.

Mr. Speaker, the purpose of this bill is to provide a nonquota status with certain specific limitations for eligible orphans, close relatives of United States citizens and lawfully resident aliens, skilled specialists who are temporarily in the United States, and the balance of the so-called refugees and expellees who were not able to qualify for visas before the expiration of the Refugee Act of 1953.

Provision is made herein for expeditious naturalization in the cases of adopted children and citizenship retention requirements are liberalized for children acquiring United States citizenship through birth abroad to United States citizen parents. The bill further provides for the complete termination of the so-called quota mortgages imposed on various countries by the Displaced Persons Act of 1948. For instance—little Latvia's quota is mortgaged to the year 2274. The bill also has a section that permits discretionary waiver of the fingerprinting that is now required in the case of nonimmigrants who are visitors, tourists, students, newspapermen and others, on a basis of reciprocity. It would also allow a very limited number of accredited high-ranking foreign diplomatic or international officials to adjust their status to that of aliens lawfully admitted for permanent residence. To be more specific, it would provide a haven here in America for diplomats of countries who may either defect or whose country might be commandeered by the Russians.

This legislation also grants permanent residence to those unfortunate people who were forced under the Displaced Persons Act of 1948 to misrepresent not only their nationality but their place of birth as well, for fear of repatriation to Soviet Russia or to other countries dominated by Communist governments. This especially applies to the White Russians. This bill also permits the entry, under proper bond and medical safeguards, of close relatives of United States citizens and aliens lawfully admitted for permanent residence, although such immigrants may have been afflicted with tuberculosis. There is an amendment that provides that in every individual case the Attorney General must report to the Congress. Such authority expires on June 30, 1959. In addition, nonquota status is granted under this bill to first-, second-, and third-preference immigrants, comprising parents of United States citizens and wives and children of aliens admitted for permanent residence, if such petitions conferring such preferential status were approved by the Immigration Service prior to July 1, 1957. It also contains a provision that will clarify the application of that provision of the Immigration and Nationality Act which bars from entry into the United States immigrants who may have committed a crime involving moral turpitude. The Attorney General is granted authority to waive various crimes provided such is not against the best interest of the United States. This one provision alone would alleviate the necessity of the introduction of hundreds of private bills for persons who are otherwise eligible but who may have been tried and convicted for having stolen food, clothing, or other things of little value during or after World War II. This authority given to the Attorney General would help to reunite families where severe hardship exists.

Another provision makes available approximately 18,500 nonquota immigrant visas for expellees of German ethnic origin, residing in West Germany or Austria, and also for Dutch nationals. These visas had not been applied for at the time of the expiration of the act providing such.

Mr. Speaker, I deeply and genuinely sympathize with all of these gallant and brave Hungarian, Polish, and other patriots who are striking telling sledgehammer blows against the chains of their Russian dictators who dominate and occupy their native land. Under the parole provision of existing law of the Immigration and Naturalization Act, approximately 27,000 of these brave Hungarians were admitted as parolees to this country last year when they needed succor and asylum. The fact that this bill does not provide a nonquota permanent residence for them at this time is not to be construed that your committee is not in sympathy with the problem. It was determined by the majority of your committee that it was to the best interest of America that these folks remain in parole status here in this country until such time as adequate and thorough checks have been made on their past political activities. In other words, we want to ascertain whether or not they fled Hungary as patriots fleeing communism, or as Communists who at the very beginning were being run out by Hungarian patriots. There is a vast difference and while we want to be kind and charitable—we must be most careful in the best interests of America.

Mr. Speaker, in conclusion let me reiterate that this is not a perfect bill; nevertheless, in my humble judgment it is a fair one because it extends succor, hope, and the anticipation of a happy tomorrow to many thousands of homeless, friendless people and it does it in such a way and in such numbers that by accepting them into our hearts and our homes, as we now plan—it will not be like taking in all of our neighbors and our friends on the block to such an extent that it will crowd our own families out of our houses right into our own backyards.

I sincerely urge your support of this bill and I read the following copy of a letter that I received from our good friend TAD WALTER:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, D. C., August 27, 1957.

Hon. EMANUEL CELLER,
Chairman, Committee on the Judiciary, House of Representatives, Washington, D. C.

DEAR MANNIE: As you know, due to a most untimely accident, I am confined to Georgetown Hospital.

I trust that you, with the help of our colleagues on the committee, will pilot through the House the Senate immigration bill, S. 2792, with amendments which I have worked out in order to bring it in line with my own bill, H. R. 8123.

This is very important legislation. It is humanitarian and meritorious. We worked on it for several months and I hope that my colleagues will follow your lead and secure expeditious House action.

With best regards.

Sincerely yours,

FRANCIS E. WALTER,
Chairman.

Mr. BARRETT. Mr. Speaker, it is indeed regrettable that this bill before us today to amend the Immigration and Nationality Act, S. 2792, is being considered under the suspension of the rules of the House, because by so doing the Members vitally interested in its passage will have no opportunity to offer amendments.

While I wholeheartedly support this bill but favored the House version, H. R. 8123, I honestly do not feel either bill extends enough privileges to the intending immigrants.

It is evident that a more liberal immigration policy is necessary in view of the thousands of immigrants who were not given proper consideration when the Refugee Relief Act of 1953 expired in 1956. While this bill now under consideration would not extend the Refugee Relief Act, it would permit the entry into the United States of those applicants in the so-called pipeline status. It would permit hundreds of refugees and relatives to join their families in America and current figures obtained from the Department of State indicate that approximately 58,868 applications were in the various stages of processing when the Refugee Relief Act expired. Included in this number were 22,866 Italian refugees and relatives.

Mr. Speaker, for the past 5 years I have been working on legislation that, in effect, would unite families here in the United States. It seems to me that the 18,765 unused visas under the Refugee Relief Act should, as a matter of national interest, justice, and equity, be made available to these unfortunate people.

According to the figures I received this morning from the Visa Office of the Department of State, 190,235 visas were issued under the Refugee Relief Act before the expiration date of December 31, 1956; although 314,551 applicants applied. Of the 209,000 persons authorized to be admitted, 18,765 visas were unused by German and Austrian expellees, Dutch nationals, and non-Asian refugees in the Far East.

In section 15 (a) of the bill now being considered 4,600 visas have been set aside for German and Austrian expellees, Dutch nationals, and refugees residing within the district of an American consular office in the Far East.

I think we all know that the Dutch and German quotas are now open in the first, second, third, and fourth preference categories and easily available to anyone desiring to emigrate to the United States. I understand the number of visas under the act available to the aliens in the Far East was not exhausted because there were not enough applicants for the visas remaining unused when the act expired. Therefore, I can see no logical reason why subsections (1), (2), and (3) of section 15 (a) of S. 2792 should remain in the bill. Why should these visas be made available to the Germans and the Dutch when they failed to use their allocation of numbers under the Refugee Relief Act?

I firmly believe the visas allocated under section 15 (a) should be made available to those nationals anxious to emigrate to America and cannot because of the oversubscription of their quotas. It is high time we take care of these "pipeline" cases. As a humanitarian Nation, we should legislate in the interest of the family group and give those who want to become Americans every chance.

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

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

There was no objection.

Mr. RODINO. Mr. Speaker, I wholeheartedly support the purposes of this bill. This is not the time to stress its omissions in relation to existing immigration law, but rather to look at its merits, as far as they go. To say that I approve of this bill is not to say that I would not have wished to have gone beyond the scope it presently embraces; it is not to say that agreement on this bill bars any effort to try to go further, particularly with reference to a revision of our national origins quota system which this bill does not touch.

As I view this bill, I find the purpose behind it both humanitarian and in the best interest of the United States. It provides nonquota status for eligible orphans. It gives nonquota status to close relatives of United States citizens and lawfully resident aliens. It likewise gives such status to skilled specialists temporarily within the United States. It revives the use of numbers under the Refugee Relief Act, already expired, for those countries which could not use the previously allotted numbers prior to the expiration date. Moreover, it permits expeditious naturalization for adopted children and is of considerable help for children born abroad to United States citizen parents. It terminates the quota mortgage provision of the Displaced Persons Act of 1948. It further provides for the discretionary waiver of the fingerprint requirement on the basis of reciprocity and helps defectors who occupy the highest foreign diplomatic posts to adjust their status. It permits the entry of those afflicted with TB to join their families in the United States under the proper safeguards. Another good provision is that relating to refugees from the Mid-East who seek asylum from Communist or Communist-dominated countries.

We find, then, that the fundamental principle behind the most important provisions of this bill is the reunification of families, a principle to which all must subscribe. In this bill we move forward to remove the personal tragedy of the split and separated families. If for no other reason, and other reasons do exist, we must welcome the enactment of this legislation. We are not a people to turn aside from the knowledge of personal hardship when it lies within our power to mitigate that hardship. One of the most compelling reasons for the enactment of this bill I find in the provision for eligible orphans. It is not only the providing of a home and parents for bereft, innocent children of foreign descent, but it is also the knowledge that the personal happiness of a large number of American households that are childless and seek the fulfillment of family life that urge support of this bill. In the United States we find a most serious situation: Only one couple out of 10, seeking to adopt children, can have their wishes met through the adoption of American children. Consequently, as we all know, a most vicious gray market in baby adoption has sprung up throughout the breadth of the land. I contend that the adoption of this bill will go a long way in breaking this traffic in human hopes and fears. It is estimated that some 50,000 aliens will benefit. But that can be multiplied threefold when we consider how many American families will profit. This is a family bill—a bill for the family—the American family. In all conscience, we can do no less.

I sincerely and fervently hope that we will not stop with this bill, but that the Congress, recognizing the need for further changes in all immigration laws, will act to cure other deficiencies still remaining to be dealt with.

Mr. KEATING. Mr. Speaker, I ask unanimous consent that the remarks of the gentleman from Ohio [Mr. DENNISON] may be inserted in the RECORD at this point.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DENNISON. Mr. Speaker, although I share the many misgivings as to this method of legislation, I am aware of the fact that this bill before us provides some of the relief in hardship cases which many of us have worked for. First, and most important, it will bring together many families who were separated when the Refugee Relief Act expired. I, therefore, support this legislation to revise the immigration laws to bring such families together again, to permit the entry of adopted children and stepchildren, many of whom are now suffering loneliness and hardship because of their inability to be reunited with their lawful parents, and which also provides for the entry of persons with special skills who might contribute greatly to the economy and welfare of our country.

While this bill does not go as far as I would like to see it go, it does correct these injustices.

When the Refugee Relief Act expired thousands of families were separated. In many cases the head of the family had come to this country before the others to prepare the way for his loved ones, not realizing that the law would expire before the families were joined. Many such persons are now residents of the 11th District of Ohio which I have the great honor to represent in Congress. Many countries are represented and in my district there are a particularly large number of people from Greece and Italy who were caught by the expiration of this act. Those who have already migrated to America are among the best citizens of our communities. They represent the finest tradition of American citizenship. But in the midst of all the blessings they enjoy as Americans, there is always the heartache in being separated from their loved ones. We can correct this situation now by passing this bill and completing the great purposes of the Refugee Relief Act.

I introduced a bill, H. R. 8926, to accomplish these purposes and to also admit the 58,000 refugees who were left in the pipeline because processing of their papers had not been completed when the act expired. I hope in the next session of Congress we may give consideration to that measure. In the meantime the present bill is a good beginning and it does accomplish the noble purpose of reuniting families and in allowing children to join their parents. I urge your full support of the measure.

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

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

There was no objection.

Mr. BOLAND. Mr. Speaker, I am going to support the bill before us, S. 2792 as amended by this House, which will liberalize the Immigration and Nationality Act. However, my support of this measure should not be construed as complete satisfaction with the actions of the Senate and House committees in revising the immigration law now on the books.

Bills which were filed by myself, H. R. 93 and H. R. 4086, and bills filed by many other Members of this House and Members of the Senate provided for a much more realistic approach to the present problem. I realize that the bill before us, in these last hours of the session, is probably the best measure that we can expect to have enacted into law this year. It does not grant all that I would like to see, but it is certainly a step in the right direction. Under its provisions, thousands of families will be reunited because loved ones, whose petitions for entry into the United States were approved before July 1, 1957, will soon be coming to our shores.

In the next session of Congress I think that we will have to face this immigration problem squarely and realistically. The act needs to be thoroughly overhauled and the national quotas must be based on the 1950 census, not the unrealistic 1920 census.

Mr. Speaker, with permission I would like to have printed here with my remarks editorials from the Washington Post and Times Herald, August 26, 1957, and the Springfield, Mass., Daily News, August 22, 1957, which I urge my colleagues to read:

[From the Washington Post and Times Herald of August 26, 1957]

QUARTER LOAF

The fundamental inequity of the immigration laws—the archaic national origins quota system—would remain uncorrected by the immigration law amendments passed by the Senate and given a good chance for adoption by the House in this session. Also, the 27,000 Hungarian refugees admitted under the parole provisions of the old law still would face a future of altogether needless uncertainty. It is especially difficult to understand why there is any substantial Congressional opposition to giving these refugees the opportunity to seek citizenship.

But the quarter loaf of immigration law reform which now seems to be assured of enactment this year is still a good deal more than had been expected, and some of the new provisions would be most helpful. Through elimination of the mortgages on country quotas which piled up under the Displaced Persons Acts, and through revival of the expired visas under the Refugee Relief Act, 27,000 additional immigrants could be admitted. Some 30,000 relatives of refugees already here and an unlimited number of orphans could come in, and there would be relief for other special and hardship situations.

Of particular value is the proposed elimination of the fingerprinting requirement for nonimmigrant visitors. This has served little purpose, since all countries frequently resort to diplomatic cover for spies and can thus avoid the fingerprinting. But the requirement has given Russia a propaganda talking point, since Moscow imposes no such condition, and some cultural exchanges have been impossible because of general dislike of the rule. Congress ought to enact these relatively minor, though not unimportant reforms, and then get down to business on a real modernization of the quota system and regularization of the status of the Hungarian parolees.

[From the Springfield (Mass.) Daily News of August 22, 1957]

KENNEDY BILL PASSES

The Senate has passed the Kennedy immigration bill which will admit 60,000 more refugees to the United States, and the bill will now go to the House where it will almost certainly be passed.

The bill contains none of the major recommendations made by President Eisenhower, who had hoped that the McCarran-Walter Act would really be put under the knife. Many Senators likewise wanted to have a more liberal bill, but they knew that such a bill would never be enacted this year. So, they passed a bill which they believe will be able to win approval, and thus help at least 60,000 refugees.

As Senator JOHN F. KENNEDY, of Massachusetts, one of the bill's sponsors, said: "This bill does not contain many provisions which I and many others interested in a more liberal immigration policy would desire but it does represent a significant step forward and will relieve some of the more pressing immigration problems with which we are currently faced."

When it is impossible to get an ideal bill passed, it is wise to advance the best possible measure. The Founding Fathers saw the wisdom of adopting the Constitution even though it did not yet contain the Bill of Rights.

President Eisenhower may not be pleased that the Senators failed to follow his recommendations for carving the McCarran-Walter Act, but the Republicans cannot make much of this failure without reflecting credit on ex-President Truman, who tried to stop the act in the first place with a veto in 1952, and without putting a cloud over those Republicans who zealously lined up with southern Democrats to pass the act over the President's veto.

Mr. KEATING. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BURNS of Hawaii. Mr. Speaker, in urging favorable consideration of S. 2792 at this time by the Members of the House, I am conscious of the fact that in the absence of the printed copy of the bill as it passed the other body, and a report thereon, the Members of this House—myself included—do not have available all of the information that should be at hand. However, if we are to have a bill in this session of the Congress, it will have to be S. 2792.

On January 29, 1957, I introduced H. R. 4189, a bill to provide for adoption of 10,000 orphans under 12 years of age, and to permit their permanent residence in the United States. In addition, I have introduced more than a score of bills to permit the entry into the United States of close relatives of American citizens. S. 2792 is a bill which combines the purposes of H. R. 4189 and the private bills which I have introduced. It is a bill which demonstrates to the world the great charity of Americans.

As the distinguished Senator from Mississippi, the Honorable JAMES O. EASTLAND, the very able chairman of the Judiciary Committee of the Senate, pointed out in debate in that body, this bill is a humanitarian enterprise in which we as Americans should engage. The 2-year provision without numerical limitation on adoptions affords a period of fair trial during which an opportunity would be afforded for determination as to the need for renewal. The reuniting of families by allowing entry of those families of people who legally came into the United States accords with our traditions of fairness and justice.

While unfamiliar, as I mentioned earlier, with all the provisions of this bill, I am sure that the support of the very able, knowledgeable, and distinguished chairman of the Immigration and Naturalization Subcommittee of the Judiciary Committee of this House, the Honorable FRANCIS WALTER, for this bill, as expressed in the letter read, should resolve the doubts of some Members as to the wisdom of supporting this bill.

The Judiciary Committee, and in particular, the chairman, the eminently qualified gentleman from New York, the Honorable EMANUEL CELLER, as well as the other members of the committee particularly concerned, are to be complimented for bringing this matter up at this time so that this Congress will not adjourn without a bill in these areas where true charity is so greatly needed.

I express the sincere thanks and appreciation of my constituents to them and to all Members of Congress for their consideration of this measure, and urge favorable action.

Mr. CURTIS of Massachusetts. Mr. Speaker, I rise in support of this bill. It makes some valuable and much-needed changes in the immigration laws, which will provide relief in many types of hardship cases, and will make for a more fair administration of the law.

Among the helpful provisions in this bill are those which will revive unused visas authorized under the Refugee Relief Act which expired last December; wipe out mortgages on future quotas which resulted from former laws admitting displaced persons but requiring that their numbers be charged to future quotas; authorize the waiving of the fingerprinting of visitors and others; liberalize provisions as to adopted children, hardship cases, skilled specialists, refugees from behind the Iron Curtain.

These provisions will make possible the reuniting of families, and prevent the hardships of family separations sometimes resulting from technicalities in the present law. They will extend the hand of friendship and hospitality to many orphans and to children under 14 adopted by United States citizens. They will bring help to many oppressed people—all in accordance with the best traditions of the United States.

A half a loaf is better than none, and this bill should certainly be supported despite the fact that it fails to act on major amendments recommended by the President, such as changes in the quota system, and regularization of the status of parolees from Hungary. The chairman of the House Subcommittee on Immigration has already announced extensive hearings on the question of these further amendments to the law, and it is certainly desirable that action be taken along the lines recommended by the President to remove what he referred to as discriminatory features in the existing law.

The bill now before the House is good as far as it goes, but it does not go far enough.

Mr. LANE. Mr. Speaker, I rise in support of the bill which seeks to amend the Immigration and Nationality Act.

I have listened attentively to the remarks of the previous speakers, all of whom have spoken in favor of this legislation with the exception of the gentleman from Ohio [Mr. FEIGHAN]. Members from both sides of the aisle have outlined to you the provisions of this bill and offered various reasons in support of this type of legislation. I do wish to associate myself with them in favoring this omnibus bill.

I sincerely regret, however, that the chairman of the Subcommittee on Immigration of the House Committee on the Judiciary is unable to be present here today with us to give to the House his views on this most important subject

matter. I know of no man in the Congress who is more conversant with immigration and naturalization bills than the gentleman from Pennsylvania [Mr. WALTER]. Knowing that he has met with a most unfortunate accident, and realizing that he will be confined to the Georgetown Hospital for some period of time, I feel that I speak the sentiment of every Member of the House when I say that it is our hope and our desire and our wish that he will have a speedy and full recovery. For the past several months, Mr. WALTER personally has given a considerable amount of work and time and effort to this bill. His committee, both the majority and minority members, have likewise worked diligently by his side. He reported this proposal to the full Committee on the Judiciary, explained the bill at great length, and his recommendations and that of his subcommittee were adopted almost unanimously.

I am satisfied that passage of this piece of legislation will mean much to him during his convalescence since he will now know that his hours of work have not been in vain.

This bill will provide a nonquota status for eligible orphans, close relatives of United States citizens, and lawfully resident aliens and skilled specialists now temporarily within the borders of the United States. It will relieve the situation of the remaining refugees and expellees who failed to qualify for visas before the expiration of the Refugee Relief Act. It will afford waivers of specific causes for exclusion to prevent hardship in certain cases.

Under the provisions of this bill, expeditious naturalization will be provided in the case of adopted children and the retention of citizen requirements are liberalized for children accorded United States citizenship through parents outside the United States to citizen parents. The quota mortgage under the Displaced Persons Act is terminated.

This bill, Mr. Speaker, in my estimation will do much to reunite families and to properly provide for the admission of the orphans. Of course, I heartily approve of this bill, although I would prefer to have other provisions placed in the bill to take care of other serious conditions, which are now prevalent.

As one member of the Judiciary Committee, I hope that the House will pass this bill with a substantial majority so that the rules may be suspended and the bill sent to the White House for the President's signature.

Mr. HAGEN. Mr. Speaker, I wish to address myself to those portions of this proposal which deals with the problem of necessary importation of sheepherders from the Basque areas of France and Spain with particular emphasis on Spain.

It is my understanding that we are considering a Senate proposal rather than the House Judiciary Committee proposal; however, both of them propose that the mortgages against the Spanish quota derived from the Displaced Persons Act and from the various special acts heretofore passed dealing with immigration of needed sheepherders will be abated.

This mutual provision is significant. It conforms to a recommendation contained in a report of House Judiciary Committee Subcommittee No. 1 dated February 14, 1957 pursuant to House Resolution 107 of the 85th Congress. I am citing this recommendation and action to lead into the subject of other actions recommended in such report.

For a variety of reasons it is necessary for the sheep industry of this country to import persons to perform the duties of sheepherders. Some of these reasons are too delicate to discuss in public. Others are not. It is a known fact that the life of a sheepherder is a lonely isolated one and that only an indecisive minority of Americans will seek such employment. Other reasons exist for the difficulty of obtaining domestic labor to perform such necessary tasks.

In recognition of this situation the Congress has heretofore passed special legislation admitting foreign sheepherders. This legislation was somewhat unsatisfactory for the reason that it absorbed quota entries of countries which had low quota allotments. For this reason said Subcommittee No. 1 early in 1957 made a study of this problem. One of its recommendations is incorporated in H. R. 8123 and the counterpart in the other body. I wish to take this occasion to invite attention to one other recommendation contained in the report of such committee.

At the bottom of page 4 of the report of such subcommittee we find the following quotation:

> It is recommended that the practice of admitting alien sheepherders under special legislation should be discontinued and that the problem of supplying legitimate needs of the American sheep-raising and woolgrowing industry, should be met administratively under existing law, specifically under section 101 (a) (15) (H) (ii) of the Immigration and Nationality Act, which section is being used for the purpose of supplying other branches of the American economy with needed workers. It does not appear necessary that the importation of a relatively small number of sheepherders from Spain should be regulated by intergovernmental agreements similar to an agreement under which a much larger number of Mexican workers are entering the United States.

This report and recommendation thereof are being ignored by the Immigration and Naturalization Service in practical effect. The need for such workers is admitted in such report. In spite of that fact it appears that the Immigration and Naturalization Service is not taking those steps which would make possible the admission of the necessary workers. This situation I feel to be a direct contravention of the recommendation of a committee of Congress and I would hope that the Judiciary Committee of the House would seek to correct the actions of such Service.

The Immigration and Naturalization Service has delegated to the Labor Department the job of determining the need for temporary entrants under said section 101 (a) (15) (H) (ii). The Labor Department has flown in the face of the House committee in denying determination of need and has refused to certify the admission of any Basque sheepherders on the basis of a domestic labor shortage. This decision is patently erroneous and the decision of the Labor Department should be amended; however the Labor Department is not the pressure point in this situation. Its activities merely represent a voluntary submission to it of a question of fact by the Immigration and Naturalization Service.

The Immigration and Naturalization Service should either ignore the recommendation of the Labor Department on this particular issue or should delegate the factfinding duty to the appropriate State employment agencies. Unless such action takes place the wool and sheep industries in California and other States will be in desperate trouble. Some favorable action has to occur immediately and I invite the attention of the chairman of the House Judiciary Committee, the distinguished gentleman from New York, to this situation which, in a sense, amounts to an affront to his committee by an arm of the executive branch of our Government.

Mr. SANTANGELO. Mr. Speaker, I favor the passage of Senate bill S. 2792, which will permit 60,000 worthy aliens to enter the United States. This bill is a step in the right direction, although it is a very short step.

For the 60,000 aliens who shall benefit by this bill, it is a long stride to America, freedom and reunion with their families. The authors of this legislation deserve commendation and praise for the passage of this bill, and while, in my opinion, it does too little, it is not too late.

This bill is humanitarian in purpose, compromising in spirit, and recognizes inequities in our present immigration law, which cry out for revision. The wails of anguish of separated families have reached our ears, and we have heard. The groans of refugees from communistic oppression have been faintly heard in the din of hysterical outbursts and propaganda. In this bill, we have provided for the use of leftover visas from the Refugee Relief Act, which expired in December of 1956. These can be distributed, not only among some of the classes of aliens listed in that law, but also among the aliens who have fled from oppression in Hungary or Egypt.

The most humanitarian and noble provision deals with the admission of orphans. Many American couples denied the blessings of parenthood will be able to hold the warm hand of an orphan child, who in turn, will know the tender love of a mother and the handclasp and counsel of a father. Truly, these are hands forming a bridge across the seas.

In our joy of seeing the passage of this legislation, we forget temporarily its shortcomings. The quota system which relegates certain peoples to second-class citizenship and the discriminatory provisions against naturalized citizens contained in the present law should be modified. Unused quotas should be reallocated and distributed. Our economy can profit by a fresh stream of skilled specialists and persons who appreciate freedom and opportunity.

Our Lady of Liberty holds high her lamp beside the golden door, smiles faintly, and once again, extends her welcome. While the doors to democracy

have not been fully opened by this bill, the door to democracy is ajar.

I favor wholeheartedly the passage of this bill.

The SPEAKER. The question is—will the House suspend the rules and pass the bill, S. 2792, as amended?

The question was taken, and the Speaker announced that two-thirds appeared to have voted in the affirmative.

Mr. WILLIAMS of Mississippi. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 295, nays 58, not voting 79, as follows:

[Roll No. 217]

YEAS—295

Adair	Cunningham, Iowa	Jenkins
Addonizio	Cunningham, Nebr.	Jennings
Albert	Curtin	Jensen
Allen, Ill.	Curtis, Mass.	Johnson
Anderson, H. Carl	Curtis, Mo.	Jonas
Andresen, August H.	Dague	Jones, Ala.
Arends	Davis, Tenn.	Judd
Ashley	Dawson, Utah	Karsten
Ashmore	Delaney	Kean
Aspinall	Dempsey	Kearns
Auchincloss	Dennison	Keating
Avery	Denton	Kee
Ayres	Derounian	Keeney
Baker	Devereux	Kelley, Pa.
Baldwin	Diggs	Kelly, N. Y.
Baring	Dingell	Kilday
Barrett	Dixon	Kilgore
Bass, N. H.	Dollinger	King
Bass, Tenn.	Donohue	Kirwan
Bates	Dooley	Kluczynski
Baumhart	Dorn, N. Y.	Knox
Becker	Doyle	Knutson
Beckworth	Durham	Laird
Belcher	Dwyer	Lane
Bennett, Mich.	Eberharter	Lankford
Bentley	Edmondson	Latham
Betts	Elliott	Lennon
Blatnik	Engle	Lipscomb
Boggs	Evins	McCarthy
Boland	Fallon	McCormack
Bolling	Farbstein	McCulloch
Bosch	Fenton	McFall
Bow	Fino	McGovern
Boykin	Fogarty	McGregor
Boyle	Forand	McIntire
Breeding	Ford	McIntosh
Brooks, Tex.	Forrester	McVey
Broomfield	Fountain	Macdonald
Brown, Mo.	Frazier	Machrowicz
Brown, Ohio	Frelinghuysen	Mack, Ill.
Brownson	Friedel	Mack, Wash.
Broyhill	Fulton	Madden
Budge	Garmatz	Marshall
Burdick	Gavin	Martin
Bush	Granahan	May
Byrd	Gray	Meader
Byrne, Ill.	Green, Pa.	Merrow
Byrne, Pa.	Griffin	Metcalf
Byrnes, Wis.	Gubser	Michel
Canfield	Hagen	Miller, Md.
Carnahan	Hale	Miller, Nebr.
Carrigg	Halleck	Miller, N. Y.
Cederberg	Hardy	Montoya
Celler	Harrison, Nebr.	Moore
Chamberlain	Haskell	Morano
Chelf	Healey	Morgan
Chenoweth	Hébert	Morris
Chiperfield	Henderson	Moss
Christopher	Heselton	Moulder
Chudoff	Hill	Multer
Church	Hoeven	Mumma
Clark	Holland	Natcher
Coad	Holmes	Neal
Cole	Holt	Nimtz
Collier	Hosmer	O'Brien, Ill.
Cooley	Huddleston	O'Brien, N. Y.
Corbett	Hull	O'Hara, Ill.
Coudert	Hyde	O'Hara, Minn.
Cramer	James	O'Konski
Cretella	Jarman	O'Neill
Ostertag	Roosevelt	Osmers
Passman	Santangelo	Thomas
Patman	St. George	Thompson, La.
Patterson	Saund	Thompson, Tex.
Pelly	Saylor	Thomson, Wyo.
Perkins	Schenck	Thornberry
Pfost	Schwengel	Tollefson
Philbin	Scott, Pa.	Trimble
Pillion	Scudder	Ullman
Poage	Seely-Brown	Utt
Poff	Sheehan	Vanik
Porter	Shelley	Van Pelt
Price	Sheppard	Van Zandt
Prouty	Sieminski	Wainwright
Rabaut	Simpson, Pa.	Watts
Radwan	Sisk	Weaver
Ray	Smith, Miss.	Westland
Reed	Smith, Wis.	Wharton
Rees, Kans.	Spence	Widnall
Reuss	Springer	Wigglesworth
Rhodes, Ariz.	Staggers	Willis
Rhodes, Pa.	Stauffer	Wilson, Calif.
Riehlman	Sullivan	Wilson, Ind.
Roberts	Taber	Wolverton
Rodino	Talle	Wright
Rogers, Colo.	Taylor	Yates
Rogers, Mass.	Teller	Zablocki
Rooney	Tewes	Zelenko

NAYS—58

Abernethy	Haley	Riley
Alexander	Harris	Rivers
Andrews	Harrison, Va.	Robeson, Va.
Bennett, Fla.	Hemphill	Rogers, Fla.
Berry	Herlong	Rogers, Tex.
Brown, Ga.	Hess	Rutherford
Burleson	Ikard	Scherer
Colmer	Johansen	Scott, N. C.
Cooper	Jones, Mo.	Selden
Davis, Ga.	Kitchin	Shufford
Dorn, S. C.	Landrum	Simpson, Ill.
Dowdy	Long	Smith, Va.
Feighan	Mahon	Tuck
Fisher	Matthews	Vorys
Flynt	Mills	Whitener
Gary	Minshall	Whitten
Gathings	Murray	Williams, Miss.
Grant	Norrell	Winstead
Gregory	Polk	
Gross	Reece, Tenn.	

NOT VOTING—79

Abbitt	Gwinn	Nicholson
Alger	Harden	Norblad
Allen, Calif.	Harvey	Pilcher
Anderson, Mont.	Hays, Ark.	Powell
Anfuso	Hays, Ohio	Preston
Bailey	Hiestand	Rains
Barden	Hillings	Robsion, Ky.
Beamer	Hoffman	Sadlak
Blitch	Holifield	Scrivner
Bolton	Holtzman	Sikes
Bonner	Horan	Siler
Bray	Jackson	Smith, Calif.
Brooks, La.	Kearney	Smith, Kans.
Buckley	Keogh	Steed
Cannon	Kilburn	Teague, Calif.
Clevenger	Krueger	Teague, Tex.
Coffin	LeCompte	Thompson, N. J.
Dawson, Ill.	Lesinski	Udall
Dellay	Loser	Vinson
Dies	McConnell	Vursell
Fascell	McDonough	Walter
Flood	McMillan	Wier
George	Magnuson	Williams, N. Y.
Gordon	Mailliard	Withrow
Green, Oreg.	Mason	Young
Griffiths	Miller, Calif.	Younger
	Morrison	

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Walter and Mr. Keogh for, with Mr. Brooks of Louisiana against.

Mr. Anfuso and Mr. Fascell for, with Mr. Siler against.

Mr. Buckley and Mr. Holtzman for, with Mr. Abbitt against.

Until further notice:

Mr. Hays of Ohio with Mr. Alger.

Mr. Lesinski with Mr. Horan.

Mr. Thompson of New Jersey with Mr. Vursell.

Mr. Young with Mr. Dellay.

Mr. Miller of California with Mr. Clevenger.

Mr. Dies with Mr. McDonough.

Mr. Dawson of Illinois with Mr. Bray.

Mr. Bailey with Mrs. Bolton.

Mr. Anderson of Montana with Mr. Mailliard.

Mr. Holifield with Mr. Norblad.

Mr. Hays of Arkansas with Mr. Gwinn.

Mr. Powell with Mrs. Harden.

Mr. Preston with Mr. Sadlak.

Mrs. Blitch with Mr. Robsion of Kentucky.

Mr. Pilcher with Mr. Harvey.

Mr. Vinson with Mr. Hillings.

Mr. Loser with Mr. Hoffman.

Mr. Coffin with Mr. Allen of California.

Mr. Flood with Mr. Beamer.

Mr. Gordon with Mr. Jackson.

Mrs. Green of Oregon with Mr. Kearney.

Mr. Rains with Mr. Kilburn.

Mr. Wier with Mr. Teague of California.

Mr. Udall with Mr. Withrow.

Mr. Magnuson with Mr. Younger.

Mr. Barden with Mr. Smith of California.

Mr. Sikes with Mr. Krueger.

Mr. Teague of Texas with Mr. Mason.

Mr. Morrison with Mr. LeCompte.

Mr. Bonner with Mr. Williams of New York.

Mr. Steed with Mr. Hiestand.

Mr. McMillan with Mr. Nicholson.

Mr. Cannon with Mr. Smith of Kansas.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

A similar House bill (H. R. 8123) was laid on the table.

JEWISH WAR VETERANS NATIONAL MEMORIAL

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 109) to incorporate the Jewish War Veterans, U. S. A., National Memorial, Inc.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the following-named persons, to wit: William Berman, Portland, Maine; Joseph Gilman, Manchester, N. H.; Capt. Louis Albrand, Burlington, Vt.; Mrs. Ethel Cohen, Providence, R. I.; Paul Robin, Providence, R. I.; Fred S. Harris, Meriden, Conn.; Edward Lettick, New Haven, Conn.; William Carmen, Boston, Mass.; Mrs. Sarah Stone, Boston, Mass.; Harry D. Henshel, New York, N. Y.; Capt. Joshua Goldberg, United States Navy, New York, N. Y.; Sol Masch, New York, N. Y.; Sam Slutsky, Peekskill, N. Y.; I. T. Rockman, Harrisburg, Pa.; Harry Schaffer, Pittsburgh, Pa.; Dr. David Coyne, Hoboken, N. J.; Edward Nappen, Atlantic City, N. J.; Howard M. Berg, Wilmington, Del.; Samuel Michaelson, Baltimore, Md.; Louis E. Spiegler, Washington, D. C.; Joseph F. Barr, Washington, D. C.; Joseph A. Reshefsky, Portsmouth, Va.; Edward Leyton, High Point, N. C.; Dr. Harry Appell, Charleston, S. C.; Harry Harrison, Atlanta, Ga.; Paul Ginsberg, Atlanta, Ga.; Harry Cohen, Miami Beach, Fla.; Louis B. Lepp, Birmingham, Ala.; Philip Katz, Louisville, Ky.; Dr. Yale Burke, South Bend, Ind.; Harry T. Madison, Detroit, Mich.; William Bobier, Cleveland, Ohio; Samuel Shaikewitz, St. Louis, Mo.; Maj. Gen. Julius Klein, Chicago, Ill.; Nathan Rakita, Milwaukee, Wis.; Myer Dorfman, St. Paul, Minn.; Hyman Greenspan, Dallas, Tex.; Harold Freeman, Phoenix, Ariz.; Harry Pells, Denver, Colo.; Hy Weitzman, San Bernardino, Calif.; Don Kapner, Seattle, Wash.; Sherman Z. Lipstein, Omaha, Nebr.; William Stern, Fargo, N. Dak.; David A. Baitch, Portland, Oreg.; and their associates and successors, are hereby created

a body corporate by the name of "Jewish War Veterans, U. S. A., National Memorial, Inc." (hereinafter referred to as the "corporation").

SEC. 2. The object, purposes, and activities of the corporation shall be—

(a) to maintain and conduct a national memorial and museum dedicated to and commemorating the service and sacrifice of Americans of the Jewish faith, and especially those who died, in the armed services of the United States during a period of war;

(b) to acquire and maintain the necessary building or buildings in the District of Columbia for the purpose of housing the said national memorial museum as well as the national headquarters of the Jewish War Veterans of the United States of America, and the national headquarters of the National Ladies' Auxiliary, Jewish War Veterans of the United States of America, and the utilization of the facilities of such building or buildings and the said national headquarters to gather, collate, edit, publish, and exhibit the memorabilia, data, records, military awards, decorations, citations, et cetera, for the purposes of preserving the memories and records of patriotic service performed by men and women of the Jewish faith while in the armed services of the United States of America in time of war;

(c) to do all such acts as are necessary or convenient to attain the objects and purposes here in set forth, to the same extent and as fully as any natural person could or might do, and as are not forbidden by law or by this certificate of incorporation or by the bylaws of this corporation, including the power to borrow money;

(d) as a nonprofit corporation, none of the income of which shall accrue to any member as such, to purchase, lease, sell, mortgage, hold, receive by gift, devise or bequest, or otherwise acquire or dispose of such real or personal property as may be necessary to the purposes of this corporation;

(e) to accept gifts inter vivos, bequests, benefactions, or property, real or personal of any kind or nature deemed pertinent or useful by the said corporation for the purpose of carrying forward the objectives herein stated;

(f) to have offices within or without the District of Columbia and promote and carry on its objects and purposes in the States or Territories of the United States; and

(g) to have perpetual succession and power—

(1) to sue and be sued;

(2) to adopt and alter a corporate seal;

(3) to adopt bylaws not inconsistent with law;

(4) to adopt emblems and badges, and have the sole and exclusive right to the use thereof; and

(5) to do all and any things and acts necessary and proper to carry into effect the purposes of the corporation.

SEC. 3. The corporation shall acquire any or all of the assets of the existing organization created under the laws of the District of Columbia, known as "Jewish War Veterans, U. S. A., National Memorial, Inc.", upon discharging or satisfactorily providing for the payment and discharge of all its liabilities.

SEC. 4. The governing body of the corporation shall consist of a board of trustees, who shall be elected by the national executive committee, Jewish War Veterans of the United States of America, from the membership of the Jewish War Veterans, United States of America, and the National Ladies Auxiliary, Jewish War Veterans of the United States of America, for such terms, and in such numbers as shall be decided upon by the said national executive committee. The meetings of such board of trustees, and the procedure thereat, shall be pursuant to the decision of the said board of trustees.

SEC. 5. On or before the 1st day of April of each year, the corporation hereby created shall make and transmit to the Congress, a report of its proceedings for the year ending December 31 preceding, including a full, complete, and itemized report of receipts and expenditure, of any kind. Said report shall be printed as a public document.

SEC. 6. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO PREVENT THE USE OF ARBITRARY STOCK PAR VALUES

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3625) to amend section 214 of the Interstate Commerce Act, as amended, to prevent the use of arbitrary stock par values to evade Interstate Commerce Commission jurisdiction, 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 1, strike out lines 6 to 9, inclusive, and insert:

"(1) changing the proviso in the first sentence to read '*Provided, however,* That said provisions shall not apply to such carriers or corporations where the value of capital stock or principal amount of other securities to be issued, together with the value of capital stock and principal amount of other securities then outstanding, does not exceed $1 million, nor to the issuance of notes of a maturity of 2 years or less and aggregating not more than $200,000, which notes aggregating such amount including all outstanding obligations maturing in 2 years or less may be issued without reference to the percentage which said amounts bear to the total amount of outstanding securities'; and"

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

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CENTENNIAL OF THE BIRTH OF THEODORE ROOSEVELT

Mr. O'BRIEN of New York. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 18) to authorize and request the President to issue a proclamation in connection with the centennial of the birth of Theodore Roosevelt.

The Clerk read the title of the joint resolution.

The Clerk read the joint resolution as follows:

Resolved, etc. That the joint resolution entitled "Joint resolution to establish a commission for the celebration of the one hundredth anniversary of the birth of Theodore Roosevelt," approved July 28, 1955 (69 Stat. 348), is amended by adding at the end thereof the following new section:

"SEC. 9. The President is authorized and requested to issue a proclamation, inviting the people of the United States to observe the centennial anniversary of the birth of Theodore Roosevelt, which will occur in 1958, with appropriate ceremonies and activities during that year."

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

There was no objection.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMITTEE ON RULES

Mr. COLMER. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain reports.

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

There was no objection.

MUTUAL SECURITY

Mr. PASSMAN submitted a conference report and statement on the bill (H. R. 9302) making appropriations for mutual security for the fiscal year ending June 30, 1958, and for other purposes.

POSTAL SAVINGS SYSTEM

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

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

There was no objection.

Mr. MARSHALL. Mr. Speaker, on April 3 the Committee on Post Office and Civil Service favorably reported H. R. 5883, a bill to provide for the orderly and economical discontinuance of the Postal Savings System. This action followed hearings on a number of bills, including one of my own, to end this outmoded and costly service of Government. Some of us were disappointed that the bill as reported did not provide for faster liquidation since deposits are declining rapidly and there is ample evidence that many accounts exist only because they have been forgotten or are regarded as too insignificant for reinvestment or deposit in other savings facilities.

Favorable reports on the legislation have been received from the Post Office Department, the Comptroller General, and the Treasury Department. In addition, the report on business enterprise made by the Commission on Organization of the Executive Branch (Hoover Commission) in May 1955 recommended liquidation of the service.

While the bill will not come before us in these closing days of the session, I want to urge Members of the House to look into the situation in their own districts after adjournment. The pattern is the same in virtually every post office in the Nation. Deposits are declining. Withdrawals are continuing at an accelerated rate as interest rates increase on savings bond and other savings programs. Post offices are wasting time on

this needless banking venture that could better be devoted to the mail service. It is my hope that Members of the House will solicit the views of the postmasters who are familiar with the situation in their communities since I am convinced that they will then recognize the importance of discontinuing this unnecessary activity.

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

Mr. MARSHALL. I yield.

Mr. REES of Kansas. I just want to commend the gentleman for the effort he has made in securing the approval of the legislation to which he has just referred.

NINETEEN HUNDRED AND FIFTY-SEVEN WORLD'S CONSERVATION EXPOSITION AND PLOWING CONTESTS, PEEBLES, OHIO

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. POLK] is recognized for 15 minutes.

Mr. POLK. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

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

There was no objection.

Mr. POLK. Mr. Speaker, I have asked for this time to tell the Members of the House about the World Conservation Exposition and Plowing Contests which will be held in Ohio on September 17, 18, 19, and 20, 1957. The location of the contests is near Peebles in Adams County. This county is a part of the district I have the privilege of representing.

I believe it is significant, and I am very proud to tell the House about the work of the committee in charge which is largely made up of farmers and businessmen in Adams County, Ohio. They have worked very hard to organize and promote this exposition and world's plowing contests. It is the first time that the world's plowing contests have been held in the United States. Fourteen countries will participate in these contests. On September 17, there will be held the State plowing contest. This will be followed by the national plowing contests with which, I believe, you are all familiar, and after the national plowing contests there will be the world plowing contests. On behalf of the committee in Adams County, Ohio, I want to extend a very cordial invitation to all Members of the House and their constituents to come to the State of Ohio to Adams County this coming September 17, 18, 19 and 20, for I know that if you do come, you will witness one of the finest agricultural expositions that has ever been held anywhere. I would like to mention a few of the names of the promoters of this exposition and the contest. I am sorry I do not have the names of all the persons who have worked on it.

The officials of the 1957 World's Conservation Exposition and Plowing Contests, Inc., are Mr. Earl K. DeVore, Winchester, Ohio, general chairman; Mr. Robert C. Miller, farm program director, radio TV station WLW, Cincinnati, Ohio, cochairman; Mr. Ellis Dorton, Peebles, Ohio, vice chairman; Mr. Carey W. Richey, Peebles, Ohio, secretary-treasurer; and Mr. Paul Wilson, Peebles, Ohio, assistant secretary-treasurer.

To these men and to their associates, I want to extend my most hearty personal congratulations for the fine work they have done in bringing this international event to Ohio and to Adams County and to the Sixth Congressional District of Ohio.

The following is the full program of events planned for the World's Conservation Exposition and Plowing contests on September 17 to 20, 1957:

PEEBLES, OHIO.—Four full days jampacked with action and excitement await visitors to the 1957 world's conservation exposition and fifth world's plowing contests here in Adams County, Ohio, September 17, 18, 19, and 20. This world's fair of agriculture will be the largest one-time, all-inclusive agricultural event ever held in the United States.

Champion 2-man plowing teams from 14 countries will compete in the world plowing contests, September 19–20, the first time this event has been held on American soil. Countries represented in this event include: Belgium, Canada, Denmark, Finland, France, Great Britain, Holland, Italy, New Zealand, North Ireland, Norway, Sweden, United States, and West Germany. The world champion will be announced at the master plowmen's banquet in the Peebles High School gymnasium the evening of September 20.

The Ohio State plowing eliminations are scheduled September 17, with the winners and champions from the 14 other States competing in the national matches the following day. The winners of the national matches will compete in the 1958 world contests in Germany.

Invocation and flag-raising ceremonies and a military band concert are scheduled at 9 each morning. There will be a daily appearance by the world-famous 102-piece United States Army Field Band.

A complete women's program will be presented in the family living center each day, featuring a daily style show by the J. C. Penney Co., using both New York and Adams County models.

The activities field will offer a chance to see some 20 top border collies in action September 17–19 in the fourth annual supreme championship trials of the North American Sheep Dog Society. Tractor-tipping demonstrations will be offered twice daily, plus exhibition shooting by Herb Parsons, the world's greatest marksman, September 19–20.

WLW's Everybody's Farm Hour and a talent show will be presented daily from the headquarters platform from 12 to 1 p. m.

Invitations have been extended to many dignitaries, both in this country and overseas, with acceptances already having been received from Secretary of Agriculture Ezra Taft Benson and Ohio's Gov. C. William O'Neill. Governor O'Neill is scheduled to deliver the main address on opening day, with Secretary Benson the featured speaker September 18 following the national plowing matches.

A Queen of the Furrow will be selected from contestants in 88 Ohio counties to reign over the entire event.

Continuous free wagon tours over a 4½-mile route plus more than 100 acres of commercial and educational exhibits will give visitors a chance to inspect the latest in farming methods and equipment.

WORLD'S CONSERVATION EXPOSITION AND PLOWING CONTESTS, INC.

TENTATIVE SCHEDULE OF EVENTS

Tuesday, September 17

10:30–11:30: Ohio State contour plowing contest.

1–2:15: Ohio State level land plowing contest.

(Winners to compete in national matches the following day.)

Continuous free wagon tours—4½-mile route.

Headquarters Platform

9–9:15: Invocation and flag raising ceremony.

9:15–10: Welcome, introductions, and announcements; concert by Wright-Patterson Air Force Band.

10–10:30: Boy Scout program.

12–1: Talent show and broadcast of Everybody's Farm Hour, station WLW.

2–3: Concert by 102-piece United States Army Field Band.

3: Presentation of awards to State plowing winners.

Introductions.

Address by Ohio's Gov. C. William O'Neill.

Family Living Center

9:40: Invocation.

9:45–10:30: Future Farmers of America.

10:45–11:15: Future Homemakers of America.

1–1:30: Style show (J. C. Penney Co.).

2–2:30: 4–H talent show.

Activities Field

Supreme championship trials—North American Sheep Dog Society (top border collies in action).

Tractor tipping demonstrations.

Wednesday, September 18

10:30–11:30: National contour plowing contest.

1–2:15: National level land plowing contest.

(Winners to compete in Germany in 1958 world contests.)

Continuous free wagon tours—4½-mile route.

Headquarters Platform

9–9:15: Invocation and flag-raising ceremony.

9:15–10: Welcome, introductions, and announcements; concert by Wright-Patterson Air Force Band.

12–1: Talent show and broadcast of Everybody's Farm Hour, station WLW.

2–3: Concert by 102-piece United States Army Field Band.

3: Presentation of awards to national plowing winners.

Introductions.

Address by Secretary of Agriculture, Ezra Taft Benson.

Family Living Center

9:25: Invocation.

9:30–10:15: Home lighting demonstration (Columbus and Southern Ohio Electric Co.).

10:30–11:15: Style show (J. C. Penney Co.).

1:30–2: "The Man at the Plowing Contest" (interview).

"The Family Farm—Its Future" (forum).

2:15–2:45: Style show (J. C. Penney Co.)

Activities Field

Supreme championship trials—North American Sheep Dog Society (top border collies in action).

Tractor tipping demonstrations.

Thursday, September 19

11:30–2: World plowing contest (stubble), 14 countries.

Continuous free wagon tours, 4½-mile route.

Headquarters Platform

9–9:15: Invocation and flag-raising ceremony.

9:15–10: Welcome, introductions, and announcements; concert by Women's Air Force Band.

10:30: Plowmen's parade.

12–1: Talent show and broadcast of Everybody's Farm Hour, station WLW.

2–3: Concert by 102-piece United States Army Field Band.

3: Dedication of Cairn of Peace.

Family Living Center

9:25: Invocation.

9:30–10: Style show (J. C. Penney Co.).

10:30–11:15: You Are Queen of the Furrow, Mrs. Loa D. Whitfield, Ohio State University.

1–1:30: Home wiring demonstration (Columbus and Southern Ohio Electric Co.).

1:45: Presentation of the Queen of the Furrow.

2–2:30: Style show (J. C. Penney Co.).

Activities Field

Exhibition shooting by Herb Parsons.

Tractor tipping demonstrations.

Supreme championship trials, North American Sheep Dog Society (top border collies in action).

Friday, September 20

11:30–2:30: World plowing contest (sod)—14 countries.

Continuous free wagon tours—4½-mile route.

Headquarters Platform

9–9:15: Invocation and flag-raising ceremony.

9:15–10: Welcome, introduction, and announcements; concert by 102-piece United States Army Field Band.

10:30: Plowmen's parade.

12–1: Talent show and broadcast of Everybody's Farm Hour, station WLW.

2–3: Concert by Women's Air Force Band.

3: Speaking program.

Family Living Center

9:25: Invocation.

9:30–10:30: Frozen food packaging demonstration (Ohio State Extension Service).

"Frozen Foods for Your Table" (Dr. Wilbur Gould and Pauline E. Gruner).

"Frozen Meats" (Robert Havener, meat specialist, Ohio State University Extension Service).

10:45–11:30: Style show (J. C. Penney Co.).

1–1:45: Grange program (Roy Battles, assistant to the master of the National Grange; Ohio Grange "Family of the Year").

2–2:30: Style show (J. C. Penney Co.).

Activities Field

Exhibition shooting by Herb Parsons.

Tractor tipping demonstrations.

Peebles High School

6:30 p. m.: Master plowmen's banquet (announcement of world plowing champion, Queen of the Furrow program, introductions and presentation of guests, special 30-minute broadcast on WLW radio, special entertainment).

Canada Announces Entrants in World Plowing Contest

PEEBLES, OHIO.—A 23-year-old choir singer and a 40-year-old grandfather will represent Canada in the 1957 world plowing contests here, September 19–20.

The vocalist is Hugh Baird, winner of the 1956 Esso silver plow, Canada's top plowing award. Under his father's tutelage, Baird entered his first plowing match at the age of 14. In 1954 he was the Esso tractor champion and top winner in the open and best-plowed land classes at Chilliwack, British Columbia. In 1956 he won the Canadian plowing championship and the Esso trophy at the international plowing match at Brooklin, Ontario.

A leader in junior-farmer activities and a past president of the Port Perry fair board, Baird is a soloist with Ontario County's junior farmer choir. He works a 150-acre farm near Blackwater, Ontario, with his father—specializing in beef, cattle, hogs, and grain.

Stanley Willis, Baird's running mate in the world tournament, was the only grandfather in the Canadian championships last year when he qualified as a contestant in the world match. A grower of seed potatoes on a 60-acre farm near Charlottetown, Prince Edward Island, Willis twice has been provincial plowing champion and three times winner of the Queen County matches. He is a director of the Plowing Association of Queen County and president of the Cornwall District Artificial Insemination Association.

Harvey Hawkey, 63-year-old Kingston dairyman, has been appointed manager of the Canadian team. A well-known figure in Canadian plowing circles, Hawkey is a past president of the Frontenac County Plowing Association and the Ontario Plowmen's Association.

Baird and Willis will be in competition with 2-man teams from 13 other countries for the world-plowing championship. Competing countries include: Belgium, Canada, Denmark, Finland, Great Britain, Holland, Italy, New Zealand, North Ireland, Norway, Sweden, United States, and West Germany.

The United States contestants in the 1957 world contests are Lawrence Goettemoeller, of Ohio, and John Daniels, of Illinois.

Adams County Opens Homes to Exposition Visitors

PEEBLES, OHIO.—More than 20 percent of Adams County residents have offered their homes to visitors during the 1957 World's Conservation Exposition and Fifth World's Plowing Contests to be held here, September 17, 18, 19, and 20.

The housing committee for this first world's exposition ever to be held in the United States has been hard at work reserving rooms for visitors. The committee, with members living in Manchester, West Union, Sinking Springs, Peebles, Seaman, and Winchester, thus far has procured rooms with bath facilities in 1,000 Adams County homes. Other reservations have been made in motels and hotels within a 60-mile radius.

In providing rooms in private homes—the toughest assignment—committee members have made house-to-house canvasses, assuring visitors of only the finest accommodations.

Mrs. James Wolfe, West Union, chairman of the housing committee, is planning still additional rooms, but admits the 20 percent promised to date isn't bad.

The World's Plowing Contest will feature champion plowmen from 14 foreign countries competing in this world series of agriculture.

PEEBLES, OHIO.—Organization for the 1957 World's Conservation Exposition and Plowing Contests is so complete that one committee chairman, for instance, directs the activities of nine subcommittees hard at work on preparations. This exposition being held for the first time in the United States will be September 17, 18, 19, and 20 at Peebles, Ohio.

An example of Adams Countians' thoroughness in attacking this huge problem of handling thousands of visitors from all over the world is the organization of the health and safety committee. This major committee has nine active subcommittees which already have arranged for such important exposition items as daily trash disposal; first-aid stations with doctors and nurses; rest rooms; civilian defense; route markings; parking; police protection; fire prevention; and adequate water supplies.

This health and safety committee is but one composed entirely of Adams County residents who are determined to make the first exposition held in the United States the greatest in its history.

Fourteen nations will be represented in the world's plowing contests, the granddaddy of all competition and the world series of farming.

Airstrip Carved From Rolling Ohio Farmland

PEEBLES, OHIO.—A 3,000-foot airstrip has been carved out of the rolling hillsides near here in preparation for the 1957 World's Conservation Exposition and fifth world's plowing contests, September 17, 18, 19 and 20.

Many visitors to the event will arrive by air, and the seeded airstrip will safely handle twin-engine aircraft. The strip originally was built to accomodate several hundred light airplanes that will participate in a Flying Farmers' Day demonstration. An Air Force jet display of airpower, helicopter demonstrations, and small aircraft exhibits also will be offered.

Construction of this airstrip was made possible by the concerted efforts of the International Harvester Co. and the Rish Equipment Co., International Harvester distributor with main offices in Bluefield, W. Va., and branch offices in Ohio. These firms supplied a TD–18 track-type tractor and a tow scraper for the leveling work. These companies also have contributed equipment for other construction projects at the exposition site.

Competition in the world plowing contests September 19–20, the first time this event ever has been held in the United States, will bring together champion plowmen from 14 countries. The Ohio and national plowing contests, a complete conservation exposition, women's program, and educational and commercial exhibits also will be featured.

World Plowing Contests Boon to World Peace

PEEBLES, OHIO.—"Friendly international competition is a great stimulus to world peace," according to James Frame, West Union, Ohio, chairman of the Health and Safety Committee for the Fifth Annual World's Conservation Exposition and Plowing Contests, to be held in Peebles, Ohio, September 17, 18, 19, and 20.

Mr. Frame, whose ancestors originally settled in Adams County as a result of land grants for Revolutionary War veterans, has been a lifelong resident of this hilly farming country. He now operates a retail store in the county seat, West Union.

Typical of the enthusiastic effort being expended by Adams Countians to make this worldwide exposition a great success, Mr. Frame regards this show as a great boon to world peace and amity, as well as an international conservation promotion.

Mr. Frame, in commenting on the value of the World's Conservation Exposition and Plowing Contests, said: "There is so much talk about war with great nations flexing their muscles, that I believe people should talk and act peace through international competitive events. Our plowing contest here will show the world Adams County stands for peace and the promotion of good will."

World-Famous Army Field Band To Appear in Ohio in September at World's Conservation Exposition

PEEBLES, OHIO.—The world-famous United States Army Field Band from Washington, D. C., will appear daily at the 1957 World's Conservation Exposition and Plowing Contests here in Adams County, September 17, 18, 19, and 20.

Exposition officials point out that many visitors from other countries may find the 100-piece Army Field Band a familiar sight, due to the fact that the unit has traveled more than a quarter of a million miles—much of this in Great Britain, Canada, and continental Europe, as well as in the United States and Mexico. World competition in the plowing contests (September 19–20) will bring together champion plowmen from 14 countries, and visitors from these and other countries.

It is estimated that more than 7 million persons the world over have heard music at its best from the "kings of the highway" since the unit was officially organized March 21, 1946. The War Department's decision to form the band for a tour to sell defense bonds stipulated that each member be not only a first-class musician, but also a combat infantryman. So successful was the initial bond-selling tour that the group was nicknamed the "million dollar band."

The field band has performed before audiences in such world-famous places as Carnegie Hall, the Hollywood Bowl, the San Francisco Opera House, London's Royal Festival Hall, the Salzburg Music Festival in Austria, the Champs Elysees Theater in Paris, and the Edinburgh Festival in Scotland.

The field band is under the direction of Maj. Chester E. Whiting. A featured portion of each performance is the 30-voice soldiers chorus, directed by M. Sgt. Arthur V. Donofrio.

Another highly entertaining feature is a drum novelty act. Six men of the percussion section manipulate their drumsticks with such grace and precision that professional jugglers admire and applaud their efforts.

A combination of continuous rehearsal and constant supervision has blended the many and diversified talents of the soldier musicians into an organization which is famous the world over for its perfection and versatility.

The only major Armed Forces musical organization authorized by Congress to make concert tours at Government expense, the United States Army Field Band (102 strong) travels with all instruments, uniforms, and stage settings in a 9-vehicle convoy, and the group can be all set up and ready for a performance 20 minutes after reaching its destination.

Some 300,000 people are expected to visit the 4-day exposition, which marks the first time the world plowing competition ever has been held on American soil since its inception in 1953. Elaborate plans are being capably handled by the volunteer committeemen in Adams County to house, feed, and transport the thousands of visitors who will flock into this southern Ohio community September 17–20.

WORLD CONSERVATION EXPOSITION TO SHOW BETTER LIVING THROUGH PROPER LAND-LIVESTOCK MANAGEMENT

PEEBLES, OHIO.—Showing better living through good land and livestock management is the aim of the World's Conservation Exposition planners as they prepare the 2,500-acre site northeast of here for visitors from all over the world on September 17, 18, 19, and 20. The exposition, the first of its kind ever held in the United States, is being held in conjunction with the fifth annual world plowing contests.

For 3 years, agronomists, conservationists, and farmers have been working toward improving the productivity of the land through the latest recommended soil management practices. In September, the fields of the area will greet visitors with a colorful record of their achievements.

After soil tests had been made for the various farms, more than 400 tons of fertilizer were applied to some 650 acres of cropland and pastures.

Although these fertilizer applications are considered standard procedure for reclaiming farms in this area, at least twice as much was applied per acre as was generally being used previously. This increased application was necessary to complete the improvement project in the 3-year period. The soil, mostly residual limestone, required very little additional lime.

Agronomists then made suggestions about seedings for the various areas, and the farmers tried to plant at the proper times and under favorable conditions. Already this system is showing results in excellent wheat stands and up to 120-bushel-per-acre corn. The average corn yields in Adams County for the 10-year period 1945–54 was only 45.6 bushels per acre.

Some pasture lands were treated with fertilizer, after which trash seedings in contour strips were made. The recommended mixtures of birdsfoot trefoil, clovers, alfalfa, and grasses will be pointed out to the visitors in September.

In both the pastures and meadows, control areas have been set up to illustrate the improvement possible by proper farming methods.

Anyone taking either of the four-and-a-half-mile tours of the exposition site may view these scenes and learn how man can cooperate with nature in turning back the clock on depleted soils.

The Ohio State plowing eliminations will be held September 17, and the national plowing matches, September 18. The world contests, September 19–20, will feature competition between champion plowmen from 14 countries.

MONETARY POLICIES AND PROBLEMS

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 45 minutes.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include such extraneous matter as may be pertinent.

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

There was no objection.

Mr. PATMAN. Mr. Speaker, in the previous Congress, and again in the present Congress, the House considered the question whether there should be an investigation and study of the Nation's monetary and credit system. These considerations grew out of resolutions introduced by me.

Consequently, I have received a number of letters asking questions about the history of this matter. Quite a few of these letters have come from college professors in political science and economics. One of the most frequent requests is for transcripts of the testimony of witnesses—including Hon. W. Randolph Burgess, Under Secretary of the Treasury—who appeared before the Rules Committee of the House earlier this year. Other letters have asked for such things as a chronology of events, a summary of the party votes, and a résumé of the issues.

The purpose of my remarks today is to try to supply these things.

As I have already pointed out, the testimony of the Under Secretary of the Treasury, and the testimony of the other witnesses about which inquiries are being made, was given before the Rules Committee of the House. The Rules Committee is, of course, an internal committee of the House. As a usual matter it does not hear outside witnesses—that is, witnesses other than Members of the House—and normally the committee does not print the record of its proceedings.

When the Rules Committee was considering a rule for House Resolution 85, however, the committee did invite, and hear, several outside witnesses. This was in February and March of this year. The outside witnesses, in addition to Mr. Burgess, were: Mr. Allan Sproul, former president of the Federal Reserve Bank of New York; Mr. Kenton R. Cravens, president of the Mercantile Trust Co. of St. Louis, Mo.; and Mr. Frazar B. Wilde, chairman of the Research and Policy Committee, Committee for Economic Development, who is also president of the Connecticut General Life Insurance Co.

The transcript of these hearings has not been printed for the reasons I have already indicated. Manifestly, however, there is a proper public interest in this record, and in order to satisfy requests for copies of the testimony, I will ask to be inserted in the RECORD, following these remarks, those portions of the transcript covering the testimony of the outside witnesses, plus the transcript of my own statement.

Several other Members of the House also testified on this matter, but I have not consulted with these Members as to whether they would like their testimony included, and hence I will not ask that their testimony be inserted at this time.

As to the chronology of events, the votes and the issues, I will try to summarize these as clearly as the subject matter permits.

PARTY VOTES ON RESOLUTIONS TO INVESTIGATE

Both of the resolutions introduced by me would have provided—if they had been adopted—for the investigation to be made by the Committee on Banking and Currency of the House. They were as follows:

In the 84th Congress, the resolution was House Resolution 210, introduced April 8, 1955. This was considered by the House on June 15, 1955, and was rejected by a vote of 214 to 178. The debate may be found in the CONGRESSIONAL RECORD for that date.

In the 85th Congress, the resolution was House Resolution 85, introduced January 7, 1957. This was considered by the House on March 27, 1957, and rejected by a vote of 225 to 174. The debate may be found in the CONGRESSIONAL RECORD for that date.

In 1955, 177 Democrats voted for the resolution, and 29 voted against it; 1 Republican voted for the resolution, and 185 voted against it.

In 1957, 172 Democrats voted for the resolution, and 38 voted against it; 2 Republicans voted for the resolution, and 187 voted against it.

REASONS FOR INVESTIGATION

With respect to the considerations which weighed on the voters, these have been presented in a complex setting, but after a consideration of the record the issues will, I think, appear both clear and consistent.

As to the reasons why such an investigation should be made, the first and foremost reason, it has seemed to me is this: There has not been for many decades a thorough investigation of our monetary and credit system, undertaken with a view to a critical appraisal of the system itself, and with a view, possibly, to broadgage legislation for improving the system. In these decades, new kinds of financial institutions and new financial

practices have come into being and these have become weighty factors in our economic system. The vastly expanded Federal debt has placed public debt management in a considerably different role, with a considerably different influence on the Nation's supply of money and credit, from anything experienced prior to the last two decades. Finally, the financing needs of industry, trade, and consumers have all changed in many important respects.

Furthermore, by mid-1953 it had become evident that the Treasury and the Federal Reserve System had embarked upon certain new policies for the managing of the Federal debt and for managing the Nation's money and credit affairs which would affect—for better or for worse—the Nation's whole economic life. Clearly these policies would affect the cost of carrying the Federal debt and affect both the cost and the success of a number of programs—including social, economic, and national defense programs—for which specific legislative enactments had been made over the preceding years.

CONGRESS HAS THE RESPONSIBILITY

Finally, as to the reasons why the investigation should be made by a committee of Congress, these are basic: The Constitution assigns to Congress the powers of issuing money and regulating the value thereof, as well as the power of borrowing money on the credit of the United States. It is for the reason of Congress' clear and undivided responsibility over monetary affairs that the Federal Reserve System functions by law as an arm of Congress, on a delegation of legislative powers, with supposedly complete independence from executive control.

Manifestly, then, since Congress has the duty of framing legislation, it also has the duty of investigating and gaining a firsthand understanding of the matters on which it is to legislate. Needless to say, the Committees on Banking and Currency of the Senate and the House have been given jurisdiction over these matters, and it is through these committees that the respective Houses of Congress keep themselves informed on banking and currency matters.

OPPOSITION'S ARGUMENTS IN 1955

Arguments against the investigation, on the other hand, have been more varied and complex. The opposition, which includes first and foremost the Republican leadership and the big financial interests, have given different reasons for their opposition at different times.

In 1955, the principal arguments made against House Resolution 210 were (a) that the proposed investigation was not needed and (b) that such an investigation would be dangerous, in that it might upset the Nation's prosperity. For example, the gentleman from Illinois [Mr. ALLEN], who led the opposition's debate, likened the proposed investigation to our boyhood inclinations toward "meddling" with watches. He said:

When the watch was running well, we probably meddled with it, experimented and pulled it apart, and then it did not run. I think we have that same analogy here. (Vol. 1, pt. 6, CONGRESSIONAL RECORD, 84th Cong., 1st sess., p. 8311.)

In a similar vein, the gentleman from Michigan, Mr. Wolcott, painted a picture of increasing prosperity and he, too, saw, somehow, a danger that a study of money and credit matters might dampen the prosperity. He said:

We cannot afford to take any chances with that kind of prosperity.

* * * * *

This is a dangerous resolution, it is a dangerous study, and the resolution should be defeated. (Vol. 1, pt. 6, CONGRESSIONAL RECORD, 84th Cong., 1st sess, pp. 8312–8313.)

NEED FOR INVESTIGATION BECOMES RECOGNIZED

In the year and a half following the rejection of my resolution, however, the need for such an investigation became increasingly recognized. In this period the Treasury and the Federal Reserve intensified their application of the "tight" money and high-interest policies, with direct and recognizable effects upon large segments of the population. Many of these events were subject of comment by me and other Members in numbers of speeches which may be found in the CONGRESSIONAL RECORD over this period.

By late fall of 1956, protests were being voiced by State and local governments whose plans for building schools, building roads, and building other badly needed facilities were being disrupted. Complaints were being heard from farmers, from home builders, and from small-business people in all lines. Even a few big businesses in Government-regulated fields were feeling the pinch. As a consequence, a subcommittee of the Joint Economic Committee of which I was then chairman held hearings with the Federal Reserve Board and a number of prominent business leaders early in December of 1956. If it had not been clear before, these hearings left no doubt that a thoroughgoing investigation was in order, and in public demand.

NEW RESOLUTION IS COUNTERED BY A PRESIDENTIAL PROPOSAL

Consequently, when the new Congress convened I introduced House Resolution 85—on January 7—to authorize the Committee on Banking and Currency of the House to make an investigation.

By this time, the old arguments against such an investigation began to give way to a rather complicated series of maneuvers to head off the investigation.

When the President read his state of the Union message on January 10, the Congress heard an unequivocal statement that "the time has come to conduct a broad national inquiry." This statement contained, however, a bright new idea as to how the inquiry should be made. Without reference to the proposed Congressional investigation which was then pending, the President asked Congress to authorize him to appoint a commission of "qualified citizens" to make the investigation, saying that the administration would then "develop and present to Congress any legislative proposals that might be indicated." Specifically, the President's message said:

I believe the time has come to conduct a broad national inquiry into the nature, performance, and adequacy of our financial system, both in terms of its direct service to the whole economy and in terms of its function as the mechanism through which monetary and credit policy takes effect. I believe the Congress should authorize the creation of a commission of able and qualified citizens to undertake this vital inquiry. Out of their findings and recommendations the administration would develop and present to the Congress any legislative proposals that might be indicated for the purpose of improving our financial machinery.

THE PRESS BECOMES CONFUSED

Whatever the merits or demerits of the President's proposal, it served to create considerable confusion in the public press, which is, of course, prone to become confused at times when such issues arise. A large segment of the press pictured the "Patman resolution" as something which had been inspired by the President's proposal and intended to thwart the administration's forward-looking program.

The way Business Week reported the matter in its March 2 issue was particularly interesting to me, as the distinguished editor of this magazine is a close student of the monetary issue and had testified at the hearing I conducted in the previous December. It said:

When President Eisenhower, in his state of the Union message, asked for a monetary commission to study the adequacy of the Nation's financial institutions, Congressional approval seemed inevitable.

Then came a resolution by Representative WRIGHT PATMAN, Texas Democrat, who has made a career in Congress of fighting big-money interests and Wall Street. He proposed a similar study by Congress.

To give another example, on March 14, the day after the Rules Committee finally acted on my resolution, the Washington Post and Times Herald reported this event under the heading: "House Unit Rejects Ike Credit Study," saying:

The House Rules Committee recommended yesterday that the House Banking Committee make a "full and complete investigation and study" of national monetary and credit policies.

In doing so, it, in effect, rejected President Eisenhower's request that Congress authorize him to appoint a commission to undertake such a study.

* * * * *

Representative WRIGHT PATMAN, Democrat, of Texas, author of the resolution to keep the probe in the hands of the Banking Committee, told the rules group the commission study proposed by the Executive could turn out to be a banker-guided study.

Finally, 10 days after my resolution had been rejected by the House, the New York Journal of Commerce was still telling its readers—April 17—editorially:

President Eisenhower originally proposed a monetary investigation to be conducted by a commission of private citizens. * * *

It isn't working out that way. First, Representative PATMAN, the archenemy of so-called "tight money," tried to put the inquiry into the hands of the House Banking Committee.

HASTY BANKERS' BILLS FAILED TO "GRAB THE BALL"

Following the President's request for authority to appoint a commission of private citizens, this request was quickly put into the form of a bill and simultaneously introduced, on January 14, in both the Senate and the House, by the ranking minority member of the Senate Committee

on Banking and Currency [Mr. CAPEHART], and the ranking minority member of the House Committee on Banking and Currency [Mr. TALLE]. These are S. 599 and H. R. 2891.

On hasty consideration the President's request seemed to put the House in the tactical position of having to choose between his request and the resolution of a Member of the House. Thus it seemed, briefly, that should a vote come, the President's request would at least provide a rallying point on which the Members of his own party could muster solid opposition to any Congressional investigation.

On more mature reflection, however, it became apparent that there were certain weaknesses in the President's proposal which might result in its failure to draw an issue. In the first place, it was at least highly doubtful whether the President needed any additional authority to appoint a commission of private citizens to make the study—he had previously appointed a variety of such commissions to make studies in other fields without requesting any authority for doing so. Furthermore, an investigation by a commission made up of private bankers—as it was assumed the President's commission would be made up—seemed hardly to satisfy the Congressional prerogatives and responsibilities imposed by the Constitution.

REPUBLICANS OFFER MODIFIED BANKERS' BILL

Accordingly, the House author of the administration's bill made two separate modifications to his original bill. The first provided for Congressonal representation on the proposed commission—a feature which clearly called for House action and was thus certain to involve House Resolution 85 in a popularity contest with the President. The second, made when passage of House Resolution 85 later came to seem both likely and imminent, extended the offer of Congressional representation—to a point where such representation might pass for equal representation with the executive branch.

Specifically, the first of the amended bills, H. R. 3660, was introduced on January 24. It provided for a Commission to consist of 9 citizens to be appointed by the President and, on the Congressional side, to consist of the chairmen and the ranking minority members of both the Senate and the House Committees on Banking and Currency. It also provided that the President would designate the chairman and the vice chairman. Thus, while this bill called for no more than 5 of the President's 9 citizens to be of the same political party, the bill would nevertheless have created a highly one-sided body—from the standpoint of Executive control—as well as, possibly, from the standpoint of party control.

"COMPROMISE" BILL OFFERED TO BLOCK INVESTIGATION

Next came H. R. 6332, which was introduced on March 25—after the Rules Committee had finally reported House Resolution 85. This was billed as a compromise plan, offered for the purpose of defeating House Resolution 85.

For example, the Wall Street Journal, on March 27, announced H. R. 6332 under the caption: "Administration Offers Compromise To Block House Monetary Study," saying:

The administration came up with a new compromise Monetary Commission proposal in a last-minute effort to defeat a proposed study by the House Banking Committee.

The administration compromise would give Congress a 50-percent representation on the proposed Commission.

The House heads into a showdown vote—probably late today—on a proposal by Representative PATMAN, Democrat, of Texas, to have the House Banking Committee conduct a far-reaching investigation of Federal monetary and credit policies. Both Republican and Democratic leaders concede the vote will be very close, splitting almost completely along party lines.

However, in a final attempt to win a few Democratic votes against the Patman proposals, the administration has modified its original proposal for an investigation by a group of private citizens appointed by the President.

The President and Congressional Republican leaders at the weekly White House conference yesterday announced their support of the Talle bill.

The "compromise" bill not only seemed to provide an arguing point that Congressional representation would be equal to the President's, on the commission which this bill proposed, but that party representation also might be equal. The bill called for 8 members to be appointed by the President "from private life"; 4 Members of the House, to be appointed by the Speaker of the House; and 4 Members of the Senate, to be appointed by the President of the Senate. But since the President was to appoint half of the members, and his Vice President was to appoint another fourth of the members, the bill hardly provided assurance that the commission would be of such independence as to investigate matters that might embarrass the administration or, as for that matter, to recommend legislation which leaders of the financial community might regard as distasteful.

The American Banker on March 27 was equally proud of the administration's maneuvers to beat the proposed investigation. It said:

ADMINISTRATION ACTS TO BALK PATMAN RULE OF CREDIT PROBE—ASKS LARGER COMMISSION ON EVE OF HOUSE DEBATE

The administration plan came on the eve of House debate on Representative PATMAN'S strategy to have the House Banking Subcommittee * * *.

In President Eisenhower's weekly meeting with Republican leaders in Congress, House GOP Leader MARTIN and Senate GOP Chief KNOWLAND decided that the 12-member commission would better serve the public interest.

REPUBLICANS MADE INVESTIGATION A PARTY ISSUE

As already indicated, House Resolution 85 was in the hands of the Rules Committee from January 7 to March 20. It was during this period that the Rules Committee held hearings, off and on, and invited witnesses from the executive branch and private banking circles. Business Week of March 2 reported that:

The Patman resolution has languished for 2 months in the Rules Committee, which decides what measures will be considered by the House. Three hearings have been held, but they have been 2 and 3 weeks apart.

Foes: The reason for stringing them out apparently is to provide time to work out a compromise suitable to both Congress and the President. Even with the backing of House Speaker SAM RAYBURN, PATMAN is probably bound to lose if the Republicans make it a partisan issue. And there is every indication that they will. On the thesis that it's the President's proposal against a Democratic proposal, they plan to go down the line against PATMAN, if his resolution reaches the floor. To their number you would have to add a smattering of conservative Democrats.

After the Rules Committee reported House Resolution 85 and it became apparent that the House would thus vote on the issue, the Wall Street Journal of March 20 reported on a meeting of the Republican Policy Committee of the House, the purpose of which was to solidify Republican opposition and also to set a meeting for the following Monday to "work up steam" against the resolution. The Wall Street Journal said:

HOUSE REPUBLICANS PLAN TO FIGHT CONGRESSIONAL MONETARY POLICY INQUIRY

WASHINGTON.—House Republicans lined up solidly in opposition to a Democratic proposal for a House Banking Committee investigation of Federal financial and monetary policy.

The House Republican Policy Committee at a meeting late yesterday endorsed instead an administration proposal for an investigation by a commission mostly of private citizens, with some Members of Congress on the commission. The Policy Committee called a conference of all House Republicans for Monday to work up steam against the Banking Committee investigation.

The investigation, proposed by Representative PATMAN, Democrat, of Texas, has been approved by the House Rules Committee and will probably come up for a House vote next week. Republicans are hopeful that their lines will hold fast and that they will pick up enough Democratic votes to defeat the Patman proposal.

The tenor of the argument against the resolution, both before the Rules Committee and in the debate in the House was (a) an investigation by the Banking and Currency Committee of the House—or any other single body—would not have sufficiently broad representation; (b) Congress ought to give the President what he had asked for; and (c) an investigation conducted by a subcommittee of which I would be chairman would not be objective. Before the Rules Committee there was also an argument that the Committee on Banking and Currency would not be able to obtain the assistance of experts, whereas the President's commission could do so; but this argument was dropped after I obtained telegrams from a large number of college professors who offered assurance that the academic community, at least, would cooperate with a committee of Congress.

The arguments, however, probably changed no votes.

THE ADMINISTRATION'S BEHIND-THE-SCENES EFFORT TO PREVENT PROBE

Clearly, big business, big bankers, and the administration did not want an investigation; and the reasons for opposing the investigation—whatever the reasons may have been—were so strong that an

all-out drive was made to prevent an investigation.

Mr Thomas L. Stokes, in his syndicated column of March 7, said:

One of the most intriguing behind-the-scenes battles in years is now being waged by the Eisenhower administration to prevent a Congressional investigation of monetary policy and Federal financial institutions.

* * * * *

But the administration, with the backing of powerful financial interests, did not let up; in fact, it redoubled its efforts.

The newspaper Labor, on March 16, reported:

Significant developments on the banking front reveal a struggle of vital importance to the pocketbooks of the American people. On one side are bankers, their big-business allies, and the Eisenhower administration; on the other, a group of Democratic Congressmen headed by WRIGHT PATMAN, of Texas. * * *

* * * * *

A few days ago, however, the (House Rules) Committee took the almost unprecedented step of listening to a high administration official, Under Secretary of the Treasury, W. Randolph Burgess. * * * He urged the committee to shelve a bill introduced by PATMAN. * * * Burgess said the administration is against the Patman bill and wants the study to be made by a private commission of "experts," whom Eisenhower would appoint.

Also, Senator ALEXANDER WILEY, Republican, of Wisconsin, revealed a number of letters he has received from big-business men, urging that Congress adopt the Eisenhower banking study plan. The letters were written by such men as Eugene Holman, chairman of Standard Oil of New Jersey; President C. G. Mortimer of the giant General Foods combine; high officials of a number of railroads; and many other heads of large corporations.

The New York Journal of Commerce—itself an opponent of the probe—said:

Weeks of behind-the-scenes effort to block a Congressional investigation of monetary institutions will come out into the open on Capitol Hill. * * * The strategy is directed from the White House and is aimed at postponing a vote on the Patman investigation. * * * Therefore, the White House-directed plan is to keep all (Republican) Members in line.

BANKERS LOBBIED TO DEFEAT INVESTIGATION

On April 9, the American Banker, considering what the bankers' position should be toward a possible investigation by the Senate Finance Committee, thought the situation complicated, recalling that the financial community had thrown its full weight behind defeat of the resolution proposed by Representative WRIGHT PATMAN. It said:

SITUATION COMPLICATED

The situation for banking as respects this committee is complicated by the fact that the financial community threw its full weight behind the defeat of the resolution proposed by Representative WRIGHT PATMAN, who had sought to have a House subcommittee, which he heads, control a proposed monetary commission and its study of money and credit policies. (The full House Banking Committee approved it and sent it to the floor where it met defeat.)

The Machinist on April 11 said:

Defeat of the probe—called the most important issue facing this Congress—came after the Eisenhower administration and the Nation's banking interests put on the pressure. The administration said it wanted its own investigation by a 16-member commission—half appointed by the President. The bankers wanted no probe at all.

Shortly after House Resolution 85 was voted down in the House, Mr. Drew Pearson made a passing reference to the "bankers' lobby," in his syndicated column of March 30, saying:

BANKERS' LOBBY OPERATES

While the Senate rackets committee was getting the headlines, White House pressure was being put on Congressional leaders regarding an investigation into something far more fundamental—the cost of living, tight money, and the extent of inflation.

* * * * *

Long-distance phone calls had gone out to bankers in southern cities nearest Washington to come to Washington immediately and switch Democratic votes. The bankers' lobby was successful.

Actually, it was my understanding that the American Bankers Association's drive to defeat House Resolution 85 went a great deal further than calling its members from Southern States to Washington. This drive—or so I was told—included a program of having at least one banker from each Congressional district make a personal call on his Representative.

ABA SHARES CREDIT WITH "SUPERB PERFORMANCE" OF GOP LEADERSHIP

In any case, the magazine Banking, which is the journal of the American Bankers Association, came rather close to crediting the defeat of House Resolution 85 solely to its members' activities. For example, on page 40 of the May issue, Banking carries a headline "Bankers' Prestige," under which the editor first credits the defeat of the investigation to the bankers' "numerous telegrams, telephone calls, and letters," but then, as a second thought, shares the credit with the "superb performance" of the Republican leadership. It said:

Both in connection with Senate passage of the Robertson bill and House defeat of the Patman inquiry, Senators and Representatives reported that they received numerous telegrams, telephone calls, and letters from individual commercial bankers, emphasizing the effect of these matters upon commercial banking.

In the Senate, these communications resulted (coincidentally or otherwise) in greater attention and attendance by Senators to the debate on the Robertson bill than has occurred in a long time in the case of legislation lacking broad, public interest.

Sponsors of the Patman resolution credited these banker communications with the defeat of the subcommittee inquiry. Seasoned observers, however, would not evaluate this banker expression of sentiment as the decisive factor. President Eisenhower backed the broader-gauge financial inquiry. House GOP leadership under Representative JOE MARTIN, Republican, Massachusetts, and his assistant, Representative CHARLES HALLECK, Republican, Indiana, turned in a superb performance from the standpoint of a purely political operation. They lost only two Republican votes in the House.

G. O. P. FORGETS IT ASKED FOR PROBE

In conclusion, it seems fair to say that what the big bankers, the Republican leadership and the President wanted was no investigation, and not just an alternative method of investigation. Despite the glowing statement in the President's state of the Union message as to the need for an investigation, Republican demands for such an investigation, since House Resolution 85 was voted down, have been faint—if at all audible. Recently the President has been expressing "disappointment" in the performance of this Congress, and the White House has been giving out lists of the "important" things which the President has asked for and did not get. The President's request for a monetary investigation has not been among the things listed. It would appear that either the Republican leadership has forgotten that it asked for such an investigation, or with House Resolution 85 out of the way, the President's request is no longer important.

TESTIMONY BEFORE THE RULES COMMITTEE OF THE HOUSE ON HOUSE RESOLUTION 85

As I indicated earlier in this statement, there have been a number of requests for copies of the testimony of Hon. W. Randolph Burgess, Under Secretary of the Treasury, and copies of the testimony which was given by some of the other outside witnesses who were heard by the Rules Committee on House Resolution 85, which was to authorize an investigation of monetary problems. Since this testimony has previously not been made public, and there is a proper public interest in it, I am inserting in the RECORD herewith the testimony of each of the outside witnesses, plus, in addition, my own testimony before the Rules Committee:

HEARINGS ON H. RES. 85, AUTHORIZING THE COMMITTEE ON BANKING AND CURRENCY TO CONDUCT STUDIES AND INVESTIGATIONS, AND TO MAKE INQUIRIES, RELATING TO THE OPERATION OF THE MONETARY AND CREDIT STRUCTURE OF THE UNITED STATES; AND H. R. 3660, TO ESTABLISH A NATIONAL MONETARY AND FINANCIAL COMMISSION

HOUSE OF REPRESENTATIVES,
COMMITTEE ON RULES,
Washington, D. C., February 28, 1957.

The committee met at 10:37 a. m., pursuant to call, in room G–12 of the Capitol, Hon. HOWARD W. SMITH (chairman) presiding.

The CHAIRMAN. Mr. Wilde, we will hear you first.

STATEMENT OF FRAZAR B. WILDE, CHAIRMAN, RESEARCH AND POLICY COMMITTEE, COMMITTEE FOR ECONOMIC DEVELOPMENT, AND PRESIDENT, CONNECTICUT GENERAL LIFE INSURANCE CO.

Mr. WILDE. Mr. Chairman and gentlemen, I have a statement to make in behalf of the Research and Policy Committee of the Committee for Economic Development, of which I am the chairman.

May I also identify myself as an insurance executive, and in that capacity I have to direct, through our committees, the investment of the company's funds. That is my principal activity.

I inject that thought to explain that this matter is one that I have dual interest in, both from the standpoint of CED and as a practicer in the markets, day in and day out.

May I read this to save the time of the committee?

The CHAIRMAN. Go right ahead, Mr. Wilde. Proceed in your own way.

Mr. WILDE. I am grateful for the opportunity you have afforded me to present the views of the Research and Policy Committee of the Committee for Economic Development on a proposed study of monetary and financial policy.

From the beginning of its studies 15 years ago, CED has believed that proper monetary and financial policy is essential for the health

and vigor of our economy, and we have emphasized that broad understanding is essential for proper policy.

In a statement issued in 1953 we said of monetary policy:

"It permits the Government to exercise a major influence over the general conditions that create stability or instability without requiring or permitting the Government to direct the activities of individuals, businesses or banks; but, partly because of its indirectness, monetary policy is not as well understood by the public as its importance requires."

As long ago as 1948 CED recommended the establishment of a national commission to study monetary and financial policies. I quote our recommendation as then made:

"We believe that Federal financial policy can be carried out with existing knowledge and instruments in such a way as to make a major contribution to economic stability. In any case, we must do what we can now, with the knowledge and instruments we have. At the same time we should be considering how we can improve our instruments and policies for the future. It is now over 35 years since there has been an overall review of our financial structure and problems. In that period there have been drastic changes in our monetary and banking laws, in the size of our budget and debt, in the Government's role as a source of credit, and in America's position in the world economy. The committee recommends that a temporary commission be established to make a comprehensive study of the possibilities of improving the structure and policies of monetary, budgetary, and related institutions.

"In this recommendation the committee is suggesting a broadening of the scope of inquiry beyond that indicated by many recent proposals for a national monetary commission. The monetary problem is inseparable from the problems of budgetary policy, debt management, and savings institutions. A comprehensive examination should also cover our international as well as our domestic financial policies. The whole field should be within the purview of the commission, and for this reason we suggest the term 'Commission on National Monetary and Financial Policy.'

"The commission should, we think, be established by act of Congress, in such manner that its recommendations, when arrived at, will have Congressional support and the confidence of the public. It should be nonpartisan and include private as well as public members.

"It would be impossible and undesirable to try to spell out the agenda for such a commission fully at this time. It should have a broad charter, adequate staff, and time to pursue the problem of improving Federal financial policy, wherever it may lead."

May I recall again this is 1948. So we have been thinking about this for a long time.

Two months ago, on January 17, 1957, Mr. J. Cameron Thomson, vice chairman of CED, and I repeated this recommendation. We said, in part:

"No aspect of public policy is more important than financial policy to the growth and stability of a free economy. The use of monetary restraint as a major tool for preventing inflation in the past year has raised a number of questions about our financial policies and institutions.

"We are not suggesting that the criticisms implicit in these questions are well founded, but the continued existence of these questions indicates that the conditions which prompted our 1948 suggestion for the establishment of a commission still prevail.

"Either there are important deficiencies in our present financial system or there is widespread misunderstanding of the system. It is as important to correct the misunderstanding as to correct the deficiencies that might be found.

"We believe that a comprehensive and objective study by a national commission could make a major contribution to improving the system and understanding of it."

I have made copies of the 1948 and 1957 statements available to this committee.

May I now emphasize a few points:

1. Our recommendation for a study does not rest on the belief that there are or are not important deficiencies in our financial system. We believe that the study should start with an open mind on this question.

2. Our main need at the present time is study and public education. Even if the financial system were technically perfect, it could not operate well without public understanding. If changes are needed, they can only be achieved if public understanding is improved. This means, in my opinion, that the study should be undertaken with no mandate to produce recommendations for legislation.

3. The subject to be studied is broad, deep, and difficult. It will take a great deal of time. I can say this from experience. We have been working in this area in CED for many years. We have never found it easy or quick to reach conclusions. Moreover the time cannot be all staff time. The members of the commission will have to be prepared to devote much of their own time.

4. The main consideration governing the composition of the Commission is the one cited in our 1948 report. The Commission should be set up in such a way that its findings will have Congressional support and the confidence of the public. This means that it should include some Members of Congress and some private citizens. The case for including Members of Congress is simply that there are some exceedingly well qualified men in each House and that their participation would increase the acceptance of the study's findings in the Congress and in the country. The case for including private citizens is similar. There are in private life a number of men of great wisdom, experience and objectivity in the fields to be studied. They represent backgrounds and viewpoints not found in the Congress and would make a major contribution to the quality of the results. In view of the national importance of the subject, a number of outstanding private citizens would probably be willing to give their full time to this study. It is important that at least some members of the Commission be able to give full time to the study, and this could not be achieved if the Commission consisted entirely of Members of Congress.

Holding hearings would not be an adequate substitute for having a number of private members of the Commission. There is all the difference in the world between testifying before a Congressional committee and serving as a responsible member of a group that must work through problems to reach a consensus.

May I call your attention to the discussion on this subject by Alfred C. Neal, President of CED, testifying before the Joint Economic Committee on February 1, 1957.

5. The terms of reference of the study should be stated broadly, to leave the Commission maximum freedom. The inquiry should cover the following subjects, among others:

(a) Has the growth of nonbank financial intermediaries, both private—such as savings and loan associations, finance companies, and insurance companies—and public, such as FNMA, impaired the effectiveness of Federal Reserve action to promote economic stability?

I append a list of some of the more important financial institutions.

(b) How is the impact of general monetary restriction distributed among different classes of borrowers and lenders? Is this distribution discrimatory, unfair, or bad for the economy in comparison to the alternatives, which may be inflation, higher taxes or selective controls? How could the distribution of the burden of preventing inflation be improved?

(c) What criteria should be followed by the Federal Reserve in deciding when to tighten or relax credit? What criteria should be used by the Federal Reserve in choosing among alternative techniques for controlling the supply of money and credit, such as changes in reserve requirements, changes in discount rates and open-market operations? Should the Federal Reserve restrict its open-market operations to short-term Federal securities?

(d) Should authority be delegated to a Federal agency to control the terms of consumer credit? Should similar authority be extended to other types of credit?

(e) Is the supply of savings adequate to meet the needs of our growing economy? If not, how should Federal policies with respect to financial institutions, taxation or other matters be modified to increase the supply of savings?

(f) In what proportion should reliance be placed on monetary and fiscal policies to achieve economic stability?

(g) Are the existing arrangements for coordinating monetary and credit policies and for assuring consistency of these policies with other economic policies of the Government satisfactory?

I hope that it will be the judgment of Congress that the best minds in the country, in and out of Congress, should be enlisted to give these and other fundamental questions about monetary and financial policy the thorough and objective study they deserve.

May I add, Mr. Chairman, that in the 1908 commission, composed entirely of Members of Congress, we were dealing with a relatively simple situation, almost entirely a matter of bank money, to make the system more flexible particularly for farmers and businessmen. Now we are dealing with an exceptionally complex and broad area, with this type of legislation that is indicated in this bill, and it is said by most people it is imperative to get a broad commission that can bring to Congress and the people the benefits of many broad points of view and many experiences. Such a commission might properly be large in order to get that comprehensive treatment and could work through subcommittees.

Now, that previous Congressional group, you will recall, took 4 years to report, and I don't think the present temper of the people or the Congress wants to take too long a time; yet, this is an enormously complex subject.

There is a point made here which I would like to emphasize, as I think it is true of most of us: That holding hearings, bringing in experts before a group, isn't a substitute for the kind of forum that will give the most information to the Congress.

I am talking about private committee meetings where people spend a long time swapping views, back and forth, get to know each other by first name, Congress gets the benefit of knowing experts, businessmen, and vice versa. It is the way that the full truth and all the shades could be developed.

I would like to illustrate what I mean. I just wrote down types of economic areas that ought to be represented: Commercial banking, obviously; investment banking; savings and loans; the academic; and the long-term lenders, such as insurance companies—and, not by way of making nominations, but illustrating the type of people, such people as: Arthur Burns; Ned Brown, of Chicago; Randy Burgess; Sumner Slichter; Allan Sproul; Allan Kline; Robert Nathan.

I just do that to illustrate my thinking in these different areas and not to suggest that those are the only people available.

Gentlemen, I think that is the main burden of my story.

The CHAIRMAN. Mr. COLMER, have you any questions?

Mr. COLMER. Obviously not, Mr. Chairman, I just got in.

The CHAIRMAN. Mr. ALLEN.

Mr. ALLEN of Illinois. First of all, Mr. Wilde, I want to say I just got your splendid statement you just made and I agree with you 100 percent, especially with that part in which you indicate the things you say need to be done.

There are quite a number of things that you mention here that it is hoped to be accomplished, especially in regard to the men of wisdom and experience in the banking and business and commercial fields out in private industry.

I have checked the biographies of the Members of Congress. Maybe they aren't all complete, but I find in the Members of Congress on the Banking and Currency Committee—and I don't know about Mr. HEALEY, of New York, or ANDERSON of Montana, or BREEDING, of Kansas, because their biographies are not in or are not available at this time, as far as I am concerned, and, although I don't mean to say the members of the Banking and Currency Committee aren't well qualified, nevertheless, I find—there are only 3 or 4 on the Banking and Currency Committee who have any experience in this field, and they are:

Mr. TALLE, of Iowa; he has been an educator in economics, political science teacher, lecturer.

Mr. KILBURN, of New York, vice president of the New York Trust Co.

Mr. BASS, of New Hampshire, trustee of the New Hampshire Savings Bank.

Mr. MCVEY has been a lecturer in that field.

Outside of that, the biographies don't show any member of the Banking and Currency Committee has had any banking experience as has been connected with banks or any kind of commercial companies.

I think you have given us something to think about. Maybe we should bring a few in here to give this matter their full time, which the Members of Congress can't do.

Mr. PATMAN, who is here, is probably one of the hardest working Members in Congress. He is a power on the Banking and Currency Committee. He is on the Joint Committee on the Economic Report. I believe he is vice chairman of that committee. He is also chairman of the Small Business Committee. He would probably, I think, if his resolution goes through, be chairman of this committee or commission.

So, I think you have given us something to think about and, inasmuch as there have been and are few on that Banking and Currency Committee, according to my observation, who have been in Congress a long while and who have the necessary experience, maybe it would be just as well to have a few outsiders, some who have devoted their lives to this field; and, after reading what you have to say, I think it should be investigated and studied.

Mr. WILDE. I have no intent to be in derogation of the Congress—I have great respect for it, and I think there are men in every field of our activity in the Congress who know much about it—but I think the time factor is terribly important and the opportunity, if that would be the judgment of the committee, to broaden it, to get great benefits from it, would be of great assistance to the Congress if they found legislation was needed. Certainly, such a commission isn't going to write the legislation. It is going to be done by the whole Congress, operating through its committees.

Mr. ALLEN. In other words, this is rather delicate and complex. It gets more complex and delicate to me every time I hear a witness. So, I am personally in hearty accord with what you have said.

That is all, Mr. Chairman.

Mr. WILDE. I have done a few minor things in this field, working in Washington and in this area, working for the Federal Reserve and on a few committees, and this particular field, considering all the time I have been in finance, is unbelievably complex today.

You can see from that list——

Mr. ALLEN. I think that old saying that there is no substitute for experience is certainly apropos, and I would say, everything being equal, those who have dealt in this field, given their full time and all their life to it, would be in a better position to know the answers than someone who could come in and just give part time to the proposition.

That is all, Mr. Chairman.

The CHAIRMAN. Mr. MADDEN, do you have any questions?

Mr. MADDEN. Mr. Wilde, with regard to this list on the back page, what are these institutions and what do they represent? Why were they attached to the statement?

Mr. WILDE. They were an attempt on my part to show the wide distribution of institutions that are in the business of either saving or loaning money, running all the way from commercial banks down to special instruments that the Congress has set up.

You see, for example, the Federal National Mortgage Association, which is colloquially called Fannie May. I believe the present budget has upward of $2 billion in it for their operation—a billion seven perhaps. That is a brandnew thing.

Most of these are brandnew.

At the time of the original inquiry, in 1908, I don't believe even the first group amounted to very much, and most of these others on the list didn't even exist. Government, through instrumentalities, wasn't in the business of collecting and loaning money.

So, the purpose was just to show—and it is probably not complete—the spread of financial life today.

Mr. MADDEN. That is all.

The CHAIRMAN. Mr. BROWN.

Mr. BROWN of Ohio. Mr. Wilde, I am sorry I wasn't here when you started your statement, but I have read it with considerable interest and I think you have made a pretty good point and a pretty good case.

The work that has to be done is so complex and involves so many different organizations and institutions that there is some doubt whether Congress itself, or a committee, could possibly do this spadework of getting the information that is necessary for Congress later on to make a base for any legislative action it might desire to take.

Ten years ago last month I introduced legislation in Congress, as a result of the general feeling during the war and before that our Government bureaucracy had spread all over the lot and something had to be done to bring it under control, for a joint Congressional and civilian commission to be set up on a bipartisan basis to study the organization of the Government. That afterward became known as the first Hoover Commission, and the legislation was unanimously passed by both bodies, with the support of both parties, and that committee called into service some 330 or 340 of the most distinguished Americans that it could find—from education and from labor and from business and industry—to assist the committee or the Commission in task-force studies of these different problems, and then reports were made to the Congress, and recommendations, which were contained in some 25 volumes.

As a result of the work of that first Commission, between two and a half and three billion dollars a year have been saved in the operation costs.

The Congress took these reports and recommendations, as made by that bipartisan Commission, and used them as the basis for legislative action, the President using them as the basis for Executive orders and the agencies for administrative orders.

The reason why that Commission was created—and then the second Commission to go into matters a little more extensively was created—was because the Congress itself, through no committee, could do that kind of work. It was just too big and too comprehensive a job.

The two Commissions spent nearly 5 years, and the Congress is still working, considering many of the recommendations made by those two Commissions. The cost was very slight in comparison with the savings. I think the first Commission cost ran right at $2 million altogether.

It seems to me this problem is extremely important when you take into consideration the number of different institutions that will be affected——

Mr. WILDE. Yes.

Mr. BROWN of Ohio. And anything that we do in connection with the monetary and the credit structure of this country will affect every citizen of the United States, especially if we make any mistakes.

Mr. WILDE. Oh, yes.

Mr. BROWN of Ohio. So, it might be well to have checks and balances—first, the commission that will make these studies; then give the benefits of their findings and reports to the Congress, and then the Congressional committees, in finality, will have to pass upon them and decide which are good or bad or what ought to be done in view of the conditions that the commission finds and reports as factual information and material.

I recall the first Hoover Commission found there was something like, I think, 93 different lending agencies within the Federal Government alone, and I think this list of yours, while it is very good, is not as comprehensive as it might be. I can think of several myself—several different organizations and institutions—that will be vitally interested in anything that we might do relative to the monetary system.

This just doesn't affect the Banking and Currency Committee alone. For instance, we have pending now in the Ways and Means Committee of the House legislation which would take away from municipal and local bonds and State bonds the exemption from Federal taxation which we now have on the interest paid, which would change entirely the picture of floating necessary bond issues by the State and local governments for State and local construction, education, and so forth, and so on.

What would be the effect of that on the States and getting the schools that we need, and so forth, and so on, the highways that we must build, the city buildings and services we use these funds for?

There are just thousands of these situations that can arise, and I think the problem is of such proportions that it needs the best brains of the entire country, just not in Congress, although I do admit probably the greatest brains in the country are centered right here in the Congress; but we can use a little help from outside, in my opinion, Mr. Wilde.

That is what I am trying to drive at, and I would hope that a little later on you might be able to furnish us with an expanded list as you give some thought to this problem.

That is all, Mr. Chairman.

The CHAIRMAN. Mr. DELANEY.

Mr. DELANEY. No questions.

The CHAIRMAN. Mr. TRIMBLE.

Mr. TRIMBLE. I hesitate to ask questions because, as I said the other day, this is such a complicated question, where even a whisper can shake the foundations of our financial system. However, I know so little about it that a whisper from me won't hurt, I think.

I represent a district in north Arkansas of small farmers and small-business men. I live on a farm myself. A 500-acre farm is a big

farm in our district, and a million-dollar investment in business is big.

A lot of my constituents talk to me when I am at home, and they write to me while I am here. They are worried about the whole general situation. I don't know whether they are right or wrong but, on the theory that my constituents are always right, I sympathize with them.

Now, with regard to this Commission, whatever it is, that is set up, maybe one person would be better than a whole group to hear the whole, vast panorama of this situation as it affects everybody and then hear people from every affected group.

Now, about the interest rates: The people in my district are disturbed to no end. They say that the larger businesses of the country don't have to borrow money; they can go out and expand without having to borrow money. So, the high interest rates don't affect them. They can just move out and expand wherever they please. However, in my section, they have to borrow money, and the rates are up, it contracts the business expansion of the—I don't want to say little business—small business, which is really the foundation stone of our people.

I don't know whether that is true or not, but I hope whatever is done in this business will be done with full and complete integrity and with a lot of commonsense because I want it to be made so plain that even a Congressman like me can understand it. If I can understand it, then my 350,000 constituents can understand it.

Mr. WILDE. May I comment, Mr. Congressman?

Mr. TRIMBLE. Yes.

Mr. WILDE. I think you are perhaps illustrating the point I am trying to make—that the wide diversity of interests needs to have people who understand it.

You are talking about largely agricultural credit and small-business credit.

Agricultural credit divides between capital for long-term improvement—buying land, and so forth—which we lend and other insurance companies—I think the supply of such capital, in combination with the land banks, has been quite adequate, at least up until the last year, and I haven't heard very much about stringency even then; I know we have continued to make loans, and we make them in your territory—and, on the other hand, the short-term loans of the bank to make a crop, and so forth, to hold some stock.

I want to add the rates have not been high. They have been running around 5 percent, which certainly is not an onerous rate and historically is a pretty normal rate.

The lowest agricultural mortgage rates that I know of were about 4 percent, and that would be some exceptionally strong land, say, in Illinois or some place like that that has what we call a community value.

I do not know what the bank rates are for short-run money. They may have gone up quite a bit.

There are those two things and, as I say, to me it illustrates the point that a commission ought to have an Allen Kline or someone else who understands the agricultural problem, which is interrelated, of course, with all the rest.

In the small-business field, which, of course, obtains throughout the country, you have a very involved situation from my point of view. You have the practical problem of enough equity so that lending institutions can afford, with safety, to lend their money because all of us are trustees of the other fellow's money. We just can't accept high credit risks.

One of the major problems of small business is they don't have equity; they don't have protection above it, the tax laws or the willingness of rich people to speculate because they don't have the money.

There is a great lack of equity money for small business. If that was there, then the various institutions would be able to loan more money in the primary position.

Mr. TRIMBLE. That is one thing about which I, of course, don't know what needs to be done.

Mr. WILDE. Yes.

Mr. TRIMBLE. I know what needs to be done, but I don't know how to do it.

Mr. WILDE. Yes.

Mr. TRIMBLE. The small farmers and the small-business men are having a rough go in my section. They are just having a devil of a time.

Mr. WILDE. You have some doing awfully well, Congressman. They have loans and they make prompt payments.

Mr. TRIMBLE. Yes. They manage, but they are having a tough time.

Twenty-one of the rural electric co-ops that serve us on our farms have 11,000 connections. As I left to come up here in December, 2,100 of those are idle. The people have left, moved out, and gone to another job where they can make ends meet.

That is too big a percentage of people having trouble.

The CHAIRMAN. Do you have any more questions, Judge?

Mr. TRIMBLE. No.

The CHAIRMAN. Mr. SCOTT.

Mr. SCOTT of Pennsylvania. No questions.

The CHAIRMAN. Mr. THORNBERRY.

Mr. THORNBERRY. As I understand, you are convinced this study ought to be made?

Mr. WILDE. Oh, yes; I am very much convinced of it, both in all the research we have done and my personal observation in the last 20 years.

Mr. THORNBERRY. And you have no fear that a study by a commisison such as you recommend would in any way have a harmful effect over the country?

Mr. WILDE. No. On the contrary, I think it would be constructive and would bring out for public scrutiny and discussion some of the involved elements that are in the picture.

Mr. THORNBERRY. But you don't think that Congress, which in the end is responsible to the people of the country, through a recognized committee, ought to make the study?

Mr. WILDE. Yes; I do. I think the Congress should make the study in combination with a business group.

I think it should be a mixed commission, if that is the proper term, because I think it is very desirable to have Congressmen putting in as much time as they can; but there are a good many thousand man-hours involved in this to do a thorough job, and I imagine the businessmen, the professors, and others might put in more hours than some of the Congressional men might be able to put in.

I would like to see them both joined at the start, myself.

Mr. THORNBERRY. But you don't think that Congress, through a committee, should do it itself?

Mr. WILDE. I think that the Congress, operating strictly through its own committee, wouldn't get the result that the Congress, itself, needs and wants. I don't think it can put in enough full time, and I don't think—as I have said here, if you call in an expert, he is in a different status; but if you make him a part of the team and do like business does—sit around a table and yak-yak back and forth—that may have a colloquial connotation in it—you get more information and more balance out of it.

Mr. THORNBERRY. Would you say your approach in this regard is peculiar only to this field?

Mr. WILDE. No. I think it is becoming common in many fields. For example, I have just done this in a small way in Connecticut. Several of us in finance and several from the legislature, the senate, and the house, were asked to study road financing for Connecticut, and I think it was very useful to us who don't understand the political problems and was useful to the legislators who don't understand quite as well at times the business problems.

So, there is a minor illustration of just what I am saying. I am not talking here right from the book. I am talking from quite a bit of practical experience.

Mr. THORNBERRY. What I am asking is: Are you becoming more and more convinced from what you say that the legislative body or Congress is now in such a situation that it is not equipped or able to inquire into fields for which Congress is responsible to the people of the United States regardless of what the field is?

Mr. WILDE. No. I think there could be very specific, narrow areas where it is perfectly practical for a commission of Congress, and then to call in a few people.

I can't think of something offhand, but there must be such things.

This is terrifically involved and interrelated and complex.

The Congressman is trying to low rate himself in saying he doesn't understand it. None of us understand it too well. I am exceptionally humble myself about it and I have studied it and worked in it for more than 20 years.

Mr. THORNBERRY. You indicated a moment ago the type of people that you thought could well serve on the Commission and you referred to them as you were referring to your list, and I noticed that you referred to the commercial banks; secondly, the insurance companies, and I think one of the group.

Mr. WILDE. Investment.

Mr. THORNBERRY. I understand what you are doing. You are naming people and individuals.

I have a feeling, Mr. Wilde, as Mr. TRIMBLE has indicated, a great many people in this country are deeply concerned about this type of thing. Even Congressmen and responsible people in government are not entirely willing to just trust to the people who are concerned about these other credit institutions to have anything to do with the inquiry.

Would you think you would be on sound ground if you would have people who were not directly affected by such an inquiry being members of the Commission?

Mr. WILDE. Of course, I wouldn't because, to me, the success of this country depends upon mutual understanding and cooperation between the various elements in the economy—agriculture, labor, business, and so forth—and the legislative branch, and I think our society has become so much more involved in all respects that the only way it can work to the best advantage is by joining forces in these types of things, and I don't think that there is anybody in this or in academic areas that is going to try to put something over on somebody else. They couldn't do it if they tried, and they wouldn't try, and a group like this would work cooperatively to try to arrive at the truth.

I have confidence in the people and in the Government, but I think we are asking our legislators—even at the State level, and certainly at the Federal level—to undertake an enormous chore under today's economy, where it is so involved and there is so much Government participation that I think it has got to work better if there is joint operations and not as though one stood over here and one over here and didn't trust the other.

I feel very strongly that way.

Mr. THORNBERRY. I believe that is all.

Thank you, Mr. Chairman.

The CHAIRMAN. Mr. BOLLING.

Mr. BOLLING. Mr. Wilde, Mr. BROWN referred at some length to the operation of the Hoover Commission—the first Hoover Commission and the second.

I am much more familiar with the operations of the first Hoover Commission than I am of the second.

He also mentioned the fact there were in task forces of the Hoover Commission some three-hundred-odd highly qualified individuals in the specialized fields in which they worked.

It happens I know something of the technique being used by the Committee on Ways and Means. They have established advisory groups, advisory groups which, as I understand it, have the opportunity to sit back and, as you put it, yak-yak a great deal.

I am unable to see the remarkable gain in a commission which is composed of those who have the ultimate responsibility plus those who have the specialized operating knowledge when the Congress or a committee of the Congress has perfect opportunity to create all the circumstances that you suggest. It can have the staff, which presumably would be drawn from the highest qualified people in the country. It can have the interchange of views through the task-force technique, so well used by the Hoover Commission, and it can then exercise the responsibility that no commission, Hoover Commission or other commission, can take away from it of digesting, pulling together the best product of the best people in the United States.

This is what is going to happen ultimately. Inevitably, the legislation is going to be passed by the normal processes of Congressional action.

Mr. WILDE. Sure.

Mr. BOLLING. It just seems to me what a mixed commission does—and I think this is very well illustrated by the comparative lack of success of implementation of the second Hoover Commission's reports—is, in effect, prolong the process. It has a study. The Congressman goes through the same study.

I believe this is historically accurate in relation to what happened before. There were two sets of studies in 1907, and then, finally, there was a legislative committee study.

One of the things that disturbs me about the mixed commission is that I cannot see the advantages you ascribe to it, and I do see the disadvantage of additional time.

Would you comment on that?

Mr. WILDE. Well, of course, we are dealing in two different experiences. Yours is largely legislative, I take it. Mine is in business and partial exposure. It is a matter of opinion, of course, rather than a matter of absolute evidence and proof.

My own feeling, as I have said, is that we would move faster if there was a mixed commission where small units of it were exploring the different areas and putting it all together.

I cannot see that the Hoover Commission can be distinguished in its task forces because it was doing or trying to do things which affected the organization of Washington, and that involves a great many personal equations and settled habits, both of the legislative and of the executive.

This is dealing in a more impersonal field and with very complicated interrelationships of money, banking, and credit and financial structure, and I think it is quite a different type of animal and lends itself to this mixed-commission approach more efficiently and with more speed.

I think the evidence of the other commission, which took 4 years and, I presume, had able men on it and had a very much simpler problem than is confronting the country today, is an indication of what I am talking about; and I don't quite visualize the flow from any recommendations that might develop to the legislative Hall would be delayed by this process. I would think they would be accelerated.

Mr. BOLLING. The point I am trying to make is that it seems to me the legislature, itself, if it undertakes the study, if it is determined that changes in the legislation are important, then it is fairly obvious the legislative committee is, in itself, in the best position to proceed. Having made the study, it has cut off a step.

I don't see where you cut out of the process any of the outside-of-Congress experts from all the different types of credit institutions.

It seems to me, actually, one can assure a broader look through a Congressional study than through a mixed-commission study, because it is inevitable that a person from one kind of business is going to have, to a degree, not the prejudices, but the views of that particular kind of business.

Mr. WILDE. Sure.

Mr. BOLLING. How big do you envisage such a mixed commission—27 men—in order to get the point of view of all the different credit institutions?

How are you going to get real representation on a mixed commission unless you make it so large as to be clearly unwieldy?

It seems to me in any method of technique, in any technique that is used, you are going to have to use the task-force method, and I see no reason why the Congress can't do that as well as a mixed commission.

Mr. WILDE. Congressman, I would answer you to this extent: In numbers, I think 8 or 10 would cover the area, because you do it by type of business. Commercial banking might have 2 people; investment banking might have 1 or 2 people; insurance company only 1; savings and loan maybe 1, and the academic might have 2.

You can easily cover the economy with 8 or 10 people, and if there were 6, 8, or 10 from the 2 branches of the Congress, you wouldn't have a very large group, and you would have the advantage of working together to the extent that the Congressmen could.

If you use the experts and put them on a different status, file all their reports—I don't understand how you gentlemen in the Congress can read things, you're so loaded with every kind of a report. If you are participating in the thing, you would get some of it by osmosis as you went along.

Mr. BOLLING. I won't pursue it any further.

Mr. O'NEILL. No questions.

The CHAIRMAN. Did you finish, Mr. BOLLING?

Mr. BOLLING. Yes; I have.

The CHAIRMAN. Mr. O'NEILL, do you have any questions?

Mr. O'NEILL. No questions.

The CHAIRMAN. Thank you very much.

Mr. COLMER. Mr. Chairman.

The CHAIRMAN. Wait just a minute.

Mr. COLMER.

Mr. COLMER. As I stated a moment ago, I was unfortunately detained and didn't hear all of your statement, Mr. Wilde, but I have since glanced over it, and I have listened to the questions and answers. I just merely wanted to take this time to express my appreciation of your organization, that is, the Committee for Economic Development. I think it has done a splendid job, a great public service.

I have had occasion in the past, as a Member of Congress, to work with some of your people, notably one of your previous presidents, Marion Folsom, and who now is, of course, a member of the President's Cabinet.

I just wanted to take this opportunity to commend you and your organization for the splendid public service that you render, an unselfish service, except, I suspect, it is selfish in the extent that all of us are interested in maintaining and perpetuating the American system.

Thank you, Mr. Chairman.

Mr. WILDE. Thank you, Mr. Chairman and gentlemen, very much for giving me this opportunity to brag on CED a little bit.

The CHAIRMAN. We are very glad to have you with us this morning.

Mr. WILDE. Thank you.

The CHAIRMAN. We have with us Mr. Randolph Burgess, Under Secretary of the Treasury.

Mr. Burgess, we will be very happy to hear from you at this time.

STATEMENT OF HON. W. RANDOLPH BURGESS, UNDER SECRETARY OF THE TREASURY

Secretary BURGESS. Mr. Chairman, gentlemen: I have no written prepared statement.

The CHAIRMAN. Proceed in your own way, then.

Secretary BURGESS. Thank you, sir.

I might first call to your attention what undoubtedly you have in mind—the position on this subject by the administration.

The President in his state of the Union message made a statement on that point.

Do you already have that in the record?

Would you care to have me read that?

It is very brief.

The CHAIRMAN. Go right ahead.

Secretary BURGESS. "Essential to the stable economic growth we seek is a system of well-adapted and efficient financial institutions. I believe the time has come to conduct a broad national inquiry into the nature, performance, and adequacy of our financial system, both in terms of its direct service to the whole economy and in terms of its function as the mechanism through which monetary and credit policy take effect.

"I believe the Congress should authorize the creation of a commission of able and qualified citizens to undertake this vital inquiry. Out of their findings and recommendations the administration would develop and present to the Congress any legislative proposals that might be indicated for the purpose of improving our financial machinery."

Then in the Economic Report that was just developed in just a little different language, but along the same line. May I quote that, under the heading "Improving Private Financial Facilities and Promoting Thrift":

"The exceptionally heavy demands which economic expansion is placing on credit and capital markets have directed attention increasingly to questions concerning the adequacy of our financial facilities and of the laws and regulations which govern their operation.

"Alert to these problems, the Senate Committee on Banking and Currency during the past year made an extensive and constructive investigation of Federal laws affecting financial institutions.

"The impact on the economy of monetary policies designed to restrain inflationary measures has also become increasingly a matter of public concern. There is need at this time of a thorough study of recent changes in our financial structure and practices covering the activities of public as well as private agencies and of the legislative and administrative steps needed to improve our facilities for meeting credit and capital requirements and for exercising appropriate controls over credit.

"The state of the Union message recommended that the Congress authorize a national monetary and financial commission to perform this important task. The commission should be composed of distinguished citizens of outstanding competence and experience in the range of questions to be studied."

In accordance with that recommendation, there were bills introduced in the Congress by Senator CAPEHART and some of his associates in the Senate Banking Committee and Mr. TALLE in the House.

The administration is not wedded to any single method of doing this job.

I think the history of these investigations—I have had some connection with some of them—depends on the quality of the people and their breadth of background and understanding, their knowledge and experience that they bring to bear on this work.

There have been a good many forms of commission. During Mr. Wilde's testimony, there was reference to the National Monetary Commission that did its work prior to the passage of the Federal Reserve Act. That was an outstanding job. That was, as I recall, composed of 9 Members of the House and 9 Members of the Senate. They associated with themselves a great many very competent people in subgroups, put out a bookshelf of some 20 volumes.

There have been down the years a great many studies—some of them good; some of them useless waste of time.

I was a member of the Harriman Commission on Foreign Economic Policy back in 1947. That was composed of citizens outside of the Congress. Its findings were considered very carefully by the Congress and resulted in the formation of the Marshall plan.

There is a great deal of experience abroad. I suppose the most famous commission on this subject is the Macmillan Commission in England. I just pulled that out the other day and was looking at it. That was a commission with some members of Parliament, but mostly of distinguished citizens of one kind or another. I have the list of them here. There are 14 of them, and they put out a report which had very great influence on British policy over the succeeding years.

The objective is to get a number of people working at this thing of very great competence who can examine the question, examine witnesses, material, and so forth, who have time to devote to it and who will do a job for us in this difficult field. It hasn't been completely surveyed for a long time. We have had piecemeal shots at it.

I think that job that Senator ROBERTSON'S committee has done in the Senate is an extraordinarily able piece of work. He has had a group of consultants who have worked with him and has turned out a bill which differs in details. There is a great deal of valuable material in bringing up to date a number of our legislative laws. It hasn't attempted to deal with some of these broad policy matters, and it is those that we ought to get into and make a thorough study.

We have considered this very carefully and, among different members of the administration, our desire is there should be the most competent, broad, and able job done here.

Our thought, embodied in those first bills was that men who can be detached for this purpose for a couple of years, who weren't burdened with the routine of the Congress, could do the job most competently.

If, in your wisdom, you want to associate Members of the Congress with some outside people and can shape up a commission that you can get with some of the very best people, for it takes the best—this is not a matter of just hearing some witnesses and compiling a lot of information. Unless the people on the commission have experience and the judgment on the subject to weigh the evidence, impartially and ably, this isn't going to amount to anything. It is just going to take an enormous amount of time of busy people away from their work and not do the job.

So, our emphasis is on quality of people.

You have before the Congress at the present a number of bills. If some of these bills are passed, you would be having the House Committee on Banking and Currency conducting a separate investigation and at the same time have the Senate Banking Committee doing exactly the same thing, and those of us who will have to give a great deal of time preparing material for it will simply not be able to give it the attention—any one committee—that we ought to, and we will be running off in several directions and you won't get the same focus of attention and interest in the country that you would if you could get together a group that commanded the confidence all through the country and was able to get the time of the best people to serve as experts and come before it.

That, I believe, is the way I would state the principle, as I see it, Mr. Chairman.

I was interested in Mr. Wilde's testimony and am in very close agreement with that.

The CHAIRMAN. Thank you, Mr. Secretary.

Secretary BURGESS. I think that is all I have to say directly. I will be glad to try to answer questions that the gentlemen may have.

The CHAIRMAN. Mr. Colmer, do you have any questions?

Mr. COLMER. Just briefly, Mr. Chairman.

Mr. Secretary, do I understand you correctly, first, that you are of the opinion that such a study should be made?

Secretary BURGESS. Yes, sir; we are, very definitely.

Mr. COLMER. Then the only question that you have is how it is to be set up, the mechanics of it?

Secretary BURGESS. That is correct; yes, sir.

Mr. COLMER. And the personnel?

Secretary BURGESS. That is correct.

Mr. COLMER. Mr. Secretary, some of us who are not too familiar with this broad subject and the fiscal, monetary affairs of the country, and so on, are very concerned, as a result of the testimony of some of the witnesses here, that such an investigation and study might result in some unfavorable reaction upon our economy, upon our business, and so on, generally. You don't see that in such a proposal?

Secretary BURGESS. Well, sir, that would all depend on the character of the investigation. If this is done by impartial people, who approach it without preconceived opinions and don't make it a witch hunt, I don't see that it is going to do any damage.

We welcome, I think, a very careful and objective inquiry.

Mr. COLMER. Then, sir, third, and finally, can you see any effect that this might have, one way or the other, upon the peril of inflation that is threatening us?

Secretary BURGESS. Well, sir, I would hope that might be one of the questions that this commission would consider—whether we have in our armament all the weapons that we need to combat inflation; whether the Federal Reserve fiscal and monetary policy acting alone are adequate; whether they need any form of supplement.

I think that is one of the things they might consider. It is a very, very important question, I am sure.

Mr. COLMER. Thank you, sir.

That is all, Mr. Chairman.

The CHAIRMAN. Mr. ALLEN.

Mr. ALLEN of Illinois. Yes.

Mr. Secretary, I am sorry you weren't here to hear as I did, Mr. Wilde, who is chairman of the Research and Policy Committee of the Committee for Economic Development. He made an excellent statement.

First of all, I want to say I heartily agree with what you have said. I think we need some men of experience here, practical men, impartial men, people who have the confidence of the people throughout the country.

Many of us don't realize the problem in that field, and here we are getting into problems in a most complex and delicate field.

The thing that has occurred to me—and I know that the Members of Congress—all of us—are very busy people: If we wouldn't have this commission, we would have to turn it over to the Banking and Currency Committee and I believe much of the work would have to be done by the staff members.

Secretary BURGESS. That is right.

Mr. ALLEN of Illinois. I don't know the salaries of these staff men here and what they can pay them, but it is just a few thousand dollars a year and I, personally, wonder whether or not you can hire, with good experience, somebody in this field or that field at a few thousand dollars a year; and, after all, they would be the ones who, to a large measure, would be responsible for bringing forth properly the facts. In other words, these staff members have a great influence here. I have been here in Congress now going on 26 years, and I know that these staff members do have great influence on the Members. They have to rely on their judgment.

So, I repeat, it occurs to me whether you can get outstanding men, who know much about the credit of agriculture, small business or commercial loans, for that small compensation.

Secretary BURGESS. I'll tell you, Mr. Congressman, you can't.

Mr. ALLEN of Illinois. You can or can't?

Secretary BURGESS. You cannot.

I have had a great deal of experience——

Mr. ALLEN of Illinois. That is my judgment——

Secretary BURGESS. Yes.

Mr. ALLEN of Illinois. Since I have been around the Hill——

Secretary BURGESS. Yes.

Mr. ALLEN of Illinois. That it is nearly impossible to bring somebody down here for a few thousand dollars a year who is an expert in the particular field.

Secretary BURGESS. In the case of the Aldrich Commission, the National Monetary Commission, they were able to get some of the very best people in the country to contribute, men like Professor Sprague of Harvard—and I can't give you the names of all of them; but I have been over their volumes. It was a beautiful job.

They just wouldn't come and work for just one committee of Congress, doing a job like this, I can assure you.

Mr. ALLEN of Illinois. I know now, for instance, there are some bills here to raise some minor Federal workers, to raise their salaries, in minor jobs, some departments.

Secretary BURGESS. Yes.

Mr. ALLEN of Illinois. Because they aren't getting sufficient salaries to keep good men.

Secretary BURGESS. Yes.

Mr. ALLEN of Illinois. I doubt whether you can get at the present time anyone too well learned in the subject involved here.

That is one thought.

The next thought I have is about the size of the committee that my good friend, Mr. BOLLING, brought up.

It has been suggested here that this commission might be composed of 5 or 6 outsiders and 4 Members of Congress. That wouldn't be as unwieldy as this Banking and Currency Committee which, I believe, consists of 30 people—I think that is the number on the Banking and Currency Committee—and then you go into subcommittees. Then you bring in other members, other people in the various fields, who ought to be brought in.

So, it would be more unwieldy to have the 30 members of the Banking and Currency Committee, with different thoughts along those lines, than to bring in perhaps 5 or 6 different commission members and 2 members maybe on the Banking and Currency Committee from each side.

So, from that standpoint, I can't see that it would be any better than just having this commission at the moment.

Another thing I mentioned before you arrived was this: I looked over the biographies of the various members of the Banking and Currency Committee. Maybe they didn't include everything, but most of those do when we put our names down there. We tell all about ourselves, that is, the good things. However, I notice there are only about four on that committee who have had any experience on banking or who have

been associated with any of these loans or banks or anything of that nature.

So, I think that factor, itself, as far as I am concerned, is very important.

Maybe it might be well to bring in a few outsiders.

I want to thank you. I, personally, appreciate your testimony.

Secretary BURGESS. Thank you, sir.

Mr. ALLEN of Illinois. I think probably this will be worked out all right.

That is all, Mr. Chairman.

The CHAIRMAN. Mr. MADDEN.

Mr. MADDEN. No questions.

The CHAIRMAN. Mr. BROWN.

Mr. BROWN of Ohio. Mr. Burgess, in reply to a question asked by Mr. COLMER, if I understood you correctly, you said a study of this kind could be very effective and very worthwhile if it is conducted in an unbiased, nonpartisan, or bipartisan, or nonprejudiced way.

Secretary BURGESS. Right.

Mr. BROWN of Ohio. However, you didn't give the other alternative. Suppose it should be conducted by individuals who had some bias and some prejudice and some preconceived convictions and ideas as to how to operate our monetary and financial system in this country; then, what would the situation be?

Secretary BURGESS. Mr. BROWN, I think, in the first place, it could not command the service and the interest of the people of the country who are in the best position to contribute to a very fine study.

In the second place, I think if it were biased there would be that danger that Representative COLMER has referred to—that is, if there were headlines which reflected a bias or which were accusatory of the way things had been administered, or handled in terms of a witch hunt, I think it could do a good deal of damage.

Mr. BROWN of Ohio. Is this economy of ours and our financial structure in such a delicate balance today that some ill-advised action or statement of someone in authority in connection with such an investigation, could trigger off a progressively bad result?

Secretary BURGESS. I have great faith in our economy. I think it will take a lot, but I can assure you, Mr. Congressman, that it would shake the confidence of the people in the Congress if the Congress undertook to make this kind of an investigation in an inadequate and partial and biased manner.

Mr. BROWN of Ohio. I am not sure just how much confidence the people of the country have in the Congress to start with.

Secretary BURGESS. Well——

Mr. BROWN of Ohio. So, I am not particularly concerned with the confidence of the people in the Congress; but I am very much concerned as to whether or not we may do something here that will shake the confidence of the American people in the financial soundness and stability of not only our Government, but our entire monetary and fiscal systems clear down to the grassroots.

I have been through a few depressions myself and so-called panaceas and sometimes just the wrong word said or the wrong thing done has a bad effect.

Is that——

Secretary BURGESS. Let me put it this way: It occurs to me, Mr. BROWN, that if the investigations of this committee, whatever it was, appeared to be threatening the functions of the Federal Reserve System—I believe that could do great damage in the country.

The country has great faith at the moment in the integrity and honesty and courage of the fellows who are running the Federal Reserve System, and I think, if they got the impression that this inquiry was directed to undermining that, that that could really create difficulty in that direction.

Mr. BROWN of Ohio. You feel some such study as has been proposed by both the President and Mr. TALLE, and others on the Banking and Currency Committee—and I understand Mr. CAPEHART and others in the Senate—is in order, if properly conducted?

Secretary BURGESS. Yes, sir.

Mr. BROWN of Ohio. If it is to be done, if I understood your answers to the question, you feel that the best way would be through the commission form of activity?

Secretary BURGESS. Yes, sir.

Mr. BROWN of Ohio. And then, next, if it would not take that form of investigation or study, do you think it should be a joint committee of Congress or just a committee from one branch or the other, or from both?

Secretary BURGESS. By all means joint because—I speak for the people who have got to furnish the information—if we are going to have two separate committees at work here, the difficulty about getting up suitable material and taking care of it is a terrific burden; but, more than all else, this Commission, both in terms of getting the right people to come as witnesses, in getting the right people to come as staff assistants, as aides to it, and its findings, if it is going to do any good, has got to command the confidence of the people of the country, and the joint commission that had on it both Senators and Representatives and people from private life of experience and reputation, would certainly command very much more of all those things than simply a single committee of the House or the Senate.

Mr. BROWN of Ohio. Of course, if there was any legislation found necessary to be put through the Congress, it would have to pass both Houses?

Secretary BURGESS. Certainly.

Mr. BROWN of Ohio. Both House and Senate?

Secretary BURGESS. Yes.

Mr. BROWN of Ohio. Both bodies?

Secretary BURGESS. Yes.

Mr. BROWN of Ohio. My good colleague from Missouri, Mr. BOLLING, was concerned over whether the naming of the Commission wouldn't result in delay.

It has been my experience on commissions that the commissions generally do spadework and get a lot of the roughage out of the way and bring up facts and information for the use, first, of the commission on which to base its report and recommendations, which are then made available to Congress, with all that testimony, so that the Congress doesn't have to go over all of it again but does have something to refer to; and in that respect I disagree with my friend and think that a commission operation is very helpful because it does save the time of Congress and the Congressional committees.

I would like to comment on one other thing and ask one other question about something you said.

You expressed the opinion, as I recall and understand, that a single committee of the Congress could not get the type of assistants on its staff that a Federal or National commission could obtain, recognized as a servant of all the American people; is that correct?

Secretary BURGESS. I am sure that is correct, Mr. Congressman.

Mr. BROWN of Ohio. In that connection, I would just like to point out, from my own experience, the Hoover Commission—and I speak specifically of the first one—did obtain the services of about 330, as I recall, or a few more, of the topflight individuals in this country to assist on task-force services, assisting the Commission, and practically all of them, outside of a few college officials or educators, were serving without compensation.

I recall very vividly how former President Hoover, as Chairman of that Commission, would call in men the Commission decided it would like to have to go into various problems—experts in that field—and he would say something to them like this: "You know, Mr. Burgess, this country has been good to you. You were raised on a farm out in Iowa, but you have come a long way and made a success in life, and you can afford to give 3 months or 6 months of time to your Government. Now you are drafted. We want you in here."

I recall distinctly on 1 task force, dealing with the insurance problem that confronted the Congress and the Nation—for veterans and for servicemen, we had 7 presidents of insurance corporations, the largest in the country, serve and give the benefit of their advice, and they brought in their own statisticians and their own experts, actuaries and all, to study the system that we had here and to go over it, and they brought in recommendations that have not only saved the American people a great deal of tax money, but have been of real benefit to the veterans of this country and helped them on their insurance problems.

Secretary BURGESS. That is true.

Mr. BROWN of Ohio. I recall we had presidents of railroads who dealt with some of the transportation problems that didn't affect them at all.

Is that your idea as to the type of men you ought to have on this commission and that they ought to be drafted into public service?

Secretary BURGESS. I think that is a very good illustration.

In this particular area, one would, of course, seek people who had both experience and objectivity.

I think you would have very much more chance of getting them with a distinguished commission, recognized as such, men of leadership and reputation who would work with the Members of the Congress.

Of course, I am enormously impressed with the workload the Members of Congress carry, and members of this House Banking Committee. It includes very many good friends of mine. I have been before the committee over the years a great many times. They are fine people, but they carry an enormous volume of work, and I don't think they can detach themselves for this kind of thing in anything like the way that the task requires.

Mr. BROWN of Ohio. One other question and I am through, Mr. Chairman.

Mr. Burgess, you have been around a long, long while, like some of the rest of us old-timers——

Secretary BURGESS. Much too long, I am afraid.

Mr. BROWN of Ohio. And you have seen some of these commissions and read and studied their work over the years—the Randall Commission, the Harriman Commission, the Hoover Commission, the different ones. Have you ever heard or known of any of these individuals who served on these various commissions being men who have done something that was against the interest of the country or in the personal interest of themselves?

Has there ever been any question as to their integrity or their patriotism, to your knowledge?

Secretary BURGESS. I don't recall any cases, Mr. Congressman.

Mr. BROWN of Ohio. I can't recall any.

That is all, Mr. Chairman.

The CHAIRMAN. Mr. DELANEY.

Mr. DELANEY. Just one question: From your remarks, Mr. Secretary, I gather a study of this type would take considerable time. As a matter of fact, you mentioned it would take many years.

Secretary BURGESS. I thought of 2 years in the bill that Senator CAPEHART presented, and Mr. TALLE.

I think 2 years is indicated, or approximately 2 years. It is quite a chore.

Mr. DELANEY. Then, after the committee reported, we would have several bills unquestionably and we would go through the same routine here in Congress, so that no

action on this could be anticipated at this session of the Congress?

Secretary BURGESS. I would think that is certainly true; yes.

Mr. DELANEY. Thank you.

That is all.

The CHAIRMAN. Mr. THORNBERRY.

Mr. THORNBERRY. I believe not at this time.

The CHAIRMAN. I beg your pardon.

Mr. THORNBERRY. I believe not.

The CHAIRMAN. Mr. SCOTT.

Mr. SCOTT of Pennsylvania. Yes, Mr. Chairman.

Mr. Secretary, I have this concern, and that is that we have seen in the past some situations where staff members appear at the inception of a task of this kind with some fixed orientation arising perhaps from their former employment in or outside of the Government and, as compared with a Commission, such as in Mr. TALLE'S bill, it seems to me that the Talle proposal would permit the interplay of a great many viewpoints, that the conclusions would be hammered out at the level where the ultimate recommendation is to be made rather than evolved at a staff level and then passed on to men who are admittedly distinguished and competent, but not experts in those fields, and I am wondering if that isn't one of the difficulties in asking Congress to pass on this kind of a delicate question.

Secretary BURGESS. That is one of the very great difficulties. Of course, we find it generally in all our work—how far you trust your staff people and how far you are able to review the results yourselves and make sure that they are absolutely correct.

Of course, it is a problem we have in administration all the time, bridging that gap.

The CHAIRMAN. Gentlemen, I have to go to the floor and handle a resolution. I won't be long, I hope. Mr. COLMER will take over.

Mr. SCOTT of Pennsylvania. I have 1 or 2 brief questions.

I have served on four other committees of this House and, frankly, the recommendations of the staff are usually based on so much work and research which is not available to us or which it isn't possible for us to evaluate that there is certainly a great temptation to simply accept what the staff members suggest, and I am wondering if a Congressional report coming out, let's say, with restrictions against the whole credit system as now constituted might not present, let's say, to the small-business man of the country, harassed by their own credit problems, a far more complicated and perhaps dangerous situation.

Someone has spoken of the kind of report which might trigger off an economic change here.

Don't you think that, should there be a report which represents perhaps, in its final result, the recommendations of staff members, such a report might have the effect, conceivably of triggering off an undesirable economic result?

Secretary BUGRESS. Well, it could, Mr. Congressman.

I think there are two ways that could happen.

Gentlemen, if we do on this an inadequate job, recognized as such through the country, as not a good job, two things will happen: Either they will simply ignore it—it will be just pure waste of energy for everybody who takes part—or else it may do some real damage.

Mr. SCOTT of Pennsylvania. Thank you.

That is all.

Mr. COLMER (presiding). Mr. BOLLING.

Mr. BOLLING. Mr. Secretary, you are familiar with the work in a rather more limited field—2 subcommittees of the Joint Economic Committee, 1, I think in the 81st Congress and 1 in the 82d Congress, on the subject.

Secretary BURGESS. The Douglas committee and the Patman committee; yes, sir.

Mr. BOLLING. Recognizing these were more limited inquiries than that proposed, what was your opinion of the competence and objectivity of those two inquiries?

Secretary BURGESS. I thought the first committee, the Douglas subcommittee, did a first-class job. They had extended hearings. There was a great deal of hard work done. It was a joint group. Members of both Houses attended. They had an extremely competent staff man, Lester Chandler of Princeton, who took that job, and the report was, I think, a very helpful job. I think it made possible the accord between the Federal Reserve and the Treasury that followed.

The second report, I think, accomplished nothing.

Mr. BOLLING. As to the objectivity of the conduct of the second——

Secretary BURGESS. I think it was just pretty good.

Mr. BOLLING. Just pretty good?

Secretary BURGESS. Just pretty good.

Mr. BOLLING. In that you would disagree, then, I take it, with most of the editorial writers of the banking journals and others who almost universally praised the objectivity of the second?

Secretary BURGESS. Well, I think the chairman conducted the hearings in a statesmanlike fashion, but I think when it came to the report that the report lacked objectivity on a number of points.

Mr. BOLLING. I take it, Mr. Burgess, you don't object to people having opinions?

Secretary BURGESS. Not at all. That is fine. I even have some myself, even after serving 4 years in the Treasury.

Mr. BOLLING. So, your concern is not with the opinion of individuals?

Secretary BURGESS. No; not at all.

Mr. BOLLING. You mentioned several times in your original testimony that we would have to have the best people, and impartial people, on this commission. I take it the original concept of the administration was not to have a mixed commission?

The recommendation, as I understood it, was for a commission of citizens, and the original legislation first proposed, I take it, at the request of the administration, was for a citizens' commission?

Secretary BURGESS. That would be our No. 1 choice because we thought in that way the work would march forward most promptly, that you would have the least, shall we say, political overtones—they sometimes do get into these things—and the job would go forward best; and we recognize the Congress is very busy, and would be busy passing immediately on bills in this area, on which they have to take a position, while at the same time the subject is being discussed by the commission objectively.

I think that was found to be the case in the Randall Commission. That was a mixed commission, and it was discovered, I think, the Members of Congress on it had difficulty in harmonizing the positions they had to take, which were partly political positions, in the Congress at the same time they were sitting on this other commission objectively as individuals.

It is a very difficult thing to harmonize sometimes.

Mr. BOLLING. Mr. Burgess, you speak of the best people and impartial people.

Secretary BURGESS. Yes, sir.

Mr. BOLLING. Not citing any names necessarily, could you give me an example of what, in your idea, would constitute the best people and impartial people to serve on this commission—by kind, if not by name?

Secretary BURGESS. Well, by kind, a man like Allan Sproul, who was a public servant all his life and is now retired from the Federal Reserve System. So, he has no obligations to anybody. I think he would be a very good member of this commission.

I think a man like the witness you had just before me would make a very good member of the commission, Frazar Wilde. He is connected with an insurance company, not one of the big five. He has worked with the CED people. He has had broad experience. I think he would make a good member of such a commission.

One could go on. We are rich in good people in this country.

Mr. BOLLING. Do I gather, then, your idea would be that the people who should be members of the commission would be those who had had vast experience in one of the savings and lending fields?

Secretary BURGESS. I think it should include someone of that sort, but I think it should also include people from the academic field.

I mentioned Lester Chandler, who was the expert for the Douglas committee, who was professor at Princeton, who has had no connections with, had no money, no eleemosynary return from serving private industry. clude someone of that sort, but I think it Reserve Bank of Philadelphia, but a thoroughly able and competent student.

There should be other men from the academic field, I think.

You might find somewhere a college president who—well, I'll give you a man—Harold Dodd who has just retired as president of Princeton, who is an historian, a very able, balanced person, great public devotion.

Mr. BOLLING. And these people, the academic people, you feel would give to the commission the noninstitutional representation?

Secretary BURGESS. Yes. I'd try to balance it off. I'd certainly try to get someone who had experience in the field of labor and who knew that area, somebody who knew the farm field.

You certainly would want somebody who knew rural credit. The problem of rural credit is one of the real problems here.

I think somebody ought to take a look at all the agencies that make loans to farmers. There are more agencies making loans to farmers than you can count on your fingers and toes.

Another is the point—somebody raised the question—of small business and the capital supply for small business. Somebody ought to take a look at that, and I would try to find a man, businessman, who served small business as one of this group.

Mr. BOLLING. So, you envisaged a really balanced commission in which most of the economic interests of the country, both financial and otherwise, would be somewhat represented?

Secretary BURGESS. Yes; represented.

I think you have to be very careful in trying to get people who are not special pleaders for their own particular field, and you can find such people. Of course, the danger is you get people who are.

That is one of the difficulties about a mixed commission.

To get representation from this group will take 9, 12, to 15 people, and to add to that your Members of Congress involves you, perhaps, in a pretty big commission; but that is one of the details.

Mr. BOLLING. You aren't particularly concerned about the number of people on the commission?

What would be the largest number?

Secretary BURGESS. It shouldn't get too big. I think nine would be an ideal number. Fifteen would be suitable. I am a little afraid if it ran very much over that, but that is a matter of judgment.

You might manage 17, 19, but to get really first-class people, it would be easier to ask them to be members of a 9-man commission than 15 because a person is diluted a good deal. He thinks, "Well, this isn't so much. I am just 1 of 21."

It is a little harder to get him to do the job that way than if it is a smaller group.

Mr. BOLLING. Thank you, sir.

Mr. COLMER. Mr. O'Neill.

Mr. O'NEILL. Mr. Burgess, recently Mr. Hoover was a prophet of doom and gloom, and immediately the stock market went down a few points.

With inflation the way it is, what effect do you believe a study, either by the Congress or by a joint committee, would have on the economy of the Nation today?

Secretary BURGESS. I heard Mr. Hoover speak.

If I might say, Mr. Chairman, I think the difficulty we encounter frequently here is you can't put the subjunctive into a newspaper headline.

What Mr. Hoover said was: If we violate economic laws long enough, they are going to turn around and bite us; but, of course, the headlines never get the "if."

The effects of this commission on business and on sentiment, I think, all depends on how it is done.

If you have the kind of commission that we have been talking about and I think you people want, I don't worry about its disturbing sentiment.

If you have unbiased and objective people who examine these things carefully, I think it will add to confidence rather than the reverse.

Mr. O'NEILL. One other thing, Mr. Burgess: Here we are supposedly the world's greatest legislative body.

Secretary BURGESS. We are.

Mr. O'NEILL. We are.

You haven't enough confidence that this body could get dedicated men to do a job without bringing in substantial businessmen?

Secretary BURGESS. It is conceivable; yes. I think it is.

Mr. O'NEILL. How about these men you mentioned that you would like to see working in the committee?

They are dedicated men, and wouldn't they work as part of a task force?

Secretary BURGESS. My judgment, Mr. Congressman, is they would not agree to serve with an investigation simply committed by one committee of this body. They wouldn't think it was good enough.

Mr. O'NEILL. That is all.

STATEMENT OF KENTON R. CRAVENS, PRESIDENT OF MERCANTILE TRUST CO., ST. LOUIS, MO., MARCH 6, 1957.

Mr. CRAVENS. I have a brief statement, Mr. Chairman, and it might be well to read, to begin with.

I am Kenton R. Cravens, president of Mercantile Trust Co., St. Louis, Mo. I have asked for this opportunity to comment on H. R. 85 because of my strong personal interest in its general subject matter.

As chairman of the advisory committee to the Senate Committee on Banking and Currency for the Study of Federal Statutes Governing Financial Institutions and Credit, I have had opportunity to study the need, possible scope, and best means of conducting a study of the Nation's monetary and credit structure. There seems to be general agreement as to the need for such a study and reasonable agreement as to its scope. Apparently a real difference of opinion exists, however, as to who is going to do the job.

Possibly the best way to resolve this question would be to review the scope of such a study so as to more accurately appraise the necessary qualifications of those who should be charged with the responsibility.

The advisory committee recommendation on this subject reflects largely my own thinking. That committee recommendation reads in part, as follows:

"The establishment of a commission for the purpose of making an objective study and appraisal of the use of monetary controls to stabilize the Nation's economy and the impact of such controls upon the American system of free enterprise, and of the adequacy and responsibility of all financial institutions as custodians of the Nation's savings, to provide, individually and collectively under existing laws, the State and national financial needs for the continuing growth of our dynamic economy, giving appropriate consideration to deposit and savings insurance programs, the essentiality of Government lending and investing, and the tax burden on debtors, creditors, and equity owners."

Thus, the study would be one of existing financial institutions. I emphasize that it is not the role of such a commission to conduct a continuous review of current monetary policies. To the extent of the need therefor, such reviews have been and will be made by the appropriate committees of the Congress. Nor would it be the purpose of a study to criticize such reviews or to supplant them. The monetary system is a creation of the Government and appropriate legislative committees and the executive branch should review its functions whenever they deem it necessary. The problem to which a national monetary and financial institutions study would address itself is far more basic in that it would study the financial systems themselves.

As you can see, a study of the character which I have in mind is in the nature of a fact-gathering undertaking. Such study will require much work by students of the problems under the guidance of practical men of broad experience and perspective. There is no need for self-serving arguments at this time. If the study is to be conducted with an air of objectivity, it must be outlined and guided by the best and most capable students of the problems. This must be the fundamental objective. Upon completion, the study must be as impartial and factual as possible.

The advisory committee believed that these objectives could best be achieved by submitting the direction of the study to men who are extraordinarily well informed about the problems. Such men can properly be drawn with some degree of preponderance from the financial field and other fields of economic endeavor. It goes without saying that the men must be able to see the problems of all industries as well as the problems confronting their own industry.

To assure this objective, the advisory committee recommended the composition of the Commission as follows:

(a) That it must be composed of not less than 12 and not more than 17 members.

(b) That the legislative branch of the Government be represented thereon by not less than 4 and not more than 6 members, consisting of the chairmen and the ranking members of the Banking and Currency Committees of the House of Representatives and of the Senate.

(c) That the remaining members of the Commission be appointed by the President of the United States without regard to their place of residence, their occupation, or whether they are members of the majority or the minority party of the Congress, but with regard only to the fact that each shall be an outstanding American citizen; and, lastly,

(d) That the President of the United States appoint from among the members of the Commission a Chairman thereof.

I think Congressional representation on such a Commission is both desirable and necessary. The results of the study undoubtedly will be the basis of some new legislation, or at least will receive the scrutiny of the Congress. It is thus necessary that the legislative point of view should be kept in mind at all times; but a commission composed of just one committee of one House of the Congress is far too restrictive and cannot hope to achieve beneficial results. One reason for this is that an urgency exists, both as to getting the study under way and completing it promptly, and the Congress is already literally snowed under with work. The urgency to which I refer is the fact that no one knows yet whether or not we have brought business cycles under control. Thus, we need an answer to that question without delay.

This is not exactly what I mean. What I do mean to state is that we need to study the problem, study it as carefully as we can, and it would be a tragic mistake to find out later that a careful study would have helped us to avoid some tragedy.

To reiterate, we are not advocating, nor is anyone advocating, this is the time to legislate about existing problems. This study should be a truly national one and only if it is conducted on the broadest kind of basis can it command complete public confidence, the necessity for which is apparent to all. The adoption of H. R. 85 would preclude this kind of a study. So, I respectfully urge, with the greatest emphasis at my command, that this committee and the Congress consider with approval a broader approach to the problem than is contemplated by H. R. 85.

The CHAIRMAN. Thank you, Mr. Cravens.

Do you wish to add anything to your statement?

Mr. CRAVENS. No. I think that summarizes my own strong personal views about the problem. I realize it is an area that can provide many different opinions. Anything more I would say would simply reemphasize that which I have said.

The CHAIRMAN. Mr. COLMER, do you have any questions?

Mr. COLMER. I don't think I have any questions at this time.

The CHAIRMAN. Do you have any questions, Mr. ALLEN?

Mr. ALLEN. I certainly want to compliment you, Mr. CRAVENS. I think you have said a lot in a few words, and I certainly agree with you a hundred percent.

Do I understand that you say this Commission—you recommend the Commission—should consist of perhaps an agricultural authority, an insurance authority, maybe a labor authority, and so on, with representation from all fields? That is what I understand you to mean. Is that true?

Mr. CRAVENS. My own thinking on that would be that the President would try to get—and get—the required number of public representatives and screen them on the basis of their basic qualifications, and not have them represent any particular interest.

I think it would be a mistake to have one man dedicated to representing labor, one man dedicated to representing capital, one man dedicated to representing agriculture. I think he would want to screen them as to their basic qualifications, their ability to be objective, and, above all, to see that they had no affiliations or had no direct representations.

I think we would get a better job on that kind of a basis.

Mr. ALLEN. Then, of course, you would want authorities in all the various fields?

Mr. CRAVENS. That is correct.

Mr. ALLEN. That is one of the objections many of us have in regard to H. R. 85.

We know that you can't get men of too much learning to come in. We know about the important part that a staff plays. We know that you can't get experts, generally speaking, for the small compensation that the staff would receive.

That is the reason, perhaps, it would be better to have some people with a background of long experience instead of perhaps staff people, coming in at a low salary, who aren't experienced in the field and with probably the things this committee or commission would cope with.

That is all.

The CHAIRMAN. Mr. MADDEN.

Mr. MADDEN. No questions.

The CHAIRMAN. Mr. DELANEY.

Mr. DELANEY. Mr. Cravens, you have considered this subject for a considerable time;

you have studied this problem for a considerable time; have you not?

Mr. CRAVENS. The focusing of this has been done since all of us in our group started tackling the problem; and, of course, when you start getting into one of those situations, you get into it far more deeply than you would normally.

Mr. DELANEY. You state here: "As chairman of the advisory committee to the Senate Committee on Banking and Currency," and so on.

Mr. CRAVENS. Yes, sir.

Mr. DELANEY. As of necessity, you must have given considerably more thought to the subject than you would under normal circumstances.

Mr. CRAVENS. That is correct.

Mr. DELANEY. We have had other experts here who have also had some opinions and have made a great deal of study in this regard.

Do you think something can be gained by putting all those people together and arriving at probably some agreement on, and some arbitration of, the problems we have confronting us?

Do you think the members of the Banking and Currency Committee could evaluate the testimony of such men as yourself? When we get all through, they have got to sell the idea to the entire Congress in order to put it over.

Mr. CRAVENS. Sure.

Mr. DELANEY. You have some definite views, I presume.

Mr. CRAVENS. Yes. I told you this kind of problem has a lot of room for many views.

I have never seen a time when qualified people got around the table that something good didn't come out of it, if that is your question.

Mr. DELANEY. Yes. That is substantially it.

There are other groups, chairmen of other groups, who have studied this problem, and who have also testified here, and I presume they have arrived at some definite ideas.

Now, the Congress eventually has to pass on it. I don't know who could be better qualified to pass on it than someone who listens day in and day out, over a long period of time, because they eventually have to make the recommendations to the Congress.

Many of the groups that have made studies must have come to some conclusions. Isn't that so?

Mr. CRAVENS. Yes; that is correct.

The conclusions that I came to and my group came to I have stated in this statement.

Mr. DELANEY. It should be studied; further studied.

Could you tell us just what the problems are, the immediate, pressing problems, at this time?

Mr. CRAVENS. I wonder if I might answer that question with a worksheet of mine which spells out perhaps in more detail the very summarized objective I have put in.

Would you like me to?

Mr. DELANEY. I would be glad to hear it.

Mr. CRAVENS. There are six paragraphs.

As I look upon the scope and the work of some kind of a group that you put together on this, in more detail they would follow something like this:

Area 1: The matters of chartering, examining, and supervising all financial institutions in the United States which are custodians of the savings and other funds of the people, and as the same are respectively related to the needs of the public in our present-day economy, and the question of the advisability of continuing the existence of the present dual system of banking as compared with creating a federally chartered branch banking system.

Let me stop right there. Now, all that means is that we ought to see whether or not our present banking system and our present financial institutions are supplying the credit with even balance over the country that our economy needs.

We have a different type of economy than 10 years ago and 20 years ago.

Area 2: The question of whether financial institutions can adequately service the credit needs—that is, the need for equity funds as well as debt funds—of the present-day economy and the problem of defining the fields in which each type of financial institution can best contribute to those needs.

It was not many years ago that the banking system supplied only 90-day, short-term credit. Today we find it in all kinds of hybrid types of credit—term loans of 10, 12, 15 years; 3-to-5-year consumer-credit loans; mortgage credit up to 30 years, and so forth.

I think that is a great area that we need to study.

Who is going to supply the various types of credit and equity to keep this economy of ours going?

Area 3: The matter of overall tax burden—State, local, as well as Federal—on financial institutions, including the tax position of governmental lending agencies, and the relationship which the tax burden of a particular type financial institution has to the availability of investment capital for its own account and to its contribution in supplying the credit needs of our present-day economy, and the question of whether or not the present tax laws are disproportionately responsible for the increasing demand for loans from financial institutions.

An example: Under the present tax laws, the burden is all on debt rather than equity. A corporation can deduct the interest on its debt, but it can't deduct the dividends on its stock.

So now we have created a tremendous debt load on corporations—possibly too great. I don't know, but that is an area we ought to study.

Area 4: The problem of what constitutes appropriate protection to the depositors and account holders of financial institutions by means of Federal or State insurance programs, and the matter of the adequacy, feasibility, and insurability, if you please, of such protection, with particular reference to the practical cost for the protection, on whom the burden of the cost should fall, and the manner in which the protection should be represented to the people.

For example, there we represent to the people that every deposit up to $1,000 and every share account up to $1,000 in savings and loans is fully protected. I just can't believe there are enough resources to do it if we had a tremendous economic collapse. Yes, under most conditions, they are protected; but to represent to the people that in any event they are protected, to me, is immoral.

That is an area that ought to be studied.

Area 5: The matter of existing programs for insuring a financial institution is a question of what conditions such programs are intended to provide insurance against, the problem of whether or not the present level of the accumulated reserves is or is not adequate, and so forth.

Area 6: The matter of a complete review of our central banking system, as related to its responsibility in the field of monetary and credit controls, to determine the adequacy of its present powers and the impact which the exercise of particular powers has upon our present economy, and the different types of financial institutions; the matter of reserve requirements of member banks of the Federal Reserve System; the question of the value of such reserves as monetary control measures; the problem of the impact which the use of such reserves makes upon the banking system generally; the matter of the Federal Reserve System's control generally over the banking system and in fields other than monetary and credit control; the matter of comparative value of selective as against quantitative controls, and the effectiveness of each on the monetary and credit management, each different type of financial institution and the public generally; the problems existing in the area of monetary and credit management as a result of the Government's activities in investing and lending fields and in the money market; and, last, and I think probably equally important for this group to consider, the matter of Government lending and credit, and the laws under which their activities are conducted, with particular regard to:

(a) What is and what is not essential to the common good;

(b) The long-range effects on the Nation's economy;

(c) Achieving better coordination among the many Government lending agencies; and

(d) The question of whether or not such activities are eroding the private enterprise system by, in effect, subsidizing inefficient management at the expense of efficient management.

Now, those are just a few of the things and, if you sit and dig and dig and dig, you can see how broad the scope becomes.

Mr. DELANEY. You could go very far afield there. For example, you could go into taxation, which wouldn't come within the scope of this committee either, that is, the taking of credit for debt and interest payments, while you are not permitted to take your dividend credit. That would go into another field and another avenue.

That pretty well answers my question.

The CHAIRMAN. Mr. TRIMBLE, do you have any questions?

Mr. TRIMBLE. No questions.

The CHAIRMAN. Mr. THORNBERRY.

Mr. THORNBERRY. Mr. Cravens, I have been impressed with your statement. I think you have tried to state—and have done so—briefly the objectives in mind.

I have been a little concerned about some of the statements that have been made about some fear of a depression if Congress, through a regularly recognized committee, were to go into the problems for which Congress is responsible. I don't believe you express that fear, recognizing the Congress has the responsibility.

I am impressed by one part of your statement where you say a study by just one committee of one House of Congress cannot hope to achieve beneficial results.

Now, I note from what you have said here, you have been chairman of an advisory committee to a committee of the other body. You wouldn't say that study did not achieve any beneficial results; would you?

Mr. CRAVENS. If it had been in the area of a monetary study, it would have achieved no beneficial results, although that isn't a good choice of words.

Obviously, any group, conscientiously working on a problem, regardless of how limited it may be, does produce a lot of valuable things; but my concept of this problem is that it would have such a broad national base that, to the ultimate, major objective, it would not produce any major beneficial results.

Mr. THORNBERRY. I understand that—and I am not quarreling with you in the idea, from what you have said from your worksheet, that with the study you have in mind what you are trying to do is have a broad scope—but what I am concerned about is, regardless of personalities, which I think have entered into some of this, and which I think is unfortunate, ultimately—and you recognize it in your statement, even though you go ahead and later say it can't achieve beneficial results; you must know from your service—it must have been a valuable service from what you said in your statement—that what the Senate committee has done did at least achieve one result in your mind, regardless of what somebody else may say,

that you needed a broader study of the monetary system—a committee of Congress does have a responsibility to the Congress and ultimately to the people who send us here for certain objectives, and you wouldn't say a committee of Congress should be prevented from inquiring in the field; would you?

Mr. CRAVENS. Let's take the answer to your question in two parts.

The first part was that the committee I represented did not have on it any Members of Congress. It was a 27-man group, and the job that was put before it was a very small and narrow one compared to this kind of a job; but, even in that particular case, it made its findings, and did its work, and it came up with its conclusions, independently of Congress, so that in effect it was an outside group, and then it made its very point to Congress, which is entirely what I envisage in a proper monetary commission—that it does its work over its allotted time, and then prepares its report to Congress for its action, scrutiny, or whatever it pleases.

Now, I go a step further, and I say it is much better to have a partnership, have the most experienced Members of Congress in that field in partnership with students of the problem, and I think you will achieve better results, even better than we achieve without any partnership.

Mr. THORNBERRY. I think whatever I would say would be argumentative, but I don't believe you did respond to the second part, and that is ultimately the Congress, through its committees, and——

Mr. CRAVENS. Oh, yes.

Mr. THORNBERRY. Having the determination for what should be done.

Mr. CRAVENS. I made that point.

Mr. THORNBERRY. I think that is right, and I just wanted to point that out.

The CHAIRMAN. Mr. BROWN just came in.

Mr. BROWN. I have no questions.

The CHAIRMAN. Mr. BOLLING.

Mr. BOLLING. Mr. Cravens, this point that Mr. THORNBERRY was making is one that concerns me a great deal.

I don't quite follow the thinking that recognizes that Congress has these responsibilities, and if there should be any legislative recommendations, ultimately must act, and yet, at the same time, the implication of your statement that the Congress is incompetent to do the work that leads up to its action.

Mr. CRAVENS. I would have to take issue with you. I would like you to show me any word or any sentence in my statement that in any way indicted the competency of any Member of Congress or any committee thereof.

Mr. BOLLING. I didn't say you said any individual was incompetent, but the burden of the statement and the burden of the approach is that it is not a good idea to have either the full committee or a subcommittee of the full committee charged, under our rules, with the responsibility for this area of legislation do the whole job for which it is responsible.

It seems to me the very technique that was used in the advisory committee of which you were chairman demonstrates very clearly that the Congress and a committee of the Congress, of a single part of the Congress, of the Senate, can get the most competent advisers to sit down and do the most thorough job of advising the Congressional committee as to what its decisions might be.

It seems to me the very committee of which you were the chairman demonstrates how easy it is for Congress to get good people to work out these things.

Mr. CRAVENS. Well, you are missing a very important step there. Yes, the responsibility rests with the Congress; yes, there are undoubtedly many students and technical people who can do a fine job in research work and other factfinding undertakings, but it seems to me that Congress should be the first one to want in between them and this fact gathering, shall we say, professional staff, as you are talking about, a group of men——

Mr. BOLLING. That isn't what I was talking about, if I may interrupt. I was talking about the kind of group you served on.

Mr. CRAVENS. Well——

Mr. BOLLING. I am not talking about the staff in this case. I am talking about the capacity.

Mr. CRAVENS. You have got exactly the same thing there, and it would be exactly the same thing between the staff of the committee of Congress, of the Senate, and the supervising agencies. They developed all the technical data. They did the fact gathering, and this committee did nothing but screen it, appraise it, fit it, and come up with a package that the Senate committee could look at.

That is exactly what you have got in this type of monetary Commission I have got. That is what they would do, and you have done a tremendous job for Congress and for the Nation, it seems to me.

Then you have got one other point: You want—and must have—the broadest kind of public confidence in this.

I have a feeling you will command more confidence if you spread it, than you will if you keep it in either one of the committees of the Congress. I think a joint undertaking is a better way.

The CHAIRMAN. Thank you very much, Mr. Cravens. We are glad to have had you with us this morning.

Mr. CRAVENS. Thank you very much.

The CHAIRMAN. Mr. Allan Sproul, formerly president of the Federal Reserve Bank of New York, is listed as our next witness.

Mr. Sproul, we are happy to have you with us, and we will be glad to hear from you.

You may proceed in your own way.

STATEMENT OF ALLAN SPROUL, FORMER PRESIDENT OF THE FEDERAL RESERVE BANK OF NEW YORK, MARCH 6, 1957

Mr. SPROUL. Thank you.

Mr. Chairman, as you said, I am a former president of the Federal Reserve Bank of New York. I am now a resident of California and director of the American Trust Co. in San Francisco, a director of the Kaiser Aluminum & Chemical Corporation of Oakland, and a part-time worker in my own mental and spiritual garden.

I have here a brief statement I would like to read.

I have sought and I appreciate this opportunity to be heard by your committee on the question of how an inquiry into the nature, performance, and adequacy of our financial system might best be conducted in the interests of the people of the United States, having due regard for the nature and organization of our political institutions.

I am assuming that we are all now pretty well agreed that it is time for such an inquiry. This does not mean, necessarily, that there are such serious defects in the present workings of our financial system as to require major changes and adjustments. Nor does it mean that we have overlooked the dangers of tampering with the sensitive mechanism of a money economy. It reflects, rather, the coming together of a number of suggestions from various sources that, despite the hazards, it is time for a broad, fundamental study to improve our knowledge of the workings of our present system, to see if there are ways in which our performance can be improved, and to increase that public understanding of the operations of the system which is necessary if it is to work most effectively, no matter how it is organized and operated.

My own views are that the best way to proceed with such a study is as the President suggested in his state of the Union message, and as is contemplated in one of the pairs of bills, H. R. 2891 and S. 599, which have been introduced in the Congress. I suggest that it is preferable to proceed in this way, with a small commission of competent citizens, rather than with a mixed Congressional-citizen committee or directly through committees or subcommittees of the Congress, for the following reasons:

1. There are two major kinds of inquiries into the workings of our financial system, and into the methods and administration of monetary and credit policy. One is the continuing scrutiny of performance and the examination of those responsible for that performance, which is clearly the function of Congressional committees or subcommittees. The other is the periodic survey, at relatively long intervals, of the development of our financial system over time, the appraisal of its performance, and the means of its possible improvement. Such a study should be divorced as far as possible from a preoccupation with specific current problems which may warp judgment and prejudice opinion.

2. What is now contemplated, I assume, is the second kind of inquiry. It will require the uninterrupted and uninhibited attention of those who undertake it, over a long period of time. I cannot see how Members of the Congress, with the hundreds of demands which have a proper call on their time and attention, can possibly devote themselves to this one subject in the way I conceive to be necessary. Here is no question of relative competence, but a real question of the best use of available resources.

3. An inquiry of such special character and of such fundamental and long-range significance should be able to command the services of an outstanding staff; of people who have been willing to abandon other more permanent pursuits in order to participate in this undertaking. I think that it will be possible to recruit such a staff only if this inquiry is set apart, by its character, and by the composition of the membership of the commission, from the continuing flow of inquiries which are undertaken by committees of the Congress. It must have a special prestige which will make the best people in the country willing to interrupt their regular careers in order to serve as its staff.

4. One seeming solution of this problem, a mixed Congressional-citizen commission, seems to me to have a special disadvantage. It introduces into the proposed commission, men who have a prior obligation to the Congress to which they were elected and to the committees of the Congress to which they have been appointed. They really cannot commit themselves fully to anything before it comes before them in their legislative capacity, and they certainly should not and cannot commit their colleagues on committees or in the Congress.

5. The job now to be done, as I see it, is one to be completed in steps. The first step would be a broad survey of the whole terrain by a commission of competent, objective civilians, divorced from partisan public and special private interests, and shielded as far as possible from the pressures and the noise of what may be current controversy. The second step would be the sifting of the findings of this commission by the executive and legislative branches of the Government, and the consideration of possible legislation by the appropriate committees of the Congress. And the third step would be action by the Congress on whatever proposals grow out of this study and this sifting. There is no real question of prerogatives or jurisdiction here, and final responsibility will rest with the Congress, of course. The real question is how best to get the job done in the public interest.

I submit that a study by a citizen commission is most likely to start us on the road to this ultimate objective. In the words of

Woodrow Wilson, the study should be undertaken "in the spirit of those who question their own wisdom and seek counsel and knowledge, not shallow self-satisfaction or the excitement of excursions whither they cannot tell."

The CHAIRMAN. Mr. Sproul, would you care to add anything to your statement?

Mr. SPROUL. No; I have nothing to add, Mr. Chairman.

The CHAIRMAN. Mr. COLMER, do you have any questions to ask of Mr. Sproul?

Mr. COLMER. Yes, Mr. Chairman.

Mr. Sproul, in the language of Woodrow Wilson, my knowledge is so shallow on this whole subject that I approach it with great humility and timidity.

As I understood from the reading of your statement, you don't exactly approve of either of the proposed bills, that you think there should be a commission set up composed of citizens generally rather than Members of Congress?

Mr. SPROUL. Yes; that is right.

Mr. COLMER. And you would have representatives on that commission from the various segments of our economy?

Mr. SPROUL. No. I have no candidates for such a commission. That is a job for the appointive power with all the resources that sit at its command for combing the country and drafting the men best suited for the job; but I can say that I do not conceive of this commission as being dominated by any special interest, and certainly not banker-dominated, nor dominated by any special group or made up of representatives of special groups.

I conceive of it as a commission made up of men who by reason of the breadth of their experience and the quality of their judgment would be competent to study and evaluate the opinion of others and the work of an expert staff and to reach sound conclusions in the public interest.

I find it just as repugnant to believe that there are not such citizens as to believe that Members of Congress are swayed by private interests in legislating for the public weal.

Mr. COLMER. I think I could comment on that, sir, but I don't know that it would add anything.

I find that Members of Congress sometimes——

Mr. BROWN. Are pretty human.

Mr. COLMER. Are rather human, amenable to pressures, as well as sometimes citizens concerned about their own interests which are involved; but, as I say, that does not add anything to the statement.

Mr. Sproul, you have had a great deal of experience in this field. You are not apprehensive right now, with the situation being what it is in our economy, that a study might have some rather serious results affecting the stock market, et cetera?

Mr. SPROUL. No, I am not. A study such as we are discussing here—I think a long-range study lasting over perhaps 2 years, of fundamental aspects of our financial institutions and their operations—I don't think would have such adverse effects, or possible adverse effects. It comes perhaps at a fortunate time, when we are not faced with the collapse, the imminent collapse, of any of our financial institutions, and when we are not trying to remedy a serious, current, or immediate situation.

Mr. COLMER. I am sure how I feel about it—and maybe I shouldn't say I am sure you agree with that, but I am sure in my own mind—that the threat of inflation, continued inflation, is a rather serious one, is it not?

Mr. SPROUL. Well, I think there are forces in our economy which constantly create upward pressures on prices and, insofar as that can be called inflation, I think there is a continuing threat of inflation; but at the moment it is not so serious a threat as, again I say, to cause a study, a long-range study, such as this to be interpreted as an attempt to meet a present and critical situation.

Mr. COLMER. Do I understand from that statement, sir, that you are of the opinion that the inflationary trend is not serious?

Mr. SPROUL. No. I say I think there are forces in the economy which constantly raise and create the threat of inflationary pressures. There are other forces which combat that, and there are some weapons and measures in the hands of the monetary authorities and the fiscal authorities which can combat those pressures.

I do not see that the threat of inflation at the moment is a critical and urgent one which needs a study such as this to head it off, and, therefore, I don't see that a study such as this would be interpreted as an attempt to meet a critical, emergency situation.

Mr. COLMER. Just along that line—incidentally, I am a babe in the woods in this thing, as I told you, to start with.

Mr. SPROUL. Yes.

Mr. COLMER. Just what is it that demands such a study now, in just a brief sentence, if you will, please?

Mr. SPROUL. Yes. I think it is a necessity for informing ourselves better of the nature and character and functioning of all of our financial institutions, public and private; the necessity of informing ourselves better than we are now informed as to how those financial institutions have their contact with the money market of the country; the necessity of informing ourselves better how the monetary authorities reach through to those financial institutions by way of the money market, and the necessity of informing ourselves better how fiscal and monetary actions may be used to preserve the stability of the dollar while promoting stable economic growth in the country.

Mr. COLMER. Then do I understand it would be largely educational?

Mr. SPROUL. No. I think it might well lead, after this phase process which I have suggested, to the consideration of legislation; but I certainly think it would be impossible now to prejudge and forecast what such legislation might be. I think that it would be wholly foreign to the whole idea of the study, which is to go at it, as far as possible, without preconceptions of what legislative ends you might ultimately reach.

Mr. COLMER. Do you agree with Mr. Cravens, as I got the import of his statement, along that line, that in the selection of these people, these experts, and so on, the personnel of the commission, the question of political alignment shouldn't be considered, but they should be selected purely upon their qualifications?

Mr. SPROUL. Yes. In the first phase, as I conceive it, they should be selected on the basis of their broad qualifications of experience and demonstrated wisdom and judgment, and not even experts, necessarily. The experts would be the staff who would be selected by them to do the spadework and make the studies for them.

Mr. COLMER. Of course, as you know—if you don't, I will educate you a little bit—the system in the political field is to make the selections upon a basis of political alignment, not less than so many from the party in the majority and not less than so many from the minority.

I quite agree with both of you on that. I don't think that is material.

Mr. Chairman, I can't contribute anything to this matter.

The CHAIRMAN. Mr. ALLEN.

Mr. ALLEN. No. I don't have any questions.

The CHAIRMAN. Mr. MADDEN?

Mr. BROWN?

Mr. BROWN. As I understood your statement, Mr. Sproul, and as I interpret it myself, you would have the feeling, whether it be a civilian commission responsible to the President and the Congress, or a joint committee of the Congress, or a committee from one branch of the Congress, that the membership of that committee should be made up of men who do not have any preconceived ideas and viewpoints that they have expressed publicly or any criticisms against this or that activity or this or that function of the Government, so as to be entirely free, at least in the public mind, regardless of how they might attempt to be impartial, and so that in the public mind there would be confidence that this was an impartial investigation and not an investigation to put over any particular idea as to how to handle our banking system and our national economy generally?

Mr. SPROUL. That is right. I think as far as possible these men should not be grinding any particular axes or promoting any particular point of view in the studies of this commission.

Mr. BROWN. Regardless of whether it is a commission or a committee of the Congress, do you feel it would be possible to find men of that type who would be so objective that even their past experiences or their own experiences or interests or views wouldn't creep into the action of this group?

Mr. SPROUL. I think it should be possible to find a small civilian commission which would qualify under those specifications.

You would know better than I whether it would be possible within the ranks of Congress to find a similar group. I do think, however, the Members of the Congress are called upon, by their daily labors, to take positions on various current and prospective problems which perhaps would lessen the chance of finding such men there to make such a study as is suggested here.

Mr. BROWN. It has been my experience with public officials—and that includes Members of Congress—that they are just a little reluctant to admit they are wrong on something or other they have done.

We, here in Congress, generally try to defend our votes and our positions on public issues, and we, of course, unlike private individuals, are on public record where we have more or less committed ourselves to certain philosophies or programs, so that it is pretty difficult at times to disassociate ourselves from this or that stand, even if you are convinced in your own mind and soul that you made a mistake before.

Would that also apply to civilians?

Mr. SPROUL. It would apply to some extent to civilians. I think we are all, to the extent we have expressed ourselves publicly, reluctant to backtrack; but civilians don't have to express themselves publicly as often as Congressmen do, and it would be less apt to have a record, past record, which would color current and future thinking.

Mr. BROWN. I make the honest part of my living, as I said here before, out of the newspaper business, and, despite my attempts to disassociate myself from the newspaper business, when I consider different pieces of legislation coming before this Congress, I do have confronting me—and I realize and I do appreciate—the fact that I understand or believe I understand the problems of a publisher, and I do sort of have a bit of prejudice in that direction.

I sometimes think that Mr. Allen, for instance, doesn't understand the problems of the newspaper business like I do, and he doesn't appreciate the difficulties that confront us. So that leads me to this question: You have been head of the Federal Reserve Bank of New York, and you know its workings and you understand the banking business. If you were on this Commission, do you think you could set that aside completely and not particularly have the viewpoint of the Federal Reserve System, based on your experience and knowledge of it, and maybe be in the same position that I am with Mr. Allen and say,

"Well, you are just a little stupid; you don't understand the problem like I do"?

Mr. SPROUL. Of course, if I were on such a commission, my views would be somewhat influenced by my experience in the Federal Reserve System; but I can say this: A career in the Federal Reserve System is a career, as I have experienced it and as I believe it to be, in the public service, which would not interfere with an objective approach to problems of this sort.

I think that may be a very special case—that you are not serving private interests in the Federal Reserve System; you are not serving banking interests; you are in the public service while you are in the Federal Reserve System, and it would be an easy step from there to the work of such a committee as this.

Mr. BROWN. Of course, you have made the point—and I think it is a very good point—that the man who has spent his life in the banking business or in the investment field or in Federal Reserve work, or this or that, has a greater experience and is in a better position to investigate and study all of these problems than those of us of Congress who have not been connected with financial and monetary activities, and I think you have also made a very good point, Mr. Sproul, and it certainly has been my experience in 20 years here, that Members of Congress, as individuals, do not have time to go out and do the spadework that is necessary to get the information and the material upon which they should base their judgment, using their own commonsense, as representatives of the people, in determining what legislative action or anything should be taken.

I have watched these committees of Congress work for a good many years, and before that in the legislature of my own State, and usually the work of a committee depends not only upon the intelligence and the ability of the members of that committee, and the soundness of a suggestion, but upon the type of staff and the type of information they are able to obtain, and they usually have to lean on someone else to get that information and factual data or they don't function well.

I have seen some committees and, if I might be a little disrespectful, I have seen some chairmen of committees—not in this body, of course, but in another legislative body—who have gained great credit in the public mind despite the fact they didn't have anything to do with it. The work was done by somebody else who helped them, and all they did was come out and act as a mouthpiece to give it to the public and to the Congress.

I think you have made two very good points this morning, and I think you have had a very logical as well as a short presentation of the problem. It concerns all of us greatly because I am convinced there isn't any Member of Congress but what wants to do the best thing in connection with seeing to it that we have a stable, proper, monetary system, and something that will help perhaps prevent inflation and also prevent deflation.

The credit system of this country right now is in a situation where I think it deserves a great deal of study, and it must have it. I am a little worried, to be frank about it, about some of the situations that now exist.

That is all, Mr. Chairman.

The CHAIRMAN. Mr. DELANEY.

Mr. DELANEY. Just one question: I believe you stated it would take at least 2 years to make a study of the scope you have in mind. That means we couldn't anticipate any action in the present Congress?

Mr. SPROUL. That is right.

Mr. DELANEY. Thank you.

The CHAIRMAN. Mr. THORNBERRY.

Mr. THORNBERRY. I have no questions.

The CHAIRMAN. Mr. SCOTT.

Mr. SCOTT. No questions.

The CHAIRMAN. Mr. BOLLING.

Mr. BOLLING. Mr. Sproul, in your statement you had a very powerful paragraph dealing with the necessity for having absolute objectivity—it was much better stated than this—with no self-interest, and so on. Over the years, in all the administrations, there have been a great many Presidential commissions. Do you know of a single Presidential commission that has come up with a recommendation which was contrary to the opinion of that administration?

Mr. SPROUL. No, but that doesn't mean there haven't been any. It just reflects possibly my ignorance of the findings of all of the Presidential commissions; but, as I understand the present situation, the executive branch of the present administration has not announced any views or opinions with respect to our financial institutions and their workings, so that there wouldn't be that question. You wouldn't have to face that question in the commission, as to whether it was differing with, or agreeing with, or compromising with, an executive view.

Certainly, for my part, I think such a commission could and should differ with the executive view if the evidence brought before the study may indicate the necessity or desirability of such difference.

Mr. BOLLING. Thank you, Mr. Sproul.

The CHAIRMAN. Mr. O'NEILL.

Mr. O'NEILL. No questions, Mr. Chairman.

The CHAIRMAN. Thank you very much, Mr. Sproul. We appreciate your coming in.

Mr. SPROUL. Thank you for giving me the opportunity to come in.

HEARINGS ON HOUSE RESOLUTION 85, INVESTIGATION OF MONETARY PROBLEMS

HOUSE OF REPRESENTATIVES,
COMMITTEE ON RULES,
Washington, D. C., March 13, 1957.

The committee met, pursuant to notice, at 10:40 a. m., in room G–12, United States Capitol. Hon. HOWARD W. SMITH (chairman) presiding.

Present: Representatives SMITH (presiding), COLMER, MADDEN, DELANEY, TRIMBLE, THORNBERRY, BOLLING, O'NEILL, ALLEN, BROWN, LATHAM, and SCOTT.

The CHAIRMAN. Mr. PATMAN, I'm sorry that I didn't know we were going to meet at 11 o'clock.

Mr. PATMAN. If you can give me 15 minutes, I will get through.

The CHAIRMAN. That will be fine. Does anybody else want to be heard any further on this Patman resolution?

Go ahead, Mr. PATMAN.

STATEMENT OF HON. WRIGHT PATMAN, REPRESENTATIVE IN CONGRESS FROM THE FIRST DISTRICT, STATE OF TEXAS

Mr. PATMAN. With your permission we have here and will have distributed a copy of my statement and a copy of an article from the Review of Economics and Statistics, published by Harvard University Press, concerning an investigation that was conducted by me as chairman in 1952, which, of course, is, I think, very fine from the viewpoint of the committee and the chairman.

I want to thank the committee for this opportunity to appear before you. I know it has required a great deal of patience on the part of the members to sit here and listen to extensive testimony on this resolution.

It is apparent, however, from the distinguished witnesses who have asked to appear before you and testify on House Resolution 85 that the subject matter of the resolution is considered to have more than just passing significance.

If there were any doubts at the start of this hearing about the intense national interest in our monetary policies, the state of our financial structure and institutions, the Government's lending and insuring agencies, and the Government's role in monetary affairs, then those doubts should be resolved by now.

Therefore, I am not going to take up the time of the committee today in restating the reasons for this study or the matters that need looking into.

However, I do want to put into the record the statement I sent to the members following my earlier appearance before the committee which covered those points.

May I have that permission, Mr. Chairman?

The CHAIRMAN. Yes.

(The document referred to is as follows:)

"STATEMENT BY WRIGHT PATMAN, MEMBER OF CONGRESS, CONCERNING HOUSE RESOLUTION 85, FEBRUARY 20, 1957

"Mr. Chairman and members of the committee, at the last meeting of the Rules Committee, I explained why I believe a full and complete study of our national monetary and credit policies and the adequacy of our financial facilities is needed. I also gave the reasons why I felt that Congress rather than the Executive or outsiders named in part by the Executive should conduct this study.

"Following my presentation, it became clear from the questioning that your committee wanted to know what specific objectives I had in mind in offering this resolution; what specific areas did I feel ought to be looked into.

"Let me say first, in answer to the chairman's question as to whether I think the Banking Act of 1935—the Glass-Steagall Act—should be amended, that it will depend upon the findings that the committee makes after it has looked into the functioning of our financial facilities. If it is found that any changes in the laws and regulations governing their operation are needed to improve our ability to meet the credit and capital requirements of an expanding economy and to preserve our competitive enterprise system, then amendments may be suggested to strengthen existing banking laws, including the Glass-Steagall Act.

"Another question by Representative COLMER was directed toward the problem of inflation control. This unquestionably should be an important part of the study. One of the things that has impressed me is that rather severe monetary restraints have been imposed—six increases in the rediscount rate in 1 year—and interest rates have been forced up clear across the board without visibly curbing important price increases. It is also evident that general credit controls impose excessive burdens upon some groups in the economy who scarcely affect inflationary trends while other groups that exercise an important role in the inflationary spiral are scarcely touched by general credit controls.

"So the study should very definitely look into the effectiveness and adequacy of Federal Reserve techniques for fighting inflation. Of course, in this whole question of what constitutes inflation, we should want to look into the distinctions between normal and necessary expansion and an inflationary trend. And, similarly, in fighting inflation with monetary weapons, we will want to make sure that we don't promote monopoly and keep postponing urgent school construction and housing. So we will have to find ways and means of permitting certain public programs to move ahead and small business to get the credit it needs.

"These are only a few of the questions that would be covered by the study. There are many others. Let me mention briefly some others I think will need careful study:

"1. The question of required reserves of member banks needs looking into, particularly the level of reserve requirements and differential reserve requirements.

"2. When first conceived by Carter Glass, the Reserve System was supposed to be essentially a system of regional banks designed to assure that credit would flow in needed amounts to the different regions of the country. The regional system was supplanted by a central bank in 1935. Now we find that chronic deficits in credit are being experienced by some regions while credit is plentiful in others. I note, for example, that FNMA will buy mortgages at 95 in some regions and say 91 or 88 in others. In other words, this is a reflection that money is more accessible in some places than others. The study should find out the extent of these variations; what causes them; and how they can be overcome.

"3. Many new and greatly expanded sources of credit have developed in the last 20 years that are out of reach of monetary controls. Institutions that compete for savings and make credit available are subject to different regulations and laws. We need to look at the laws and regulations governing all public and private institutions.

"4. Finally, there is this question of the status and responsibility of the Federal Reserve System.

"Let me point out several things we need to consider. There are no vacuums. As nature abhors a vacuum, so does politics. The question of control of the Federal Reserve is a very vital question that affects the life of every single American. It affects our free-enterprise system.

"It is contended that the Federal Reserve should be kept free from political pressures. But what about other kinds of private pressure and influence? What safeguards or controls does the public have to assure that such influences are not being exerted?

"Well, it is said that the Federal Reserve is responsible to Congress and that this affords the protection the people need. But how responsible is the Federal Reserve to Congress? I have here in my hand correspondence between the Chairman of the Federal Reserve, the chairman of the House Government Operations Committee and the Controller of the General Accounting Office. The correspondence discloses that the Chairman of the Federal Reserve refused to allow the Controller of the GAO to conduct an audit in accordance with instructions from the chairman of the House Government Operations Committee. This was a case of the agent refusing to make an accounting to the principal.

"Let me show you what is involved here.

"Many Members complain about waste and uncontrolled expenditures of taxpayers' funds. I have yet to hear a single Member complain that he has no way of controlling a single penny that is spent by the Federal Reserve, which gets its funds from the taxpayers and is a public agency of the Congress.

"Here are some figures that may interest you.

"From 1946 to 1956, the 12 Federal Reserve banks received interest on United States Government securities and profit from sales of such securities amounting to a total of $4,002,588,985. Their net current expenses, excluding outlays for which they were reimbursed by other public agencies with public funds, totaled $1,008,041,364. In other words, the interest they received from the Treasury made it unnecessary for them to come to Congress to ask for appropriations and thus Congress could not control or review expenditures of public funds.

"Let me point out that the powerful New York Federal Reserve Bank received nearly $1 billion from the Treasury in interest and from profit on sales of United States securities in the same period. Again, it spent $216 million for net current expenses out of public funds over which Congress had no control and no power to review or audit.

"So it seems to me that an important area for study by the committee will of necessity be the question of responsibility and accountability of the Federal Reserve."

I have asked to be heard briefly at this time so that I might have the opportunity to respond to some of the objections that have been raised against a single Congressional committee conducting the proposed monetary study.

You have heard the witness for the administration, Dr. Burgess, state quite unequivocally that he was certain no single committee of the Congress could command the services of the very best experts and technicians needed to help do this job, while a commission appointed by the President would have no difficulty getting them to serve.

When I heard Dr. Burgess make that statement, I was shocked. I just did not believe that our fine economists, monetary experts, and other technicians would refuse to cooperate with a single Congressional committee.

So I sent a telegram out to a group of outstanding economists at the universities and in private research organizations.

I asked them whether Congress could count on nonpartisan expert assistance, such as their own, in the event a Congressional study went forward. Here are the replies I received.

I will read one of them. I sent out about 35, Mr. Chairman, and I got about 30 replies back. I think that is pretty good. I never had that percentage before on anything else that I sent out.

Dr. Galbraith, professor of economics of Harvard University, said this in his telegram, and here are the telegrams that I received—every one of them.

"You can certainly count on every assistance. There is a tradition of candid and friendly cooperation between Congressional committees and economic experts, and you have done much to foster it yourself. A Congressional study, which in the nature of the case, will be broadly based and conscious of all people and points of view, would be far more attractive to independent scholars than a commission dominated by the administration. The latter would be handicapped for obvious reasons in examining present policies including those affecting farmers and small-business men as well as the reasons for the failure to control living costs. As a result there would be overwhelming temptation to bury the important issues in generalities and words. Am not being critical. This is usual result when an interested body, whatever the party, examines itself."

That is signed by Dr. Galbraith. We had similar telegrams pledging academic assistance—telegrams from Dr. Clark, professor of economics, Columbia University; Dr. Heller, professor of economics; John H. Kareken, and Harlan M. Smith, University of Minnesota; Dr. Seymour E. Harris, professor of economics and chairman of department of economics, Harvard University; Dr. Paul M. O'Leary, professor of economics, Cornell University; Dr. Alvin H. Hansen, Harvard University; Prof. Everett E. Hagen, MIT; Benjamin Higgins, professor of economics, Massachusetts Institute of Technology; William H. Miernyk, director, bureau of business research, Northeastern University; Dr. Sidney Rolfe, economist, Commercial Investment Trust, Financial Corp., New York; Dr. V. Lewis Bassie, director, bureau of business research, University of Illinois; Arthur R. Burns, Columbia University; and Leon H. Keyserling. You know who he is here.

H. Christian Sonne, chairman, board of trustees, National Planning Association; Richard A. Lester, chairman, department of economics, Princeton University; Prof. Paul A. Samuelson, MIT; Prof. Lorie Tarshis, Stanford University.

Prof. Edwin E. Witte, chairman of the department of economics, University of Wisconsin; William Haber, professor of economics, University of Michigan; Howard R. Bowen, president, Grinnell College; Jesse Burkhead, professor of economics, Syracuse University; Prof. James Tobin, Yale University; Robert R. Nathan Associates, Inc., here in town.

Dr. Gerhard Colm, director of research, National Planning Association; Prof. Ben W. Lewis, Oberlin College; and others that have come in since this was mimeographed.

I don't think you could have had a better response than that. I think it shows conclusively that Dr. Burgess was wrong as was Mr. Cravens, of St. Louis. Mr. Cravens said something to the effect that a single committee of a single House couldn't do the job, but in responding to Mr. THORNBERRY'S question, he said he was chairman of a group working with a single committee on the Senate side, so that contradicts that on its face.

These telegrams should remove any doubts about whether a single Congressional committee, can get objective, unbiased, outstanding experts from private life and from our great universities to serve and assist on the proposed monetary study.

In addition to the objection that a single committee might not be able to recruit a staff of sufficient standing to help do an effective job, some witnesses expressed the fear that a study undertaken by a Congressional committee might be limited in its usefulness, since Congressmen have to take public positions on the issues.

There were some statements made that probably the study would not be an objective one or something like that and too much bias. The truth is, I am probably the least biased person that has appeared on this, because I know so much less than these fellows like Mr. Sproul and Mr. Burgess. They have more bias because they have more things to be biased on.

It was stated that great harm could result from a study undertaken by members who appeared to have preconceived ideas and prejudices toward current monetary policies and the regulation of financial institutions.

I am certain that if a Congressional monetary study goes forward, it will be conducted as others have been in the past, in an impartial, objective manner.

It should be obvious, however, that in a field as controversial as this one, the experts in the field and those who have studied it over the years would have to be pretty unusual not to have a point of view.

In this connection, when Dr. Burgess testified, he mentioned three outstanding persons whom he felt would be qualified to serve on the proposed Commission. I have a very high regard for their objectivity and expertness in the field, but I would like to point out that they definitely have expressed themselves publicly on important questions which a monetary commission would consider.

For example, Dr. Burgess mentioned Prof. Lester Chandler of Princeton, whom I respect and have known for many years, as someone he would like to see on the Commission.

Yet he did not seem to think that Professor Chandler's role in the Congressional hearings leading to the 1951 accord between the Treasury and Federal Reserve indicated he had any preconceived ideas or would necessarily be prejudiced on the subject of the independence of the Federal Reserve.

Dr. Burgess also proposed Mr. Allan Sproul, whom I admire and respect, too, as a prospective candidate for the Commission. I do not say that Mr. Sproul's long association with the Federal Reserve Bank of New York and his service as vice chairman of the Open

Market Committee should render him ineligible. But I do say that after 30 years of service with the Federal Reserve, Mr. Sproul has a point of view.

Mr. Sproul has on many public occasions clearly expressed himself on important questions that will come up in this study. For example, Mr. Sproul is on record in favor of direct Federal Reserve authority to regulate consumer and mortgage credit financing.

Mr. Sproul has also stated publicly that he is opposed to having the expenditures of the Federal Reserve banks brought under the budgetary control of Congress and subsequent review by the General Accounting Office.

These represent substantial issues, which should be considered in any monetary study. Clearly, Mr. Sproul has preconceived ideas on these subjects.

Dr. Burgess suggested that Mr. Frazar Wilde would make a fine member of the proposed Commission, and I do not doubt it. But it is equally true that Mr. Wilde has certain notions and ideas about the role of monetary policy in our economy.

As chairman of the Research and Policy Committee, of the Committee for Economic Development, Mr. Wilde has expressed his views on many of the issues which will be covered by the proposed monetary study.

As president of the Connecticut General Life Insurance Co., Mr. Wilde has to look at questions of monetary policy from the practical business point of view. This is not to say, however, that Mr. Wilde would lend his support to policies which he did not believe were in the public interest.

The point I am making is that intelligent, observant individuals have points of view and they cannot shut them out from their thinking just because they are called upon to sit upon a commission and study questions that will affect public policy.

It would be foolish for me, too, to deny that I do not have firm convictions on important issues of monetary policy, I was chairman of a Congressional subcommittee which conducted hearings and issued a report on general credit and debt-management problems. Dr. Burgess praised those hearings in a speech he made December 29, 1953, at a joint meeting of the American Economic Association and the American Finance Association here in Washington at the Statler Hotel.

Referring to what he called "a milestone perhaps in the history of finance in this country," he said, "was the fact of the Douglas and Patman reports." "These reports," he added, "built up a volume on this whole subject of money that is most impressive. And the reports as they came out educated public opinion."

I might mention, too, that those hearings and the report of the subcommittee were characterized as highly valuable and completely objective by newspapers and magazines, including the banking magazines, which at the start of the hearings voiced doubts about the chairman's desire to give all the interested parties a fair and impartial hearing. I would like to offer for the record some of those evaluations of the Patman subcommittee's 1952 study.

I would like to put them in the record, Mr. Chairman, if you please. This is one I called to your attention a while ago, and you have a copy before you now, from the Harvard University Press.

(The documents referred to appear at the end of Mr. PATMAN's testimony.)

I want to say a word now about the analogy drawn by Representative BROWN frequently during these hearings, between the Hoover Commission and the type of body that would be best suited to conduct the proposed monetary and financial institutions study.

As Representative BROWN knows, the Hoover Commission was established to deal with the reorganization of the entire executive branch. No single committee of Congress was authorized to do the job. Every committee of the Congress would have had to be called in. More important, the function of the Hoover Commission was to make reorganization plan recommendations. Under the Reorganization Act, the writing of reorganization plans was expressly made an Executive responsibility. Congress could not initiate them. Congress cannot even change a reorganization plan which the Executive submits. If the Congress fails to act, the plan becomes law.

That is why it was not improper for the Executive to take the leading responsibility for the Hoover Commission study and why the Executive-appointed-commission approach was logical as furnishing a basis for a reorganization plan.

The initiative and responsibility in the field of reorganization of the executive branch was clearly the Executive's under the Reorganization Act of 1946.

But does it necessarily follow that the Hoover Commission approach should be applied to an inquiry into national monetary policy and our financial institutions which will provide the basis for Congressional legislation and policy determination in this field?

The answer is "No." Indeed, just the reverse is true.

At the very beginning of the Constitution, article I, section 8, the Congress is given the inescapable constitutional responsibility for determining monetary policy. The Executive clearly does not have any responsibility, other than the responsibility to administer the policy we determine.

The issue as between a National Monetary Commission, a majority of whose members would be appointed by the President, with a mandate to make studies and recommendations for monetary legislation, and a Congressional committee study, clearly involves a constitutional question.

In the monetary field, Congress must write the entire legislation by itself. The Executive has no authority whatsoever in this field, other than to sign or veto the bills, which Congress initiates, and carry out the provisions of such bills as become law. The Executive cannot and should not be permitted to intrude into the monetary field, unless Congress desires to abdicate its constitutional responsibility.

If the Congress is to carry out its constitutional duty, it—and not the Executive—must assume the leading responsibility for any study or studies directed toward implementing its own clear constitutional obligation.

I insist that the proposal to authorize a national monetary commission, such as is envisaged under H. R. 3660, with a majority of its appointees, and its chairman and vice chairman named by the President places in the Executive the leading responsibility for a study directed toward helping Congress implement its constitutional obligation to determine monetary policy, and thus is violative of the separation of powers provided by the Constitution.

You have heard it argued that experts should be on the Commission to aid the Members of Congress. Regarding this, the administration bill provides for more experts than it does Members of Congress.

The President is authorized under H. R. 3660 to appoint 9 private citizens, while only 4 members are to be appointed from the Congress. This is putting the experts on top, not on tap.

Who will the experts be? It is clear they will come from the field of private banking. Otherwise, then what is the reason for section 2 (e) of H. R. 3660 which is designed to exempt the President's appointees from provisions of the Code which are applicable to cases of conflict of interest?

I am afraid that under the guise of seeking to aid Members of Congress, the Commission study proposed by the Executive could turn out to be a banker-guided study.

Surely Congress would not want itself placed in the position of appearing to favor a banker-guided study of monetary policy over a Congressional committee study.

If expert assistance is needed, then it is the responsibility of the Congress to designate the experts it needs and keep them on tap—not on top.

For the Executive to be given authority to name the experts to assist Congress in carrying out its constitutional responsibility in the monetary field is just as inappropriate as it would be for Congress to appoint the Director of the Bureau of the Budget to help the President discharge his constitutional responsibilities.

Furthermore, Congress is being asked by the Executive to participate in the anomalous spectacle of authorizing the President to take primary responsibility in appointing a group whose ultimate function will be to advise the Congress on how to legislate in the monetary field.

Time and time again in recent years, the Congress has been urged to turn over its legislative responsibilities to the Executive.

Congress sooner or later—and I hope it is soon—will have to face up to the question of performing its responsibilities under the Constitution and of carrying out the duties directly entrusted to it by the people who elected us.

If we abdicate our responsibility; if we say that the problems of government have grown too complicated and too complex for us; if we agree that the Executive and his appointed experts should, in the words of Representative BROWN, "bring up facts and information * * * and recommendations for us" so that "the Congress doesn't have to go all over it again," then we are deceiving the people who elected us.

We are, in effect, admitting that we are unable to do the job the people elected us to do. Moreover, we are admitting that our present system of government doesn't work when we say that Congress can't work without the President assuming part of its legislative responsibility.

In conclusion, let me say this. The Committee on Rules of the House of Representatives has a unique opportunity here. If after these hearings, the Committee on Rules rejects the National Monetary Commission proposed in H. R. 3660 and other variations thereof designed to bypass a Congressional study and approves House Resolution 85, it will not only have made it unequivocally clear that it has confidence in a committee of the House to perform its duties competently and without bias in an area within its jurisdiction but, more than that, it will have rejected an attempt at Executive usurpation and obstruction of Congressional investigative power.

By approving House Resolution 85, the Rules Committee will be reaffirming the right of Congress to act in a field in which it has clear constitutional responsibility, without awaiting the pleasure and process of the Executive.

It will help restore public confidence in the Congress.

Members of the Banking and Currency Committee are not so overburdened that they cannot find time to devote to this highly important problem of monetary policy.

And we reject the view that the highest and best judgment in this field is that of the experts. On a matter which affects the welfare of every citizen—affects the whole economy of the United States—I say the highest and best judgment is the Congressional judgment, rather than expert judgment, precisely because our judgment is a general judgment. It is representative of, and similar to, public judgment.

That is the essence of our democratic, representative government.

Thank you, Mr. Chairman.

The CHAIRMAN. Any questions?

Mr. ALLEN. I have a question.

The CHAIRMAN. Did you have any?

Mr. MADDEN. No. I asked Mr. PATMAN the other day when he was up here. I am very much for your resolution and want to commend you on your statement here.

Mr. PATMAN. Thank you, sir.

Mr. ALLEN. At the bottom of page 1, you say you sent this telegram. Do you have a copy of that telegram?

Mr. PATMAN. Yes, sir. I thought I had it, the telegram. This is the third statement I have gotten up for this committee.

Mr. ALLEN. Will you read the telegram?

Mr. PATMAN. I will put it in the record.

Mr. ALLEN. Do you have the telegram itself?

Mr. PATMAN. I am trying to shorten it, and I left it out of this statement, but I quoted what it contained.

Mr. ALLEN. I would like to have you read it to me now.

Mr. PATMAN. I don't have it now.

Mr. ALLEN. Does one of your assistants have it now?

Mr. PATMAN. I am asking him to look it up. Wait just a minute.

This is Washington, D. C., March 1, 1957. "Those opposing Congressional study of monetary policy and financial institutions warning that unless guided by banking communities there will be no hope of getting high level expert assistance. Can Congress count on effective nonpartisan assistance such as your own in event Congressional study goes forward? This, of course, implies no personal commitment to serve, but expressions of your own attitude."

Mr. ALLEN. Will you read that again, please?

Mr. PATMAN. This is addressed alike to Dr. Galbraith and all the different ones here.

Mr. ALLEN. What was the telegram? Read it slowly.

Mr. PATMAN. "Those opposing Congressional study of monetary policy and financial institutions warning that unless guided by banking community there will be no hope of getting high level expert assistance.

"Can Congress count on effective nonpartisan assistance such as your own in event Congressional study goes forward? This, of course, implies no personal commitment to serve but expressions of your own attitude."

Mr. ALLEN. I don't recall any evidence when they said there was hope of getting any.

Mr. O'NEILL. A flat statement by Burgess when I asked him.

Mr. BOLLING. Absolutely flat statement.

Mr. ALLEN. No hope of getting any?

Mr. PATMAN. Yes.

Mr. O'NEILL. I said to Mr. Burgess, I recall, "We are supposedly the world's greatest legislative body." He says, "No supposedly, you are."

I said, "Do you mean to tell me, in your opinion that we, as this great legislative body, couldn't get competent help unless we put it into the hands of the President or put it into the hands of a bipartisan committee, as you say. I mean a committee of Congress and members outside of Congress?" He said, "Very definitely you couldn't."

Mr. ALLEN. No hope.

Mr. O'NEILL. You must have the transcript here.

Mr. PATMAN. I have it quoted here. May I read it?

"Secretary Burgess. By all means joint because—I speak for the people who have got to furnish the information—if we are going to have two separate committees at work here, the difficulty about getting up suitable material and taking care of it is a terrific burden; but, more than all else, this commission, both in terms of getting the right people to come as witnesses, in getting the right people to come as staff assistants, as aids to it, and in its findings, if it is going to do any good, has got to command the confidence of the people of the country, and the joint commission that had on it both Senators and Representatives and people from private life of experience and reputation, would certainly command very much more of all those things than simply a single committee of the House or the Senate.

"Mr. O'NEILL. One other thing, Mr. Burgess: here we are supposedly the world's greatest legislative body.

"Secretary BURGESS. We are.

"Mr. O'NEILL. We are.

"You haven't enough confidence that this body could get dedicated men to do a job without bringing in substantial businessmen?

"Secretary BURGESS. It is conceivable; yes. I think it is.

"Mr. O'NEILL. How about these men you mentioned that you would like to see working in the committee?

"They are dedicated men, and wouldn't they work as part of a task force?

"Secretary BURGESS. My judgment, Mr. Congressman, is they would not agree to serve with an investigation simply conducted by one committee of this body. They wouldn't think it was good enough."

They say that is a reflection upon our system of government.

Mr. ALLEN. If you take out that one sentence, yes. You are asking this group of people—what did you say about nonpartisan?

Mr. PATMAN. Let me read you what Burgess said before so as to also make it more enlightening to you.

You are probably forgetting something he said. Dr. Burgess said: "You have before the Congress at the present a number of bills. If some of these bills are passed, you would be having the House Committee on Banking and Currency conducting a separate investigation and at the same time have the Senate Banking Committee doing exactly the same thing, and those of us who will have to give a great deal of time preparing material for it will simply not be able to give it the attention—any one committee—that we ought to, and we will be running off in several directions and you won't get the same focus of attention and interest in the country that you would if you could get together a group that commanded the confidence all through the country and was able to get the time of the best people to serve as experts and come before it."

Now let me read you the telegram I sent out.

Mr. ALLEN. About the nonpartisan.

Mr. PATMAN. "Those opposing Congressional study of monetary policy and financial institutions warning that unless guided by banking communities there will be no hope of getting high level expert assistance. Can Congress count on effective nonpartisan assistance such as your own in event Congressional study goes forward? This, of course, implies no personal commitment to serve, but expressions of your own attitude."

Mr. ALLEN. What would any nonpartisan American, how else could he answer the telegram? I am reading the answer from J. M. Clark, professor of economics, Columbia University.

"I am not a financial expert; am sure experts willing to cooperate in proposed inquiry."

That is one. They couldn't do anything but answer the way you write the telegram. Could they say "No," the people wouldn't be willing to give the advice to a Congressional committee? Would it be possible to get a different answer? Here is a couple of more of them from Prof. Ben W. Lewis, Oberlin College.

"Congress can always count on high level expert assistance from economics profession whether for Congressional committees or Presidential committees authorized by Congress."

How else can they answer those things? How would any American answer if you get a letter, can we count on you to help a Congressional committee?

Mr. PATMAN. Mr. Burgess answered it differently. He said we wouldn't.

He said our House wasn't big enough. That is an attack on the system of government.

Mr. ALLEN. The way the telegram is worded you couldn't expect some American college professor to write back, "You can't count on us."

Sure, they are compelled to answer your telegram that way. Here is one:

"I am confident that expert nonpartisan assistance will be available for any dispassionate inquiry into monetary policy.

"Prof. JAMES TOBIN,
"Yale University."

What else could a person answer but come back with those kinds of replies?

Mr. PATMAN. It answers Dr. Burgess. He said we couldn't get the right kind of people.

Mr. ALLEN. Robert Nathan & Associaties says:

"Responding your wire wish to assure you that we would certainly be prepared to assist any group authorized by the Congress to study monetary policies and financial institutions."

How else could an individual American answer a telegram as you have worded it there? Could he write back saying, "No, you can't depend upon people not to cooperate with the Congressional committee any more than if they ask you to start beating the wife."

Mr. O'NEILL. They can answer it as Seymour Harris answered it:

"Badly need investigation of the monetary problems; this investigation should be undertaken by the Congress not by the administration."

They all have the same opportunity.

The CHAIRMAN. I have to remind you there is a quorum call on.

Mr. ALLEN. That's the only question. I couldn't conceive of any American writing back differently saying that for nonpartisan advice and assistance.

Mr. PATMAN. I couldn't conceive of Dr. Burgess making up such a statement.

Mr. LATHAM. I have a few questions and Mr. SCOTT has a few.

The CHAIRMAN. Mr. SCOTT is not here.

Mr. LATHAM. He went to answer the quorum call. I suggest that we answer the quorum call and ask the witness to come back.

The CHAIRMAN. Do you want to come back a little later?

Mr. DELANEY. I think we could try to finish up with this witness.

The CHAIRMAN. Let's come back after the quorum call.

(Recess.)

The CHAIRMAN. Any further questions of Mr. PATMAN?

Mr. SCOTT?

Mr. SCOTT. Mr. LATHAM has some questions.

The CHAIRMAN. Mr. LATHAM said Mr. SCOTT wanted to ask a question.

Mr. ALLEN. Let them go ahead.

Mr. LATHAM. Mr. PATMAN, I think that reading the telegrams which you sent out I can understand why you got the answers that you did. I think that you have in the telegram, you assume or state certain things which are not the fact. For instance, you say, "Those opposing congressional study of monetary policy" and then later on "Can Congress count on effective," and so on. Actually what you propose with your resolution is really a subcommittee study; isn't it? It is not the whole Congress.

Mr. PATMAN. It is the committee that has jurisdiction of the subject, the Banking and Currency Committee.

Mr. LATHAM. It would be a subcommittee of the full committee?

Mr. PATMAN. The whole committee or a subcommittee.

Mr. LATHAM. I think that destroys the whole basis of your attack on the statements of Mr. Burgess who was here. Because his thought was directed, his thought that it would be difficult to get some of these prominent people to lend their full assistance to an inquiry was directed to the idea that this was going to be carried on by a subcommittee of the full committee of the Congress and not by the Congress itself.

It would be different in the whole Congress, if this were a full Congressional proposition.

Mr. PATMAN. The whole House would be doing it if the House passed a resolution the House would be backing it.

Mr. LATHAM. That is what you say in this telegram and that is why you got those replies. But actually it is a subcommittee investigation.

Mr. PATMAN. I don't agree with you. It is the House of Representatives investigation.

Mr. LATHAM. It is, in a sense, but actually it is going to be done by a subcommittee and that was certainly what Mr. Burgess was directing his remarks at in my humble opinion.

Mr. PATMAN. May I invite your attention to the fact that he used the phrase, "A single Congressional committee"?

Mr. LATHAM. The telegram doesn't say that, it speaks about Congress.

Mr. PATMAN. We are talking about different things.

Mr. LATHAM. Of course, people will cooperate with Congress. I believe there is another statement in your telegram.

Mr. PATMAN. What is it?

Mr. LATHAM. Isn't this untrue? You say here, "Those opposing Congressional study warn that unless guided by banking community."

Mr. PATMAN. That's right.

Mr. LATHAM. Who has suggested that this study as proposed by Mr. TALLE would be guided by a banking community? I haven't heard that, I don't think.

Mr. PATMAN. I am sure the gentleman knows that Mr. Burgess' recommendation would be looked upon favorably by the President to select the ones who know more about this than anybody else. I don't think anybody doubts that.

Mr. LATHAM. My recollection is that Mr. Wilde specifically stated that we should have some banking representation, from academic thinkers, Members of Congress—he suggested labor. You put a completely false assumption in that telegram.

Mr. PATMAN. I don't agree with you.

Mr. LATHAM. When you say you "warn," that it is going to be "guided by the banking community."

Mr. PATMAN. That's right.

Mr. LATHAM. That wasn't what I heard around this table.

Mr. PATMAN. Now listen to this: Mr. Burgess even says if you will read this language carefully in effect, that he is going to have to write the speeches and he can't afford, he doesn't have the time to write speeches for both sides. You read his statement now.

Mr. LATHAM. I don't recall any testimony in that sense.

Mr. PATMAN. It is pretty far reaching.

Mr. LATHAM. I have a pretty clear recollection that most of these men who testified said that it should be broad, it should be representative of all the phases of governmental life and financial life and certainly not limited as you say in this telegram to being guided by banking interests.

Mr. PATMAN. I think that is the issue. That is my opinion of the issue. Whether we will have a banker study or by the Congress.

Mr. ALLEN. Will you yield, Mr. LATHAM?

Mr. LATHAM. Yes.

Mr. ALLEN. Why didn't you put this telegram in your statement when you put the replies in? Isn't that natural when you receive letters back?

Mr. PATMAN. Let me answer that.

Mr. ALLEN. Isn't that a natural thing to do?

Mr. PATMAN. This is the third mimeographed statement I got up. Every time it looked like I would have less time. The first two I had it in there. I sent over to the office to get copies. I kept trying to reduce it in size.

Mr. ALLEN. When you have 11 pages, isn't it natural when you send out a telegram——

Mr. PATMAN. That's why I put it in the first time. I put it in. But you kept putting me off and putting me off. I had to change it and reduce it in size and I was reducing it in size.

Mr. ALLEN. It was just 7 lines out of 11 pages.

Mr. LATHAM. Do you think that Congress ought to do its constitutional duty to study that thing?

Mr. PATMAN. I certainly do.

Mr. LATHAM. Did you vote for the resolution yesterday passing the buck to the President on the budget?

Mr. PATMAN. That wasn't passing the buck. If he didn't say something in his message about it, I wouldn't have voted for that resolution.

The CHAIRMAN. The resolution yesterday took a full day, so let's not get into that.

Mr. SCOTT. Mr. Chairman?

Mr. PATMAN. I could ask you for the same thing.

The CHAIRMAN. If you get started on that, you will be here all day and I want to go.

Mr. SCOTT?

Mr. SCOTT. Mr. PATMAN, your telegram does not state that it is an expression of opinion on your part as you indicated a moment ago. It states, it uses the very ancient technique of "they" or "those" meaning some dangerous or sinister—that you, I don't know why I lost that word—that some sinister element is behind it. This is an ancient technique in Washington. They are those that would destroy your liberty. They would do you harm. You start this telegram off by saying, without identifying and without evidence here which I have heard to support it, that "Those opposing a Congressional study of monetary policy"—may I point out first of all that "those" are not identified; they are made to appear sinister; that the references to a Congressional study of monetary policy, which many economists who may not carefully follow all the proceedings of the Congress and reports in the press would be justified in assuming could also refer to the administration proposal, which is a proposal to include Members of Congress in a study and therefore is in part a Congressional study of monetary policy, and I ask you if the use of the words "Congressional study of monetary policy" and the use of the vague word "those" did not prevent you from securing a fair and adequate reply from these economists?

Mr. PATMAN. I don't think so. If I had sent that telegram to Mr. Sproul, he would have replied "No"; or to Mr. Wilde, he would have said "No"; or Mr. Cravens, he would have said "No."

Mr. SCOTT. Then you knew who not to send the telegram to?

Mr. PATMAN. Some didn't reply. Those who replied preferred a Congressional study. And everybody knows that Congress acts through committees.

Mr. SCOTT. Did anybody, in so many words, ever in any part of his testimony warn that unless Congress was guided by the banking community, using that phrase, that you couldn't get expert assistance?

Mr. PATMAN. Mr. Burgess said that.

Mr. SCOTT. Did he use the phrase "banking community"?

Mr. PATMAN. He went further than that. He reflected on you, Mr. SCOTT.

Mr. SCOTT. Will you show me where he said that?

Mr. PATMAN. He reflected on you and the House of Representatives. He said we just couldn't do the job. We thought we were big enough to do the job.

Mr. SCOTT. He never used the phrase "banking community."

Mr. PATMAN. I am using that as an interpretation of what he is trying to do. I don't think any of us believe anything else.

Mr. SCOTT. If you had said in this telegram, "In my opinion," there are certain people including Mr. Burgess who oppose a Congressional study of monetary policy, what do you think of that, would you have gotten the same telegram?

Mr. PATMAN. I sent the telegram and I had the right to fix it up the way I wanted.

Mr. SCOTT. I agree on the fixing. I have analyzed the replies you received. They made no sense to me until I saw the telegram. There are 25 replies and, even on the basis of a heavily double-barreled loaded wire, you only draw 4 replies which stoutly favor a "Congressional study," even in the broad sense of the term; one specifically states that he favors a coordinate study—incidentally, the only man replying who seems to understand what this is all about. One reserves his opinion as to which course to pursue. And 19 definitely do not comment as to which course is preferable; that is, the administration bill or your committee study.

Mr. BROWN. He should have asked which they wanted.

Mr. SCOTT. That is my point. You should have given them a choice if it was to be an objective report as to whether they preferred the administration proposal or your proposal. But my point is even where you did not give them the choice, even with a loaded telegram, 19 of these 25 economists are too smart to come back and say that they favor what you want in your wire. I will read you the gentlemen who did.

Mr. PATMAN. You have criticized the word "they."

Mr. SCOTT. Yes.

Mr. PATMAN. The newspapers over the country generally refer to "they"—Cravens, Wilde, Sproul, and Burgess—as opposing a Congressional study. "They"—that word is used by the newspapers all over the country. It was well understood when I say "they."

Mr. SCOTT. I don't believe the average busy economist would assume by the word "they" exactly what you assumed by that. Nor would all the people in this room draw that assumption. Out of the 4 people who favor the Congressional study, you have quoted 3 on your first page. They are Galbraith, Heller, Harris, and on the next page, Mr. Miernyk, whereas even Leon Keyserling does not give you an affirmative answer. He simply says he will be glad to help a Congressional study.

Mr. PATMAN. May I invite your attention to one point that is being overlooked in your questioning? I asked them one specific question. Let me read that question.

"Can Congress count on effective nonpartisan assistance such as your own in the event Congressional study goes forward?" That is the question I asked.

Mr. SCOTT. Your question is not quite that. Your question says, "Can Congress count on effective nonpartisan assistance such as your own in event Congressional study goes forward?" Relating then back, however, to the fact that there are some sinister sources who oppose any Congressional study which in turn would indicate that these same people

have no confidence in the Members of Congress who would be chosen on the administration proposal.

Mr. PATMAN. But may I suggest too that Dr. Burgess has said they wouldn't serve and this was to find out if they would serve and every one of them said he would serve or at least said we could get support.

Mr. SCOTT. Would you be willing to trust your judgment on the opinion of economists here by sending a telegram to all of the economists in all of the colleges of the country, the head economist in each college and university, a simple telegram saying, "Do you favor the administration proposal or the Patman proposal?"

Would you be willing to rely on the judgment that you got back from them?

Mr. PATMAN. I am not doing that. You can do it if you want to. I am satisfied with the answers I got.

Mr. SCOTT. One other thing, Mr. PATMAN, and that is you expressed some concern about the fact that some of the people who were suggested by Mr. Burgess would not be, could not be objective in this committee.

Mr. PATMAN. I didn't say they couldn't be objective. I said they had a point of view.

Mr. SCOTT. I said you implied they could not be objective because you said they had a point of view.

Mr. PATMAN. That doesn't mean they can't be objective. I have a point of view and I can be objective and my record in Congress is convincing that I can be objective and have been objective although I have a point of view.

Mr. SCOTT. In developing the theory of nonobjectivity——

Mr. PATMAN. I didn't use that word.

Mr. SCOTT. In developing the theory of nonobjectivity, you use the words—if you follow me you will notice that as a former professor I try to use very exact language. I said you used the words "clearly Mr. Sproul has preconceived ideas on these subjects." Is it wrong to have a preconceived idea on these subjects?

Mr. PATMAN. That is not wrong. I am defending that right.

Mr. SCOTT. Why was it necessary to go into the point of view and preconceived ideas?

Mr. PATMAN. They were attacking me because I have a point of view.

Mr. SCOTT. You see no harm in these people serving because they have a point of view.

Mr. PATMAN. Not on that account.

Mr. SCOTT. I think that is all.

Mr. LATHAM. Will the gentleman yield?

Mr. SCOTT. Yes.

Mr. LATHAM. I think this is kind of important.

Mr. PATMAN. Since he brought that out, I must read what I said: "I have a very high regard for their objectivity and expert competence in the field but I would like to point out they definitely have expressed themselves publicly on monetary questions which the monetary commission would consider."

Mr. SCOTT. Have you not expressed yourself also, Mr. PATMAN?

Mr. PATMAN. Certainly I have. I don't know of anybody interested in Government that hasn't expressed himself.

Mr. SCOTT. If you have a point of view and someone else has a contrary point of view, wouldn't it be advisable to have both of you on a committee so we can hammer out some conclusions on it and have debate?

Mr. PATMAN. They should not necessarily be on the Commission but they should be heard and considered.

Mr. SCOTT. Then it would be better to have the people with your point of view on top and the people with the different point of view on tap.

Mr. PATMAN. I have demonstrated that I can conduct an objective investigation and I prefer that kind of an investigation.

Mr. LATHAM. You answered a moment ago in answer to a question by Mr. SCOTT that "Those opposing"—those words in the telegram referred to the witnesses who were here, including Sproul, Burgess, and Wilde.

Mr. PATMAN. Cravens.

Mr. LATHAM. Yes. You say in the telegram further, "Warning that unless guided by the banking community." Can you point to a statement by any of those witnesses that unless guided by a banking community they would be against this proposal?

Mr. PATMAN. The President in appointing the Commission will leave monetary matters to Mr. Burgess. That is the reason he is brought down from New York with four other directors of the Federal Reserve bank to have control of monetary policy. You know and I know that the President would appoint whoever Mr. Burgess wanted; that would be a banker-guided group.

Mr. LATHAM. Wait a minute now.

Mr. PATMAN. That is my belief. I doubt if you have a different view.

Mr. LATHAM. I know that is my belief. Can you point to any testimony of any one of those men who warned that unless guided by the banking community they would be against this proposal?

Mr. PATMAN. Well, Mr. Burgess is, No. 1, a banker community man. He has demonstrated that many times and he told us that we couldn't do the job. The House of Representatives couldn't do the job. We were too small.

Mr. LATHAM. I know, but you cannot point to any slightest scintilla of evidence in the testimony.

Mr. PATMAN. That is right there. Mr. Burgess said we want an administration group, an Eisenhower-appointed group.

Mr. LATHAM. He didn't say that.

Mr. PATMAN. He testified to it. I will strike out the word "Eisenhower." A group appointed by the President. I know who he would appoint and I doubt if you have any contrary opinion. You know who he would appoint. He would appoint the people that Mr. Burgess wanted appointed.

Mr. LATHAM. They proposed to appoint somebody, someone from labor.

Mr. PATMAN. One witness might have said that, but Mr. Burgess didn't say that.

Mr. LATHAM. That's all, Mr. Chairman.

The CHAIRMAN. Thank you, gentlemen.

Any further questions?

Mr. SCOTT. Could I ask one question? I noticed the reference to New York here. Is there anything per se evil in the banking community of New York that leads you to say that?

Mr. PATMAN. Oh, no. I don't hate New York just because there are a few selfish, greedy fellows up there. You have them in every town in the country.

Mr. ALLEN. May I ask one question? I can't find it here. When Mr. MULTER testified, he said something about the big banks lobbying and gobbling up the little banks. I can't find that in this testimony now, where I asked you those questions but in your statement I don't see it here.

Mr. MULTER. Are you referring to my testimony?

Mr. ALLEN. Yes.

Mr. MULTER. It was handed to me this morning and I haven't had a chance to review it.

Mr. ALLEN. I can't find in this transcript where you said that; I know you said it here.

I know I asked you about that question and requested you, if you would reconsider it. I don't find it in the official transcript where you said that.

Mr. MULTER. I have not read the transcript and I have made no changes or corrections in that yet. You and I did have a considerable discussion about the big banks gobbling up the little banks.

Mr. ALLEN. I have the part where I asked you, but I can't locate your statement. It is in here where I ask you this question, "Don't you want to reconsider about the banks gobbling up the small people," and I had you reconsider it, but in your statement here I can't find where you said that.

Mr. MULTER. Somebody has edited what I said, because, Mr. ALLEN, I did say what you say.

Mr. ALLEN. I asked you if you didn't want to reconsider it. I can't find where you said it here in this transcript.

Mr. MULTER. May I suggest, Mr. ALLEN, that I have thought about what you and I were discussing. I have no desire to change what I said about the big banks gobbling up the small banks. I think even Attorney General Brownell agrees with me in that statement, if not in that exact language; in substance he agrees with me, so far as lobbying is concerned, may I say the banks have every right to lobby as any other American citizen has and to that extent I think you are right, that has no place in this record.

Mr. ALLEN. It is out of that unless I can't find it.

Mr. PATMAN. May I briefly comment on one statement the gentleman from Pennsylvania made, Mr. SCOTT, and that is that every point of view should be on the Commission and I said, No, they should be heard but they shouldn't necessarily be on the Commission. The reason for that is that Members of Congress bet their political lives every day when they vote on questions.

They have more at stake than anybody else because they have everything, their whole record and their future at stake. They are going to do their very best to arrive at the right decision on these questions. A committee composed of Members of Congress, they have reasons to do exactly the right thing, whereas a commission composed of people outside of Congress who are not elected, they have nothing to lose and this resolution proposing the Presidential study even exempts them from the conflict of interest and from all criminal prosecutions in the event they do not protect the public interest.

So there is a big difference. And a person sitting on that committee who has his political life at stake and who is elected to serve the people and one who is not elected to serve the people and who is exempt from any prosecutions.

Mr. SCOTT. Would the gentleman permit a comment there? In reference to the fact that we in Congress are always betting our political lives and that we have something to lose if we don't do the right thing, let's look at the other side of the shield. If we are on a Congressional committee, is it not also true that perhaps politically we may have something to gain if we reach certain conclusions?

Mr. PATMAN. If we do the right thing.

Mr. SCOTT. According to our views. If we come to certain conclusions, we as Congress also induced by the lure of gain as well as restrained by the threat of loss.

Mr. PATMAN. By doing the right thing.

Mr. SCOTT. According to our lights.

Mr. PATMAN. The only way to remain in politics and stay winning is to do the right thing.

Mr. COLMER. While we are getting into this academic discussion, may I suggest off the record——

(Discussion off the record.)

The CHAIRMAN. Is that all, gentlemen? Thank you very much.

Mr. PATMAN. Thank you, sir.

SUBCOMMITTEE ON GENERAL CREDIT CONTROL AND DEBT MANAGEMENT; JOINT COMMITTEE ON THE ECONOMIC REPORT

(Speech of Hon. WRIGHT PATMAN, of Texas, in the House of Representatives, Saturday, June 28, 1952)

Mr. PATMAN. Mr. Speaker, a little over a year ago, Senator O'MAHONEY, chairman of the Joint Committee on the Economic Re-

port, appointed a Subcommittee on General Credit Control and Debt Management. I am chairman of this subcommittee; the other members are Mr. BOLLING and Mr. WOLCOTT, of this House, and Senators DOUGLAS and FLANDERS.

As many of you may remember, there was a great deal of criticism of this subcommittee, particularly in the financial press, by persons who were misinformed concerning our intentions. These criticisms had no effect on the members of the subcommittee, as we knew that we had no intention other than to conduct a thorough and objective inquiry, and we had confidence in one another.

In the early summer of 1951 the subcommittee secured the services of Dr. Henry C. Murphy as economist. Dr. Murphy has had a long and distinguished career as a public servant. For 13 years, from 1935 to 1948, he was attached to the Office of the Secretary of the Treasury, after 1939 holding the position as assistant director of research and statistics. Since September 1949 he has been Chief of the Finance Division in the Research Department of the International Monetary Fund, from which position he was borrowed by the subcommittee. For a number of years prior to 1935 he was in private business in Detroit. He holds degrees from several colleges and universities, including a doctor's degree from Brown University. He is the author of a well-known text, "The National Debt in War and Transition." A large part of the credit for organizing and directing this inquiry must be given to Dr. Murphy. His work has been characterized by a high proficiency, forcefulness, and above all fairness. The subcommittee was extremely fortunate to obtain a man of his caliber as directing economist.

In addition to Dr. Murphy, Dr. Grover Ensley, staff director of the Joint Committee on the Economic Report, has been particularly helpful. Indeed the entire staff of the committee should be commended. Without their assistance this inquiry could never have been made.

During the summer and early fall Dr. Murphy prepared a searching series of questions addressed to various classes of respondents, the questions for each being tailored in accordance with their interests and special sources of information. In preparing these questions, Dr. Murphy had the close cooperation of the Federal Reserve System, the Treasury, and many members of the financial and academic communities. The questions were released to the public in the form of a pamphlet published by the subcommittee last October.

The response, both inside and outside the Government, and especially from the Treasury and the Federal Reserve System, was magnificent. The answers of all respondents were published by the subcommittee in February of this year in a two-volume document entitled "Monetary Policy and the Management of the Public Debt; Their Role in Achieving Price Stability and High-Level Employment." This document has been widely acclaimed as the most valuable sourcebook of material on monetary policy and debt management that has been published in many years. Originally issued as a joint committee print, it has since been reprinted as a public document by resolution of the Senate.

The subcommittee held hearings from March 10 through March 31. We heard witnesses representing all phases of opinion, including both public officials and leaders of the financial and academic communities. In the course of these hearings we built up a record which I know will be of use to Congress and its committees and to the public generally for many years to come.

The printed record of the subcommittee's hearings was released to the public recently, and the subcommittee has now prepared and will soon issue its report. I think this time is opportune, therefore, to place in the RECORD some clippings from newspapers, magazines, and financial services and some extracts from comments made by witnesses at the hearings which bear on the significance of the task undertaken by the subcommittee and the way in which it has addressed itself to this task.

This material is as follows:

"[From the Washington Post of March 7, 1952]

"PATMAN TO EVALUATE SNYDER'S DEBT POLICY

"(By J. A. Livingston)

"The hearings scheduled to start on Monday before Representative WRIGHT PATMAN'S Subcommittee on General Credit Control and Debt Management will not lead immediately to new legislation. They're primarily explorative. Yet they have special significance. They will help to determine the place of John W. Snyder among the great, near-great, or not-so-great American Secretaries of the Treasury.

"For this, Snyder has a sympathetic committee chairman. Snyder has favored a low-interest policy to keep down the cost of carrying the Federal debt. And PATMAN, a Democrat from Texas, has long been partial to low interest rates on Government securities.

"Nevertheless, in the questionnaires sent out by PATMAN to the Treasury, the Federal Reserve, the Council of Economic Advisers, and other Government agencies his low-interest bias has been imperceptible. The document is a landmark in monetary history. The replies have been well documented, carefully reasoned, and are unusually complete. Henry C. Murphy, the committee economist, who drafted the questions and 'nursed' the replies, has provided reading matter for monetary experts, college professors, and students for years to come.

"For the first time, Snyder has bared the events, from the Treasury viewpoint, which led up to the accord with the Federal Reserve Board a year ago. He goes into great detail, in 189 pages, to explain the pros and cons of Treasury policy. His answers to a similar questionnaire from a Subcommittee on Money and Credit headed by Senator PAUL H. DOUGLAS in 1949 were brief and took less than 20 pages. DOUGLAS has been an outspoken critic of the Treasury's policy. He objected to the policy of pegging Government bond prices.

"Both the Douglas and Patman subcommittees are divisions of the Joint Committee on the Economic Report, with no power over legislation. Thus, DOUGLAS got nowhere in sponsoring a resolution to protect the Federal Reserve from Treasury domination. Legislation on money and credit originates in the Banking and Currency Committees, headed by Senator Burnet R. Maybank, Democrat, of South Carolina, and Representative BRENT SPENCE, Democrat, of Kentucky.

"One measure of the success of a Secretary of the Treasury is the cost of the debt. And Snyder, throughout his term of office, has tried to keep the cost down. That's why he resisted the efforts of the Federal Reserve Board to reduce supporting prices for Government bonds. If prices of Government bonds drop, interest rates rise.

"There's another measure of a Secretary of the Treasury: Has he kept his financial house in order?

"When Snyder took office, at the end of June 1946, the total debt was $268 billion. Today it is down to $257 billion. But the composition of the debt has changed radically. The amount of nonmarketable United States securities has increased from 30 percent to 45 percent, largely because large investors, such as insurance companies and individuals, have not been attracted to long-term Treasuries at a 2½-percent rate.

"As a consequence, Snyder has used short-term obligations to pay off long-term issues. Thus, half of the marketable issues outstanding today are due or callable in 1 year or less, as against 33 percent when he took office, as the following table shows:

	June 1946	Today
	Percent	*Percent*
Under 1 year	33	50
1 to 5 years	18	20
Over 5 years	49	30

"It won't be easy for Snyder to float large long-term bond issues in the near future, say, for 6 months. Just as such bonds were not easily salable when large investors feared depegging, now long-terms are not readily salable because large investors want the market to be thoroughly tested after the depegging.

"Snyder may have time to rearrange the composition of the debt if the Democrats win the election and he continues in office. But if the Republicans are victorious in November, he will turn over to his successor a big job of housekeeping. The new Secretary of the Treasury will have to refund what Snyder has unfunded.

"Snyder has compromised. To reduce the cost of carrying the debt he has reduced the maturity. The Patman questionnaire and hearings will help to determine the economic wisdom of that compromise. But time also will be necessary to fix Snyder's place in history: Will the 2½-percent long-term rate be ultimately validated by the market?"

"[From the Washington Post of March 13 1952]

"PATMAN IN THE CHAIR

"Only in one country, so far as we know, is credit policy debated on the front page, and that is Sweden. In this the Swedes have a true sense of values. For the management of the supply of bank credit (which is by far the bulk of the money in circulation) has, obviously, all-important repercussions on the people's livelihood. Here, however, the subjects gets attention mainly on the financial pages—though the flare-up a year ago between the Federal Reserve System and the Treasury, both of which have credit-creating powers, became public property. The flareup occurred when the Federal Reserve wanted to tighten credit availability and the Treasury to keep it easy. The quarrel was composed by an accord last March 5 which went some way in meeting the Federal Reserve point of view.

"Now the subject has been reopened in an investigation by a five-man subcommittee of the Joint Committee on the Economic Report under Representative WRIGHT PATMAN. Nearly a year ago, Mr. PATMAN announced the investigation. In the meantime he has been assailed as a money crank and an easy-money addict who would not listen to reason and who wanted to rub out the independence of the Federal Reserve System. Exactly the contrary has proved to be the case. No chairman could be more judicial-minded, none more willing to allow the arguments pro and con to be heard. Indeed, yesterday he acknowledged the enlightenment that had been forthcoming in the colloquies between Senator DOUGLAS and Federal Reserve and Government witnesses, particularly Leon Keyserling.

"The investigation arm at its best

"Senator DOUGLAS wants to turn the accord of last March into a statutory enactment, and to strengthen it in behalf of Federal Reserve independence. He wants the Federal Reserve authorized to assume primary responsibility for regulating the supply and cost of credit. Thus the Treasury would have to play second fiddle in this respect to the

Federal Reserve. When these proposals were made, this newspaper felt they were inadvisable. We still think they are. At the same time we welcome the thorough airing which the problem is getting. Senator DOUGLAS has an acute and highly informed mind on this as on a score of other problems of government, and the rubbing of it against the minds of the money experts in Federal Reserve and Government service is producing testimony of the utmost value in forming opinion and policy. Here is the investigation arm at its best."

"[From the New York Herald Tribune of February 29, 1952]

"MONETARY POLICY BATTLE IS SPARKED BY UNITED STATES POLL—TOP FEDERAL, PRIVATE EXPERTS ROLL OUT GUNS

"(By Edwin L. Dale, Jr.)

"WASHINGTON, February 28.—The Treasury, the Federal Reserve Board, and Reserve bank presidents, President Truman's Council of Economic Advisers, and several hundred private experts rolled out their heavy artillery today to fight the battle of monetary policy—the question of the effectiveness, desirability, and safety of a general tightening of credit and rise in interest rates to prevent inflation.

"At the end of 1,302 pages, the field was strewn with wounded arguments and, despite agreement on many points and a willingness to cooperate, the issue was still very much in question.

"The battle of words was fought in the form of detailed and lengthy replies to a questionnaire sent out last fall by a subcommittee of the Congressional Joint Economic Committee, headed by Representative WRIGHT PATMAN, Democrat, of Texas. The replies made public today covered a wide range of subjects, but by far the greatest space was devoted to monetary policy. The answers are believed to be the most complete review of the subject in a generation or more.

"The official and unofficial experts disagreed on:

"1. What is likely to happen after the Reserve Board clamps down on credit and the creation of deposit money by squeezing bank reserves.

"2. The effect of a credit tightening move on Treasury borrowing and the public debt.

"3. The meaning of what actually happened in this field between the end of World War II and the present.

"All agree on inflation peril

"And they implied disagreement on what ought to be done in the near future, when inflationary forces (they all agreed) will be present and the Treasury will have to borrow up to $10 billion in the market.

"Ranged on one side was the Federal Reserve, whose hardest hitting arguments were presented not by the Board itself but in the joint replies of the presidents of the 12 Federal Reserve banks. The Federal Reserve believes strongly in monetary policy and, while accepting other responsibilities such as assisting in Treasury financing, has few doubts that credit tightening is a good instrument in almost any inflationary circumstance.

"On the other side was the Treasury, whose views were presented by Secretary John W. Snyder. Mr. Snyder accepted the proposition than expansion of the money supply is undesirable in inflationary conditions, but his argument left little doubt that he believes monetary policy is overrated in its effectiveness and must be used with caution.

"In the middle, but leaning toward the Treasury viewpoint, was the Council of Economic Advisers. One member of the Council, John D. Clark, didn't participate.

"Four hundred private experts reply

"And up and down the spectrum of opinion were the 400 private economists, bankers, insurance company executives, and Government security dealers who answered the questionnaire. The published replies revealed that frequently 2 experts in the same specialty were 180° apart in their judgment of a detail of policy or of its entirety.

"The disagreement in theory and practice extended down, in some instances, to the most minute detail. For example:

"The Treasury and CEA contended that the effectiveness of monetary policy in curbing expansion of bank loans (and thus the money supply) is limited by the fact that banks, in the present period of a huge public debt, can always replenish their funds by allowing maturing short-term Treasury securities to 'run off'—that is, accept cash for them.

"The Reserve bank presidents called this an 'apparent, but not an actual, loophole' and said the device is possible for an individual bank but not all lenders unless the 'System purchases enough of the refunding issues to supply the Treasury with the cash to pay off holders of maturing securities.'

"The disagreements between the Federal Reserve and Treasury began soon after the war, the compendium reveals. In their discussions of such an issue as removal of the 'preferential discount rate' in 1945, the answers show, in Mr. Snyder's words, this difference of emphasis:

" 'The most important economic question that confronted the country (we felt) as the war ended was how to expedite the reconversion process and maintain a high level of employment and production * * *. The Federal Reserve expressed concern mainly about the inflationary aspects of the reconversion period.'

"Disagreement after Korea

"But the real disagreement, and the striking difference of analysis in what happened, came after Korea. Mr. Snyder described a Treasury refunding operation announced on August 18, 'identical with the terms of the issues offered in connection with the last previous refunding operation—the refunding of the issues which had matured on June 1 and July 1.'

"The Reserve, he said, promptly took action to raise the rediscount rate, allowed short-term rates on Government securities to fall, and the result 'was a significant financing failure for the Federal Government.' A side result, he said, were forced purchases of securities by the Reserve with a net inflationary, not deflationary, effect. A comparable situation, he added, developed in November.

"The Reserve saw the same events entirely differently. Mr. Snyder's offering, according to the bank presidents, was 'unfortunate' in having the same terms as a pre-Korea issue. The System's 'only course' was to try to restrain credit expansion by allowing a falling off in the short-term market while still offering to buy the Treasury's maturing issues.

"The Reserve Board's chief concern before the 'accord' of last March was the unloading of Government bonds by institutional investors through sales to the 'Reserve in a pegged market, with consequent expansion of bank reserves.'

"Snyder ignores point

"Mr. Snyder did not even mention the point, merely pointing out, acidly, that 'the net result of Federal Reserve open market operations from August 21, 1950, through the end of the year was an increase in the System's open market account of over $2,500,000,000.' This, he said, 'was debt monetization'—just what the Reserve was trying to prevent.

"In three different places the Reserve Board's reply indicates that its monetary operations, particularly after the 'accord,' were a major factor in the halt in inflationary pressures in the last 9 months of last year. Mr. Snyder scarcely touches on the subject. The Council of Economic Advisers gives other factors far more credit.

"The basic disagreement over policy, to be described tomorrow, is summed up this way.

"Council of Economic Advisers: 'Restraint in the management of open market policy (the chief instrument of monetary policy, as all sides agree) will probably become more important during the next stage of the mobilization period.'

"Reserve bank president: 'We believe that in an inflationary period general credit and monetary policies should be directed toward restraining inflationary pressures, whether or not the Treasury is expected to have to carry out large borrowing or refunding operations in the foreseeable future."

"[From the New York Herald Tribune of March 16, 1952]

"PATMAN PROBE NO HEADLINER, BUT IT'S VITAL—GROUP WELL POSTED ON TOUGH MONETARY ISSUES

"(By Edwin L. Dale, Jr.)

"WASHINGTON, March 15.—In a week that saw Congressional committees investigating such matters as the Institute of Pacific Relations and ship transactions get into table-pounding, angry denunciation of witnesses (and vice versa), another committee—with far fewer potentialities for headlines—was quietly and calmly inquiring this week into a matter of ultimately far greater importance.

"The five members of the Subcommittee on Monetary and Debt Management Problems of the Joint Committee on the Economic Report, headed by Representative WRIGHT PATMAN, Democrat, of Texas, wanted to know how to stop the seemingly continuing decline in the value of the dollar. They wanted to know how much the support operations of the Federal Reserve System in the Government security market after Korea contributed to the inflation of that time.

"They wanted to know about the Government debt, and the creation of bank reserves, and the money supply and equally arcane matters. And what's more, they did not come into the matter cold; they had done some homework, and they moved around familiarly in the difficult field.

"On a high plane

"What's more, individual members often disagreed sharply with the viewpoints expressed by the witnesses present; but, except for some vitriol in the exchanges between Senator PAUL H. DOUGLAS, Democrat, of Illinois, and Secretary of the Treasury John W. Snyder, the week's hearings were conducted entirely on a plane of high debate and never of political or emotional argument.

"Perhaps typical of the atmosphere was the phrase used by Senator DOUGLAS after a long, intense colloquy with Chairman Leon H. Keyserling, of the President's Council of Economic Advisers. The two had disagreed right down the line, after a great deal of preliminary sparring to get their respective viewpoints clearly stated.

"Senator DOUGLAS, without a note of criticism or sarcasm, finally remarked: 'The issue is clearly joined.'

"Chairman PATMAN, who is viewed with alarm by defenders of the Federal Reserve System, conducted the hearings with studied impartiality. His own questions indicated he still has many of the ideas that his critics worry about, but there was—this week at least—no effort to do more than get a little further elaboration of those ideas from the witnesses.

"Got little encouragement

"Significantly, he got little encouragement on any of them, even from witnesses who might be expected to share his viewpoint on many phases of the monetary problem.

"The other members of the committee are Representative Jesse P. Wolcott, Republican, Michigan, generally regarded as a sort of senior spokesman of conservative Republicans on economic matters in the House; Senator RALPH FLANDERS, Republican, Vermont, the slow-speaking, bushy-mustached businessman from New England, whose questions are often sparkled with dry wit and were invariably brief and penetrating, and Representative RICHARD BOLLING, Democrat, Missouri, the 'youngster' on the committee and clearly a 'liberal,' who admits, 'I am there to learn,' but whose careful queries impressed many observers with how quickly the learning process has taken place.

"One of the surprises of the hearings was the number of spectators. Day after day their number approached or passed the 100 mark, though far more exciting things were going on on Capitol Hill. It's a fairly safe bet that few of them were disappointed at the performance—despite the lack of fireworks."

"[From the Wall Street Journal of February 29, 1952]

"FISCAL FORUM—PATMAN MAKES PUBLIC THE ANSWERS TO QUESTIONS ON MONETARY POLICY

"(By George E. Cruikshank)

"WASHINGTON. — Representative PATMAN, Democrat, of Texas, made public what the Nation's leading economic and fiscal experts—both in and out of Government—think of this country's monetary policies and the management of the public debt.

"The information comes in the form of answers to a questionnaire sent out by Mr. PATMAN last fall. He heads a committee which is investigating the Government's postwar monetary policies. On one important point—Federal Reserve Board support of the Government bond market—some observers here think the answers show that the Reserve Board and the Treasury have finally buried the hatchet and agreed that there should be limited support of Government bonds. Other observers think the answers leave the feud essentially where it was, with the Treasury still hankering for stronger Federal Reserve support of the bonds.

"Hearings start March 10

"The answers to Mr. PATMAN's questions fill 2 volumes and cover some 1,300 pages. They will serve as a basis for hearings which are scheduled to begin on March 10. Any doubts as to the proper interpretation of the answers are expected to be dispelled at those hearings when the individuals come up for direct questioning by the committee members.

"Secretary Snyder's answers to the questions dwelled at length on the market for Government securities. Time and again, the Secretary cited the need for a sound market for Government securities, but he made it clear that rigidly fixed prices were neither necessary nor desirable.

"At another point he emphasized: 'I consider the term "stable market" as we think of it in the Treasury as a market in which prices and yields fluctuate within a moderate range over a considerable period, but without exhibiting any pronounced upward or downward trend.

" 'I do not consider it to mean a pegged market in which fluctuations are prevented by means of fairly rigid support operations on the part of the Federal Reserve.'

"Prior to the Secretary's statement, it was widely held that the Treasury wanted the Federal Reserve to support Government bond prices at par or above by buying the securities whenever they were offered for sale. Mr. Snyder, in coming out for a stable market, did not say whether the Federal Reserve should keep the security market stable at prices above or below par. This was taken by some to mean that the Reserve System's new policy has been accepted by the Treasury. Other observers noted, however, that Mr. Snyder urged the postwar period as an example of stability, and that is precisely the time during which all the feuding has been going on.

"Answers from CEA

"Those who thought the Secretary's statements showed administration acceptance of the Reserve Board's policy of limited support for Government bonds, got further encouragement from the answers sent in by the President's Council of Economic Advisers.

"The Council, too, came out for a stable market for Government bonds and opposed a rigid pegged market. However, the Council's answers were submitted by only 2 of the 3-man body. Leon Keyserling and Roy Blough submitted answers to the Patman questionnaires, while John Clark—the third member—did not contribute. This was taken to mean by some that Mr. Clark did not agree with his colleagues on limited bond support.

"Another hot issue—White House control of the Federal Reserve Board—received considerable attention by the Treasury, the FRB, and the CEA in their answers.

"Representative PATMAN, a known advocate of putting the Reserve Board under the thumb of the Chief Executive, will get no support from the Board and, apparently, no direct support from the Treasury or the CEA.

"In answer to question 9—What provision, if any, is there for resolving policy conflicts between the Treasury (or other agencies of the executive branch) and the Federal Reserve System? Do you believe that this power should lie with the President (or already does under the Constitution)?—Secretary Snyder replied:

" 'There is no doubt that the Federal Reserve System could conceivably impede, if not actually obstruct, Government policies which the President has announced and, indeed, on which he may have been actually elected or reelected to office. The President has complete power over the Secretary of the Treasury. He has no such powers over the members of the Board of Governors. Hence, since the President does not have the power of removal, it would appear to me that he is without power effectively to direct.

" 'I do not recommend that it be changed.'

"No authority to solve conflicts

"Secretary Snyder, later on in his answer to the same question, said the biggest disvantage to the present arrangement was that no specific authority existed to resolve any 'irreconcilable' conflicts between the President and Treasury and the Federal Reserve.

"He listed the present methods for ironing out policy conflicts as: The give and take resulting from discussion around the conference table; the force of public opinion; Congressional action.

" 'I do not suggest that the President should be given any powers which he does not now have to resolve such disputes,' the Secretary emphasized.

"Secretary Snyder urged the creation of a small consultative and discussion group within the Government to consist of the Secretary of the Treasury, the Chairman of the Federal Reserve Board, the Director of the Budget, the chairman of the Council of Economic Advisers and the Chairman of the Securities and Exchange Commission. This group would act as a top advisory group to the President on broad questions of monetary and fiscal policy. It would meet with the President for informal discussions as often as desired.

" 'In other words' the Secretary replied, 'I recommend to the committee no drastic changes in order to resolve disputes.'

"Federal Reserve Board Chairman William McChesney Martin's answers to the Patman question about executive control over the Federal Reserve proved no surprise. A stanch advocate of an independent board, Mr. Martin answered:

" 'It is essential to the effective performance of the system's unique function that the independence of the judgment reposed by Congress in the board and the open market committee be preserved'."

"[From the Wall Street Journal of March 3, 1952]

"SNYDER TO LEAD OFF HEARINGS ON POSTWAR UNITED STATES MONETARY POLICIES—PATMAN GROUP INQUIRY TO BEGIN NEXT MONDAY; AT LEAST 26 WITNESSES SCHEDULED TO TESTIFY

"WASHINGTON.—Treasury Secretary John Snyder will be lead-off witness in the long-planned Congressional hearings on the Nation's postwar monetary policies.

"Representative WRIGHT PATMAN, Democrat, of Texas, chairman of a subcommittee of the Joint Committee on the Economic Report, said his group would hear from at least 26 witnesses during the course of its investigation which is scheduled to begin March 10.

"The committee will delve into recent developments and appropriate future policy in the fields of money, banking and credit, management of the Nation's public debt, and the adequacy of the country's banking system to serve the needs of depositors and borrowers.

"William McChesney Martin, Jr., Chairman of the Federal Reserve Board, is slated to appear March 11. Leon Keyserling and Roy Blough, of the President's Council of Economic Advisers, testify the following day.

"A. L. M. Wiggins, chairman of the Atlantic Coast Line Railroad Co. and former Under Secretary of the Treasury, is scheduled to come before the committee on Friday, March 14, along with Preston Delano, Comptroller of the Currency.

"Late last week the Patman subcommittee released a 1,300-page compendium of material on monetary policy and management of the public debt. The information was in the form of answers to questionnaires sent to more than 1,000 financial experts in and out of Government. Those answers will serve as a basis for the hearings."

"[From the New York Journal of Commerce of February 29, 1952]

"SNYDER, RESERVE STILL SPLIT ON CREDIT POLICY—REPLIES TO JOINT CONGRESS UNIT REVEAL BASIC DIFFERENCES—TREASURY HEAD IS DISTRUSTFUL OF TRADITIONAL RESTRAINT MOVES BACKED BY MARTIN

"(By Joseph R. Slevin)

"WASHINGTON, February 28.—The Treasury and the Federal Reserve Board, which reconciled their immediate differences over fiscal and monetary policy in a full accord early last March, still hold widely divergent views on how they can best work for a stable economy now and under various hypothetical conditions in the future.

"The Federal Reserve Board believes now as it did last March that substantial reliance should be placed on the traditional methods of achieving general credit restraint through open-market operations, rediscounting, and manipulating reserve requirements.

"Snyder is cautious

"Secretary of the Treasury John Snyder still distrusts these techniques and is opposed to anything more than an ultracautious use of them, because he fears that general restraints might upset the Government bond market and make it difficult, if not impossible, for him to carry out Government financing operations.

"These conclusions emerge from the replies that Snyder and Federal Reserve Board Chairman William McC. Martin, Jr., have submitted in answer to questions from the subcommittee on general credit control and

debt management of the Congressional Joint Economic Committee.

"The Congressional group published the Snyder and Martin answers in a 1,302-page compendium today, along with responses from the Federal Reserve bank presidents, Council of Economic Advisers, three other Federal agencies, State bank supervisors, bank and life insurance company executives, economists, and Government bond dealers.

"The subcommittee, under the chairmanship of Representative WRIGHT PATMAN, Democrat, of Texas, is investigating fiscal and monetary policies and relationships between the Reserve System and the Treasury. It plans to hold public hearings beginning Monday, March 10.

"Two types of questions

"Declaring that the subject matter before the group is immense, Mr. PATMAN said in a foreword to the compendium that two types of questions stand out as focal points of the committee's investigations. He named these as (1) the proper machinery for the formulation of monetary policy and (2) the proper content of monetary policy.

"The compendium is notable for the comprehensive nature of the answers it contains and for the manner in which it has succeeded in airing the varying Federal Reserve and Treasury views. Mr. PATMAN characterized the volumes as by far the best sourcebook of materials on general credit control and debt management which has been assembled in our generation.

"Mr. Snyder's and Mr. Martin's answers demonstrate that the Treasury and the Federal Reserve achieved a modus vivendi last March but did not reach philosophical agreement on the monetary and fiscal policies that should be employed to stem inflation.

"At the same time, their responses strongly suggest that a complete philosophical reconciliation of the theories of the two agencies is not likely and that no more be anticipated than the negotiation of effective working agreements to deal with specific situations.

"Have different goals

"This is so because the Treasury, on the one hand, appears to be primarily concerned that monetary restraints be used in such a way that its financing activities can be successfully carried out in a Government bond market that is permitted only modest fluctuations.

"The Federal Reserve, on the other hand, has monetary restraint as its primary objective and apparently believes that Treasury financing should be subordinated to economic stability and effected in a market that is attuned to the requirements of the national economy rather than to those of Treasury Department management officials.

"These divergent theories resulted in a violent disagreement between the two agencies that was reconciled—in the Federal Reserve's favor—in the accord of last March.

"The accord covered a number of points. Its chief consequence, however, was that it freed the Federal Reserve from its obligation to support the long-term Government bond market.

"The Federal Reserve had supported the long-term market since early in World War II. This policy had resulted in its pouring large quantities of cash into the spending stream as it sought to prevent a decline in the prices of Governments by buying bonds from banks and insurance companies which were making investments elsewhere.

"Continued after Korea

"This policy was continued in the months after Korea because Secretary Snyder, faced with enormous rearmament financing problems, wanted the assurance of a stable bond market. In January of 1951 Snyder publicly announced that Treasury financing would be carried out within the 2½-percent long-term rate pattern that the Reserve had been maintaining.

"However, in February the Reserve advised Snyder that it could no longer go along with this policy. Then, on March 8, the accord was negotiated.

"Government bonds have since fallen bedow par, and the going market rate now is in the neighborhood of 2.7.

"Credit seen tightened

"Mr. Martin's answers make it clear that the Board believes this action helped last spring to break the inflationary spiral. The Chairman contends that letting the prices of Governments fall tightens credit for a number of reasons, chief among them being the reluctance of institutional investors to sell their securities at a loss.

"The sharpest cleavage between Secretary Snyder and Mr. Martin appears in their discussions of the effectiveness of open-market operations and the Federal Reserve bank discount rate. The Board's position is that open-market operations not only can directly restrain credit expansion by making investors reluctant to dispose of their Governments but also make the discount rate effective, since investors will seek to obtain their commercial paper at the Reserve banks once the selling of Governments has been made less attractive.

"Secretary Snyder contends that changes in the structure of commercial bank portfolios makes these traditional monetary contol weapons much less effective than they once were. Pointing out that banks now hold much larger proportions of Government securities than they did 20 or 40 years ago, he maintains that Federal Reserve efforts at credit restraint are 'more likely' to result in banks attempting to liquidate their Governments than in their curtailing their loan expansion.

"Fears bond dumping

"At the same time, Secretary Snyder expressed grave concern that falling prices of Governments might result in nonbank investors, such as insurance companies, dumping their holdings. He emphasizes that 'no precise forecast' can be made of the probable results of general credit restraint on bank and nonbank holders.

" 'The impossibility under present conditions of measuring in advance the effects of a general restrictive credit policy,' he says, 'means that sudden and severe declines in the market prices of Government securities may be produced by what was intended to be a moderate degree of credit restriction. This provides a strong reason for caution.

" 'Sudden and severe declines in the market prices of Government securities,' he continues, 'might be shocking to public confidence. They might be embarrassing to many financial institutions owning large portfolios of Government and other high-grade securities, particularly those with small amounts of stockholder capital relative to their total assets.

" 'Such declines,' the Secretary stresses, 'would complicate the Treasury's financing problems.'

"Backs orderly markets

"Against this view, Mr. Martin says, in his only direct discussion of market stability, that the Reserve System believes in 'orderly markets.' He defines these as markets that are not subject to erratic movements but that 'do not preclude broad movements that reflect changes in basic underlying forces.'

"Mr. Martin says, referring pointedly to Secretary Snyder's reluctance to see the interest rate rise that 'if Government securit'es are available on terms that make them attractive to the market, they will not require open-market operations in a volume that would be in conflict with the credit and monetary objectives appropriate to the period.'

"As for Secretary Snyder's fear that investors will sell their Governments and get all the cash they need if prices go down, Mr. Martin argues at length that: (1) If the Federal Reserve does not buy them there will be no increase in inflationary bank reserves; (2) as prices go down the yields will make the securities more attractive to investors; (3) banks will become increasingly reluctant to sell and take losses as prices go down, and (4) bank sales and bank redemptions of maturing issues will be limited by the need of banks to maintain the liquidity of their portfolios.

"A similar psychology, Mr. Martin says, governs life-insurance firms and mutual savings banks."

"[From the New York Evening Post of October 17, 1951]

"POWER-POLICY FIGHT

"(By Sylvia F. Porter)

"The power-policy conflict which has smoldered between our National Treasury and our central bank for almost 39 years is breaking into the open again.

"This week, a Congressional subcommittee, headed by Representative WRIGHT PATMAN, Democrat, of Texas, is quietly launching an intensive probe into the operations of these two fiscal giants of America—to determine what and how close should be their relationship, who should settle their feuds when they explode, whether in this critical era it is possible to have an independent central bank or whether you and I must take the risks inherent in giving our President more authority over our banking system.

"This has been the key fiscal debate of our century—the relationship between our Treasury and Federal Reserve System.

"For Congress has given to the Federal Reserve System (our central bank) the authority to smooth out economic peaks and panics through regulating the supply of money and credit in our land.

"When the Reserve clamps down on our supply of money and credit—as it did last spring, for instance—it can seriously hurt you, as a businessman or builder, home buyer or user of installment credit. Yet when it clamps down, it is fighting inflation at its source.

"At the same time, Congress has given to the Treasury the authority to manage the public debt. The Treasury now has a $255 billion debt to manage; it has to borrow billions every few weeks; it has to have a receptive market when it borrows. It can be as badly hurt by a Reserve move to tighten credit as you or I can be.

"When the Reserve tightened the money screws last spring, the Treasury was put on a spot; it was forced to pay much more interest on its loans, to add to the already staggering cost of our debt.

"It's a constant dilemma, a basic conflict. Those who want to give more power to the Treasury fear that the Reserve, in its zeal to curb inflation, could really send us spinning from boom to bust.

"Those who want to maintain a truly independent central bank fear that the Treasury, in its zeal to manage the debt, could really send us into an even more dangerous inflation. And they warn that all nations going socialistic have first taken over their banking systems and they point to the lesson of England.

"This is a measure of the issues at stake in this probe. They make most other investigations seem superficial in the extreme.

"The conflict crashed the front pages last spring—but after a few awful weeks, the Reserve won and major credit-tightening steps were taken. Then Reserve Board Chairman McCabe resigned; William McChesney Martin moved over from a Treasury under secretaryship to chairmanship of the Reserve Board; Snyder and Martin were and

are friends; the general outside belief was that all was serene.

"But not so. This fight goes far beyond personalities. So now PATMAN is reviving the debate, is sending tough, detailed questionnaires to Martin, to Snyder, to the presidents of the 12 Reserve banks, to the 48 State banking supervisors, to key bankers, etc.

"The answers to the questionnaires should be back by the year end. Public hearings are scheduled for early 1952. This story will be front-page news again in a couple of months.

"And the debate is more significant than ever. More significant even than in 1913 when our Federal Reserve System was created. More significant even than in 1935 when that System was overhauled to meet the banking crises of the depression thirties.

"For how this conflict finally is resolved will have a direct impact on the life of every American. It is no exaggeration to say it actually could help decide the ultimate economic fate, the financial strength of America itself."

"[From the Philadelphia Inquirer of February 29, 1952]

"MONETARY ISSUES AIRED BY OFFICIALS

"WASHINGTON, February 28.—Secretary of the Treasury John W. Snyder called for a new top-level council of Government officials to nip in the bud conflicts between Federal agencies over key monetary issues.

"Chairman William M. Martin of the Federal Reserve Board indicated he would go along with such a proposal.

"Their views were expressed in answer to a long list of questions on how best to promote national welfare through monetary and credit policies and avoid the booms and busts that have marked America's economy in the past.

"Replies released

"The questions were submitted to Government officials and more than 1,000 private bankers, brokers, and businessmen by a joint Congressional subcommittee on monetary policy.

"More than 400 replies, covering 1,300 printed pages, were released today. Representative WRIGHT PATMAN, Democrat, of Texas, subcommittee chairman, said they made up the best symposium on such issues in our generation.

"The subcommittee will start hearings on the issues March 10.

"In the background was a sharp dispute over basic policy between the Treasury and Federal Reserve Board which stirred financial circles last year.

"Accord reached

"The question was whether the Reserve Board should go on supporting the prices of Government securities, thereby keeping interest rates low. The controversy ended in an accord under which the Board buys only enough securities to keep an orderly market. It has let interest rates rise and prices on Government bonds fall.

"This raises the cost of carrying the huge national debt, but the Board contends it saves the Government money in the long run by curbing inflation.

"The conflict brought demands from some legislators that the Reserve Board be put under control of the White House, which already directly controls the Treasury.

"Change opposed

"Both Snyder and Martin agreed today that under present laws the Reserve Board is independent of the President. In fact, Snyder noted, it is possible that the Board could impede, if not actually obstruct, policies proclaimed by the President.

"But they both opposed changing this setup. They emphasized that the Treasury and Reserve Board have now reached an accord which is working well."

"[From the Dallas News of March 23, 1952]

"OPINIONS VARY ON HOW TO STOP BIG DEPRESSION

"WASHINGTON, March 22.—Two weeks of Congressional digging into Federal monetary policy and how best to steer clear of inflation or depression have made it clear the Nation's top experts are sharply divided on many broad, basic, and vital issues.

"A Senate-House subcommittee so far has heard from 19 Government officials, private economists, and university professors. More than a dozen others will be heard in 10 days to 2 weeks more of hearings.

"All of the witnesses thus far have agreed that monetary policy—the Government's program for regulating the supply of money—can be one of the keys to preventing or softening the booms and busts that have pockmarked America's economy in the past.

"But beyond that the authorities have split. Representative PATMAN, Democrat, of Texas, subcommittee chairman, told a reporter today the lawmakers will wait until all views are in and then consider specific recommendations.

"There is growing talk of a possible resolution expressing the views of Congress on issues which at times have brought conflict between the Government's chief financial agencies—the Treasury and the Federal Reserve System.

"One issue is whether the Federal Reserve System should keep its independent position as 'the Supreme Court of Finance,' as some witnesses called it.

"In tightening the money supply to restrain inflation, the Federal Reserve Board tends to make it harder—and more costly—for the Government to borrow money. This has brought the Board into conflict with the White House and the Treasury in the past, although the agencies are working harmoniously on the surface right now."

"[From the Odessa (Tex.) American of March 23, 1952]

"CONGRESSMEN OPEN DEBATE ON MONDAY

"WASHINGTON.—Congressmen puzzling over the basic monetary policy of the United States enter the open-debate phase of their study Monday.

"In the past 2 weeks the Patman subcommittee of the Senate-House Economic Committee has quizzed 19 Government and private experts about Government borrowing, management of the $259 billion national debt, and control of the Nation's supply of money.

"For the coming week Subcommittee Chairman WRIGHT PATMAN, Democrat, of Texas, has planned 4 free-for-all round-table debates by a new set of 22 keymen from the United States economic world.

"By June PATMAN's five-man subcommittee hopes to piece together a complete analysis of monetary policy and debt management. It is expected to couple this with a set of recommendations for change, or no change, in the present situation.

"Three central questions confront the investigators:

"How important is it to the economy as a whole that the Government have a certain monetary policy?

"What is the present policy and is it correct?

"Who should direct it—the White House, the Treasury, the Federal Reserve System, or all three?

"Witnesses' opinions have split 50–50 on all three problems, and PATMAN refused Saturday to predict his group's final conclusions.

"The Patman inquiry was inspired by a policy 'accord' reached by the Treasury and the Federal Reserve Board of Governors just 1 year ago, after months of wrangling over who did what to the Government bond market.

"Government borrowing is done by selling bonds and other Government securities. The Reserve had a policy of buying these securities on the open market when public demand was low in order to keep their prices at par or higher. The accord recognized the abandonment of that policy, and since then prices of Government securities have fallen.

"For example, 2¼-percent bonds maturing in 1962 sold at 100.20 before the accord and now are 97.28."

"[From the American Banker (the only daily banking newspaper) of February 29, 1952]

"PATMAN REPORT REVEALS SNYDER BACKING FEDERAL RESERVE BOARD INDEPENDENCE

"WASHINGTON, February 28.—The much-discussed report of the special subcommittee of the Joint Economic Committee of Congress, under the chairmanship of Representative WRIGHT PATMAN, of Texas, was made public today. One volume of the two-volume report comprised the views of the Secretary of the Treasury on problems of debt management, monetary policy, and credit, and those of the Chairman of the Federal Reserve Board on these and related topics.

"Of significance is the fact that the report reveals the Secretary of the Treasury recommending against any change in the independent status of the Federal Reserve Board.

"As was expected, the history of the recent 'accord' over debt management was featured especially in the replies to questions formally asked of the Secretary of the Treasury. The Chairman of the Federal Reserve Board devoted relatively less space to the subject.

"As has been frequently recorded in the American Banker, despite other news reports, no important differences now exist between the two agencies.

"Important in the questions and their replies is the underlying thesis of Representative PATMAN, namely, the advisability of the executive branch of the Government exercising greater control over the 'independent' Federal Reserve System.

"In the formal replies from the Secretary of the Treasury and the Federal Reserve no support is found for greater Presidential control over the Federal Reserve.

"The latter, however, admits that it is now regularly clearing major communications to Congress and plans for requesting new legislation through the Bureau of the Budget. The Bureau is, in effect, a part of the White House. It operates directly under the direction of the President.

"Secretary of the Treasury John W. Snyder pointed out that the President cannot, even if he wished, remove a Reserve Board Governor.

" 'Since the President does not have the power of removal, it would appear to me,' he says, 'that he is without power effectively to direct the Board.'

"As to a change, the Secretary added: 'Whether or not this situation should be changed is a matter for the Congress to decide. I do not recommend that it be changed.'

"Suggests discussion group

"In a discussion of the differences that grew over debt-management policy between the Federal Reserve under the chairmanship, first of Marriner S. Eccles and then under Thomas B. McCabe, the Secretary saw nothing wrong in efforts of the President to seek to have the differences composed by discussions around a table.

"Mr. Snyder suggested 'the creation of a small consultation and discussion group' be set up within the Government. This would be composed of the Chairman of the Reserve Board, the Secretary of the Treasury, the Director of the Budget, the Chairman of the

Council of Economic Advisers, and the Chairman of the Securities and Exchange Commission.

" 'I would have this group meet informally but regularly and frequently for the purpose of discussing domestic monetary and fiscal matters with each other,' he said.

"He would have this group call in heads of the lending agencies, when matters relating to their activities were under discussion.

"Secretary Snyder said the proposal was an adaptation of one of the reports of the Hoover Commission designed to coordinate financial operations of the Government.

"What it would do

"The Secretary believed that such a group would serve two major purposes:

"1. 'By regular and periodic meeting and discussion * * * differences of opinion will become less likely to develop. It is so much easier to settle any prospective differences of opinion around a table before they become fixed in mind or before they have been publicly announced.

"2. 'The group would act as a top-level advisory group to the President on broad questions of monetary and fiscal policy. It could meet with him for informal discussions, and could report to him preferably on an informal and confidential basis as often as desired.'

"The Secretary added after making the proposal:

" 'As you see, I recommend no drastic changes in order to resolve disputes. I think that they will be resolved as most disputes are if discussion and negotiation are encouraged and facilitated.'

"That there was a sharp division of methods and means for meeting economic changes occasioned just prior to and immediately following the affair in Korea, is detailed in the Treasury's reply to the Patman committee.

"Difference in methods

"In perspective as afforded in the replies of both Secretary Snyder and Chairman Martin, the differences lay largely in methods of achieving a common objective. Chairman Martin appraised the differences:

" 'The differences that arose reflected differences in judgment as to evaluation of the two objectives and as to the effectiveness and consequences of measures that might be taken.'

"There is no doubt, however, that before the publicized 'accord' was reached, the Treasury had difficulties. Secretary Snyder indicated considerable concern as a result of the Korean war. He sought to avoid sharp fluctuations in Government securities.

"He said he found that, despite all arguments, the Federal Reserve 'wanted to raise short-term interest rates.' The Treasury had earlier gone along. However, at that time, the Secretary feared more world involvement than he did inflation. He said he was not unaware of the latter for he had asked Congress for sharply higher taxes.

"The Federal Reserve, however, was placing great reliance on 'traditional measures of general credit restraint which involved a declining securities market and increases in interest rates. It was in this specific area that disagreements between the Treasury and the Federal Reserve arose.'

" 'Financing failures'

"The Secretary told of 'financing failures' of Treasury financing, despite, in one case, when he said the Treasury sought to follow Reserve proposals.

"However, the answers of the Federal Reserve and the Treasury were the same on the present 'accord,' apparently indicating full cooperation though the Treasury is revealed as much less impressed with the argument that higher interest rates are especially effective of themselves as instruments of credit control than is the Federal Reserve.

"A large portion of the volume is given over to discussion of interest rates in relation to credit controls and to statistics and charts.

"The second volume of the two-volume report includes the replies received from the Comptroller of the Currency, the President's Council of Economic Advisers, the Chairman of the Federal Deposit Insurance Corporation, about half of the State supervisors, Government bond market specialists, life-insurance officials, and others. These concern chiefly subjects more closely related to their specialized activities.

"Patman's philosophy

"Open hearings are scheduled by March 10 when officials will be questioned on the basis of their replies.

"The philosophy back of the questions asked by Representative PATMAN is revealed in his foreword to the 1,300-page report.

"After crediting the replies by saying this 'compendium constitutes in my judgment by far the best sourcebook of materials on general credit control and debt management' ever attempted, he pointed out that present governmental machinery is based chiefly on discretion.

"Mr. PATMAN added that the Reserve System is answerable only to Congress presumably. However, Congress is not constituted for more than overall directions. He argues that it might thus be better for the executive agencies to participate as creatures of Congress.

"Mr. PATMAN said it is 'of the utmost importance to insure the continuation of the participation of business and agriculture (and possibly labor) in the formulation of monetary policy.'

"The coming hearings, he said, would be for the purpose of sifting arguments pro and con on this and on various proposed means of credit controls, such as special Reserve requirements.

"Committee Chairman PATMAN admitted no easy solution to problems which he labels as immense. He added that 'only one result' of the present deliberations 'can be confidently predicted: That is, that the fundamental issues involved will be found vastly too complex to permit of facile generalization.' "

"[From Banking (the official journal of the American Bankers Association) of May 1952]

"THE PATMAN HEARINGS HIGHLIGHT A PERMANENT PROBLEM

"(By Raymond Rodgers)

"In the 46th verse of the 1st chapter of the Gospel according to St. John, the categorical question, 'Can anything good come out of Nazareth?' is asked, and the answer is, 'Come and see.' It is with such a spirit that bankers should study the hearings of the Patman Subcommittee on General Credit Control and Debt Management of the Joint Committee on the Economic Report, to gage their probable consequences to banking and business.

"The importance of these hearings can hardly be overemphasized. Their importance and basic scope is indicated by the title of the two volumes giving the replies and excerpts from the replies to the questionnaires sent out last October; Monetary Policy and the Management of the Public Debt—Their Role in Achieving Price Stability and High Level Employment. The 1,302 pages of formal testimony contained in these 2 volumes might well be made required reading for all bankers and advanced banking students.

"The committee

"To say that the results, so far, at least, have been a pleasant surprise to those in banking is indeed an understatement. The same ground had been covered 2 years earlier by Senator DOUGLAS and his subcommittee. Dr. Henry C. Murphy, the economist to the present subcommittee, who largely determined the witnesses and character of the hearing, had been identified with the Treasury. And most disquieting of all, the chairman, Representative WRIGHT PATMAN, had, through long years of earnest effort, achieved a reputation, second to none, as an inflationist. In fact, his reputation as an inflationist was so well established that many could think of him only in the terms which Emerson once used when he said of another, 'What you are * * * thunders so that I cannot hear what you say.'

"Despite the fears, the conduct of the chairman has been, in the words of observers, impeccable. He has not tried to force his opinions on the subcommittee but has been willing to let the witnesses be heard. Whether this is because he has been subdued by the unanimity of the public opposition to chaining the Federal Reserve to the Treasury chariot, or is from some other reason, the fact is that a hearing and not an investigation is being conducted. Dr. Murphy and the staff, likewise, are to be congratulated. They have done a searching, comprehensive, competent, and fair job. Senator DOUGLAS and the other members of the subcommittee who have special competence and experience in the field of banking and credit may be expected to make the most of the wealth of material presented."

"[From Banking (the official journal of the American Bankers Association) of May 1952]

"WASHINGTON

"(A monthly column reviewing Washington developments of interest to bankers)

"(By Lawrence Stafford)

"Whether or not the Patman committee proposes to change any of the rules of debt and credit management, this Capital generally appraises the operation of that committee as constructively useful.

"Sometime this month the Patman group will attempt to draft a report and possible recommendations for the Congressional Joint Committee on the Economic Report, of which it is a subcommittee.

"Supplementing the similar background covered some time ago by the Douglas committee, the Patman committee has illuminated the current monetary picture with a wealth of authoritative background. That background has included both facts and opinions. The opinions have been those of the outstanding governmental and financial leaders of the land.

"This inquiry well planned

"What is said to make this committee's inquiry especially valuable is its technique of operation, devised by Dr. Henry C. Murphy, chief of staff, and Representative PATMAN. They designed questionnaires especially adapted to bringing out the viewpoints of various persons and occupations—Federal debt managers, Federal monetary managers, bank supervisors, bankers, insurance men, Government bond dealers, and so on.

"The questions were pointed—almost to the stage of embarrassment. Yet the persons questioned were given considerable time to order their thinking on these controversial issues. This remarkable technique appeared to be adapted to the complex subject matter. In the more usual case, persons called into public hearings, even on an inquiry mission of the sort the Patman committee undertook, must almost improvise their answers on the spot.

"So the public hearings were taken after the written answers were filed, and hence on further, more mature reflection.

"Basic harmony found to exist

"Fundamentally, the oral hearings made no basic, or even important modification from the underlying situation as reported on

the written questionnaire, detailed in the April issue of Banking. That basic situation is that there exists, after the ordeal of trial by experience and questionnaire, a basic harmony among monetary managers, and in particular between the Treasury and Federal Reserve Board.

"The Board's return to orthodox thinking and toward reliance on such orthodox monetary mechanisms as open-market operations and the discount rate was further confirmed. So was the Board's abandonment of its predilection for the pegged-market days, to embrace new, novel, and untried monetary mechanisms.

"During the hearings the only important difference between the Reserve Board and the Treasury was whether there should be established a domestic advisory council of leading officials on monetary matters, somewhat similar to the National Advisory Council on International Monetary and Financial Problems.

"Secretary Snyder definitely thought this would be helpful in effecting a greater coordination among all Federal officials on credit and monetary control. The Board was fearful of it, particularly that the Reserve might be overweighted in such a council.

"Committee work was educational process

"As Senator RALPH E. FLANDERS, Republican, of Vermont, said, the committee's operations gave everybody an education, not merely the professionals in money management and debt operations, but the general public as well.

" 'The chief value of the inquiry has been to remove the veils of mystery and misconception that have obscured the real nature and purpose of the Federal Reserve from public understanding,' he said.

"Thus, the committee adduced ample testimony to point up the limitations of monetary policy as an instrument for achieving wonders in controlling inflation or deflation.

"Handling public debt an art

"Witnesses, such as A. Lee M. Wiggins, former president of the ABA, and former Under Secretary of the Treasury, made it clear that the business of handling the public debt and operating monetary controls was something beyond a tight mechanistic concept and something of an art, even if Mr. Wiggins did not quite express it that way.

"Other witnesses freely criticized the Government, and accused the administration of devising numerous programs which made for inflation, regardless of what steps were taken ostensibly to control inflation.

"For this liberality, freedom, and diversity of testimony, Chairman PATMAN is freely given large credit. Mr. PATMAN is said to have refused no single witness a chance to testify. Although he had given the impression of hostility to the Federal Reserve prior to the course of hearings, the Representative's conduct impressed observers as something between that of a fair judge who wanted to hear everyone completely out, and an earnest student anxious to learn every side of each controversial issue.

"Patman modifies views

" 'I am highly pleased with the job which was done by the Federal Reserve and the Treasury at these hearings,' said Mr. PATMAN.

" 'What pleased me was that these official witnesses supported the Employment Act of 1946 as national policy proclaimed by Congress, an act of which I was the author in the House.

" 'This act sets forth a good policy, although I'll admit it could be strengthened. I think perhaps it gives too much emphasis upon the inflationary side of Government action, and does not emphasize sufficiently the necessity at times of deflationary action and the further need for protecting a sound dollar.'

"Mr. PATMAN for a long time had favored having the Federal Reserve banks, in gradual stages, absorb about half the Federal debt so as to save the payment of interest. 'I still think this could be done, and save the payment of $3 billion annually of interest, but I am not going to advocate it. I am not going to advocate it at the present time because I am frankly afraid to trust Congress. The Congress is inclined to take the easy way.'

"The Texas Representative noted that, when Congress refuses to raise taxes and provide for tough price control, it is not a time to lessen the burden of the Federal debt.

"Wolcott comments

" 'For the first time there has been outlined in one place, for the benefit of those who care to read about it, the whole panoply of moves which the Roosevelt and Truman administrations have sponsored over nearly two decades to promote—to consciously promote—inflation in the United States,' said Representative JESSE P. WOLCOTT, Republican, Michigan, another member of this committee.

" 'One of the benefits of the Patman committee hearings is that some highly credible testimony has at last been brought to bear on this point. I think that the committee's inquiry has been useful on that score in showing that the administration has been more concerned with deflecting from itself and placing upon this or that element of the economy, the bankers or others, blame for the inflation it has caused. This has been the administration's true aim, rather than one of dealing effectively with inflation'."

"[From the Burroughs Clearing House (House organ of the Burroughs Adding Machine Co.) of April 1952]

"A VERITABLE 'BRITANNICA OF BANKING'—THE PATMAN HEARINGS—THEY LAY THE GROUNDWORK FOR A CONGRESSIONAL REVIEW OF THE ENTIRE BODY OF FINANCIAL AND MONETARY LEGISLATION

"(By John H. Donoghue)

"When the Hatfields and the McCoys put away their muskets and struck up an agreement to live together in peace, it was natural for folks to wonder why they ever took to feudin' in the first place.

"The Congress of the United States reacted with similar curiosity when the Treasury Department and the Federal Reserve Board jointly announced, on March 4, 1951, that they had reached an accord, bringing to an end the dispute that lay between them.

"Why was an accord necessary? The question has weighed heavily on the minds of the key legislators who are responsible for writing the laws of banking and finance. Both the Treasury and the Federal Reserve Systems are creatures of Congress; both operate under its laws. If these two great institutions are found working at cross purposes and publicly disputing about it, does not the fault lie with the Congress itself for writing one law for the Treasury and a contrary one for the Federal Reserve?

"The product of these questions was the investigation conducted in March 1952, a year after the accord, by a subcommittee of the Joint Committee on the Economic Report. Beginning on March 10 and continuing daily throughout the remainder of the month, the hearings became popularly known as the Patman hearings since the chairmanship of the five-man bipartisan panel of Senators and Representatives was held by Congressman WRIGHT PATMAN, Democrat, of Texas. This title has helped to distinguish the present set of hearings from those conducted by the same subcommittee in 1951, during the chairmanship of Senator PAUL H. DOUGLAS, Democrat, of Illinois.

"The Patman hearings were by no means confined to a rehash of the Douglas committee's output. In fact, the real importance of the investigation is the groundwork which it has laid for a painstaking review of the entire body of fiscal and monetary legislation by Congress.

"The immensity of the task undertaken by Mr. PATMAN and his colleagues almost eludes comprehension. And the value of the record now compiled is likely to increase with the passage of years, for it serves as a background pattern of the Nation's foremost economic opinion, into which future monetary proposals and actions should be made to fit. It will be hard for anybody to offer a theory or scheme affecting public debt or private credit without finding the arguments for and against it already set forth in the Patman record.

"Therein lies the true value of the Patman research. It did not settle the variance of attitudes between the Treasury and the Federal Reserve, and nobody really expected that. But the investigation did assemble a very great number of competent judgments on the relative importance of various factors that affect the economic welfare of the people, and also a large variety of informed guesses as to what will be the outcome when this or that policy is adopted in the face of several hypothetical situations that may arise in the Nation's economy.

"Appropriately, the first witnesses who appeared before the committee were the two principal fiscal and monetary officials of the United States. John W. Snyder, Secretary of the Treasury, and William McChesney Martin, Jr., Chairman of the Board of Governors of the Federal Reserve System, were the key managers whose policies were under scrutiny—one managing debt, the other credit. The importance attached to the testimony of these two key witnesses is obvious from a glance at the two-volume compendium of questionnaire replies issued by the committee shortly before the hearings began. Volume No. 1 of 600 pages is devoted to the views expressed by these 2 men. Volume No. 2, also 600 pages, is given over to the other 1,000 persons, including Federal Reserve bank presidents and the President's Council of Economic Advisers, to whom the committee addressed opinion-seeking questionnaires.

"The major message of the hearings therefore, was expressed on March 10 and 11 when Secretary Snyder and Reserve Chairman Martin occupied the witness chair in the ornate, marble-lined Senate caucus room. Both of these sessions lasted full days and they set the pitch for the remaining 3 weeks of hearings.

"Confronting Secretary Snyder and Board Chairman Martin was a panel of five seasoned interrogators. The one they kept their eyes on, however, was Subcommittee Chairman PATMAN, a debater of great skill. It was Mr. PATMAN who vocally declined to join the chorus of congratulations when the Treasury and the Federal Reserve announced the burial of the hatchet.

"Four of the members were repeaters from the former Douglas subcommittee: Mr. Patman, Senator Douglas, Senator Ralph E. Flanders, Republican, of Vermont, and Representative Jesse P. Wolcott, Republican of Michigan. The fifth subcommittee member was Representative Richard Bolling, Democrat, of Missouri, taking the place of the deceased Representative Frank Buchanan.

"Sharing the spotlight with Chairman PATMAN was Senator DOUGLAS. He came to the hearings not to learn but to teach, and in this respect he differed markedly from Chairman PATMAN. Mr. DOUGLAS is a confirmed believer in the efficacy of traditional monetary measures in controlling the cyclical movements of the economy.

"Before the hearings began the Illinois Senator had it all worked out that the

reason for the price inflation following the Korean outbreak was the timidity of the Federal Reserve Open Market Committee. His doggedly held position is that the Federal Reserve could and should have refused to purchase the $3,500,000,000 of Government securities that it actually acquired during the 8 months between the Korean outbreak and the March 4, 1951, agreement with the Treasury. To be sure, Mr. DOUGLAS has not flatly declared that a cutoff of Federal Reserve purchases would have forestalled the damage done to the value of the United States dollar during those months. But he does stand firmly on the ground that the Federal Reserve, by continuing its security buying to the tune of $3,500,000,000, must accept a goodly share of the responsibility for permitting the inflation to take place, for it was this $3,500,000,000 of Federal Reserve credit that turned up in the jump from $16 billion to $19 billion of member bank reserves during the same period. It was a short leap for the Illinois Senator from this $3 billion increase of bank reserves to the $10 billion increase of bank loans. Thus, briefly, runs the Douglas theory of what happened in the inflationary months following Korea.

"Senator DOUGLAS spared no effort to make Secretary Snyder and Reserve Board Chairman Martin become converts to his theory on post-Korean inflation. At one time when Secretary Snyder was on the witness stand, the Illinois Senator began dumping glassful after glassful of water into a tumbler before him, shouting for more water and generally inundating the hearing room, to illustrate the proposition that an increase of money and credit supply is disastrous.

"Secretary Snyder refused to acknowledge that he had ever insisted that the Federal Reserve support the market for Government securities. Even under the most persistent questioning, he would go no further than to acknowledge that a stable market is desirable for Government financing. As for conflicts of objectives with the Federal Reserve, he insisted that these could be worked out by cooperation.

"Mr. Snyder added one proposal to his testimony, possibly for the purpose of giving the subcommittee something to chew on, in a suggested money and credit advisory board which would assist the heads of the Treasury and the Federal Reserve in their efforts to cooperate. He was careful to specify that the advisory board would have no power but to advise.

"Chairman Martin, of the Federal Reserve, warmly defended the March 1951 accord. He had a personal feeling in the matter, for he was the Assistant Secretary of the Treasury who spent weeks of day-and-night toil in the negotiations that led up to the agreement.

"It became apparent during the Martin testimony that some fairly sharp exchanges of opinions took place between the Federal Reserve Board and a number of the Nation's leading bankers prior to March 1951. Senator DOUGLAS called upon Reserve Chairman Martin to produce a number of letters from bankers and others urging the Federal Reserve Board to increase interest rates long before it was actually done. When Mr. Martin protested, the five subcommittee members agreed to look over the letters in private.

"The importance of the bankers' letters is that they support the Douglas estimation of the effectiveness of monetary restraint as the traditional and legally intended method of regulating the relation of money supply to demand. He needed this support because he was not getting very much from the two top witnesses, Snyder and Martin. It was obvious that a majority of the Federal Reserve Board, during the months immediately after Korea, did not agree with the bankers and economists who insisted that interest rates be moved upward—and promptly.

"Thus, it was the theory of monetary controls that was on trial. As witness after witness came to the stand, additional new attitudes and appraisals came to light. But there was full agreement on one thing—that Senator DOUGLAS had accurately pinpointed the issue by asserting, and inviting denials, that inflation would have been materially lessened if the Treasury-Federal Reserve accord had taken place many months earlier."

"[From the Commercial and Financial Chronicle of April 10, 1952]

"WASHINGTON AND YOU

"WASHINGTON, D. C.—Now that the Patman committee has concluded its hearings about the Federal Reserve System and Treasury financing, there is a unanimous agreement that Representative WRIGHT PATMAN, Democrat, Texas, was the greatest surprise of the entire hearing.

"Mr. PATMAN had long advocated a shifting of about half the Treasury debt to the Federal Reserve to save interest, and he was an advocate of subordinating the Federal Reserve to the national administration.

"The Congressman is unlikely to renew these recommendations, and his long study particularly is not expected to result in even a proposal to directly subordinate the Federal Reserve to the Treasury or the administration. He may propose some ideas about greater supervision and liaison which will be unpalatable to the Federal Reserve, but he is expected to stop short considerably of submerging the independence of the Federal Reserve in making monetary policy.

"Actually, Representative PATMAN gave the clear impression of having definitely learned something by the hearings, and of having profited by what he learned in modifying his views. Mr. PATMAN has become a more mellow man.

"What has pleased witnesses before the Patman hearings, however, has been the liberality with which he listened to views contrary to those he was alleged to hold. The chairman of this special committee took pains to let any and all advocates of all points of view have their full say, and he did not decline a hearing to a single individual who asked to appear. Far from turning the hearing into a drumhead court for 'funny money,' Representative PATMAN appeared to most witnesses as a rather mature, subdued, and considerate judge who wanted to hear all parties out."

"REPORTING ON GOVERNMENTS

"(A weekly news service on U. S. Government securities)

"NEW YORK CITY,
"February 23, 1952.

"DEAR SIR: The Patman subcommittee's public hearings on debt management and fiscal policies—past, present, and future—will open March 10. Top Government and Federal Reserve officials, leading bankers, economists, life insurance company executives, etc., are slated to testify, to answer the most searching questions on credit policy and Reserve-Treasury relationships publicly. The hearings are scheduled to last about 3 weeks. The program calls for a report by the subcommittee to the full Joint Committee on the Economic Report by May. In the words of Dr. Henry C. Murphy, economist to the Patman subcommittee, 'This will be the biggest inquiry into our monetary system since 1911—the inquiry 41 years ago which led to the creation of the Federal Reserve System.' In the words of another Washington official who has been intimately connected with the subcommittee's preparations, 'This will be quite a show and in its more serious and fundamental way, will rival any of the Congressional probes we've seen in the last couple of years.' And every effort will be made to focus attention on the debates and issues involved, to alert the public to the probe's importance.

"On October 12, the subcommittee sent its questions on general credit control and debt management to about 1,100 sources. For weeks, a staff has been processing the answers and within a few days a compendium will be published—including the answers from Federal Government and Reserve officials in full and summaries and extracts of the others.

"The book will run about 1,500 pages. The Reserve's answers alone are sufficient to fill an ordinary-sized book.

"This in itself is a monumental piece of work. One official who has studied the answers goes so far as to state, 'After this book is available, every textbook on debt management and fiscal policy will need rewriting for this is history as it is being made.'

"You who are reading this bulletin are the men to whom this inquiry is addressed. You are the participants in this financial drama; you are the audience, too. A large number of you received and answered the subcommittee's questionnaire. And while few of you probably will read the 1,500-page compendium and few of you will be able to attend the public hearings, you are and will be vitally involved in what is going and will go on.

"Thus, this letter is written as a preliminary report to give you the background and to outline the issues before the public hearings start. There has been some attempt to minimize the significance of the subcommittee because of the likelihood that no legislation will result from its hearings. This is akin to missing the forest because of the trees. We repeat again the opening lines of our letter of September 1, 1951: 'The power-policy conflict that raged between our Treasury and central bank during the first half of this year has a counterpart in virtually every country of the Western World. Few investors realize that they have been—and still are—in the middle of one of the great fiscal debates of the century. Nevertheless, this is a hard, sharp fact. The final word on the Treasury-central bank controversy in our country has not been written.'

"Those words hold today as they held then. Within this framework of reference, we submit in this letter (a) quick facts about the subcommittee and the questionnaire to help you avoid confusion; (b) an analysis of the two great questions involved; (c) a preview of the debate expected between supporters of the Reserve and supporters of the Treasury; (d) observations and forecasts.

"Quick facts about the subcommittee

"This is the second full-dress inquiry into fiscal and debt management policies and problems in less than 3 years. The first inquiry was managed by a subcommittee headed by Senator PAUL H. DOUGLAS, of Illinois, and resulted in the now-famous call by DOUGLAS for a reaffirmation of the Reserve's independence regardless of the dislocations that would follow. There is no question that the Douglas subcommittee's report played an important part in influencing Reserve psychology in late 1950 and early 1951.

"Now this inquiry takes place after the unpegging. An entirely different atmosphere exists. This is a period of remobilization. This is the start of a phase of deficit financing. In 1949, those testifying in favor of an unpegged market could only guess what might happen. Now they have a record to which to point.

"This subcommittee consists of: Representative Wright Patman, Democrat, of Texas, as chairman; and Senator Douglas, of Illinois; Senator Flanders, of Vermont; Representative Bolling, of Missouri; Representative Wolcott, of Michigan.

"Because of the makeup of the committee, both a majority and a minority report may result. It's improbable that DOUGLAS and

PATMAN could compromise their own viewpoints to the extent permitting a report which both could sign with satisfaction.

"As important to you as the hearings will be the 1,500-page compendium of answers to the Patman questionnaire. Printed in full will be the answers of the Treasury Secretary, the Reserve Board Chairman, the Council of Economic Advisers, and other Government officials. There will be summaries and extracts of the rest. The Douglas subcommittee had nothing as complete as this with which to work. We've never had anything like it either.

"The two great issues at stake

"There has been much emphasis in newspaper and magazine editorials in recent months on PATMAN's bias for the Treasury, his supposed hate for the Federal Reserve, his oft-expressed inclination toward cheap and ample money. There also has been considerable sniping at his choice of Murphy as economist, for Murphy was a top economist for the Treasury through the war years and the angle mentioned is that Murphy's sympathies would incline toward the Treasury.

"This is awfully superficial stuff, though. Neither PATMAN nor Murphy could—even if they would—stop those testifying from stating their beliefs and highlighting the conflicts and issues at stake. Digging beneath the superficialities, here are the two great questions which will be brought out at the hearings and which are of such deep concern to you:

"(1) How shall monetary policy in this country be formulated? There are various factions—such as the Treasury, the Federal Reserve Board, the President's Economic Council, groups of private bankers and insurance company executives, and the inclinations of each often differ, often are in obvious conflict.

"Who, then, shall be dominant? Why? What shall be the relationship among them, how shall it be defined, how shall it be maintained, and in times of conflict particularly, where shall the ultimate control lie?

"This truly is basic. And for many of you, the question itself is relatively new. There was a long period, for instance, during which private bankers pretty much called the tune ('Wall Street settled it'). There was a period during which the New York Reserve Bank seemed more powerful than the Federal Reserve Board in Washington. There was a prolonged era during which the Treasury was completely dominant (you lived through this one). There was the period during which insurance companies were liquidating ineligibles on so gigantic a scale that one might even tag that the phase of insurance-company control. Now there's a so-called accord, and the question is surrounded by obscurities. Who? How? Why?

"If by chance you consider this theoretical, just ponder for an instant the practical applications. Were the Treasury in control today, 2½ percent would be the long-term rate, par would be the bottom price, 4 percent VA mortgages hardly would be going begging, your entire investment policy would be different. If the conflict between the two fiscal giants flares up again—and it very well may—your portfolio policy would be directly involved.

"It would be a near miracle if the Patman subcommittee's hearings were to result in any real settlement of this problem. But they surely will highlight the issue and by so doing, give us needed guidance.

"(2) And second, what shall be the policy now? Neutrality on the part of the Reserve, permitting prices to fluctuate in a wide range, and the market to decide the trend of interest rates? Greater recognition of the Treasury's financing-refunding problems and a modification of the Reserves program? Should the Treasury go out and compete for long-term funds, regardless of cost? Should it continue emphasizing short-term financing despite the dangers?

"As participants in the market, you understandably might be more interested in the answers to this question. Throughout World War II, your problem as far as the Government market was concerned, was of kindergarten proportions: rates were set, huge bank financing was the rule, you simply played the pattern of rates. Now you're playing in the postgraduate league, and you realize that whatever answers are made to the second question will affect your actions in every other high grade market, and your income-profits position down the line.

"The debate between the Treasury and Reserve

"We have been amazed when we have heard presumably informed investors speak of the March 1951 accord as settling the power-policy conflict between the two fiscal agencies. The accord decided very little; it met the short-term but not the long-term issues; in military parlance, it was an armed truce, not a peace. At the very top level, Secretary Snyder and Reserve Board Chairman Martin are friendly, but Snyder, as we have reported to you, is not convinced that what was done was right and is not resigned to the changes. At the lower technical and staff levels, the experts are in frequent consultation, and thus there is better understanding of the problems on each side, but understanding is far from a synonym for agreement.

"The answers of the Reserve to the Patman questions will be an exhaustive argument for an independent Federal Reserve System able to pursue alternative programs of restraint, neutrality, and ease as economic conditions dictate. And the Reserve will urge understanding of the fact that such programs must affect interest rates for the Government as well as for private lenders, and when the Treasury borrows, it must compete for and hold its place in the market.

"The answers of the Treasury to the Patman questions will be an exhaustive argument for a system under which the Reserve cooperates with the Treasury to maintain confidence in the Government market and in Government credit. And the Treasury will urge understanding of the fact that it is charged with the tremendous responsibility of financing and refunding in multibillion-dollar terms, and every tiny interest rate rise adds tens of millions to debt costs.

"This will be just a starter. And the opinions we've seen run all the way from a castigation of the Reserve to a denunciation of the Treasury—with every shading in between. The debate, we repeat, is in its infancy.

"Observations and forecasts

"It's most improbable that there will be any legislative results; this isn't a legislative committee, and that is not an objective. But the impact of the debate will be deep and will grow with time, we believe.

"From what we have read and heard, we would anticipate considerable clarification of the present situation and probable actions just from the discussions and the answers to the questionnaire. We hope to submit digests of the important answers after we have had time to study the 1,500-page book.

"Today, the accord is working—not excellently, but fairly well. Compromises are to be expected in the near future, too, so the real test of the relationships may be postponed for a while.

"But a real test will come. It certainly will come if there is a recession followed by another manufactured inflationary upsurge, and then the Reserve must meet what it deems its responsibilities while the Treasury is financing a deficit. Then issue (1) will be on the table for all to see. And that's why we so strongly recommend that you follow these hearings, that's why we believe this inquiry will turn over of great importance.

"Yours very truly,

"S. F. PORTER."

"[A news service on U. S. Government securities]

"THE GOLDSMITH WASHINGTON SERVICE,
"March 15, 1952.

"First week of Patman subcommittee hearings most interesting in my 15 years of reporting. Testimony covered 553 typewritten pages—open hearings will last 2 and maybe 3 weeks longer. Write Joint Economic Committee for schedule, anybody may attend. We hope to hook up important testimony last week with that in coming weeks.

"Chairman PATMAN was praised Monday by committee members and Snyder and Tuesday by Martin for excellent work of Henry Murphy in working on and cooperating with Federal Reserve and Treasury and preparation of such fair answers to questionnaires. And PATMAN has been praised by all witnesses so far for judicial conduct of hearings—but there are 3 to 4 or 5 weeks to go—some question motives and think conduct could change to free-for-all—which might have market influence particularly if general news is dull and daily press coverage more complete.

"This week Senator DOUGLAS carried the ball and pressed Secretary Snyder—Federal Reserve Chairman Martin—and Council of Economic Advisers Chairman Keyserling to answer whether (1) Federal Reserve purchases of $3,500,000,000 Government securities in the 8 months following Korea—potential basis for $18 billion commercial bank loan expansion and the actual increase of $10 billion commercial bank deposits were materially responsible for the 18½ percent increase in prices. (2) Conversely whether failure of the Federal Reserve to purchase Governments on balance since the accord has been a major factor for inflationary lull since accord was adopted on March 5 and Government securities market unpegged.

"At the beginning of the hearings Monday morning Senator DOUGLAS said Snyder's answers were entirely unsatisfactory, but in the afternoon Snyder conceded that he hoped 'that we can avoid any situation like that in the future.' Felix Belair's story summarized that hearing more fully in New York Times, March 11.

"DOUGLAS also criticized Snyder for pages 72, 73, and 74 in part I of Treasury answers to the questionnaire, which he said impugned the integrity of former Chairmen Thomas McCabe and Marriner Eccles, and asked PATMAN that they both be asked to appear before the committee. See paragraph 5, page 3, or last letter. PATMAN invited them, reporter later that the time allotted them was satisfactory—but had not received unqualified acceptance. They may not be heard till end of scheduled hearings and McCabe and Eccles could prolong hearings for several days, and then Snyder and Martin might ask time for rebuttal—unlikely. Meanwhile pressures will be brought to bear to have them testify or withhold testimony.

"On Tuesday morning Martin had excellent prepared statement—only 5 pages—with supplementary brief of important answers 7 pages. Write Elliott Thurston, Federal Reserve Board, for copies of each."

"MARCH 29, 1952.

"Last week I heard the greatest debate of my lifetime between Senator PAUL H. DOUGLAS and the Chairman of the Council of Economic Advisers. They debated the fundamentals of economic policy. Involved was the difference between socialism and capitalism—the question of whether to control the economic system by monetary controls or so-called overall shotgun controls as opposed to direct controls was raised."

"[Excerpts from statements made in the hearings]

"HON JOHN W. SNYDER, SECRETARY OF THE TREASURY

"The hearings which are beginning this morning represent the culmination of a number of months of intensive study and preparation of replies to the questions raised by your subcommittee. Anyone who has worked on this complex project cannot help but be impressed with the scope and searching nature of the questions which were asked. In our already heavy work schedules it was not easy to find the time to set down the pros and cons of the many issues presented for generalized discussion in the questionnaire. In view of the importance of the study, however, we felt that time must be found; and I am very glad that we were able to give full and considered replies to all of the questions submitted to us.

"I believe that everyone who reads the written replies received by the subcommittee will feel, as I do, that the body of material which you have assembled will be of great value in the field of debt management and monetary policy for many years to come. Not one point of view, but many points of view—I am almost tempted to say all points of view—seem to have been elicited by the subcommittee in the written answers to the various questionnaires which were sent out. A policy record, in the most fundamental sense, is not only a record of decisions made and actions taken—it is a record of appraisals, of conclusions, and of judgments. Those who replied to the subcommittee's questionnaires, it seems to me, have attempted to be fully responsive in this fundamental sense.

"I want to say here, Mr. Chairman, that I do hope that these 1,300 pages will be read with a great deal of care, and carefully digested by all people who are charged with any part of the preparation of the studies and the formulations of decisions in connection with debt management and monetary policies.

"I want to add my words to those of your colleagues who have addressed their remarks previously to the complimentary appreciation of what has gone ahead in laying the groundwork for these hearings. I think that we could well say that this has been the most carefully and most studiously prepared hearing on this subject that we have experienced. I am extremely hopeful that out of this fine foundation will grow discussions and studies that will be extremely helpful in the great problems we have in the future (hearings, pp. 7–8)."

"HON WILLIAM M'C. MARTIN, JR., CHAIRMAN, BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

"In coming before you today I should like to express what I know has been in the minds of all of us in the Federal Reserve System in preparing the answers to your questionnaire. We have welcomed this opportunity to put down on paper our concepts of what our function is in the governmental structure and in the economy. You gave us a heavy load of homework and we have all profited by it. I know that for me it has been more than a refresher course—it has been a liberal education in what I prefer to call reserve banking, rather than central banking operations. The task of preparing answers to the comprehensive and searching questions has been formidable and I will not pretend that I approached it without some reluctance. Now that the task is done and the results are published I realize how worth while has been the time and effort expended not only by those of us in the System but by the many others to whom you addressed questionnaires. Irrespective of the conclusions you may reach as a committee, you have assembled a body of information that I think will prove to be invaluable for a long time to all who are interested in the special problems of general credit control and debt management.

"Beyond that, however, we have all genuinely welcomed this inquiry. The Federal Reserve System is a servant of the Congress and, through you, of the people of the United States. You created it, you can abolish or change it. Our task is to carry out your will and it is our duty to lay before you all the facts at our command for which you ask and to give you our best judgment on these important matters (hearings, pp. 73–74)."

"A. L. M. WIGGINS, CHAIRMAN OF THE BOARD OF DIRECTORS OF THE ATLANTIC COAST LINE RAILROAD CO. AND THE LOUISVILLE & NASHVILLE RAILROAD CO.; FORMERLY UNDER SECRETARY OF THE TREASURY; FORMERLY PRESIDENT OF THE AMERICAN BANKERS ASSOCIATION

"The questionnaires and the answers that were sent out and received, in my opinion, constitute the most valuable collection of thinking in the field of money, in money management, problems of debt management, and other collateral questions that I have found anywhere.

"I have read the entire 1,300 pages of this report since it was published about—since I got a copy about 10 days ago, and it is very instructive and illuminating and I congratulate the committee on the character of the questions (hearings, p. 220)."

"MARION B. FOLSOM, TREASURER OF THE EASTMAN KODAK CO.; CHAIRMAN, BOARD OF TRUSTEES, COMMITTEE FOR ECONOMIC DEVELOPMENT

"Forward steps in money and debt policy during the past year have been due to improved appreciation of the fundamental issues. The investigation conducted by the subcommittee under Senator DOUGLAS made a major contribution to this improvement. We are confident that the present investigation will make a similarly important contribution to better understanding and thereby to better policy (hearings, p. 296)."

"J. CAMERON THOMSON, PRESIDENT, NORTHWEST BANCORPORATION; CHAIRMAN, COMMITTEE ON MONETARY, FISCAL, AND DEBT POLICY, COMMITTEE FOR ECONOMIC DEVELOPMENT

"We have found the problems of monetary policy exceedingly difficult. The materials you have already published have demonstrated that the work of your committee will contribute a great deal to our study, and we are happy to participate in your investigation.

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"We are confident that the work of your subcommittee, like the work of its predecessor subcommittee under the chairmanship of Senator DOUGLAS, will be a major step in the development of a successful program for the avoidance of serious inflation or depression.

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"We were talking, before the hearing started, about how available these reports are going to be made. I think along the lines you are talking about these reports ought to get very widespread circulation. I am going to get some for each officer in our corporation. They put together a lot of valuable information and you have drawn out answers from people that have not been had in recent years. The record of the two hearings is the best source of information as to the developing monetary policies of the country and the value of these powers, and I believe they should get as wide a circulation as possible (hearings, pp. 296, 305, 315)."

"AUBREY G. LANSTON, PRESIDENT, AUBREY G. LANSTON & CO., UNITED STATES GOVERNMENT SECURITY DEALERS

"Many have commented on the public service rendered by the committee's publication of two volumes on the subjects of debt and money management and on the exceptional work of the staff headed by Dr. Murphy and on the high quality of the replies. It is a real achievement (hearings, p. 389)."

"DONALD B. WOODWARD, SECOND VICE PRESIDENT, THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

"I want to congratulate this committee and its staff director most warmly on the invaluable information you have collected and published. Your two volumes are a classic, and they and the hearings enrich the literature immeasurably. Everyone is in your debt. I am deeply honored to be asked to appear before a body that has so distinguished itself (hearings, p. 602)."

"WESLEY LINDOW, VICE PRESIDENT, IRVING TRUST CO., NEW YORK CITY

"You have made a fine contribution in publishing the two volumes based on the answers to your questionnaires on monetary policy and the management of the public debt (hearings, p. 629)."

"ROY L. REIERSON, VICE PRESIDENT, BANKERS TRUST CO., NEW YORK CITY

"The questions posed by this committee in its questionnaires were excellently designed to point up the issues encountered in the difficult task of determining debt management and credit policies under inflationary conditions, and the answers will be an invaluable source book of material in this field for many years to come. The full and free exchange of ideas at these hearings is helping to illuminate some areas not wholly covered in the questionnaire and to discuss problems raised by some of the answers received. It is a privilege to be here (hearings, pp. 636–637)."

"H. CHRISTIAN SONNE, CHAIRMAN OF THE BOARD, AMSINCK, SONNE & CO., CHAIRMAN, BOARD OF TRUSTEES, NATIONAL PLANNING ASSOCIATION

"I welcome the broad-gaged examination of the problem, undertaken by this subcommittee. The material published in the background volumes in itself is a treasure of information and is very valuable for every student of the subject.

"At the request of the Joint Committee on the Economic Report, the NPA sponsored a meeting on fiscal policy of a group of prominent economists from all over the country in September 1949. In October 1951 we had a similar meeting on monetary policy. Each of these meetings resulted in a statement on which the majority of the participants agreed. I was pleased to note that the statement resulting from NPA's October 1951 conference is included in one of the background volumes published by this subcommittee (hearings, p. 844)."

"MONETARY POLICY AND THE MANAGEMENT OF THE PUBLIC DEBT; THE PATMAN INQUIRY [1]

(From the Review of Economics and Statistics, May 1953—Harvard University Press)

"(By James Tobin, professor of economics, Yale University)

"The documents produced by the Patman inquiry are a remarkable contribution to

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[1] Monetary Policy and the Management of the Public Debt: Their Role in Achieving Price Stability and High-Level Employment.

1. Replies to Questions and Other Material for the Use of the Subcommittee on General Credit Control and Debt Management, Joint Committee on the Economic Report, 82d Cong., 2d sess. Washington: U. S. Government Printing Office; 1952; two parts. Pt. 1, pp. xvii+632. Pt. 2, pp. vii+633–1302.

2. Hearings before the Subcommittee on General Credit Control and Debt Management, Joint Committee on the Economic Report, 82d Cong., 2d sess., March 10–31, 1952.

monetary literature. The first title, 'Compendium' for short, consists of replies to questions propounded by the committee. The first volume of the compendium contains the careful answers of the Treasury and the Board of Governors of the Federal Reserve System to the lengthy questionnaires submitted to them. The second volume includes replies from the presidents of Federal Reserve banks, the Council of Economic Advisers, Federal and State bank-examining authorities, the Reconstruction Finance Corporation, economists, bankers, life-insurance executives, and dealers in United States Government securities. The questionnaires varied with the respondent and were designed to obtain both factual information and expressions of opinion. The answers provide a wealth of legal, institutional, statistical, and historical information. Whether you wish, for example, a complete chronology of Federal Reserve policy actions since 1914, a summary of the reserve requirements of nonmember banks, a world survey of Treasury-central bank relationships, or a study of the density of banking offices relative to population in the several States, the Patman compendium is your source. The replies also provide a variety of opinion, comment, and theory concerning the role of monetary policy in the postwar United States economy.

"The second title, 'Hearings' for short, reports oral testimony on these same subjects and includes also numerous documents and written statements submitted to the committee. The committee heard testimony from the principal contributors to the compendium and from many others; the witnesses represented a wide variety of experience, interest, and viewpoint. The hearings include four panel discussions on aspects of monetary policy. Two of these, 'How should our monetary and debt-management policy be determined?' (pp. 747 ff.) and 'What should our monetary and debt management policy be?' (pp. 685 ff.), are especially deserving of the attention of the reader who can only hit the high spots of these volumes.

"The third title, 'Report' for short, gives the findings and recommendations of the committee majority, with dissenting observations by Senator DOUGLAS. The report is an admirable review of the events investigated by the committee; and its findings on the issues discussed in the compendium and hearings are, in my opinion, well balanced and moderate. For this report, and indeed for the skillful design of the whole inquiry, there can be no doubt that Henry C. Murphy, the committee's economist, deserves tremendous credit.

"It is patently impossible for a review to do justice to the masses of material in these three documents. I hope I have given some idea of their scope. For the rest, I shall confine myself to three major topics of the committee's inquiry: (1) the Treasury-Federal Reserve conflict, (2) the theory of the operation of monetary controls, (3) the place of monetary restriction in an anti-inflationary program.

"Drama: The Treasury-Federal Reserve conflict

"The struggle between the Treasury and the Federal Reserve gave to monetary theory and policy a dramatic interest which economic issues seldom achieve. The drama is now over. The accord of March 1951 and the Patman inquiry were its concluding acts. The advent of new leadership in the Treasury makes it unlikely that the struggle will be resumed.

"As the last act of the drama, the Patman inquiry was anticlimactic. The Douglas committee, which investigated the same subject in 1949, had strongly criticized the Treasury and had recommended Federal Reserve independence in the formation of credit policy. This token of Congressional sentiment, even though the mandate to the two agencies favored by Senator DOUGLAS was never passed, may well have stiffened the Federal Reserve in the subsequent conflict. (See hearings, p. 535.) The Patman investigation, it was widely predicted and feared, was to be the Treasury's day of revenge and a challenge to the independence of the Federal Reserve. Nothing of the sort happened. The inquiry only consolidated the victory the Federal Reserve had already won in March 1951. Representative PATMAN conducted the inquiry, so far as a reader can discern, with the utmost fairness and impartiality. Although he was widely regarded beforehand as an "easy money" man, he gave no sign of dissatisfaction with the accord. He proved to be less interested in issues of monetary policy—except for selective credit controls, of which he strongly disapproved—than in emphasizing that the Federal Reserve System is a public agency responsible to Congress, not a chain of bankers' banks. Some of the organizational recommendations in the report reflect this concern, but none would significantly weaken the autonomy of the Federal Reserve.

"The extent of the Federal Reserve victory is indicated by changes in Federal Reserve attitudes on two proposals: one for an advisory council on monetary policy and one for granting the Board of Governors discretion to impose supplementary reserve requirements. In the days of its weakness the Federal Reserve had supported similar proposals. Now its spokesmen opposed them.

"In 1949 Chairman McCabe, of the Board of Governors, and the presidents of the Reserve banks indorsed the Hoover Commission recommendation for a national monetary and credit council to facilitate consultation among the Treasury, the Federal Reserve, and the major Federal credit agencies.[2] Such a council was one of the recommendations of the Douglas committee. In the Patman investigation, Secretary Snyder, who had given the plan only lukewarm support in 1949, revived the proposal. The Federal Reserve was now cool to the proposal, and Senator DOUGLAS even colder. Formerly the council was considered an opportunity for increasing Federal Reserve influence with executive agencies; now it was viewed as a threat to Federal Reserve independence. The Patman committee majority nevertheless recommended the establishment of a council by Executive order as an experiment.

"The shift of attitude on supplementary reserves is of greater importance. In 1947 the Board of Governors sought powers to require supplementary bank reserves in Government securities, as a step toward insulating the public debt from the interest rate fluctuations incident to a flexible monetary policy. As late as May 1951, 2 months after the accord, the report of the President's four-member committee on this problem (Defense Mobilizer Wilson, Secretary Snyder, Chairman Martin of the Board of Governors, and Chairman Keyserling of the Council of Economic Advisers) stated, "Within a few days the Board of Governors will ask the Congress to consider definitive legislation providing for supplementary (reserve) requirements" (hearings, p. 132). The request was never made. By the time of the Patman inquiry, the Board of Governors had apparently been won over to the view of President Sproul of the New York bank, who had always opposed the scheme. Federal Reserve spokesmen were extremely cool to any innovation in reserve requirements. Practical difficulties which had not seemed insurmountable before seemed so now. Having waged and won a fight on the moral principle that you cannot have your cake and eat it too, the Federal Reserve was in no mood to look with favor on devices for reconciling flexibility of monetary policy and stability of Government securities prices. The committee majority did not agree. Representative BOLLING repeatedly inquired why the Board should not have supplementary powers over reserves as a standby even if they were not immediately needed, and he never got a good answer. The report favored granting such powers and pointed out that the time to provide them is precisely when they are not needed. But in the absence of a specific proposal by the Federal Reserve, this recommendation is certain to remain an expression of sentiment rather than a basis for legislation. Since the Federal Reserve was riding as high in the sympathy and esteem of Congress and the public as it is ever likely to be, its unreceptiveness to additional power may in future prove to be unfortunate. It is all very well to say there is no need for insulation when, under the Board's monetary policy, long-term Governments fall no lower than 95. But if it becomes necessary to let them fall to, say, 80, the old dilemma will recur and the Board might again wish for a way out.[3] For there is no evidence that the Federal Reserve has either the disposition or the political strength to heed the extremists who would have it hew to the monetary line, letting bonds fall where they may.

"The Patman inquiry was not only the last act of the Treasury-Federal Reserve drama. It was a revival of the whole play for the benefit of a wider audience, and it provided most of us with a much better view of the preceding acts than we had originally. Both the Treasury (compendium, pp. 50–74) and the Board of Governors (compendium, pp. 346–363) provided narratives of the events from the end of the war to the accord. The Treasury's account is both more informative and more combative, although their newfound friendship put both agencies under restraint in discussing their past differences.[4] The Federal Reserve reply is really given by President Sproul's testimony (hearings, pp. 519–523, 541–543) on the period from August 1950 on, a narrative to which two other key Federal Reserve figures, Mr. Eccles and Mr. McCabe, signified their concurrence. Further light on the history of the struggle is shed by the confidential correspondence between the two agencies from June 1950 to March 1951 (hearings, pp. 942–966), published by the committee over the cogent objection of Mr. Martin concerning the effects of this practice on the public service. Finally, the historically minded reader should not omit the account by Aubrey Lanston (compendium, pp. 1253–1265) of the market's

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Washington: U. S. Government Printing Office; 1952; pp. v+993.

3. Report of the Subcommittee on General Credit Control and Debt Management, Joint Committee on the Economic Report, 82d Cong., 2d sess. Washington: U. S. Government Printing Office; 1952; pp. vi+80.

[2] Joint Committee on the Economic Report, A Compendium of Materials on Monetary, Credit, and Fiscal Policies (81st Cong., 2d sess.; S. Doc. No. 132), pp. 77–79, 180–186.

[3] A supplementary reserve requirement such as the Board proposed in 1947 would not eliminate the possibility of declines in long-term bond prices. But it would, even if indirectly, remove some of the pressure on the long-term market. To the extent that short-term debt was locked in the banks, the supply of short-terms to other investors would be diminished. The resulting rate structure would increase the willingness of these investors to hold long-terms. Or the Treasury and Federal Reserve could, without expanding bank reserves, reduce the outstanding supply of long terms and satisfy the needs of nonbank investors for short-term obligations.

[4] Compare the preaccord letter of the Treasury General Counsel to the Joint Committee on the Economic Report, General Credit Control, Debt Management, and Economic Stabilization, pp. 38–40.

day-by-day reactions to the pulling and hauling between the agencies.

The report itself (pp. 25–28) provides an excellent and judicious summary of these events. On the evidence, there is no reason to doubt the committee's conclusion that the record shows principally the actions of men of good will trying to work out the solution for an exceedingly complex problem. Nor is the record a history of Treasury domination of an unwilling Federal Reserve, suddenly ended in 1950–51 by an abrupt turn of the worm. Ever since the war, beginning with the question of termination of the preferential discount rate, the Federal Reserve has been pecking away at the structure of interest rates inherited from the war. The Treasury has resisted and delayed each step, but eventually the Treasury has always yielded. (Almost invariably the initial Treasury view is that any change in the status quo is risky—depression or war may be coming—or unnecessary or both.) Throughout the period the Federal Reserve has influenced not only the structure of rates but the types and maturities of Treasury issues. Only once, in the refunding operation in the fall of 1950, did the struggle explode into openly conflicting actions by the two agencies. The Treasury learned its lesson, and its next refunding followed Federal Reserve recommendations. Ultimately, in early 1951, the Federal Reserve had nothing left to peck at except the 2½-percent long-term rate itself. Once again, in spite of some public verbal combat and the enlistment of the President on the Treasury side, the Federal Reserve prevailed. The accord came only 1 month after it was proposed to the Treasury by the Open Market Committee and only 2 months after the first intimation that the Federal Reserve had its eyes on the long-term rate. As in previous instances, the Treasury followed Federal Reserve advice regarding types and maturities of securities to issue.

"Naturally the spheres of decision of the two agencies and their relationships with each other were problems of great concern to the committee. Both agencies took the attitude that the status quo, vague and informal though it may be, was satisfactory. Leave us alone, they said in effect, and we can work things out in cooperation and harmony. Skeptical outsiders were more worried about defining formally the spheres and powers of the two agencies. Most respondents were for asserting and safeguarding the independence of the Federal Reserve from the executive, and there was considerable support for a mandate of the kind advocated by Senator DOUGLAS. Others held that "independence" is an unrealistic slogan, because monetary policy neither can nor should be made in a compartment separate from the other economic policies of the Government. In the panel discussion on this subject (hearings, pp. 747 ff.) G. L. Bach and Harold Stein were persuasive advocates of this viewpoint, arguing that it is more important to enhance the influence of the Federal Reserve in the administration than to attempt to increase its independence. Some of the recommendations of the committee majority were directed to this end: in particular, the proposal that the Chairman of the Board of Governors have Cabinet rank and be designated, from the membership of the Board,[5] for a 4-year term concurrent with that of the President; and the proposal for a consultative and advisory council on monetary problems.

[5] Board members, according to the majority report, should have terms of 6 instead of 14 years, be eligible for reappointment, be reduced in number from 7 to 5, be chosen without geographical restraints, and receive increased salaries.

"Theory: Operation of monetary controls

"The Patman inquiry inspired, both in written replies and in oral testimony, numerous expositions of the theory of monetary control. A large majority of the respondents assigned to general monetary controls considerable influence on the level of economic activity. Only a few voiced the skepticism of their effectiveness so common 5 or 10 years ago. These volumes are impressive evidence of the rediscovery of money, as Howard Ellis has called this reversal in economic fashion.

"The fluctuation of economic thought on the importance of the money supply is an interesting phenomenon in itself. Like the rise and fall of other fashions in the social sciences, it does little credit to our science. Neither the initial skepticism about money nor its recent rediscovery has been solidly grounded on empirical evidence. Skepticism arose from the apparent impotence of monetary measures from 1929 on, received intellectual support from the Keynesian revolution,[6] and acquired reinforcement from an uncritical exaggeration of the importance and relevance of empirical findings that businessmen assign interest rates a low rank among factors influencing investment decisions. To some extent, skepticism grounded in the inadequacy of monetary measures to stimulate recovery from depression was applied to the opposite problem of preventing inflation. The reversal of fashion has had perhaps an even thinner empirical foundation. No new evidence has been adduced to prove the importance of monetary factors,[7] or to reverse previous impressions of the insensitivity of businessmen and other spenders to interest rates. The new confidence in the power of monetary weapons has been acquired just by giving the matter further thought—often, one suspects, wishful thought. Absence is said to make the heart grow fonder, and to monetary policy has been attributed power to avoid the evils which flourished during its suspension in the interests of debt management. If the performance of the economy in response to monetary controls between the wars was an inadequate basis for pessimism about their efficacy, the performance of the economy since the war in the absence of monetary controls is surely an inadequate basis for optimism.

"The important varieties of monetary theory espoused to the committee may be, with some violence to the individualities of some respondents, classified into three schools. One group, whose intellectual headquarters is Chicago, believes that aggregate spending is sensitive enough to the rate of interest, and hoarding insensitive enough, to make the quantity theory a good approximation. A second group agrees that the issue hinges on the sensitivity of spenders and hoarders to interest rates. But this group is skeptical about the interest-elasticity of spending and is impressed more with the variability than with the constancy of monetary velocity. These two schools fit easily into the traditional framework of monetary discussion. Their disagreement, although it contributes to a marked difference in policy recommendations, is less a difference of theory than of empirical judgment. In the panel discussion (hearings, pp. 685 ff.) Milton Friedman and Paul Samuelson represented ably these two points of view.

"The third school, however, sets forth a new theory of monetary control which claims that both of the old schools are asking the wrong questions. Under the leadership of Robert V. Roosa[8] and others, the new theory has developed and spread rapidly in recent years. It has been inspired by post-war Federal Reserve policy, before and after the accord; the theory, in turn, inspires the policy. The Federal Reserve replies in the Compendium indicate that it is the official rationale of current policy. Because of its intellectual interest and its evident practical importance, the new theory deserves careful examination. In the Patman inquiry only Professors Samuelson and Whittlesey (hearings, pp. 691–710, 736–743) gave it the critical attention which it merits.

"According to this theory, monetary controls work much more through restricting the availability of credit than through increasing its cost, much more through restraints on lenders than through reactions of borrowers. It is possible, according to the theory, to curtail spending significantly by limiting the availability of bank reserves, without raising significantly market rates of interest. Some upward pressure on rates there is bound to be. But this is largely incidental, and one cannot judge the impact of a monetary restriction by the height to which it pushes interest rates. There are evidently two related parts to this proposition. The first is that it is possible to restrict reserves without raising interest rates appreciably. The second is that such restriction will curtail aggregate demand. Thus the new theory provides an answer to those of the other two schools who question the importance of fractional increases in interest rates. The significance of the new doctrine may be most clearly appreciated from the fact that it implies that monetary restriction will curtail aggregate demand even if the most extreme skepticism about the interest-elasticity of borrowing and spending were justified.

"To put the theory in an over-formal but nonetheless perhaps an illuminating way, the substance of it is that an increasing yield on Government bonds is an extremely good substitute for a high yield. At a given interest rate, the demand to hold Government bonds, relative to other assets, will be higher if the interest rate is increasing or has recently increased than if it is stable. This is due to a combination of factors neglected in the older theories: first and most important, imperfections in the money markets which prevent the yields on other assets from adjusting to compensate for the increased attractiveness of Government bonds; second, irrational and conventional behavior by financial institutions, so that portfolio decisions are not based wholly on yield comparisons but partly on considerations such as a reluctance to realize capital losses; third, uncertainties and expectations associated with increases in bond yields, which may make both borrowers and lenders appraise the economic future with more caution. Against these factors works the more familiar speculative effect: expectations and fears that interest rates will continue to rise tend to reduce the demand for bonds. But the new theory contends that if the favorable factors are skillfully exploited by the central bank, they will more than offset the speculative effect.

"The consequences of a restriction of bank reserves are, according to the theory, as follows: The central bank restricts reserves by

[6] Formally Keynes' theory justifies skepticism about monetary policy only in special circumstances. But Keynes himself and many Keynesians believed these circumstances to be typical of modern economies.

[7] Milton Friedman has presented figures showing a fairly close correspondence between the monetary expansions and the price inflations associated with three wars (Price, Income, and Monetary Changes in Three Wartime Periods, American Economic Review, 42 (Proceedings, 1952), pp. 612–625). Even accepting an interpretation of these data favorable to the quantity theory, it remains quite possible that over shorter spans of time the relationship between money and prices is loose.

[8] See his essay, Interest Rates and the Central Bank, Money, Trade, and Economic Growth, pp. 270–295. For the development of the doctrine, beginning with prewar writings, see pp. 275–276 of this essay and the works there cited.

selling Government securities or by lowering the price at which it will buy them. In either case there is some increase in their yield. This increase in yield deters banks and other lending institutions from selling Government securities to make alternative loans and investments. It deters them for two principal reasons. First, they do not like to take a capital loss on Government securities, even if an alternative asset offers a higher yield.[9] Second, and more important, the increase in yield makes Government securities more attractive relative to alternative investments because the rates on other assets are kept from rising by institutional rigidities in the market. Lenders will, therefore, ration credit to private borrowers, and some willing borrowers will simply not be accommodated. For example, convention will keep the rate charged by banks to their commercial customers from rising; loan applications, which previously would have been accepted, will be refused. Again, the rate on mortgages will be sticky, in part because of Government regulations; fewer mortgages will be bought. Similarly, corporations and State and local governments will find it impossible to float bond issues to finance investment projects. In all of these cases, it is argued, the disappointed borrower and spender does not have open to him in the market the alternative of offering a higher rate and obtaining the funds. Hence, even if borrowers are not likely to be deterred by higher interest charges, even if it is true that spending is insensitive to interest-rate levels, monetary restriction is effective in curtailing spending.

"This argument relies, as Professor Samuelson pointed out, on an increase in the imperfection of the market as a consequence of the initial rise in bond yields. There must be more rationing of credit than there was before. The importance of the argument depends on the persistence of the increase in imperfection. If the rates available to private borrowers are fixed for a long period, the theory uncovers important new potentialities for monetary control. If these rates are within a short time free to adjust upward to compensate for the increased yield and attractiveness of Government securities, the contribution of the new theory is more modest. It points out some dynamic effects, neglected by the older theories, which temporarily enhance the influence of a monetary restriction. But as these effects wear off, the lasting influence of the restriction depends on the answer to the questions the older theories ask: How interest-elastic are the demands for the alternatives to bonds, goods, and cash? As the transient effects die, lenders will satisfy the needs of borrowers who are willing to pay higher rates. In order to do so, they will shift out of Government securities; and given the volume of bank reserves, security yields will rise. To the extent that the increase in bond yields induces corporations and individuals to hold securities rather than cash reserves, lenders are provided with funds to satify the needs of borrowers who were previously rationed out of the market. In the ultimate equilibrium, rates on different assets will stand in a normal relationship to each other; the former degree of market imperfection will be restored; and the effect on spending will depend on what the monetary restriction has done to the level of interest rates and how borrowers and spenders react to that. Even so, the transient effects may be exceedingly useful to a central bank which wishes to dampen spending without raising interest rates much, or fears that demand is in any case not very responsive to the level of rates. If the inflationary pressure which the central bank wishes to oppose is itself temporary, the transient effects may be enough to do the job. Otherwise it would be necessary to administer successive doses of the medicine until the level of interest rates is pushed high enough to handle the situation.

"The strength and persistency of these availability effects are empirical questions crucial to the new monetary theory. Inferences on the subject are drawn from events following the accord. But this should be done with great caution. Certainly the general economic stability of 1951 and 1952, compared with 1950, cannot be considered proof of the effectiveness of monetary policy, any more than it can be considered proof of the effectiveness of the direct controls introduced in 1951. Many other explanations of this phenomenon are at hand. But even if more specific evidence indicated that monetary policy should receive substantial credit for halting the inflation, the accord had unique characteristics which limit its usefulness as a basis for generalization. It was a departure from a policy and a rate to which the market had long been accustomed. It was natural for the market to react with confusion and imperfection and to transmit the change only slowly to the rates on private credit. Once the market is again accustomed to flexibility of basic rates, it may adjust with more speed. The first dose of the new medicine is likely to be the most effective, and it can only be administered once.

"The evidence that the accord produced substantial effects of the kind envisaged by the new theory is not, in any case, impressive. (See testimony of Professor Whittlesey, hearings, pp. 698–710.) Bank loans continued to grow. Insurance companies continued to dispose of Government securities in favor of other assets, even though by 1951 they had reduced Governments to something like a normal proportion of their portfolios. Although some new bond issues may have been postponed following the accord, the statistics of new issues suggest that it was not long before it was possible to place issues at rates acceptable to the market. (Professor Whittlesey argued also that anticipation of the accord greatly increased security offerings in the first quarter of 1951.)

"In assessing the inflexibility of lending rates in the face of monetary restriction, it is essential to remember that lenders have at their disposal a number of devices for raising the effective rate of interest to the borrower while the nominal quoted rate remains the same. Bankers, for example, can be more insistent that borrowers keep certain amounts on deposit. Their replies to the committee (compendium, pp. 1133–46) indicate that in many cases this was in fact their reaction to monetary tightness in 1950 and 1951.

"It is easy to understand why the new theory of monetary control should be eagerly seized as the rationale of Federal Reserve policy. For it offers the hope that monetary policy can be effective without the large fluctuations of interest rates which used to be considered essential. And even now, for better or for worse, the Federal Reserve is not realistically free to pursue a policy which disregards the prices of Government bonds. A great deal of Federal Reserve and Treasury effort must still, as ever since the war, be devoted to increasing private investors' willingness to hold Government securities by measures other than increasing their yields.[10] The new theory reaches the cheerful conclusion that these measures will also be an effective curb on private spending, because they reduce the availability of credit to private borrowers.

"Such a policy does not imply that rates must never rise; indeed occasional small changes in rates are, according to the theory, necessary to bring into play the effects on which the policy relies. It does require that, at any given level of rates, private willingness to hold Government securities be as large as possible and, consequently, the supply of bank reserves and of money as small as possible. To this end the Treasury and Federal Reserve have available many devices; for example, judicious adjustment both of the types and maturities of public debt instruments and of the composition, in distinction to the size, of the Federal Reserve's Government portfolio; "moral suasion" to prevent holders of Government securities from selling—this went to extremes in 1950, and the Open Market Committee has now penitently forsworn its use (see compendium, pp. 630–632, 1253–1256, and hearings, pp. 398–400); setting the rediscount rate in such relation to the short-term government rate as to induce banks in need of reserves to borrow them, so that both the traditional distaste of bankers for indebtedness and the Federal Reserve's discretionary powers in respect to the privilege of rediscounting may be exploited; "pinning in" private bond holdings by penalizing sales, redemptions, or conversions before maturity with capital losses; manipulation of market uncertainties and expectations about future rates. Experience with this kind of policy has led to increased awareness of lags, imperfections, and institutional conventions in the money markets. These the policy seeks to exploit to make monetary measures effective, at least temporarily. As the market adapts itself to one measure, the ingenuity of the monetary authorities may be taxed to find another.

"Only the future will tell whether this kind of monetary policy will do the job to the satisfaction of the monetary authorities themselves, or whether in the end they will conclude that monetary control can only be successful through the more pronounced changes in interest rates on which central banks traditionally relied in the past.

"Policy: Monetary restriction in an anti-inflationary program

"Concerning the wisdom of the accord, the Patman inquiry disclosed virtually no dissent. Many thought that par support should have been abandoned earlier; almost no one, except an occasional banker, thought it should have been perpetuated. Concerning the importance of the accord, there was considerable disagreement. Senator DOUGLAS and Professor Friedman were inclined to blame the 1950 inflation on the failure of the Federal Reserve to cease support at that time, and to attribute the stability of 1951 and 1952 to the new policy. Most others, including Federal Reserve spokesmen, were more modest in their claims for monetary measures. At the opposite extreme, Mr. Keyserling thought monetary policy a relatively insignificant factor both before and after the accord. But even he did not suggest that the accord was bad policy.

"There was, however, substantial division of opinion on how far monetary policy should be pushed. At one extreme is Professor Friedman's position that it should be pushed as far as necessary to remove any inflationary pressure which fiscal policy does not remove, regardless of the consequences in the

[9] The replies of insurance executives (Compendium, pp. 1234–1244) do not provide unequivocal support to the view that they are irrationally "pinned in" to Government securities by capital losses. (Neither do the figures on changes in insurance company portfolios since the accord.) Several executives explicitly denied that such losses were of any concern if higher yielding investments were available. Others consider losses a deterrent, but it is not clear that they meant anything more than that higher yields on Governments make them more competitive with other assets.

[10] And evidently by means other than compulsion. As noted above, the Federal Reserve is now not interested in supplementary reserve proposals designed to "insulate" part of the debt.

Government securities markets. At the other—if we leave aside the bizarre views of Mr. John D. Clark (compendium, p. 892)—Mr. Keyserling found so many disadvantages in higher interest rates that he would rely on direct controls instead of monetary restriction to supplement fiscal policy and would indeed prefer moderate inflation to the consequences of higher interest rates. In between, most respondents found some reasons for placing limits on monetary restriction, though their limits would be less confining than Mr. Keyserling's.

"Reasons for limiting reliance on monetary restriction fall into two classes: those connected with the public debt, and those which would have force even if the public debt did not exist or were insulated. For the most part, the reasons offered of the first class will not survive rational examination. Long ago Paul Samuelson demonstrated that the solvency of banks and other financial institutions is not threatened by a decline in Government bond prices.[11] As for the higher interest charges to the Treasury, the issue is essentially the same as in the old controversy on the burden of the debt. It may seem strange to hear "after all, we owe it to ourselves" from financiers pleading for higher interest rates rather than from Harvard professors dispelling alarm over the size of the debt. But the substantial truth of the argument holds in either context. The only objection to a rise in debt charges is the friction and possible injury to incentives involved in taxing to pay the interest without unwelcome distributional consequences.[12]

"More weight must be assigned the second class of reasons for limiting monetary policy. Prevention of inflation is not the only national economic objective. There are several instruments available for preventing inflation, and they can be combined in varying proportions. Among the several combinations which can do the anti-inflationary job, the optimum mix of policy instruments is the one most favorable to other social objectives. The Patman inquiry inspired surprisingly little discussion of this problem. The prevalent assumption seemed to be that, since an adequate anti-inflationary program is unlikely to be adopted, the best tactic is to urge stronger measures all around. This may be a realistic view, but is it the proper attitude to take in advising a committee of Congress? Congress, after all, has the authority to decide how much use shall be made of all anti-inflationary weapons. Should one say to Congress, in effect: We know you fellows haven't the guts to raise taxes, so you'd better go all out for monetary restriction? Or should one offer some guidance on the relative degrees to which Congress should rely on tax policy, monetary restriction, and direct controls?

"One formula which often seems implicit [13] in discussions of the problem is that the budget should be balanced and any remaining inflationary pressure removed by monetary means. Although this prescription has the practical appeal that a balanced budget may be the best one can expect from Congress, it is not consistent with the countercyclical fiscal policy, including surpluses in boom times, which economists have been educating the public to accept. Moreover, should the formula apply regardless of the size of the budget? A large balanced budget would put more of a burden on monetary measures than a small one.

"The choice between monetary restriction and tax increases is largely a choice between consumption and investment. (It is not entirely so, both because taxes may deter investment as well as consumption, and because monetary restriction, even excluding selective credit controls, may curtail consumption as well as investment.) Mr. Keyserling's objection to heavy reliance on general credit control was that he preferred to obtain resources for defense from consumption rather than from investment. Furthermore, given a decision that investment must bear a certain share of the burden, what lines of investment should be curtailed? General monetary restriction will result in one pattern; direct controls in another. Mr. Keyserling was not sure he would like the pattern of private investment produced by general monetary restriction. Professor Friedman and other exponents of the free market were sure they would not like a pattern produced by direct controls. Incidentally, if the description of the money market given by the new monetary theory is correct, the choice is less between a pattern produced by the price system and one produced by direct controls than between a pattern produced by decentralized rationing of credit and one produced by governmental controls of materials allocations and prices. These issues are, much more than the charges on the national debt, the ones to consider in judging the extent to which inflation should be fought by monetary weapons.

"Another relevant consideration is the expected duration of the inflationary pressure and the economic forecast after it subsides. Experience with high and variable rates of interest during a period of inflationary pressure may well decrease the demand for bonds in the future and make it more difficult to achieve the lower rates suitable to a deflationary economic climate. Therefore, it can reasonably be argued (see report, p. 35, and statement of Roy Blough, hearings, p. 253), a temporary inflationary storm should be fought by measures which can be more easily put into reverse. But the importance of this consideration should not be exaggerated, even if the assumption that normal economic weather is deflationary is accepted. Just as there are other ways of dealing with inflation, so there are other ways of coping with deflation; indeed it is widely agreed that monetary measures are less effective against deflation than against inflation. The economy will not be doomed to depression just because the monetary authorities find it takes time to undo the uncertainties and expectations about interest rates created by their previous anti-inflationary moves. If the long-run economic outlook is really deflationary, the central bank will be able in time to bring rates back down to their preinflation levels both by monetary expansion and by gradually reducing investors' rate expectations and uncertainties.

"In recent years the subject of monetary policy has excited emotion as well as analysis. The end of the Treasury-Federal Reserve conflict has made the subject one of less absorbing interest, but also one which can be approached with less passion and more perspective. The volumes produced by the Patman inquiry will contribute to the serious study of monetary problems for a long time to come."

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[11] The Effect of Interest Rate Increases on the Banking System, American Economic Review, 35 (1945), pp. 16–27.

[12] On the other hand, objections to insulation devices designed to save interest charges on the Treasury without hamstringing the Federal Reserve seem equally insubstantial. A rise in the interest rates the Treasury pays may do little harm, but neither is it a good thing in itself. The argument, frequently encountered in these volumes, that the Government should be as subject to the discipline of the capital market as any other borrower is inconsistent with the argument that higher interest charges do not matter. If the transfer of interest from taxpayer to bondholder is properly of little concern to the Government, why should a high market rate deter the Government from spending? It is true, of course, that resources should be diverted from private investment to public investment only if they have as high a marginal social productivity in public use as in private. But the connection between this principle of rational allocation and the interest rate the Treasury has to pay to borrow is surely extremely tenuous.

[13] For fairly explicit statements of this formula, see the reply of Milton Friedman (compendium, p. 1069), and the statement of Lester V. Chandler in General Credit Control, Debt Management, and Economic Mobilization (Joint Committee on the Economic Report, 82d Cong., 1st sess.), p. 65.

EDUCATION OF EXCEPTIONAL CHILDREN

The SPEAKER. Under previous order of the House, the gentlewoman from Missouri [Mrs. SULLIVAN] is recognized for 40 minutes.

Mrs. SULLIVAN. Mr. Speaker, since this 1st session of the 85th Congress is so near adjournment that no new legislation introduced now could possibly be considered in these final hours, I should perhaps apologize to the membership for asking for this special allotment of time today in order to discuss a bill which has not yet even been introduced.

On the other hand, this proposed measure deals with a matter of such really desperate concern to so many millions of American families and to so many charitable and educational organizations that I feel I am warranted in bringing it to the attention of the House now as a basis for discussion and analysis and study over the coming months of the Congressional recess.

For one thing, I know that a large number of Members share my interest in this urgent problem of meeting the educational challenge of the so-called exceptional child, and I invite their review of the approach which I have attempted to develop. I have been working on this proposal for many months and still have 1 or 2 details to iron out but I believe I can do that in time to introduce the bill itself before we adjourn this week. In the meantime, I would like now to outline its general features and provisions.

Subsequently, during the recess period, until the 2d session convenes in January, I am hopeful that this proposal will receive the widest possible discussion and analysis among all of the many groups directly interested or concerned. Then, if it is determined to be as workable as I believe it can be, I hope we can obtain prompt action on the bill early next year, in time to put it into operation for the last half of this present fiscal year.

During the recess, I would be more than pleased to receive any comments or criticisms on the bill from interested Members of the House and Senate, and from any other individuals or groups concerned with the need for providing more adequate educational opportunities for exceptional children.

COVERS ALL AREAS OF EXCEPTIONALITY

While there is nothing revolutionary or unprecedented in the approach my proposed bill would take, I am informed that the bill will be, when introduced, the first and only bill before Congress to establish in one single, broad, unified Federal grant program a plan to help

train urgently needed teachers in every major category of exceptional children.

Most of the Congressional activity in this respect up to now has been directed at the problems of educating the mentally retarded child. Thanks to the pioneering work in this field by the House Appropriations Subcommittee for the Department of Labor and the Department of Health, Education, and Welfare, the subcommittee headed by Congressman JOHN E. FOGARTY, of Rhode Island—one of our great humanitarians in the Congress—we now have under way through the Office of Education an extensive research program on teaching techniques for helping mentally retarded children.

In addition, both last year and this year the Senate has passed bills to establish a scholarship and fellowship program for training teachers in this same field of teaching the retarded. Furthermore, Mr. FOGARTY'S subcommittee this year has called for some new thinking by the Office of Education on the best methods of providing better educational opportunities for children with speech and hearing defects—another sizable group of exceptional children; in fact, I think it is the largest single category of such children.

The bill which I plan to introduce in the next few days, on the other hand, will cover not only these groups but all other major categories of what the educators call exceptionality. It will provide a program of Federal scholarships and fellowships to individuals, and grants to colleges and universities to stimulate the training of some of the many thousands of specially equipped professional people needed in all of these fields, as teachers in the elementary and secondary schools, as supervisors of such teachers, and, at the college level, as teachers of advanced education courses and as researchers in the areas of exceptional children.

THE PROBLEM FACED BY THE EXCEPTIONAL CHILD IN SCHOOL

Mr. Speaker, while all of us are endowed with individual qualities and characteristics which distinguish us from each other, most of us are blessed with a kind of normal averageness, if that is the word, of physical appearance and mental capacity which enables us from childhood on to submerge comfortably in the group—in the crowd—if we so desire, and travel life's road at a comparatively easy pace. Most of the institutions with which we come in contact, the tools we must use, the clothes we wear, the homes in which we live, the specifications for most jobs, and the schools in which we learn, particularly the schools, are geared or tailored pretty much to the norm. I said we are blessed with this averageness because certainly as children we shrink at the idea of being visibly or demonstrably different.

But while most children seem to fit a comfortable pattern, others, a very select few, are touched by God with such great gifts of mind and perception as to stand out for their brilliance; and still others, millions of others, are chosen for reasons known only to God for the special testing and trial of another form of differentness, that is, in having to shoulder physical, mental, or emotional handicaps or disabilities.

To romanticize this situation, it is easy to think that the gifted child has everything in his favor with the world as his oyster, and the handicapped child inevitably has some inner fire and drive to enable him to overcome his physical limitations and achieve the greatness which has come to so many in similar circumstances, great poets, musicians, teachers, physicians, and so on, who were handicapped and who nevertheless achieved great things in spite of, if not because of, those physical handicaps.

But let us not forget that children do not suck knowledge out of their thumbs. They must be taught and often it is a painstakingly difficult—incredibly difficult—and skilled task to teach some unfortunate children anything, to teach others the minimum of those things they must learn and know in order to live useful lives, and to teach still others all they can learn profitably.

WASTAGE OF HUMAN RESOURCES

In this respect, the greatly gifted child and the handicapped child share some common and often serious problems in the educational process and thus are placed together by educators under the heading of exceptional. For the procedures set up to teach the so-called normal or average child do not begin to reach the educational needs of the different child—the exceptional one. As a consequence, the exceptional child—gifted or handicapped—is robbed of some of his educational birthright.

Some millions of children of school age are not in any school at all because of the existence of this problem. Some of these receive some help from the school system, but the problem is enormous, and the needs generally are not being met.

In addition, many others attend school but find it often a frustrating experience, a place of confusion and torment, because they are just not geared for the classroom routine. They need classroom work specially planned for their abilities or handicaps. A capable youngster with a serious speech or hearing or visual defect can be made to feel dumb; an emotionally disturbed youngster can be a distracting influence on an entire class; a gifted youngster can sit and vegetate in pure boredom in a class which he tends to find a prison for his imagination or feel out of it in a class of older children who are nearer his mental capacity.

This is the problem faced by the exceptional child, and by his parents, and by all of us. Because the specialized equipment or the special techniques—or, most important, the specially trained teachers—are not available, the exceptional child suffers from unrealized educational opportunities, and his family is often caught in an agonizing situation. I think all of us know of such families and the problems they face. And lastly, we as a nation suffer in terms of a tragic wastage of human resources, of skills and abilities we cannot afford to waste.

I am not going to put this in terms of cold war or West versus East or the fact that the Soviet Union is outstripping us in the education of scientists and engineers and technicians. True, a gifted child whose talents are wasted because he is not stimulated to learn to his full capacity might otherwise become a great inventor or scientist whose discoveries could bolster our defenses, but that is not the point I wish to make. I should like to present this problem not in terms of national defense but in terms of what is right and fair to American children and to our society, which could be enriched by the contributions of all of these exceptional children if given the opportunity to learn and contribute to their full capabilities.

FOUR TO SIX MILLION SCHOOL-AGE CHILDREN

Who are these children? And how many are there?

They are, as I said, the mentally superior, on the one hand, and the mentally retarded, on the other. In addition, they include the crippled and deformed, including the cerebral palsied; the deaf and the hard-of-hearing; the blind and the partially seeing; the speech-defective; the undervitalized; those with special health problems, including the cardiopathic, epileptic, and tuberculous; the emotionally maladjusted, and the delinquent.

There is no exact count available on the number of children in each of these groups, but the estimates considered most reliable, based on spot studies by localities and national organizations, place the total somewhere between 4 and 6 million children in the school ages between 5 and 17.

In 1954, Romaine P. Mackie and Lloyd M. Dunn of the United States Office of Education reported—"with some reluctance," they said, because of the lack of exact information—that informed estimates showed the following incidence of exceptional children of school age for the year 1952:

Blind and partially seeing	68,000
Crippled	510,000
Special health problems	510,000
Deaf and hard of hearing	510,000
Speech handicapped	680,000
Socially maladjusted	680,000
Mentally retarded	680,000
Gifted	680,000

Mr. Speaker, I think there might well be some surprise at the size of those in the gifted category, those with I. Q.'s of above 125, for according to this tabulation, the intellectually superior equal in round numbers the number of mentally retarded children of school age.

THE AMERICAN PROMISE OF EQUALITY OF OPPORTUNITY

As I said, most of our attention in the Congress has been focused on the admittedly serious educational problems of the mentally retarded. They need help. They deserve help. And we are providing research, at least, in this field, with the good prospect of enacting legislation to help train more teachers in the specialized skills of teaching mentally retarded children. The Senate has twice passed such a bill.

But this overall problem is so big we cannot restrict any solution just to this one group of exceptional children. And certainly our resources are adequate to enable us to provide help in all of these categories I mentioned.

In 1954, the Office of Education held a conference on qualification and preparation of teachers of exceptional children, and in the course of the conference a proposed Creed for Exceptional Children was presented by Leonard Mayo, director of the Association for the Aid of Crippled Children, and was accepted by the conference and by the Office of Education, which has since published it. I am going to include the full text of that Creed for Exceptional Children at the conclusion of my remarks, as exhibit A, but right now I would like to quote a few passages from it.

This document states:

We believe in the American promise of equality of opportunity, regardless of nationality, cultural background, race, or religion.

We believe that this promise extends to every child within the borders of our country no matter what his gifts, his capacity, or his handicaps.

We believe that the Nation as a whole, every State and county, every city and hamlet, and every citizen has an obligation to help in bringing to fruition in this generation the ideal of a full and useful life for every exceptional child in accordance with his capacity: the child who is handicapped by defects of speech, of sight, or of hearing, the child whose life may be adversely influenced by a crippling disease or condition, the child whose adjustment to society is made difficult by emotional or mental disorders, and the child who is endowed with special gifts of mind and spirit.

TRAINED MIND AND WARM HEART

The final paragraph of this document states:

Above all, we believe in the exceptional child himself; in his capacity for development so frequently retarded by the limits of present knowledge; in his right to a full life too often denied him through lack of imagination and ingenuity on the part of his elders; in his passion for freedom and independence that can be his only when those who guide and teach him have learned the lessons of humility, and in which there resides an effective confluence of the trained mind and the warm heart.

Mr. Speaker, I have quoted only portions of the document, the Creed for Exceptional Children, and I hope those who read these remarks in the CONGRESSIONAL RECORD will read the full text of this inspiring declaration. I prize a framed copy of it in my office, and I will readily acknowledge that I have borrowed very heavily from it, deliberately, for the language of the preamble of the bill which I am introducing.

I think those few passages I quoted sum up a philosophy with which we must agree wholeheartedly if we truly mean to see to it that each child in this great country shares equally in the opportunity to learn. We know that each cannot learn at the same speed or to the same degree. But for those who can absorb knowledge and skills, we must make sure the opportunity exists for the child to benefit to the full extent possible.

We do that now for adults, and for children reaching maturity, in connection with vocational training and vocational rehabilitation. We provide the means by which men and women and young men and young women, with physical handicaps can be helped and taught to qualify for skilled employment. Wonders are being performed under this program.

But why must we wait until the handicapped child is almost grown and ready for employment to begin thinking of his need in this respect? If we can perform wonders now in the rehabilitation process—and we can—then think how much more we could accomplish with that same individual if we began his specialized education as a youngster and geared it to his capabilities just as we later gear the vocational rehabilitation program to the physical capabilities of the individual?

SPECIALIZED TEACHING TECHNIQUES

Special educational techniques for the exceptional child would eliminate a tremendous amount of emctional stress for many of these children in the growing-up stage and thus help make better citizens of them and better communities for all of us.

Special education does not always and invariably involve special classes, but it does involve specialized teaching. In this connection, I think one of the best statements of the problem which I have seen was made in the annual report of the Ames, Iowa, public schools for 1954–55, in which Walter L. Hetzel stated:

It must always be remembered that the education of exceptional children has basic concepts and goals in common with the education of all children. The same principles of child development prevail. A deaf child is a child with a hearing handicap. As a child, he has all the needs, desires, and physical energy of children in general. Basically, the only way in which he differs from an average child is his inability to hear; and because of this hearing handicap, he is unable to speak.

This difference makes it necessary to plan his education with special consideration for his disabilities. The mentally retarded child, the child with visual impairment, the crippled child, and every other exceptional child has fundamental motives and drives common to children in general; but along with those common characteristics, there is in each case a specific handicap or exceptional condition that requires an adjustment or special service in his educational program.

That program should be designed with full recognition of (a) his likeness to normal children, and (b) his special needs. This, in brief, constitutes the modern approach to the education of exceptional children.

EDUCATORS AWARE OF AND DISTURBED BY PROBLEM

Mr. Speaker, in discussing this problem today and in presenting my bill for referral to committee in the next few days, I do not want to give the impression that this is some new and uncharted field, or that I have discovered the existence of a previously unrecognized problem. Every family which has an exceptional child knows of the existence of this problem. So does every teacher who struggles with the task of trying to accommodate such a child in a group of 35 or 40 or more other youngsters, when there is insufficient space and not enough teaching hours in the day to cope with such tremendous classes. Our school administrators know of the problem, and so does the Office of Education, which has published much on it.

Many schools and many school systems are trying determinedly to meet the challenge which this problem presents. I was amazed at the number of Catholic schools, for example, set up specifically to meet the needs of exceptional children. I was also deeply impressed by the tremendous amount of literature on this problem. I am going to include, I might say, for printing in the RECORD, an excellent digest of this material as prepared for me in the Library of Congress.

TEACHER SHORTAGE IS BASIC FACTOR

One theme runs through all of this material, and is voiced again and again by Federal officials, State and local school administrators, and all of the experts in this field. It is this:

The problem is serious not because there is a lack of techniques or knowledge for helping these children, but because of a lack of trained teachers specially qualified to use these techniques and skills.

If it were possible to underline any of my remarks or place them in italics in the RECORD for emphasis, that is the one sentence in this whole report which I would underline. For it is the key to the problem, and thus I have made it the basic factor in my bill.

According to the research material prepared for me by the Library of Congress, there are today perhaps 25,000 specially trained schoolteachers equipped or certified to provide the specialized teaching required for various types of exceptional children. Some of the States have gone into the leadership on this in setting up certification standards for teaching exceptional children and many have established on a mandatory basis classes for certain physically handicapped and mentally retarded children.

Furthermore, at least 133 colleges and universities are now presenting sequences of courses leading to degrees for teachers or supervisors or researchers in various areas of exceptionality, and the increase in interest in this work on the part of the colleges and universities in recent years has been extremely gratifying.

Nevertheless, the number of teachers specially trained in these fields is so small compared with the magnitude of the need that any program to help in the education of exceptional children must start—and must concentrate on—assuring the training of many more teachers, and men and women to teach such teachers.

I am informed that a conservative guess on the number of elementary and secondary schoolteachers needed in these fields would be 100,000—4 times the 25,000 teachers now reported to have these specialized skills. And even that number, I am told, would not assure a desirable or practical ratio of teachers to students needing this specialized help.

PURPOSE OF PROPOSED BILL

One estimate which has been submitted to me—and the reasoning behind it can be found in the research material provided by the Library of Congress analyzing the ratio of teachers in various categories of exceptionality to the number of children in each group—shows a need of not 100,000 such specialized teachers right now, but rather 223,500. Of course, when we only have 25,000 now, it is perhaps idle to think in

terms of obtaining 10 times that many. I would be happy, indeed, in the coming decade, if we could just double the number of those presently available. But while the bill I have prepared is ambitious for this program, it cannot even begin to do that job, or anything remotely approaching it.

The purpose of my bill is not to have the Federal Government proceed to do the job, but just lead the way, to provide a limited number of scholarships and fellowships to teachers and prospective teachers to encourage them to go into this field where they are so desperately needed; to provide some assistance to the colleges and universities pioneering in this work to enlarge facilities or obtain specialized equipment; and, above all, to stimulate the States and the localities not only to recognize their obligations—most of them do now—but rather to see the way to setting up the specialized classes or programs which are so necessary, knowing that under this bill more and more qualified teachers will be coming out of the advanced training courses prepared to take over such programs and build their effectiveness.

The Sullivan bill would work in this fashion:

AWARDS TO INDIVIDUALS

Beginning in this present fiscal year, and extending over 7 years, the Office of Education could award a total of $18,500,000 to teachers and prospective teachers for specialized training, primarily at the graduate level, in the field of education of exceptional children. The appropriations authorized for this purpose would be limited to $500,000 for the current fiscal year ending next June 30, increasing each fiscal year thereafter by $1 million until a maximum of $3,500,000 a year was reached in the fiscal year ending June 30, 1961. This amount would continue each year, then, until the end of the fiscal year 1964. These grants would carry such stipends as the Commissioner of Education would determine, but the basic idea is that, by providing for living expenses as well as tuition or other expenses, they particularly enable men and women already engaged in the teaching profession to feel that they can afford to go back to school for this specialized advanced training.

UNDERGRADUATES COULD BE INCLUDED

The money would be allocated on a strict ratio among the States, based on the school populations of the respective States. If there were not enough successful applicants from any State to use up the State's full allocation in any 1 year, the remaining amount would revert to the Treasury. It could not be reallocated among other States.

Although the program is intended primarily to attract teachers with degrees for advanced training at the graduate level, there is a special provision in the bill to permit the Commissioner, when he deems that advisable, to make awards also for study at the undergraduate level. Thus, if there should be a limited number of graduate teachers in a particular State who were interested in going into this field, there would still be opportunity for the Commissioner to make awards to teachers who have not yet earned degrees or to residents of the State who have never taught professionally but who want to enter this field of teaching the exceptional child. But the primary emphasis of the bill, as I said, is on work at the graduate level.

The awards of scholarships and fellowships would be made directly to the individual recipient, not to the colleges or universities offering specialized courses. Since more institutions of higher learning are entering this field year by year, the recipient would thus have a free choice of institutions, providing, of course, that the recipient attended an accredited institution which offered appropriate courses in this field.

AWARDS TO INSTITUTIONS

An additional total amount of $2,500,000 would be authorized for appropriation during the 7-year program for grants to colleges and universities, primarily for installation of specialized equipment or facilities for training teachers in the fields of exceptional children. This particular item is not allocated on a State-by-State basis, nor is there a limitation on how much of the $2,500,000 could be appropriated in any 1 fiscal year. The basic idea in connection with this phase of the bill is to give the Commissioner of Education an opportunity to help schools actively engaged in teacher-training work to expand facilities, to put in necessary laboratories, and so on.

The Commissioner would be free to use some of it in order to help an institution of higher education expand its faculty in order to establish courses in teacher training in the exceptionality categories. But I repeat, the emphasis intended on the use of this money is for things, rather than personnel. The amount of money involved is really so small that it could be used up quickly and to little overall effect if much of it were to go to schools to hire personnel, but I would not want to tie the Commissioner's hands too tightly if it should be determined by those best in a position to know the facts, that substantial portions of the awards to institutions should be made for that purpose.

Conceivably the best use to which this $2,500,000 might be put could even be for the purpose of setting up summer workshops or institutes at a number of centrally located colleges and universities. I just throw that out as a possibility, knowing that the summer institute idea has been used with very great success in the National Science Foundation program for high school teachers of science and mathematics.

ADVISORY COMMITTEES

Rather than try to spell out in every detail how these funds would have to be used to achieve the greatest effectiveness, I have provided in the bill for the creation of an advisory committee to assist the Commissioner in determining the areas and priorities of need in the award of grants to individuals and institutions, and in setting the standards for making the awards.

The advisory committee would be composed of people conversant with the overall educational needs of exceptional children, which is broad enough in phraseology, I hope, so that it could include outstanding lay people and other professionals, not just professional educators. To assure full participation by the professional educators now engaged in this work, I suggest in the bill the establishment of advisory panels of specialists in special education for each of the various categories of exceptional children who could advise the Commissioner on particular problems and needs in their respective fields.

COOPERATION WITH THE STATES

There is one other provision of the proposed bill which I believe warrants mention at this time, a provision calling for close and continuing and affirmative cooperation with the various State educational agencies to keep them fully informed of all developments under this program.

In this connection, the Commissioner of Education is instructed to notify the appropriate State officials of the names and home addresses of each resident of their State who is studying under a scholarship or fellowship grant under this program, and the field of study each is pursuing, so that the States can then bring up whatever ammunition they can to attract these teachers to positions back in their home States.

Of course, no teacher receiving a grant would or could be required to promise to teach in a particular State as a condition to receiving the award; so they will be free agents in that respect. But the States should be encouraged to try to get these people to come back to the home State so that the schools there can benefit, and the children can benefit, from the skills which these teachers will have acquired with Federal help.

The theory behind this section on cooperation with the States is that if the State agencies are keyed into the program, and are kept fully informed of all developments under it, and are consulted on the needs for specialized teachers in their States, they in turn will develop a greater awareness of those needs and the potentials of educating their exceptional children more effectively. They will thus also be encouraged, I believe, to develop more statewide programs and stimulate the local communities to set up special classes in these areas of specialized need.

That, in substance, Mr. Speaker, is the bill which I am getting ready for introduction in the next few days. Those Members who have been interested in this field of legislation will recognize in my bill some similarities as well as many differences in comparison with those bills which have been introduced heretofore, and which deal only with the stimulation of teacher training for the mentally retarded.

COMPARISON WITH BILLS FOR MENTALLY RETARDED

The leading bill on that subject, S. 395 by Senator HILL and others, which just passed the Senate for the second time a few days ago, would authorize a program of grants to colleges and universities to enable them to set up training courses in this field, and also to enable the colleges to award fellowships, with the institutions themselves selecting the recipients.

A second part of that bill would authorize grants to State educational agencies to enable them to award fellowships and traineeships for training personnel in working with mentally retarded children.

As I said earlier, the needs of the mentally retarded children are urgent, but so are those of the children in other areas of exceptionality. That is why I have attempted to cover all of them in one bill. And having the grants to individuals made directly from the Federal Government to the recipients rather than through intermediary agencies will make it possible for these fellowships to be allocated on a strict State formula basis, with due consideration for the needs in each area of exceptionality on a national basis—since this is a national problem. If they were to be awarded through the schools, for instance, it is inevitable, I believe, for the emphasis to shift toward the specialties of each school involved. Furthermore, I would rather see the recipients of these awards have freedom of choice in selecting their school, rather than have to go to a particular college or university in order to qualify for an award under this program.

In this respect, my bill follows the example of the GI bill and also the pattern of the fellowships awarded each year by the National Science Foundation for advanced study in the sciences. The National Science Foundation, however, is directed in its authorization act only to seek where possible—it is not hard and fast—to allocate its fellowships among residents of the various States on an equitable basis, whereas my bill requires a strict allocation of the fellowships among the States on a formula basis.

BILL FOR RETARDED STIMULATED THINKING ON PROBLEM

Mr. Speaker, I have made several comments on the bill for teacher training and assistance in the field of retarded children in comparing it with the bill I have been preparing, and in pointing out that I do not think it covers the full area of urgent need. But I certainly do not want to give the impression of being critical of that bill. I readily admit that it started my thinking on this whole problem.

After having received some correspondence on this problem of the mentally retarded child from people in the St. Louis area, I became quite interested in the bill proposing the program for mentally retarded work and seriously considered introducing in the House a companion measure to the one introduced in the Senate by Senator HILL.

In pursuit of that thought, I found myself learning more and more about the scope of the problem involving all of these exceptional children, including the very gifted or mentally superior child, and eventually came more and more to the conclusion that all of these areas of exceptionality required our attention and our help.

For instance, a communication I received on this from a mother in St. Louis, who forwarded some material from the St. Louis Association for Retarded Children, Inc., placed this problem first in terms of the mentally retarded. I include her letter of last October and my reply, as follows:

OCTOBER 9, 1956.

Mrs. JOHN B. SULLIVAN,
Congresswoman, Third District, Missouri,
New House Office Building,
Washington, D. C.

MY DEAR MRS. SULLIVAN: Enclosed is a statement made by Mr. Ackerman before the Missouri legislative committee on June 7, 1956. It lists reasons why classes for trainable mentally retarded children are badly needed and gives specific amendments to the present law, a copy of which you will also find enclosed.

I am availing myself of the kind invitation in your newsletter to express my views on legislation with which I am directly concerned. My child is retarded because of a severe emotional disturbance and our public-school system has no place for him. For his sake and for the sake of other retarded children and those who love them, I am asking you to do what you can toward securing educational legislation that will help all children.

Though mine is a personal and humanitarian reason, you will find that Mr. Ackerman has also mentioned some practical reasons.

Thank you for the newsletters. You show such genuine and sincere concern for the welfare of all people that it is indeed a pleasure to read them and a privilege to be able to state my problem personally.

Sincerely yours,

———— ————.

OCTOBER 12, 1956.

DEAR ————: Thank you for sending me the statement by Frank Ackerman on behalf of the various Missouri organizations interested in a State educational program for retarded children. I am extremely interested in this problem. Of course the amendment Mr. Ackerman favored is one involving State law rather than Federal law, but at the same time there is a very necessary role by the Federal Government, it seems to me, in this whole problem.

I think what I will do is refer this matter to the United States Commissioner of Education for his views on the kind of legislation that we can pass in Washington which would best help Missouri and other States to solve their problems in providing the best educational program possible for retarded children.

I appreciate your writing to me. I will do everything I can to follow up on it.

With best wishes, I am,
Sincerely yours,
LEONOR K. (Mrs. JOHN B.) SULLIVAN,
Member of Congress, Third District, Missouri.

REQUEST TO OFFICE OF EDUCATION FOR INFORMATION

I then, Mr. Speaker, addressed the following letter to the Acting United States Commissioner of Education, Dr. Wayne Reed:

OCTOBER 12, 1956.

Dr. WAYNE REED,
Acting Commissioner, Office of Education, Department of Health, Education, and Welfare, Washington, D. C.

DEAR MR. REED: Could you please tell me in some detail what the Federal Government, through the Office of Education, or through the vocational rehabilitation program or through any other program or agency, is doing to help the States in the matter of educating mentally retarded children. There has been some discussion of this problem in the Missouri Legislature and in that connection it has been noted that Federal grants to schools and fellowship stipends to trainees to help finance teacher-training programs have been assured. I would like to know just exactly what is being done.

Along the same lines, I would appreciate very much your views on what the Federal Government could do and what it should do in meeting what is certainly a serious need affecting a great many families in a most heartbreaking way. Have you recommended any legislation? Could you give me your thinking on what would be the most practical type of legislation to help meet this problem?

With best wishes, I am,
Sincerely yours,
LEONOR K. (Mrs. JOHN B.) SULLIVAN,
Member of Congress, Third District, Missouri.

His reply, on October 24, spelled out in some detail the activities of the Office of Education in the field of the mentally retarded and other exceptional children, and discussed the mentally retarded bill as an administration measure. The letter follows:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
OFFICE OF EDUCATION,
Washington, D. C., October 24, 1956.

Hon. LEONOR K. SULLIVAN,
House of Representatives.

DEAR MRS. SULLIVAN: This will acknowledge receipt of your letter of October 12, requesting information as to what the Federal Government, through the Office of Education or through the vocational rehabilitation program or other programs or agencies, is doing to help the States in the matter of educating mentally retarded children.

For many years, the Office of Education has given attention to the educational needs of mentally retarded children. The Office maintains a Section on Exceptional Children and Youth which serves the mentally retarded as well as other exceptional children. The Section collaborates with other units of the Office and outside agencies in preparing studies and reports, gives consultative service and information particularly to State departments of education, colleges, and universities preparing teachers of exceptional children, national organizations, other Government agencies, citizens' groups, and individuals. It conducts certain special studies on such needs as the education of mentally retarded children, instruction to children in hospitals, or the special school housing needs of handicapped children. Currently a new special study is being undertaken on the needs of severely retarded (trainable) children. Examples of publications reporting such studies are enclosed.

You point particularly to the need for teacher-training programs. Within the last 3 or 4 years, the Office has been giving leadership to a nationwide study on the qualification and preparation of teachers of exceptional children. This study has been guided by both a national committee and an Office of Education policy committee and includes the opinions of about 2,000 educators in various parts of the Nation. Copies of four of the reports from this study are enclosed. The reports from this study include also Teachers of Children Who Are Mentally Retarded, now in press.

During the current year, another activity has been added to the Office of Education which is specifically for the mentally retarded. As you know, the regular appropriation to the Office made by the 84th Congress for the current year provided $675,000 for research on educational problems of the mentally retarded. This program, which is conducted under the provisions of Public Law 531, 83d Congress, is just now beginning. The United States Public Health Service also is conducting research in this field.

At the request of this Department, the bill S. 3620 "to encourage expansion of teaching and research in the education of mentally retarded children through grants to in-

stitutions of higher learning and to State educational agencies" was introduced in the 2d session of the 84th Congress and passed by the Senate on June 11, 1956. Congress adjourned, however, before action on the measure was completed by the House. Companion bills, H. R. 10620, H. R. 11253, H. R. 10452, and H. R. 11674, had been introduced in the House and were pending before the Committee on Education and Labor. Accordingly, no Federal funds are now available for traineeship purposes in this field.

The Federal-State vocational rehabilitation program extends rehabilitation services to mentally retarded persons of employable age. During fiscal 1955, a total of 531 mentally retarded persons were established in employment through this progrem. In addition, the Office of Vocational Rehabilitation is supporting several research and demonstration projects in the vocational rehabilitation of the mentally retarded.

Your interest in this important field of education is appreciated and if we can be of further service to you in this or other matters, please let us know.

Sincerely yours,

WAYNE O. REED,
Acting Commissioner of Education.

Last January, shortly after returning to Washington, I took up this problem with the new Commissioner of Education, Dr. Lawrence G. Derthick, in the following letter:

JANUARY 28, 1957.

Dr. LAWRENCE G. DERTHICK,
United States Commissioner of Education, Department of Health, Education, and Welfare, Office of Education, Washington, D. C.

DEAR MR. DERTHICK: I would like very much to be brought up to date on the subject of research on educational problems of the mentally retarded as a followup to the letter from the Office of Education of last October 24, in reply to my letter of October 12.

According to the CONGRESSIONAL RECORD, Senator HILL has introduced S. 395, which I assume is the same as S. 3620 of the 84th Congress. Is this substantially the same legislation the President said in his budget he would recommend in a later message to Congress? Or is something further or different planned? If so, can you tell me, generally, what is intended?

The letter of October 24 stated that out of the 1957 fiscal year appropriation of the Office of Education, $675,000 had been allocated for research on educational problems of the mentally retarded. This was more than half the appropriation for research projects, I note. The new budget, for the 1958 fiscal year, shows a substantial increase in the overall amount for the Office of Education for research projects; $2,300,000 as against $1,020,190 for the current year. Do you intend allocating a proportionate amount of this higher figure for mentally retarded studies?

I would appreciate any further information you can provide at this time on the study now underway, plus any information you may have on what the Public Health Service is doing in this field. How is that budgeted—under NIH?

Please excuse so many demands upon you in one letter but, as I am sure you understand, I feel I should have this information if I intend to try to help on getting funds for this work.

Sincerely yours,

LEONOR K. (Mrs. JOHN B.) SULLIVAN,
Member of Congress,
Third District, Missouri.

MISSOURI DOING OUTSTANDING WORK

At the same time, and in view of the outstanding work which was being done in this field by the Department of Education of Missouri, I wrote as follows to H. Pat Wardlaw, assistant commissioner:

JANUARY 28, 1957.

Mr. H. PAT WARDLAW,
Assistant Commissioner, Department of Education, State of Missouri, Division of Public Schools, Jefferson City, Mo.

DEAR MR. WARDLAW: Some time ago, a St. Louis mother of a mentally retarded child wrote to me and sent me a copy of the material the St. Louis Association for Retarded Children had presented before the Missouri legislative committee last June, dealing with the need for classes for trainable mentally retarded children. She said she just wanted to keep me informed on this in case there was any way I could help.

I subsequently inquired of the Commissioner of Education on just what the Federal Government was doing or was planning in this field, and what kind of legislation would be helpful. I particularly noted in the St. Louis association's statement that the appeal to the State legislative committee was based, to some extent, on the assurance of Federal grants to schools and fellowship stipends to trainees to help finance teacher training. As you probably know, however, the assured Federal funds were not actually authorized in the 84th Congress, although the bill did pass the Senate to authorize such appropriations.

My writing to you came about in this way: Among the material sent to me by the Office of Education to show the kind of research work now under way into the problems of teaching the mentally retarded (I think something like $675,000 was appropriated for that for the current fiscal year—1956–57) was a very impressive publication put out by the Missouri Department of Education. I noted that you had a part in that and wrote a preface for it—the publication, Education of Adolescents Who Are of Retarded Mental Development, prepared by a committee headed by Richard S. Dabney. In view of your direct interest in and knowledge of this serious social and educational problem, I would like your advice on the merits of the legislation passed by the Senate last year (S. 3620 of the 84th Congress) and whether you think it would be a good idea for me to introduce it in the House.

In his budget for the 1958 fiscal year, the President said he intended recommending new legislation dealing with the problems of educating the mentally retarded but I suspect it is pretty much this same bill of last year. I have asked the Office of Education about that but so far have not had any reply on that point.

I would like your guidance on what you think would be the best approach insofar as Federal legislation is concerned—whether the kind of bill which passed the Senate which provided for these grants to the schools and colleges for training of teachers—or what. I would also like to be brought up to date on what the State is doing about special classes for these children.

Incidentally, in leafing through the budget, I note that the President this year is asking the full $29,267,081 for vocational education, plus $4 million for practical nurse training, plus $228,000 for fishery trades, or a total of $33,750,881 (if the Budget Bureau's addition is correct—I haven't added those up myself). Knowing how concerned you were in previous years about the reluctance of the White House to ask for the full $29 million amount (which Congress provided, anyway), I thought you'd like to have this information (if you don't already have it).

I hope you don't mind my turning to you for the kind of information outlined above. As I said, I thought of you in this connection after seeing the very excellent booklet your department put out on teaching the mentally retarded. You have every right to be proud of that booklet.

With my kindest regards, I am,

Sincerely yours,

LEONOR K. (Mrs. JOHN B.) SULLIVAN,
Member of Congress,
Third District, Missouri.

In his reply, which I include below, Mr. Wardlaw gave me the best insight I had obtained up to that time into the real scope of the problem. As his reply indicates, I apparently failed to include in the letter I had sent him a copy of the bill I was asking him to analyze for me and he was not completely familiar with all of the details of S. 395 or its predecessor. I might explain that I subsequently sent him a copy and he agreed its provisions for training teachers for work with mentally retarded children would be very helpful in Missouri and elsewhere.

DIRE NEED FOR TEACHERS IN ALL SPECIAL AREAS

But in his reply of February 1, he really started me thinking on this overall problem by two statements which I want to emphasize now.

Pointing out how the National Science Foundation fellowships provide not only tuition but an additional stipend which serves as a financial inducement in getting teachers to take advanced training in science and mathematics instruction, Mr. Wardlaw said:

It is generally believed that the best teachers in the area of special education are good, experienced elementary teachers with additional training in the areas necessary for the teaching of handicapped children. Such people, however, are already trained as regular elementary teachers and are regularly certified as such. They will not, therefore, generally go on to school to obtain additional training as special education teachers without some sort of scholarship or financial inducement.

He then added this paragraph which I believe in looking back on it probably sparked the bill which I am introducing:

The special education program for orthopedics, mentally retarded and deficient, speech defectives, deaf and hard of hearing has undergone some slight changes in Missouri during the past 2 years because of State legislation, but the program is very effective and is expanding rapidly. Much interest is being shown at the present time, and bills have been introduced in the Missouri General Assembly which will no doubt cause the program to be improved and increased very rapidly. There is a dire need for teachers in all of these special areas in Missouri at the present time.

His letter follows in full:

DEPARTMENT OF EDUCATION,
STATE OF MISSOURI,
Jefferson City, February 1, 1957.

The Honorable LEONOR K. SULLIVAN,
United States Representative,
House Office Building,
Washington, D. C.

DEAR MRS SULLIVAN: We greatly appreciate your remarks about the bulletin of the Missouri Department of Education in the special education area. We have certainly received many favorable comments on it from people both inside and outside our State. Two additional publications in the special education area are in the process of development, and I am sure that the three of them will help very much in the development of our special education program. There is so much interest in special education throughout the country at the present

time that I am sure we cannot neglect its promotion.

The University of Missouri at Columbia has a fine program for the training of teachers in special education areas, and many of the other colleges and universities also do fine work in that area. Our problem in Missouri is not in the area of setting up training programs but in getting teachers and prospective teachers to enroll in such programs. There are perhaps other States whose colleges and universities have not yet developed programs and might, therefore, have more information than do we regarding the need of such legislation as was proposed in S. 3620 of the 84th Congress. It is very probable that the United States Office of Education in Washington would have information regarding need in this area, and it is also possible that such information in this area might be obtained from Dr. Edgar Fuller, executive secretary, National Council of Chief State School Officers, Washington, D. C. He can well speak the general concensus of the 48 State departments of education regarding any proposed legislation.

Apparently the efforts of various organizations and foundations to further the training of science and mathematics teachers are producing results, because such efforts usually are of the nature of the provision of scholarships and financial inducement. It is generally believed that the best teachers in the area of special education are good, experienced elementary teachers with additional training in the areas necessary for the teaching of handicapped children. Such people, however, are already trained as regular elementary teachers and are regularly certified as such. They will not, therefore, generally go on to school to obtain additional training as special education teachers without some sort of scholarship or financial inducement.

The special education program for orthopedics, mentally retarded and deficient, speech defectives, deaf and hard of hearing, has undergone some slight changes in Missouri during the past 2 years because of State legislation, but the program is very effective and is expanding rapidly. Much interest is being shown at the present time, and bills have been introduced in the Missouri General Assembly which will no doubt cause the program to be improved and increased very rapidly. There is a dire need for teachers in all of these special areas in Missouri at the present time.

I appreciate your very fine letter and also the information about the budget requests in vocational education. We are certainly able to make fine use of funds under the full appropriation of the George-Barden Act and hope that the same appropriation can be continued for the coming year. We have also employed a fine supervisor for our practical nurse training program, and the program is well underway. Because of all of these things we are rather optimistic in Missouri, and I want personally to thank you for all of the fine things you have done to help. You have certainly been responsive to my previous letters, and I appreciate it. I wish I could give better suggestions than I have regarding S. 3620 or any similar bill. If I understand that bill correctly, it would provide help to schools and colleges for the training of teachers, and I am not too well versed on such needs. I do know we need more well-trained teachers in all areas. If the bill concerned appropriations or grants which would be distributed through this department, I assure you that we would have the necessary information and very definite opinions about it. It is difficult, though, for us to advise regarding grants that go directly to colleges and universities, because we do not have responsibility regarding them and really do not have the necessary information.

Kindest personal regards and best wishes to you. Please write whenever you feel that we may be able to provide information that will be helpful to you.

Respectfully yours,

H. PAT WARDLAW,
Assistant Commissioner, Division of Instruction, Director, Vocational Education.

By that time, Mr. Speaker, I was able to make the following status report to the mother who had written me earlier describing the problems of training or educating mentally retarded children:

FEBRUARY 6, 1957.

DEAR ———: Sometime last fall you wrote to me to express your interest in improved educational opportunities for trainable mentally retarded children and sent me a copy of the material presented before the Missouri legislative committee by the St. Louis Association for Retarded Children, Inc.

Since then, although I have written to you only once before to acknowledge the material you sent me and to express my interest, I have been in touch with a number of agencies to find out more about the possible role that the Federal Government could play in this important area of education. I am now waiting for some followup material from the United States Commissioner of Education.

In the meantime, I thought you would be interested in these facts:

The United States Office of Education is currently spending $675,000 on research on educational problems of the mentally retarded under a new law which we passed in the 83d Congress. I have inquired of the Commissioner whether an increase is being sought for next year. If so, I will certainly support it.

A bill to encourage the expansion of teaching and research in the education of mentally retarded children through grants to State institutions and agencies was passed by the Senate last year but was not acted on in time for approval by the House. A new bill has been introduced this year in the Senate. I am looking into it and may introduce a companion measure in the House although that will depend on advice I receive from certain experts in this field.

The Missouri State Department of Education has been doing some outstanding work, according to the United States Office of Education, in the preparation of material for teachers to help them teach the mentally retarded. I have written to Mr. H. Pat Wardlaw, assistant commissioner of the Missouri Department of Education, for suggestions on possible Federal aid in this field. His view is that the greatest help could be through the scholarship approach. Mr. Frank Ackerman, in the statement which you sent me last year, indicated such an approach would be extremely helpful.

I am writing you now not to attempt to persuade you that any of these battles have been won but just to keep up to date on what I have been doing in response to the letter you sent me last October. I am impressed by the need in this field and I am glad you took the time to interest me in it as you did.

Sincerely yours,

LEONOR K. (Mrs. JOHN B.) SULLIVAN,
Member of Congress,
Third District of Missouri.

WHAT OFFICE OF EDUCATION IS DOING FOR RETARDED

In March, I received the following reply from Dr. Derthick:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
OFFICE OF EDUCATION,
Washington, D. C., March 1, 1957.

Hon. LEONOR K. SULLIVAN,
United States House of Representatives.

DEAR MRS. SULLIVAN: I am pleased to respond to your letter of January 28, 1957.

You inquired whether S. 395 is the same as S. 3620. The bill, S. 395, is identical with S. 3620, 84th Congress, which was introduced at the request of this Department to carry out its recommendations in this field.

The appropriation for the Office of Education in fiscal year 1957 carried $1,020,000 for cooperative research. Of this amount, $675,000 has been reserved for cooperative research on educational problems of the mentally retarded; and $345,000 was set aside for support of cooperative research in other educational fields. The appropriation of these funds was authorized under Public Law 531, 83d Congress.

As of February 15, 1957, the Office of Education has negotiated 30 contracts for research on education of the mentally retarded and 25 contracts for research in other fields. We are currently negotiating contracts for additional studies which have received favorable review by our Research Advisory Committee; of these, 18 are in the field of the mentally retarded, and 10 are in other fields. These contracts will utilize either the full amount, or very nearly the full amount, of the Congressional appropriation for fiscal year 1957.

With regard to fiscal year 1958, the total amount requested in the President's budget for the cooperative research program is $2,300,000. Most of this money will be required for the continuation of contracts entered into in the fiscal year 1957. The continuation of these projects is, of course, dependent upon the appropriation of the necessary funds by Congress. If Congress grants the $2,300,000 requested, we estimate that approximately $1,200,000 will be required for the continuation of research on the mentally retarded, and approximately $500,000 for the continuation of research on other projects. This will leave about $600,000 for new projects to be started in fiscal year 1958. Since we cannot forecast exactly what kinds of proposals for research we will receive in 1958, it is difficult to estimate what proportion of the $600,000 will be devoted to research on education of the mentally retarded. According to Public Law 531, all proposals are first screened by a group of educational research specialists. The recommendations of this group will weigh heavily in deciding which proposals for research are accepted and supported by the Office of Education. There is no doubt that we will continue to receive research proposals in the field of the mentally retarded; and that research in this area will continue to receive favorable recommendation by the Research Advisory Committee and support by the Office of Education.

The Department has a fourfold attack now in progress on the general problem of the mentally retarded. Participating in this attack are the Office of Education, the National Institutes of Health, the Children's Bureau, and the Office of Vocational Rehabilitation. We are sending copies of your letter to the other agencies for their response.

I trust that I have answered your requests and will be pleased to answer any further questions. Your interest in our program is deeply appreciated.

Sincerely yours,

L. G. DERTHICK,
Commissioner of Education.

NEEDS IN FIELD OF SPEECH AND HEARING DEFECTS

Shortly thereafter, Mr. Speaker, I received letters from several educators in the St. Louis area urging my support of an amendment to provide an appropriation of $1 million for speech and hearing rehabilitation work. As the correspondence which follows would indicate, I was quite puzzled at first in trying to learn if this was for vocational rehabilitation, for the Office of Education, or

what. As I recall, a number of Members were interested in pursuing this matter but we had difficulty for a while in running it down. The following sample of this correspondence with the Reverend R. A. Johnston, director of our outstanding department of speech at St. Louis University, shows how this developed:

ST. LOUIS UNIVERSITY,
March 16, 1957.

Hon. LEONOR K. SULLIVAN,
Member of Congress, Third Congressional District of Missouri, 1313 New House Office Building, Washington, D. C.

DEAR MRS. SULLIVAN: I understand that Congress is at this time considering an amendment to the bill appropriating funds for educational advancement. It is my understanding that this amendment involves Federal grants totaling $1 million to be allocated to educational institutions offering post baccalaureate graduate teaching programs at the master's degree level, in the science of hearing and speech for rehabilitation workers and teachers. It would provide for salaries of faculty members, fellowships for graduate students and accessory costs.

The field of speech and hearing rehabilitation has become a highly specialized science with a great need for teachers trained at the graduate level. I should like to call to your attention that the department of speech at St. Louis University has initiated such a program in teacher training at the graduate level. Our chief problem arises from the fact that students in this area who take professional positions in the public-school system after being graduated with college degrees, find it very difficult to leave their practices and take up further graduate study without some sort of financial aid. Training programs such as ours at St. Louis University will never be able to meet the needs of the community unless qualified graduate students are given the financial aid they need to pursue advanced study.

Might I urge you not only to lend your support to this amendment, but also to bring to the attention of Congress the importance of having a national organization, such as the Speech and Hearing Association of America, designated to participate in planning the standards and methods of disbursement of this much needed educational fund.

Sincerely,

R. A. JOHNSTON, S. J.,
Director, Department of Speech.

MARCH 19, 1957.

Rev. R. A. JOHNSTON, S. J.,
Director, Department of Speech,
St. Louis University,
St. Louis, Mo.

DEAR FATHER JOHNSTON: We have contacted just about every agency of the Government which would have anything whatsoever to do with the matter you brought to my attention and I am afraid that what it comes down to is this:

Your organization, the Speech and Hearing Association, has apparently alerted all of its members to write to Members of Congress on this matter but has neglected to contact us directly to explain exactly in what appropriations item this fund is to be placed or how it might be done. Even the Appropriations Committee staff reported it was in the dark on this thing.

Would you make sure that the association itself sends me a letter explaining just how it is proposing that this fund be set up—that is under the specific appropriations item?

With kindest regards, I am,

Respectfully yours,

LEONOR K. (Mrs. JOHN B.) SULLIVAN,
Member of Congress,
Third District, Missouri.

Rev. R. A. JOHNSTON, S. J.,
Director, Department of Speech, St. Louis University, 3650 Lindell Boulevard, St. Louis, Mo.

DEAR FATHER JOHNSTON: The House Appropriations Committee has just reported out the appropriation bill for the Department of Health, Education, and Welfare, and has also made public the hearings which it conducted behind closed doors. I have found in the transcript of their hearings enough information to enable me better to understand the request that you sent to me in your letter.

As I piece it together from the hearings, apparently a Dr. Bill Wilkinson, of Nashville, Tenn., spoke privately with Congressman FOGARTY, of Rhode Island, chairman of the Appropriations Subcommittee, about the desirability of a training program for teachers. However, since there never has been any legislation to authorize Federal grants for scholarship or teacher training, no appropriation could be provided for that purpose.

We have the same problem in connection with mentally retarded children. There is a research program in effect through the Office of Education but the big need now seems to be to train teachers and that would require separate legislation.

Chairman FOGARTY asked the Office of Education to make a study of what could be done in this field with, say $1 million, and the answer was that they could probably provide 2 scholarships of $4,200 each, per year, for 2 years to 15 universities for doctoral advance graduate study to prepare teachers to work with teachers—in other words, for college and university staff people; an average of 2 doctoral training grants of $4,200 each for 1 year to each State and Territory for promising teachers; plus a flat amount of $15,000 each to 20 universities for improving facilities for practice teaching, observation, and personnel.

Now this was nothing more than a rough idea of what they could do. The Appropriations Committee had the following to say about it in its report which has just been submitted to us:

"It has been conservatively estimated that, exclusive of the deaf, there are 1½ million school-age children with speech and hearing disorders. The schools have an unusual opportunity to help these children. Many with defects, especially if discovered early in childhood, could be made completely normal; others have conditions which cannot be corrected but could be improved. Children with speech disorders comprise our largest single group of handicapped children. According to leading authorities, 2 to 5 percent of our school-age population have speech defects sufficiently severe to interfere with their educational, social and emotional adjustment. An additional number have sufficient hearing impairment to require special educational provisions. They number from one-half to 1 percent of the school-age population. While something is being done by the Nation's schools to meet the special needs of these children, it is estimated that not more than 1 out of 4 speech-handicapped pupils is receiving remedial speech instruction. There are no reliable estimates of the number of neglected hard-of-hearing children, but it is known that services for these children are even less adequate. In view of the seriousness of this situation the committee requests the Office of Education to be prepared to present a program, next year, aimed at solving this problem of giving adequate educational opportunities to children with speech and hearing defects. While the most obvious program would seem to be teacher training the committee will leave to the professional judgment of the officials of the Office of Education, the determination of what will best meet this situation."

So you can see that what they are saying is for you people in the field and for the Office of Education to come forward with a good solid proposal. Perhaps the bill I have been considering introducing regarding retarded children could be made to cover also this area for grants to teachers of children with speech and hearing disorders. I will look into that possibility and let you know.

I am sorry that I sounded so puzzled by your previous letter but the appropriation process is so very complex that unless we know what the item is or where it is to appear, it is almost impossible to do anything about it until the appropriations bill has been reported out.

With kindest regards, I am,

Respectfully yours,

LEONOR K. (Mrs. JOHN B.) SULLIVAN,
Member of Congress,
Third District, Missouri.

APPROPRIATIONS SUBCOMMITTEE EXAMINES PROBLEM

As this correspondence shows, the Fogarty subcommittee had gone into this matter in closed hearing and it was only after the transcript of the hearings was made public that we could learn what had been discussed. I was tremendously impressed by the discussion on this whole matter of exceptional children which occurred in the hearings.

I am going to include those few pages out of the transcript because they show in very interesting fashion the work of the Office of Education in this field of exceptional children. I particularly want to point up, first, however, what Commissioner Derthick said at one point in those hearings:

I have been a local school superintendent and, knowing that if we could have competent instruction for these little fellows, 5 and 6 and 7 and 8 and 9 years of age, we could correct their speech problem so they wouldn't suffer social and economic handicaps as adults; every time I see a grown person with a speech difficulty it is just a tragedy to think that could have been prevented.

About 10 years ago when we started the program, we couldn't get a trained teacher. It was just practically impossible. Now and through the years, we couldn't attract them very well from outside, but what we have done is to send them away to colleges where the training is given. It is given a great many places now, but there again it is pretty hard to ask teachers on their relatively low salaries, and not paid during the summer, to go ahead and take this training after maybe they have masters degrees. So what we have tried to do is to get local civic clubs and junior chambers of commerce to raise money to send them away; but that isn't the way it ought to be done, and you can't get enough of that to meet the demand.

I would say a program of fellowships and scholarships in this field would be an awfully good thing.

TERRIFIC SHORTAGE OF TRAINED TEACHERS

Later in the hearing, when asked about the idea of a $1 million program for fellowships in the speech and hearing area of exceptionality, Dr. Derthick said:

If a practical program of scholarships could be devised, it would speed up relieving this urgent need.

These people are in terrific short supply—and not only in this phase of education with exceptional children, special education, but in the field of the educable mentally retarded and the trainable mentally retarded and the other phases—those who work with children with cerebral palsy and general crippling conditions and so forth. There is a terrific shortage of trained teachers in all

of these fields. We finally had to resort—and it was inadequate—to the method of trying to raise a little scholarship money and encouraging teachers to spend their own money to begin to get this training.

Now the colleges and universities have responded to the challenge, and they have expanded their programs of training tremendously, but the difficulty is getting teachers to staff the positions.

Mr. Speaker, the text of the appropriations hearing transcript on this discussion of the exceptional children problem, and also a subsequent report filed with the subcommittee by Dr. Derthick showing how $1 million could be used, or might be used, to help meet the educational needs of children with speech and hearing defects now follow:

EXCERPTS FROM HOUSE APPROPRIATIONS SUBCOMMITTEE HEARINGS

DIFFERENCE BETWEEN EXCEPTIONAL AND MENTALLY RETARDED CHILDREN

Mr. FOGARTY. What is the difference between exceptional children and mentally retarded children?

Dr. CONRAD. The exceptional children include the crippled, the blind, the hard of hearing, the cerebral palsied——

Mr. DERTHICK. As well as the gifted.

Dr. CONRAD. As well as the gifted.

So, it includes the whole gamut of exceptionality.

Mr. FOGARTY. But many people refer to a mentally retarded child as an exceptional child?

Dr. CONRAD. He is.

Mr. DERTHICK. He is.

He is one category in that big classification.

Mr. FOGARTY. That certainly is a field where much more work can be done than is being done.

Mr. DERTHICK. Yes.

Mr. FOGARTY. I have found this stimulation by the Federal Government is reacting in the different States and localities; also many more private groups have been formed in the last year or two, and there is a general increase in concentration on this particular problem.

Mr. DERTHICK. It is remarkable. It is remarkable, the amount of interest that is being generated in the local communities over this country.

BENEFIT TO CEREBRAL-PALSIED CHILDREN FROM MENTAL RETARDATION RESEARCH

Mr. FOGARTY. Cerebral palsy is very close to that question of mental retardation, isn't it?

The line of demarcation there is very thin; isn't that so?

Mr. DERTHICK. Of course, the cerebral-palsied child may oftentimes be a very bright child.

Mr. FOGARTY. But many with cerebral palsy have some degree of retardation?

Mr. DERTHICK. Yes; that is true.

Dr. CONRAD. In other words, it is a matter of multiple defects.

Mr. FOGARTY. And work that might be accomplished through this program on research for the mentally retarded could be effective as far as those with cerebral palsy is concerned?

Dr. CONRAD. We are certainly open to good research studies in the line of cerebral palsy, and so on; but they have to come forward or we have to stimulate them.

Mr. DERTHICK. As Mr. Fogarty well says, some of the products of the research here might be applicable to these other fields.

Dr. CONRAD. Oh, yes.

Mr. MCKONE. I think we might say, also, we are tied in very closely with the National Institutes of Health on this program.

We have Dr. Van Slyke, of the National Institutes of Health, on our advisory committee.

COMMITTEE INTEREST IN RESEARCH ON MENTAL RETARDATION

Mr. FOGARTY. You know, this committee stimulated interest in this field of research on mental retardation a couple of years ago in asking you to do something about it in the field of education. Also 2 years ago we gave the Public Health Service $750,000 to start a medical research program in this field; last year we gave the Children's Bureau a couple of million dollars in the field. So, we hope this program won't get lost by being mixed in with other programs. We hope we will get some results shortly, and I think we will.

I think this advisory committee you have is a good one and, now that we are really started in that field, I think you are headed in the right direction.

It might be a little more money than some people want to spend; but, as far as I am concerned, I think we can spend a lot more than we are spending.

Dr. REED. One of the problems that concerned us a great deal in the early stages of the research program was a matter of how we could get projects that would cover many of the problems that we are facing in the field of mental retardation; and it has been surprising how, as we see in the projects that have already been approved in this area, that if the research materializes the way it seems to be going now, we will have some good answers to many of the problems in the whole area of mental retardation.

OTHER RESEARCH PROJECTS IN EDUCATIONAL FIELD

Mr. DERTHICK. I wonder if you would be interested in any thumbnail sketches of some other research projects?

Mr. FOGARTY. Yes. Go ahead.

Mr. DERTHICK. There are a number of these that interest me from my local experience.

This whole field of education for exceptional children has been one that has fascinated me because these children have been neglected so long and because we had none of it in the system in which I served.

There is a project going on in Indiana to study why the 10 percent of the top 25 percent of high-school graduates didn't go to college, because that is a fact in Indiana—that 10 percent of this top 25 dropped out between high school and college. Of course this study is going to probe into and open up areas of interest and investigation in the relationship of the universities to the field—what could these universities do to attract these young people that they are not doing; the whole question of guidance programs in high schools; the financial factors involved, and why these bright youngsters in such large numbers do not go to college; what about the home situations; how do those influences come to bear on this situation, and so on.

That is only one of the many contracts that have been signed, and I think when the results of this study come out it is going to mean that universities are going to change their whole relationships with the field.

It is going to mean that high schools are going to adapt curricula. They are going to change guidance programs. It is going to influence relationships with the homes. It will probably promote the visiting-teacher program.

It is really exciting to contemplate what is going to happen by way of change when these answers to questions that we haven't had the answers for come forward.

Up in Syracuse, they are doing a job on the educational factors in juvenile delinquency; there again, they will be exploring: What are the conditions in the home? What are the conditions at the school? What does the school need to do or can it do that it is not doing to reduce these factors and to control them?

I, myself, have seen this partnership between the school worker that we call the visiting teacher who goes into the home and sees what influences are playing upon the child, enlist other community agencies, reorganizes the forces playing on that child and brings about transformations.

Sometimes, it's very small things in a child's life that frustrates it and turns it in the wrong direction at the wrong time.

So, I see in this research program, small though it is, one of the most promising developments in American education, cutting across many phases of American life and educational activities. Certainly I think we should be indebted to the initiative this committee is taking also in encouraging this program.

TEACHING CHILDREN WHO HAVE DEFECTIVE HEARING OR SPEECH

Mr. FOGARTY. What about this problem of training or teaching hard-of-hearing children and those who have speech defects?

Mr. DERTHICK. I think we might make use of Dr. Mackie, who is a specialist in this whole field of special education, in telling us about that.

NOTE.—In the following, the transcript of Dr. Mackie's verbal testimony was rewritten to read as printed.

Dr. MACKIE. I appreciate the opportunity of saying something about this.

We have made a study in the Office of Education on the qualifications and preparation needed by teachers of various types of exceptional children. This broad study included the collection of information and opinions about the competences and professional preparation required to teach hard-of-hearing children and children with speech disorders. The purpose of the study was to try to identify and describe the distinctive competences that are needed by personnel who are to work with these children as well as with other types of handicapped children.

Mr. FOGARTY. Now, right there, as far as the teaching of the deaf are concerned, or doing research with the deaf, as distinguished from those who are hard of hearing, Gallaudet College is interested in doing some research——

Dr. MACKIE. That is right.

Mr. FOGARTY. On just the deaf.

Dr. MACKIE. Yes.

Mr. FOGARTY. They would have nothing to do with the hard of hearing.

Would there be any overlapping in your work?

Dr. MACKIE. There are 22 colleges in this country training teachers to work with the deaf, and Gallaudet is one of them, and it would be one good laboratory for study.

Mr. FOGARTY. But Gallaudet is the only college that teaches the deaf?

Dr. MACKIE. That teaches only for deaf college students; that is right.

Mr. FOGARTY. It is the only one in the world, isn't it?

Dr. MACKIE. It is the only one specifically for them, although there are many deaf students at hearing colleges throughout the Nation, and deaf students in these hearing colleges are sometimes partly supported by State funds.

STEPS TO OBTAIN COMPETENT HEARING AND SPEECH PROFESSIONALS

Mr. FOGARTY. You go ahead now and tell me what you are doing in the field of education of and training teachers for those who are hard of hearing and those with speech defects.

QUESTIONNAIRE SURVEY ON COMPETENCE NEEDED BY TEACHERS

Dr. MACKIE. In the study we just conducted, which was a cooperative study—and

not quite completed—the Office worked with about 2,000 people in the Nation securing opinions about the competences needed by teachers and the types of experiences that contribute to their preparation. We used two methods to do this:

We used a questionnaire and we used committees of experts.

We are issuing statements, reporting the findings of people, and in doing this we worked with colleges and universities, the State departments of education and local school systems.

RESULTS OF SURVEY

Mr. FOGARTY. What about the results?

Dr. MACKIE. Well, I didn't come prepared particularly today on the deaf and hard of hearing, but I think I could summarize by saying the teachers——

Mr. FOGARTY. This isn't the deaf and hard of hearing now. It is those who are handicapped with deficits in speech and hearing. I am trying to confine it to that area.

Dr. MACKIE. All right.

Mr. FOGARTY. I am interested right now in the speech and hearing defects.

Dr. MACKIE. Well, they do come up with some results like this: That there are distinctive competences. There is a body of knowledge that these teachers need to have. They need to understand the physical aspects of the voice mechanism or of the hearing mechanism——

Mr. FOGARTY. These special teachers?

Dr. MACKIE. Yes, these special teachers—and they need to be able to understand and to interpret the doctor's report.

Some of the hard-of-hearing children are quite severely hard of hearing, and they may need to do a good deal of speech correction. Even though they are able to speak, they may not speak correctly. For example the teacher needs to read and to help them regain voice control. She may also need to teach lipreading.

STEPS TO CORRECT TEACHER SHORTAGE

Mr. FOGARTY. Now that we know what is needed in these teachers, what have we done to see to it that we have some trained teachers in that field?

Mr. DERTHICK. May I, Mr. Chairman, turn the question just a little?

Mr. FOGARTY. I will tell you the point I am trying to make. I have in mind correspondence which I have received: "Assuming the population of Rhode Island to be 1 million," although it is only eight hundred and some thousand, "and, without knowing the school population, one could assume that a minimum of 50 hearing and speech professional workers are needed in the State, five persons are now registered from Rhode Island in the directory of the American Speech and Hearing Society and only one is certified.

"This picture varies little in other States as personnel is not available."

Now, what are we doing in that field to see to it that that situation is corrected?

Dr. MACKIE. Speech-handicapped children comprise the largest area of handicapped children, and although something is being done to prepare teachers there is a great shortage—I think there were 115 colleges and universities preparing teachers for speech correction in 1954. There are not as many preparing teachers in the hard of hearing.

This is more generally considered a dual function and although in actual practice the colleges are placing more emphasis on preparing teachers in speech than in hearing. Most of them are being prepared as speech correctionists.

Coming from the Office of Education studies are some general recommendations for preparation of teachers. Colleges should have people who have experience in the field; laboratory facilities—places where student teachers can go and work with children who have speech and hearing defects.

POSSIBLE PROGRAM FOR CHILDREN WITH SPEECH AND HEARING DEFECTS

Mr. FOGARTY. What would you do if you were given a million dollars in this field for fellowships and salaries of faculty members, with funds for research, in connection with teaching programs for——

Mr. DERTHICK. Mr. Chairman, would you pardon me for just a minute?

It is hard for me to keep still on that, because I have been frustrated by the problem.

I have been a local school superintendent and knowing that if we could have competent instruction for these little fellows, 5 and 6 and 7 and 8 and 9 years of age, we could correct their speech problem so they wouldn't suffer social and economic handicaps as adults; every time I see a grown person with a speech difficulty it is just a tragedy to think that could have been prevented.

About 10 years ago, when we started the program, we couldn't get a trained teacher. It was just practically impossible. Now and through the years, we couldn't attract them very well from outside, but what we have done is to send them away to colleges where the training is given. It is given a great many places now, but there again it is pretty hard to ask teachers on their relatively low salaries, and not paid during the summer, to go ahead and take this training after maybe they have masters degrees.

So what we have tried to do is to get local civic clubs and junior chambers of commerce to raise money to send them away; but that isn't the way it ought to be done, and you can't get enough of that to meet the demand.

I would say a program of fellowships and scholarships in this field would be an awfully good thing.

Dr. MACKIE. Yes, thank you, Dr. Derthick.

Mr. FOGARTY. What would you think——

Dr. MACKIE. Probably every State——

Mr. FOGARTY. Excuse me just 1 minute.

Dr. MACKIE. Excuse me.

GRANTS FOR SCHOLARSHIPS AND TRAINING

Mr. FOGARTY. What would you think of a proposal of Federal grants-in-aid to institutions for about a million dollars for a post-baccalaureate teaching program at the masters degree level in the science of hearing and speech and for training of teachers and professional workers?

How would that sound to you?

Mr. DERTHICK. You mean for the institutions to use this grant in scholarships?

Mr. FOGARTY. These would be Federal grants to the institution.

Mr. DERTHICK. Of course. I haven't thought through the method of doing it, but I do know, to meet the short supply, if a practical program of scholarships could be devised, it would speed up relieving this urgent need.

Mr. FOGARTY. Have you heard of Dr. Bill Wilkinson, of Nashville, Tenn.?

Mr. DERTHICK. Yes, sir.

Mr. FOGARTY. He has been very active in this field, I know.

Mr. DERTHICK. Yes.

Dr. REED. Mr. Chairman.

Mr. FOGARTY. Is that all you want to say about it?

Mr. DERTHICK. No.

Dr. MACKIE. Could I say something on this?

SPECIFIC REQUIREMENTS AND COMPETENCE NEEDED BY TEACHERS

I think there are some specific competences needed by teachers that may be different from those needed in working with adults.

This opinion was reported by the teachers and educators who made contributions to the nationwide study. Speech teachers need to have some competences and certain experiences to work with groups of children in schools.

There may be some common elements with rehabilitation, but there are some different—very different—requirements for teachers.

Mr. FOGARTY. Could that be possible—assuming a State like Rhode Island had a million population, that a minimum of 50 hearing-speech professional workers are needed; and they only have five?

Is it that bad, nationwide?

Dr. MACKIE. Yes.

Mr. DERTHICK. Well, it doesn't sound too far out of line to me, because these people are in terrific short supply—and not only in this phase of education with exceptional children, special education, but in the field of the educable mentally retarded and the trainable mentally retarded, and the other phases—those who work with children with cerebral palsy, and general crippling conditions, and so forth.

There is a terrific shortage of trained teachers in all these fields. We finally had to resort—and it was inadequate—to the method of trying to raise a little scholarship money and encouraging teachers to spend their own money to begin to get this training.

Now the colleges and universities have responded to the challenge, and they have expanded their programs of training tremendously, but the difficulty is getting teachers to staff the positions.

PERCENT OF SCHOOL-AGE CHILDREN WITH SPEECH AND HEARING DEFECTS

Dr. MACKIE. About 5 percent of the school-age population—2 to 5 percent—have speech and hearing problems.

Mr. FOGARTY. What is the school population?

Dr. MACKIE. About 34 million. And the speech group is the largest group of all exceptional children—the children with speech handicaps—and the next largest would be those with mental retardation.

Dr. CONRAD. Yes.

Dr. MACKIE. So, every State ought to have some facilities for preparing teachers in at least these two fields.

OPTIMUM NUMBER OF STUDENTS FOR ONE TEACHER

Dr. CONRAD. How many students can one teacher take care of?

Dr. MACKIE. If the children have completely speech problems, 75 to a hundred children. Seventy-five is considered a reasonable load; but if you have children who are hard of hearing, especially, the severely hard of hearing may need to be grouped in classes where you would have maybe 1 teacher to 15 children; something like that.

Mr. FOGARTY. So, we have over a million children——

Dr. MACKIE. Yes.

Mr. FOGARTY. Going to school who need some sort of attention in that field——

Dr. MACKIE. That is right.

Mr. FOGARTY. Of hearing and speech defects?

Mr. MACKIE. That is right.

Mr. FOGARTY. When you deal with the ones who are hard of hearing, you put your finger on one of our most acute problems, because many of the hard-of-hearing children have not been identified.

Mr. DERTHICK. Of course, methods of detection are being improved all the time, but in most of the schools I would say they might go on without being detected; and maybe they have got good minds, but they are not achieving in school and neither the parents nor the teachers have found out what is wrong.

Dr. MACKIE. Could I say what this research program in mental retardation has done? It has brought new life to the whole educational program. We have had many requests for funds for study, and in other fields of the handicapped, people ask: "Can we get money

to study the hard-of-hearing child? Can we get money to study the blind? Can funds be obtained only if the topic is about the blind, mentally retarded, and so on?"

Increasingly we are getting more requests of this nature.

COVERAGE UNDERTAKEN IN STUDIES ON MENTAL RETARDATION

The studies we now have under cooperative research cover problems of mentally retarded children of a wide age range. They cover urban and rural problems; they cover the residential, the day school, and so on; they are pretty widely distributed in the States. At first, we didn't think we were going to get enough requests on the basic problem of learning. How do these children learn? If we can get a better understanding of what they learn and how do they learn and under what circumstances, then we can begin to plan our programs; we can improve our programs.

We have a good many studies now on basic learning.

FACILITIES FOR CEREBRAL PALSIED CHILDREN

Mr. FOGARTY. It is a pretty sad thing when a child, 8, 9, 10 years of age is refused education because he happens to have cerebral palsy or some form of mental retardation, which happens in many, many areas. The teacher just doesn't have the time to spend with 1 or 2 such children in that classroom of 25 or 30 or 40 and, as a result——

Dr. MACKIE. Or she may not have the competence to deal with the problem.

Mr. FOGARTY. No.

Dr. MACKIE. The problem of cerebral palsy is quite complicated.

Mr. DERTHICK. I have had citizens and taxpayers tell me that program costs too much. I have said, "If you had a child with that handicap, would it cost too much?"

Mr. FOGARTY. That is right. It wouldn't cost too much if they had a child in that condition.

Dr. MACKIE. There are two ways of looking at it: One is the humanitarian, which you just pointed out; and the other is from the cold economic standpoint. We just can't afford it.

Mr. FOGARTY. That is a cold approach.

Dr. MACKIE. That is a cold approach, but maybe it isn't quite so cold, either. If we don't take care of them, we leave it to the family.

Mr. FOGARTY. That is a good approach to that person who says it costs too much money.

METHOD PROPOSED FOR HANDLING GRANTS IN FIELD OF SPEECH AND HEARING DEFECTS

Dr. REED. Mr. Chairman, to come back to your original question, if we were going to make grants in the area, if we tried to do something about having more teachers in the area that you just mentioned, we would probably have to approach it from the trainee and fellowship grants to train at the doctor's level for professors at colleges and universities and the researchers and the supervisors in local systems and State departments first. Then, after you get the highly prepared individuals, later on you could come into the preparation of teachers; but if we had a scholarship program to train teachers, there simply would not be the professional people at the colleges and universities. So, it seems to me you would have to approach it first in getting the higher level people first, and then probably have some grants to help the institutions establish training areas.

You see, some of the colleges and universities train just one area, and very few of our colleges train in all areas. In other words, that is the approach we are using in this proposed bill for fellowship and trainee grants in the field of mental retardation.

Dr. MACKIE. If I might go one step further, you asked a question which I didn't answer. You asked how we would go about it if money were available.

I think the first thing would be to take this group of colleges and universities which we studied rather thoroughly to find out about their resources and select those that have sequences of preparation, that is, those that are giving enough instruction so they give a fairly well-balanced program, and then explore to see if they have enough community resources to give the student-teacher the kinds of practice teaching and observation that ought to be given, and then try to get programs through the colleges and universities in those States. Then I suppose the next step would be to work with colleges and universities that have the resources and wish to open new programs.

One of the things that teachers all over the Nation have indicated is that they want instructors who have had experience in teaching in the areas in which they instruct students. They also want places where they can see children. This means that communities which do not have any classes or opportunities to observe in clinics, do not have very good resources for training special teachers.

Mr. FOGARTY. All right.

Mr. MACKIE. I think we should say the nationwide response to the cooperative research funds for mental retardation shows the appreciation of eagerness of people to get the answers to many of the questions.

Mr. FOGARTY. When it is possible to see what can be done with some of these children, I don't know why more work wasn't attempted in this field long, long ago, because you can get results.

Mr. DERTHICK. You can.

Dr. MACKIE. Definitely.

Mr. FOGARTY. In the past, they were given up.

Mr. DERTHICK. Yes.

REPORT TO HOUSE APPROPRIATIONS SUBCOMMITTEE

POSSIBLE EDUCATIONAL PROGRAMS FOR CHILDREN WITH SPEECH AND HEARING DEFECTS

(The following was submitted at the request of the committee. Discussion of this subject appears in connection with hearings on the salaries and expenses of the Office of Education which begin on p. 301.)

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
March 8, 1957.

Hon. JOHN FOGARTY,
House of Representatives.

DEAR MR. FOGARTY: In accordance with your request, our staff has prepared the enclosed draft plan for educational programs for children and youth with speech defects and impaired hearing. The plan was pointed specifically to your question of what could be done with approximately $1 million to meet educational problems in this field.

It should be pointed out that the enclosed plan has not been cleared through the usual budgetary channels and is not a proposal to increase the Office of Education budget.

If there is any further information which you desire, please do not hesitate to let me know.

Sincerely yours,

L. G. DERTHICK,
Commissioner of Education.

THE NEED FOR PERSONNEL TO CONDUCT EDUCATIONAL PROGRAMS FOR CHILDREN AND YOUTH WITH SPEECH DEFECTS AND IMPAIRED HEARING

It could be conservatively estimated that, exclusive of the deaf, there are 1½ million school-age children with speech and hearing disorders. The schools have an unusual opportunity to help these children. Many with defects, especially if discovered early in childhood, could be made completely normal; others have conditions which cannot be corrected but could be improved. Most hard-of-hearing children, even though cure for them is not possible, can be helped through speech training and lipreading to obtain an education and a means of communication with their fellows.

Children with speech disorders comprise our largest single group of handicapped children. According to leading authorities, 2 to 5 percent [1] of school-age population have speech defects sufficiently severe to interfere with their educational, social, and emotional adjustment. An additional number (although not deaf) have sufficient hearing impairment to require special educational provisions. They number from one-half to 1 percent [2] of the school-age population.

While something is being done by the Nation's schools to meet the special needs of these children, it is estimated that not more than 1 out of 4 speech-handicapped pupils is receiving remedial speech instruction; the number of neglected hard-of-hearing children is difficult to estimate, but it is known that services for these children are even less extensive or adequate.

Both the speech and hearing-impaired children represent a group for whom the schools could render a most valuable service. The most serious obstacle to progress is the lack of qualified teachers. Many more with distinctive competence and specialized preparation will be required. These educators are needed not only to work directly with children, but also to staff the teacher-education institutions and to give supervisory leadership to State and local school systems.

According to recent statistics,[3] about 3,000 teachers of speech-defective and hard-of-hearing children were reported to be working in the Nation's public schools.[4] It is well known that many of these teachers are carrying such large enrollments of speech-defective children that their work is ineffective. It is probable that 15,000 to 18,000 teachers would be needed to meet the demands of the schools.

The colleges and universities in this country have recognized this problem, and are making an effort to meet the need for speech correctionists and teachers of the hard of hearing, but many of these teacher-preparation institutions are understaffed and lacking in the facilities essential for the technical program of training educators for this work.

Through a recent study [5] of the Office of Education, 115 colleges reported some opportunities for the preparation of speech correctionists,[6] but the same colleges reported only 112 full-time staff members in speech correction and only 61 in speech and hearing. Relatively few of these colleges and univer-

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[1] Report of the American Speech and Hearing Association Committee on the Mid-Century White House Conference, Speech Disorders and Speech Correction, Journal of Speech and Hearing Disorders, 17: 129–137 (June) 1952.

[2] Figures supplied by the American Hearing Society.

[3] Mabel C. Rice and Arthur S. Hill. Biennial Survey of Education in the United States, 1952–54, ch. V; Statistics of Special Education for Exceptional Children, 1952–53, Washington, U. S. Government Printing Office, 1954.

[4] Only approximately 1 out of 20 of this number were working with the hard of hearing.

[5] Romaine P. Mackie and Lloyd M. Dunn. Colleges and University Programs for the Preparation of Teachers of Exceptional Children. Office of Education Bulletin, 1954, No. 13.

[6] About half of this number also listed opportunities for the preparation of teachers for hard-of-hearing children.

sities—perhaps 15 to 25—appear to have the facilities to conduct doctoral programs. Many of the others seem to be inadequately staffed and otherwise ill-equipped even for the training of undergraduate students in this area. These colleges participating in the Office study granted, in 1953 (according to their reports), only 30 doctors degrees in speech correction, and 3 in speech and hearing. Further, they reported only about 250 master's degrees in these areas. A poll was made in the study just referred to on the types of special teachers which were in greatest demand. Replies showed that the largest number of requests was for teachers of the mentally retarded, and the second largest for teachers of speech and hearing.

Increasingly, it is also being recognized that these teachers should be prepared to work with both speech defectives and hard-of-hearing children. Evidence of this is found in the State certification requirements.[1] In 1953, 30 States had State certification standards for teachers of the speech handicapped and 27 for teachers of the hard of hearing. Of this number, 10 had joint certification standards for speech handicapped and hard of hearing.

In order to solve this problem, fellowships and scholarships should be made available specifically for the preparation of such personnel. While this ultimate purpose would be to increase the number of well-qualified teachers to work directly with children and youth, the first step should be the provision of fellowships at the doctoral level and financially adequate to attract promising teachers and supervisors. Emphasis in the next 2 or 3 years should be on this part of the program. Some of these individuals would then become professors in colleges and universities—thus increasing the teacher-education capacities of the existing programs. Others could head programs in other colleges. Still others would assume positions of leadership and supervision in State and local school systems and give their attention directly to the expansion and improvement of educational programs for children in the Nation's schools.

If approximately $1 million were available, funds might best be used in the following way:

1. Training grants to qualified colleges and universities for grants for doctoral advanced graduate study to prepare teachers to work with children who have speech and hearing disorders. The purpose would be to prepare individuals to give leadership to programs of teacher-preparation in colleges and universities, to serve as college and university staff members, and to serve as supervisors in State and local school systems. (2 scholarships of $4,200 each per year for 2 years to 15 universities)	$252,000
2. An average of 2 doctoral training grants in the education of speech and hearing disorders to each State and Territorial department of education to be awarded to promising teachers or supervisors in the respective State or local school systems. (2 scholarships of $4,200 each for 1 year to 53 States or Territories)	445,200
3. A flat amount to colleges and universities to aid in improving the facilities for practice teaching, observation, and for personnel in the 20 universities. ($15,000 each)	$300,000
4. For administration of the program in the Office of Education	50,000
Total	1,047,200

[1] Romaine P. Mackie and Lloyd M. Dunn. State Certification Requirements for Teachers of Exceptional Children. Office of Education Bulletin 1951, No. 1.

REQUEST FOR DRAFT OF BILL COVERING ALL EXCEPTIONALITIES

Mr. Speaker, following the extended, almost knockdown battle in the House over every item in the appropriation bill for the Department of Labor and the Department of Health, Education, and Welfare, during which we came within a single vote of having the item slashed to ribbons for research through the Office of Education on the problems of educating the mentally retarded, I wrote again to Commissioner Derthick asking his office to draft for me a bill to carry out the overall kind of program I had by then become convinced was needed. That letter follows, along with Dr. Derthick's reply explaining that while the Office of Education would be glad to give me all the information I might need, they could not draft the bill I had requested:

APRIL 11, 1957.

Dr. LAWRENCE G. DERTHICK,
United States Commissioner of Education, Department of Health, Education, and Welfare, Office of Education, Washington, D. C.

DEAR DR. DERTHICK: Those of us in the House who opposed the indiscriminate slashing of the budget for the Department of Health, Education, and Welfare are still shaking a bit over the narrow escape of the Office of Education on your cooperative research fund and I am glad enough votes were switched on the rollcall to save the appropriation but it was too close for comfort, as I am sure you will agree.

Thanks to the extensive correspondence which I have had with the Office of Education since last October, I was conversant with the needs for this money, particularly in the field of research in the training of retarded children, and I like to think that my efforts had some effect in switching votes to get the appropriation through the House. Now I want to make a bargain with you.

As you know, I have been inquiring about the kind of legislation which would be effective in establishing Federal scholarships or fellowships to encourage the training of teachers in this field of working with retarded children. Since taking up that matter with your office, I have learned of a similar need for encouraging graduate work among teachers going into the fields of teaching children with speech and hearing defects.

I know from the Appropriation Committee hearings that you submitted an outline of how a $1-million-a-year-grant program could be operated in this field if you had legislative authority and if it were considered desirable. I am also familiar with your reservations about it and the fact that no such program has been recommended by your agency or the Bureau of the Budget, so I know that your hands are tied somewhat in that respect.

But the more I think about this whole subject, the more I am convinced that what we need is not a piecemeal special program for training grants for teachers of retarded children under one law and other piecemeal program under a different law for grants for teachers of children of hearing and speech defects, and then perhaps a third law dealing with grants for teachers of gifted children or other children in the so-called exceptional category. Why not one bill, one law, which sets up a program for Federal scholarships to encourage teachers to take graduate training, or perhaps specialized undergraduate training, covering all of these fields, applying to both the handicapped and the gifted children, applying to all of these very unusual teaching situations?

I repeat that I know your hands are tied in voicing opinions on this matter or in recommending legislation except through regular departmental and governmental channels. On the other hand, I know that your office has the knowledge and the know-how when it comes to drafting legislation in this field, and so I am turning to you to ask you if you can have prepared for me in your agency, not as an official Office of Education bill or recommendation, but just as a favor to a Member of Congress specifically requesting it, a bill which would carry out the purposes I have outlined and which would apply to teachers of retarded children, teachers of children with speech and hearing defects, teachers of any other so-called exceptional children, covering this entire field.

I would want the kind of bill that you people feel would cover the areas of greatest need in this respect. I would want the authorization it contained to provide for sufficient funds to carry out a really meaningful program based on the best judgment of the experts in your agency.

Can this be done? How long would it take? Would you have to get any special clearance from the Secretary or from the Bureau of the Budget to provide this service to me?

Please let me know if there would be any difficulty in this respect, because I can always go the Legislative Reference Service of the Library of Congress, or to the Office of the Legislative Counsel in the House for services of this nature, but if I did so, I would have to specify exactly what the legislation I wanted drafted should contain and I am not sure that I know, that is why I turn to you and your agency where you have the expert knowledge in this field.

With kind regards, I am,

Sincerely yours,

LEONOR K. (Mrs. JOHN B.) SULLIVAN,
Member of Congress,
Third District, Missouri.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
April 24, 1957.

HON. LEONOR K. SULLIVAN,
House of Representatives.

DEAR MRS. SULLIVAN: This is in reply to your good letter of April 11 in which you requested our help in the preparation of a bill to provide for assistance to encourage the training of teachers of exceptional children.

Permit me first to express our sincere appreciation for your stanch support of the Department's budget, which included the necessary funds for the Office of Education. The interest and concern that you and other Members have shown regarding our programs is most gratifying.

We are pleased to have the opportunity, upon request, to supply information and render technical services to Members of the Congress on matters coming within the competence of the Office. We are not equipped, however, to do technical drafting of legislation, nor, as a matter of policy, do we recommend to individual Members of Congress specific proposals for inclusion in draft bills.

However, I feel certain that we can be of assistance to you in developing specifications for a bill. We can furnish you pertinent facts, so far as they are available to us, concerning the quantitative need for teachers in this field, existing training programs, problems in obtaining suitably trained teachers of exceptional children, and information regarding the administration of

grant programs. We may also be able to suggest alternative approaches to the problems involved.

Such information would enable you to determine what specifications your bill should contain. The House Legislative Counsel could then do the technical drafting from your specifications. If this arrangement is satisfactory to you, please let me know and we shall make arrangements to develop information for your purposes.

I want to thank you again for your helpful interest in the Office of Education and in the cause of education generally. Also, with the thought that you may find it useful, we are enclosing a recent report on the provisions of State laws relating to education of exceptional children.

Sincerely yours,

L. G. DERTHICK,
United States Commissioner of Education.

LEGISLATIVE REFERENCE SERVICE UNDERTAKES RESEARCH TASK

Subsequently, therefore, I addressed the following letter to Dr. Ernest S. Griffith, director of the Legislative Reference Service of the Library of Congress:

MAY 8, 1957.

Dr. ERNEST S. GRIFFITH,
Director, Legislative Reference Service,
The Library of Congress,
Washington, D. C.

DEAR DR. GRIFFITH: I have become very interested in the problem of providing improved educational opportunities for various types of children, broadly referred to as in the exceptional category. My interest was aroused originally by parents of mentally retarded children in my district who referred to the difficulties of having such children trained or educated to their full capacities.

The Office of Education has a program underway now of research into the problems of teaching the mentally retarded child—and this is very useful and important—but as I understand it, one of the greatest needs is for specially trained teachers in this field. In the last Congress, the Senate passed a bill, S. 3620, to authorize the granting of fellowships and traineeships to assist the colleges in developing teachers in this specialized field, but the bill did not come up in the House.

A similar bill, S. 395, has been introduced by Senator HILL in this Congress. I had been thinking of introducing its companion in the House until certain other things were called to my attention. I have been told that the problem is equally serious in training teachers who can in turn train children with speech and hearing defects. I have also been informed that we have a similar problem in training teachers who can specialize in the education of exceptionally able children. In other words, there is a shortage of adequately trained teachers for teaching a great many different groups of so-called exceptional children, and it is not restricted just to the mentally retarded group.

For that reason, I recently wrote to the Office of Education asking if they could prepare for me a bill which would carry out their best judgment as to the kind of legislation which would be most effective in meeting this overall problem. I enclose a copy of my letter and also of Dr. Derthick's reply which arrived during the Easter recess.

You will note from Dr. Derthick's reply that he offers to be of assistance to me in providing pertinent facts and so on, but says the Office of Education cannot actually draft a bill or even recommend specific proposals for it.

I think, under the circumstances, therefore, my best approach would be to ask you to put one of your fine people to work getting from the Office of Education the kind of facts Dr. Derthick's letter says they are prepared to give. I would be more than willing to depend upon the informed judgment of the Legislative Reference Service, then, in determining for me what the bill I have in mind should actually include.

There is a job here which has to be done if we are to meet a serious social problem and a serious educational problem. We have rather elaborate programs under way now for Federal scholarship aid in the scientific fields. I think it is equally important to make sure that we have the trained teachers we need to get the most out of the educational capabilities of the handicapped children and of the exceptionally gifted children.

I would appreciate it very much if the Legislative Reference Service could undertake this assignment.

With kind regards, I am,

Sincerely yours,

LEONOR K. (Mrs. JOHN B.) SULLIVAN,
Member of Congress,
Third District, Missouri.

That probably constitutes enough background correspondence, Mr. Speaker, to show the origin and development of portions of this bill. I have always felt that in introducing a measure, especially one which seeks to chart a somewhat new approach, a Member can perform a valuable service to those interested in the subject matter of the bill by showing how the idea happened to come into being. Perhaps I have overdone it here. I hope not.

But I have traced the sources responsible for planting the idea in my mind of having one overall program for all of these areas of exceptionality, rather than a series of separate, piece-meal programs.

What I have not mentioned is the truly outstanding help in determining the details of the legislation given me by the Legislative Reference Service in response to my letter to Dr. Griffith.

LIBRARY EXPERTS EXTREMELY HELPFUL

Mr. Charles Quattlebaum, specialist in education for the Legislative Reference Service, who has provided committees of Congress time after time with outstanding analyses of educational issues, directed the research on this for me, interviewed the experts in the Office of Education, and described for me the areas of need and the various approaches which would be attempted. Many things in the bill represent ideas which he suggested. The actual drafting of the bill, of course, was not done in the Library of Congress. A draft was prepared by the House Legislative Counsel based on Mr. Quattlebaum's research, and subsequently I have been working out refinements to fit the final decisions which I have made on the bill's provisions. In any effort of this nature there are many alternatives, and the Member must make these final choices and decisions—others can advise us but we must decide exactly what we want our bills to provide.

But I deeply appreciate the work of Mr. Quattlebaum and of Mr. Herman A. Sieber, research assistant in education and government in the Legislative Reference Service Senior Specialists Division, who assisted Mr. Quattlebaum in this project and prepared, under Mr. Quattlebaum's direction, a comprehensive digest of information on the issue which gave me the facts I needed to make my decisions.

That digest, and also a compilation made for me by Mr. Sieber listing the colleges and universities in each State offering courses in special attention in the field of exceptional children provide very valuable background material, Mr. Speaker, and I am including those two documents for printing at the end of my remarks, as separate exhibits B and C, following the Creed for Exceptional Children.

In expressing appreciation for the assistance I have received on this proposal from many sources, I must certainly include Mr. Charles B. Holstein, who organized the project for me and assisted me on it at every stage of the way.

COLLEGES BECOMING INCREASINGLY CONCERNED

In the research material which will appear at the conclusion of my statement, I would like to call attention particularly to the listing of colleges because it shows that in most of our States there are at the present time outstanding institutions offering courses of teacher-training in one or more areas of exceptionality. A bill such as this will stimulate these colleges to expand this work, and will encourage other institutions to get into it. The fact that each State would have an allotment of fellowships or scholarships would be a spur to institutions in those States not now offering programs in this field to get into it quickly.

The colleges and universities seem to be most interested at this time in courses in speech correction, followed by those in the area of hearing defects, and, of course, this is understandable since these groups together represent probably the largest numerical concentration among exceptional children.

But it is interesting to note that a couple of universities have initiated courses to train teachers equipped to teach gifted children; a few more have entered the partially seeing, the blind, the special health problem, the crippled and the socially maladjusted areas, and a substantial number offer specialized courses in the fields of teaching the deaf and mentally retarded.

A report for 1954 showed 4,600 students were majoring in these specialized areas, a total of 5,700 took single courses in specialized areas, and 1,549 received degrees in one or another of these areas of exceptionality.

So it is evident that much is being accomplished by the schools in training teachers and prospective teachers. But the problem is so great and the needs so acute that we must take effective action through a Federal program—not to do the job for the States and localities; it is primarily their problem and their task—but rather to stimulate their efforts, to provide guidance and assistance, and especially to help now to train the specialists who in turn can train more teachers, supervisors and researchers in these areas.

Make it worthwhile for the skilled teacher to go on in this work—to take advanced training—and you will have really dedicated people on the college faculties and in the elementary and secondary school classrooms.

Perhaps then we can again read the Creed for Exceptional Children in the

next 7, 8, or 9 years and know that we did not hide from the problem—that we saw the need and we rose to its challenge.

We believe—

Says this creed in one paragraph—

that the teachers of exceptional children must possess the personality, develop the understanding, and acquire the knowledge and skill through special preparation that will enable them to inspire and motivate, as well as teach, the art of making a living and a life.

Mr. Speaker, for a fraction of the money we spend in this Federal Government on less urgent, less vital and less lasting causes than the happiness of millions of handicapped American children, we could go a long way toward providing just that kind of dedicated teacher.

Through the bill which I have prepared, the Exceptional Children Educational Assistance Act, we can pave the way for the education of thousands of such teachers.

Mr. Speaker, if we spent on the average over the next 7 years only three one-hundredths of 1 percent of what we spend on alcoholic beverages alone each year, we could help assure the specialized teachers needed to enable these 6 million or so schoolchildren to get the kind of education they need and deserve, $3 million a year represents only about one thirty-three one thousandths of our annual spending for alcoholic beverages.

It only represents about 36 hours—one and a half day's—operation of the soil bank, that is all, or about 30 minutes' worth of expenditures for defense.

The entire $21 million this program would cost over the 7 years is hardly enough to buy a few bombers—perhaps 2 B–52's and a B–58, without spare parts.

Certainly we cannot neglect our defense needs, and I do not suggest it. But I deeply feel that this $21 million, at an average cost of $3 million a year for 7 years, would be the best bargain in the entire Federal budget.

EXHIBIT A—CREED FOR EXCEPTIONAL CHILDREN ACCEPTED BY THE UNITED STATES OFFICE OF EDUCATION CONFERENCE ON QUALIFICATION AND PREPARATION OF TEACHERS OF EXCEPTIONAL CHILDREN

(Presented by Leonard Mayo, director, Association for the Aid of Crippled Children, on October 29, 1954)

We believe in the American promise of equality of opportunity, regardless of nationality, cultural background, race, or religion.

We believe that this promise extends to every child within the borders of our country no matter what his gifts, his capacity, or his handicaps.

We believe that the Nation as a whole, every State and county, every city and hamlet, and every citizen has an obligation to help in bringing to fruition in this generation the ideal of a full and useful life for every exceptional child in accordance with his capacity; the child who is handicapped by defects of speech, of sight, or of hearing, the child whose life may be adversely influenced by a crippling disease or condition, the child whose adjustment to society is made difficult by emotional or mental disorders, and the child who is endowed with special gifts of mind and spirit.

We believe that to this end the home of the exceptional child, the schools, the churches, and the health and social agencies in his community must work together effectively in his behalf.

We believe that for most exceptional children their parents and teachers are the master architects essential to the planning and building of their future.

We believe, therefore, that every appropriate resource of the community must be mobilized, if need be, to aid in maintaining his family life at an adequate social and economic level, and in furnishing guidance and encouragement to his parents.

We believe that the teachers of exceptional children must possess the personality, develop the understanding, and acquire the knowledge and skill through special preparation that will enable them to inspire and motivate, as well as teach, the art of making a living and a life.

We believe that the cooperative efforts of parents and teachers must be encouraged, sustained, and supplemented by teacher education institutions with curricula and programs based on the knowledge and skills needed in the education of exceptional children by State departments that will develop challenging standards of program operation and work with teachers in establishing sound certification procedures; by local school systems that will recruit and employ teachers who are qualified by personality and special preparation; by health and welfare agencies that will provide diagnosis and evaluation, medical and psychiatric care, and social services.

We believe that research designed to increase present knowledge of personality and the learning process and studies aimed at the improvement of programs of special education are essential to further progress.

We believe in the sensitive interpretation of the exceptional child and his needs by teachers and others in order that an attitude favorable to his acceptance and development may be engendered and sustained in the community.

Above all, we believe in the exceptional child himself; in his capacity for development so frequently retarded by the limits of present knowledge; in his right to a full life too often denied him through lack of imagination and ingenuity on the part of his elders; in his passion for freedom and independence that can be his only when those who guide and teach him have learned the lessons of humility, and in whom there resides an effective confluence of the trained mind and the warm heart.

EXHIBIT B

SPECIAL EDUCATION FOR EXCEPTIONAL CHILDREN—A DIGEST OF FACTS, FIGURES, AND COMMENTS

The Library of Congress, Washington, D. C., Legislative Reference Service. Prepared by Herman A. Sieber, research assistant in education and government, under the direction of Charles A. Quattlebaum, specialist in education

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PART I. ASPECTS OF THE PROBLEM

A. The children concerned. The term, "exceptional children," applies to those boys and girls whose physical, social, intellectual, and emotional characteristics represent an exceptionality.[1] Estimates of the number of exceptional, or atypical, children, for whom special education programs are usually considered necessary, range from 4 to 6 million.

B. Identification of exceptional children. In almost all fields of exceptional children, there are, on the average, two secondary handicaps per child. Other markworthy factors complicating the gathering of accurate data as to the total number of exceptional children are: (1) the degree of accuracy of diagnosis and measurement of the exceptionalities concerned, (2) reluctance of some parents to identify homebound children, and (3) local differences in classification standards.[2] No complete census has ever been made of the number of exceptional children in the United States.

The United States Office of Education has undertaken a conservative estimate of the number of exceptional children of school age. Mackie and Dunn who prepared the Office of Education estimate, have written:

"The best that can be done is to use the percentage of incidence based on spot studies made by national organizations and local communities. The figures are presented with some reluctance, since there is need for research to determine better estimates. * * * In the estimates which follow, it is assumed that the exceptional child is included once—under the major handicapping condition, although it is known that many of these children have secondary disabilities."[3]

TABLE 1.—*Incidence of exceptionality and estimated number of school-age exceptional children, 1952*

Area of exceptionality [1]	Estimated number of school-age children (in round numbers)	Percentage of incidence
Blind and partially seeing	68,000	0.20
Crippled	510,000	1.50
Special health problems	510,000	1.50
Deaf and hard of hearing	510,000	1.50
Speech-handicapped	680,000	2.00
Socially maladjusted	680,000	2.00
Mentally retarded	680,000	2.00
Gifted	680,000	2.00
Total	4,318,000	12.70

[1] There is disagreement as to how the areas of exceptionality should be defined. All told, 13 areas of primary exceptionality have been noted: (1) Intellectually incapable, neither trainable nor educable, I. Q. below 25; (2) mentally deficient but trainable, I. Q. between 25 and 50, (3) educable mentally retarded, I. Q. between 50 and 75; (4) crippled and deformed, including the cerebral palsied; (5) deaf; (6) hard of hearing; (7) blind; (8) partially seeing; (9) speech-defective; (10) undervitalized, those with special health problems, including the cardiopathic, epileptic, and tuberculous; (11) emotionally maladjusted; (12) delinquent; and (13) intellectually superior, highly gifted, I. Q. usually above 125.

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[1] National Society for the Study of Education. Forty-ninth Yearbook. Pt. II. Chicago, University of Chicago Press, 1950, p. 3.

[2] Baker, Harry J. Introduction to Exceptional Children. New York, Macmillan, 1953, pp. 458–465.

[3] Mackie, Romaine P. and Lloyd M. Dunn. College and University Programs for the Preparation of Teachers of Exceptional Children. Washington, Government Printing Office, 1954, p. 3. (U. S. Office of Education Bulletin 1954, No. 13.)

Mackie and Dunn made the following comment on the significance of their incidence table:

"This * * * is not the complete story. To include only children in the age group 5 through 17 would not give an adequate picture of those in need of assistance from the schools." [4]

A report on State provisions for special education, prepared by the Laws and Legislation Branch of the United States Office of Education in 1956 indicated that:

"Most States, recognizing the need for early identification and admission of handicapped children, specify an early age or leave the minimum open; a few States extend the maximum beyond the legal school age." [5] Legally specified age limits for the physically and mentally handicapped range from age 3, in 8 States, to age 35, in 4 States.[6]

C. The specialness of exceptional children. The Creed for Exceptional Children, accepted by the United States Office of Education Conference on Qualification and Preparation of Teachers of Exceptional Children, points to the specialness of exceptional children:

"We believe in the American promise of equality of opportunity, regardless of nationality, cultural background, race, or religion.

"We believe that this promise extends to every child within the borders of our country no matter what his gifts, his capacity, or his handicaps.

"We believe that the Nation as a whole, every State and county, every city and hamlet, and every citizen has an obligation to help in bringing to fruition in this generation the ideal of a full and useful life for every exceptional child in accordance with his capacity; the child who is handicapped by defects of speech, of sight, or of hearing, the child whose life may be adversely influenced by a crippling disease or condition, the child whose adjustment to society is made difficult by emotional or mental disorders, and the child who is endowed with special gifts of mind and spirit.

"We believe that for most exceptional children their parents and teachers are the master architects essential to the planning and building of their future.

"We believe that the teachers of exceptional children must possess the personality, develop the understanding, and acquire the knowledge and skill through special preparation that will enable them to inspire and motivate, as well as teach, the art of making a living and a life.

"Above all, we believe in the exceptional child himself; in his capacity for development so frequently retarded by the limits of present knowledge; is his right to a full life too often denied him through lack of imagination and ingenuity on the part of his elders; in his passion for freedom and independence that can be his only when those who guide and teach him have learned the lessons of humility, and in whom there resides an effective confluence of the trained mind and the warm heart.[7]

" 'Remember,' wrote Graham and Barrow in the Nation's Schools, 'the exceptional child in your community is asking only for his birthright—an equal opportunity to obtain a full education which will help him acquire the social pattern necessary to live well with his fellow man.' [8]

"Describing them as 'the forgotten ones,' Jenks reminded: 'These exceptional children are, first and foremost, children—more like the average child than unlike him.' [9]

In the Annual Report of the Ames (Iowa) Public Schools, 1954–55, Schoolman Hetzel elaborated:

"It must always be remembered that the education of exceptional children has basic concepts and goals in common with the education of all children. The same principles of child development prevail. A deaf child is a child with a hearing handicap. As a child he has all the needs, desires, and physical energy of children in general. Basically, the only way in which he differs from an average child is his inability to hear; and, because of this hearing handicap, he is unable to speak. This difference makes it necessary to plan his education with special consideration for his disabilities. The mentally retarded child, the child with visual impairment, the crippled child, and every other exceptional child has fundamental motives and drives common to children in general; but along with those common characteristics there is in each case a specific handicap or exceptional condition that requires an adjustment or special service in his educational program. That program should be designed with full recognition of (a) his likeness to normal children and (b) his special needs. This, in brief, constitutes the modern approach to the education of exceptional children." [10]

The White House Conference on Child Health and Protection, called by President Herbert Hoover, in 1931 declared that few investments of taxpayers' money had yielded as large a return as that invested in vocational rehabilitation. The conference asked:

"If such results can be obtained by the special training of disabled adults, who have in large measure lost the plasticity and adaptability of youth, how much more can be accomplished through the special treatment and training of handicapped children? [11]

D. Special education, what it is and how it got started: The term "special education" refers to all those adjustive instructional services which are especially planned for exceptional children of preschool, elementary, and secondary, school age. It does not include remedial instruction in subject matter for those children of approximately normal behavior and ability who, for some reason, fall short of expected achievement.

The approach of special education is defined by Jenks as follows:

"Since these children cannot accommodate themselves to the curriculum, we must adjust the curriculum to them. The school is built for the children and not vice versa. We must consider the whole child, his abilities as well as his disabilities." [12]

Modern special education is usually considered to have started in the Halle, Germany, experiment in 1859, and the Boston day class for the deaf 10 years later. The following chart, compiled from several sources, presents a brief summary of the historical beginnings of special education.[13]

TABLE 2.—*Chronology of "special education" programs, 1700–1957*

Program	Date	Place
Selection of gifted children for special education.	(1)	Ottoman Empire (Saleiman).
1st classes for blind	1784	Paris, France.
1st residential school for handicapped in United States (for deaf).	1817	Hartford, Conn.
1st school for mentally retarded.	1859	Halle, Germany.
1st day class for deaf	1869	Boston, Mass.
1st class for speech defectives.	1887	Potsdam, Germany.
1st school for mentally retarded in United States.	1897	Springfield, Mass.
1st day classes for blind, crippled.	1900	Chicago, Ill.
1st school for gifted in United States.	1901	Worcester, Mass.
1st open-air program for undervitalized.	1903	Germany.
1st school for hard-of-hearing.	1904	New York.
1st special classes for crippled children.	1907	Massachusetts.
1st public school class for speech-defective.	1908	New York.
1st open-air class for undervitalized.	1908	Providence, R. I.
1st class for partially seeing.	1908	England.
1st American classes for partially seeing.	1909	Cleveland, Ohio.

[1] 16th century.

E. The State programs. Some type of special education has been authorized, with or without financial assistance, in all 48 States. The following table indicates the number of States with legal provisions for special education in the various fields of exceptionality, as of December 1955: [14]

TABLE 3.—*Number of States with legal provisions for special education, by fields of exceptionality, as of December 1955*

Field of exceptionality	Type of provision		Number of States
	Mandatory [1]	Permissive [2]	
Physically handicapped	17	31	48
Educable mentally retarded	15	31	46
Trainable mentally deficient	6	13	19
Maladjusted and delinquent	3	12	15
Gifted [3]	--	1	1

[1] Mandatory legislation requires establishment of services under certain conditions.
[2] Permissive legislation states that local districts may provide services for exceptional children.
[3] Pennsylvania.

Because of the differing needs of the children in the various areas of exceptionality, special education of today follows five organizational patterns: (1) Special schools and classes for longtime placement, (2) special classes for short-term placement, (3) home or hospital instruction, (4) special supplementary instructional services, and (5) residential school programs.[15]

These organizational patterns reflect three types of programs: (1) Cooperative, in which the child carries on part of his program in a regular classroom but receives help and/or equipment and instruction, (2) segregated, in which special classrooms are used, and (3) integrated, in which a visiting teacher serves the child in his regular classroom.[16]

[4] Mackie, Romaine P. and Lloyd M. Dunn. College and University Programs for the Preparation of Teachers of Exceptional Children. Op. cit., p. 4.

[5] A Report on State School Law: Special Education of Exceptional Children. School Life, November 1956, p. 7.

[6] Ibid., p. 7.

[7] Mayo, Leonard W.

[8] Graham, Ray and J. M. Barrow. Plan a Place for the Exceptional Child. The Nation's Schools, July 1956, p. 54.

[9] Jenks, William F., C. SS. R. The Forgotten Ones—Our Exceptional Children. Washington, the Catholic University of America Press, 1955, p. III.

[10] Hetzel, Walter L. Annual Report of the Ames (Iowa) Public Schools, 1954–55, as quoted by the American School Board Journal, December 1955, p. 16.

[11] White House Conference on Child Health and Protection. Special education—the handicapped and the gifted. New York, Century, 1931, p. 4.

[12] Jenks, William F., C. SS. R. The Forgotten Ones—Our Exceptional Children. Op. cit. p. iii.

[13] Principal sources: Baker, Harry J. Introduction to Exceptional Children. Op. cit. 500 pp. Jenks, William F., C. SS. R. The Exceptional Child in Catholic Education. National Catholic Educational Association Bulletin, May 1954. Reprint, unpaged.

[14] A report on State school law: Special Education of Exceptional Children. Op. cit., pp. 7–10.

[15] Rice, Mabel C., and Arthur S. Hill. Statistics of Special Education, 1952–53. Washington, Government Printing Office, 1954, pp. 1–3. (Biennial Survey of Education in the United States.)

[16] Jenks, William F., C. SS. R. The Exceptional Child in Catholic Education. Op. cit. unpaged.

According to Jenks:

"The vast majority of our exceptional children can be integrated into the regular class; another large segment will need special services, but only a small group will need special classes. All will need certified trained teachers."

F. The number of special teachers available. It is usually estimated that there are 25,000 special teachers. The most recent United States Office of Education statistics show:

"Fourteen thousand three hundred and sixteen special-education teachers in city school systems. Approximately 3,000 teachers working in residential schools, and at least 2,500 giving hospital and home instruction. Still others not reported are in nursery schools * * * in private schools * * * (and) in small local school systems in rural areas. If allowance is made for the teachers not reported, the total number 25,000 is easily justifiable." [17]

The following table, showing the number of exceptional children and their teachers in special schools and classes only, is based on data reported by the United States Office of Education in its Biennial Survey of Education in the United States, 1952–54: [18]

TABLE 4.—*Number of pupils, elementary and secondary, and teachers, full time and part time in special schools and classes, 1952–53*

Area of exceptionality	Pupils		Teachers [1]		Approximate number pupils per teacher
	Elementary	Secondary	Full time	Part time	
Mentally retarded (educable)	80,363	28,540	6,411	300	[2] 16
Mentally retarded (severe)	4,515	147	320	36	[2] 16
Special health problems	10,166	1,289	788	80	13
Crippled	15,924	1,889	1,378	120	12
Deaf	3,446	489	451	28	8
Speech defective	254,179	52,568	2,011	245	136
Blind	658	181	89	6	9
Gifted	3,683	19,233	722	204	23
Partially seeing	6,544	1,470	621	26	13
Hard of hearing	9,680	2,252	400	80	24

[1] A teacher serving more than 1 type of exceptional child is reported only with the type to which she devotes the major portion of time.
[2] Represents the average number of pupils per teacher for both educable and severely mentally retarded pupils.

G. The supply-demand ratio. A good indicator of the teacher need for each area of exceptionality is the supply-demand ratio.

The following table presents the rank order of the frequency of special teachers needed and available in the various areas of exceptionality. These rankings are based on a response to a questionnaire sent to 329 school administrators and professors of special education by the United States Office of Education.[19]

Mackie and Dunn commented:

"A comparison of the requests for teachers and their availability is both interesting and significant. There are few requests, for example, for teachers of the partially seeing and for teachers of the blind, but even so, it is rather difficult to find qualified persons in the areas when they are needed." [20]

H. The number of special teachers needed. The literature in special education usually expresses the teacher-need as 4 times the available number; that is, 100,000.

Mackie and Dunn wrote that probably the teacher-need figure of 100,000 should be reexamined. They gave one example to illustrate this:

"On a basis of an average class enrollment of 18, it seems reasonable to estimate that approximately 40,000 teachers are needed in the area of mentally retarded alone. This leaves only 60,000 for all other types of exceptionality and for personnel who would occupy administrative and college teaching positions." [21]

TABLE 5.—*Demand-supply frequency of special teachers*

Area of exceptionality	Rank order (frequency of requests)	Rank order (difficulty in securing teachers)
Mentally retarded	[1] 1	4
Speech handicapped	2	[2] 10
Deaf	3	[3] 1
Hard of hearing	4	5
Crippled	5	8
Socially maladjusted	6	3
Blind	7	2
Partially seeing	8	6
Special health problem	9	9
Gifted	[4] 10	7

[1] Highest demand.
[2] Highest availability (supply).
[3] Lowest availability (supply).
[4] Lowest demand.

Generally, the pupil-teacher ratios for exceptional children are, as might be expected, lower than the one existing in the regular classroom. Dividing the number of pupils per teacher into the estimated number of school-age children (table 1) will support the conclusion that certainly no less than 100,000 special teachers will be needed to provide adequate instructional services for the four to six million exceptional children.

I. The practical pupil-teacher ratio. Representations of a summary pupil-teacher ratio for exceptional children have little if any value. Furthermore, it is not possible to establish an ideal and practical pupil-teacher ratio which would not have to be continually revised as more severely handicapped children are accepted for special education. During the period 1947–52, the average number of pupils per teacher of crippled childen declined from 14.3 to 11.9 and, for children with special health problems, from 24.4 to 13.2. Rice and Hill commented that:

"It seems quite evident that the smaller classes which are characteristic of service in these two areas of special education are the result of emphasis upon the acceptance of children who are more severely handicapped." [22]

Approximate pupil-teacher ratios for the various areas of exceptionality are useful, however (as has already been pointed out), to the extent that they can be applied against the estimated incidence of children in the various areas of exceptionality in order roughly to determine the present need for teachers.

The following table gives relevant data:

TABLE. 6.—*Practical pupil-teacher ratio and number of teachers needed, by field*

Area of exceptionality	Estimated number of school-age children [1]	Practical pupil-teacher ratio [2]	Number of teachers needed (rounded)
Blind and partially seeing	68,000	11	6,000
Crippled	510,000	12	42,500
Special health problems	510,000	13	39,000
Deaf and hard of hearing	510,000	23	22,000
Speech handicapped	680,000	136	5,000
Socially maladjusted	680,000	25	37,000
Mentally retarded	680,000	16	42,500
Gifted	680,000	23	29,500
Total	4,316,000		223,500

[1] Table 1.
[2] Table 4.

Table 6 has its obvious shortcomings, but it does show that many special teachers are needed. Furthermore, it indicates that the teacher-need figure of 100,000, in Mackie and Dunn's words, "should be reexamined."

J. The effect of the shortage. The obvious effect of the teacher shortage is that education-needy exceptional children are not sharing in the American educational experience.

A publication by the United States Office of Education has indicated that "not more than a quarter of the Nation's handicapped and gifted children are receiving the special help which they need. In almost every case, the lack of qualified teaching personnel is the basic reason for this unfortunate situation. In many communities where public support is excellent and financing assured, school systems are unable to establish programs because they cannot find a teacher with the special competencies essential to effective work with the particular type of exceptional child for whom the service is to be established." [23]

Baker made the same point:

"The training of teachers for exceptional children has been one of the major problems in the development of an adequate program. Often a school system has been forced to abandon its proposed program for some type of special class when no teachers were available in that particular field. * * * It was a very striking phenomenon that during the days of the greatest general-teacher surplus there was a shortage of teachers trained for special education. When there is a general shortage of teachers the problem becomes very acute." [24]

K. What is being done. The following table shows, for the academic year 1953–54, (1) the number of universities offering sequences of preparation, (2) the number of students enrolled in those courses, (3) the number of

[19] Mackie, Romaine P. and Lloyd M. Dunn. College and University Programs for the Preparation of Teachers of Exceptional Children. Washington, Government Printing Office, 1954, pp. 6–7. (U. S. Office of Education Bull. 1954, No. 13).

[20] Mackie, Romaine P. and Lloyd M. Dunn. College and University Programs for the Preparation of Teachers of Exceptional Children. Op. cit., p. 7.

[21] Mackie, Romaine P. and Lloyd M. Dunn. College and University Programs for the Preparation of Teachers of Exceptional Children. Op. cit., p. 5.

[17] Mackie, Romaine P., and Lloyd M. Dunn. College and University Programs for the Preparation of Teachers of Exceptional Children. Op. cit., p. 4.

[18] Rice, Mabel C., and Arthur S. Hill. Statistics of Special Education for Exceptional Children, 1952–53. Op. cit., pp. 15–16; table 1, p. 19.

[22] Rice, Mabel C. and Arthur S. Hill. Statistics of Special Education for Exceptional Children, 1952–53. Op. cit., p. 16.

[23] Mackie, Romaine P., and Lloyd M. Dunn. College and University Programs for the Preparation of Teachers of Exceptional Children. Op. cit., p. 1.

[24] Baker, Harry J. Introduction to Exceptional Children. Op. cit., pp. 455–457.

faculty members involved, and (4) the number of degrees conferred. These data are based on responses to a United States Office of Education questionnaire sent to institutions of higher learning offering such sequences of preparation. One hundred and twenty-eight institutions, representing approximately nine-tenths of the colleges and universities, gave information on these items.

TABLE 7.—*Statistical summary of faculty strength and student enrollment at colleges and universities, academic year 1953–54,*[1] *showing number of institutions offering sequences of preparation; faculty members, students enrolled, and degrees conferred*

A Area of exceptionality	B Universities offering sequences of preparation	C Total full-time and part-time faculty members	D Total students majoring in specialized areas	E Total students taking single courses in specialized areas	F Number of degrees granted [2]
Blind	3	7	33	67	20
Crippled	14	35	156	136	58
Deaf	24	94	195	76	67
Gifted	2	2	21	34	2
Hard of hearing	68	26	61	100	7
Mentally retarded	40	137	805	624	285
Partially seeing	7	10	30	66	9
Socially maladjusted	10	8	82	174	20
Special health problems	5	3	60	18	3
Speech correction	116	342	2,330	2,719	725
Speech and hearing	1	167	600	423	230
2 or more areas of exceptionality other than speech and hearing	----------	55	228	20	122
Overall	----------	11	----------	[3] 1,255	1
Total	[4] 128	897	4,601	5,712	1,549

[1] Mackie, Romaine P. and Lloyd M. Dunn. Programs for the Preparation of Teachers of Exceptional Children. Op.cit., pp. 12, 137, 42, 44, 91 (errata).
[2] Jan. 1–Dec. 3, 1953.
[3] Enrolled in survey courses.
[4] Number of institutions in the United States offering sequences of preparation for teachers in 1 or more areas of exceptionality. 42 institutions offer specialized curricula in only 1 area; 73 offer specialized curricula in 2 to 5 areas; 7 offer specialized curriculums in 6 or more areas.

L. The need for meeting the shortage with qualified teachers. The need for meeting the shortage of teachers in special education with qualified teachers is understood in two-thirds of the States where special credentials for teachers in one or more areas of exceptionality are required by law. The following table breaks down the incidence of such certification requirements in the 32 States, by areas of exceptionality.[25]

TABLE 8.—*Number of States with requirements for special credentials for teachers of exceptional children*

Area of exceptionality	Number of States
Speech	30
Hard of hearing	27
Mentally retarded	22
Crippled	22
Socially maladjusted	9
Blind	13
Partially seeing	21
Deaf	18
Gifted	1
Special health problems	12
Special credential valid for teaching in area of exceptionality, no special certification required	16
Special credentials for teachers in 1 or more area of exceptionality required	32

Mackie and Dunn wrote:

'The close relationship between the extent of special certification and number of teacher-education and public school programs is striking." [26]

M. A continuing problem. The percentage of incidence of exceptional children has not been reduced appreciably by modern medical science.

It is true, of course, that many diseases have been demobilized, thereby saving countless boys and girls from the consequent disabling effects of the diseases.

It is also true, however, that medical progress in another field has made it possible for just as many boys and girls, who would have died in a former day, to survive. These children unfortunately survive with physical, emotional, or mental disabilities that will distinguish them educationally as exceptional.

Furthermore, it appears that it will take quite some "doing" to remove the factors responsible for the shortages in special education. Mackie and Dunn concluded:

"Many factors are responsible for this lag on the part of the schools. Among these are lack of personnel, inadequate housing, transportation problems, and difficulties encountered in screening, diagnosis, and placement. Most serious of all is the lack of qualified teachers." [27]

PART II. SOME COMMENTS BY AREAS OF EXCEPTIONALITY

A. The visually defective (blind and partially seeing). Mackie and Cohoe, in a publication on teachers for partially seeing children, have written:

"Generally a child is considered partially seeing if his visual acuity in the better eye, with correction, is 20/70 or less and he uses sight as his chief channel of learning. Special services and materials should be available insofar as they are needed to assist the child in realizing his optimum physical, mental, social, and vocational potentialities. Specialized knowledge, skills, and abilities, over and above those required by the regular classroom teacher, are required by the teacher of partially seeing children." [28]

Berthold Lowenfeld, pleading for special education for the blind, has written:

"The blind want to live as independent individuals who are conscious and desirous of fulfilling their economic and social obligations to the community, but do not hesitate to be bold if ignorance or prejudice denies them their full rights as citizens." [29]

Jacobus Tenbroeck has called for a bill of rights for the blind, "not declaring our independence from society but our need of being integrated into it; not guaranteeing special favors and position, but equality of treatment; not glossing over our weaknesses or limitations, but recognizing us for what we are, normal human beings, or at least as normal as human beings are; a bill of rights according us a fair chance to live socially useful lives." [30]

B. The speech defective. Johnson said in 1950 that: "there should be 1 speech correctionist to approximately every 4,000 pupils. Estimating very conservatively that only 5 percent of the pupils will be found to have significant speech problems, there will be 200 children needing speech correction among every 4,000 pupils." [31]

Pintner, Eisenson, and Stanton defined defective speech as follows:

"Speech may be considered defective when it is not easily audible and intelligible to the listener. Speech is defective if it is vocally or visibly unpleasant or labored in production. Finally speech is defective if it is inappropriate to the individual in regard to his mental and chronological age, sex, and physical development." [32]

C. The maladjusted. The White House Conference on Child Health and Protection in 1931 commented:

"Hospital facilities for mental patients in the United States * * * outrank the combined total of all other diseases. If the cost of crime and court procedures of cases with mental disease or with advance symptoms of delinquency are added to the hospital costs already cited, the price will become more exorbitant than even a wealthy and charitable minded nation can long afford.

"The nervous and emotionally unstable constitute a large majority of the total number of behavior problems. The third group is know as the delinquent. * * * The establishment of special schools and special classes should be greatly increased in order to meet this need." [33]

Carrington said:

"Emotionally and socially handicapped children * * * have hostilities, idiosyncrasies and psychic disfigurements of such dimension that they need individual care not always available in the classroom. These pupils need security, affection, and satisfaction out of life of a socially approved sort. They need to be helped on their way to emotional maturity." [34]

[25] Mackie and Dunn. State Certification Requirements for Teachers of Exceptional Children. Bulletin 1954, No. 1. U. S. Government Printing Office. 60 pp.
[26] Mackie and Dunn. State Certification Requirements for Teachers of Exceptional Children. Op. cit., p. 7.
[27] Mackie and Dunn. State Certification Requirements for Teachers of Exceptional Children. Op. cit., p. 1.
[28] Mackie, Romaine P. and Edith Cohoe. Teachers of Children Who Are Partially Seeing. Washington, Government Printing Office, 1954, pp. 1, 5, 44. (U. S. Office of Education Bulletin 1956, No. 4.)
[29] Lowenfeld, Berthold. The Child Who Is Blind, in What Is Special About Special Education. Washington, D. C., International Council for Exceptional Children, 1953, pp. 5–11.
[30] Tenbroeck, Jacobus. A Bill of Rights for the Blind. Outlook for the Blind, December 1948, pp. 310–314.
[31] Johnson, W. Speech Handicaps. Part II. The Education of Exceptional Children. Forty-Ninth Yearbook, National Society for the Study of Education. Chicago, University of Chicago Press, 1950. Pp. 185–86.
[32] Pintner, R., J. Eisenson, and M. Stanton. The Psychology of the Physically Handicapped.
[33] White House Conference on Child Health and Protection, 1931, Op. cit., pp. 491, 496, 502.
[34] Carrington, Evelyn M., the Exceptional Child—His Nature and His Need. Texas State College for Women, 1951, p. 13.

Walsh, on the scope of the problem, has written:

"The socially maladjusted child who is most frequently in the forefront of public attention is the child who is labeled 'the juvenile delinquent.' The problem is of such scope that the entire community must be concerned. A democratic philosophy of education holds the school responsible for the education of all the children of all the people." [35]

The National Conference on Prevention and Control of Juvenile Delinquency, on the need for special teachers for the maladjusted, said:

"An atmosphere of mutual respect and affection should permeate the classroom and should result in wholesome and effective teacher-pupil relationship. Since all the classroom activities center about the teaching personality, the teacher herself should be a well-adjusted and wholesome individual." [36]

In defining the regular teacher, an Arizona workshop on the problem pointed out the need for special teachers of the maladjusted: "a skilled, professionally trained person, an expert in the field of education. It is not to be expected, or even desired, that she should also be an expert in treating emotional problems. Helping children now, while they are still children, in school, is especially important, because for many it is the only help they will ever get." [37]

Baker, in an article about the problem child, commented:

"It was the job of the school to teach those who were able to learn, and if learning did not take place or there was maladjustment in behavior, it was not the duty of the school to do anything about it. In recent years the concept that the school must teach good social living and citizenship as well as subject matter has changed the point of view." [38]

D. The gifted. On the shortage of developed mindpower a publication of the Fund for the Advancement of Education has said that:

"The importance of accommodating the individual differences of young people of similar age is widely recognized, yet many of our conventional academic arrangements inhibit the nurturing of these individual talents and capacities.

"The most critical requirement is to attract into teaching enough of the Nation's finest quality manpower, for it takes talent to produce talent." [39]

On the need for teachers of the gifted Brown wrote:

"In short, among the various devices we have discussed for aiding gifted children, there is no cheap substitute for skilled teaching by highly educated and resourceful and devoted teachers." [40]

Shaffer said:

"Interest in the pupil of unusual mental capacity has been stimulated by the Nation's growing need for highly trained specialists. Roughly 5 percent of the general population rates 125 [I. Q.] or higher. Such children need superior teachers who are fully versed in their special field and have talent for creative teaching." [41]

Passow wrote about the need for enrichment of the curriculm for the gifted:

"Enrichment for the gifted child is of particular concern to the public school because a curriculum which satisfies a large majority of children may not necessarily care for outstanding students. Society must expect rewarding returns from the gifted child to warrant additional investment in his education. Are we short changing the gifted? When we deny precious youngsters the full development of their potential, we not only cheat them—we rob society of precious human resources." [42]

E. The crippled. The White House Conference on Child Health and Protection in 1931 made the following observation:

"The education of the crippled child is not philanthropy—it is enlightened self-interest. It is manifest that teachers of crippled children must have exceptional qualifications and training. Michael Dowling said: 'I believe that the saddest sight in the world is that of a crippled child sitting at the window each morning watching his brothers and sisters go forth to school.' " [43]

F. The deaf and hard of hearing. The United States Office of Education, in a publication on teachers of deaf children, declared:

"The education of the deaf child is a difficult process. Who is competent to teach the deaf child? It is in the teacher herself that the dynamic power for development of competencies resides. Those who administer or supervise State and local programs have an obligation to foster the greatest possible development of their teachers in service. Instruction of the deaf is one of the more technical fields. Because teachers of the deaf are more difficult to secure than any other in the field of education, and because their preparation is relatively expensive, it would seem that additional scholarships should be made available to those wishing to teach the deaf." [44]

Baker, in his textbook on exceptional children, has written:

"The Federal census has been making special listings of the deaf, beginning in 1830. In round number the number of the totally deaf approximately equals the number of blind. * * * A committee on hard-of-hearing children of the American Federation of Organizations for the Hard of Hearing reported in 1926 that 14 percent of pupils have hearing defects. Whether this estimate is entirely correct or not, it is probably close enough to the real facts to show that impaired hearing is a problem of great magnitude.

"The education of the deaf is a highly specialized and intensive type of education. The teachers must be especially well-trained. When it is considered what education really accomplishes for deaf children in training them to speak and otherwise live normal lives socially, as well as psychologically, the greater cost is well repaid." [45]

G. The undervitalized. The White House Conference on Child Health and Protection in 1931 commented:

"Under the term 'lowered vitality' are included all those types of cases which, without distinct or visible evidence, physically handicap a child. There is a great need for special education and training of all cases of lowered vitality. Educators in America have believed, for the most part, that American schools were providing equal opportunity for all children to develop their abilities to the fullest extent. It is gradually becoming apparent that such is not the case.

"The slogan of the educators of the handicapped should be: 'An expert and technically trained teacher for every physically handicapped child in the United States.' The teacher is the basic factor in educating, training, and placement." [46]

H. The intellectually impaired. The United States Children's Bureau has estimated:

"Out of each 1,000 of the population, 30 are mentally retarded. Of this 30, 25 are educable and 4 are trainable and 1 is totally dependent." [47]

On degrees of impairment, an article in the Encyclopedia of Educational Research contains this statement:

"From an educational standpoint, those children who appear to be permanently incapable of profiting to any considerable extent from the regular curriculum of the schools and who are regarded as trainable rather than educable, and, hence, permanently socially inadequate and vocationally incompetent, have been most frequently classified as mentally defective, mentally deficient, or feebleminded, in contract to those who are rated as merely backward, retarded, or dull normal, and who are potentially capable of achieving social and economic independence." [48]

Spencer has added:

"While the educational goal for the retarded child is essentially the same as for normal—the fullest possible development of the individual—it must be approached through somewhat different approaches and techniques." [49]

Hill wrote:

"About three-quarters of a million school-age children in the United States are mentally retarded with respect to their learning abilities. Most of them are capable of making considerable progress in the basic educational skills; a much smaller number have competence only for personal and social improvement; only a very small percentage require permanent custodial care.

"One of the most baffling problems met in establishing new programs for severely mentally retarded children concerns the employment of qualified teachers." [50]

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[35] Walsh, Mary E., the Socially Maladjusted Child and the School. In Jenks, William F., C. SS. R., the Atypical Child. Washington, the Catholic University of America Press, 1954, pp. 68–92.

[36] National Conference on Prevention and Control of Juvenile Delinquency. Report on School and Teacher Responsibilities. Washington, Government Printing Office, 1947, p. 21.

[37] Workshop in the Education of the Exceptional Child, Tempe, Arizona State College, 1955, pp. 59–69.

[38] Baker, Harry J. The Problem Boy in School. Federal Probation, VI, No. 2, 1942, p. 23.

[39] The Fund for the Advancement of Education. They Went to College Early. Evaluation Report No. 2, New York, 1957, p. 11.

[40] Brown, Spencer. How Educate the Gifted Child? Commentary, June 1956, p. 539.

[41] Shaffer, Helen B. Schooling for Fast and Slow Learners. Editorial Research Reports, November 23, 1955, pp. 824, 826.

[42] Passow, A. Harry, Are We Short Changing the Gifted? The School Executive, December 1955, pp. 55, 57.

[43] White House Conference on Child Health and Protection, op. cit, pp. 19, 73, 85.

[44] Machie, Romaine P., et al., Teachers of Children Who Are Deaf. Washington, Government Printing Office, 1955, pp. 1, 2, 54 (U. S. Office of Education Bulletin 1955, No. 6).

[45] Baker, Harry J. Introduction to Exceptional Children. New York, Macmillan, 1953. Pp. 82, 123.

[46] White House Conference on Child Health and Protection. Op. cit., pp. 385, 397, 407–408.

[47] The Child Who Is Mentally Retarded, Washington, Government Printing Office, 1956, p. 11 (U. S. Children's Bureau Folder No. 43, 1956).

[48] Encyclopedia of Educational Research, (Revised edition). New York, Macmillan, 1950, p. 726.

[49] Spencer, Steven M., Retarded Children Can Be Helped, The Saturday Evening Post, Oct. 11, 1952, p. 110.

[50] Hill, Arthur S., The Forward Look: The Severely Retarded Child Goes to School, Washington, Government Printing Office, 1952, p. 32 (U. S. Office of Education Bulletin, 1952, No. 11).

EXHIBIT C—COLLEGES AND UNIVERSITIES IN THE UNITED STATES OFFERING COURSES IN SPECIAL EDUCATON FOR EXCEPTIONAL CHILDREN

(Prepared at the request of the Honorable LEONOR SULLIVAN, by H. A. Sieber, research assistant)

Colleges and universities having programs for the preparation of teachers of exceptional children, academic year 1954

State	Institution	Special education program
Alabama	University of Alabama	Speech correction.
	Birmingham, Southern College.	Speech and hearing.
Arizona	University of Arizona	Speech correction, speech and hearing.
Arkansas	University of Arkansas	Speech correction.
	Arkansas State College	Deaf.
California	Chico State College	Speech correction, speech and hearing.
	College of the Pacific	Speech correction, speech and hearing, socially maladjusted.
	Fresno State College	Speech correction.
	Los Angeles State College	Deaf, mentally retarded, speech correction, speech and hearing.
	Occidental College	Speech correction.
	San Diego State College	Mentally retarded, speech correction.
	San Francisco State College.	Blind, crippled, deaf, hard of hearing, mentally retarded, partially seeing, socially maladjusted, speech correction, blind and partially seeing, deaf and hard of hearing, and others.
	San Jose State College	Speech correction, speech and hearing.
	Stanford University	Do.
	University of California at Berkeley.	Mentally retarded, socially maladjusted, mentally retarded and socially maladjusted.
	University of California at Los Angeles.	Speech correction.
	University of California at Santa Barbara.	Do.
	University of Southern California.	Deaf, hard-of-hearing, speech correction.
	Whittier College	Speech correction.
Colorado	University of Denver	Mentally retarded, speech correction, speech and hearing.
Florida	Florida State University	Mentally retarded, speech correction, speech and hearing, overall.
	University of Florida	Mentally retarded, speech correction, speech correction and hearing, overall.
	University of Miami	Speech correction.
Georgia	University of Georgia	Do.
Illinois	Bradley University	Do.
	College of St. Francis	Do.
	Eastern Illinois State College.	Do.
	Elmhurst College	Do.
	Illinois State Normal University.	Crippled, deaf, hard-of-hearing, mentally retarded, partially seeing, socially maladjusted, special health problem, speech correction, overall.
	Northern Illinois State Teachers College.	Speech correction.
	Northwestern University	Speech correction, hearing.
	Rockford College	Do.
	Southern Illinois	Mentally retarded, speech correction, hearing.
	University of Chicago	Socially maladjusted, speech correction.
	University of Illinois	Deaf, mentally retarded, speech correction.
Indiana	Ball State Teachers College.	Speech correction, hearing.
	Indiana State Teachers College.	Mentally retarded, speech correction, hearing.
	Indiana University	Speech correction, hearing.
	Purdue University	Do.
Iowa	Grinnell College	Speech correction.
	State University of Iowa	Crippled, speech correction, hearing.
Kansas	Fort Hays Kansas State College.	Speech correction.
	Kansas State Teachers College.	Mentally retarded, socially maladjusted, speech correction.
	Municipal University of Wichita.	Crippled, deaf, hard-of-hearing.
	Municipal University of Wichita.	Speech correction, hearing, deaf, crippled, hard-of-hearing.
	University of Kansas	Deaf, hard-of-hearing, mentally retarded, socially maladjusted, speech correction.
Kentucky	University of Kentucky	Speech correction, hearing.
Louisiana	Louisiana State University.	Speech correction.
Maryland	University of Maryland	Speech correcting, hearing.
Massachusetts	Boston University	Blind, speech correction, hearing.
	Emerson University	Speech correction, hearing.
	Smith College	Deaf.
Michigan	Michigan State Normal College.	Crippled, deaf, mentally retarded, partially seeing, speech correction.
	Wayne University	Crippled, deaf, hard-of-hearing, mentally retarded, partially seeing, socially maladjusted, special health problem, speech correction, others.
	Western Michigan College of Education.	Speech correction, hearing.
Minnesota	University of Minnesota	Crippled, mentally retarded, speech correction, hearing, others.
Mississippi	Mississippi Southern College.	Do.
	University of Mississippi	Speech correction, hearing.
Missouri	Central Missouri College	Speech correction.
	St. Louis University	Do.
	Southwest Missouri College.	Do.
	University of Missouri	Speech correction, crippled.
	Washington University	Deaf, hard-of-hearing, speech correction.
Nebraska	University of Nebraska	Speech correction, hearing.
New Jersey	New Jersey State Teachers College.	Mentally retarded, speech correction, hearing, others.
New York	Brooklyn College	Mentally retarded, speech correction.
	City College of the City of New York.	Mentally retarded.
	Hunter College of the City of New York.	Blind, crippled, deaf, gifted, partially seeing, special health problems, others.
	New York University	Mentally retarded.
	Queens College of the City of New York.	Speech correction, hearing.
	State University of New York College for Teachers at Buffalo.	Crippled, mentally retarded, speech correction, partially seeing, others.
	State University of New York Teachers College at Geneseo.	Mentally retarded, speech correction.
	Syracuse University	Crippled, deaf, mentally retarded, partially seeing, speech correction, hearing, others.
	Teachers College of Columbia University.	Deaf, hard-of-hearing, mentally retarded, partially seeing, crippled, special health problems, others.
North Carolina	Eastern Carolina College	Speech correction.
North Dakota	State Teachers College	Do.
	University of North Dakota.	Speech correction, hearing.
Ohio	Bowling Green State University.	Do.
	Kent State University	Mentally retarded, speech correction, deaf, hard-of-hearing.
	Ohio State University	Mentally retarded, speech correction, hearing, others.
	Ohio University	Speech correction, hearing.
	Western Reserve University.	Speech correction, deaf, hard-of-hearing.
Oklahoma	University of Oklahoma	Mentally retarded.
	University of Tulsa	Speech correction, hearing.
	Oklahoma College for Women.	Deaf.
Pennsylvania	Franklin and Marshall College.	Speech correction, hearing.
	Marywood College	Mentally retarded.
	Mount Mercy College	Speech correction.
	Pennsylvania State University.	Gifted, mentally retarded, speech correction, hearing.
	State Teachers College, Bloomsburg.	Mentally retarded, speech correction, hearing.
	State Teachers College, California.	Mentally retarded, speech correction.
	Temple University	Speech correction.
	University of Pittsburgh	Deaf, mentally retarded, speech correction, hearing.
South Dakota	University of South Dakota.	Speech correction, hearing, others.
Tennessee	George Peabody College for Teachers.	Mentally retarded, speech correction, hearing, others.
	University of Tennessee	Deaf, others.
	Vanderbilt University	Speech correction, hearing.
Texas	North Texas State College	Speech correction.
	Southern Methodist University.	Do.
	Southwest Texas State Teachers College.	Crippled, mentally retarded, speech correction.
	Texas State College for Women.	Speech correction.
	University of Houston	Mentally retarded, speech correction, hearing.
	University of Texas	Mentally retarded, speech correction, hearing, others.
Utah	University of Utah	Speech correction, deaf, hard-of-hearing.
Virginia	University of Virginia	Speech correction, hearing.
Washington	University of Washington	Do.
Wisconsin	Marquette University	Speech correction.
	University of Wisconsin	Do.
	Wisconsin State College	Mentally retarded, speech correction, deaf, hard-of-hearing, others.
Wyoming	University of Wyoming	Speech correction.
District of Columbia.	Catholic University of America.	Do.
	Gallaudet College	Deaf.
	George Washington University.	Speech correction.

DECEPTION ON NATURAL GAS ISSUE

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

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

There was no objection.

Mr. RHODES of Pennsylvania. Mr. Speaker, my colleagues interested in natural gas legislation will be interested in an article which appears in the August 1957 issue of the Independent Petroleum Association of America Monthly, the national magazine published by the IPPA.

The title to the article is "Nonpartisan Study Supports Gas Producers' Position on Regulation." It was based on a 49-page study of the Regulation of Natural Gas, written by James W. McKie, associate professor of economics and business administration at Vanderbilt University and issued last month by the American Enterprise Association. The article in the IPPA monthly says that the American Enterprise Association is "a nonpartisan research organization which examines the implications of current and prospective legislation." It goes on to say that "as an independent agency, it maintains objectivity in analyzing national issues, but takes no stand either in favor of or against legislation."

Curiously enough, the AEA study concludes:

> There appears to be no decisive reason why market competition cannot generally regulate the field price of natural gas in the public interest.

Of course, this is the position taken by Mr. Russell B. Brown, general counsel of the IPPA in hearings this year on natural-gas legislation conducted by the Interstate and Foreign Commerce Committee. The IPPA article states:

> This conclusion did not come from a company statement, a trade association resolution, or the oil trade press. It was the conclusion of a 49-page study on the Regulation of Natural Gas issued at mid-July by the nonpartisan American Enterprise Association, Inc. * * *
>
> It is an extremely readable and logical analysis of the concept of public utility regulation, the competitive nature of natural-gas production, and the unworkable entanglements which would be involved in cost-base regulation of the producing industry.

Mr. Speaker, I am surprised that the great oil-producing industry would resort to such deception in labeling the American Enterprise Association as a nonpartisan research organization, in an effort to gain support for natural-gas legislation which is so obviously contrary to the best interests of the gas-consuming public.

Many of my colleagues will remember the work of the Buchanan lobby investigation committee during the 81st Congress. If they will refer to a report of this committee on the American Enterprise Association—House Report No. 3233, 81st Congress, 2d session, December 28, 1950—they will recognize that the IPPA has tried to promote the natural-gas bill under the blessing of a so-called objective research organization which was exposed by the Buchanan committee as a front for special interest points of view.

The AEA received sizable contributions during that period from America's largest oil, gas, and pipeline companies, many of whom were represented by witnesses appearing before our committee in support of the natural-gas bill.

It is an insult to Members of Congress for the IPPA to parade the American Enterprise Association as the source of an impartial study justifying their stand on the natural-gas bill in view of the past activities of this lobby front organization. I quote from pages 19 and 20 of the lobby committee's conclusions of its study of the American Enterprise Association:

> In AEA's case there is no reason to accept its claims of objectivity and impartiality when every material circumstance points to a contrary conclusion.
>
> AEA's claims of scholarly disinterest would be of less importance if the recipient of AEA analyses and studies had some means of judging whether or not these claims were wanting in substance. Full knowledge of AEA's sources of financial support, for example, is essential to such judgment; but since AEA has not filed reports under the Federal Lobbying Act, this information is simply not readily and continuously available.

The lobby committee further concluded:

> AEA's standing under the Lobbying Act is clear. The only criteria which govern the act's applicability to any group are intent by the group to influence legislation and the expenditure of substantial amounts of money for this purpose. The activities of the American Enterprise Association meet both these conditions.

I emphasize the next conclusion:

> The money expended is substantial, and the activities engaged in have unquestionably exerted more than passing influence on legislation, and have been intended to have influence on legislation. Certainly it cannot be argued that AEA desires that its activities should have no such influence at all. To the extent, then, that AEA seeks to affect the determination of legislative policy, directly or indirectly, its finances and techniques should be fully disclosed under the Lobbying Act. This is the only means by which Congress and the public can judge whether or not AEA's claims of disinterest are, in fact, valid.

Mr. Speaker, the American Enterprise Association has never registered under the Lobbying Act, despite this finding of the committee. We must reasonably conclude, therefore, that its true purposes would be embarrassingly revealed by a regular reporting of the sources of its funds and for this reason it has not done so.

The committee report finally concluded:

> We repeat our conviction that AEA can render a useful service by its intelligent presentation of industry's point of view. This point of view is both too important and too honorable, however, to be hidden behind a self-serving facade of objectivity to which no tests of interest can presently be applied.

The report was approved by the late chairman of the Lobby Committee, Hon. Frank Buchanan, of Pennsylvania, the gentleman from Georgia [Mr. LANHAM], the gentleman from Oklahoma [Mr. ALBERT], and the gentleman from California [Mr. DOYLE].

Mr. Speaker, this study of the American Enterprise Association on the natural gas issue cannot be seriously considered as an objective study, but merely an obvious attempt to deceive Congress and influence public opinion, to improve the chances of enactment of H. R. 8525 in the next session of the 85th Congress.

LEGISLATIVE PROGRAM FOR TOMORROW

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

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

There was no objection.

Mr. MARTIN. Mr. Speaker, I wonder if the gentleman from Massachusetts can tell us the program for tomorrow and next week.

Mr. McCORMACK. Confining myself to tomorrow, if the mutual assistance conference report is agreed on, of course that will be taken up.

Then there are three suspensions. H. R. 6006, the Antidumping Act.

H. R. 6908, a bill relating to the Philippine Islands to authorize modification and extension of the program of grants-in-aid for the Republic of the Philippines, for the hospitalization of certain veterans, and so forth. The gentleman will remember that was on the suspension list several weeks ago and it was not called up at that time.

Then there is House Joint Resolution 73, placing certain individuals who served in the Armed Forces of the United States in the Moro Province, including Mindanao, and in the islands of Leyte and Samar after July 4, 1902, and their survivors, in the same status as those who served in the Armed Forces during the Philippine Insurrection and their survivors.

Then there are four resolutions reported out of the Rules Committee. One, House Resolution 275, amending House Resolution 157 of the 85th Congress, permitting overseas travel for the Committee on Agriculture.

House Resolution 384, for the same purpose relating to the Committee on Ways and Means.

House Resolution 395, providing for travel on the North American Continent, by the Committee on Merchant Marine and Fisheries.

House Resolution 412, providing for overseas travel during the 85th Congress for the Committee on Government Operations.

Mr. MARTIN. Can the gentleman tell us one reason why the Committee on Agriculture or the Committee on Government Operations should travel abroad?

Mr. McCORMACK. I am just announcing the program for tomorrow. These resolutions were reported out by the Committee on Rules.

I would assume that some member of the Committee on Agriculture could best answer for that committee. I see the gentleman from Texas [Mr. POAGE] here.

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

Mr. MARTIN. Yes, I yield; I would like information.

Mr. POAGE. I think possibly the best answer is that the Committee on Agriculture is charged with the responsibility of supervising the administration of Public Law 480, which involves an additional billion dollars just voted about 2 weeks ago by this House, and a probable request for another billion dollars coming down from the Executive the first day of January.

With those staggering sums of money which are entirely dependent upon legislation from the Committee on Agriculture, that is probably the greatest reason for making some on-the-ground and on-the-spot checks that I know of.

Mr. MARTIN. That is a very smooth answer, but the gentleman does not think he is going to find out anything or facilitate the sending of agricultural products abroad that he could not do if he stayed in this country?

Mr. POAGE. I certainly do, and that can be attested by the gentleman just standing by my side who was present down in Rio de Janeiro. I think our very presence there resulted in the signing of a $40 million contract. I certainly do.

Mr. McCORMACK. The gentleman from Texas has answered the question of the gentleman from Massachusetts. It is a matter that can be discussed more fully tomorrow when the resolution comes up.

Does the gentleman from Massachusetts desire to pursue his question about the Government Operations Committee?

Mr. MARTIN. Yes.

Mr. McCORMACK. Of course, the gentleman knows that that is a very important committee of the House.

Mr. MARTIN. Yes, but they are supposed to be supervising the departments and not assuming the jurisdiction of other committees either. I realize that, too.

Mr. McCORMACK. The Committee on Government Operations, of course, is very careful. The gentleman from Massachusetts who is talking is a member of that committee. I can assure the gentleman that the committee acted wisely, and the Rules Committee wisely reported out the resolution. But I see our distinguished friend from Virginia [Mr. HARDY] here. He might give the gentleman more specific information.

Mr. HARDY. Mr. Speaker, if the gentleman will yield, I will be glad to respond with respect at least to the subcommittee of which I am chairman.

Mr. MARTIN. I yield.

Mr. HARDY. This subcommittee does expect to go overseas. We are charged with the responsibility of supervising operations of the Department of State and related agencies, including ICA. We have under study now some particular subjects relating to foreign aid and our overseas State Department activities which we intend to look into.

Mr. MARTIN. I thought the Committee on Appropriations looked after foreign aid and those other matters.

Mr. HARDY. If the gentleman will yield further, I was referring to the rules of the House; rule 11, section 8, specifically charges us with the responsibility.

Mr. MARTIN. Does the gentleman think he could get a quorum in Paris?

Mr. HARDY. I would hate to try to answer that for the gentleman.

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

Mr. MARTIN. I yield.

Mr. GROSS. If I may ask a question of the distinguished majority leader: Are these four resolutions to be called up under suspension of the rules?

Mr. McCORMACK. No.

Mr. GROSS. They will be subject to amendment; is that correct?

Mr. McCORMACK. No; not unless the Member in charge of the resolution for the Rules Committee yields for that purpose. There will be an hour's debate. Unless the Member in charge of the bill yields for that purpose, no amendment can be offered, and I doubt if any Member in charge of one of these resolutions would yield for that purpose.

Mr. GROSS. I would be very much surprised if they would yield.

Mr. McCORMACK. It is not a question of whether you would be surprised. If the gentleman himself was handling a resolution, I am sure he would not yield for the purpose of offering an amendment.

Mr. GROSS. If I thought the amendment was a good one, I would.

Mr. McCORMACK. The gentleman would not do it without Rules Committee action, would he?

Mr. GROSS. I do not know about that.

Mr. McCORMACK. I want to protect the gentleman from himself.

Mr. GROSS. What I would like to do is somehow or other put the brakes on the spending of these counterpart funds. I would like to see the committees spend their own money and be a little more discreet and circumspect in reference to how much they spend. I would like to see these resolutions come out with a provision in the resolution providing that the committee money be spent for these trips abroad with an accounting back to the committee, so that somebody may know how much is spent and for what it is spent.

Mr. McCORMACK. Those are all matters for debate when the resolution comes up.

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

Mr. MARTIN. I yield to the gentleman from Virginia.

Mr. HARDY. I would like to assure the gentleman from Iowa that, insofar as our subcommittee is concerned, we will probably use counterpart funds; but, if we do, every dollar will be accounted for, and I hope it will be available for the Members of the House to see.

THE LATE LINCOLN FILENE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

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

There was no objection.

Mr. McCORMACK. Mr. Speaker, a great man, a great American, Lincoln Filene, of Boston, Mass., dean of American retailers, died yesterday at the age of 92 years. Mr. Filene was the last of a period of outstanding leaders in the merchant-retailer field. He was a man who was respected deeply, not only in the United States but throughout the world.

Lincoln Filene led an active life, continuing as a dominant figure in his company, Federated Department Stores, until a few months ago.

It was my pleasure to have known Mr. Filene, as well as his brother Edward, for a number of years. I valued very much their friendship.

Both brothers built up, in Boston, the William Filene Son Co., originally founded by their father, which company, for years, was recognized as New England's outstanding store in its particular field.

Lincoln Filene was not only a pioneer in retailing, but a power in business circles, and also in the social and economic field. In management, he was recognized as one of the most progressive leaders of our country.

Some 40 years ago, the William Filene & Son Co., under the leadership of Lincoln Filene and his brother Edward, was the first company and store of its kind in the country to establish a minimum wage for women and children. They did this voluntarily and before any legislation was enacted into law. His company was the first large company in the retail field to inaugurate Saturday closings during the summer months; to give paid vacations to its employees and to adopt the 5-day, 40-hour week. These are illustrations of the progressive leadership of Lincoln Filene.

Mr. Filene was one of the founders of the American Arbitration Association, and he worked untiringly to establish ethical codes to eliminate unfair business practices. In 1916, prior to the establishment of the association, under his leadership, was founded the Retail Research Association.

Lincoln Filene was a close and valued friend of President Franklin D. Roosevelt. During the social and economic and political rehabilitation of America under the leadership of Franklin D. Roosevelt, Lincoln Filene actively supported the progressive legislation of that period.

He treated his employees as equals—as human beings. He recognized that the economic advancement of those employed was not only for their best interest but for the best interest of business, and of our country. He was years ahead of his competitors in progressive thought and action.

Lincoln Filene loved his fellowman. "Love thy neighbor" were not mere words to him, but to Lincoln Filene they meant what they said. He not only believed in the commandment "Love thy neighbor," but he lived in accordance with this great commandment of God.

In terms of years Lincoln Filene lived a rather long life, but his life was a

fruitful one. He was in fact always young, because he was ever looking forward and not backward in his considerations of public questions, and in his relationship with his fellowman.

In his death, America has lost a great man—and even more a good man—who was for decades one of America's foremost citizens.

To his loved ones left behind, I extend my deep sympathy in their bereavement.

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

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

Mrs. ROGERS of Massachusetts. Mr. Speaker, I would like to express my very very deep regret and sorrow at the passing of Mr. Filene. The gentleman from Massachusetts knows full well, as I do, what he has given to the Commonwealth of Massachusetts, his home State, in a business way and in a philanthropic way. He was a very public-spirited citizen. He had countless friends and many know of his fine deeds and contributions to art and living, who never even saw him. It is sad to have those who have added greatly to our welfare leave us, but they have bequeathed us a fine legacy of accomplishments to try to emulate. My deepest sympathy goes to his relatives.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ROOSEVELT, for 5 days on account of official business.

Mr. ABBITT (at the request of Mr. SMITH of Virginia) on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. EDMONDSON, for 15 minutes, tomorrow.

Mrs. ROGERS of Massachusetts, for 5 minutes, today.

Mr. COFFIN, for 10 minutes, today.

Mrs. ROGERS of Massachusetts, for 5 minutes on tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mrs. SULLIVAN the remarks she will make under special order today and to include therein extraneous matter which she has had made up on the subject of education.

Mr. HENDERSON.

Mr. DAGUE.

Mr. MULTER and to include extraneous matter.

Mr. ASPINALL and to include extraneous matter.

Mr. MAY and to include extraneous matter.

Mr. SHEEHAN and to include extraneous matter.

Mr. JENSEN.

Mr. LANHAM and include extraneous matter.

Mr. CELLER (at the request of Mr. McCORMACK) in three instances and to include extraneous matter.

Mr. GARMATZ (at the request of Mr. McCORMACK) and to include extraneous matter.

Mr. WATTS (at the request of Mr. McCORMACK) and to include extraneous matter.

Mr. SHELLEY (at the request of Mr. McCORMACK) and to include extraneous matter.

Mrs. DWYER.

Mr. GAVIN and to include extraneous matter.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2462. An act to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes;

H. R. 2474. An act to increase the rates of basic salary of employees in the postal field service; and

H. R. 3377. An act to promote the national defense by authorizing the construction of aeronautical research facilities and the acquisition of land by the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2603. An act to amend the act entitled "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved June 3, 1896.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 38. An act to amend the Tariff Act of 1930 to provide for the temporary free importation of casein;

H. R. 110. An act to amend section 372 of title 28, United States Code;

H. R. 277. An act to amend title 17 of the United States Code entitled "Copyrights" to provide for a statute of limitations with respect to civil actions;

H. R. 499. An act to direct the Secretary of the Navy or his designee to convey a 2,477.43-acre tract of land, avigation, and sewer easements in Tarrant and Wise Counties, Tex., situated about 20 miles northwest of the city of Fort Worth, Tex., to the State of Texas;

H. R. 896. An act to amend title 10, United States Code, to authorize the Secretary of the Army to furnish heraldic services;

H. R. 1214. An act to authorize the President to award the Medal of Honor to the unknown American who lost his life while serving overseas in the Armed Forces of the United States during the Korean conflict;

H. R. 1318. An act for the relief of Thomas P. Quigley;

H. R. 1324. An act for the relief of Westfeldt Bros.;

H. R. 1394. An act to authorize the sale of certain keys in the State of Florida by the Secretary of the Interior;

H. R. 1591. An act for the relief of the Pacific Customs Brokerage Co., of Detroit, Mich.;

H. R. 1733. An act for the relief of Philip Cooperman, Aron Shriro, and Samuel Stackman;

H. R. 1937. An act to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes;

H. R. 2136. An act to amend section 124 (c) of title 28 of the United States Code so as to transfer Shelby County from the Beaumont to the Tyler division of the eastern district of Texas;

H. R. 3367. An act to amend section 1867 of title 28 of the United States Code to authorize the use of certified mail in summoning jurors;

H. R. 3877. An act to validate a patent issued to Carl E. Robinson, of Anchor Point, Alaska, for certain land in Alaska, and for other purposes;

H. R. 4144. An act to provide that the commanding general of the militia of the District of Columbia shall hold the rank of brigadier general or major general;

H. R. 4191. An act to amend section 633 of title 28, United States Code, prescribing fees of United States commissioners;

H. R. 4193. An act to amend section 1716 of title 18, United States Code, so as to conform to the act of July 14, 1956 (70 Stat. 538–540);

H. R. 4609. An act to further amend the act entitled "An act to authorize the conveyance of a portion of the United States military reservation at Fort Schuyler, N. Y., to the State of New York for use as a maritime school, and for other purposes," approved September 5, 1950, as amended;

H. R. 4992. An act for the relief of Michael D. Ovens;

H. R. 5061. An act for the relief of Harry V. Shoop, Frederick J. Richardson, Joseph D. Rosenlieb, Joseph E. P. McCann, and Junior K. Schoolcraft;

H. R. 5810. An act to provide reimbursement to the tribal council of the Cheyenne River Sioux Reservation in accordance with the act of September 3, 1954;

H. R. 5811. An act to amend subdivision b of section 14—discharges, when granted—of the Bankruptcy Act, as amended, and subdivision b of section 58—notices—the Bankruptcy Act, as amended;

H. R. 5920. An act for the relief of Pedro Gonzales;

H. R. 6172. An act for the relief of Thomas F. Milton;

H. R. 6868. An act for the relief of the estate of Agnes Moulton Cannon and for the relief of Clifton L. Cannon, Sr.;

H. R. 7686. An act to provide for the conveyance to the State of Florida of a certain tract of land in such State owned by the United States;

H. R. 7654. An act for the relief of Richard M. Taylor and Lydia Taylor;

H. J. Res. 230. Resolution to suspend the application of certain Federal laws with respect to personnel employed by the House Committee on Ways and Means in connection with the investigations ordered by H. Res. 104, 85th Congress;

H. J. Res. 313. Resolution designating the week of November 22–28, 1957, as National Farm-City Week;

H. J. Res. 351. Resolution to establish a Lincoln Sesquicentennial Commission; and

H. J. Res. 430. Resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 35 minutes p. m.) the House adjourned until tomorrow, Thursday, August 29, 1957, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COLMER: Committee on Rules. House Resolution 275. Resolution amending House Resolution 157, 85th Congress; without amendment (Rept. No. 1264). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 395. Resolution to amend House Resolution 149, 85th Congress; without amendment (Rept. No. 1265). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 412. Resolution to authorize the House Committee on Government Operations to conduct studies and investigations outside the United States during the 85th Congress; without amendment (Rept. No. 1266). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 384. Resolution to amend House Resolution 104 of the 85th Congress; without amendment (Rept. No. 1267). Referred to the House Calendar.

Mr. PASSMAN. Committee of conference. H. R. 9302. A bill making appropriations for mutual security for the fiscal year ending June 30, 1958, and for other purposes (Rept. No. 1268). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURNS of Hawaii:

H. R. 9499. A bill to amend the Hawaiian Organic Act to increase the amount of total indebtedness that may be incurred by the Territory of Hawaii; to the Committee on Interior and Insular Affairs.

H. R. 9500. A bill to permit certain sales and exchanges of public lands of the Territory of Hawaii to persons whose lands or property were destroyed by a tidal wave of March 9, 1957; to the Committee on Interior and Insular Affairs.

H. R. 9501. A bill to approve joint resolution 28 enacted by the Legislature of the Territory of Hawaii in the regular session of 1957, relating to the conditions and terms of right of purchase leases; to the Committee on Interior and Insular Affairs.

H. R. 9502. A bill to authorize certain exchanges of public lands of the Territory of Hawaii; to the Committee on Interior and Insular Affairs.

H. R. 9503. A bill to authorize an appropriation for the construction of a second bore to Wilson Tunnel, Island of Oahu, T. H.; to the Committee on Interior and Insular Affairs.

By Mr. COAD:

H. R. 9504. A bill to increase from $600 to $800 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for a dependent, and the additional exemptions for old age and blindness); to the Committee on Ways and Means.

By Mr. EBERHARTER:

H. R. 9505. A bill to provide assistance to communities, industries, business enterprises, and individuals to facilitate adjustments made necessary by the trade policy of the United States; to the Committee on Ways and Means.

By Mr. ELLIOTT:

H. R. 9506. A bill to provide for national scholarships for college and university undergraduate study; to the Committee on Education and Labor.

By Mr. GUBSER:

H. R. 9507. A bill to provide that the President shall designate one agency of the Federal Government to conduct all security investigations of civil officers and employees of the United States, and of persons who apply for employment as such officers and employees; to the Committee on Post Office and Civil Service.

By Mr. HOLT:

H. R. 9508. A bill to reduce individual and corporate income taxes by 5 percent, to reduce the alternative tax on net long-term capital gains to 12½ percent, and to increase from $600 to $800 the personal income-tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for a dependent, and the additional exemption for old age or blindness); to the Committee on Ways and Means.

By Mr. McCARTHY:

H. R. 9509. A bill to amend paragraph 1774 of the Tariff Act of 1930 with respect to the importation of certain articles for religious purposes; to the Committee on Ways and Means.

By Mr. SCHWENGEL:

H. R. 9510. A bill to amend the Legislative Appropriation Act, 1956, to eliminate the requirement that the extension, reconstruction, and replacement of the central portion of the United States Capitol be in substantial accord with scheme B of the architectural plan of March 3, 1905; to the Committee on Public Works.

By Mr. THOMPSON of New Jersey:

H. R. 9511. A bill to amend title I of the Federal-Aid Highway Act of 1956 to provide that the Secretary of the Interior shall approve the acquisition of certain lands of national historical significance, or interests therein, for highway purposes; to the Committee on Public Works.

By Mr. UTT:

H. R. 9512. A bill to provide for certain preliminary actions that need to be taken before Federal supervision over Indian affairs in California can be terminated; to the Committee on Interior and Insular Affairs.

By Mr. CELLER (by request):

H. J. Res. 454. Joint resolution to establish a policy for the determination of rights of the Government and its employees in inventions made by such employees and to set forth criteria to be used in making such determinations; to the Committee on the Judiciary.

By Mr. HOSMER:

H. J. Res. 455. Joint resolution proposing an amendment to the Constitution with respect to the admission of new States as sovereign States of the United States; to the Committee on the Judiciary.

By Mr. PILLION:

H. J. Res. 456. Joint resolution proposing an amendment to the Constitution with respect to the admission of new States as sovereign States of the United States; to the Committee on the Judiciary.

By Mr. WILLIAMS of Mississippi:

H. J. Res. 457. Joint resolution proposing an amendment to the Constitution with respect to the admission of new States as sovereign States of the United States; to the Committee on the Judiciary.

H. J. Res. 458. Joint resolution proposing an amendment to the Constitution of the United States to prevent interference with, and to eliminate limitations upon, the power of the States to regulate health, morals, education, domestic relations, all property rights, transportation wholly within their borders, the election laws, with the limitations contained in this proposed amendment, and good order therein; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HOSMER:

H. R. 9513. A bill for the relief of Floyd Kenneth Nichols; to the Committee on the Judiciary.

By Mr. JENNINGS:

H. R. 9514. A bill for the relief of Valleydale Packers, Inc.; to the Committee on the Judiciary.

By Mr. KING:

H. R. 9515. A bill for the relief of Stig Villgott Bertil (Ehrnlund) Ernlund; to the Committee on the Judiciary.

By Mr. SMITH of Virginia:

H. R. 9516. A bill for the relief of Hertha Zimmermann Gray; to the Committee on the Judiciary.

By Mr. UTT:

H. R. 9517. A bill for the relief of Clarence E. Hatton and his minor daughter, Joan Hatton; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Federal Employees Invention Rights

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 28, 1957

Mr. CELLER. Mr. Speaker, as chairman of the House Judiciary Committee, which has jurisdiction over patents I have introduced, by request, legislation intended to secure the rights of Federal employees in inventions which they make while in the employ of the Government of the United States. The purpose of this legislation is twofold. First, it secures patent rights for the employee-inventor, and second, it protects the Government, under certain circumstances, in its free use of those inventions if it desires to use them.

This legislation was prepared by Capt. Marcus B. Finnegan and Richard W. Pogue, and is the result of their research, which is embodied in a legal article entitled "Federal Employee Invention Rights—Time To Legislate"—volume 55, Michigan Law Review, page 903, 1957. In their work they had the help and criticism of the Commissioner of Patents, and the Chief of the Patents Division of the Judge Advocate General, Department of the Army, and the Director of the Patents Legal Division of the Office of Naval Research.

Federal employee invention rights are presently covered by Executive Order No. 10096, and a literal interpretation of that order requires the Government to take full title from an employee-inventor when his invention is made or developed during working hours or with some contribution by the Government. Such a rule tends to discourage incentive in employees. Government agencies, fortunately, have been administering this rule liberally, so that present practice in the departments permits the employee to have commercial rights in his invention, with royalty-free license in the Government except when the employee is specifically hired to do research and development.

The instant legislation sets up standards to guide Government agencies in dealing equitably with this problem, giving to employees either outright title or commercial rights to the invention, with a royalty-free license to the Government. Where an employee is specifically hired or assigned to duty to make the invention, the Government would, of course, keep full title to the invention.

In introducing this legislation, by request, I hope that wide distribution will be made of the bill so that interested parties may study the measure and submit comments to the Congress.

The Honorable Samuel K. McConnell, Jr.

EXTENSION OF REMARKS
OF
HON. PAUL B. DAGUE
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 28, 1957

Mr. DAGUE. Mr. Speaker, on yesterday when so many of our colleagues took the occasion to heap well-deserved praise upon our distinguished colleague and fellow Pennsylvanian, SAM MCCONNELL, most of us who are members of his delegation withheld our tribute for fear of overdoing the demonstration.

Let it not be said, however, that we are unappreciative of the prestige his exemplary conduct as a Member of this body has brought to our delegation and to the Keystone State. Rather let it be understood that we have already conveyed to our distinguished associate the affectionate regard and deep appreciation in which we have always held him.

Many of the attainments of this experienced legislator are those enjoyed by a majority of the Members of this House to a more or less high degree; namely, honesty, integrity, dedication to duty, and an undeviating patriotism. SAM, however, possesses the one quality not too frequently in evidence here and that quality is humility, a humility that prevented him from carrying into debate that acrimony, which in so many cases has left wounds slow to heal, and which left him calm and smiling at the end of a legislative bout regardless of whether he lost or won.

All of us are loath to see SAM leave the Congress and yet we know that his decision has been based solely on his conviction that a wider field has been opened to him. As one who by his day-to-day conduct has evidenced an abiding love and respect for his fellow men we know that he will take to his new field of endeavor the highest of humanitarian concept and that our loss will be more than offset by the contribution he will make in the never-ending battle against cerebral palsy.

We are all mighty fond of you, SAM, and we shall never forget your many kindnesses and the leveling influence your presence has had upon us. Our hearts' desire centers in your future success and in the hope that you will never forget these friends who will continue to make prideful reference to the rewarding years of association with you.

Federal-State Relationships

EXTENSION OF REMARKS
OF
HON. EDWIN H. MAY, JR.
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 28, 1957

Mr. MAY. Mr. Speaker, this fall, the Intergovernmental Relations Subcommittee, in which I am a Member, chaired by the very capable gentleman from North Carolina [Mr. FOUNTAIN] will hold a series of hearings throughout the United States dealing with the very important subject of Federal, State, and local relationships.

The Federal Government has come to play a role of increasing significance in relation to the affairs of the States, the municipalities, and the individual citizens themselves. One of the most important aspects of the involvement of the Federal Government at the State level has been the grants-in-aid programs. Many of these programs have performed a very useful and clearly defined function. Over a period of time, however, two significant trends have developed which deserve careful consideration. First is an increasing attitude on the part of many of the States that they must depend more and more upon the Federal Government for the solution of their problems which can only lead eventually to a lack of initiative at the State and local level.

In the second place, a certain amount of confusion has developed on the part of not only the people but their elected Representatives as to what areas properly lie within the jurisdiction of the Federal Government, the State or the Municipality.

It is my hope that the message of the President at the recent Governors Conference, the Kestnbaum report and the coming investigation by the Intergovernmental Relations Subcommittee will serve to clarify the areas of responsibility which accrue to the Federal Government, the State governments as well as their units and subdivisions.

I submit at this time for the RECORD a study of the Federal grants-in-aid to the State of Connecticut, its units and its individuals. I believe that these figures will be of help to the officials of the State and the municipalities who may wish to express their views on this important subject before the hearings which will be held in Boston and Hartford, Conn.

Federal grants-in-aid to State of Connecticut, local units, and payments to individuals, 1956

DEPARTMENT OF AGRICULTURE	
1. Agricultural experiment stations	$285,044
2. Cooperative agricultural extension work	230,217
3. State and private forestry cooperation (forest-fire cooperation)	60,127
4. Agricultural conservation program	461,963
5. School-lunch program	707,048
6. Special school-milk program	442,510
7 Cooperative projects in marketing	18,901
8. Removal of surplus agricultural commodities	951,595
9. Donation of agricultural commodities through Commodity Credit Corporation	685,068
10. Commodity Credit Corporation value of dealers' certificates issued incident to supplying feed to farmers in drought-stricken areas	107,383
Total	3,949,856
DEPARTMENT OF COMMERCE	
1. Civil Aeronautics Administration Federal airport programs	31,482
2. Bureau of Public Roads, regular grants	3,604,116
Total	3,635,593
DEPARTMENT OF DEFENSE	
1. Army National Guard	3,119,564
2. Air Force National Guard	1,780,038
3. Lease of flood-control lands, Army	465
Total	4,900,067
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE	
1. Colleges for agriculture and mechanic arts	90,023
2. Cooperative vocational education and rehabilitation	315,367
3. Education of the blind, American Printing House for the Blind	3,362
4. Old-age assistance	7,504,080
5. Aid to the permanently and totally disabled	1,115,854
6. Aid to dependent children	4,133,307
7. Aid to the blind	163,434
8. Maternal and child health services	144,763
9. Services for crippled children	211,583
10. Child-welfare services	68,449
11. Venereal disease control	2,414
12. Tuberculosis control	48,759
13. General health assistance	92,646
14. General health assistance, poliomyelitis, emergency grants	25,920
15. Poliomyelitis vaccination program, emergency grants	346,065
16. Mental health activities, regular grants	35,671
17. Heart disease control, regular grants	16,331
18. Hospital survey, planning and construction	111,646
19. Cancer control, regular grants	27,694
20. National Heart Institute activities	160,763

Federal grants-in-aid to State of Connecticut, local units, and payments to individuals, 1956—Continued

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Con.	
21. National Cancer Institute activities	$370,872
22. National Mental Health Institute activities	535,275
23. National Arthritis and Metabolic Disease Institute activities	161,256
24. National Neurological Diseases and Blindness Institute activities	99,277
25. National Institute of Allergy and Infectious Diseases	36,173
26. Division of Research Grants and Fellowships	149,645
27. Office of Vocational Rehabilitation	440,459
28. Office of Vocational Rehabilitation training and traineeships	7,547
29. Maintenance and operation of schools	1,196,544
30. School construction and survey	1,413,804
Total	19,029,019
HOUSING AND HOME FINANCE AGENCY	
1. Annual contributions, Public Housing Authority	1,862,987
2. Urban planning assistance, regular grants	44,079
3. Urban renewal fund (slum clearance and urban redevelopment)	70,003
Total	1,977,069
DEPARTMENT OF THE INTERIOR	
1. Wildlife restoration	92,185
DEPARTMENT OF LABOR	
1. Unemployment Compensation and Employment Service Administration	3,526,827
2. Unemployment compensation for veterans	343,785
3. Unemployment compensation for Federal employees	151,875
Total	4,022,487
VETERANS' ADMINISTRATION	
1. Homes for disabled soldiers and sailors	520,674
2. Supervision of on-the-job training	27,249
3. Readjustment benefits and vocational rehabilitation	7,884,436
4. Automobiles for disabled veterans	20,783
Total	8,453,142
FEDERAL CIVIL DEFENSE ADMINISTRATION	
1. Federal contributions, emergency grants	195,774
2. Disaster relief, emergency grants	126,404
Total	322,178
NATIONAL SCIENCE FOUNDATION	
1. Research grants	415,053
2. Fellowship awards	62,536
Total	477,589
Total grants-in-aid	46,859,190

One Hundred and Fiftieth Anniversary of the Establishment of the American Agency System of Insurance Selling

EXTENSION OF REMARKS

OF

HON. JOHN C. WATTS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 27, 1957

Mr. WATTS. Mr. Speaker, on September 4 next in Lexington, Ky., a program observing and commemorating the 150th anniversary of the founding of the American Agency System of insurance selling will be held. It is most interesting to recall that on October 6, 1807, Alexander Henry, a director of the Insurance Company of North America, urged his fellow board members to broaden their sphere of business operation and as he put it make a determined "march to the frontier."

As a result of this pioneering spirit, there was established an agency in Lexington, Ky.—the first agent being Mr. Thomas Wallace, a prominent merchant of the area.

The status of the pioneer agent was very different from that of today's independent insurance agent. The activities of early agents were restricted largely to soliciting business and surveying property with all final and binding decisions being made by the head office of the company, and in the early days the agent's remuneration was small and unstable. As the American Agency System developed the agent's duties and responsibilities were enlarged and his remuneration was placed on a percentage basis. In the 1850's the insurance agent received the authority to issue policies and became not merely a solicitor but a true agent of the company.

In 1957, as the 150th anniversary of the American Agency System is celebrated, the independent local insurance agent occupies a place of major importance not only in the insurance industry but in the Nation's free enterprise system.

To permanently commemorate this historic event a memorial plaque is to be dedicated during the celebration activities of this 150th anniversary. The inscription thereon is most fitting and proper:

Here in the thriving frontier town of Lexington, Ky., in 1807, the American Agency System of bringing insurance protection to America's families, businesses and institutions was begun when Thomas Wallace, prominent merchant, was appointed an agent of Insurance Company of North America.

Thus, a free people, with initiative and enterprise, created a system of providing for their own security through independent local businessmen that spread throughout America, enabling the Nation to grow and prosper.

The vision and foresight evidenced so many years ago is truly characteristic of the American people.

It affords me real pleasure to extend my sincere congratulations to the Insurance Company of North America Companies and to all insurance companies upon this particular occasion. They are to be commended for the manner in which they have maintained the progressiveness, the boldness, and the vigor upon which Alexander Henry's vision and foresight was grounded.

I personally extend my sincere congratulations and good wishes.

Protecting the Citizenship of Naturalized Clergymen

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 28, 1957

Mr. MULTER. Mr. Speaker, on January 3, 1957, I introduced H. R. 791 to amend the Immigration and Nationality Act to provide that clergymen who are naturalized citizens shall not lose their nationality by residence abroad, even though they are not representatives of American organizations, if they devote full time to their clerical duties.

Until about 20 years ago we found that many clergymen and members of religious orders were coming to the United States to help meet the religious needs of our communities. Since World War II this situation has reversed itself, and now the entire world is drawing on our theological schools for its graduates. These men and women are being called upon to serve abroad, and some of them, while otherwise willing to do so, refuse for the reason that they are naturalized citizens and would lose their citizenship by accepting such extended employment abroad.

In order to eliminate this hardship, I introduced H. R. 791, which would protect the citizenship of these naturalized clergy, provided that such persons register each year at the appropriate Foreign Service office.

The second part of my bill would restore citizenship status to those persons fulfilling religious assignments abroad at the time of the enactment of the Immigration Act in 1952, who lost their citizenship rights for that reason. Such persons would be restored to citizenship by taking the required oaths referred to in section 310 (a) of the Immigration Act.

I have kept in more or less constant communication with the House Judiciary Committee about this bill and had been led to believe that it would be incorporated into the next immigration bill brought before the House for action.

It is indeed regrettable that S. 2792 which was passed today under suspension of the rules did not contain any such provisions.

The bill being considered under suspension of the rules was not open for amendment and I therefore had no opportunity to offer my bill as an amendment thereto.

I urge the House Judiciary Committee to take action on my bill or incorporate it into an overall immigration bill early in the next session of Congress.

Tito: Moscow's Trojan Horse

EXTENSION OF REMARKS
OF
HON. TIMOTHY P. SHEEHAN
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 28, 1957

Mr. SHEEHAN. Mr. Speaker, Dr. Slobodan Draskovich, formerly of the University of Belgrade, now residing in Chicago, has written a book entitled "Tito: Moscow's Trojan Horse"—Regnery, Chicago, 1957—which I would like to bring to the attention of the Congress and the American public because of Dr. Draskovich's interesting observations in light of the political developments in Eastern Europe over the last decade.

Dr. Draskovich, son of Milorad Draskovich, was born in 1910. His father was Minister of the Interior in Yugoslavia, and was assassinated by the Communists in 1921. Slobodan received his law degree from the University of Belgrade. Later, he received his doctor of philosophy in economics from the University of Munich. During World War II he was a prisoner of war in Italy and Germany. He came to the United States in 1947. An author of many articles and several pamphlets pertaining to political economy, in February 1949 he testified before a Senate Judiciary subcommittee on how official representatives—probably referring to Yugoslav diplomats in United States—had aided Yugoslav propaganda activities in the United States. Tito: Moscow's Trojan Horse, is his first book published in English.

The author's thesis is that the tragic and glaring disparities between facts and Western opinion about Tito and "Titoism" compel him to expose to the world the realities of the Moscow-Belgrade entente. At length, he develops this facet of his report. He says, in part:

In the 7 years which had elapsed since the Kremlin-Tito break of June 28, 1948, both the Soviet leaders and Tito had had enough time to study the nature, causes and consequences of their conflict, to determine a line of action and to pursue a policy which would lead to the liquidation of the rift.

During all that time neither side had done anything to harm any fundamental interest of the other. There had been mutual accusations, insults and recriminations. But they were devoid of any serious political meaning and intent. What Moscow held against Tito were either arbitrary inventions (such as the subordination of the CPY to the People's Front, or the subordination of the workers to the peasants in Yugoslavia) or carbon copies of the Kremlin policies (acceptance of aid from Western democracies; capitalist reforms in the economic section, such as decollectivization of agriculture or free market for some products; liberalization of the regime and Communist self-criticism). What Tito held against Moscow was equally untenable. The Soviet Union was notoriously an imperialistic power, but since its very foundation in 1917, not only since 1948. And all Yugoslav Communists had known it and approved it. Without Soviet imperialism there would have been no Communist Yugoslavia, as Tito openly admitted. As for the accusations of "police state," lack of democracy, bureaucratic rule, Tito was shouting in a mirror. The Soviet Union was a police state, a ruthless bureaucratic dictatorship, but so was Yugoslavia. The Kremlin had its secret police NKVD; Tito had his secret police UBDA.

So in the whole Communist world, after the initial surprise and shock, nobody paid any attention to the reciprocal mudslinging and shadowboxing, which were keeping the Western wishful thinkers busy and happy.

But the Soviet-Yugoslav relations were not only devoid of mutual hostility. They were never strained beyond mutual irritations and they never for a single moment affected their dedication to the one and only ultimate aim of Communist world conquest, nor did they affect their basic relationship of anti-democratic allies. Within the Communist camp, they were disputing. On the world plane, they were both unchangeably dedicated to the subversion and destruction of the Free World.

No longer defined as a mere provincial—Yugoslavia—ideology, the Communists have artfully amplified the Titoist concept to represent independent national communism wherever it is possible to establish it. But this national idea, observes Dr. Draskovich, is an intrinsically Communist scheme concocted by Moscow and Tito, with full mutual understanding, to confuse and ultimately conquer the West.

Dr. Draskovich emphasizes that Titoism is not an anti-Soviet drive, but Moscow's weapon against the West. Tito's current policy of peaceful conviviality between the East and West camps is but a facade for the scheme mapped out by the Communists. Communists, as we have seen, have the greatest interest in keeping complex political issues as confused as possible.

The author devotes a great deal of space to the Belgrade-Moscow rift of 1948 and suggests that Moscow has done great services to Tito by attacking and denouncing him just enough to feed "the West's delusion about Tito's resistance to and political warfare against Soviet imperialism."

In an engaging though somewhat repetitive style, the author has indicated what he recognizes of the strategy of the Kremlin to penetrate and annihilate the very spiritual and political fiber of the Free World with Yugoslavia's Tito as their Trojan horse. As in the case of Troy's fateful legacy—the gift of the Greek wooden horse—subversion, espionage and sabotage are the disruptive goals of the Communist international conspiracy. It is deduced from Dr. Draskovich's book that Moscow has set Yugoslavia as an experimental camp for its Machiavellian intents to follow throughout the satellite bloc.

Bitterly deploring what he terms the West's "criminal folly" of assisting Tito morally and materially, Draskovich argues that in no other important issue has the West lost its political equilibrium and its acumen for political analysis and sound judgment to such an appalling degree as in the case of Tito and Titoism. At this point, we should recall our grand giveaway program which has funneled $734,304,000 to Yugoslavia since June 30, 1945. For good measure, in wheat alone, for the period January–April 1957, 19,567,000 bushels of wheat valued at $33,615,000 were given to Tito. How distant is the day when our country will come to the realization that to receive capitalist assistance is no Communist sin, that it will make easier the achievement of Communist objectives?

Of the book's many enlightening subsections, to quote a few: "Is the downfall of communism imminent?" "Tito's different foreign policy," "The pitfalls of Yugoslav 'different' communism," "Tito and Communist world monolithism," one arrested my attention which I would like to cite in part. It concerns the pirating of democratic words by the Communist camp for the obvious purpose of confusing the people. So great has been the impact of the war of words in our century that in World War II the identity of democratic-Communist vocabulary facilitated the capitulation of 10 European states to the Red camp. We remember Albania, Bulgaria, Latvia, Lithuania, Estonia, Eastern Germany, Hungary, Yugoslavia, Poland, and Rumania. Says Dr. Draskovich:

The thorough confusion which reigns in the realms of terminology and semantics in the cold war, is unfortunately a source of weakness for the democracies, and a source of strength for communism. Most of the terms are used by both sides: freedom, justice, peace, civil and human rights, progress, humanity, welfare of the people. They obviously belong to the democratic vocabulary. However, the democracies have allowed their vocabulary to be used by the Communists, who have adulterated their contents and adapted them to Communist ends. And since the democratic side did not fight back to protect the original meaning of its own vocabulary, the U. S. S. R. and Communists everywhere were able to promote communism by using democratic concepts and terms. And so, for example, at Yalta, the Soviets violated the democratic sense of the agreements, but not the Communist sense. The tragedy of the West is that the difference between the two was not raised in Yalta. Since Yalta, little has been done to retrieve from the Communist vocabulary the stolen concepts and slogans of democracy. In any study of communism it is indispensable to clarify the democratic terms they use to destroy democracy and to expose the Communist semantics; that is, the meaning which Communists give to various political terms.

Dr. Draskovich's book is a challenging treatise which speaks of his love of freedom.

Since all men do not draw the same conclusions from the same facts—

He tells his readers—

I have made clear the values and yardsticks on which my considerations and conclusions are based: The preeminence of spiritual values in the life of human society, the absolute importance of individual and national freedom and human dignity, the rights and interests of all free people and of all the oppressed who fought to preserve their freedom and who are fighting to regain it.

The Need for Young Physicians

EXTENSION OF REMARKS
OF
HON. JOHN E. HENDERSON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 28, 1957

Mr. HENDERSON. Mr. Speaker, we Americans pride ourselves in the great

medical advances that have been made in the past generation, but if there is no one to prescribe and administer the medications, our advances mean little. One of the fears in every household is that of not being able to contact a doctor in time of need. Small communities in southeastern Ohio face just this problem.

As the older physicians leave the scene, there are no new ones to take over the practice. The trend to specialization, the migration of medical practitioners to the cities, and many other factors have all contributed to the shortage of country doctors today.

In my own district, such a situation has arisen and is repeated often throughout the country in many communities. When this happens, there is cause for general concern in the community which must then set about to meet this problem as best it can. The medical profession is helpful, of course. Yet, it must be recognized that medical services for rural areas are often most unfortunately neglected.

The problem in the community of Batesville, in Noble County, Ohio, illustrates this situation. The need for a physician has been called to my attention and the difficulties the community has encountered in its search to find a replacement for its former physician who died recently. Unfortunately, this search has not met with success to date. What this fine village is experiencing may be multiplied many times throughout the country.

American Bar Association Endorses Arbitration Bill

EXTENSION OF REMARKS
OF
HON. EDWARD A. GARMATZ
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 28, 1957

Mr. GARMATZ. Mr. Speaker, it is highly gratifying to advise the Members of the House of Representatives that most favorable action on the arbitration bill, H. R. 7577, which I introduced, has been taken by the American Bar Association. This nationwide organization of lawyers at its recent meeting gave attention to the provisions of my bill upon the convening of the house of delegates, the policymaking body of the American bar.

Previously the association's committee on arbritation and maritime law had given thorough study to the provisions of H. R. 7577 and had recommended favorable action. The board of governors of the association thereupon approved the recommendation after which the bill was placed on the agenda of the house of delegates. Upon it being reached, the recommendation was unanimously adopted and favorable action urged by the Congress of the United States.

I submit this information for the benefit of my fellow Members in the hope that before the next session they will take occasion to study the provisions of this bill and will subsequently give their support to it.

The statement concerning the action to which I have referred has been published in the American Bar News, volume 2, No. 8, August 15, 1957, page 3, as follows:

SUMMARY OF HOUSE OF DELEGATES ACTIONS IN NEW YORK

Maritime arbitration: Upon board of governors recommendation, the house adopted a resolution by the standing committee on admiralty and maritime law calling for ABA approval of H. R. 7577, or a similar bill. The measure would remedy present jurisdictional and procedural defects in the United States Arbitration Act. The main provisions of the pending bill seek to give statutory force to judicially recognized standards governing the selection and conduct of arbitrators, to make the statute of limitations applicable in arbitration proceedings, and to provide a means of correcting errors of law in awards in maritime arbitrations.

New Passenger Liner for the Pacific

EXTENSION OF REMARKS
OF
HON. JOHN F. SHELLEY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 28, 1957

Mr. SHELLEY. Mr. Speaker, the Members of the House of Representatives are aware that their colleagues from the San Francisco Bay area are deeply concerned with maintaining the vigor and effectiveness of the American merchant marine, including shipbuilding and all of the many supporting activities in the American economy. We are vitally interested in making sure that the American-flag shipping companies operating in the Pacific Ocean remain strong and competitive so that the employment and purchasing which they generate shall continue as a major source of business activity in the many west coast communities. To maintain the level of merchant marine activity, it is absolutely essential that the American-flag vessels be replaced as they reach obsolescence.

It has been a matter of great satisfaction to all of us in the San Francisco Bay area that the American-flag steamship companies engaged in foreign trade which are headquartered in our area have all begun to replace their vessels with modern ships. These replacement programs are proceeding satisfactorily as as far as freight ships are concerned. However, we are now faced with the need for construction of a large, modern, fast passenger liner for the essential trade route from California to the Orient. By terms of its contract with the Maritime Administration for this route, the American President Lines is required to build such a vessel during 1958.

The needs of foreign commerce and defense on this trade route justify a vessel of approximately 26 knots with a capacity for 1,400 passengers. In order to facilitate this program, I have joined with Congressman Bow in introducing yesterday a bill authorizing construction of such a vessel by the United States and its sale to the American President Lines under the terms of the Merchant Marine Act of 1936, which act of Congress has been an outstanding success over a period of more than 20 years in dealing with a complicated but vital section of our national policy.

The Do It Yourself Farm Program

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 28, 1957

Mr. JENSEN. Mr. Speaker, after many years of searching for a cure-all farm program dictated from Washington, D. C., and paid for by all our taxpayers, the farmers, especially our grain and livestock farmers, find their economy in a disturbing, unstable condition. Never do they know just what to expect from one crop year to the next. Always the question those farmers ask, is what kind of a farm program will we get next year? Will we get higher or lower supports. Will the Soil Bank Act be extended? Or will the whole Federal farm program be scuttled? It is no wonder they are asking those questions. You and I would be asking those same questions if we were in their shoes. The only honest answer must be that only time will tell.

There was a day, and not so long ago, when the Members of Congress from agricultural States held the balance of power in Congress when legislation beneficial to all our farmers was at stake, but the exit from the farms to the cities has considerably weakened that power. Then, too, the southern farm bloc, who are in control of farm legislation in Congress, are not concerned about the grain and livestock farmers of the Middle West. Add to that the Members of Congress in both parties from the large consuming centers who want cheap food and feed for the people they represent. They constantly complain about farm subsidies, and say their people just do not like to pay taxes to subsidize our farmers while at the same time their cost of living is constantly going up. We keep explaining to them that the farmers receive only about 40 cents of the dollar they pay for food. Yes, the time may come when the whole Federal farm program might be scuttled, and that time may come sooner than we think. So we best play safe and start now to put into effect a supplemental farm program which does not depend on acts of Congress or anyone else, except being up to those who live in the breadbasket of America.

Now, of course, the question will be asked, by what magic can that be accomplished? The answer is by no magic means, but simply by doing that which should have been done long years ago. Is it any wonder that we have great surpluses of grain? Listen to this. Before the advent of the auto, truck, and

tractor, our horses and mules ate the crops produced on 43 million acres of our land. Since that time per-acre production has increased by leaps and bounds, adding to our price-depressing surpluses, except in time of war when we were not only feeding ourselves, but also many of our allies to a very great degree; and that was accomplished even though over 3 million young farmers were serving in the Armed Forces all over the wide world. Produce, produce, produce, was the order from Washington to our farmers, and they did produce, and are still producing to the end, may I say, and the records will prove my statement, that the American people are today spending less than 26 percent of their income for food; while the rest of the people of this world are spending an average of over 65 percent of their income for food.

Now getting back to the problem of the hour. I said we best start now to put another or supplemental farm program, so to speak, into effect, because of the situation I have explained. I am sure that everyone who has studied the problems of our livestock and grain farmers of the Middle West is well aware that we must find more new uses for grain in order to stabilize grain prices, and which in turn will stabilize livestock prices all at a higher level, so that the farmers' dollar will be worth 100 cents at the counter.

Mr. Speaker, as you know, Senator KARL MUNDT of South Dakota and I introduced a bill in the 1956 and 1957 sessions of Congress, which provided that all motor fuel shall contain at least 5 percent blend of agricultural alcohol—agrol—made from grains which are declared in surplus by the Commodity Credit Corporation, but it seems a majority of the members of the Agriculture Committees of Congress, most of whom are from the oil-producing Southern States, are not at all interested in our bill. One of them was at least honest enough to say he would have to oppose our bill because a lot of oil was produced in his State. So Senator MUNDT and I and others have come to the definite conclusion that there is an effective solution to the problems, and that is "Do it yourself, Mr. Midwest Farmer."

Here is the plan in a nutshell. Feed our surplus grain in liquid form to the Iron Horse, just as we used to feed it in the raw to our horses and mules. Now of course that is not a new idea; nonetheless, it is more necessary now than ever before that we carry the idea through to reality. After much thought this is what we suggest.

Form an organization; call it "The Do It Yourself Farm Association" or any other appropriate title. Membership to include farmers, businessmen, and everybody who will sign a pledge to buy, say, at least one barrel—50 gallons—of undiluted grain alcohol, or 250 gallons of gasoline which contained at least 5 percent grain alcohol, from a local gasoline station, or direct from the organization representative located in each respective trade territory, in the event no dealer in that territory cooperated in the program—that pledge to constitute his or her membership dues in the organization, except for a small voluntary contribution to defray necessary expenses for stationery, stamps, and a limited amount for secretarial hire to distribute membership blanks, and so forth.

We are now told that grain alcohol produced from corn, for example, costing the refinery $1.50 per bushel can be sold to the consumer for about $1 per gallon retail, and that the added miles per gallon from gasoline mixed with grain alcohol will almost, if not fully, offset the cost of the alcohol, to say nothing about a smoother running motor. What is true of corn is almost equally true of wheat, especially soft, low-grade spring wheat. Also we are told that a bushel of low-grade corn contains almost as much alcohol as the higher grades. Each will make about 2½ gallons to the bushel. Now, of course, you are asking yourself, Where will this alcohol be made? There were a number of grain alcohol distilling plants built during the war years in the Grain Belt that are now standing idle or almost idle. One such plant is in Omaha, Nebr., and another at Davenport, Iowa, which would go into production as soon as sufficient orders were received, and certainly large and small distilling plants would spring up all over the Grain Belt as soon as the demand justified the investment. Hence, a new great industry would be in the making, giving employment to townfolks and to many farmers who have extra time off the farm. Some may say such a program would take a long time in bringing the desired results, and our answer is to the contrary, for the very simple reason that even though it would take possibly 2 years to get into full distillation production, the general knowledge that the price depressing surpluses were being gradually reduced to the level of the ever-normal granary would almost immediately have good and great effect on the market for both grain and livestock.

Mr. Speaker, may I say again that the time has come when the Midwest grain and livestock farmer should waste no time in putting this program into effect for the very reasons Senator MUNDT and I and others so humbly and sincerely recommend. God helps those who help themselves. We Americans dare never forget that admonition.

The Plight of Certain of Our Aged Folks

EXTENSION OF REMARKS
OF
HON. LEON H. GAVIN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 28, 1957

Mr. GAVIN. Mr. Speaker, in the past several weeks we have discussed legislation that would give our country authority to spend some $3 billion presumably to aid and assist foreign nations. We provide this assistance on the theory that it will better the economic condition of friends abroad and thus strengthen the democratic way of life as contrasted with communism throughout the world. Certainly we all want to help friendly nations, and as good neighbors it is well that we give attention to their needs. We have been most generous in the past on matters of economic and military aid to promote peace and stability throughout the world. While today our thoughts are centered on how we can help foreign nations help themselves, I cannot help but feel that we have some home problems that need attention. Concentrating on poverty abroad to the exclusion of our own needy just does not make sense to me. Charity begins at home.

I am thinking particularly of the plight of certain of our aged folks. We have in this country some 14 million who are 65 years and over. About 2½ million of these are on old-age assistance, where their average monthly pension is less than $60 a month—these are our unfortunate and needy elders—they are not on social security nor do they have retirement. They have to depend upon this dole of $60 or less to keep themselves alive from one month to the next. It is obvious that no one can live in health and decency on this pittance. I hate to think of this session of Congress coming to a close without doing something about this home problem. It involves 2½ million of our very own senior citizens. You do not have to go around the world to extend aid to humankind; it is needed right here in our own country. During the coming year let us do a little soul searching and see if we cannot come up with something better for these old folks, at least in partial keeping with what we are about to do for foreign peoples throughout the world.

Shell, British Petroleum, and American Express Co. Capitulate to Arab Blackmail

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 28, 1957

Mr. CELLER. Mr. Speaker, realizing they cannot defeat Israel in military combat, the Arab States have banded together in an endeavor to strangle Israel by economic boycott. The Arabs have been staging this economic quarantine of Israel since 1948. But their three latest successes with Shell, British Petroleum, and American Express Co. have exacerbated the seriousness of this situation.

The action of Shell and British Petroleum is not without political significance. The British Government has a 51-percent interest in British Petroleum. This decision, therefore, of British Petroleum to pull out of Israel was made, undoubtedly, with the consent of the British Government. There have been some dubious excuses that the pullout was due to lack of business. These excuses will not wash. Both of these

companies have yielded to Arab blackmail. Their operations in Israel were most attractive. They have a 9-year profit record in Israel. The latest figures available show, for example, that the business of Shell in Israel amounted to almost $20 million during the calendar year of 1956. Since the total supply of petroleum products in Israel during the calendar year of 1956 amounted to roughly $40 million, it can be seen that the share of the Shell Co. was about 50 percent of the entire sales.

Since the early beginnings of the British mandate over Palestine, Shell has maintained the largest operation of any single company in Palestine and, subsequently, in Israel. It maintained this large volume of business in the infant State of Israel despite Arab boycott pressure since 1948. In fact, Shell has been the backbone of Israel's entire fuel economy. It has supplied oil, shared in the operation of oil refineries of Haifa, operated the largest network for commercial distribution of gasoline, liquid cooking gas, insecticides, and various other byproducts. Shell practically had a monopoly in the supply of machine oils for all the industrial needs of Israel. The sudden withdrawal of Shell is bound to be felt in the many fields of Israel's economy. It will unquestionably also hurt many American business investments in Israel, since it will make more difficult the position of American businesses which have resisted the pressure of the Arabs. The London Times and Economist have stated that this ostensibly commercial decision is, in fact, the beginning of a turnabout of British policy, indicating the desire of the British to reestablish themselves in favor of the Arabs—almost at any price. I point out that there is an oil adviser to the British Foreign Office, who is Harold Beeley. The decision of Shell is a triumph of Beeley. He is an Israeliphobe, as was his former employer, Ernest Bevin, the erstwhile Foreign Minister of Great Britain.

The director general of the Arab boycott office stated over the Damascus radio, January 19, 1957, "Continuation of the present policies is likely to lead to the elimination of Israel."

Already, in these past years, the burden on Israel's economy and financial resources, caused by the Arab boycott, has virtually wiped out the benefits of economic aid annually extended to Israel by the United States Government.

Dag Hammarskjold has stated that the Arab boycott is a deadweight on united efforts for settlement in the Middle East. Thus, the action of these two British companies can only serve to encourage the Arabs in their ambition to bring about a total collapse of Israel. The Washington Post, on August 5, 1957, declared that anything that seems to be knuckling under to this boycott will invite more highhandedness and it is to be hoped that the British Government will consider fully the psychological implications of a withdrawal. The August issue of Fortune magazine points out that the boycott has been strictly observed by the Middle East oil companies anxious to please their Arab landlords. Fortune says that Aramco has reportedly gone so far as to threaten to cancel its contract with European firms producing such innocent apparatus as floating roofs for water tanks if those firms do business with Israel.

Now we have the American Express Co. which joins those who would put the squeeze on Israel. It, too, has shut up shop in Israel after many years of successful operations—first under the British mandate and then under the Government of Israel. From the very day of the opening of their office in Tel Aviv they have been under constant pressure to sever their connections with Israel and were threatened with trouble in their offices in Arab countries. Now the American Express Co. has decided to take the line of least resistance and to close shop in Israel. All it has now in Israel is a mere agent who can only provide inferior service. For an international tourist company to work through an inferior facility and not through its own office, is to provide inadequate service as well as a complete cessation of some services. A full-fledged office of the American Express in any country receives passengers at the airport or the harbor, accompanies them to hotels after making hotel reservations, and so forth. A single agent cannot offer such facilities and provide such service. He works on his own account and cannot charge the wages of his personnel to the principal company with whom he only has a contract. The agent will take care of passengers only if they call on him. He cannot possibly be as effective with reference to hotel reservations, obtaining space on boats and airlines, as is a strong company like the American Express which enjoys the maximum cooperation of airlines and maritime companies.

The American Express also gives the argument that it in no sense yielded to external pressure and that its decision was purely a business one based on lack of demand at a continued loss. The facts do not bear out this assertion.

Americans interested in Israel cannot be mere bystanders and observers in this attempt to kill off Israel, nor should the United States Government be unconcerned with the change of attitude of the British Foreign Office and its return to the old, discredited policy of appeasement of the Arabs. The Arab boycott has spread so far as to cause blacklisting of American citizens who happen to be Jews and are directly or indirectly concerned with American firms that have done business in Arab lands. Firms that have Jewish directors or Jewish executives or employees are the object of Arab spleen.

As a Member of Congress, I cannot view with complacency this admitted economic rape of Israel and this vile discrimination against many American citizens because of their faith.

The American Express Co. has heretofore enjoyed the goodwill of Americans of all faiths. I have always used American Express money orders on my travels abroad. I shall never do so again. I shall refrain from purchase of these certificates as a protest against this unwarranted and unfair operation. Likewise, the Shell Oil Co. has heretofore earned the goodwill of Americans of all faiths. Last year its gross intake totaled $1,365,000,000. That company has a responsibility to American public opinion, especially when their activities, like succumbing to Arab extortion, involve them in international politics and international relations and affect world peace. As a protest against the Shell Oil Co., I shall never again fill my car with Shell oil or use any of its products.

If my fellow Americans join me in this protest, I shall be greatly gratified. I hope that this statement will be widely broadcast among the users of all gasoline products. Too little has been bruited about in the press and over the airways as to the actions of American Express and Shell Oil Co., as well as British Imperial Oil. I am sure that when the public knows about these matters, it will act in a way not unlike my own. It is also hoped that various organizations may become apprised of these facts to the end that suitable action can be taken by their members individually, if not collectively.

Intergovernmental Relations Study

EXTENSION OF REMARKS
OF
HON. FLORENCE P. DWYER
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 28, 1957

Mrs. DWYER. Mr. Speaker, recently the Intergovernmental Relations Subcommittee of the House Government Operations Committee opened an important new phase of its extensive studies in the field of relations between the Federal Government and State and local governments.

This study—aimed at exploring the broad and complex area of intergovernmental relations, including the Federal grants-in-aid programs under which States and localities match or participate in Federal funds for a wide variety of projects—will take the subcommittee into 10 different regions of the United States this fall.

Recently, the subcommittee under the chairmanship of the distinguished gentleman from North Carolina [Mr. FOUNTAIN], prepared the groundwork for these nationwide hearings through the hearing of testimony by a series of nationally recognized authorities in this field.

These witnesses included Mr. Meyer Kestnbaum, who gave outstanding and valuable service as chairman of the Commission on Intergovernmental Relations; Mr. Philip M. Talbott, president of the Chamber of Commerce of the United States; Dr. Harley Lutz, Government finance consultant to the National Association of Manufacturers; Mr. Andrew Biemiller, director of the department of legislation, American Federation of Labor and Congress of Industrial Organizations; Mr. Patrick Healy, Jr., executive director of the American Municipal Association; Mr. Orin F. Nolting of the International City Managers' Associa-

tion; Mr. Bernard Hillenbrand of the National Association of County Officials; the Honorable Frank P. Zeidler, mayor of the city of Milwaukee, and two distinguished Members of the House of Representatives who served on the Kestnbaum Commission, the Honorable BROOKS HAYS, of Arkansas, and HAROLD C. OSTERTAG, of New York.

I am sure all of us in this body realize the important significance of such a study. In recent years, there has been increasing emphasis on the constant growth of Federal grants-in-aid programs, and a rising sentiment for curbing this trend toward greater and greater centralization of Government in Washington.

Just recently, as you know, President Eisenhower focused national attention on this problem in an address before the governor's conference at Williamsburg when he urged the States to take the initiative toward assuming a greater responsibility for these programs.

To have a broader understanding of the scope of this problem, it is necessary to view the growth of Federal grants-in-aid programs.

The system of Federal grants-in-aid to State and local governments began in the early days of the Republic with the institution of land grants to States to promote education. But, with the ratification of the 16th—income tax—amendment in 1913 providing a new Federal revenue potential, the cash-grants system really began to expand.

By 1920, total Federal grants in aid had risen to $77 million annually from $5½ million in 1915. By 1925, the total was $114 million, and by 1937 some 20 grants-in-aid programs were costing the taxpayers over $290 million each year.

Each year since 1937, with the exception of 1946, the annual outlay for grants in aid has increased. By 1952, the cost of 48 different Federal programs had mushroomed to nearly $2½ billion, or 8 times the 1937 total. In 1956, grants in aid had risen to nearly $3.7 billion; in 1957 to $4.3 billion, and the estimate for fiscal 1958 is $5.3 billion. The 1957 and 1958 figures, of course, include Federal Aid Highway Trust Fund expenditures.

Thus we see that Federal involvement in grants-in-aid programs has been increasing steadily.

The big questions, of course, are just how this trend toward centralization of authority and responsibility can be reversed effectively, and how the States and municipalities can take up the slack if the Federal Government steps out of many of these programs which various segments of our population now consider essential.

It is my hope that the Intergovernmental Relations Subcommittee, as a result of the study it now is engaged in, will be able to help chart an effective approach to this problem at all levels of government.

In closing, I would like to note that I feel the Members of Congress would find it most enlightening—if they already have not done so—to study an itemized breakdown of Federal funds going into their respective States for various programs.

In preparation for the subcommittee hearings, I made such an analysis for my home State of New Jersey. The results showed a far greater participation in Federal programs than I had anticipated. For the information of Members of Congress, I am entering that analysis into the RECORD, to show what just one of the 48 States is receiving from Washington.

The New Jersey aid figures are as follows:

Direct Federal grants in aid to New Jersey, fiscal year 1956

Agricultural experimental stations	$338,916
Cooperative agricultural extension work	317,510
School lunch program	1,467,597
Cooperative projects—marketing	24,338
State and private forestry cooperative	118,391
Commodity Credit Corporation	1,615,207
Special school milk program	1,009,440
Removal of surplus agricultural commodities	2,550,650
Civil aero-Federal airport program	355,050
Bureau public roads—highway construction	10,183,697
Agricultural, mechanical, college grants	118,233
Cooperative vocational education	643,742
School construction and survey, emergency	508,546
Maintenance, operating schools, emergency	1,419,670
Venereal disease control	43,892
Tuberculosis control	125,037
General health assistance	231,712
Polio emergency grants	106,600
Mental health activities	85,551
Cancer control	65,090
Heart disease control	24,889
Polio vaccine program	852,144
Hospital construction, survey, planning	93,632
Construction community facilities	8,170
Maternal and child health services	157,365
Crippled children services	213,833
Child welfare services	81,091
Old age assistance	8,581,678
Aid to dependent children	5,057,865
Aid to permanent, totally disabled	1,741,503
Aid to the blind	450,615
Printing for the blind	7,873
Vocational rehabilitation	724,549
Wildlife restoration	103,777
Migratory bird conservation	48
Unemployment compensation, employment service	9,886,842
Civil defense—emergency grants	180,091
Civil defense—disaster relief	100,000
Urban renewal	2,277,676
Urban planning assistance	24,710
FHA regular grants	5,353,954
Homes for disabled soldiers, sailors	113,179
VA on-job training, supervision	15,301
Total grant payments (43 programs) direct	57,379,654

Federal-aid payments other than direct grants and loans, fiscal 1956

Agricultural conservation program	$597,694
National Guard, Air Force	1,804,070
National Guard, Army	10,835,749
National Cancer Institute, research	102,038
National Institute Allergy, Infectious Diseases, research	53,654
National Heart Institute, research	$31,137
National Institute Mental Health, research	27,832
Division Research, grants	40,702
National Mental Health Institute, traineeship	12,000
National Mental Health Institute, training	13,083
National Institute Neurological Diseases, Blindness, fellowship	1,542
National Cancer Institute, fellowship	8,974
National Heart Institute	1,730
National Mental Health Institute, fellowship	2,400
Unemployment compensation, veterans	1,349,433
Unemployment compensation, Federal employees	1,070,516
National Science Foundation, research	276,430
National Science Foundation, fellowships	95,855
Automobiles for disabled veterans	48,000
VA readjustment benefits and vocational rehabilitation	12,658,439
Total payments (20 programs)	29,031,149
Total grants in aid to New Jersey (63 programs) in both categories	86,410,803

Lead and Zinc Tariff Bill and the Escape Clause

EXTENSION OF REMARKS

OF

HON. HENDERSON LANHAM

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 28, 1957

Mr. LANHAM. Mr. Speaker, I was greatly interested in the disposition of the lead and zinc tariff bill. It came before the Committee on Ways and Means from which it never emerged even though it was supported by both the Department of the Interior and the State Department.

From the experience with this bill it has become clear that we have done a full circle under the trade-agreements program.

The Congress in 1934 delegated authority to the President to make trade agreements. This was an indication that the Congress itself no longer wished to write the tariff itself.

Seventeen years of trade-agreement making by the Executive had by 1951 convinced the Congress that it was desirable to tighten the reins on the delegated authority. It had become clear that the State Department, which actually negotiated the trade agreements was not a very zealous guardian of the interests of American industry, labor, and farmers but was inclined to cut tariffs without making sure that its ready wielding of the knife would not cripple some of our industries.

In 1951 Congress accordingly adopted the escape-clause amendment to the Trade Agreements Act. The purpose

was to provide injured industries with a remedy. Should serious injury occur or be threatened to an industry it could go to the Tariff Commission and apply for relief in the form of a higher duty, that is, a restoration of the duty cut that had previously been made by the State Department in a trade agreement.

This sounded good, and should have made it possible to live with the trade-agreements program. The trouble was that the Tariff Commission was not given the final word under the escape clause. It could only recommend action to the President.

After some 50 cases were processed in the 5 or 6 years of the escape clause's existence it became apparent that the law was returning an extremely low yield. The President rejected most of the Tariff Commission's recommendations, including a half dozen unanimous decisions. Industry naturally became discouraged.

Among these was the lead and zinc industry which went before the Tariff Commission in 1953 under the escape clause. The Commission rendered a unanimous decision recommending an increase in the tariff. In 1954 the President rejected the decision.

In 1957 the industry, still facing great difficulty with import competition, decided to go to Congress rather than the escape-clause route. The Ways and Means Committee, however, pointed out that the President already had adequate authority to provide relief to the industry. That left the lead and zinc industry with no place to go other than back to the Tariff Commission.

This provides a very clear example of what may be expected in the future if the remedies provided by law fail to provide the relief that could reasonably be expected from the pertinent legislation. Other industries such as textiles, plywood, tuna, and so forth, are finding themselves in the same position as the lead and zinc industry. They do not look kindly on the Executive veto that prevents a reasonable remedy from being carried out.

They know that in the last analysis recourse to Congress is their only hope so long as the Executive obstinancy persists, as it has now done for six years. I do not quarrel with the action of the Ways and Means Committee. I think it simply brings to a head something that has been evident for some time.

Under leave to extend my remarks in the RECORD I include a letter that appeared in the Washington Post on this subject, written by O. R. Strackbein.

OTHER WAYS TO HELP

You are to be congratulated for printing the letter from Senator WATKINS of Utah in your issue of Aug. 19 under the heading "Worse Than It Sounds." The Watkins letter was in reply to your editorial of the same title, devoted to the proposed tariff on lead and zinc that is before Congress.

Senator WATKINS' letter brings some much-needed commonsense and down-to-earth facts to bear on the lead and zinc tariff question. It is in strong contrast to the undiluted sensationalism of Drew Pearson and the tortuous cartoonery of Herblock on the subject—albeit, quite naturally, not as interesting.

Your own editorial in reply to Senator WATKINS under the title, "Other Ways To Help," is also helpful in bringing to light the real issues.

You urge the lead and zinc industry to go back to the Tariff Commission under the escape clause for a remedy. You overlook the fact that not only this industry was before the Commission in 1954 and obtained a unanimous recommendation to the President only to be turned down but that this experience has been the usual one and not the exception—to the extent that the escape clause has become worse than useless.

That is exactly why the lead and zinc industry went to Congress and that is exactly why more and more other industries are going and will go to Congress.

The President as advised by the State Department has choked off the channel of relief provided by Congress. This is what has built the pressure that you bewail. The primary responsibility for the regulation of foreign trade is on Congress, put there by the Constitution.

Congress delegated some of this authority to the Executive but the latter has ignored the clear intent of Congress. What should Congress then do? What should the industries do when they find their remedy at law smothered by the Executive?

You say we should perhaps give production bonuses to the lead and zinc industry. That route has already been traveled its full length through the stockpile. In any case, if the industry were helped thus to produce and sell its products, would that not result as effectively in choking down imports as would a higher tariff? And would that hurt Canada, Mexico, and Peru any less?

The best way to meet this situation would be through a combination of tariff and quota under which an appropriate sharing of the market between imports and domestic producers could be worked out. Or would that be too sensible and not sensational enough for Messrs. Pearson and Herblock?

O. R. STRACKBEIN,
Chairman, Nationwide Committee of Industry, Agriculture, and Labor on Import-Export Policy.
WASHINGTON.

Testimony of Paul Sayres Before Committee on Agriculture and Forestry, June 26, 1957

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Wednesday, August 28, 1957

Mr. HUMPHREY. Mr. President, in June of this year the Senate Committee on Agriculture and Forestry held hearings on the policies and operations of Public Law 480, 83d Congress. This is a vital law providing for the disposal abroad of our surplus agricultural commodities. As such it is a key to our foreign policy. One of the witnesses at the hearings was a distinguished and successful New York businessman, Mr. Paul Sayres, president of the Paul Sayres Co., engaged for the last 28 years in food distribution in New York City.

He appeared on June 26, and I considered his testimony to be most interesting and important.

Mr. Sayres plans to go to India in behalf of himself and a committee of the food distribution industry. I have asked Mr. Sayres to report to me his observations and recommendations. This trip is in the national interest, but it is being financed completely by Mr. Sayres. I ask unanimous consent to have Mr. Sayres' testimony printed in the RECORD.

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

TESTIMONY OF PAUL SAYRES BEFORE COMMITTEE ON AGRICULTURE AND FORESTRY, JUNE 26, 1957

Mr. SAYRES. Senator HUMPHREY, Senator MUNDT, and members of the committee, my name is Paul Sayres, of Paul Sayres Co., presently engaged for the last 28 years in food distribution in New York City.

It is with deep feeling and a sense of urgency that I am here today to discuss with you the workings of Public Law 480 and to explore the various avenues by which disposal abroad of our surplus agricultural commodities in food, under this law, can be most effectively accomplished and best utilized to advance the interests of the United States in world stability and harmony.

I should first like to commend you purposeful gentlemen, and you, Senator HUMPHREY, for conducting this hearing and bringing into proper perspective the great importance of this subject, and the international implications involved to our Nation.

There has been a great deal of debate here only recently on the subject of foreign aid, with the pros and cons of to what extent we should help friendly nations, capturing headlines throughout the country as well as the fervor of Congress.

It is not my intention to get into this debate on foreign aid. Today, we are discussing surpluses, honest surpluses of the most essential commodity relevant to man—food. Surpluses that do not do one any good by being surplus. Surpluses that are an economic liability at home, but which put to the proper use in effectively organized disposal programs to needy friends abroad can be translated into not only an economic boon, but a social-ideological one as well. That the use of our surpluses in such a manner may also be classified as a form of foreign aid is incidental.

My primary purpose today is to express my views and those of many others of this country's food industry on what we feel has been largely overlooked by our Government in its pursuit of good will through foreign aid under Public Law 480.

In the final analysis, the problem evolves into three separate segments: how we can do a more effective job; how foreign nations can best utilize their food supplies; and how we can dramatize our humanitarian efforts in keeping with our dignity as a great Nation.

In these endeavors our country is performing in a manner akin to any company with an item to sell, but we are selling ideas and good will in a market where the world's future is at stake. Any good salesman sees to it that his client makes the most effective use of the purchased item. It is our obligation to ourselves as well as to these nations to help them achieve the maximum benefits from the foodstuffs we provide to them. This calls for much greater application of food-distribution assistance.

It is for these reasons that I feel most strongly that Public Law 480 is in need of guidance from this country's food industry; guidance and cooperation completely disassociated from politics. I think that no one here will disagree that people working successfully in our food industry, day in and

day out, are well qualified to help their Government.

You might not be aware of this, but the food industry of the United States, as such, is by far the largest industry in dollar volume in the world.

In food distribution, as in many other fields, the United States possesses the most advanced methods and techniques and it must be a part of the machinery of Public Law 480 to help other countries achieve for themselves more efficient food distribution.

Senator HUMPHREY. Does the Government make available funds to the food industry, or have any programs with your industry for the advancement of food distribution? I ask that question because you know the Government does make available to some of the commodity groups funds for the development of markets.

Mr. SAYRES. But I do not believe as far as distribution of foods, which is the thing that I am covering here, that any funds have been available. If they have been, I do not know of them.

Senator HUMPHREY. Has there been any encouragement to you?

Mr. SAYRES. None that I know of.

Senator HUMPHREY. We will talk about this as we go along.

Mr. SAYRES. India, with a population more than double that of the United States, is a country moving steadily to greater prominence on the international scene. Occupying a key geographic position in the Asias, India, as a country of great potential and important meaning to the Free World, is one specific area where we can be of particularly meritorious service.

I propose that to upgrade the food distribution machinery of Public Law 480 we utilize the services of a food industry committee, composed of 4 or 5 leading representatives of our food industry—manufacturers, brokers, wholesalers, retailers.

I have discussed this solution with a number of top level authorities in our food industry and find them not only receptive but enthusiastic. In fact, I have available right now the men to make up such a committee, a Committee on Food Distribution Assistance for India. Others, naturally, can be set up for other countries.

My colleagues and I feel so strongly about such a program that we want to do something on our own as a contribution of the food industry to the people and the governments of our own country and those of friendly nations. I am now in the process of formalizing plans to go to India, with the encouragement of others of the food industry.

Whether our committee is successful or not will depend on our getting the full cooperation of the pertinent government agencies. Problems cannot be solved properly unless they are fully understood, and the only way to understand them is to see them and evaluate them at first hand.

I am sure you understand that unless we get that cooperation it will be very difficult to succeed.

Such committees would function by studying the food distribution system of the country involved, speaking with representatives of government and industry of those countries and then attempting to draw up specific techniques for improving the flow of foodstuffs in these countries in a workable plan that will promote the maximum from our shipments under Public Law 480 and that takes into consideration the social, national and religious makeup of that country.

It may be advisable to establish small field offices in these countries to work with the food industry there. This would be another matter for study.

I understand this is possible under Public Law 480. Such offices not only could provide a continuing flow of information and suggestions, but also would prove invaluable as a public information branch for this country, helping friendly peoples to efficiently utilize their food supplies, suggesting spoilage control and preservation techniques, practical and economic recipes, packaging and marketing data and so forth.

If we are to spend our money and resources, it is our duty to our people and to the world to spend wisely and properly to achieve the utmost value. We have before us an inspired opportunity to use American ingenuity and know-how to foster good will and to dramatize the overwhelming advantages of the democratic way over the forces of tyranny. Guns cannot mold man's ideas. But people, decently fed, can stand up and do things for themselves and are not apt to be swayed by false doctrines and ideologies.

In our surpluses, Public Law 480, and with experienced industry men, we have the three essential tools to convert a liability at home into an immeasurable asset in the interests of our democratic principles and world stability.

So let's do the job right.

Senator HUMPHREY. Mr. Sayres, first of all I want to personally congratulate you on your fine statement and to congratulate the industry that you so ably and capably represent. Also, it is heartening and very encouraging to have a man like yourself come before a committee of Congress and indicate to us a specific plan, as well as your willingness to undertake some effort to forward this plan.

As I understand it you are planning on going to India?

Mr. SAYRES. That is right.

Senator HUMPHREY. And as I understand it you are planning on going on your own resources, there is no government trip or anything like that?

Mr. SAYRES. That is right.

Senator HUMPHREY. Well again, I want to wish you a very pleasant trip, but also an informative one. In your testimony you say, "My colleagues and I feel so strongly about such a program that we want to do something on our own as a contribution of the food industry to the people and the governments of our own country, and those of friendly nations."

For that I commend you and congratulate you on your patriotic service. Then you say, "I am now in the process of formalizing plans to go to India, with the encouragement of others of the food industry. Whether our committee"—quoting now again from your statement—"is successful or not will depend on our getting the full cooperation of the pertinent governmental agencies." Do you mean the full cooperation of our United States Government agencies?

Mr. SAYRES. Both of the United States Government agencies and the Indian counterparts.

Senator HUMPHREY. I see.

Mr. SAYRES. I mean, I feel that we just cannot get the information that we need in order to get a proper plan that will really be worthwhile and workable, unless we are able to see the thing firsthand and know what we are contending with.

Senator HUMPHREY. So you would like to be able to visit with the man or woman who is in charge of, let us say, the food ministry or the agricultural ministry, people in the Government?

Mr. SAYRES. Yes.

Senator HUMPHREY. Of India?

Mr. SAYRES. Yes.

Senator HUMPHREY. As well as our own people prior to your leaving?

Mr. SAYRES. That is right, and also while I am there.

Senator HUMPHREY. And visit our own people in the Embassy and the ICA and others while you are there?

Mr. SAYRES. Yes, for assistance to the point where we can actually find out what we need to know if we are going to do the job.

Senator HUMPHREY. There is no reason that should not be forthcoming. I will be more than happy, as one individual and the presiding officer of this subcommittee to send a letter to our Ambassador asking that he give you all possible cooperation. And this will, of course, extend all the way through our United States mission in India. The same thing can be done, I suggest, with the Indian Ambassador in Washington, who would be a good contact for you before you leave—Ambassador Mehta, he is a fine man, a businessman from India, a good friend of mine personally, and an able and extremely capable representative of his country.

I would suggest that you meet with him before you go.

Mr. SAYRES. I would be very happy to do so.

Senator HUMPHREY. We will be very happy to make any arrangements if you need them, since you are going to go, and I wish I was going with you——

Mr. SAYRES. Come along——

Senator HUMPHREY. I guess I better stay home for a while. While you are there, and you are going to make this study, I wish you would share with us your views and observations when you come back. I do not have any powers of appointment but I would like to have you bring to my attention on your return whatever observations you have and conclusions, to act as a sort of reporter for me. Can you do that?

Mr. SAYRES. I will be very happy to do that.

Senator HUMPHREY. Since I cannot take the trip I will let you do all the work.

Mr. SAYRES. I will be very happy to do that, and I am sure you are going to be of great assistance in seeing that something is done about this if we bring back the correct data.

Senator HUMPHREY. I would like to review what you have in mind and what your findings are when you return. We will cooperate with getting the necessary introductions. Is that all right?

Mr. SAYRES. That is wonderful.

Senator HUMPHREY. And you can go with the blessings—if they mean anything—you have my blessings, but I suggest you get somebody else's too.

Mr. SAYRES. I think I will need them.

Senator HUMPHREY. I think that is just wonderful. I am very pleased with your statement. Thank you for coming down. I understand you have to catch an airplane. I hope I have not kept you too long.

Mr. SAYRES. We will have just time to get it. Thank you very much.

Senator HUMPHREY. Good luck to you and have a nice trip.

Mr. SAYRES. Thank you.

The House Versus the Senate

EXTENSION OF REMARKS

OF

HON. SPESSARD L. HOLLAND

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Wednesday, August 28, 1957

Mr. HOLLAND. Mr. President, several days ago I noticed in the New York Herald Tribune an excellent article by Hon. EUGENE J. MCCARTHY, a member of the Committee on Ways and Means of the House of Representatives, entitled "The House Versus the Senate." The article was written in such scholarly style

I thought it ought to be in the RECORD where all Senators and Representatives and others could read it. I ask unanimous consent that the article be printed in the RECORD.

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

THE HOUSE VERSUS THE SENATE

(By EUGENE J. MCCARTHY)

(Representative MCCARTHY, a member of the Ways and Means Committee of the House of Representatives, is a Democrat from Minnesota.)

It seems to be fashionable these days to criticize the House of Representatives, the greatest forum of the people in our Federal Government. Sniping and carping at the operation of the House has been growing over the last few years. The House has been compared unfavorably with the Senate as a place of achievement.

Is this criticism valid? How badly are improvements needed? How does the House really compare with the Senate in terms of accomplishment, of casting light on great national problems, of providing legislative cures?

The effectiveness of the House of Representatives, its organization, its procedures and its relationships to the Senate and to the executive branch of the Government—all of these are important questions that deserve studious, objective, and serious attention.

In the 167 years since the adoption of the Constitution there have been many changes in the Government of the United States, but certainly one of the most significant of these changes has been that of the shift in the power of relationship of the House of Representatives and the Senate. While upper or second legislative bodies in other countries have declined in importance, some disappearing altogether and others surviving as little more than symbols, the Senate of the United States has grown in power and in authority.

The first great impetus to an increase in Senate power arose out of the controversy leading up to the Civil War. After the war the Senate assumed more and more initiative in the introduction of legislation and became bolder in insisting on Senate modifications of legislation.

As governmental activities have expanded, the power of the Senate to confirm appointments both in the judiciary and in the executive offices has become increasingly important.

Similarly in the area of foreign affairs the Senate's power has increased as foreign policy has become more significant in our national life.

Along with the advantages derived from these historical changes, the Senate has had the help of a number of institutional advantages. The 6-year term in the Senate, plus the experience of its Members, and its continuity as a body, give it a stability and strength lacking in the House of Representatives. On a purely arithmetical basis, a Senator's vote on a legislative proposal is worth approximately four times that of a vote of a House Member. Senate rules and practices regarding committee assignments multiply this power. House Members are permitted to serve on only one major committee—Senators may serve on more than one. House committees usually have from 2 to 3 times as many members as do Senate committees. The importance of a single vote in a Senate committee of 15 is really worth more than twice that of a single vote in a House committee of 30 members.

The House, as critics have said, has limited its effectiveness somewhat by its own rules. Great debates today are the Senate debates. Debate in the House was effectively limited by rules changes brought about under Speaker Tom Reed in the last decade of the 19th century. These changes did prevent obstruction and delay in the general legislative process, but at the same time practically destroyed effective House debates. As a result, public interest, at least as reflected in the press, is generally concentrated not on what is said in House debate, but rather on the outcome of the vote.

The important consideration is not the feelings of House Members, but rather that of the consequences for the country of the predominance of the Senate. The fact that the Senate generally proposes to spend more money than does the House, or that it has gained power while the House has been losing it, need not in itself be disturbing. If the Senate is a truly representative body, and it is operating effectively and responsibly as the dominant body, it should perhaps be allowed to continue in its position of power. If, on the other hand, the Senate is not truly representative, if it is not as effective or fully responsible as it should be, there is reason for concern. If a case can be made for the system of legislative checks and balances, with the Senate acting principally as a check on the House of Representatives, if it is desirable to have some specialization and differentiation of function between the House and the Senate, then the problem of distribution of power is a matter of concern to the citizens of the United States.

Obviously the Senate is not as representative as is the House. Although there is need for more even apportionment of Congressional districts, representation in the House of Representatives is still much closer to popular representation than it is in the Senate, where the millions of citizens of the State of New York and the fewer than 200,000 citizens of the State of Nevada are equally represented by two Senators. The House remains more truly the people's branch of the Government. Moreover, since all House Members are elected every 2 years, membership in that body more accurately reflects changes in popular opinion and judgment than does membership in the Senate, in which in every term of Congress some two-thirds of the Members have been carried over from previous elections.

The increase in the power of the Senate has disturbed the system of checks and balances, which was reasonably conceived, and has tended to destroy differentiation of function between the House and Senate. There is evidence that the Senate is trying to do too many things to do all effectively—to formulate and review foreign policy, to check on the Executive appointments, both before and after they are made, to check on the administration continuously, to cover the whole field of legislation, and to look after the needs of a statewide constituency.

The consequences of the seniority system are much more serious in the Senate than they are in the House, where larger membership makes control by committee chairmen more difficult, and where respect for the office and jurisdiction of the chairmen is not as great as it is in the Senate. Senators are generally responsive to all, or nearly all, local and special interests of their States. House Members are directly responsive only to those in their respective districts.

A strong President providing leadership to the country and strengthening the House of Representatives, can stand against the Senate. To do so, however, the President usually must have dramatic issues and critical conditions, as in the case of war or domestic disturbance comparable to the great depression.

The principal defense of the House against the loss of its power to the Senate has been, in recent years, the strength of its leadership. A man like Speaker SAM RAYBURN, backed by committee chairmen and members of the House, has successfully stood against the Senate, but, as a matter of fact, strong House leadership has consistently been more successful in opposition to Executive proposals than it has been to those of the Senate. What is needed is an institutional strengthening of the House of Representatives—the reestablishment of the House of Representatives as the predominant governmental body.

The House should assert itself in competition with the Senate in the field of general legislation, but more particularly when questions of revenue and of appropriations are in dispute. The House should insist that it be given more voice in foreign affairs. The Senate should be encouraged to give special attention to Government service and to assume the responsibility for the effective and efficient administration of Government affairs, and for the quality and conduct of both civil service and appointed personnel.

House rules should be changed in order to allow House Members to sit on more than one major committee and to allow more liberal debate, with the possibility of great debates again in the House of Representatives. House Members, too, should become more active in national party activities and should insist on their greater recognition in national conventions.

There is need for better organization in the House of Representatives; for greater party cohesion and party responsibility; for more unity, integrity, and function of the House; and for a greater will on the part of its Members to stand as a body, on a bipartisan basis when necessary, against either the Senate or the executive branch of Government.

If the House is to "decidedly predominate," as James Madison stated that it should at the time of the drafting of the Constitution, these are the changes that are needed rather than superficial changes such as modification of the seniority system and the rather empty suggestions of greater individual determination, responsibility, and attention to duty as suggested by some critics.

Address by Hon. James Roosevelt Before American Medical Center Annual Auxiliary Dinner, Denver, Colo.

EXTENSION OF REMARKS

OF

HON. WAYNE N. ASPINALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 28, 1957

Mr. ASPINALL. Mr. Speaker, one of the most successful charitable institutions of Colorado, indeed of our entire Nation during the first part of this century, has been the American Medical Center, formerly known as the Jewish Consumptive Relief Society of Denver, Colo. Its good deeds and unselfish service to countless thousands is an enviable record of people of good will.

Following in the magnanimous tradition of the other members of his distinguished family, our colleague, JAMES ROOSEVELT of California, has given unstintingly of his time for many years in the service of this fine organization. His

generous work and constructive efforts have been highly appreciated by all of those who have worked with him in this cause and especially by the recipients of the services afforded by this institution.

On August 3 of this year, our colleague JAMES ROOSEVELT, addressed the members and friends of the organization at the annual auxiliary dinner held in Denver, Colo. The address is replete with valuable material and is a statement of the program of the American Center for the year.

I take great pleasure in inserting this address in the CONGRESSIONAL RECORD so that my colleagues may have the advantage of the information which it contains.

The address follows:

REMARKS OF HON. JAMES ROOSEVELT, JCRS–AMERICAN MEDICAL CENTER ANNUAL AUXILIARY DINNER, DENVER, COLO., SATURDAY, AUGUST 3, 1957

Friends, when Kipling wrote that "East is east and west is west and never the twain shall meet," he certainly didn't reckon with our JCRS–American Medical Center. For here we are tonight, a Congressman from California talking to a group of charmingly effective auxiliary and advisory board leaders from New York, Washington, and other eastern communities at this inspiring western city in the foothills of the Rockies.

Why is this so? Why do so many of us, from such widely scattered backgrounds and geography, come together with such wonderful unity and kinship? Whence this warmth of feeling that entwines us—or entwains us, if I may—with a sense of dedication and loyalty I have not experienced since the days I worked with my father and the people of the Warm Springs Foundation?

For me the answer is one word—devotion.

Think for a moment of this amazing town of Spivak, with which we have been renewing an old and deep acquaintance these last few days. You won't find it on the map, not even a dot. Yet you will find it warmly remembered in the hearts of tens of thousands of people in communities stretching from sea to shining sea. For this little town of Spivak—our JCRS–American Medical Center—is truly a unique town that only real devotion itself could build.

Its very founding was an act of faith and love. You will recall, I am sure, how a small group of workingmen moved with deepest compassion at the sight of fellow humans trekking to Denver for relief of their consumption and literally dying in the streets for lack of facilities, chipped in $1.10 to set up 6 tents and a wood structure. Look how we have grown in 53 years, with our wonderful structures of health and healing and the city coming to our very doors with its modern shopping center.

But over the span of unfolding decades and steady growth, our unique open door policy has remained constant. In 1957, as in 1904, we still only ask, "Are you ill? Are you in need? You are welcome here." To the victim of cancer, tuberculosis and chest diseases today, as to the victim of consumption yesterday, our hospital offers a rather rare and unusual handclasp. Most hospitals are unwilling to tie up their beds with patients needing prolonged treatment and care. Let it be said to the glory of our hospital that we welcome patients in all stages of disease for an unlimited period of time. You have seen our doctors and nurses and medical team work far beyond the call of duty. You have talked to our patients and heard them glow about the most potent wonder drug they receive here—devotion. It is inspiring to realize how many lives we have saved; how much anguish we have saved loved ones; how rich a contribution we have made to the medical arsenal of our Nation. I know you were as thrilled as I to hear Dr. Seife report that in the 3 years since the inauguration of our cancer service, we have handled 227 cases and snatched many fellow humans from the very valley of the shadow of death.

But can we sit back feeling that we have licked the problem? Certainly not. Your presence here tonight underscores your understanding of the need for continued and heightened effort. The enemy we are fighting is a formidable one. The United States Public Health Service informs me that 28 million Americans are now afflicted with chronic diseases, half of them under 45 years of age.

This is truly our Nation's number one medical problem. Chronic diseases are costing Americans 1 billion days of disability, the services of 1 million workers, and the lives of 1,100,000 each year. This cost in lives is appalling; but the cost to the living is more than the Nation can afford. Victory over death and disability from major diseases depends on dollars to pay for brains, training, buildings, and equipment, all of which can be produced with your help and the understanding of an enlightened public.

This year, some $45.5 million is being spent by all sources on cancer research, or about $1.75 per American now alive who will eventually die of cancer unless new treatment, cures, or preventive measures are found. In contrast the polio people allocated $2,905 per expected death in 1955, the wind-up year of the research that led to the Salk vaccine.

I am strongly suggesting here that what we need is a crusade to conquer cancer, tuberculosis, and other chronic diseases through an all-out partnership of Government, science, and public philanthropy.

I am happy to learn that thanks to our fair and stalwart ladies our research into cancer, tuberculosis, lung cancer, and other vital areas will be augmented through their help in supplementing the $77,000 grant from the Ford Foundation and completing the Dr. Philip Hillowitz Laboratory.

Like yourselves, perhaps, I have often wondered what is the "mah-nish-ta-naw" of our institution. (I participated in the Passover Seder at our hospital, and remember how the Haggadah starts with its haunting questioning, "mah-nish-ta-naw.") What then makes our hospital so different from all the rest? What motivates these wonderful women of ours in their tireless toiling, filling canisters, enlisting the participation of friends and neighbors, planning luncheons and fashion shows and spending long hours in all-out participation? What inspires our business leaders here to give so generously of their crowded time and energy? The answer goes deep into our Judeo-Christian tradition. You delegates from our auxiliaries throughout the Nation and you warm-hearted men give the inspiring affirmation, "Yes, we are our brother's keeper. Yes, we love our neighbor as ourselves." Your thanks can be most eloquently found in the letters of our patients. Many of these patients have come here to die. They return to live. What greater personal reward can we have than the feeling that you and I and so many others have made this possible?

I feel prouder of myself as a human being when I pick up the recent issue of our bulletin and see this letter from a young Jewish patient:

"I don't think that all the money in the world could buy this friendly consideration for one another that I find here. There is still hope for the human race; atom bomb or no atom bomb, I believe once again people are here to stay and I am proud to be part of them."

Since we are a family together, may I share something with you about which we are not so proud?

You have visited the Texas Building. On its first floor, you have heard the busy steps of doctors and nurses as they work to bring new life to victims of cancer. On the second and third floors, however, there are no footsteps. There are only empty corridors and waiting beds. What a challenge that is. We have the skills and the staffs to save lives. There are human beings waiting for those beds. They have turned to us in their anguish and suffering. And we hear their cries; for our ears are sensitivity attuned.

Yet, ironically, despite our unique open-door policy, we cannot admit them.

Why not?

Money.

It costs us $5,000 a year to take care of one patient. To operate our hospital at full capacity, we must raise $1,250,000 annually, compared to our current income of $700,000. It is to step up our fund-raising and to provide 100 more beds to victims of TB, cancer, and allied diseases that we are now launching our national development program.

I am happy to announce the recommendations of the national development committee to the board of trustees. I am sure that these recommendations constitute the beginning of an effective program to put every facility of the hospital to its fullest use for better service to patients, and to enable us to do our share in the overall research into the fight against cancer and chest disease.

The budget this year calls for an increase of $125,000 over the existing agreement with President Winocur if the aim of operating the hospital at full capacity is to be realized. I have every confidence that the board of trustees will find a way to raise this additional money that will fill our empty beds.

The national office will soon be moved to Denver, where the office of the national executive director will be based. Mr. Jack Miller, because he is unable to move to Denver, has agreed to remain as director of the eastern region, and a new national director will be appointed shortly. Mr. Miller's help and guidance in working out a plan for the years ahead has been invaluable. Although tonight he is working on resolutions at the office and cannot be at the dinner with us, I know you all join me in expressing my heartfelt and sincere thanks to him for his tireless devotion to the hospital, and for the wonderful job he has done.

Four regional offices will be set up in the East, Middle West, Southwest, and Far West. They will help the existing auxiliary and member groups coordinate the work of forming new groups and developing new sources of funds.

I am happy and pleased to announce the recommendation of the National Development Council for the appointment of Mrs. Sara Zeecov to the board of trustees. She will be the national director of the ladies auxiliaries with an office and staff in Philadelphia. To carry out her important work she has plans for an expanding staff.

The National Development Council has held healthy and constructive discussions with the medical advisory board, which I am sure will lead to an even better medical program.

Each generation must accept new responsibilities. Our fathers have built structures of healing and faith. We must maintain and extend them. Our JCRS has a glorious past. The future of our American Medical Center looms wonderously before us. With renewed loyalty and with devotion, we rededicate our efforts to mankind's noblest cause—to alleviate suffering humanity with humanity.

German Recovery—And Elections

EXTENSION OF REMARKS
OF

HON. EMANUEL CELLER
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 28, 1957

Mr. CELLER. Mr. Speaker, the Western Powers are confronted with the serious and extreme dilemma of Europe.

There is not a single European power that can cope with the Soviet empire. However, in combination, the European powers are more than a match for Russia. These European powers are endeavoring now, under the tutelage of the United States, to weld themselves into a combination, witness Euratom, the common European market, called Euromarket, and the Coal and Iron Community. All this constitutes a decided push toward European unity. Indeed, properly combined, these European powers have a greater population, a greater developed industrial capacity, and much higher technical skill than the Russians. If these European nations are divided and unable to take common action, they can, indeed, be cut to pieces.

No chain is stronger than its weakest link. We must strive to make every one of these European nations strong—the stronger the better. We must, in particular, make Germany strong, despite the fact that she has been our erstwhile enemy.

Germany occupies a most strategic position in Europe. We cannot afford, for our own protection, to leave any stone unturned to make Germany the strongest bastion of the Western Powers.

If a third war should come upon us, no one can foretell the result. The period that would follow would be horrendous and terrible. In all likelihood, the Communist empire would fall apart. Most empires built, in turn, by revolution collapse when involved in a general war. Napoleon discovered this, to his sorrow; so did Hitler. Such a war would be Russia against the world. Russia would lose. But would Europe be saved? That is far from certain.

This dilemma of Europe is also the dilemma of the United States. If Russia would win and Western Europe were to fall permanently under Russian sway, says A. A. Berle, Jr., in his Tides of Crisis, "the United States would be a lonely country, indeed."

What can we do to make Germany stronger? Must we not see to it that those personalities like Conrad Adenauer remain in power? He has been in part the mastermind of the miracle of German recovery. There are evidences on all sides of the remarkable economic advance of the Federal Republic. After the war the German economy presented a picture of absolute chaos. Its currency was unstable, its cities were in ruins; 500 million cubic yards of rubble had to be removed; railroad and motor traffic had shrunk to a mere fraction of former volume; the German merchant marine no longer existed; and every day found thousands of refugees pouring into Western Germany from pre-Hitler German territories in the east. The dismantling of the industrial plants for reparations had further reduced the productive capacity. There was a dreadful breakdown in all moral standards.

But a combination of intelligent economic planning, with the determination of all citizens to work with might and main, has brought about the great miracle of German recovery. Not only to Conrad Adenauer, the Chancellor, but to the Minister of Economics, Ludwig Erhard, belongs much of the credit for bringing Germany out of financial and economic confusion and chaos into financial and economic strength and stability.

There is an interesting article about this recovery by Hans Otto Wesemann in the Atlantic Monthly of March 1957, and I herewith submit a paragraph therefrom:

> Hundreds of thousands of Germans have justified this faith in their initiative, each in his own fashion. Most impressive of all, perhaps, were the accomplishments of those who fled across the "green border" from the Soviet zone of occupation, bringing with them nothing but a few plans or drawings, and the knowledge of how to build up a business. Here and there they found a town or village which was willing to place idle land or a heap of ruins at their disposal, and perhaps aided them to start anew by extending credit to them. They traveled on freight trains or bicycles all over the country, digging up machinery here and there, starting up production on the most modest basis, then plowing their profits back into expansion. The apparent mystery of this development is clarified by an incident that took place in the British sector of Berlin, where shortly after the end of the war a Soviet officer had directed the total dismantling of a world-famous electronics plant. A few years later he visited the same plant, to find thousands of workers employed at thousands of machines. "We made a mistake," he commented. "We should not have removed the machines, but the people." (It should be kept in mind, of course, that after 1949 the Western Powers reversed their position on restricting German industry and began to encourage the expansion of production.)

Recently, the three major Western Powers and West Germany issued the now famous Berlin Declaration. Here are the principal points of the declaration: First, a European settlement depends on the free election of a new all-German government. Second, the West has never required as a condition of reunification that a reunited Germany join the North Atlantic Treaty Organization. If the German people should choose NATO, the West would offer assurances to the Soviet Union. Third, initial steps in the field of disarmament should lead to a comprehensive agreement which presupposes a prior solution of the problems of unification. The West does not intend to enter into any agreement on disarmament which would prejudice the reunification of Germany.

This declaration was timed as a means of helping Chancellor Adenauer and his colleagues in the elections to be held this coming month. I think it will have a good effect on the elections and Adenauer will be reelected. The opposition is headed by Erich Ollenhauer, chairman of the Social Democrats. Lacking issues of a domestic nature, Ollenhauer has seized upon this Berlin Declaration and has called it disappointing. Ollenhauer believes that this declaration has hurt the German chances of unification of East and West Germany. Ollenhauer and the Social Democrats are certain that unity can be achieved only if the Bonn government withdraws from the Western alliance and the Bonn government negotiates independently with Moscow. Thus, our ace in the hole is Adenauer, and certainly not Ollenhauer. Small wonder, therefore, that as another boost to Adenauer the State Department recently stated that the Eisenhower administration currently had in mind an approach rather than a concrete plan for disposing of enemy assets seized in World War II.

President Eisenhower has issued a White House statement promising eventually a solution of the problem of alien enemy assets. He assured Adenauer and the world, in fact, that the solution would be in accordance with the principles governing the comity of nations. The administration stated that its aim was to restore "the historic American policy of maintaining the sanctity of private property, even in wartime."

If all this is true the many conflicting legal and practical issues which have bedeviled the problem for more than a score of years will be reconciled. This problem involves the fate of nearly $600 million worth of assets, primarily German, but in part Japanese. These assets were seized by the American Government during the war. There is also involved American counterclaims for war damages. There is likewise involved the international agreements under which the Allied Nations, including the United States, pledged themselves to retain the seized assets in lieu of reparations, while the German government undertook to compensate its nationals for such assets. These agreements have complicated the problem these many years.

The administration proposes to complete the sale of the seized properties which are expected to bring some $541 million for the German assets and some $54 million for the Japanese assets. The administration and President Eisenhower have promised to pay in full all legitimate American war claims. This, of course, the administration assumes will remove one argument for holding on further to the assets. Thereafter, as previously agreed upon, German and Japanese individuals will receive up to $10,000 in compensation; the balance of the assets will be prorated among the remaining owners, both individuals and corporations.

The New York Times in an editorial emphasized these observations and applauded the pledges of the administration.

The solution suggested is in line with the settlement of the problem made with Italy concerning seized Italian assets. This settlement was made in 1947.

According to administration sources, this action, when consummated, might well be deemed an act of grace. The administration apparently hopes, also,

that this pledge will have a desirable effect upon the electorate in West Germany and will give to Adenauer's candidacy a genuine lilt and lift. Undoubtedly President Eisenhower promised Chancellor Adenauer a declaration of this sort when the Chancellor recently visited the White House.

It is interesting to note that in the past, particularly under Chancellor Bismarck, the German political and military strategists claimed that the cornerstone of Germany's foreign policy should be "a reinsurance treaty" with Russia. Now the political strategists of West Germany under Chancellor Adenauer believe that the linchpin of the Federal Republic's strength is "a reinsurance treaty" with NATO and the Western allies. I believe by the end of the year the Federal Republic will have become the most important continental member of NATO. West Germany is bound to dominate the "Little Europe" of the Coal and Steel Community, Euratom, and the Euromarket. West Germany will be able to exert a great influence on United States policy. If developed and used properly, Germany's great miracle of recovery, with a remarkable Adenauer victory, could be used by the United States and the Western allies to deal with and cut down the truculence of Russia.

Mr. Khrushchev, wise and foxy, knows of the strength in Adenauer and timed his recent visit to East Germany in an all-out effort to defeat Adenauer in the forthcoming German elections. It is part of the Soviet campaign to wreck the North Atlantic Alliance. Fortunately, his loudly hailed demonstrations of so-called indestructible Soviet and East German friendship were deemed a flop. Surrounded by steel-helmeted members of the East German Red Army—creation of the Soviets—Khrushchev denounced both Chancellor Adenauer and the United States for rearming West Germany. The language of his attack against us was most vitriolic. He sounded off in a way to help, indirectly, the opponents of Adenauer, namely, those led by Ollenhauer. That visit of Khrushchev to East Berlin and East Germany is clearest justification of our more than friendly attitude toward Adenauer and our rooting for him for reelection.

It may be that this kind of intervention in the politics of another country is very new to us. We get a little embarrassed when we are reminded of it. But we are now a world power and it is essential for us to express keen interest in certain elections. Frankly, we have been known to favor Latin American claimants for offices for many years. Such intervention, therefore, is not entirely unprecedented. Frankly, it would be insane not to offset and counterbalance the effects of Khrushchev's visit to East Berlin.

The Adenauer story is like a romance. It is the country hicktown boy who made good. He first saw Paris and Rome and Washington when he was 75 years old. For 70 years his was the life of mediocrity in and around Cologne. He was its town councilor. He arose to lord mayor and remained such 16 years. The Nazis deposed him. He remained in the political background during the Hitler regime, was twice arrested by his hoodlums and twice set free.

In 1945 American occupation forces rediscovered him and again set him up as lord mayor of Cologne.

He became chairman of the biggest branch of the Christian Democratic Union and in September 1949 he formed the first government with a majority of two votes in the Bundestag. He has been Chancellor ever since.

His has been a consistent policy of reconciliation with the West.

As was stated by Terence Prittee recently:

> He preserved in the face of the occupiers of his country a dignity that was virtually unique, thus marking himself out as the best man to deal with them on behalf of his fellow Germans. In them he inspired confidence alike by his refusal to complain about material discomforts and by his steely insistence on getting on with the tasks of political organization. Work and responsibility were making him into a younger, healthier man.
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> He was given a unique chance by the cold war. This put him on the path which the Western Powers were bound to tread—that of consolidating a Western Germany of 50 million people politically, economically, and spiritually and incorporating it in a Western defense system and in a Europe in process of unification. The milestones along this path have been the Petersberg agreement (for converting the Allied Military Government into a High Commission which administered under the terms of the Occupation Statute), the entry of West Germany into the Coal and Steel Community and the Council of Europe, the Bonn and Paris agreements which conferred sovereignty and the right to rearm, and German entry into NATO and WEU.

An exasperated comment of a political opponent of Chancellor Adenauer as "Der Alte's" seeming indestructibility was, "at his age men never die."

Now at 81 he campaigns like one at 41. He dominates the present campaign with his amazing personality, whistlestopping with a 30-man party in a special campaign train—not unlike the Eisenhower or Stevenson technique—the candidate Adenauer warned that his rivals would weaken ties with the United States and the West so that we Germans would cease to exist as a free people.

Also I have naught but praise for the efforts afoot to reestablish diplomatic relations between West Germany and Israel. I understand that the Chancellor is sympathetic to this idea and desires to further relations of peace and accord with Israel.

The Premier of Israel David Ben-Gurion is desirous of such a proposal being fulfilled. He recently said in the Israel Parliament that the Germany of today is not the same country as that of the Nazi regime. He pointed out that despite the skeptics, Bonn had scrupulously observed its reparations agreements both with respect to Israel and to the Jews in general. Germany is fulfilling an important role in a united Europe, he pointed out, and Israel must look forward to establishing relations with that entire region, particularly since the Jewish state is planning to embark on gigantic projects which are well beyond the strength of Israel and world Jewry alone.

Indeed we do well to support "Der Alte."

SENATE

THURSDAY, AUGUST 29, 1957

[Continuation of Senate proceedings of Wednesday, August 28, 1957, from 2 a. m. Thursday, August 29]

Mr. THURMOND. Mr. President, I now wish to take up Chief Justice Taft's opinion on jury trials in contempt cases. Considerable has been said about what Chief Justice Taft said concerning contempt and jury trials. Chief Justice Taft was at one time President of the United States, and he was Chief Justice of the United States. He was a great man and a great American. His opinions are highly revered, but some of his opinions have been quoted out of context or when not applicable. I wish to take up at this time his opinions on jury trials in contempt cases.

On June 5, 1957, at his White House press conference, President Eisenhower in answer to a question asked by the National Negro Press Association as to how he stood on the jury-trial amendment to the so-called civil-rights bill quoted President Taft as being opposed to a jury trial in contempt cases. President Eisenhower stated that Mr. Taft made this statement when he was President in 1908 and there is no evidence that he ever changed his mind.

In the first place the statement was not made by Mr. Taft while President. The statement was made by Mr. Taft in a political speech at Cincinnati, Ohio, on Tuesday, July 28, 1908, in acceptance of the Republican nomination for President. Mr. Taft at the time was Secretary of War. He did not become President until March 4, 1909.

In this political speech Mr. Taft also said a trial by jury in contempt cases was never known in the history of the jurisprudence of England, or America, except in the constitution of Oklahoma. See Presidential Addresses and Papers, William H. Taft, 1910 cd., page 26.

Also in this speech Mr. Taft said the popular impression that a judge, in punishing for contempt of his own order, may be affected by a personal feeling was unfounded.

Did Mr. Taft change his mind when he became Chief Justice? He most assuredly did. He not only changed his mind on the subject of whether jury trials were had at common law in contempt cases but also changed his mind about judges having personal vindictiveness in contempt orders.

While Chief Justice of the Supreme Court Mr. Taft delivered the opinion in *Ex parte Grossman* ((1924) 267 U. S. 87) and cited eight cases at common law to show that in England a jury trial was had