It seems that the more the Russians persecute and exploit Ukraine the more determined the Ukrainian people become to win back their freedom. This is a fact of life which plagues the rulers in the Kremlin and haunts their proconsuls who are sent to Ukraine to keep that nation in bondage.

RUSSIAN COLONIALISM

All the empires of the 19th century, except one, have passed or are in the process of making the necessary accommodations for self-government of the nations concerned. That exception is the reconstructed and vastly expanded Russian Empire.

We seem to have no hesitancy in calling for the speedup of independent status for the colonial people of Asia and Africa. Moreover, we do not hesitate to call for such action despite the fact that our proven allies such as Britain and France at times become angry at us for doing so.

Yet, when it comes to calling for such action to be applied to the reconstructed Russian Empire we seem suddenly to lose our voice as a nation. Is it because we are ignorant of the facts or because we suffer from a peculiar fixation that somehow the Russians will, like the golden hordes of Ghengis Kahn, fold their tents of occupation and in the silence of the night fall back to their national frontiers? I believe it is a combination of both—and that we must work harder to dispel both these opiates upon long overdue action. You can count on me, as always, to stand with you in this work of peace.

The national independence movements which have started anew behind the Iron Curtain cannot be stopped. The tremendous ground swell of human aspirations which grips that entire area is moving ever forward to a climax—a climax which will, in God's good time, bring an end to the terrible darkness of Russian imperial communism. I join with you in the fervent hope that that happy day will not long be delayed.

Fortieth Anniversary of Ukrainian Independence

EXTENSION OF REMARKS
OF
HON. HERBERT ZELENKO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 22, 1958

Mr. ZELENKO. Mr. Speaker, 40 years ago today the Ukrainian people proclaimed their independence and established a republic, which was destroyed by the Russian Communists in 1920.

Ukraine, the largest non-Russian nation behind the Iron Curtain, is one of the most resourceful regions of the world. It is now the breadbasket and sugar bowl of the Soviet Union. In addition to its agricultural production it also stands high throughout the world in its industrial undertakings.

During its long years of subservience Ukraine has continued to struggle for liberation. One of the first victims of Russian Communist aggression, it has proved to be the Achilles' heel of the Russian Communist empire.

I am honored to pay tribute to these gallant fighters for freedom. I pray that Ukraine may soon shed its yoke of tyranny and again join the free nations of the world.

Ukrainian Independence Day

EXTENSION OF REMARKS
OF
HON. LEONARD FARBSTEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 22, 1958

Mr. FARBSTEIN. Mr. Speaker, this is a memorable day for Ukrainians everywhere on which I extend my heartfelt congratulations. It is their independence day, the 40th anniversary of that great event which took place on January 22, 1918, even when part of Ukraine was still under alien rule.

So many world-shaking events have occurred since that time that we are inclined to forget this important event. It is true that many revolutionary and startling events have altered many things in this world, including man's attitude to these events; but man himself has remained remarkably unchanged, and especially so in his appreciation of freedom and in his willingness to fight and die for it. This is well illustrated by the history of the Ukrainians.

The Ukrainian people have endured the oppressive yoke of ruthless Russian regimes, both czarist and Communist, longer than any other people. For more than 300 years they have suffered under Russian tyranny; and unfortunately they are still suffering from it. But through all this hardship and oppression they have steadfastly clung to their national ideals, even at the risk of their lives. In 1918 when they saw their chance of attaining their independence they proclaimed it and set up the Ukrainian Republic. Even though they were to lose this most cherished of their prizes in the fall of 1920 under the onslaught of the Red army, still they retain its solemn national significance. Its celebration still remains their symbol of freedom and independence.

It is that sadness and hope that we celebrate this memorable day, a day whose full meaning yet awaits fulfillment.

The 40th Anniversary of Ukraine's Independence

EXTENSION OF REMARKS
OF
HON. VICTOR L. ANFUSO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, January 22, 1958

Mr. ANFUSO. Mr. Speaker, just 40 years ago, on January 22, 1918, the Ukrainian Constituent Assembly met and adopted a proclamation establishing an independent Ukraine Republic comprising a nation of some 40 million people. Its independence, however, was shortlived. In 1920 Communist Russia occupied the Ukraine, destroyed the independence of this nation, and enslaved its people to this very day.

Thus, the Ukraine became one of the first victims of aggression by the Kremlin rulers. Since then many millions of Ukrainians have been deported to the slave labor camps and salt mines in Siberia, while those remaining on their ancestral soil have been dealt with ruthlessly.

Notwithstanding all this suffering and long enslavement, the people of the Ukraine continue to strive for freedom and to hope for their liberation from the yoke of communism. In their hopes and struggles to achieve freedom, the eyes of the Ukrainian people are turned primarily toward America for words of encouragement, for expressions of friendship, for signs of sympathetic understanding.

On this occasion of the 40th anniversary of Ukraine Independence, it is most appropriate for the freedom-loving American people to express their solidarity with the people of the Ukraine. To them and their kinsmen in America, who have never forgotten them in their tragic plight during these 4 long decades, we send our greetings and our wishes that their country will soon be liberated and will join the Free World as an independent and democratic nation.

SENATE

THURSDAY, JANUARY 23, 1958

The Very Reverend Father Stephen Hallick-Holutiak, of the Ukrainian Orthodox Church of the United States of America, Cleveland, Ohio, offered the following prayer:

O heavenly and gracious God, spirit of truth, whose might is ineffable, whose glory is inconceivable, whose mercy is infinite, and whose love toward mankind is unutterable: we praise Thee.

We are living in times of great unrest and tension. Dark and evil forces of ungodly communism threaten to enslave more and more freedom-loving peoples. Many nations have fallen before the brutal might and violent force of Communist imperialism. First among these nations is Ukraine, who today commemorates the 40th anniversary of the restoration and proclamation of her independence. Only Thou, O God, knowest of the suffering, oppression, slave labor, imprisonment, death by famine of millions of men, women, and children in the Ukraine, and, likewise, those in other countries who have suffered a similar fate.

O great and merciful God, speed the day when all nations shall be free; grant the world true and lasting peace. Strengthen with courage and determination those who seek to do Thy holy will. Grant Thy blessings, O Heavenly Father, to these, Thy servants, who have taken the responsibility of leadership in our Government and in the free world. Give them strong and loving hearts; inspire them to great things in their deliberations. Protect them and guide them by the grace of Thy Holy Spirit, that Thy will be done. May Thy name be forever blessed. Amen.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Monday, January 20, 1958, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Ratchford, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, communicated to the Senate the intelligence of the death of Hon. LAWRENCE H. SMITH, late a Representative from the State of Wisconsin, and transmitted the resolutions of the House thereon.

The message also communicated to the Senate the resolutions of the House adopted as a tribute to the memory of Hon. MATTHEW M. NEELY, late a Senator from the State of West Virginia.

The message announced that the House insisted upon its amendments 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, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SMITH of Virginia, Mr. DOWDY, and Mr. SIMPSON of Illinois were appointed as managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 9955. An act to provide for a temporary increase in the public debt limit; and

H. R. 10147. An act to permit Hon. FRANCIS E. WALTER, Member of Congress, authorization to accept the award of the Cross of Commander of the Order of Orange-Nassau conferred upon him by Her Majesty the Queen of the Netherlands.

ENROLLED JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled 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, and it was signed by the Vice President.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H. R. 9955. An act to provide for a temporary increase in the public debt limit; to the Committee on Finance.

H. R. 10147. An act to permit Hon. FRANCIS E. WALTER, Member of Congress, authorization to accept the award of the Cross of Commander of the Order of Orange-Nassau conferred upon him by Her Majesty the Queen of the Netherlands; to the Committee on Foreign Relations.

LEAVE OF ABSENCE

Mr. HOLLAND. Mr. President, I ask unanimous consent that I may be excused from attendance on the session of the Senate until next Wednesday.

The VICE PRESIDENT. Without objection, leave is granted.

COMMITTEE TO ATTEND THE FUNERAL OF THE LATE SENATOR NEELY

The VICE PRESIDENT. The Chair announces that, pursuant to the second resolving clause of Senate Resolution 243, relative to the death of Senator NEELY, of West Virginia, agreed to on Monday last, the Chair appointed on the 21st instant the members of the committee to attend the funeral at Fairmont, W. Va., on yesterday.

Without objection, the names of the members will be printed in the RECORD without reading.

The members of the committee are as follows: Mr. REVERCOMB, Mr. JOHNSON of Texas, Mr. KNOWLAND, Mr. MURRAY, Mr. HILL, Mr. SMITH of New Jersey, Mr. JOHNSTON of South Carolina, Mr. MORSE, Mr. SPARKMAN, Mr. WATKINS, Mr. CARLSON, Mr. BEALL, Mr. BIBLE, Mr. MCNAMARA, Mr. THURMOND.

BOARD OF VISITORS TO THE MILITARY ACADEMY

The VICE PRESIDENT. Pursuant to the provisions of title 10, section 1056, of the United States Code, the Chair appoints the Senator from New York [Mr. IVES] and the Senator from Rhode Island [Mr. PASTORE], as two members from the Committee on Appropriations, and the Senator from Connecticut [Mr. PURTELL], the members on the part of the Senate of the Board of Visitors to the United States Military Academy.

MEMBERS OF BOARD OF VISITORS TO COAST GUARD AND MERCHANT MARINE ACADEMIES

Mr. MAGNUSON. Mr. President, I wish to announce that I have reappointed the Senator from Rhode Island [Mr. PASTORE] and the Senator from Connecticut [Mr. PURTELL] as members of the Board of Visitors to the United States Coast Guard Academy.

I have also reappointed to the Board of Visitors to the United States Merchant Marine Academy the Senator from Ohio [Mr. LAUSCHE] and the Senator from Maine [Mr. PAYNE].

TRANSACTION OF ROUTINE BUSINESS

Mr. MANSFIELD. Mr. President, since the Senate meets today following adjournment, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements made in connection therewith be limited to 3 minutes.

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

EXECUTIVE COMMUNICATIONS, ETC.

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

REPORT OF RURAL ELECTRIFICATION ADMINISTRATION

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a report of the Administrator of the Rural Electrification Administration, for the fiscal year ended June 30, 1957 (with an accompanying report); to the Committee on Agriculture and Forestry.

REPORTS ON OVEROBLIGATIONS OF APPROPRIATIONS

A letter from the Secretary of Defense, transmitting, pursuant to law, reports on overobligations of appropriations in that Department (with accompanying papers); to the Committee on Appropriations.

AMENDMENT OF SECTION 6911 OF TITLE 10, UNITED STATES CODE, RELATING TO GRADE, PROCUREMENT, AND TRANSFER OF AVIATION CADETS

A letter from the Secretary of Defense, transmitting a draft of proposed legislation to amend section 6911 of title 10, United States Code, to provide for the grade, procurement, and transfer of aviation cadets (with an accompanying paper); to the Committee on Armed Services.

REPORT ON NUMBER OF OFFICERS ASSIGNED TO PERMANENT DUTY AT THE SEAT OF GOVERNMENT

A letter from the Director, Legislative Liaison, Department of the Air Force, Washington, D. C., reporting, pursuant to law, that, as of December 31, 1957, there was an aggregate of 2,666 officers assigned or detailed to permanent duty in the executive element of the Air Force at the seat of government; to the Committee on Armed Services.

CONSTRUCTION OF AERONAUTICAL RESEARCH FACILITIES

A letter from the Executive Secretary, National Advisory Committee for Aeronautics, Washington, D. C., transmitting a draft of proposed legislation to promote the national defense by authorizing the construction of aeronautical research facilities by the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research (with an accompanying paper); to the Committee on Armed Services.

CONTINUATION OF AUTHORITY FOR REGULATION OF EXPORTS

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to provide for continuation of authority for regulation of exports, and for other purposes (with an accompanying paper); to the Committee on Banking and Currency.

REPORT OF SECURITIES AND EXCHANGE COMMISSION

A letter from the Chairman, United States Securities and Exchange Commission, Washington, D. C., transmitting, pursuant to law, a report of that Commission, covering the fiscal year 1957 (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF BOARD OF COMMISSIONERS, DISTRICT OF COLUMBIA

A letter from the President, Board of Commissioners of the District of Columbia, transmitting pursuant to law, a report of the official operations of that government, for the

fiscal year ended June 30, 1957 (with an accompanying report); to the Committee on the District of Columbia.

REPORT OF COUNCIL ON LAW ENFORCEMENT IN THE DISTRICT OF COLUMBIA

A letter from the Chairman, Council on Law Enforcement in the District of Columbia, transmitting, pursuant to law, a report of that Council covering the period from January 1, 1957, to December 31, 1957 (with an accompanying report); to the Committee on the District of Columbia.

REPORT OF OFFICE OF CIVIL DEFENSE, DISTRICT OF COLUMBIA

A letter from the President, Board of Commissioners, District of Columbia, transmitting pursuant to law, a report of the Office of Civil Defense of the District of Columbia for the calendar year 1957 (with an accompanying report); to the Committee on the District of Columbia.

SALARY INCREASES FOR FOREIGN SERVICE PERSONNEL

A letter from the Secretary of State, transmitting a draft of proposed legislation to amend the Foreign Service Act of 1946, as amended, to provide salary increases for Foreign Service personnel equitable to those being otherwise provided for civil service and other officers and employees of the Federal Government (with accompanying papers); to the Committee on Foreign Relations.

REPORT ON FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

A letter from the Secretary of State, transmitting, pursuant to law, a report showing the condition of the Foreign Service retirement and disability fund, for the fiscal years ended June 30, 1956 and 1957 (with an accompanying report); to the Committee on Foreign Relations.

REPORT ON SURPLUS PROPERTY, DEPARTMENT OF COMMERCE

A letter from the Secretary of Commerce, reporting, pursuant to law, on surplus property disposed of during the past year, 1957, by the Department of Commerce, Maritime Administration; to the Committee on Government Operations.

REPORT OF BUREAU OF NARCOTICS, RELATING TO RESTORATION OF BALANCES WITHDRAWN FROM APPROPRIATION AND FUND ACCOUNTS

A letter from the Acting Secretary of the Treasury, transmitting, pursuant to law, a report of the Bureau of Narcotics covering restoration of balances withdrawn from appropriation and fund accounts under the control of the Treasury Department, dated December 23, 1957 (with an acompanying report); to the Committee on Government Operations.

AUDIT REPORT ON FEDERAL FACILITIES CORPORATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the Federal Facilities Corporation, Office of Production and Defense Lending, Treasury Department, for the period February 1 through June 30, 1957 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON FARM CREDIT ADMINISTRATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Farm Credit Administration, for the fiscal year ended June 30, 1957 (with an accompanying report); to the Committee on Government Operations.

REPORT ON DISPOSAL OF FOREIGN EXCESS PROPERTY, VETERANS' ADMINISTRATION

A letter from the Administrator, Veterans' Administration, Washington, D. C., transmitting, pursuant to law, a report of sales and transfers of foreign excess property by that Administration, for the period January 1, 1957, through December 31, 1957 (with an accompanying report); to the Committee on Government Operations.

REPORT OF SECRETARY OF COMMERCE

A letter from the Secretary of Commerce, transmitting, pursuant to law, his report for the fiscal year ended June 30, 1957 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

REPORT OF SECRETARY OF THE INTERIOR

A letter from the Secretary of the Interior, transmitting, pursuant to law, a report of activities and research conducted by or under contract with the Fish and Wildlife Service, to encourage the distribution of domestically produced fishery products, for the fiscal year ended June 30, 1957 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

NATALE H. BELLOCCHI AND OSCAR R. EDMONDSON

A letter from the Secretary of State, transmitting a draft of proposed legislation for the relief of Natale H. Bellocchi and Oscar R. Edmondson (with an accompanying paper); to the Committee on the Judiciary.

REPORT ON CLAIMS PAID FOR DAMAGE OCCASIONED BY VESSELS OF COAST GUARD

A letter from the Acting Secretary of the Treasury, transmitting, pursuant to law, a report on the payment of claims for damage occasioned by vessels of the Coast Guard (with an accompanying report); to the Committee on the Judiciary.

AMENDMENT OF TRADING WITH THE ENEMY ACT

A letter from the Chairman, Foreign Claims Settlement Commission of the United States, Washington, D. C., transmitting a draft of proposed legislation to amend section 39 of the Trading With the Enemy Act of October 6, 1917, as amended (with an accompanying paper); to the Committee on the Judiciary.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the application for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS AFFLICTED WITH TUBERCULOSIS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports concerning individuals admitted to the United States notwithstanding affliction with tuberculosis (with accompanying papers); to the Committee on the Judiciary.

RESCISSION OF ADJUSTMENT OF STATUS OF A CERTAIN ALIEN

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, a copy of an order relative to the rescission of adjustment of status granted Eduardo Pires (with an accompanying paper); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAME

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Thui Yet Chow from a report relating to aliens whose deportation has been suspended, transmitted to the Senate on January 15, 1957; to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Four letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law pertaining to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

FEDERAL ASSISTANCE IN CONSTRUCTION OF SCHOOLS

A letter from the Secretary, Department of Health, Education, and Welfare, transmitting a draft of proposed legislation to extend and improve the act of September 23, 1950, and the act of September 30, 1950, which provide financial assistance in the construction and operation of schools in areas affected by Federal activities, and for other purposes (with accompanying papers); to the Committee on Labor and Public Welfare.

REPORT ON POSITIONS FILLED IN CERTAIN GRADES OF CLASSIFICATION ACT OF 1949

A letter from the Director, Federal Bureau of Investigation, Department of Justice, transmitting, pursuant to law, a report on positions in grades GS–16, GS–17, and GS–18, in that Bureau, as of December 31, 1957 (with an accompanying report); to the Committee on Post Office and Civil Service.

FILLING OF CERTAIN POSITIONS BY CIVIL SERVICE COMMISSION

A letter from the Director of Personnel, Department of Commerce, reporting, pursuant to law, on the filling of positions in grades GS–16, 17, and 18, by the Civil Service Commission in the Department of Commerce, for the calendar year 1957; to the Committee on Post Office and Civil Service.

ADJUSTMENT OF SALARIES IN DEPARTMENT OF MEDICINE AND SURGERY, VETERANS' ADMINISTRATION

A letter from the Administrator, Veterans' Administration, Washington, D. C., transmitting a draft of proposed legislation to provide an adjustment of salaries for personnel of the Department of Medicine and Surgery in the Veterans' Administration (with accompanying papers); to the Committee on Labor and Public Welfare.

REPORT OF LIBRARIAN OF CONGRESS

A letter from the Librarian of Congress, transmitting, pursuant to law, a report of the affairs of the Library of Congress, including the copyright business, for the fiscal year ended June 30, 1957 (with an accompanying report); to the Committee on Rules and Administration.

PETITIONS AND MEMORIALS

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

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the State of West Virginia; to the Committee on Finance:

To Whom It May Concern:

This is to certify that the following house concurrent resolution was regularly adopted by the Legislature of West Virginia on January 15, 1958:

"House Concurrent Resolution 3

"Concurrent resolution memorializing the Congress of the United States to take action so as to afford protection to certain small industries of West Virginia

"Whereas West Virginia manufacturers of pottery, glass, ceramics, clothespins, and numerous other small industries are compet-

ing constantly with imports of foreign commodities; and

"Whereas said foreign commodities, because of the low cost of foreign labor and the use of inferior material, are sold at such low prices that the aforesaid West Virginia manufacturers are unable to compete with them without some means of protection; and

"Whereas the import of said foreign commodities is presently permitted virtually without restriction and without protection to the aforesaid small industries; and

"Whereas the present influx of foreign commodities is causing irreparable damage to the aforesaid small industries and can only result in their eventually being driven out of business, which would foster increased and widespread unemployment in West Virginia: Therefore be it

"Resolved by the house of delegates (the senate concurring therein), That the Congress of the United States is hereby requested to take immediate action to afford relief and protection to the aforesaid small industries of West Virginia, through regulation by tariffs and through such other means as are available to the Congress for the accomplishment of said end; and be it further

"Resolved, That the Secretary of State is hereby directed to forward attested copies of this concurrent resolution to the President of the United States Senate, the Speaker of the House of Representatives, and to each member of the West Virginia delegation in the Congress of the United States."

Given under my hand this the 15th day of January 1958.

C. A. BLANKENSHIP,
Clerk, West Virginia House of Delegates.

A resolution adopted by Local Union 751, United Brotherhood of Carpenters and Joiners of America, Santa Rosa, Calif., favoring the enactment of the so-called Forand bill entitled "Social Security Amendments of 1958" (with an accompanying paper); to the Committee on Finance.

The petition of Edwin McKane Helm, of Lakewood, Ohio, praying for the enactment of legislation to revise the laws relating to the registration of patents; to the Committee on the Judiciary.

The petition of William F. Anderson, of La Puente, Calif., praying for the enactment of a minimum wage law, and so forth; to the Committee on Labor and Public Welfare.

A resolution adopted by the City Council of the City of Seal Beach, Calif., favoring the recognition of Orange County, Calif, as a metropolitan area; to the Committee on Post Office and Civil Service.

A resolution adopted by the Common Council of the City of Detroit, Mich., favoring the enactment of the bill (S. 2862) to exchange certain lands in the city of Detroit, State of Michigan; to the Committee on Public Works.

The petition of Dudley D. Slater, of Toledo, Ohio, relating to the suspension of the voting rights of the State of Ohio in the Senate (with an accompanying paper); to the Committee on Rules and Administration.

CIVIL RIGHTS—PETITION

Mr. JAVITS. Mr. President, in transmitting the appended petition signed by 125 of my New York constituents, Dr. Leroy Augenstine, of Shoreham, Long Island, N. Y., writes me as follows:

The enclosed petition requires very little comment. It was drafted during the Little Rock incident to provide a means for people other than the vociferous troublemakers in the South to express their desires for civil-rights action. The 125 signatures (whites only) were gathered from neighbors and coworkers over a period of about 3 months by myself and 4 friends. Of the 109 people which I personally contacted, 93 (85 percent) signed.

I ask unanimous consent that the petition may be printed in the RECORD.

There being no objection, the petition, without the signatures attached, was ordered to be printed in the RECORD, as follows:

We, the undersigned, representing voters of both parties, believe strongly that the recent civil-rights bill was inadequate in a number of important details: first, it only dealt with voting privileges; and second, it did not contain sufficient safeguards against lack of good faith. Recent shocking events—such as the emasculation of a Negro, the Nashville school bombing, the Little Rock student incident and most important, Governor Faubus' extremely questionable use of the National Guard—have demonstrated that there are a significant number of bigots, both in the general public and in positions of responsibility, who do not intend to act in good faith; accordingly, the present civil-rights bill will be of little use. We thus feel that it is imperative that measures be taken immediately to minimize the possibility of further infringements of civil rights so that the disastrous effect of the above incidents upon our own morale and on our international standing can be reversed; it should be possible to insure that the desire of the overwhelming majority of Americans for justice will be satisfied.

Therefore, we petition you to exert all the power of your office at the next session of Congress to obtain speedy enactment of a new bill which will: (a) insure that actions either to deny or unduly delay the full enjoyment of all civil rights should not go unpunished, but (b) at the same time not exert excessive pressure which might alienate the moderate, responsible majority in the South. We believe that this can best be accomplished by reinstating the original House bill or one which closely parallels it. This bill should deal with all civil rights and should not include the jury-trial proviso. We further urge that reasonable but definite timetables for integration of schools, transportation, and other public facilities should be added as well as specifying minimum penalties for infractions.

COMPULSORY HEALTH INSURANCE—RESOLUTION

Mr. JAVITS. Mr. President, I introduce for appropriate reference, a resolution adopted by the medical board and staff of St. Joseph's Hospital, Yonkers, N. Y., protesting against the enactment of legislation providing compulsory health insurance. I ask unanimous consent that the resolution may be printed in the RECORD.

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

Whereas the staff of St. Joseph's Hospital does not feel that the Secretary of Health, Education, and Welfare should set fees for service; and

Whereas the Government would be the sole selector of the hospitals to be used by these patients; and

Whereas the total cost of this program run by Government agencies would be entirely too high; and

Whereas popular opinion in the United States opposed the Wagner-Murray-Dingell bills, and they are also opposed to this present form of national compulsory health insurance for a smaller segment of the population; and

Whereas we are completely opposed to compulsory health insurance; and

Whereas we are completely in favor and will always support and promote voluntary health insurance, and promote economic security and responsibility for individuals and families; and

Whereas progress has been satisfactory in the direction of voluntary health insurance, and we feel Government intervention with compulsory health insurance would be fatal: Be it therefore

Resolved, That the medical board and medical staff of St. Joseph's Hospital are inexorably opposed to H. R. 9467 by Congressman FORAND, of Rhode Island.

TARIFF RATES ON IRISH WOOLENS—RESOLUTION

Mr. JAVITS. Mr. President, I present, for appropriate reference, a resolution adopted by the New York State board, Ancient Order of Hibernians in America, relating to tariff rates on Irish woolens. I ask unanimous consent that the resolution may be printed in the RECORD.

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

Whereas the Ancient Order of Hibernians in America, as an American organization, is dedicated to the establishment and promotion of friendly relations between the United States and Ireland and their peoples, including a free and unrestricted reciprocal trade and commerce; and

Whereas a principal Irish export to the United States has been the products of the woolen and worsted industry of Ireland, composed entirely of hand-woven and nonautomatic loomed cloth; and

Whereas the United States Government, pursuant to the Geneva wool tariff reservation, and for the protection of the domestic woolen industry, has imposed a quota tariff on woven woolen imports, under which the ad valorem duty on such imports is increased from 25 to 45 percent in each year when the total imports of woven woolens from all countries of the world reaches 14 million pounds; and

Whereas the products of the Irish woolen and worsted industry, while subject to the operation of the said quota tariff, do not, in fact, adversely affect the American woolen industry, because of the relatively small amount of Irish cloth imported into the United States, and because these imports demonstrably are not truly competitive with American-produced cloth; and

Whereas the effect of the imposition of this quota tariff on the Irish woolen industry has been exceedingly disruptive and ultimately will be entirely destructive, resulting in unemployment, serious economic distress and emigration, thereby reducing the purchasing power of the Irish nation; and

Whereas the imposition of the said quota tariff upon Irish woolens and worsteds will have the further effect of discouraging the production of other Irish manufactured goods for export to the United States, because of the implied threat of the imposition of similar tariffs on other Irish products, with similar economic hardships; and

Whereas exports from Ireland to the United States in 1956 totaled $8,800,000 and exports from the United States to Ireland for the same year exceeded $38 million, resulting in a favorable balance of trade for the United States, which must be equalized by greater Irish exports to this country, if the United States is to continue to find a market for its exports in Ireland, therefore, we, the New York State board of the Ancient Order of Hibernians in America, do strongly urge that the said quota tariff with respect to

Irish woolens and worsteds be promptly rescinded, or that the increase in ad valorem duty under said tariff be not applied to Irish hand woven woolens, nor to any country which exports less than 400,000 pounds of machine woven woolens to the United States in any year; and we further respectfully request that the report of the Committee for Reciprocity Information contain such recommendation with respect to the said quota tariff and the imposition of the increased ad valorem duties thereunder, and that such recommendation be contained in the report of the Trade Policy Committee to the President of the United States.

TIMOTHY J. DRISCOLL,
President, New York State Board, AOH.
FRANCIS J. O'MARA,
Chairman, Buy Irish Committee, New York State Board, AOH.

PROHIBITION OF ALCOHOLIC BEVERAGE ADVERTISING—PETITION

Mr. MORTON. Mr. President, by request, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, with the signatures attached, a petition, signed by Mamie Dixon and sundry other citizens of the State of Kentucky, relating to the prohibition of alcoholic beverage advertising in interstate commerce.

There being no objection, the petition, together with the signatures attached, was referred to the Committee on Interstate and Foreign Commerce and ordered to be printed in the RECORD, as follows:

To Our Senators and Congressmen:

May we again call your attention to our urgent request for relief from the invasion of our homes by the advertising of the alcoholic beverage industry. This advertising is aimed at our children and youth. Parents today are helpless against the mass suggestion through newspapers, magazines, and especially TV and radio that to drink is harmless, conducive to health.

We urge your active support of bills now before you to remove this advertising from the channels of interstate commerce and over the air.

Mamie Dixon, 259 London Avenue, Lexington, Ky.; Grace Gentry Lamb, Rural Route 7, Lexington, Ky.; Mrs. Al Smith, Rural Route 7, Lexington, Ky.; Mrs. B. L. Murphy, Route 5, Lexington, Ky.; Mrs. John Moore, Route 7, Lexington, Ky.; Mrs. Robert Baesler, Route 7, Lexington, Ky.; Mrs. John White, Route 7, Lexington, Ky.; Mrs. Marvin Robey, Eastern State Hospital, Lexington, Ky.; Mrs. Raymond Stevens, Route 7, Lexington, Ky.; Mrs. Sarah Barrett, 1417 3d, Highlawn, Lexington, Ky.; Mrs. Lee Hazelwood, Route 7, Lexington, Ky.; Miss Mary Farney, Route 7, Lexington, Ky.; Mrs. William Kelley, Route 5, Lexington, Ky.; Mrs. H. G. Witt, Route 7, Lexington, Ky.; Mrs. G. H. Ginter, Route 7, Lexington, Ky.; Mrs. Herbert Ashcraft, Route 5, Lexington, Ky.; Mrs. Maude Hephenstine, Star Route, Goddard, Ky.; Mrs. Mattie St. Clair, Route 7, Lexington, Ky.; Margaret Penrod, Rural Route 5, Lexington, Ky.; Mrs. Shelly White, Rural Route 5, Lexington, Ky.; Mrs. J. R. Barber, Route 2, Lexington, Ky.; Mrs. Elijah Benton, Rural Route 7, Gentry Road; Mrs. Joe Helmburg, 366 South Broadway Park, Lexington, Ky.; Ruth H. Baesler, Route 7, Lexington, Ky.; Elsie Cregor, Route 7, Lexington, Ky.; Mrs. James Teater, Route 7, Lexington, Ky.; Milton Calvin, 379 South Broadway, Lexington, Ky.; Roy K. Stevens, Route 5, Lexington, Ky.; Robert C. Griggs, 132 Withers Avenue, Lexington, Ky.; Mrs. Wiedon Welch, Route 7, Lexington, Ky.; Mrs. Roy K. Stivers, Route 5, Lexington, Ky.; Mrs. W. R. Flynn, Rural Route 7, Lexington, Ky.; Mrs. Frank Batten, Jr., Route 7, Lexington, Ky.; Mrs. Charles Long, Route 5, Lexington, Ky.; Margaret Tucker, Route 7, Lexington, Ky.; Frank Batten, Route 7, Lexington, Ky.; Royce Robey, Route 7, Lexington, Ky.; Frank Creger, Route 7, Lexington, Ky.; Herbert Ashcraft, Route 5, Lexington, Ky.; Don Ashcraft, 590 Stratford Drive, Lexington, Ky.; Harry B. Tucker, Jr., Route 5, Lexington, Ky.; Harry Dixon, 1713 Silver Lane, Lexington, Ky.

PRICE SUPPORTS—LETTER

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter dated January 20, 1958, containing resolutions which were adopted by the Blackwater Farmers' Union, Local 470, of Garrison, N. Dak., relating to price supports.

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

GARRISON, N. DAK.,
January 20, 1958.

Senator WILLIAM LANGER,
Washington, D. C.:

The following resolutions were adopted by the Blackwater Farmers' Union, Local 470, at their January 17 meeting. This local has a membership of 132.

"The lowering of price supports in the past has never resulted in lower consumer prices, therefore we, the members of the Blackwater Local 470, resolve: 1. That all Senators and Representatives and all commodity groups work together to form a united front and come up with an overall farm bill with a goal of 100 percent parity for all commodities. 2. That money continue to be made available to REA and RTA at a low interest. 3. That the school lunch program be continued to be made available to all schools."

Yours truly,

Mrs. HUBERT ERB,
Secretary, Blackwater Farmers' Union, Local 470.

PRICE SUPPORTS ON DAIRY PRODUCTS—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the board of directors of the North Dakota State Dairy Show at a special meeting in Jamestown, N. Dak., January 17, 1958, relating to price supports.

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

The following resolution was adopted by the board of directors of the North Dakota State Dairy Show at a special meeting in Jamestown on January 17, 1958:

"Whereas the support price on dairy products is scheduled to be reduced on April 1, 1958; and

"Whereas the economy of North Dakota depends directly upon the economy of the farmer; and

"Whereas dairy production provides a means of stabilizing the farm economy; and

"Whereas a reduction in dairy price supports would have a depressing effect on the dairy industry in North Dakota: Now, therefore, the North Dakota State Dairy Show respectfully requests that Senator WILLIAM LANGER give full consideration to these facts and use his influence in retaining the dairy price support at the present level."

Respectfully submitted.

NORTH DAKOTA STATE DAIRY SHOW,
CLAYTON PAULSON, *President.*

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD, from the Committee on Finance, without amendment:

H. R. 5938. An act to amend section 812 (e) (1) (D) of the Internal Revenue Code of 1939 with respect to certain decedents who were adjudged incompetent before April 2, 1948 (Rept. No. 1180);

H. R. 7762. An act to amend section 233 of the Revenue Act of 1950 so that it will apply to taxable years ending in 1954 to which the Internal Revenue Code of 1939 applies (Rept. No. 1181);

H. R. 8865. An act relating to the administration of certain collected taxes (Rept. No. 1182); and

H. R. 9035. An act to amend the Internal Revenue Code of 1954 with respect to the basis of stock acquired by the exercise of restricted stock options after the death of the employee (Rept. No. 1183).

By Mr. BYRD, from the Committee on Finance, with amendments:

H. R. 8216. An act to amend the Internal Revenue Code of 1954 to prevent unjust enrichment by precluding refunds of alcohol and tobacco taxes to persons who have not borne the ultimate burden of the tax (Rept. No. 1184).

By Mr. FULBRIGHT, from the Committee on Banking and Currency, without amendment:

S. 2920. A bill to provide for small-business disaster loans in areas affected by excessive rainfall (Rept. No. 1185); and

S. Res. 214. Resolution authorizing the Committee on Banking and Currency to investigate certain matters under its jurisdiction (Rept. No. 1188); referred to the Committee on Rules and Administration.

By Mr. SPARKMAN, from the Committee on Banking and Currency, without amendment:

S. Res. 207. Resolution to investigate matters pertaining to public and private housing (Rept. No. 1187); referred to the Committee on Rules and Administration.

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, with an amendment:

S. Res. 224. Resolution authorizing the Committee on Interstate and Foreign Commerce to investigate certain matters under its jurisdiction; referred to the Committee on Rules and Administration.

ADDITIONAL EXPENDITURES BY COMMITTEE ON FINANCE

Mr. BYRD, from the Committee on Finance, reported an original resolution (S. Res. 245), which was referred to the Committee on Rules and Administration, as follows:

Resolved, That the Committee on Finance is hereby authorized to expend from the contingent fund of the Senate, during the 85th Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act, approved August 2, 1946.

ANNUAL REPORT OF COMMITTEE ON GOVERNMENT OPERATIONS (S. REPT. NO. 1186)

Mr. McCLELLAN. Mr. President, the Senate Permanent Subcommittee on Investigations of the Committee on Government Operations, pursuant to the Legislative Reorganization Act of 1946 and rule XXV of the Standing Rules of the Senate (g) (2) (B), is given the duty of studying the operations of Government activities at all levels with a view of determining its economy and efficiency, and, under subsection (C), of evaluating the effects of laws enacted to reorganize the legislative and executive branches of the Government. Its jurisdiction and responsibilities make it in effect a watchdog subcommittee over the several hundred separate departments, agencies, and independent offices of the executive branch of the Government, which is composed of 2,328,000 civilians and 2,693,300 military personnel. The cost of operating these various departments of the Government is approximately $67 billion.

During the past year the subcommittee conducted 49 actual investigations and 47 preliminary inquiries. Fourteen days of public hearings were held during which time 70 witnesses were heard. In addition, there were 15 days of executive sessions at which time 45 witnesses were heard.

The subcommittee's investigations and hearing extended through the operations of many governmental agencies including the Department of Defense, Department of the Army, Department of the Air Force, Civil Aeronautics Board, Department of State, Export-Import Bank, Department of Labor, National Labor Relations Board, the Department of Treasury, and the General Services Administration.

Prolonged hearings were held in connection with textile procurement in the military service. Evidence introduced clearly showed bribery, inefficiency, and other improprieties existed on a large scale in the Government procurement of millions of dollars worth of military clothing. Although the investigating subcommittee is not a court of law, and does not seek to be, the direct result of the information developed at the hearings held in 1955 was the conviction of six individuals in the United States District Court for the Southern District of New York for conspiracy to defraud the United States Government. The sentences which were imposed on May 15, 1957, are as follows:

Harry Lev, 9 months and a fine of $5,000; Raymond Wool, former Air Force captain in the Purchasing Section of the Armed Service Textile and Apparel Procurement Agency, 18 months and a fine of $1,500; Marvin Rubin, 15 months and a fine of $1,000; Mrs. Mella Hort, former procurement clerk in the Armed Services Textile and Apparel Procurement Agency, 2 years' probation and a fine of $1,500; Maurice Ades, 2 years' probation; and Joseph Porreca, former Chief Inspector of the Textile Fabrication Branch, New York Quartermaster Procurement Agency and the Armed Services Textile and Apparel Procurement Agency, 2 years' probation and a fine of $3,500.

Hearings also were held concerning leaks of the secret Civil Aeronautics Board decision of August 2, 1956. The investigation disclosed two leaks which had caused a substantial increase in the trading of Northeast Airlines stock on August 3, 1956. Legislation, making it a criminal penalty for anyone in any regulatory agency to wilfully disclose information in any adjudicated matter, has been introduced in the Senate. At the present time this bill is before the Judiciary Committee.

Investigation revealed that 350 M–8 armored cars, purchased by the United Auto Parts Co., Inc., from the United States Army at an average price of $375 were subsequently rebuilt and sold to the French Government at an average price of $3,675. At the time of the purchase from the United States Army, certain demilitarization provisions as well as scrap warranties were stipulated in the contract of sale. The Department of State, despite the fact that it was aware of the apparent violation of the contract by the United Auto Parts, Inc., granted an export license to the French Government for these vehicles.

The investigation of the conflict of interest situation involving Robert Tripp Ross, the Assistant Secretary of Defense for Legislative and Public Affairs, resulted in his resignation.

Supply waste and excesses in the Northeast Air Command, which consisted of nine Air Force bases in the Northern Hemisphere, was the subject of investigation by the subcommittee. Testimony revealed that one Army unit had spare parts for technical equipment amounting to $1 million, whereas it should have had $75,000 worth. In one instance an Army warrant officer, contrary to all regulations, caused to be buried excess parts valued at approximately $33,000. The Department of Defense has reported that the accumulation of excesses was the result of many improper practices being carried on by Air Force base supply, as well as by certain units in the field. Corrective action has been taken by the Secretary of Defense, who, together with the Air Force and the Army, was most cooperative.

Executive hearings were held concerning the Export-Import Bank of Washington, General Services Administration, and Minera Fernandez, a corporation which owned a manganese mine in Parral, Mexico. Testimony showed that the bank lost $650,000 and GSA lost $90,618.78 in their attempts to obtain manganese from this mine.

Public hearings were held in January of this year on labor racketeering in connection with the violation or nonenforcement of Government laws and regulations in the labor union field. The subcommittee was interested in determining the adequacy of existing statutes affecting the Department of Labor, the National Labor Relations Board, and the Treasury Department, and whether present rules and regulations enable them to administer the law efficiently. The subcommittee was also interested in whether any changes should be made to enable these agencies to determine the adequacy, accuracy, and truthfulness of financial reports supplied by labor unions and labor union officials. Testimony revealed that certain reports and financial statements must be filed by labor unions with the Department of Labor, but this Department is powerless to make any investigation concerning the truth or falsity of the material filed. This is also true of the National Labor Relations Board.

The subcommittee also wanted to know if additional legislation is needed to aid the Bureau of Internal Revenue to investigate labor organizations which under the law are tax exempt. Testimony revealed that this Bureau is very much impeded in securing the records of any labor organization because of a decision by the Court of Appeals for the Ninth District.

The subcommittee was well aware that many of the matters involved in labor racketeering, which it had been investigating for several months, did not fall within its jurisdiction. However, its limited inquiry in this field was believed to come within its jurisdiction. Several witnesses testified in connection with this subject matter, four of whom objected to the jurisdiction of the subcommittee in this field. As a result of their testimony, Frank Brewster, Einar Mohn, Nugent LaPoma, and Harry Reiss were cited for contempt of the Senate on February 19, 1957, in that they had refused to answer certain questions. On June 26, 1957, Frank Brewster was found guilty by the United States District Court in Washington, D. C., and received a sentence of 1 year and a fine of $1,000. Similarly, Nugent LaPoma was found guilty on July 31, 1957, receiving a suspended sentence of 1 month and a fine of $1,000. These cases have been appealed and by agreement Einar Mohn and Harry Reiss will not be tried pending the outcome of this appeal.

In many cases deficiencies, resulting from waste and inefficiency, were administrative in nature and were brought to the attention of the executive branch involved for corrective action. This was particularly true in cases involving intra-agency matters requiring organizational or procedural changes within a given agency.

The work of the subcommittee was conducted with an appropriation of $210,000, and approximately $12,000 of this amount will be unexpended and returned to the Treasury of the United States.

On January 30, 1957, the Select Committee on Improper Activities in the Labor or Management Field was created by the Senate under my chairmanship. Pursuant to Senate Resolution 74, creating this select committee, six professional staff members of the Senate Permanent Subcommittee on Investigations

were loaned to the Senate select committee. These staff members had been investigating labor racketeering for several months prior to the creation of the select committee, and it was felt that their experience in this field was invaluable to the work that the select committee was to undertake. In addition, 1 clerk from this subcommittee was loaned to the select committee, and 2 clerks worked jointly for both committees. Thus, approximately $97,000 of the money appropriated to the Senate Permanent Subcommittee on Investigations has been used by the Select Committee on Improper Activities in the Labor or Management Field.

The subcommittee wishes to express its sincere appreciation to the General Accounting Office for the assistance rendered during the past year.

Mr. President, on behalf of the Government Operations Committee, I submit the annual report of the Senate Permanent Subcommittee on Investigations.

Mr. President, I may say that the report contains detailed information which I believe will be of great interest to the Members of the Senate. However, in view of the fact that I must return immediately to my committee, I ask unanimous consent to have the report printed in the RECORD, as a part of my remarks.

The VICE PRESIDENT. The report will be received and printed, as requested by the Senator from Arkansas.

REPORT ON 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.

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—CIVILIAN EMPLOYMENT IN EXECUTIVE BRANCH

Mr. BYRD. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit a summary of monthly personnel reports on civilian employment in the executive branch of the Federal Government issued during the recess of the Congress. These reports were concerned with employment and payrolls during the period June–November 1957, inclusive.

In accordance with the practice of several years' standing, I request that it be printed in the body of the RECORD as a part of my remarks, together with a statement by me.

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

Personnel and pay summary, June through November 1957

Total and major categories	Civilian personnel in executive branch			Payroll (in thousands) in executive branch		
	In November numbered	In June numbered	Increase (+), decrease (−)	In October was	In May was	Increase (+), decrease (−)
Total [1]	2,330,107	2,401,314	−71,207	$959,203	$963,757	−$4,554
Agencies exclusive of Department of Defense	1,237,516	1,240,310	−2,794	498,284	487,226	+11,058
Department of Defense	1,092,591	1,161,004	−68,413	460,919	476,531	−15,612
Inside continental United States	2,133,005	2,196,503	−63,498			
Outside continental United States	197,102	204,811	−7,709			
Industrial employment	569,206	653,685	−84,479			
Foreign nationals	[2] 240,910	267,894	−26,984	26,987	29,260	−2,273

[1] Exclusive of foreign nationals shown in the last line of this summary.

[2] Subject to revision.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during November 1957, and comparison with June 1957, and pay for October 1957, and comparison with May 1957*

Department or agency	Personnel				Pay (in thousands)			
	November	June	Increase	Decrease	October	May	Increase	Decrease
Executive departments (except Department of Defense):								
Agriculture	85,516	96,019		10,503	$33,082	$32,430	$652	
Commerce [1]	51,681	52,290		609	24,792	23,918	874	
Health, Education, and Welfare	53,297	52,592	705		23,023	22,706	317	
Interior	49,702	[2] 55,334		5,632	23,214	[3] 22,538	676	
Justice	30,703	30,613	90		15,963	15,813	150	
Labor	5,874	5,937		63	2,882	2,882		
Post Office	536,367	521,198	15,169		200,790	194,341	6,449	
State [4]	34,276	[3] 33,987	289		13,948	13,159	789	
Treasury	77,990	78,376		386	37,069	37,597		$528
Executive Office of the President:								
White House Office	398	389	9		238	244		6
Bureau of the Budget	447	442	5		323	314	9	
Council of Economic Advisers	31	31			24	23	1	
Executive Mansion and Grounds	71	72		1	28	30		2
National Security Council [5]	61	26	35		39	19	20	
Office of Defense Mobilization	265	273		8	161	165		4
President's Advisory Committee on Government Organization	6	6			4	3	1	
Independent agencies:								
Advisory Committee on Weather Control	16	9	7		4	4		
Airways Modernization Board [6]	26		26					
Alexander Hamilton Bicentennial Commission	3	9		6	3	6		3
American Battle Monuments Commission	571	606		35	92	101		9
Atomic Energy Commission	6,808	6,910		102	3,956	3,793	163	
Board of Governors of the Federal Reserve System	587	589		2	314	320		6
Boston National Historic Sites Commission	2	4		2	1	1		
Civil Aeronautics Board	662	602	60		341	356		15
Civil Service Commission	4,284	4,475		191	2,028	2,181		153
Commission of Fine Arts	4	4			2	2		
Corregidor Bataan Memorial Commission	2	1	1		2	3		1
District of Columbia Auditorium Commission		18		18		1		1
Export-Import Bank of Washington	201	185	16		133	121	12	
Farm Credit Administration	916	950		34	502	530		28
Federal Civil Defense Administration	1,264	1,272		8	735	696	39	
Federal Coal Mine Safety Board of Review	8	7	1		4	3	1	
Federal Communications Commission	1,200	1,197	3		660	654	6	

[1] November figure includes 160 seamen on the rolls of the Maritime Administration and their pay.

[2] Adjusted to exclude the Virgin Islands Corporation, which is now being reported as an independent agency.

[3] Revised.

[4] November figure includes 12,046 employees of the International Cooperation Administration as compared with 11,449 in June and their pay. These ICA figures include employees who are paid from foreign currencies deposited by foreign governments in a trust fund for this purpose. The November figure includes 2,979 of these trust-fund employees and the June figure includes 2,779.

[5] Exclusive of personnel and pay of the Central Intelligence Agency.

[6] New agency, created pursuant to Public Law 133, 85th Cong. Functions transferred from Civil Aeronautics Administration, Commerce Department, Nov. 5, 1957.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during November 1957, and comparison with June 1957, and pay for October 1957, and comparison with May 1957*—Continued

Department or agency	Personnel				Pay (in thousands)			
	November	June	Increase	Decrease	October	May	Increase	Decrease
Independent agencies—Continued								
Federal Deposit Insurance Corporation	1,183	1,148	35		$624	$610	$14	
Federal Home Loan Bank Board	776	750	26		390	374	16	
Federal Mediation and Conciliation Service	323	332		9	251	249	2	
Federal Power Commission	707	758		51	407	410		$3
Federal Trade Commission	731	744		13	443	443		
Foreign Claims Settlement Commission	100	114		14	58	66		8
General Accounting Office	5,450	5,515		65	2,868	2,634	234	
General Services Administration [1]	27,312	27,412		100	10,971	10,414	557	
Government Contract Committee	21	21			11	11		
Government Printing Office	6,425	6,460		35	3,069	3,183		114
Housing and Home Finance Agency	9,722	9,893		171	5,033	5,140		107
Indian Claims Commission	16	14	2		12	11	1	
Interstate Commerce Commission	2,217	2,188	29		1,189	1,174	15	
Jamestown-Williamsburg-Yorktown Celebration Commission	4	5		1	3	3		
National Advisory Committee for Aeronautics	7,740	7,992		252	4,287	4,126	161	
National Capital Housing Authority	270	254	16		114	111	3	
National Capital Planning Commission	35	36		1	21	20	1	
National Gallery of Art	329	333		4	116	116		
National Labor Relations Board	1,128	1,151		23	719	679	40	
National Mediation Board	107	109		2	86	83	3	
National Science Foundation	303	323		20	169	152	17	
National Security Training Commission [2]		6		6		2		2
Panama Canal	14,275	14,168	107		3,645	3,669		24
Railroad Retirement Board	2,457	2,431	26		983	1,025		42
Renegotiation Board	337	359		22	232	275		43
St. Lawrence Seaway Development Corporation	32	38		6	23	27		4
Securities and Exchange Commission	828	785	43		473	456	17	
Selective Service System	6,296	6,856		560	1,624	1,879		255
Small Business Administration	1,269	1,161	108		704	618	86	
Smithsonian Institution	840	878		38	352	316	36	
Soldiers' Home	1,003	1,032		29	274	260	14	
Subversive Activities Control Board	33	37		4	24	26		2
Tariff Commission	215	217		2	133	131	2	
Tax Court of the United States	152	145	7		97	93	4	
Tennessee Valley Authority	14,910	15,651		741	7,540	7,455	85	
Theodore Roosevelt Centennial Commission	11	8	3		4	4		
United States Information Agency	11,044	11,820		776	3,498	3,555		57
Veterans' Administration	175,062	174,022	1,040		63,401	62,320	1,081	
Virgin Islands Corporation	614	717		103	79	148		69
Woodrow Wilson Centennial Celebration Commission [3]		4		4		4		4
Total, excluding Department of Defense	1,237,516	1,240,310	17,858	20,652	498,284	487,226	12,548	1,490
Net change, excluding Department of Defense			2,794				11,058	
Department of Defense:								
Office of the Secretary of Defense	1,629	1,694		65	1,078	1,094		16
Department of the Army	410,840	429,236		18,396	167,074	170,538		3,464
Department of the Navy	367,088	389,725		22,637	160,070	168,491		8,421
Department of the Air Force	313,034	340,349		27,315	132,697	136,408		3,711
Total, Department of Defense	1,092,591	1,161,004		68,413	460,919	476,531		15,612
Net decrease, Department of Defense			68,413				15,612	
Grand total, including Department of Defense	2,330,107	2,401,314	17,858	89,065	959,203	963,757	12,548	17,102
Net decrease, including Department of Defense			71,207				4,554	

[1] Includes 6 employees of the Federal Facilities Corporation.
[2] Agency abolished by letter from the President dated Mar. 25, 1957.
[3] Agency abolished June 30, 1957, pursuant to Public Law 705, 83d Cong.

TABLE II.—*Federal personnel inside continental United States employed by the executive agencies during November 1957, and comparison with June 1957*

Department or agency	November	June	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	84,152	94,665		10,513
Commerce [1]	47,476	47,976		500
Health, Education, and Welfare	51,490	50,740	750	
Interior	46,492	51,514		5,022
Justice	30,165	30,069	96	
Labor	5,737	5,824		87
Post Office	533,826	518,719	15,107	
State [2]	8,526	8,592		66
Treasury	76,989	77,366		377
Executive Office of the President:				
White House Office	398	389	9	
Bureau of the Budget	447	442	5	
Council of Economic Advisers	31	31		
Executive Mansion and Grounds	71	72		1
National Security Council [3]	61	26	35	
Office of Defense Mobilization	265	273		8
President's Advisory Committee on Government Organization	6	6		
Independent agencies:				
Advisory Committee on Weather Control	16	9	7	
Airways Modernization Board [4]	26		26	
Alexander Hamilton Bicentennial Commission	3	9		6
American Battle Monuments Commission	21	20	1	
Atomic Energy Commission	6,781	6,891		110
Board of Governors of the Federal Reserve System	587	589		2
Boston National Historic Sites Commission	2	4		2
Civil Aeronautics Board	658	598	60	
Civil Service Commission	4,267	4,459		192
Commission of Fine Arts	4	4		
Corregidor Bataan Memorial Commission	2	1	1	
District of Columbia Auditorium Commission		18		18
Export-Import Bank of Washington	201	185	16	
Farm Credit Administration	906	940		34
Federal Civil Defense Administration	1,264	1,272		8
Federal Coal Mine Safety Board of Review	8	7	1	
Federal Communications Commission	1,176	1,172	4	
Federal Deposit Insurance Corporation	1,181	1,146	35	
Federal Home Loan Bank Board	776	750	26	
Federal Mediation and Conciliation Service	323	332		9
Federal Power Commission	707	758		51
Federal Trade Commission	731	744		13
Foreign Claims Settlement Commission	100	114		14
General Accounting Office	5,375	5,441		66
General Services Administration [5]	27,252	27,313		61
Government Contract Committee	21	21		
Government Printing Office	6,425	6,460		35
Housing and Home Finance Agency	9,546	9,725		179
Indian Claims Commission	16	14	2	
Interstate Commerce Commission	2,217	2,188	29	

[1] November figure includes 160 seamen on the rolls of the Maritime Administration.
[2] November figure includes 1,758 employees of the International Cooperation Administration as compared with 1,733 in June.
[3] Exclusive of personnel of the Central Intelligence Agency.
[4] New agency, created pursuant to Public Law 133, 85th Cong. Functions transferred from Civil Aeronautics Administration, Commerce Department, Nov. 5, 1957.
[5] Includes 6 employees of the Federal Facilities Corporation.

TABLE II.—*Federal personnel inside continental United States employed by the executive agencies during November 1957, and comparison with June 1957*—Continued

Department or agency	November	June	Increase	Decrease
Independent agencies—Continued				
Jamestown-Williamsburg-Yorktown Celebration Commission	4	5		1
National Advisory Committee for Aeronautics	7,740	7,992		252
National Capital Housing Authority	270	254	16	
National Capital Planning Commission	35	36		1
National Gallery of Art	329	333		4
National Labor Relations Board	1,111	1,132		21
National Mediation Board	107	109		2
National Science Foundation	303	323		20
National Security Training Commission [6]		6		6
Panama Canal	423	404	19	
Railroad Retirement Board	2,457	2,431	26	
Renegotiation Board	337	359		22
St. Lawrence Seaway Development Corporation	32	38		6
Securities and Exchange Commission	828	785	43	
Selective Service System	6,110	6,662		552
Small Business Administration	1,253	1,149	104	
Smithsonian Institution	838	877		39
Soldiers' Home	1,003	1,032		29
Subversive Activities Control Board	33	37		4
Tariff Commission	215	217		2
Tax Court of the United States	152	145	7	
Tennessee Valley Authority	14,910	15,651		741
Theodore Roosevelt Centennial Commission	11	8	3	
United States Information Agency	2,673	2,776		103
Veterans' Administration	173,820	172,780	1,040	
Woodrow Wilson Centennial Celebration Commission [7]		4		4
Total, excluding Department of Defense	1,171,718	1,173,433	17,468	19,183
Net decrease, excluding Department of Defense			1,715	
Department of Defense:				
Office of the Secretary of Defense	1,584	1,650		66
Department of the Army	349,917	366,731		16,814
Department of the Navy	335,302	357,099		21,797
Department of the Air Force	274,484	297,590		23,106
Total, Department of Defense	961,287	1,023,070		61,783
Net decrease, Department of Defense			61,783	
Grand total, including Department of Defense	2,133,005	2,196,503	17,468	80,966
Net decrease, including Department of Defense			63,498	

[6] Agency abolished by letter from the President dated Mar. 25, 1957.

[7] Agency abolished June 30, 1957, pursuant to Public Law 705, 83d Cong.

TABLE III.—*Federal personnel outside continental United States employed by the executive agencies during November 1957, and comparison with June 1957*

Department or agency	November	June	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	1,364	1,354	10	
Commerce	4,205	4,314		109
Health, Education, and Welfare	1,807	1,852		45
Interior	3,210	[1] 3,820		610
Justice	538	544		6
Labor	137	113	24	
Post Office	2,541	2,479	62	
State [2]	25,750	[3] 25,395	355	
Treasury	1,001	1,010		9
Independent agencies:				
American Battle Monuments Commission	550	586		36
Atomic Energy Commission	27	19	8	
Civil Aeronautics Board	4	4		
Civil Service Commission	17	16	1	
Farm Credit Administration	10	10		
Federal Communications Commission	24	25		1
Federal Deposit Insurance Corporation	2	2		
General Accounting Office	75	74	1	
General Services Administration	60	99		39
Housing and Home Finance Agency	176	168	8	
National Labor Relations Board	17	19		2
Panama Canal	13,852	13,764	88	
Independent agencies—Continued				
Selective Service System	186	194		8
Small Business Administration	16	12	4	
Smithsonian Institution	2	1	1	
United States Information Agency	8,371	9,044		673
Veterans' Administration	1,242	1,242		
Virgin Islands Corporation	614	717		103
Total, excluding Department of Defense	65,798	66,877	562	1,641
Net decrease, excluding Department of Defense			1,079	
Department of Defense:				
Office of the Secretary of Defense	45	44	1	
Department of the Army	60,923	62,505		1,582
Department of the Navy	31,786	32,626		840
Department of the Air Force	38,550	42,759		4,209
Total, Department of Defense	131,304	137,934	1	6,631
Net decrease, Department of Defense			6,630	
Grand total, including Department of Defense	197,102	204,811	563	8,272
Net decrease, including Department of Defense			7,709	

[1] Adjusted to exclude the Virgin Islands Corporation which is now being reported as an independent agency.

[2] November figure includes 10,288 employees of the International Cooperation Administration as compared with 9,716 in June. These ICA figures include employees who are paid from foreign currencies deposited by foreign governments in a trust fund for this purpose. The November figure includes 2,979 of these trust-fund employees and the June figure includes 2,779.

[3] Revised.

TABLE IV.—*Industrial employees of the Federal Government inside and outside continental United States employed by the executive agencies during November 1957, and comparison with June 1957*

Department or agency	November	June	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	3,141	3,125	16	
Commerce	2,471	2,448	23	
Interior	6,906	[1] 7,281		375
Treasury	5,590	5,589	1	
Independent agencies:				
Atomic Energy Commission	148	166		18
Federal Communications Commission	14	14		
General Services Administration	1,105	1,122		17
Government Printing Office	6,425	6,460		35
National Advisory Committee for Aeronautics	7,740	7,992		252
Panama Canal	7,219	7,152	67	
Tennessee	12,124	12,805		681
Virgin Islands Corporation	614	717		103
Total, excluding Department of Defense	53,497	54,871	107	1,481
Net decrease, excluding Department of Defense			1,374	
Department of Defense:				
Department of the Army:				
Inside continental United States	[2] 135,025	[3] 178,349		43,324
Outside continental United States	[2] 10,575	[3] 23,462		12,887
Department of the Navy:				
Inside continental United States	204,206	219,447		15,241
Outside continental United States	5,232	5,680		448
Department of the Air Force:				
Inside continental United States	154,979	165,288		10,309
Outside continental United States	5,692	6,588		896
Total, Department of Defense	515,709	598,814		83,105
Net decrease, Department of Defense			83,105	
Grand total, including Department of Defense	569,206	653,685	107	84,586
Net decrease, including Department of Defense			84,479	

[1] Adjusted to exclude the Virgin Islands Corporation, which is now being reported as an independent agency.

[2] Subject to revision.

[3] Revised.

TABLE V.—*Foreign nationals working under United States agencies overseas, excluded from tables I through IV of this report, whose services are provided by contractual agreement between the United States and foreign governments, or because of the nature of their work or the source of funds from which they are paid, as of November 1957, and comparison with June 1957*

Country	Total		Army		Navy		Air Force	
	November	June	November	June	November	June	November	June
Belgium	7	6					7	6
Denmark	1	1					1	1
England	5,574	6,676			36	37	5,538	6,639
France	23,918	25,047	[1] 17,189	17,785			6,729	7,262
French Morocco	5,401	5,788	[1] 51	160	926	966	4,424	4,662
Germany	90,407	98,226	[1] 76,532	82,140	401	433	13,474	15,653
Japan	110,287	126,546	[1] 57,003	[2] 65,404	17,914	19,169	35,370	41,973
Korea	4,639	4,888	[1] 4,639	4,888				
Malta	93	118			93	118		
Netherlands	40	41					40	41
Norway	24	22					24	22
Trinidad	519	535			519	535		
Total	240,910	267,894	[1] 155,414	170,377	19,889	21,258	65,607	76,259

[1] Subject to revision.
[2] Revised.

NOTE.—The Germans are paid from funds provided by German Governments. The French and English reported by the Army and Air Force are paid from funds appropriated for personal services. All others are paid from funds appropriated for other contractual services.

STATEMENT BY SENATOR BYRD

Civilian employment in the executive branch of the Federal Government decreased 71,207 during the period June through November 1957. The total in June was 2,401,314. In November there were 2,330,107 civilian employees.

Employment by civilian agencies of the Federal Government showed a net decrease of 2,794 during the period from June through November 1957, decreasing from 1,240,310 in June to 1,237,516 in November. Civilian employment in the Department of Defense decreased 68,413 during the same period, dropping from 1,161,004 in June to 1,092,591 in November.

In the Department of Defense white-collar employment increased 14,692 from 562,190 in June to 576,882 in November, and industrial employment decreased 83,105 from 598,814 in June to 515,709 in November.

In May the Federal civilian payroll was running at an annual rate of $11,565 million, and in October it was running at an annual rate of $11,510 million.

These figures summarize compilations of monthly personnel reports certified by executive agencies to the Joint Committee on Reduction of Nonessential Federal Expenditures since Congress adjourned August 30, 1957.

In addition to this regularly reported civilian employment, there were foreign nationals working under United States military agencies overseas, excluded from usual personnel reporting, whose services are provided by contractual agreement between the United States and foreign governments, or because of the nature of their work or the source of funds from which they are paid. These numbered 267,894 in June and 240,910 in November, a decrease of 26,984.

BILLS AND JOINT RESOLUTIONS INTRODUCED

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

By Mr. JENNER:

S. 3061. A bill to incorporate the National Society Daughters of the Union 1861–65; and

S. 3062. A bill for the relief of Nettie Korn and Manfred Korn; to the Committee on the Judiciary.

By Mr. MANSFIELD (by request):

S. 3063. A bill for the relief of Andjelka Kolacio and her minor daughter, Slavka Kolacio; to the Committee on the Judiciary.

By Mr. PAYNE:

S. 3064. A bill to amend section 221 (d) (2) of the National Housing Act; to the Committee on Banking and Currency.

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

By Mr. SMATHERS (for himself and Mr. KEFAUVER):

S. 3065. A bill to amend section 27 of the Merchant Marine Act, 1920; to the Committee on Interstate and Foreign Commerce.

By Mr. MALONE:

S. 3066. A bill for the relief of Emmanuel Xenofon Molin; to the Committee on the Judiciary.

S. 3067. A bill authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon; to the Committee on Interior and Insular Affairs.

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

By Mr. KNOWLAND:

S. 3068. A bill to regulate certain internal affairs of labor organizations by providing processes and procedures for insuring democratic control of such organizations by the rank and file membership thereof; to the Committee on Labor and Public Welfare.

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

By Mr. SMITH of New Jersey:

S. 3069. A bill to extend and improve the act of September 23, 1950, and the act of September 30, 1950, which provide financial assistance in the construction and operation of schools in areas affected by Federal activities, and for other purposes; to the Committee on Labor and Public Welfare.

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

By Mr. AIKEN (for himself, Mr. MANSFIELD, Mr. LANGER, Mr. HUMPHREY, Mr. IVES, Mr. DOUGLAS, Mr. PURTELL, Mr. HOLLAND, Mr. YOUNG, Mr. CHURCH, Mr. PAYNE, and Mr. WILEY):

S. 3070. A bill to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in the schools; to the Committee on Agriculture and Forestry.

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

By Mr. LANGER:

S. 3071. A bill for the relief of John P. Vournas, Gus E. Vournas, and John E. Vournas; and

S. 3072. A bill for the relief of Charles Herband; to the Committee on the Judiciary.

S. 3073. A bill to amend the Federal Power Act so as to prohibit the Federal Power Commission, in exercising their ratemaking power with respect to the transmission and sale of electric energy subject to its jurisdiction, from treating as operating expenses those expenses incurred by electric utilities in propagandizing against Federal power policies and rural electric cooperatives; to the Committee on Interstate and Foreign Commerce.

S. 3074. A bill to amend the Internal Revenue Code of 1954 so as to prohibit the allowance as a business deduction of expenses incurred by electric power companies in propagandizing against Federal electric power policies and rural electric cooperatives; to the Committee on Finance.

(See the remarks of Mr. LANGER when he introduced the last two above-mentioned bills, which appear under a separate heading.)

By Mr. LANGER (for himself and Mr. YOUNG):

S. 3075. A bill to provide that 1958 price-support levels on wheat and dairy products shall not be lower than the levels established for 1957; to the Committee on Agriculture and Forestry.

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

By Mr. ELLENDER (by request):

S. 3076. A bill to amend section 12 of the act of May 29, 1884, relating to research on foot-and-mouth disease and other animal diseases; and

S. 3077. A bill to authorize the Secretary of Agriculture to grant easements for rights-of-way over national forest lands and other lands under the jurisdiction of the Forest Service, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. BENNETT:

S. 3078. A bill for the relief of the Smith Canning Co.; to the Committee on the Judiciary.

By Mr. SPARKMAN (for himself, Mr. HILL, Mr. HUMPHREY, Mr. MORSE, Mr. PROXMIRE, Mr. THYE, Mr. JAVITS, Mr. NEUBERGER, Mr. O'MAHONEY, Mr. YARBOROUGH, and Mr. LONG):

S. 3079. A bill to amend the Clayton Act to permit the institution of actions for damages for violations of the Robinson-Patman Act, and for other purposes; to the Committee on the Judiciary.

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

By Mr. POTTER:

S. 3080. A bill for the relief of Kimiko Araki; to the Committee on the Judiciary.

By Mr. RUSSELL (for himself and Mr. SALTONSTALL) (by request):

S. 3081. A bill to change the method of computing basic pay for members of the uniformed services, to provide term retention contracts for reserve officers, and for other purposes; to the Committee on Armed Services.

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

By Mr. RUSSELL (for himself and Mrs. SMITH of Maine):

S. 3082. A bill to amend title 10, United States Code, with respect to the computation of retired pay, and for other purposes; to the Committee on Armed Services.

By Mr. WATKINS:

S. 3083. A bill to amend section 24 of the Federal Reserve Act to clarify the requirements of such section in the case of loans made by national banks when the collateral offered represents liens on grazing lands; to the Committee on Banking and Currency.

S. 3084. A bill to limit the amount of price-support payments which may be made to producers of agricultural commodities; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. WATKINS when he introduced the above-mentioned bills, which appear under separate headings.)

By Mr. MURRAY:

S. 3085. A bill to continue the temporary suspension of duty on certain alumina and bauxite; to the Committee on Finance.

By Mr. PROXMIRE:

S. 3086. A bill to amend title II of the Social Security Act to raise the amount of insurance benefits payable thereunder, provide full benefits for women at age 62, raise the maximum amount of annual earnings with respect to which benefits thereunder may be based, provide for hospitalization insurance, eliminate any age requirement for eligibility for disability insurance benefits, provide insurance benefits for dependents of disabled individuals, and to otherwise revise, improve, and liberalize the insurance system established by such title, and for other purposes; to the Committee on Finance.

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

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

S. 3087. A bill to provide for the establishment of Fort Clatsop National Memorial in the State of Oregon, and for other purposes; to the Committee on Interior and Insular Affairs.

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

By Mr. CHAVEZ:

S. 3088. A bill to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to the Committee on Public Works.

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

By Mr. McNAMARA (for himself and Mr. HUMPHREY):

S. 3089. A bill to provide for holding a White House Conference on Aging to be called by the President of the United States before December 31, 1958, to be planned and conducted by the Special Staff on Aging of the United States Department of Health, Education, and Welfare with the assistance and cooperation of other agencies of that Department and of other departments and agencies represented on the Federal Council on Aging; to assist the several States in conducting similar conferences on aging prior to the White House Conference on Aging; and for related purposes; to the Committee on Labor and Public Welfare.

By Mr. JAVITS (for himself and Mr. CASE of New Jersey):

S. 3090. A bill to amend part III of the Civil Rights Act of 1957; to the Committee on the Judiciary.

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

By Mr. MURRAY (for himself, Mr. YOUNG, Mr. MANSFIELD, Mr. CARROLL, Mr. CASE of South Dakota, Mr. CHAVEZ, Mr. CHURCH, Mr. HENNINGS, Mr. HUMPHREY, Mr. JACKSON, Mr. KERR, Mr. MAGNUSON, Mr. MORSE, Mr. PROXMIRE, Mr. YARBOROUGH, Mr. MONRONEY, and Mr. LANGER):

S. 3091. A bill to amend section 101 of the Agricultural Act of 1949; to the Committee on Agriculture and Forestry.

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

By Mr. CHURCH:

S. 3092. A bill to add certain lands located in Idaho to the Boise and Payette National Forests; to the Committee on Interior and Insular Affairs.

By Mr. FULBRIGHT (for himself and Mr. CAPEHART):

S. 3093. A bill to extend for an additional period of 2 years the authority to regulate exports contained in the Export Control Act of 1949; to the Committee on Banking and Currency.

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

By Mr. MORTON:

S. 3094. A bill for the relief of V. Bruce Keene; to the Committee on the Judiciary.

By Mr. ERVIN:

S. 3095. A bill for the relief of Zee Yung Wong; to the Committee on the Judiciary.

By Mr. SMATHERS:

S. 3096. A bill to amend the Internal Revenue Code of 1954 so as to allow a deduction for amounts paid by a teacher for his further education; to the Committee on Finance.

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

By Mr. SMITH of New Jersey:

S. 3097. A bill to require labor organization reports, to ensure disclosure of certain labor organization information, to define certain duties and responsibilities of labor organizations and employers, and to provide further safeguards for workers against improper activities in the conduct of labor organization affairs;

S. 3098. A bill to amend the Labor Management Relations Act, 1947, as amended, and for other purposes; and

S. 3099. A bill to amend the Labor Management Relations Act, 1947, and for other purposes; to the Committee on Labor and Public Welfare.

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

By Mr. MAGNUSON (by request):

S. 3100. A bill to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Hyder, Alaska, and other points in southeastern Alaska or the continental United States, either directly or via a foreign port, or for any part of the transporation;

S. 3101. A bill to amend section 1 of the Elkins Act, as amended;

S. 3102. A bill to amend the Safety Appliance Acts so as to authorize the Interstate Commerce Commission to exempt 4-wheel track motor cars and 4-wheel push trucks from any or all requirements thereof, and for other purposes;

S. 3103. A bill to amend section 5 (10) of the Interstate Commerce Act, as amended, to change the basis for determining whether a proposed unification or acquisition of control comes within the exemption; and

S. 3104. A bill to amend part II of the Interstate Commerce Act to require the filing of brief statements by certain motor carriers subject to the safety and hours of service regulations of the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the last four above-mentioned bills, which appear under separate headings.)

By Mr. MAGNUSON (for himself and Mr. JACKSON):

S. 3105. A bill to enable the States of Washington and Oregon to open the new Interstate Bridge over the Columbia River between Vancouver, Wash., and Portland, Oreg., constituting a portion of the National System of Interstate and Defense Highways, as a toll-free bridge by providing for the reimbursement of such States for the Federal share of the costs of construction of such bridge; to the Committee on Public Works.

By Mr. MAGNUSON (for himself and Mr. BRICKER) (by request):

S. 3106. A bill to amend section 716 of the Merchant Marine Act, 1936, as amended (Public Law 848, 84th Congress), to provide indemnity protection in respect of the nuclear-powdered merchant ship; to the Committee on Interstate and Foreign Commerce.

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

By Mr. GORE:

S. 3107. A bill to provide for the annual audit of bridge commissions and authorities created by act of Congress, for the appointment of members thereof, transfer of functions, and for other purposes; to the Committee on Public Works.

By Mr. JOHNSON of Texas:

S. 3108. A bill to authorize the modification of the project for the Navarro Mills Reservoir, Tex., in order to authorize installment payments with respect to construction charges allocated to water supply; to the Committee on Public Works.

By Mr. KNOWLAND:

S. 3109. A bill for the relief of Victor Saigh; to the Committee on the Judiciary.

By Mr. POTTER:

S. 3110. A bill to establish a Commission on the Establishment of a United States Academy of Science; to the Committee on Armed Services.

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

By Mr. JENNER:

S. 3111. A bill to provide for the establishment of a United States Academy of Science and Technology; to the Committee on Armed Services.

By Mr. FULBRIGHT (for himself and Mr. HUMPHREY):

S. 3112. A bill to provide for the appointment of an assistant to the Secretary of State to be known as the Assistant for International Cultural Relations; to the Committee on Foreign Relations.

Mr. HUMPHREY subsequently said: Mr. President, today I am joining the distinguished junior Senator from Arkansas [Mr. FULBRIGHT] in introducing a new measure to authorize the appointment of a Coordinator for Cultural and Technical Exchange, with the rank of an Assistant to the Secretary of State. This position was recommended in May 1956 by Dr. J. L. Morrill, the president of the University of Minnesota, and I have long had a special interest in the concept. I am grateful that the State Department feels that it can support this bill, which will be a companion

to H. R. 10031, introduced last week by Representative FRANK THOMPSON, of New Jersey.

By Mr. BRIDGES:

S. 3113. A bill to provide for the determination of the ability of the President to discharge the powers and duties of his office, and for other purposes; to the Committee on the Judiciary.

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

By Mr. NEUBERGER (for himself, Mr. MORSE, Mr. MURRAY, Mr. HILL, Mr. MANSFIELD, and Mr. SPARKMAN):

S. 3114. A bill to amend the Bonneville Project Act in order to establish the Columbia River Development Corporation; to the Committee on Public Works.

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

By Mr. SMATHERS:

S. 3115. A bill for the relief of Estill H. Walker; to the Committee on the Judiciary.

By Mr. PASTORE:

S. 3116. A bill to recognize certain national nonprofit, nonpolitical war veterans' organizations, for purposes of bestowing upon them certain benefits, rights, privileges, and prerogatives; to the Committee on Armed Services.

By Mr. ANDERSON:

S. 3117. A bill to amend the Atomic Energy Act of 1954 as amended to provide for outer space development through the peaceful application of atomic energy and for other purposes; to the Joint Committee on Atomic Energy.

(See the remarks of Mr. ANDERSON relating to the above bill, which appear under a separate heading.)

By Mr. SALTONSTALL (for himself and Mr. KENNEDY):

S. 3118. A bill for the relief of Leonora Holmes Mola; to the Committee on the Judiciary.

By Mr. MANSFIELD:

S. 3119. A bill to amend the National Science Foundation Act in order to revise the authority to grant scholarships and fellowships under the provisions of such act; to the Committee on Labor and Public Welfare.

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

By Mr. KUCHEL:

S. 3120. A bill to exempt the production of durum wheat in the Tulelake area, Modoc and Siskiyou Counties, Calif., from the acreage allotment and marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture and Forestry.

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

By Mr. HOLLAND:

S. 3121. A bill to amend the Federal Property and Administrative Services Act of 1949 to authorize the disposal of certain surplus property to public health agencies of any State or of any political subdivision or instrumentality thereof; to the Committee on Government Operations.

By Mr. THURMOND (for himself and Mr. JOHNSTON of South Carolina):

S. 3122. A bill to amend section 301 (b) of the Agricultural Adjustment Act of 1938, as amended, relating to the definition of the term "commercial corn-producing area"; to the Committee on Agriculture and Forestry.

By Mr. JACKSON:

S. 3123. A bill for the relief of Jenny Evelyn Duncan; and

S. 3124. A bill for the relief of Tommy Ilton Chatterton (Tommy Kim); to the Committee on the Judiciary.

By Mr. HILL (for himself and Mr. SPARKMAN):

S. J. Res. 140. Joint resolution to permit the utilization of existing structures on the National System of Interstate and Defense Highways; to the Committee on Public Works.

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

By Mr. O'MAHONEY:

S. J. Res. 141. Joint resolution proposing an amendment to the Constitution of the United States relating to the determination of the inability of the President to discharge the powers and duties of his office; to the Committee on the Judiciary.

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

By Mr. SALTONSTALL (for himself, Mr. WILLIAMS, and Mr. FREAR)

S. J. Res. 142. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1958, General Pulaski's Memorial Day for the observance and commemoration of the death of Brigadier General Pulaski; to the Committee on the Judiciary.

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

By Mr. BRIDGES:

S. J. Res. 143. Joint resolution proposing an amendment to the Constitution of the United States to provide for determination of the ability of the President to discharge the powers and duties of his office; and

S. J. Res. 144. Joint resolution proposing an amendment to the Constitution of the United States to make provision for the continuous discharge of the powers and duties of the office of the President of the United States; to the Committee on the Judiciary.

(See the remarks of Mr. BRIDGES when he introduced the above joint resolutions, which appear under separate headings.)

By Mr. THURMOND:

S. J. Res. 145. Joint resolution to establish a Commission on Federal and State jurisdiction; to the Committee on Government Operations.

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

FUNERAL EXPENSES OF THE LATE SENATOR MATTHEW M. NEELY

Mr. REVERCOMB submitted the following resolution (S. Res. 246), which was referred to the Committee on Rules and Administration:

Resolved, That the Secretary of the Senate is hereby authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed to arrange for and attend the funeral of the Honorable Matthew M. Neely, late a Senator from the State of West Virginia, on vouchers to be approved by the chairman of the Committee on Rules and Administration.

NEGOTIATIONS FOR PRESERVATION OF ALASKAN SALMON

Mr. MAGNUSON (for himself and Mr. JACKSON) submitted the following resolution (S. Res. 247), which was referred to the Committee on Foreign Relations:

Whereas the salmon fisheries of the Territory of Alaska are vital to the economic welfare of the Nation as well as to the Territory; and

Whereas the salmon fisheries constitute a valuable natural resource that provides millions of pounds of food and employment for thousands of persons annually; and

Whereas the 1947 Red Salmon pack was 1,350,000 cases valued at $43,200,000; and

Whereas the average Red Salmon pack for the past 10 years has been only 677,000 cases; and

Whereas the wholesale value of the 1957 Red Salmon pack was only $21,664,000; and

Whereas in 1951 Japan negotiated a treaty with Canada and the United States whereby Japan agreed to abstain from taking salmon spawned in Alaskan waters; and

Whereas in 1954, with the treaty in full effect Japan initiated high seas fishing on a substantial scale; and

Whereas Japan has increased and expanded its high seas fishing program during the years 1955, 1956, and 1957; and

Whereas studies indicate that unless emergency action is taken the Red Salmon cycle will be impaired and weakened to a point from which full recovery may never be possible; and

Whereas under the circumstances the United States is faced with closing certain fisheries entirely to our fishermen thereby creating severe economic dislocation, or, in the alternative, allowing them to fish 7 days a week to meet the Japanese competition; and

Whereas to do either of the foregoing would end in serious economic dislocation and possible destruction of the fisheries; and

Whereas the taking of Alaskan salmon by Japanese fishermen must be stopped for the good of all concerned: Now, therefore, be it

Resolved, That the Secretary of State together with other appropriate officials of our Government immediately initiate negotiations with the appropriate officials and agencies of the Government of Japan for the purpose of:

(a) Effectuating the purposes of the treaty entered into by the United States, Canada and Japan in 1951, and

(b) Establishing a zone in which there shall be a cessation of all fishing in waters on the high seas where a substantial proportion of salmon of North American origin are found.

INVESTIGATION OF RELATIONSHIPS OF RIVER AND RELATED WATER RESOURCE DEVELOPMENT PROGRAMS

Mr. MURRAY. Mr. President, on December 20, 1957, a committee print was issued which included a memorandum on relationships of river and related water resource development programs of the United States, Soviet Russia and Red China. Copies of the print were circulated to the members of the committees on Interior and Insular Affairs and Public Works, as well as to newspapers and others.

The subject is undoubtedly appropriate for inquiry by the Senate in order that all of the pertinent facts related thereto may be made public.

To achieve this result, I submit for appropriate reference, a Senate resolution that directs the Committee on Interior and Insular Affairs and the Committee on Public Works to hold hearings on the subject matter of the committee print and report their findings to the Senate. Appropriate hearings will be held on the resolution by the two committees before findings are reported to the Senate.

The distinguished senior Senator from Louisiana [Mr. ELLENDER] informs me that he is preparing a statement on resource developments in Soviet Russia based on his personal observations on a recent trip through that country. Senator ELLENDER'S observations, I am sure, will be illuminating and of great value in supplementing the data presented in the committee print. I trust the Senator's statement will be available to the joint hearings contemplated in considering the resolution.

Cosponsoring the resolution with me are the chairman of the Public Works Committee [Mr. CHAVEZ], the chairman of the Flood Control Public Works Subcommittee [Mr. KERR], the chairman of the Irrigation and Reclamation Subcommittee of the Interior and Insular Affairs Committee [Mr. ANDERSON], and the chairman of our Public Lands Subcommittee [Mr. O'MAHONEY].

Copies of the committee print are available at the office of the Committee on Interior and Insular Affairs. I ask unanimous consent that the resolution be referred to the Committee on Interior and Insular Affairs and the Committee on Public Works jointly.

The VICE PRESIDENT. The resolution will be received and referred, as requested by the Senator from Montana.

The resolution (S. Res. 248), submitted by Mr. MURRAY (for himself, Mr. CHAVEZ, Mr. KERR, Mr. ANDERSON, and Mr. O'MAHONEY) was received and referred to the Committees on Interior and Insular Affairs and Public Works, jointly, as follows:

Whereas in committee print dated December 20, 1957, the chairman of the Committee on Interior and Insular Affairs transmitted a summary of available information on the relationships of river and related water resource development programs of United States, Soviet Russia and Red China, which was subsequently officially laid before the President of the United States;

Whereas said information indicates comparative conditions and progress or lack of progress in river control, irrigation, hydroelectric power development and associated water resource conservation and use that require a complete revelation of facts and circumstances that should be brought to the attention of the Senate of the United States; and

Whereas a full disclosure of comparative conditions and programs in water resource development programs in the United States and other countries mentioned is vital to the future economic stability and survival of this Nation: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Committee on Interior and Insular Affairs and the Committee on Public Works hold joint hearings on the facts and circumstances in connection with the relationships of river and related water resource development programs and other pertinent matters and report their findings to the Senate during the current session.

PROPOSED AMENDMENT OF URBAN RENEWAL PROVISIONS OF THE NATIONAL HOUSING ACT

Mr. PAYNE. Mr. President, I introduce, for appropriate reference, a bill to amend section 221 of the National Housing Act in order to relieve some of the critical problems involved in relocating families from urban renewal projects.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3064) to amend section 221 (d) (2) of the National Housing Act, introduced by Mr. PAYNE, was received, read twice by its title, and referred to the Committee on Banking and Currency.

Mr. PAYNE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement which I have prepared in explanation of the bill.

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

Section 221 currently provides liberal mortgage insurance for construction of cooperative projects of 10 or more units and for purchasers of single family dwellings who have been forced to move by slum clearance activity. My bill would extend these provisions of section 221 to include 2-, 3-, and 4-family structures. It would require that the owner be an occupant of one of the family units; the remaining units to be allotted to similarly dislocated families on a basis of priorities determined by the Federal Housing Commissioner. Any housing constructed under this amendment would be required to meet the normal FHA standards as well as to conform with all State and local regulations relating to public health or safety and all zoning regulations. Following the pattern set in other sections of the Housing Act, my amendment establishes maximum mortgage amounts and a schedule of minimum downpayments. These are shown in the table at the end of this statement.

This bill has been developed in response to a definite need on the part of localities involved with urban renewal projects. The limitations of the present wording of section 221 were first brought to my attention last spring by the slum clearance and redevelopment director of Portland, Maine, where the city's first urban renewal project will soon be completed. Further study of the problem was made last month when the Banking and Currency Committee's Housing Subcommittee held 2 days of hearings in Portland. The real value of existing multifamily dwellings for relocation purposes was vividly portrayed in Portland where the housing vacancy rate is well below the national average. Landlords forced to move by the urban renewal project wanted to acquire relatively small multifamily houses so as to make them available to their former tenants and the tenants, in many cases, preferred to continue in this rental type housing rather than purchase a home of their own. Portland is not alone in this respect as such situations are especially prevalent in the medium and smaller sized cities where the relatively low number of families to be relocated frequently makes large housing developments uneconomical.

Last year the Senate approved a similar amendment which I proposed, but it was eliminated in the conference with the House on the housing bill. Feeling that this change in the existing law would be of considerable benefit to nearly all cities undertaking urban renewal projects, I hope that early Senate action can be taken on this bill this year.

Mortgage maximums and downpayments under Payne amendment

	Single-family dwellings	2-family dwellings	3-family dwellings	4-family dwellings
Mortgage maximum	$9,000	$18,000	$25,000	$32,000
Mortgage maximum (high-cost areas)	12,000	20,000	27,500	35,000
Minimum downpayment	200	400	600	800

BRIDGE CANYON DAM, COLORADO RIVER LOWER BASIN

Mr. MALONE. Mr. President, a fifth dam on the lower Colorado River rivaling Hoover Dam in size is proposed in a bill which I now introduce.

The proposed site of the new dam would be in the main stream of the river at Bridge Canyon just above Lake Mead. I have introduced the measure twice before, but it was proper to delay the serious consideration of the bill until construction began on Glen Canyon Dam which is located above Bridge Canyon.

Glen Canyon Dam, which is now under construction, has a storage capacity of about 26 million acre-feet of water; but being a low, regulatory dam, it is unsuitable for large power production. The proposed Bridge Canyon Dam would store only 3.7 million acre-feet, but it is a high dam, and with the combined storage capacities of both dams amounting to almost 30 million acre-feet, the power output at Bridge Canyon would be approximately 750,000 kilowatts, almost as much as at Hoover Dam.

Under the terms of the bill, the dam would be 740 feet high and 1,950 feet wide at its crest. Construction of the dam would make it possible to reduce storage space reserved in Lake Mead for flood control, which would increase the average available power head for the Hoover plant. The construction of the project would advance the interest of all the Colorado River Basin States and Nevada could easily utilize one-third, or her fair share of the power. It would require 5 years to construct the project following the passage of the bill.

The construction of the Bridge Canyon Dam would extend industrial development in the lower basin States in accordance with a long-range plan envisioned when I was State engineer in 1927–35. The first dam, Hoover Dam, formerly Boulder Dam, was started during the Coolidge administration and was built under the Boulder Dam Project Act. Since then, two other dams, Parker and Davis, have been built on the Colorado River. All of these projects produce commercial power as well as contributing to the highest beneficial use of the lower basin water supply.

The entire cost of the proposed Bridge Canyon Dam will be repaid with interest over a definite amortization period under the precedent set by Hoover Dam in 1928.

When Bridge and Glen Canyon Dams are both built, the power produced in the lower basin States, if properly integrated with Hoover, Davis, and Parker Dams, will be mostly firm power.

In the meantime we are fighting to get our share of the water on the lower Colorado—900,000 acre-feet—for southern Nevada for which I laid the foundation in 1927 to 1935 as State engineer and Colorado River Commissioner for my State.

Mr. President, I ask unanimous consent that a history of the Bridge Canyon Dam and incidental works, as it relates to bills which have been introduced over the years, be printed at this point in the RECORD.

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

BRIDGE CANYON DAM AND INCIDENTAL WORKS: COST ESTIMATE OF CONSTRUCTION BY BUREAU OF RECLAMATION—INTERIOR

79TH CONGRESS

S. 2346 was introduced on June 18, 1946, by Senators MCFARLAND and HAYDEN, 79th Congress. No record in Interior of an estimate of construction costs being submitted to Congress.

80TH CONGRESS

S. 1175, introduced by Senators MCFARLAND and HAYDEN on April 28, 1947. Cost estimate: $317,471,000, based on April 1946 prices.

81ST CONGRESS

S. 75, introduced by Senators MCFARLAND and HAYDEN on January 5, 1949. Cost estimate: $356,616,000, based on July 1947 prices.

82D CONGRESS

S. 75, introduced by Senator MCFARLAND on January 8, 1951 and this bill passed the Senate on June 5, 1951, but did not pass House. Cost estimate: $413,273,000, based on January 1951 prices.

83D CONGRESS

S. 1438, introduced by Senator MALONE March 23, 1953. No cost estimates were submitted to Congress, but tear sheets, when you introduced bill, used the same figures as above, $413,273,000, but you excluded the transmission costs of $87,959,000.

84TH CONGRESS

S. 403, introduced by Senator MALONE on January 14, 1955. Cost estimate: $444,400,000, based on 1954 prices.

85TH CONGRESS

Bill to construct Bridge Canyon Dam introduced today. Bureau of Reclamation estimates the cost of construction to be $494,500,000, based on October 1957 prices.

Mr. MALONE. Mr. President, I ask that the bill itself be printed at this point in the RECORD as a part of my remarks.

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

The bill (S. 3067) authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, introduced by Mr. MALONE, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That for the purpose of controlling floods, improving navigation, and regulating the flow of the Colorado River, and for the generation, use, and sale of electrical energy as a means of making the project herein authorized a self-supporting and financially solvent undertaking, the Secretary of the Interior, hereinafter referred to as the Secretary, subject to the terms of the Colorado River compact, is hereby authorized to construct, operate, and maintain (1) a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, which dam shall be constructed to an elevation of not more than 1,877 feet above sea level; (2) complete plants (other than steam plants for the production of electrical energy), transmission lines, and incidental structures suitable for the fullest economic development of electrical energy generated from water at the works constructed hereunder for use in the operation thereof and for sale in accordance with Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto); and (3) such appurtenant dams and incidental works necessary for desilting as may be necessary in the opinion of the Secretary for the successful operation of the undertaking herein authorized.

SEC. 2. The Secretary shall have the authority to acquire, by purchase, exchange, condemnation, or otherwise, all lands, rights-of-way, and other property necessary for said purposes: *Provided*, That, anything herein contained to the contrary notwithstanding, the Secretary shall not have the authority to condemn esablished water rights or the water to the use of which such rights are established.

SEC. 3. The estimated cost of the construction of the said works shall be determined by the Secretary. The Secretary shall also determine (a) the parts of said estimated cost that can be properly allocated to flood control, navigation, fish and wildlife conservation, respectively, and any other purposes served by the project which may hereafter be made nonreimbursable by law, the sums so allocated, together with the expenses of operation and maintenance attributed by him to such purposes, to be nonreimbursable, and (b) the part of the estimated cost which can properly be allocated to power and probably be returned to the United States in net power revenues: *Provided*, That the repayment period for costs so allocated shall be such reasonable period of years as may be determined by the Secretary, but in no event to exceed 75 years.

SEC. 4 In the production, sale, exchange, and distribution of electric energy generated by the works herein authorized, the Secretary shall be governed by the provisions of the Federal reclamation laws, and revenues derived from the sale of such energy shall be credited in accordance with the provisions of the act of May 9, 1938 (52 Stat. 291).

SEC. 5. The works provided for by the first section of this act shall be used first, for river regulation, improvement of navigation, and flood control, and second, for power. The title to all works herein authorized shall be in the United States and the United States shall until otherwise provided by law control, manage, and operate the same.

SEC. 6. Nothing herein shall be construed as modifying or affecting any of the provisions of the treaty between the United States of America and the United Mexican States signed at Washington, D. C., February 3, 1944, relating to the utilization of the waters of the Colorado River and other rivers as amended and supplemented by the protocol dated November 14, 1944, and the understanding recited in the Senate resolution of April 18, 1945, advising and consenting to ratification thereof.

SEC. 7. This act shall be deemed a supplement to the reclamation law, which said reclamation law shall govern the construction, operation, and management of the works herein authorized except as otherwise herein provided.

SEC. 8. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act.

SEC. 9. (a) In aid of the construction, operation, and maintenance of the works authorized by this act, there is hereby granted to the United States, subject to the provisions of this section, (1) all the right, title, and interest of the Indians in and to such tribal and allotted lands, including sites of agency and school buildings and related structures, as may be designated from time to time by the Secretary in order to provide for the construction, operation, or maintenance of said works and any facilities incidental thereto, or for the relocation or reconstruction of highways, railroads, and other properties affected by said works; and (2) such easements, rights-of-way, or other interest in and to tribal and allotted Indian lands as may be designated from time to time by the Secretary in order to provide for the construction, operation, maintenance, relocation, or reconstruction of said works, facilities, and properties: *Provided*, That before designating any tribal lands, or any easements, rights-of-way, or other interests in tribal lands, the Secretary shall make every reasonable effort to negotiate a contract for the purchase of such lands or interests on reasonable terms from the tribe of Indians concerned, and that the Secretary shall proceed with the designation of lands or interests under this section only if he finds that reasonable efforts to negotiate with the tribe of Indians concerned have been made, but have not resulted in, and are not apt to result in, a mutually satisfactory agreement. The Secretary is authorized to provide in any such contract for the payment of compensation in the same forms through which compensation may be made pursuant to a designation under this section, and any tribe of Indians entering into such a contract is authorized to execute the conveyances or other instruments needed for its effectuation, notwithstanding any provision of law or of any tribul constitution or charter to the contrary.

(b) As lands or interests in lands are designated from time to time under this section, the Secretary shall determine the just and equitable compensation to be made therefor. Such compensation may be in money, property, or other assets, including rights to electric energy developed at any of the generating plants herein authorized. Any Indian tribe or individual Indian owning lands or interests designated under this section who is dissatisfied with the determination of compensation made by the Secretary shall have a right of action against the United States to recover such additional sums of money, if any, as may be requisite under the Constitution or laws of the United States, or under any treaty or agreement made by the United States, to provide just and equitable compensation for the taking of the lands so designated. Such action may be instituted in the United States district court for the district where the lands or interests are situated or in the Court of Claims, at the election of the plaintiff. The amounts of money determined as compensation hereunder for tribal lands shall be transferred in the Treasury of the United States from funds made available for the purposes of this act to the credit of the appropriate tribe pursuant to the provisions of the act of May 17, 1926 (44 Stat. 560). The amounts due individual allottees or their heirs or devisees shall be paid from funds made available for the purposes of this act to the superintendent of the appropriate Indian agency, or such other officer as shall be designated by the Secretary, for credit on the books of such

agency to the accounts of the individuals concerned.

(c) Funds deposited to the credit of allottees, their heirs or devisees, may be used, in the discretion of the Secretary, for the acquisition of other lands and improvements, or the relocation of existing improvements or the construction of new improvements on the lands so acquired for the individuals whose lands and improvements are acquired under the provisions of this section. Lands so acquired shall be held in the same status as those from which the funds were derived, and shall be nontaxable until otherwise provided by Congress.

(d) Whenever any Indian cemetery lands are required for the purposes of this act, the Secretary is authorized, in his discretion, in lieu of requiring payment therefor, to establish cemeteries on other lands that he may select and acquire for the purpose, and to remove bodies, markers, and appurtenances to the new sites. All costs incurred in connection with any such relocation shall be paid from moneys appropriated for the purposes of this act. All right, title, and interest of the Indians in the lands within any cemetery so relocated shall terminate and the grant of title under this section take effect as of the date the Secretary authorizes the relocation. Sites of the relocated cemeteries shall be held in trust by the United States for the appropriate tribe, or family, as the case may be, and shall be nontaxable.

(e) The Secretary is hereby authorized to perform any and all acts and to prescribe such regulations as he may deem appropriate to carry out the provisions of this section.

(f) Nothing in this act shall be construed as, or have the effect of, subjecting Indian water rights to the laws of any State.

Mr. MALONE. Mr. President, I ask unanimous consent that the bill which I have just introduced for the construction of Bridge Canyon Dam lie on the table until Monday, January 27, 1958, to permit any Senator who may wish to do so to join in its introduction.

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

CORRECTION OF ABUSES IN LABOR UNION AFFAIRS—INTRODUCTION OF A BILL

Mr. KNOWLAND. Mr. President, I introduce, for reference to the Senate Committee on Labor and Public Welfare, a bill to correct widespread abuses that have developed in the operation and management of union affairs. If passed by the Congress, this proposed new legislation will represent a bill of rights for our working men and women who at present are, or who may become, members of the Nation's unions.

In the past twenty years, membership in the Nation's unions has increased from 3 million to more than 17 million. Not counting the vast sums of money already available to officials of these unions, it is conservatively estimated that annual sums of dues, fees, and assessments paid by our union members amount to more than $600 million each year.

In my judgment, the Nation's working people who contribute a part of their monthly salaries to support the activities of their unions are entitled to control effectively the management of their affairs.

The American way of life, with its foundations fixed on maintaining and protecting human dignity and the aspirations of free men in a free society, has always demanded that with power must rest responsibility.

During the past year, the extensive series of hearings in the Congress has forcefully demonstrated that the powers of a considerable number of union officers are being misused.

There have poured into the offices of Senators and into the Senate committees thousands of letters from union members alleging abuses, misfeasance, and acts of violence on the part of certain local, regional, or national union officers. These do not, and should not, constitute indictments against all labor officials. Many of these officials, past and present, have labored unceasingly in the best interests of their fellow workingmen.

In the past 4 months, I have traveled the breadth and length of California many times, and have discussed these problems personally with many members of various unions.

If I can summarize their comments in a phrase, they requested that Congress give them assistance in obtaining democratic control by the rank and file of the membership over the management and operation of local, regional, and national unions.

Mr. President, the bill I have just introduced is for that purpose.

Every specific provision of the bill has been drafted to provide the members of our unions adequate representation in the conduct of their own union affairs.

Mr. President, any public official who attempts to work constructively in this field faces the hostility of certain union officials who do not want their vested positions of power disturbed. I have already had my views on the need for this bill of rights for union members substantially distorted. However, I am willing to assume this risk.

I wish to state for the public record my firm judgment that unions have played in the past, and will play in the future, an important role in the strengthening of our national economy. I am hopeful that unions will continue to grow in membership and importance, but, further, that they also will grow in responsibility.

I believe that this measure to provide a bill of rights for workers will receive, now or in the not too distant future, the favorable consideration of the Congress. I sincerely request that all interested persons read carefully the provisions of this bill.

Mr. President, I ask unanimous consent to have incorporated in my remarks at this point the full text of the bill I am introducing, and a brief summary of its provisions.

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

The bill (S. 3068) to regulate certain internal affairs of labor organizations by providing processes and procedures for insuring democratic control of such organizations by the rank and file membership thereof, introduced by Mr. KNOWLAND, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That title IV of the Labor Management Relations Act, 1947, is amended to read as follows:

"TITLE IV—REGULATION OF LABOR ORGANIZATIONS FOR PURPOSE OF INSURING DEMOCRATIC CONTROL BY MEMBERSHIP

"SEC. 401. As used in this title—

"(1) The term 'labor organization' means any labor organization which (A) is the representative for or has as one of its purposes or exists for the purpose of representing employees in collective bargaining in any industry affecting commerce or is seeking to become such a representative or (B) has an affiliate or constituent unit in a State other than the State in which it has its principal place of business or in any foreign country.

"(2) The term 'officer' includes a member of any board, council, committee, or other body established by the constitution or charter of a labor organization which is empowered by such constitution or charter to exercise governing or executive functions with respect to such labor organization.

"(3) The term 'employee welfare plan' means a plan, fund, or program established by an employer or by employees of an employer, or by any group, association, or other organization thereof, for the purpose of providing for employees in an industry affecting commerce or their dependents benefits in case of illness or other disability or upon retirement or death, but does not include a plan, fund, or program established by law for the purpose of providing benefits provided by law.

"Election of officers

"SEC. 402. (a) After the expiration of 1 year following the enactment of this section, no person shall be eligible to serve as an officer of a labor organization unless he shall have been elected as such officer by popular vote of the membership at an election held within the preceding 4 years in which all members of such organization shall have been entitled to vote, and at which the votes of the members voting shall have been cast by secret ballot.

"(b) Upon the filing with the National Labor Relations Board (hereinafter referred to as 'the Board') of a petition alleging that an individual is serving as an officer of a labor organization, who is not eligible under subsection (a) to serve as such officer, the Board shall proceed in accordance with section 406 (a) to consider the matter and if it determines such allegation to be true it shall enter an order directing the labor organization to remove such individual from such office.

"Recall of officers

"SEC. 403. (a) Upon the filing with the Board of a petition therefor signed by at least 15 percent of the members of a labor organization, the Board shall conduct an election at which the members of such labor organization shall be entitled to vote by secret ballot on the question of recalling any elected officer or officers of such labor organization named in such petition. If a majority of the members voting in such election vote to recall any officer named in the petition the Board shall declare the office held by such officer to be vacant. Not more than one election for the recall of the holder of any one office shall be held under this section in any 12-month period.

"(b) Upon the filing with the Board of a petition alleging that an individual who has been recalled under subsection (a) as an officer of a labor organization is serving as such officer (other than pursuant to a subsequent election to such office), the Board shall proceed in accordance with section 406 (a) to consider the matter and if it determines such allegation to be true it shall enter an order directing the labor organiza-

tion to remove such individual from such office.

"Initiative and referendum on internal affairs

"SEC. 404. (a) Upon the filing with the Board of a petition therefor signed by at least 15 percent of the members of a labor organization, the Board shall conduct a referendum at which the members of such labor organization shall be entitled to vote on the question whether they favor any proposal specified in such petition—

"(1) to amend, modify, revise, or repeal any provision of the constitution, bylaws, or other governing rules or regulations of the labor organization;

"(2) to amend, modify, revise, or veto any decision of the officers or governing body of the labor organization with respect to—

"(A) dues, initiation fees, assessments, salaries of officers and employees of the labor organization, gifts, grants, loans, donations, or investments made by the labor organization, expenditure of funds of the labor organization or projects involving the use of such funds or the resources or assets of the labor organization or involving the use of paid manpower, or other matters relating to the financial affairs of the labor organization;

"(B) attendance at union meetings, picket line duty, performance of services on behalf of the labor organization, contributions, welfare activities, distribution of literature, support of political or ideological causes, issues, parties, platforms, or candidates, lobbying or legislative activities, or other matters relating to the conduct or activities of members of the labor organization; or

"(C) fines, suspensions, expulsions, loss of status or union benefits, or other matters relating to the disciplining of members.

"(b) Upon the filing with the Board of a petition alleging that a labor organization or its officers have failed to carry out any proposal favored by a majority of the members voting in a referendum conducted under this section, or are carrying out any proposal disapproved by a majority of the members voting in such referendum, or are otherwise disregarding, or failing to comply with or give effect to, the wishes of such majority as disclosed by the results of the vote in such referendum, the Board shall proceed in accordance with section 406 (a) to consider the matter and if it determines such allegations to be true it shall enter an appropriate order directing the labor organization and its officers to carry out any proposal favored by such majority, to refrain from carrying out any proposal disapproved by such majority, or otherwise to comply with or give effect to the wishes of such majority as disclosed by the results of the vote. The order of the Board may include provisions directing the labor organization or its officers to make such restitution of rights or property as may be necessary to effectuate the objectives of any proposal favored by such majority.

"(c) (1) No referendum shall be conducted under subsection (a) to amend, modify, revise, or veto—

"(A) Any decision made by any officer or representative of a labor organization in the course of collective bargaining negotiations with respect to wages, rates of pay, hours of work or any other terms or conditions of employment which directly affect or involve the duration of the work period or a concrete, material benefit or loss to the employees which is measurable in terms of money; or

"(B) Any decision the precise content of which is specifically required by the constitution, bylaws, or other governing rules or regulations of the labor organization; or

"(C) Any decision with respect to any matter which is specifically required or prohibited by law.

"(2) No referendum shall be conducted under subsection (a) among the membership of a local union alone in connection with any matter which is governed by the constitution, charter, bylaws, or other governing rules or regulations of the national, international, or other multilocal labor organization of which such labor organization is a constituent unit or with which it is affiliated.

"(3) Not more than one referendum shall be conducted under subsection (a) (1) during any 18-month period. Not more than one referendum shall be conducted under subsection (a) (2) with respect to any particular decision.

"Strike ballots

"SEC. 405. (a) No strike shall be called or sanctioned by a labor organization unless at least 30 days prior to the commencement of such strike such labor organization shall have given notice thereof in writing to the Board and the employer, and either individually in writing, or by announcement at a meeting of the membership of the organization, to the members of such organization in the unit or units involved in the strike.

"(b) Upon the filing with the Board, upon or at any time after receipt by the Board of a notice given under subsection (a), of a petition therefor signed by at least 15 percent of the employees in the unit or units involved in the strike, the Board shall conduct a referendum on the question whether such strike should be called or continued. If a majority of those voting in the referendum vote against the strike no strike shall be called or sanctioned by the labor organization until at least 90 days have elapsed following the referendum and notice has been given in accordance with subsection (a). If a majority of those voting in the referendum vote in favor of the strike no subsequent petition may be filed under this subsection until at least 90 days have elapsed following such referendum, and unless such subsequent petition has been signed by at least 30 per cent of the employees in the unit or units involved in the strike.

"(c) Any individual who participates in a strike which has been called without notice as required by subsection (a), or which has been called or continued after a majority of the employees in the unit or units involved in the strike voting in the most recent referendum conducted with respect to such strike under this section shall have voted against such strike, shall not during the existence of the strike or thereafter, unless reemployed or reinstated by the employer, be considered to be an employee of such employer for the purposes of the National Labor Relations Act.

"(d) Nothing contained in this section shall be construed to supersede or modify in any way the requirements of section 8 (d) of the National Labor Relations Act.

"Procedure

"SEC. 406. (a) A petition under section 402 (b), 403 (b), or 404 (b) may be filed by any member or group of members of a labor organization, or by any individual or organization acting in behalf of such member or members, except that no such petition may be filed by any employer of such employees or by any organization with which any such employer is affiliated. Upon the filing of such a petition, the Board shall conduct an investigation and if it finds evidence to support the allegations in the petition it shall proceed in the same manner as in the case of an unfair labor practice charge and the appropriate provisions of subsections (b) to (l), inclusive, of section 10 of the National Labor Relations Act shall apply to such proceeding.

"(b) Elections and referendums provided for in sections 403, 404, and 405 shall be conducted by the Board, except that the Board may delegate, generally or in specific cases, authority to conduct such elections or referenda to any public or private agency or organization which, in the opinion of the Board, is qualified to conduct such elections or referenda.

"Trusteeships over local union affairs

"SEC. 407. (a) No national, international, or other labor organization having more than one local or constituent unit shall remove the officers of any local union for the purpose of establishing a trusteeship over such union and administering its affairs, unless—

"(1) such action is authorized by, and is taken in accordance with the provisions of the constitution, charter, bylaws, or other governing rules and regulations of such labor organization; and

"(2) the funds, assets, resources, and property of the local union (other than amounts normally required to be paid to such labor organization by its local or constituent units in the absence of a trusteeship) are used exclusively in connection with the affairs of the local union and for the benefit thereof, and are not diverted to or utilized for any other purpose during the period of the trusteeship.

"(b) No such trusteeship shall continue after the expiration of 1 year from the date it is established, and no such trusteeship shall be established with respect to any local union until at least 6 months have elapsed following the termination of any preceding trusteeship established with respect to such local union.

"(c) In any case in which the officers of a local union have been removed and such a trusteeship has been established, the trustees are authorized, during the term of the trusteeship, to conduct elections for new local union officers at which all members of such local union shall be entitled to vote. Any such officer or member so elected shall not be subject to recall pursuant to section 403 for a period of 6 months following the election.

"(d) Nothing contained in this section shall be construed to modify any existing legal rights or remedies with respect to the funds, assets, property, or obligations of the local union upon the dissolution of such local union, or its expulsion or withdrawal from the national, international, or other union with which it was affiliated.

"(e) Any member of a local union over which a trusteeship is established or continued in violation of subsection (a) or (b) may bring an action in behalf of such local union in any district court of the United States for equitable relief to compel compliance with the provisions of such subsections, and for restitution of funds, assets, or property of the local union and for damages to such union. Any amounts awarded in any such proceeding shall be payable to the local union, except that costs, including counsel fees, of such proceeding may be assessed in favor of the person bringing the action.

"Protection of members

"SEC. 408. (a) Upon the filing with the Board by any member of a labor organization of a petition alleging that such member has been disciplined by his labor organization so as to deprive him, in violation of the provisions of the constitution, charter, bylaws, or other governing rules or regulations of the labor organization, of his rights to vote in any election conducted by such labor organization, of his right to vote in any election conducted under section 403, 404, or 405, the Board shall conduct an investigation and if it finds prima facie evidence of the truth of such allegations it shall proceed in the same manner as in the case of an unfair labor practice charge and the provisions of subsections (b) to (l), inclusive, of section 10 of the National Labor Relations Act shall apply to such proceeding. If after hearing the Board finds that the voting rights of such

member have been denied in violation of the provisions of such constitution, charter, bylaws, rules, or regulations it shall order the labor organization to cease and desist from such wrongful action, and, if the election was conducted by the labor organization and the wrongful action could affect the results of the election, shall invalidate such election or, in the case of a referendum conducted by the Board under section 403, 404, or 405, shall set aside such referendum if the result thereof was unfavorable to the petitioners.

"(b) Nothing contained in this section shall be construed to supersede or modify in any way the provisions of any law of any State or Territory, or to prevent any person from exercising any right which he may have under any such law.

"Monopolistic allocation of territory among labor organizations

"SEC. 409. (a) Every contract, agreement, understanding, or arrangement between two or more national, international or other labor organizations having more than one local or constituent unit or between two or more local labor organizations each affiliated with a different national, international, or other labor organization having more than one local or constituent unit, for a division or allocation of jurisdiction for representation purposes on a geographical, territorial, or area basis is hereby declared to be unlawful.

"(b) Upon the filing with the Board of a petition alleging that a contract, agreement, understanding, or arrangement has been entered into in violation of subsection (a), or that a labor organization has refused on a geographical, territorial, or area basis to admit to membership employees who would otherwise be eligible to membership or to represent employees under section 9 of the National Labor Relations Act which it would otherwise represent, the Board shall conduct an investigation and if it finds prima facie evidence of the truth of such allegation it shall proceed in the same manner as in the case of an unfair labor practice charge and the provisions of subsections (b) to (l), inclusive, of section 10 of the National Labor Relations Act shall apply to such proceeding. If it determines such allegation to be true it shall enter an order prohibiting the parties from carrying out or in any way giving effect to such contract, agreement, understanding, or arrangement, or from continuing to refuse to admit to membership or represent such employees.

"Collective bargaining agreements for excessive term and waiving the right to strike

"SEC. 410. (a) No collective bargaining agreement entered into by any labor organization shall be effective or binding upon the parties thereto for a period in excess of 2 years unless such contract shall have been approved by a majority of the members of the labor organization in the unit covered by the contract, voting by secret ballot in a referendum held for such purpose by the labor organization.

"(b) No provision or provisions in a collective bargaining agreement waiving or canceling the union members' right to strike shall be legal or effective unless such provision or provisions shall have been approved by a majority of the members of the labor organization in the unit covered by the contract, voting by secret ballot in a referendum held for such purpose by the labor organization.

"Registration of employee welfare plans

"Sec. 411. (a) The person or persons responsible for the administration of an employee welfare plan shall register such plan with the Securities and Exchange Commission (hereafter referred to as the 'Commission') in accordance with the provisions of this section.

"(b) (1) The registration of a plan under this section shall be in such form as the Commission shall by regulation prescribe. It shall include information with respect to (1) the nature and type of the plan, and the benefits provided thereunder, (2) the number of employees covered by the plan, (3) assets of the plan and investments of its funds, (4) receipts and disbursements of the plan during the preceding year, and (5) such other information as the Commission shall determine to be necessary in the public interest and shall by regulation prescribe.

"(2) A plan shall be registered under this section within 60 days after the effective date of the regulations promulgated under this subsection or after the date on which such plan is established, whichever date is later.

"(c) The person or persons responsible for the administration of an employee welfare plan registered under this section shall file with the Commission annually a report bringing up to date the information included in the registration and containing such further information concerning the plan or its administration as the Commission shall determine to be necessary in the public interest and shall by regulation prescribe. Such annual report shall be in such form and shall be filed at such time as the Commission shall by regulation prescribe.

"(d) The Commission is authorized to require by regulation the certification by an independent public accountant of the accuracy of any of the information required to be filed in any registration or annual report under this section.

"(e) The Commission shall make available for public inspection at its principal office the registrations and annual reports filed under this section.

"(f) (1) The Commission shall examine the registrations and reports filed under this section, and is authorized to make such investigations as it may deem necessary to determine whether in any case the provisions of this section have not been complied with. Whenever it is of the opinion, as a result of such examination or investigation, that any provision of this section or of any other law have been violated it shall call the facts with respect to such violation to the attention of the Attorney General or, in the case of a violation of a State or local law, to the appropriate State or local law-enforcement agency.

"(2) For the purpose of any investigation authorized by this subsection, the provisions of sections 9 and 10 (relating to the attendance of witness and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (15 U. S. C. 49, 50) are hereby made applicable to the jurisdiction, powers, and duties of the Commission.

"(g) The district courts of the United States shall have jurisdiction, upon application by the Commission, to restrain violations and compel compliance with the provisions of this section.

"Sanctions and penalties

"SEC. 412. (a) Whenever the Board shall determine that—

"(1) an individual is serving as an officer of a labor organization who is not eligible under section 402 (a) to serve as such officer or who has been recalled from service as such officer under section 403, or who has been convicted of an offense under subsection (c) of this section;

"(2) a labor organization or its officers are failing to carry out a proposal favored by a majority of those voting in a referendum conducted under section 404, are carrying out a proposal disapproved by a majority of those voting in such a referendum, or are otherwise disregarding or failing to comply with or give effect to the wishes of such majority as disclosed by the vote in such referendum;

"(3) a labor organization has called, sanctioned, or is participating in a strike which has been called without notice as required by section 405 (a) or within 90 days after it has been disapproved by a majority of those voting in a referendum conducted under section 405 (b); or

"(4) a labor organization has entered into a contract, agreement, understanding, or arrangement made unlawful by section 409, or has refused on a geographical, territorial, or area basis to admit to membership employees who would otherwise be eligible to membership or to represent employees under section 9 of the National Labor Relations Act which it would otherwise represent;

during any period for which any such activity or failure to act so determined by the Board continues to exist such labor organization shall not (A) be considered to be the representative of employees for the purposes of the National Labor Relations Act, (B) be exempt from Federal income tax under section 501 (a) of the Internal Revenue Code of 1954, or (C) be considered to be a labor organization for the purposes of sections 6 and 20 of the act entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes,' approved October 15, 1914, as amended (15 U. S. C. 17; 29 U. S. C. 52) or the act of March 23, 1932 (29 U. S. C. 101 et seq.).

"(b) Any individual who—

"(1) knowingly serves as an officer of a labor organization while ineligible to serve as such officer under section 402 (a) or after having been recalled from service as such officer or member under section 403 (other than an individual who subsequent to such recall is duly reelected to the office from which he was recalled);

"(2) being an officer of a labor organization and having responsibility with respect to any proposal voted on at a referendum conducted under section 404, wilfully fails to carry out or to participate in carrying out a proposal favored by a majority of those voting in such referendum, wilfully carries out or participates in carrying out a proposal disapproved by a majority of those voting in such referendum, or otherwise wilfully disregards or fails to comply with or give effect to the wishes of such majority as disclosed by the vote in such referendum;

"(3) being an officer of a labor organization, wilfully calls or sanctions, or orders, requests, or encourages any members of the labor organization to participate in a strike which has been called without notice as required by section 405 (a) or within 90 days after it has been disapproved by a majority of those voting in a referendum conducted under section 405 (b);

"(4) wilfully removes or participates in the removal of the officers of any local union for the purpose of establishing a trusteeship over such union otherwise than in accordance with section 407 (a), or continues or participates in the continuation of any trusteeship in violation of section 407 (b); or

"(5) wilfully authorizes, makes, or participates in the making of any contract, agreement, arrangement or understanding declared by section 409 to be unlawful, or wilfully carries out or gives effect to, or participates in the carrying out or giving effect to any such contract, agreement, arrangement or understanding;

shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not exceeding $1,000 or by imprisonment for not exceeding 1 year, or both.

"(c) Any individual, group, or organization which wilfully interferes with, restrains or coerces any employee or member of a labor organization seeking to initiate or participate in any of the procedures or activities set forth in the foregoing provisions of this title shall be guilty of a felony and

upon conviction thereof shall be punished by a fine not to exceed $10,000, or by imprisonment for not to exceed 5 years, or both.

"(d) Any person or persons responsible for the administration of an employee welfare plan required to be registered under section 411 who wilfully fails to register such plan or to file any annual report thereon, in accordance with the provisions of such section or the regulations promulgated thereunder shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not to exceed $1,000 or by imprisonment for not to exceed 1 year or both."

AMENDMENTS TO NATIONAL LABOR RELATIONS ACT

SEC. 2. (a) Section 8 (b) of the National Labor Relations Act, as amended, is amended by striking out the word "and" at the end of paragraph (5), by striking out the period at the end of paragraph (6) and inserting in lieu thereof a semicolon and the word "and," and by adding at the end thereof a new paragraph as follows:

"(7) to call, authorize, sanction, or participate in a strike with respect to which notice has not been given as provided in section 405 of the Labor Management Relations Act, 1947, or after a majority of the employees in the unit or units involved in the strike voting in the most recent referendum conducted with respect to such strike under such section have voted against such strike."

(b) Section 9 (c) of such act is amended—

(1) By adding at the end of paragraph (2) a new sentence as follows: "Whenever a petition shall have been filed pursuant to the provisions of paragraph (1) (A) of this section the Board, in determining whether a question of representation affecting commerce exists, shall ignore the existence of any collective bargaining agreement covering the bargaining unit for which the petition was filed, and such agreement shall not constitute a bar to the processing of such petition, or to the holding of an election, or to any certification or decertification resulting from such election, except that regardless of the results of such election, the terms and conditions of such existing collective bargaining agreement shall continue in full force and effect so far as practicable until the expiration date of such agreement unless modified or terminated by mutual consent of all who remain affected by the agreement."

(2) By inserting before the period at the end of the first sentence of paragraph (3) thereof a comma and the following: "except that an election may be ordered at any time where the Board has determined under section 412 (a) of the Labor Management Relations Act that a labor organization which is the representative of the employees is no longer eligible to represent such employees".

(c) Section 9 (g) of such act is amended by adding at the end thereof the following: "The Secretary of Labor shall make available to the public, in accordance with such regulations as he may deem appropriate, the information filed by labor organizations pursuant to this subsection and subsection (f). The Secretary shall inspect such of the information so filed as he may deem necessary for the purpose of determining its accuracy, and if he is of the opinion that false information has been filed in any case he shall bring the facts with respect thereto to the attention of the Attorney General."

PAYMENTS TO LABOR ORGANIZATIONS BY PERSONS ENGAGED BY EMPLOYERS

SEC. 3. (a) Subsection (a) of section 302 of the Labor Management Relations Act, 1947, is amended by inserting after the word "employer" a comma and the following: "or any person engaged or retained by such employer as a labor relations expert or consultant or for the purpose of dealing with his employees or their representative,".

(b) Subsection (b) of such section is amended by inserting after the words "employer of such employees" a comma and the following: "or any person engaged or retained by such employer as a labor relations expert or consultant or for the purpose of dealing with his employees or their representatives,".

The summary presented by Mr. KNOWLAND is as follows:

SUMMARY: LEGISLATION PROPOSING A BILL OF RIGHTS FOR UNION MEMBERS (AMENDMENTS TO THE LABOR-MANAGEMENT RELATIONS ACT OF 1947)

Section 401: Definitions—labor organization, union official, employee welfare plan.

Section 402: Provides for election of union officials within 4-year periods by popular vote of the membership through secret ballot; confers jurisdiction on National Labor Relations Board to consider individual petitions that union officials have been illegally elected.

Section 403: Confers jurisdiction on National Labor Relations Board to conduct elections by secret ballot on the question of recalling union officials previously elected; petitions directing the Board to act must be signed by a minimum of 15 percent of the union members; limits number of such elections which can be conducted during a single year period.

Section 404: Provides for National Labor Relations Board to conduct secret election upon request of a petition signed by minimum of 15 percent of labor union members on following subjects:

(1) Amendment, modification or repealing provisions of union constitution or union rules or regulations.

(2) Amendment, modification or vetoing decisions of union officials on questions of dues, initiation fees, assessments, union salaries, fines, suspensions, expulsions, union benefits, support of nonunion activities, etc.

(3) Prohibits National Labor Relations Board elections under this section on matters involved in collective bargaining negotiations or on subjects permitted by union constitution, bylaws, or other union governing rules or regulations.

(4) Limits number of elections permitted to be conducted under this section.

Section 405: Provides for referendum by National Labor Relations Board where petitioned by minimum of 15 percent of employees in the labor unit involved on question of calling or continuing of strikes; also requires that notification of strike be filed with 30-day notice to National Labor Relations Board, employer, and union members; provides limit to number of referendums that can be requested; removes protection of NLRB from employee who participates in strike after majority vote against strike under this section.

Section 406: Provides that petition under sections 402, 403, and 404 may only be filed by union members or an individual organization specifically acting on their behalf; prohibits employers of such employees or organization affiliated with such employers from filing petitions under these sections; permits the NLRB to delegate supervision of elections provided in sections 403, 404, and 405 to qualified public or private agencies or organizations.

Section 407: Specifies restrictions on establishment of trusteeship over local union affairs by national or international unions; establishes 1-year limitation for continuation of trusteeship and provides that union funds under trusteeships must be utilized exclusively for the benefit of the local union and its membership; authorizes trustees to conduct elections, where applicable, for new union officials; permits union member to institute legal action on behalf of local union to compel compliance with provisions of this section.

Section 408: Establishes NLRB protection for union members who, through disciplinary action of union officials, have been deprived of their right to vote in union elections.

Section 409: Prohibits division or allocation of territory for representation purposes by two or more unions. Section protects right of union member to participate in union organization of his own choosing.

Section 410: Prohibits collective bargaining agreements for a period in excess of 2 years unless approved by majority vote of union membership; prohibits provisions in collective bargaining agreements waiving union members' rights to strike unless provisions have been approved by secret ballot vote.

Section 411: Provides new system of registration of employee welfare plans with the Securities and Exchange Commission; requires employee welfare plans under management and union jurisdiction to be registered; authorizes certification of the accuracy of information on welfare plans submitted; provides Federal court jurisdiction to require compliance with this section.

Section 412: Sanctions and penalties for noncompliance with provisions of the law; provides both civil and criminal penalties.

AMENDMENTS TO EXISTING PROVISIONS OF NATIONAL LABOR RELATIONS ACT

Section 2: Establishes additional unfair labor practice where provisions of section 405 relating to notification of strike or referendum on strike are violated; directs that representation elections may be held during period covered by collective bargaining agreement but provides that terms and conditions of collective bargaining agreement continue without regard to results of such elections; permits representation elections where labor organization is determined under section 412 (a) that it is no longer eligible to represent employees; provides that Secretary of Labor shall make information, required to be filed by labor organizations to obtain certification, available to the public.

Section 3: Makes it illegal for employer representatives to transmit any money or thing of value to representatives of his employees; makes it illegal for representatives of employees to receive from employer representatives any money or thing of value.

FINANCIAL ASSISTANCE FOR SCHOOL CONSTRUCTION

Mr. SMITH of New Jersey. Mr. President, I introduce, for appropriate reference a bill to extend and improve the act of September 3, 1950, and the act of September 30, 1950, which provide financial assistance in the construction and operation of schools in areas affected by Federal activities, and for other purposes.

As the ranking Republican member of the Senate Committee on Labor and Public Welfare, I am introducing this proposed legislation at the request of the Department of Health, Education, and Welfare in order that Public Law 815 and Public Law 874, which will expire in the near future, may be extended and amended.

In the communication from the Secretary of Health, Education, and Welfare to the Vice President, the following significant statement appears:

For Public Law 815 we estimate that the amount to be appropriated for assistance in school construction in fiscal 1959 would be reduced from $62 million if this law were to be extended in its present form, to $20,500,000 if the proposed amendments are adopted;

comparable savings could be realized in subsequent years. For Public Law 874 we estimate that the cost in the fiscal year 1959 would be reduced from $149 million if the law were extended without amendment, to $110 million if the proposed amendments are adopted; in the fifth year (fiscal 1963) costs under Public Law 874 could be reduced to about $53 million under the draft bill, as compared with costs of more than $200 million if the law were extended without amendment.

These reductions will obviously be controversial and should be subject to careful study by our Committee on Labor and Public Welfare. They are in line with the present budgetary policy of the administration.

In explanation of the bill, I ask unanimous consent to have printed in the RECORD, in connection with my remarks, the communication, dated January 17, from the Secretary of Health, Education, and Welfare, addressed to the Honorable RICHARD M. NIXON, Vice President of the United States and President of the Senate, enclosing this proposed legislation and commenting on its substance and purpose.

I also ask unanimous consent to have printed in the RECORD a detailed analysis of the proposed legislation.

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

The bill (S. 3069) to extend and improve the act of September 23, 1950, and the act of September 30, 1950, which provide financial assistance in the construction and operation of schools in areas affected by Federal activities, and for other purposes, introduced by Mr. SMITH of New Jersey, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

The letter and analysis presented by Mr. SMITH are as follows:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
January 17, 1958.

Hon. RICHARD M. NIXON,
President of the Senate,
Washington, D. C.

DEAR MR. PRESIDENT: I am enclosing for your consideration a draft of a bill extending and amending Public Law 815 (20 U. S. C., ch. 14) and Public Law 874 (20 U. S. C., ch. 13). Both of these laws were originally enacted by the 81st Congress and have subsequently been several times amended and extended. Public Law 815, which authorizes Federal financial assistance in the construction of public elementary and secondary schools in federally affected areas, was extended at the last session of the 85th Congress by Public Law 85-267 and is now scheduled to expire as respects new applications for assistance on June 30, 1959. Public Law 874, which authorizes Federal financial assistance in the maintenance and operation of public elementary and secondary schools in such areas, is now due to expire June 30, 1958.

The draft bill includes amendments which would extend for 4 years some of the authorizations in Public Law 815 and would eliminate others. The draft bill would also extend some but not all of the authorizations in Public Law 874 for 5 years. The objective underlying all these proposed amendments is to limit Federal payments under these acts to those situations where there is a clear and direct Federal responsibility to provide this type of special educational assistance.

The more important of the amendments to each law are briefly discussed below. A detailed section-by-section analysis of the draft bill is included.

AMENDMENTS TO PUBLIC LAW 815

The proposed amendments would continue without substantial change the provisions of Public Law 815 which authorize Federal payments to local educational agencies on account of increases in school enrollments of children who reside on Federal property with a parent employed on Federal property. However, two categories of children for which payments are authorized under existing law would be eliminated. One such category consists of children of parents either living on or working on Federal property, but not both.

Federal assistance in providing necessary school facilities under existing law for this category of children has, since 1950, involved payments to some 1,300 school districts of more than $400 million on account of almost 750,000 school children. These payments have greatly helped school districts to cope with the sudden and substantial increases in their school enrollments which were occasioned by the great upsurge in Federal defense activity during and following the Korean war.

In the case of most of these children, the homes or other places where they reside are fully taxable by the school districts which provide their education. In not being able to levy real-property taxes on the places where their parents are employed, these school districts are now not different from many other suburban communities which must look wholly or principally to residential property for revenues to meet the local share of the cost of their public-school systems. Also, the Federal installations which provide employment to the parents of such children generate economic benefits to the communities in which they are situated, and to nearby communities, which should tend generally to compensate for any loss in revenues occasioned by the tax immunity of the property of the installations concerned.

Another category of children eliminated by the amendments to Public Law 815 contained in the draft bill, is that involving increased numbers of children of parents who have migrated to a community to accept employment in Federal activities conducted directly or through a contractor. In this situation neither the places of residence nor the places of employment of the parents of such children need be tax exempt. The Federal assistance provided for this category has been justified primarily on the basis of the necessity, in the interest of the national-defense effort, of overcoming difficulties in recruiting and retaining the labor force needed to man the defense activities—difficulties which would arise and persist if the school situation were substandard.

Today, however, there is little evidence of a continuing and substantial migration of labor by reason of defense-contract activities. Furthermore, a substantial proportion of the increased enrollments in most of the school districts which have claimed or would claim assistance for this category of children more properly is attributable to the trend toward suburbanization and the opening of new residential subdivisions in suburban areas than to the activities of the Federal Government.

Another amendment to Public Law 815 included in the draft bill provides for repeal of section 308 which presently authorizes additional Federal payments to a school district of an amount sufficient to finance an approved construction project to house the federally connected enrollment increase, if without such Federal payment the school district would be unable to construct the project. Similar Federal payment is authorized also in the case of a federally aided construction project for the purpose of completing a building which in the course of construction is destroyed by fire, tornado, or flood. The repeal of this section will affect relatively few school districts since it has been seldom used for the first purpose and not at all for the second purpose stated above.

Also permitted to expire would be title IV of the existing Public Law 815. Under this title Federal assistance in school construction has been authorized for public school districts providing education for substantial numbers of children residing on Federal property which are in need of additional school facilities but are unable to qualify for assistance on the basis of increased numbers of federally connected children enrolled in school. This title has been used to assist in the construction of 174 projects costing $24.7 million, mainly for the education of children living on Indian reservation lands. It is believed that the need for additional school facilities for most such districts has now been met and that continuation of this title is no longer necessary.

In addition to the foregoing changes of major significance the enclosed draft bill would make a number of minor amendments to Public Law 815. These include:

1. Elimination of section 304 (b) and the proviso clause at the end of section 305 (a), the purposes of which have been accomplished.

2. The method of computing increases of federally connected children has been changed, so as to provide a more rational measure of increase, by comparing estimated membership at the end of an increase period with membership at end of the previous increase period (the base year), rather than (as under existing law) with the average daily membership in such base year.

3. The proviso contained in section 305 (c) by which children living in Federal housing sold or transferred to non-Federal ownership were deemed to continue to be federally connected for certain purposes, has been eliminated as unjustified.

4. A provision is added making it clear that the Commissioner of Education's authority to make regulations may not be delegated to other Federal personnel.

5. The labor standards at sections 205 (b) (1) (E) and 208 (d) of Public Law 815 (sections 6 (b) (1) and 11 (d) of the act, as it would be amended by the bill) have been changed to include provisions securing to laborers and mechanics on construction projects aided under the act, the payment of time and one-half for overtime work in excess of 8 hours in a day or 40 hours in a week, and to make more specific the functions and authorities of the Secretary of Labor in the administration of these standards.

6. The definition of "Federal property" has been changed to exclude post office property and property used primarily for the provision of benefits (as well as services) to local areas, since such property primarily serves local rather than national interests, and to exclude flight training schools on State or municipally owned airports which are not owned by the Federal Government and can have no Federal tax immunity.

The amendments to Public Law 815 would apply to applications based on enrollment increases in the regular school year 1959-60 and the next 3 years.

AMENDMENTS TO PUBLIC LAW 874

Since enactment of Public Law 874, in 1950, the number of school districts receiving assistance under its provisions has steadily increased as has the amount of assistance provided. In fiscal year 1957 about 3,300 school districts, some in every State and Territory, received assistance under section 3 of the act of more than $105 million on account of more than 1 million federally connected children; total costs un-

der the act amounted to $112 million. In the current school year (1957–58) the number of such school districts has increased, and aggregate costs will approximate $126 million. Were the law extended without amendment, aggregate costs for fiscal 1959 would reach about $150 million.

The proposed amendments to Public Law 874 parallel generally those proposed for Public Law 815 in that the authorization for Federal payments on account of children who live on Federal property with a parent employed on Federal property is continued without substantial change, while existing authorizations for payments on account of other categories of children are discontinued or greatly limited.

The most important amendment to Public Law 874 contained in the draft bill is the gradual reduction over a 4-year period in the Federal payments now being made on account of children of parents living in private taxable homes but employed on Federal property, or residing on Federal property but working on taxable property. Under the bill payments now being made on account of these children would be reduced 20 percent a year, and no new payments on new children in this category would be authorized except in situations involving substantial increases in the number of such children.

Thus, the amendments proposed in the draft bill would limit Federal assistance for children of this type up to the number for which a school district received Public Law 874 payments for the fiscal year 1958, to a diminishing percentage of the actual average daily attendance of such children during the fiscal years 1959, 1960, 1961, and 1962. Whereas these districts, if otherwise eligible, are being paid for the fiscal year 1958 an amount equal to their 1958 local contribution rate times 50 percent of the number of such children, they would, if otherwise eligible, be paid for the next 4 years amounts equal to their 1958 local contribution rate times 40 percent, 30 percent, 20 percent, and 10 percent of the number of such children.

The reasons already set forth in explanation of the elimination of this category of children from Public Law 815 are equally applicable here. The provision for gradual reduction in the payments now being made on account of these children, is being proposed in order to give the affected school districts ample time to make any adjustments in their tax base and rates that may be needed to provide revenues to take the place of the Federal funds being withdrawn.

Moreover, the bill authorizes temporary Federal assistance to school districts which experience substantial enrollment increases in children in this category to help tide the districts over the 1- or 2-year period after the establishment or expansion of a tax-exempt Federal installation during which they may incur additional public school expenses before additional revenues can be provided. Thus, under the proposed bill, if in any year during the extended life of Public Law 874 there is an increase in the number of school children whose parents live or work on Federal property (but not both), over the number in the prior year and in the school year 1957–58, and such increase equals 6 percent or more of the number of nonfederally connected children in average daily attendance in the preceding year and in 1957–58, the draft bill would authorize a Federal payment to be made for one-half the number of children in such increase at the current local contribution rate, and for the following year would authorize a payment of one-half the previous year's amount.

In this connection, the draft bill would eliminate a provision in existing law for a minimum local contribution rate based on the national average local contribution rate per pupil paid under section 3 of the law in the second preceding year. A national average of local contribution rates bears no reasonable relation to the loss a particular school district may suffer as a result of the immunity from local taxation of Federal property on which children reside or their parents work, and hence should not be used in determining the rate of Federal payment to a school district.

The draft bill would not extend the provision of section 4 of Public Law 874 which now authorizes payments on account of increased numbers of children whose parents work for Federal contractors. The reasons already given for eliminating the analogous category of children from Public Law 815 are applicable here.

Under Public Law 874 Indian children who are eligible for educational services provided with funds furnished by the Bureau of Indian Affairs under the Johnson-O'Malley Act (25 U. S. C. 452) are not counted for the purposes of the Public Law 874 program unless the Governor of the State elects to have them counted. In that event the State becomes ineligible for educational assistance through the Bureau of Indian Affairs under the Johnson-O'Malley Act. Indian children who receive only special services, as distinguished from educational services, under the Johnson-O'Malley Act are counted under the Public Law 874 program where the Governor has made no election.

The proposed draft bill changes the present law by permitting each school district, rather than the Governor on a statewide basis, to decide whether assistance for the education of Indian children residing on tax-exempt land within the district will be sought under the Public Law 874 program or through the Bureau of Indian Affairs under the Johnson-O'Malley Act. Each district will be able to choose the program that is financially most advantageous to it, but will not be eligible to participate under both programs at the same time. This change is recommended by the Department of the Interior in order to avoid duplicate Federal payments to any district based upon the residence of Indian children on tax-exempt land.

In addition to these major changes, the enclosed draft bill would make a number of other relatively minor amendments to Public Law 874. These proposed amendments include the following:

1. Payments under section 2, which are based on loss of taxable property through its acquisition by the United States even though no additional school attendance load is caused thereby, would be modified to provide that such acquisition must have occurred within a period of 15 years prior to the year of application for payment. It is felt that over this period the local educational agency should become fully adjusted to the loss of tax base through the Federal acquisition.

2. Payments with respect to children whose parents both live and work on Federal property, would be somewhat liberalized. Thus, section 3 (c) (2) of the act would be amended to authorize waiver by the Commissioner of the eligibility condition which requires that there be 10 or more such children in average daily school attendance, when application of this condition would defeat the purposes of the act. Also, the special 6 percent eligibility requirement for cities which in the school year 1938–39 had an average daily attendance of more than 35,000 children, together with the 3 percent absorption requirement as applied to such cities (at sec. 3 (c) (3) of the law), would be eliminated as respects children of parents who both live and work on Federal property.

3. The definition of Federal property would be amended to exclude (a) outleased Federal property if the leasehold is taxable, except where leased from the Department of the Army, Navy, or Air Force under section 805 of the National Housing Act, (b) flight training schools operated on any State or municipally owned airports, and (c) post office property and other property used primarily for the provision of benefits (as well as services) to local areas. The last two exclusions parallel amendments to similar provisions in Public Law 815, and the first is necessary to assure limitation of the law to nontaxable Federal property.

4. The special provision in the HEW Appropriation Act of 1954 which included the Boulder Dam project land as Federal property, regardless of the taxability of leasehold interests in the land, has also been repealed consistently with the exclusion of all taxable outleased federally owned property.

All amendments to Public Law 874 would become effective July 1, 1958.

The effect of the various amendments proposed to be made by the attached draft bill on the cost of these programs of school assistance in federally affected areas will vary somewhat with the nature and extent of the activities of the Federal Government. For Public Law 815 we estimate that the amount to be appropriated for assistance in school construction in fiscal 1959 would be reduced from $62 million if this law were to be extended in its present form, to $20.5 million if the proposed amendments are adopted; comparable savings could be realized in subsequent years. For Public Law 874 we estimate that the cost in the fiscal year 1959 would be reduced from $149 million if the law were extended without amendment, to $110 million if the proposed amendments are adopted; in the fifth year (fiscal 1963) costs under Public Law 874 could be reduced to about $53 million under the draft bill, as compared with costs of more than $200 million if the law were extended without amendment.

In compliance with Public Law 801, 84th Congress, there is enclosed a statement of cost estimates and personnel requirements which would be entailed by enactment of the enclosed draft bill.

We shall appreciate it if you will be good enough to refer the enclosed draft bill to the proper committee for consideration. In view of the expiration of Public Law 874 on June 30 of this year and the desirability of giving the local educational agencies concerned as much notice as possible of changes in this law which would affect their planning for the school year 1958–59, it is hoped that early attention can be given to this legislative proposal.

The Bureau of the Budget advises that enactment of this proposed legislation would be in accord with the program of the President.

Sincerely yours,

M. B. FOLSOM,
Secretary.

SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS AMENDMENTS ACT OF 1958—DETAILED ANALYSIS

The draft bill amends the act of September 23, 1950 (Public Law 815, 81st Cong.), by extending title III thereof, with various amendments, for 4 additional years, covering increases in school membership through June 30, 1963. It also amends the act of September 30, 1950 (Public Law 874, 81st Cong.), by extending it through June 30, 1963, with amendments.

AMENDMENTS TO THE ACT OF SEPTEMBER 23, 1950

Section 1 of the bill amends the act of September 23, 1950, by rewriting it. Under the act as rewritten, titles I, II, and IV would not be continued.

Purpose and appropriation

Section 1 of the act of September 23, 1950, as amended by the bill, authorizes appropriation, for each fiscal year through the

fiscal year ending June 30, 1964, of such sums as the Congress may determine to be necessary for the purpose of providing assistance for the construction of urgently needed minimum school facilities in school districts which have, since the school year 1958–59, had substantial increases in the number of children in their schools who reside on tax-exempt Federal property. Such appropriations (other than the sums appropriated for administration) would be available until expended.

This section is the same as section 301 of the existing law, except that the authorization for appropriations has been extended for another four fiscal years to cover school enrollment increases of children residing on Federal property. Also, the provision that appropriations are available until expended has been transferred from another part of the law.

Portion of appropriations available for payments

Section 2 of the act, as amended by the bill, requires the Commissioner of Education to determine for each fiscal year the portion of the appropriations which is to be available for carrying out sections 8 and 9 (relating to grants for the construction of temporary school facilities and to the provision by the Commissioner of facilities for children residing on Federal property). The remainder of the appropriations is available for payments to local educational agencies for the Federal share of projects for which applications have been approved under the act.

This section is the same as section 302 of the existing law except for changes in references.

Establishment of priorities

Section 3 of the act, as amended by the bill, provides for the establishment by the Commissioner of dates before which applications for payments with respect to projects must be filed, in order for the applications to be approved for purposes of sharing in the appropriations available (for the purpose) on the dates established. If the funds available for the purpose on any such date are inadequate, the Commissioner's regulations, based on relative urgency of need, determine the order of priority for approval of the applications. The last date established by the Commissioner under this section may not be later than June 30, 1963. To be considered an application for purposes of this section, an application would have to meet the conditions for approval set forth in the act (in sec. 6), other than the requirement that there be sufficient Federal funds available to pay the Federal share of the cost of the project.

This section is the same as section 303 of the existing law except for date and reference changes and except for a rearrangement, for purposes of clarification, of the provisions relating to the regulations governing priorities.

Federal share for any project

Section 4 of the act, as amended by the bill states that the Federal share of the cost of any project is an amount equal to the cost of such project. However, this amount is subject to three limitations. First, the Federal share is subject to the limitation on the total payment which may be made to any local educational agency under section 5 of the amended act with respect to increased school membership in any increase period. Second, the Federal share cannot exceed the cost of constructing minimum school facilities. The cost of the facilities will be determined by the cost thereof in the community in which the project is being constructed.

The Federal share of the cost of the project may also not exceed the cost in the community of constructing minimum school facilities for the school children who will otherwise be without minimum facilities at the close of the increase period. (This term is defined in section 13. See below for explanation of its meaning.) The number of school children without minimum facilities will be determined for purposes of this limitation on the basis of the school facilities built or under contract on the date on which the Commissioner establishes, under section 3, the earliest date on or before which the application for the project was filed. Also considered as available for the children, for the purpose of determining the number of children who will be without minimum facilities, are school facilities included in any project the application for which has been approved under this act.

This section is the same as subsection (a) of section 304 of the existing law except for reference changes. Subsection (b) of section 304 has been omitted. It related to the special situation of those local educational agencies which had filed applications on or before November 24, 1953, and had entered into construction contracts after that date which reduced or eliminated payments to which those agencies would otherwise have been entitled under the law. Thus, the provisions of this subsection have been executed.

Limitation on total payments to any local educational agency

Section 5 of the act, as amended by the bill, establishes a maximum on the total payments which may be made to any local educational agency, with respect to the increased school membership of federally connected children during any increase period. Subject to subsections (b) and (c) of section 5, which further limit the total number of children to be included for purposes of computing the maximum, the maximum will be based on a percentage of the cost of constructing minimum school facilities in the State multiplied by the increase since the base year (defined in sec. 13) in children who live on Federal property with a parent employed on Federal property (situated in the same State or within reasonable commuting distance of the school district).

Subsection (a) of this section sets forth the method for determining the extent of the increase in the number of these children. This is done by deducting from the number of such children who will be in the membership of the schools of the local educational agency at the close of the increase period (the period of 2 consecutive regular school years following the base year), the number of such children who were in the membership of the schools of such agency at the close of the base year. The maximum amount is then computed by multiplying the increase by 95 percent of the per pupil cost of constructing minimum school facilities in the State.

Subsection (b) of the new section 5 imposes eligibility conditions which (except as provided in subsection (d)) must be met before an increase can be counted toward the maximum amount payable to a local educational agency. The increase must be 20 or more children and must be equal to at least 5 percent of the total membership of the schools of the local educational agency at the close of the base year.

Since most communities in the country are experiencing an increase in school membership, subsection (c) of the new section 5 would reduce the total number of children who may be counted for purposes of determining the maximum under this section to the extent that the increase in nonfederally connected children who will be in the membership of the schools of the local educational agency at the close of the increase period is less than 107 percent of the membership of such nonfederally connected children at the close of the base year.

Subsection (d) of the new section 5 authorizes the Commissioner to waive or reduce the 5-percent eligibility condition in subsection (b) or waive or reduce the percentage of the increase in nonfederally connected children required by subsection (c), or both. Such waiver or reduction, however, would be authorized only when and to the extent that, in the judgment of the Commissioner of Education, exceptional circumstances exist which make such action necessary to avoid inequity and to avoid defeating the purposes of the act.

Subsection (e) is designed to prevent the same children from being counted as part of an increase during two consecutive increase periods. Under this subsection if a local educational agency files an application with respect to a construction project in two consecutive increase periods and any payment has been or may be made on the basis of the first application, then in determining the total number of children which may be counted for purposes of the maximum on the payments to the agency during the year in which the second application is filed, the number of children whose membership at the close of the first increase period was compared with membership in the applicable base year is to be subtracted from the number of children in the same category whose membership at the close of the second increase period is compared with membership in the applicable base year.

This section differs from section 305 of the existing law in several respects, in addition to differences in references and dates.

First, the second and third categories of children with respect to whom Public Law 815 now authorizes payments—those whose parents either reside on or work on Federal property, and those whose membership results directly from activities of the United States in so-called critical defense areas—are not continued in the new section. Also deleted, as no longer needed, is a provision permitting an applicant to elect which category to count children under, if countable under more than one.

Second, also not continued in the new provisions is the provision in the existing section 305 (a) under which children attending a federally owned school operated by a local educational agency could be counted as part of an increase in school membership for purposes of this section, and would be determined to be without school facilities at the close of the increase period, if the Commissioner found that the Government-owned school could more appropriately be used for other school purposes or was no longer available for use for such purposes and that the agency will submit an application for a project to provide off-base school facilities for the children.

Third, school membership at the close of the increase period would be compared with school membership at the close of the base year, instead of with average daily membership during that year as in the existing provisions of section 305, in order to determine the amount of the increase in membership.

Finally, the draft bill also eliminates the existing provision of section 305 under which children residing on housing property, which was considered Federal property prior to its transfer or sale by the United States, are not to be counted as federally connected in determining the eligibility of the local educational agency under subsection (b).

Applications

Section 6 (a) of the act, as amended by the bill, requires submission of an application, through the State educational agency, to the Commissioner in accordance with his regulations before any payments may be made to a local educational agency.

Subsection (b) of section 6 sets forth the conditions which must be met by an application before it may be approved. The application must set forth the project with respect to which it is filed; contain a description of the site, preliminary drawings,

and other related information; contain assurance of ownership of the site or the right to construct and maintain facilities thereon for at least 20 years and of the local educational agency's legal authority to undertake the construction; contain assurance that the construction will be begun in a reasonable time and prosecuted to completion with reasonable diligence, that adequate funds to defray the non-Federal share of the cost will be available, that laborers and mechanics employed on the project will be paid prevailing wage rates and time and one-half for overtime work in excess of 40 hours in a week or 8 hours in a day, that the school facilities will be available for the federally connected children on the same terms, in accordance with the laws of the State, as they are available to other children in the school district of the local educational agency, and, finally, that the local educational agency will submit necessary reports relating to the project reasonably required by the Commissioner.

Any application meeting the above requirements must be approved if not inconsistent with overall State school construction plans and if there are sufficient Federal funds available to pay the Federal share of the cost of the project and other projects with a higher priority. In order to expedite action on applications which involve urgent needs for new schools to take care of increased school enrollments occasioned by new Federal housing projects, this subsection authorizes approval of applications in such situations in advance of the cutoff dates established by the Commissioner for priority purposes under section 3. Such advance approval, however, may be given only if the Commissioner determines it to be likely that the need of the applicant local educational agency is sufficiently great to qualify it for payments when the priorities are established.

Subsection (c) of section 6 of the act, as amended by the bill, requires notice and opportunity for hearing to an applicant local educational agency before its application is disapproved by the Commissioner.

This section is the same as section 306 and section 205 (b) (1) of the existing law except for addition at section 6 (b) (1) (E) of overtime pay standards to the prevailing wage standards now provided at section 205 (b) (1) (E) of existing law, and except for reference changes and deletion of the material at the end of section 6 (b) (2), which material would be no longer operative when the bill is enacted.

Section 7 (a) of the act, as amended by the bill, sets forth the procedure for making payments. Upon approving an application of a local educational agency with respect to a project, the Commissioner is to pay to the agency 10 percent of the Federal share of the cost of the project. After approval of the final drawings and specifications of the project and execution of the construction contract, the Commissioner is to pay the remainder of the Federal share to the agency, in accordance with his regulations and in reasonable installments.

Subsection (b) of section 7 requires the return to the Treasury of the United States of any funds paid to a local educational agency which are not used for the purposes for which paid.

Section 7 is the same as section 307 of the existing law except for the deletion, as unnecessary, of the provision that payments are to be made through the disbursing facilities of the Treasury Department and prior to audit or settlement by the General Accounting Office.

Where effect of Federal activities will be temporary

Section 8 of the act, as amended by the bill, relates to cases where part or all of the attendance of federally connected children in a local school district is of temporary duration. In such cases the Commissioner is directed to make available to the local educational agency such temporary school facilities as may be necessary to take care of the temporary school membership; or he may pay an amount equal to the cost of such facilities to the local agency for use in constructing regular school facilities. In no case, however, may the amount so paid exceed the cost in the school district of constructing minimum school facilities for the federally connected children. Any temporary facilities made available to a local educational agency under this section may be transferred to such agency without charge, on such terms and conditions as the Commissioner determines appropriate to carry out the purposes of this act.

Except for change in references, this section is the same as section 309 of the existing law.[1]

Children for whom local agencies are unable to provide education

Section 9 of the act, as amended by the bill, provides that the Commissioner shall arrange for constructing or otherwise providing minimum school facilities for children residing on Federal property if no tax revenues of the State or any political subdivision may be expended for the free public education of the children or no local educational agency is, in the judgment of the Commissioner after consultation with the State educational agency, able to provide suitable free public education for the children. The facilities provided are, to the maximum extent practicable, to be comparable to minimum school facilities provided in comparable communities in the State. Children for whom facilities are provided under this section are not to be included in computing under section 5 the maximum on the total payments to a local educational agency.

The provisions of this section are not applicable to children who reside on Federal property under the control of the Atomic Energy Commission.

This section is the same as section 310 of the existing law except for reference and date changes and except for removal of Indian children attending federally operated Indian schools from the groups specifically excluded from application of the section. (This exclusion would be replaced by the broader provision making inapplicable for purposes of this section, the specific inclusion of various Indian lands within the definition of Federal property.)

Withholding of payments

Section 10 (a) of the act, as amended by the bill, provides for the withholding of payments to a local educational agency for failure to comply with the specifications for a project, for diversion of Federal funds from the purposes for which paid, or for failure to carry out any of the assurances given in an application, until the Commissioner is satisfied that the failure to comply or diversion or default has been corrected or arrangements have been made for repayment of diverted or improperly expended Federal moneys. This withholding action may be taken only after notice and opportunity for hearing to the local educational agency.

Under subsection (b) of the new section 10, the withholding action of the Commissioner, and his refusal to approve any application, would be subject to judicial review on the record in the United States court of appeals for the circuit in which the local educational agency is located, in accordance with the provisions of the Administrative Procedure Act.

Except for changes in references, this section is the same as sections 311 and 207 (b) of the existing law.

Administration

Section 11 of the bill provides for administration of the act by the Commissioner. It authorizes necessary regulations and requires inclusion of a report of administration of the act in the Commissioner's annual report to the Congress. This section also prohibits any direction, supervision, or control over the personnel, curriculum, or program of instruction of any State or local school or school system by any Federal agency, officer, or employee in the administration of this act.

This section also provides that, with respect to the requirement that prevailing wage rates and time and one-half for overtime be paid mechanics and laborers on any project for which funds are paid under the act, the Secretary of Labor shall have the authority and functions set forth in Reorganization Plan No. 14 of 1950 (5 U. S. C. 133z–15) and section 2 of the Copeland Act (40 U. S. C., 276c).

Except for changes in references, and clarification of the Secretary of Labor's authority in connection with labor standards, this section is the same as section 208 of the existing law.

Use of other Federal agencies; transfer and availability of appropriations

Section 12 (a) of the act, as amended by the bill, authorizes the Commissioner to utilize other Federal agencies and to delegate performance of his functions, except the making of regulations, to any officer or employee of the Office of Education or of any other Federal Department or Agency. Such utilization or delegation of other Departments and Agencies is to be pursuant to agreement, with payment for the cost thereof to be made in accordance with the agreement. The authority of the Commissioner under this section with respect to other Federal Departments and Agencies is to be exercised whenever it would avoid duplication within the Office of Education of existing available staff and facilities.

Subsection (b) of the new section 12 requires other Federal Agencies, which administer Federal property on which children reside or which are principally responsible for Federal activities that may give rise to a need for school construction, to comply to the maximum extent practicable with the Commissioner's requests for information he needs to carry out the act.

Subsection (c) of this section prohibits appropriations other than those made to carry out this act from being available between June 30, 1951, and July 1, 1964, for the same purposes as this act. This prohibition is not applicable to appropriations for the construction of school facilities on Federal property under the control of the Atomic Energy Commission, appropriations for the construction of federally operated school facilities for Indian children, appropriations for school construction under the Alaska Public Works Act, and appropriations authorized prior to September 23, 1950 (the date of enactment of the original law), for construction of school facilities for Indian children.

This section is the same as subsections (a), (b), and (e) of section 209 and subsection (a) of section 105 of the existing law

[1] Except for the provision that appropriations shall remain available until expended, which has been included in section 1 above, section 308 of the existing law has not been continued. That section also authorized a special fund, equal to not more than 10 percent of the amounts appropriated for any fiscal year, for making additional payments to help finance the non-Federal share of the cost of projects in certain special or emergency situations. It also contained a special temporary provision, already executed, making some exceptions from the requirement, established in regulations of the Commissioner, as to the minimum percentage of children who must be federally connected for an application to be approved.

except for date and reference changes and except for the exclusion of the making of regulations from the functions which may be delegated to other Federal officers and employees. In this respect the draft bill would follow the existing provisions of section 105 (a) dealing with delegation to Office of Education personnel of the Commissioner's functions.

Definitions

Paragraph (1) of section 13 of the act, as amended by the bill, defines "Federal property" as real property owned or leased by the United States and not subject to State or local taxation. Specifically included in the term is real property which is leased from the United States even though the leasehold interest is subject to State or local taxation. Also included specifically, except for purposes of section 9, is real property held in trust by the United States for Indians or Indian tribes, or which is held by Indians or Indian tribes and is subject to restrictions on alienation imposed by the United States. Specifically excluded, however, is real property used by the United States primarily for provision of services or benefits to the local area where the property is located, real property used for a labor supply center, labor home, or labor camp for migratory farmworkers, real property under the jurisdiction of the Post Office Department and used primarily for the provision of postal services, and low-rent housing projects held under title II of the National Industrial Recovery Act, the Emergency Relief Appropriations Act of 1935, the United States Housing Act of 1937, or Public Law 671 of the 76th Congress.

This paragraph of the definitions is the same as paragraph (1) of section 210 of the existing law, except for (i) the addition, to the types of property specifically excluded from the definition, of Post Office Department property and property used primarily for provision of "benefits" to local areas, (ii) the deletion of the specific inclusion of schools located at State or local airports and providing flight training under contracts with the Air Force, and (iii) the amendment making the inclusion of Indian lands inapplicable for purposes of section 9.

Paragraph (2) of section 13 defines the term "child" to mean any child who is within the age limits for which the State provides free public education. It is the same as paragraph (2) of section 210 of the existing law.

Paragraph (3) of section 13 defines "parent" to include a legal guardian or other person standing in loco parentis. This is the same as paragraph (3) of section 210 of the existing law.

Paragraph (4) defines "free public education" as education provided at public expense, under public supervision and direction, and without tuition charge, and which is provided as elementary or secondary school education in the State. It is the same as paragraph (4) of section 210 of the existing law except for the addition, for clarifying purposes, of the requirement that no tuition be charged. This addition makes the definition the same in terms, as well as substance, as the definition in the act of September 30, 1950 (Public Law 874, 81st Cong.).

Paragraph (5) of section 13 provides that school membership shall be determined in accordance with State law or, in the absence thereof, in accordance with the Commission's regulations. Where, however, a tuition charge is paid or contracted to be made by the local education agency in the school district of which a child resides to another local educational agency for the child's free public education, then the membership of the child shall be considered as membership of a school of the agency receiving the payment if the two local agencies so agree and the agreement is approved by the Commissioner, or, in the absence of such an approved agreement, as membership of a school of the agency making the tuition payment. This paragraph also provides that, in determining school membership, children who are not provided "free public education" may not be counted.

This paragraph is the same as paragraph (5) of section 210 of the existing law except for the fact that the latter also applied to determinations of "average daily attendance" and "average daily membership." These terms do not appear in the act as amended by the bill; hence their absence from paragraph (5).

Paragraph (6) of section 13 provides that the average per pupil cost of constructing minimum school facilities in a State is to be determined by the Commissioner on the basis of contracts entered into during the fiscal year preceding that in which the application, with respect to which the determination is made, is approved. If the available information for the preceding fiscal year is found by the Commissioner to be inadequate or not sufficiently representative, the determination is to be made on the basis of the available information and after consultation with the State educational agency. The cost of constructing minimum school facilities in the school district of a local educational agency is to be determined by the Commissioner, after consultation with both the State and local educational agencies on the basis of information contained in the application and such other information as the Commissioner may obtain.

This paragraph is the same as paragraph (7) of section 210 of the existing law, except that the existing paragraph also applies to determination of the cost of constructing "complete," as well as minimum school facilities. Under the act, as amended by the bill there is no need for any reference to "complete" school facilities.[2]

Paragraph (7) of section 13 provides that all determinations with respect to the eligibility and maximum amount of payment are to be made as of the time of approval of the application for which made and on the basis of the best information then available.

This paragraph is the same, with the exception of one minor change, as paragraph (8) of section 210 of the existing law.

Paragraph (8) of section 13 defines the terms "construct," "constructing," and "construction" to include preparation of drawings and specifications; erecting, building, acquiring, altering, remodeling, improving, or extending school facilities; and inspection and supervision of construction.

This paragraph is the same as paragraph (9) of section 210 of the existing law.

Paragraph (9) of section 13 defines "school facilities" to include classrooms and related facilities, and necessary or appropriate initial equipment, machinery, and utilities. Specifically excluded are athletic stadia, or facilities or structures intended primarily for athletic or other events for which admission is to be charged the general public. Also excluded are interests in land and off-site improvements except for purposes of sections 8 and 9 (relating to provision of temporary facilities and provision of facilities by the Commissioner where local educational agencies are unable to do so).

This paragraph is the same, except for changes in references, as paragraph (10) of section 210 of the existing law.

Paragraph (10) of section 13 provides that the determination of whether or not school facilities are minimum school facilities is to be made by the Commissioner in accordance with regulations and after consultation with the State and local educational agencies.

[2] Sec. 210 of the existing law also includes a definition of "current fiscal year" in par. (6). Since this term would not appear in the amended law, the definition has not been continued.

This paragraph is the same as the portion of paragraph (11) of section 210 of the existing law dealing with "minimum school facilities." The existing provision, however, also indicated what school facilities would be deemed "adequate." There is no need for the continuation of the latter provision.

Paragraph (11) of section 13 defines "local educational agency" as a board of education, or other legally constituted local school authority having administrative control and direction of free public education in a county, township, independent, or other school district in the State. The term also includes any State agency which directly operates and maintains school facilities or which has responsibility for the provision of such facilities.

This paragraph is the same as paragraph (12) of section 210 of the existing law.

Paragraph (12) of section 13 defines "State educational agency" as the officer or agency primarily responsible for State supervision of public schools. It is the same as paragraph (13) of section 210 of the existing law.

Paragraph (13) of section 13 defines State to include Alaska, Hawaii, Puerto Rico, Guam, Wake Island, and the Virgin Islands. This paragraph is the same as paragraph (14) of section 210 of the existing law, except that the existing provision includes the District of Columbia for purposes of title I. Since title I would not be continued under the act, as amended by the bill, this portion of the definition was deleted.

Paragraph (14) of section 13 defines Commissioner of Education and Commissioner as the United States Commissioner of Education. This is the same as paragraph (15) of section 210 of the existing law.

Paragraph (15) of section 13 defines base year as the regular school year 1960–61 in the case of an application filed during the fiscal year ending June 30, 1963. In the case of an application filed prior to that fiscal year, it means the regular school year preceding the fiscal year in which the application is filed or the regular school year preceding such school year, whichever is designated in the application. While this definition differs in terms from the definition of base year in section 312 of the existing law, it is patterned after, and is the same in principle, as the existing definition.

Paragraph (16) of section 13 defines the term "increase period" as the period of 2 consecutive regular school years immediately following the base year. Again, while this definition differs in terms from the definition of "increase period" in section 312 of the existing law, it is patterned after, and is the same in principle, as that definition.

Short title

Section 14 of the act, as amended by the bill, provides that the act may be cited as the "School Construction Assistance in Federally Affected Areas Act." The existing law does not provide a short title.

AMENDMENTS TO THE ACT OF SEPTEMBER 30, 1950

Extension of Public Law 874

Section 2 (a) of the bill amends section 1 of the act of September 30, 1950 (declaration of policy) to reflect the limited scope of the amended law which would restrict continuing payments to payments on account of children whose parents live and work on Federal property, and limit payments on account of children whose parents live on or work on Federal property (but not both) to situations where there is a substantial increase in such children.

Section 2 (b) of the bill amends two provisions of the act to September 30, 1950, so as to extend the duration thereof for another 5 years (through June 30, 1963). Corresponding amendments have been made by other sections of the bill which involve sections of the act containing duration provi-

sions; these will not be again mentioned in this analysis.

Fifteen-year limit on payments made on account of acquired land

Section 3 of the bill amends section 2 (a) of the act of September 30, 1950, so as to provide that no payments will be made under that section with respect to any property for any year after the 15th fiscal year following the year in which the property was acquired by the United States.

Amount of and eligibility for payments

Section 4 of the bill would amend various provisions in sections 3, 4, and 5 of the act of September 30, 1950, to continue with slight modification the provisions for payments on account of children who reside on Federal property with a parent employed on Federal property, to limit substantially the provisions for payments on account of children whose parents reside or work on Federal property (but not both), to reduce the rate of payment per federally connected child, and to repeal provisions for payments on account of children of Federal contractors. These amendments are explained more fully below.

Children whose parents reside and work on, or reside or work on, Federal property

Subsection (a) of section 4 of the bill would continue without substantive change the provisions of section 3 (c) (1) and (2) of the act of September 30, 1950, insofar as they apply to "A" category children, i. e., children who reside on Federal property with a parent employed on Federal property (or with a parent on active duty with the uniformed services).

The new section 3 (c) (2) of the act, as added by the bill, would provide new formulas for payments on account of "B" category children—those who either reside on Federal property or reside with a parent employed on Federal property, but who do not reside on Federal property with a parent employed on Federal property (unless the school district elects to count its "A" category children as "B" category children).

With respect to any number of "B" category children up to the number for which a school district received payment under section 3 (c) for the fiscal year 1958, the school district in the 4 succeeding fiscal years, if otherwise eligible, would receive progressively smaller payments each year; thus, it would be entitled to receive payments equal to 40 percent of the number of such children in attendance during fiscal year 1959, times its 1958 local contribution rate, 30 percent of the number during fiscal year 1960 times its 1958 rate, 20 percent and 10 percent for fiscal years 1961 and 1962 attendances of such children, and no payment in fiscal 1963.

With respect to increases in "B" category children occurring during any of the 5 fiscal years in the period July 1, 1958, to June 30, 1963, a school district, if otherwise eligible, could receive for the year in which the increase occurs a payment equal to one-half its increase in "B" category children times its local contribution rate for such year; in the succeeding year it would be entitled to one-half this amount. However, it could receive no payment unless the number of "B" category children it had in attendance during the increase year also exceeded the number of such children it was entitled to receive payment for in fiscal 1958 (if any), and unless the increased "B" children attendance exceeded both the preceding year's "B" children attendance and its fiscal year 1958 "B" children attendance by 6 percent of its nonfederally connected attendance (i. e., all children in school attendance other than "A" or "B" category children) in the preceding year.

Eligibility conditions

In order to qualify for any payment on either "A" or "B" category children under the amended act, a school district would still have to have enough such children in school attendance to meet the basic 3-percent and 10-or-more eligibility conditions at section 3 (c) (2) of the act (redesignated section 3 (c) (3) by the draft bill). However, section 4 (b) of the bill would amend these provisions to permit the Commissioner in exceptional circumstances to waive the 10-or-more eligibility condition as applied to "A" category children. Under the draft bill (as under existing law) he can waive the 3-percent eligibility condition as applied to either "A" or "B" category children.

Section 4 (c) of the bill amends the special eligibility conditions set forth at section 3 (c) (3) of the act of September 30, 1950 (redesignated section 3 (c) (4) by the draft bill) which apply only to school districts having a school attendance during the fiscal year 1939 of over 35,000 children. The bill would restrict the application of the first of these special conditions (the 6-percent eligibility condition) to "B" category children only, and would restrict the second condition (the 3-percent absorption requirement) to "B" category children for which a school district seeks payments under section 3 (c) (2) (A) of the act as it would be amended by the bill. Thus, neither of these special conditions would apply to "A" category children, and the second (absorption requirement) would not apply to increases in "B" category children which may form the basis for payments under the new section 3 (c) (2) (B).

Sections 4 (d), (e), and (f) of the bill merely make necessary changes in section references and dates in section 4 (c) (4) and (5) of the act of September 30, 1950 (redesignated sec. 4 (c) (5) and (6) by the bill), and in sections 3 (e) and 5 (c) of such act.

Computation of local contribution rate

Subsection (g) of section 4 of the bill would amend section 3 (d) of the law, which provides a method for determining the local contribution rate, by eliminating the national average per pupil local contribution rate as a minimum rate, and by substituting "generally comparable" for "most nearly comparable." The latter is a technical amendment relating to the choice of the school districts the per pupil expenditures of which are to be used for purposes of determining the local contribution rate for the local educational agency concerned.

Repeal of Federal-contractor category

Subsection (h) of section 4 of the bill would repeal section 4 of the act of September 30, 1950, which provides for payments to certain school districts which experience substantial school attendance increases as a result (generally) of the in-migration of children of persons who are employed by Federal contractors.

Subsection (i) of section 4 of the bill makes necessary changes in section references in section 5 of the act of September 30, 1950.

Definition of Federal property

Subsection (a) of section 5 of the bill amends the definition of "Federal property" in section 9 (1) of the existing law by deleting the second sentence which specifically includes as Federal property real property owned by the United States, but leased from it, even though the leasehold interest is subject to State or local taxation. The provisions of the original law, however, which specifically included real property leased from the Secretary of the Army, Navy, or Air Force under section 805 of the National Housing Act (for purposes of title VIII of that act), would be reinstated.

Subsection (b) of section 5 of the bill would delete the specific inclusion in Federal property of State or local airport schools providing flight training under contracts with the Air Force.

Subsection (c) of section 5 of the bill would add to the types of property specifically excluded from this definition any property under the jurisdiction of the Post Office Department and used primarily for postal service and any property used primarily for the provision of benefits to local areas.

Boulder Canyon project land

Section 6 of the bill would repeal the provision of the Department's 1954 appropriation act which specifically included, as Federal property, land within the Boulder Canyon project reservation, and provided for the deduction, under section 3 (g) of the law, of any school taxes collected on any leasehold interest within the Boulder Canyon Union School District.

Indian children

Subsection (a) of section 7 of the bill would amend paragraph (2) of section 9 of the existing law by deleting the second sentence thereof. This sentence now excludes from the definition of "child" Indian children who are eligible for educational services under a capital grant by the United States or under the supervision of, or pursuant to, a contract or other arrangement with the Bureau of Indian Affairs. This subsection would also amend the third sentence of section 9 (1) of the existing law by making it inapplicable for purposes of section 6. This sentence specifically includes certain Indian lands in the definition of Federal property.

Subsection (b) of section 7 would substitute for the present section 10 of the act, which permits each State to elect coverage of children residing on Indian reservations and other lands under Public Law 874, a provision which would render ineligible for Johnson-O'Malley Act payments for any fiscal year any local educational agency (except one that educates out-of-district Indian children who reside in Federal dormitories) which applies for and receives funds under Public Law 874 for such year. Thus, while the above-noted amendments with respect to Indian children would make Public Law 874 (except sec. 6) fully applicable to them if their parents reside and work on tax-exempt Indian lands in like manner as it applies in the case of all other children residing on tax-exempt Federal property with a parent employed thereon, the new section 10 would render any school districts applying for and receiving payments under the amended Public Law 874 ineligible for Johnson-O'Malley payments.

Short title

Section 8 of the bill would give to the act of September 30, 1950, the short title of "School Operations Assistance in Federally Affected Areas Act."

Effective date

Subsections (a) and (b) of section 9 of the bill provide effective dates for the amendments to the act of September 23, 1950, made by section 1 of the bill. Those amendments will apply in the case of applications filed after June 30, 1958, with respect to an increase period including the regular school year 1959–60 or any subsequent school year. The provisions of the existing title IV, however, will continue effective to the extent necessary to carry out agreements for assistance made prior to June 30, 1959, in accordance with the provisions of that title.

Subsection (c) of section 9 provides that the amendments to the act of September 30, 1950, made by sections 2 to 8, inclusive, of the bill are effective for the period beginning July 1, 1958.

Short title

Section 10 of the bill provides that it may be cited as the "School Assistance in Federally Affected Areas Amendments Act of 1958."

CONTINUATION OF SPECIAL MILK PROGRAM

Mr. AIKEN. Mr. President, when the Congress adopted the school milk program, it did so by an amendment to the price-support provisions of the law. The result has been that the cost of the school milk program has been charged to the price-support loss over the years the program has been in effect. That is not as it should be. So I send to the desk a bill which will limit the school milk program for children in the interest of improved nutrition for another 2 years as a separate project, which it properly should be. Last year $56 million was charged up as a price-support loss, when it should properly have been charged to a program to improve the nutrition of school children.

Let me add, Mr. President, that if any Senator wishes to put his name on the bill as a cosponsor, I shall be very glad to have him do so.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3070) to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in the schools, introduced by Mr. AIKEN (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

AMENDMENT OF INTERNAL REVENUE CODE, RELATING TO PROHIBITION OF CERTAIN EXPENSES BY ELECTRIC POWER COMPANIES

Mr. LANGER. Mr. President, I introduce, for appropriate reference, a bill to amend the Internal Revenue Code of 1954 so as to prohibit the allowance as a business deduction of expenses incurred by electric-power companies in propagandizing against Federal electric-power policies and rural electric cooperatives. I ask unanimous consent that a statement prepared by me relating to the bill may be printed in the RECORD.

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

The bill (S. 3074) to amend the Internal Revenue Code of 1954 so as to prohibit the allowance as a business deduction of expenses incurred by electric-power companies in propagandizing against Federal electric-power policies and rural electric cooperatives, introduced by Mr. LANGER, was received, read twice by its title, and referred to the Committee on Finance.

The statement presented by Mr. LANGER is as follows:

STATEMENT BY SENATOR LANGER

Mr. President, I am today introducing two bills. (1) To amend the Internal Revenue Code of 1954 so as to prohibit the allowance, as a business deduction, expenses incurred by electric-power companies in propagandizing against Federal electric-power policies and rural electric cooperatives (REA); (2) to amend the Federal Power Act so as to prohibit the Federal Power Commission, in exercising their ratemaking power with respect to the transmission and sale of electric energy subject to its jurisdiction, from treating as operating expenses those expenses incurred by electric utilities in propagandizing against Federal power policies and REA.

Testimony before Congressional committees has revealed that electric power companies have spent millions of dollars in so-called advertisements in magazines and other media in propagandizing against Federal electric power policies and REA.

These advertisements make it appear that the Federal Government is losing money in Federal taxes, whereas the record discloses that the principal purpose of the REA and Federal electric power policies are for the purpose of giving cheaper power rates to areas where many private electric power companies had refused to venture and serve until after the Federal electric power and REA had been instituted.

The witnesses who have appeared before Congressional committees have testified that the public utilities have listed, as expenses, before the FPC in utility rate hearing, the costs of such advertising propaganda against Government policies dealing with Federal electric power and rural electric cooperatives.

It is bad enough for the electric power companies to attack the Federal Government's electric power policy and the REA, but it adds insult to injury to permit the electric power companies to make the Federal Government pay for it through permitting a tax deduction on income taxes for the advertisements and, further, for the public to pay for such propaganda through higher rates due to the cost of such propaganda.

Mr. LANGER subsequently said: Mr. President, this morning I introduced two bills dealing with REA. I ask unanimous consent that a statement prepared in connection with the bills may be printed in the body of the RECORD following the introduction of the bills.

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

I have asked for the floor because I want to speak up against the robbery of the American people. It is a robbery that has been going on for years, but I don't think we should let another day pass without doing something to stop it. I am referring to the practice of electric power companies in spending countless millions in propaganda advertising and political activities and then adding the costs of this propaganda to their cost of operation and making the consumer pay for it in his electric bill.

As everyone knows, the electric power industry is a monopoly industry. The man that wants electricity must buy it from the company that services his community and he must pay the rates which they charge. The consumer has absolutely no choice in the matter. Because of this monopoly position enjoyed by the electric power companies the law provides that they are allowed to charge only such rates that will enable them to cover their costs of operation and their costs of obtaining the money that they need for that operation. Obviously, money spent to attack some public development, or to propagandize the consumer along certain political and economic lines, are not a cost of the operation of an electric power company.

The electric consumer wants, and is entitled to receive, the best possible electric service at the lowest possible cost. The electric consumers should not have to pay the cost of expensive advertisements, in slick national magazines, attacking TVA, or a Federal Hell's Canyon project, or the rural electric cooperatives of the country. Expenditures of that kind do not contribute to any better or cheaper service for the consumer—on the contrary, all that they do is to increase his electric bill.

Can you imagine what the electric consumer would say if his electric light bills showed that 5 or 10 percent of it—or any amount of it, no matter what the percentage—was being charged him because his electric power company wanted to feed him propaganda against rural electric cooperatives? Or because they wanted to lobby against Hells Canyon? Can you imagine what would happen if your electric bill read: "$10.00 for electricity, $1.00 to finance propaganda by the company to make you think TVA is socialistic." I don't have to tell you that overnight there would be such a howl of protest that either the electric power companies would stop that practice immediately, or something would be done to make them stop it. The only reason that the electric consumers all over the country are not raising their voices in protest—the only reason they are not knocking at our doors and filling our offices—is that they don't know what is going on. They are being taken and taken badly, but they don't know it.

But you and I know it, and the public utility commisisons of the country know it. What possible excuse do we have for allowing this robbery to continue? I tell you that I am going to speak up against it at every possible opportunity and I am not going to let up this fight until this outrageous practice is stopped.

Now, back in the 1920's the National Electric Light Association tried to control public opinion through its propaganda advertising and political activities. And of course, at the same time they were charging the costs of this public opinion control to the electric consumer himself in his electric bill. These practices became so outrageous that they were investigated and exposed by the Federal Trade Commission, and for a while conditions improved. Some of the more naive thought perhaps the practice had been licked and that the electric power companies would not again try to brainwash their customers at their customers' expense, but apparently it takes a lot more than that to keep the electric power companies in line. Actually, for the last 15 years these old practices and abuses have been renewed and once again the electric consumer has had to foot the bill for his misinformation. The electric power companies of the country have spent and are spending millions of dollars of their customers' money in this attempt to mislead and control the thinking of their customers. They have tried and are trying to brainwash them at their own expense.

There are four major organizations through which the electric power companies are carrying on this brainwashing campaign. There is the Edison Electric Institute, which prepares the statistical ammunition and cooperates with educational institutions in the preparation of literature. Then there is the electric companies' advertising program, which hands out advertising to magazines and newspapers, sponsors weekly radio and television programs, and provides its member companies with the material for them to use locally. Then there is the electric companies' public information program, which provides material for use in speeches, and by the local press and employee publications. Finally, there is the National Association of Electric Companies, which carries on the lobbying activities in Washington.

Between the years of 1941 and 1952, the electric companies' advertising program alone spent more than $5 million for mass circulation news ads and almost $7½ million for national radio and television hookups. Their advertisements appeared regularly in the Saturday Evening Post, Life, Farm Journal, Country Gentleman, and the Pro-

gressive Farmer. They have sponsored such national programs as Nelson Eddy, the Hour of Charm, Helen Hayes, and Meet Corliss Archer.

This is just a small sample of what the electric power companies spend for propaganda purposes. I can go on and on listing their expenditures, but you know them as well as I do. You know that the amount is huge, the purpose improper and the practice inexcusable.

And what is this propaganda that the electric consumer is being compelled to finance without his consent? There is the propaganda that tries to convince the American people that any activity of cooperatives or any Government agency in the electric power field is socialism. I have here a copy of an advertisement which has on it a map of the United States covered by dots, supposedly representing existing and proposed Federal power and cooperative installations—and in bold print under the map is the question "A Socialistic United States of America?"

This is the most outrageous type of misrepresentation imaginable. The cooperatives are the finest example of private enterprise that we have. They are not Government owned. They are owned by the same farmers that they serve. Coupling the cooperatives with Government installations is completely dishonest—and the power companies know it. Yet they tax their customers in order to feed back to them this lying hogwash. The good farmers who own and operate these rural electric cooperatives bitterly resent this shameful, lying attack on their patriotism. And I for one intend to do something about it.

This whole advertisement is, of course, hogwash. There is no element of socialism even in the Government's power program. The Government is not in the retail electric business and the electric power companies are not in a free-enterprise business. Socialism to me and to the American people means interference by the Government in the free-enterprise system. It does not mean the activities of the Government in the electric power field, any more than it is socialism for a local government to supply its citizens with sewage facilities or with water. The electric power companies know this just the same as you and I, but they don't care what they say if they can turn the public against Government and cooperative power activities—especially when they can make their customers pay for it.

And look at all the ads by the electric power companies trying to establish themselves as the "tax-paying electric industry." They don't pay the taxes and they know it. The taxes are included in their operating expenses and all they do is collect it from their customers and turn it over to the government. They don't pay the taxes—their customers pay them.

And look at all the other misleading propaganda they publish about the rural electric cooperatives. They talk about the profits that the cooperatives are making. What profits? How can a cooperative make profits? How can anyone make profits out of dealing with himself? The cooperatives were organized by their members in order to serve themselves. They serve themselves at cost. Anything that is left over at the end of the year belongs to the same farmers who furnished the money. The power companies know this. They know that cooperatives do not make profits. They know that cooperatives are nonprofit organizations. And yet they keep repeating this same lie over and over again.

Now what possible sense does it make—what possible right do the electric power companies have to spend millions in this type of propaganda advertising and then turn around and charge the electric consumer the cost for having his brain washed? There is no right—neither legal nor moral—and yet this has been going on for years. I ask you—what are we going to do about it?

Fortunately, some of the State public service commissions are beginning to wake up to their responsibilities and are refusing to permit the power companies to include these propaganda expenditures as part of their operating expenses. I salute the public service commission of Wisconsin for recently ruling that electric power companies cannot charge their customers for the cost of political advertising attacking rural electric cooperatives. But there is not enough of this type of ruling. We need more vigilance and concerted action by all of the State regulatory bodies to make sure that not one cent of this brainwashing fund is charged to the electric consumer. And we in the Congress can do something about it also. We can pass laws to make sure that the Federal Power Commission does not allow these propaganda expenses to be charged as operating expense in any case before the Federal Power Commission. And we can also pass laws to make sure that these expenditures cannot be relied upon by the power companies to reduce their income taxes.

There are, of course, types of advertising which are definitely part of the operations of an electric power company. Advertisements which help increase the use of electricity, or which tell the consumers of new electric appliances, or which help educate the consumers on the proper use of electricity—all these are legitimate purposes. And the costs of advertisements relating to these purposes are a legitimate expense of operation. Advertising going beyond this, however, is not an expense of operation and must not be charged to the consumer.

Now, I want to make it perfectly clear that I don't care how much these electric power companies spend on their propaganda and I don't care what they say in their propaganda. Of course, like every American, I would like to see the day come when they told the truth for a change. But even if they want to keep on telling their lies, let them do it. Let them say whatever they want to about BILL LANGER, and TVA, and Bonneville, and Hells Canyon, and the rural electric cooperatives, provided they pay for it out of their stockholders' money and not charge it to the electric consumer in his electric bill. That is my point: Let them talk, let them advertise, let them do anything they want to do, but let them pay for it out of their own money.

I tell you it is a disgrace and crying shame that this has been allowed to go on as long as it has. Those of us in every branch of every government that have allowed this to go on should hang our heads in shame. We have stood by and watched the electric consumer get robbed of millions of dollars and we have not done anything to stop it. I say that the time has come when we must do something to stop it and I hope that in this session of Congress we can get through some bills which will stop it at least insofar as the Federal Government can stop it. And by the illustration we give by our action, I hope that the State legislatures and the State commissions will stop this robbery at the State level.

Now, there is another thing I want to talk about and that is the current drive that is on to double or possibly triple the REA interest rates. The Director or the Bureau of the Budget sent a proposed bill up to the Congress last June which would raise the REA interest rate from its present level of 2 percent to at least 4½ percent and it might possibly go higher than that. Now, the Government entered into an agreement with the rural electric systems that the interest rate would be 2 percent provided the systems extended service on an areawide basis to all of the people in rural areas who wanted and needed electric service.

The REA cooperatives have carried out their part of the agreement as is evidenced by the fact that more than 95 percent of the farms have electric service today.

At the very same time that the administration sent this bill to the Congress it was negotiating a loan to the British Government for $3,750,000,000 at 2 percent, with permission for the British to waive up to 7 annual payments of interest and principal if payment threatened to work a hardship on them, and they have exercised their right to waive payment. It is all right to lend the British money at 2 percent and waive annual interest and principal payments, but when it comes to our own rural electric systems, which are serving thinly populated rural areas, then this is all wrong.

I am bitterly opposed to any change in the REA interest rate and will fight it as long as I am in the Senate.

I want to give you 3 or 4 reasons why the REA interest rate should not be increased:

1. The rural electric cooperatives have a most enviable repayment record. No other agency of the Federal Government in the lending business can claim as good a repayment record. As of June 30, 1957, the rural electric borrowers had paid back $425.8 million in principal and $281.5 million in interest. Furthermore, as of that date, only $200,602 in principal and interest was overdue more than 30 days.

2. Throughout the life of the rural electrification program the Federal Government has made—not lost—money. This fact comes straight from the Comptroller General of the United States who reports in the REA audit for fiscal year 1956 that the REA has a net margin of interest income over interest expense of $54,177,262.

3. As long as the Government continues to subsidize the private power companies under sections 167 and 168 of the income-tax laws there can be no justification for an increase in the REA interest rate except for purpose of destroying the program.

I mentioned earlier the British loan and I will not repeat here anything further on it.

This attempt to raise REA interest rates is nothing more nor less than an attempt by the commercial power companies to destroy the REA systems; and if we are not on our guard here in the Congress, it will be done.

NINETEEN HUNDRED AND FIFTY-EIGHT PRICE SUPPORT LEVELS ON WHEAT AND DAIRY PRODUCTS

Mr. LANGER. Mr. President, on behalf of myself, and my colleague, the junior Senator from North Dakota [Mr. YOUNG], I introduce, for appropriate reference, a bill to provide that 1958 price-support levels on wheat and dairy products shall not be lower than the levels established for 1957. I ask unanimous consent that a statement prepared by me relating to the bill may be printed in the RECORD.

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

The bill (S. 3075) to provide that 1958 price-support levels on wheat and dairy products shall not be lower than the levels established for 1957, introduced by Mr. LANGER (for himself and Mr. YOUNG), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

The statement presented by Mr. LANGER is as follows:

STATEMENT BY SENATOR LANGER

Mr. President, as we fully realize, the many problems facing the farmer in America are of great concern to many of us in Congress I know that there will be much legislation introduced in both Houses of Congress during this session to attempt to aid the many problems that face the American farmer. At the appropriate time, Mr. President, I will make some extended remarks on the reasons why I believe that the 1958 price-support levels on wheat and dairy products should not be lower than the levels established in 1957.

There has been talk of lowering price supports on certain products. I cannot go along with this view whatsoever.

I am today introducing a bill to provide that the 1958 price-support levels on wheat and dairy products shall not be lower than the levels established for 1957.

I urge my colleagues in both Houses to give very serious consideration to this bill with the hope that it will become law in due course.

I am herewith submitting my proposed bill and ask unanimous consent that it be printed in full with these remarks.

The bill is as follows:

"Be it enacted, etc., That section 101 of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof a new subsection as follows:

"'(g) Notwithstanding the foregoing provisions of this section, the level of price support to cooperators for the 1958 crop of wheat shall not be lower than the level applicable with respect to the 1957 crop of wheat.'

"SEC. 2. Section 201 of such act is amended by adding at the end thereof a new subsection as follows:

"'(d) Notwithstanding the foregoing provisions of this section, the level of price support to producers of whole milk, butterfat, and the products thereof shall not be lower, during the marketing year beginning April 1, 1958, than the level at which such prices were supported during the marketing year beginning April 1, 1957.'"

AMENDMENT OF CLAYTON ACT, RELATING TO INSTITUTION OF CERTAIN ACTIONS FOR DAMAGES

Mr. SPARKMAN. Mr. President, I was disappointed to learn that on Monday of this week the Supreme Court had held, in a 5 to 4 decision, that section 3 of the Robinson-Patman Act was not an integral part of the antitrust laws, and that accordingly private suits for treble damage redress or for an injunction may not be brought under its provisions. This important ruling was made in the companion cases of Nashville Milk Co. against Carnation Milk Co. and Safeway Stores against Vance.

In practical effect, this decision means that section 3 of the Robinson-Patman Act has been repealed. It is common knowledge that the Department of Justice has never enforced, and has no intention to enforce, section 3's criminal prohibitions against predatory pricing practices. And now, as a result of Monday's decision by the Supreme Court, private plaintiffs have been denied the right to enforce the provisions of the section. Thus, section 3 stands unenforced, in one case by a Government agency which has abdicated its enforcement responsibilities, and in the other, by antitrust victims restrained from seeking relief under its provisions.

To the small-business community, this situation regarding the enforcement of section 3 demands a speedy remedy. How the situation came about is unimportant. It does not matter whether the 5 members of the Supreme Court majority or the 4 members of the minority were correct in their construction of the legislative history of section 3 of the Robinson-Patman Act. Bearing such considerations in mind, I propose a twofold program to remedy the situation. First, I am introducing a bill which will clearly define section 3 of the Robinson-Patman Act as an integral part of the antitrust laws and thus make the statute available in civil actions to private parties. Secondly, I am going to call upon the Department of Justice for a full explanation of its reluctance to enforce section 3. Congress must know why the Department has failed in its enforcement of the only price-discrimination statute entrusted to its care.

Mr. President, I ask unanimous consent that the bill may lie on the desk for a week, in order that other Members of the Senate may indicate their interest in it and perhaps join as cosponsors of the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from Alabama.

The bill (S. 3079) to amend the Clayton Act to permit the institution of actions for damages for violations of the Robinson-Patman Act, and for other purposes, introduced by Mr. SPARKMAN (for himself and other Senators), was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. O'MAHONEY. Would the Senator from Alabama be good enough to add my name to the list of cosponsors?

Mr. SPARKMAN. I ask unanimous consent that that be done.

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

MILITARY PAY AND TERM RETENTION CONTRACTS FOR RESERVE OFFICERS

Mr. RUSSELL. Mr. President, on behalf of myself and the senior Senator from Massachusetts [Mr. SALTONSTALL], I introduce, for appropriate reference, a bill relating to military pay and term retention contracts for Reserve officers.

This bill is requested by the Department of Defense and is accompanied by a letter of transmittal explaining the purpose of the bill.

I ask that the letter of transmittal be printed in the RECORD immediately following the listing of "Bills Introduced."

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter of transmittal will be printed in the RECORD.

The bill (S. 3081) to change the method of computing basic pay for members of the uniformed services, to provide term retention contracts for Reserve officers, and for other purposes, introduced by Mr. RUSSELL (for himself and Mr. SALTONSTALL), was received, read twice by its title, and referred to the Committee on Armed Services.

The letter presented by Mr. RUSSELL is as follows:

THE SECRETARY OF DEFENSE,
Washington, January 14, 1958.

Hon. RICHARD M. NIXON,
President of the Senate.

DEAR MR. PRESIDENT: There is enclosed a draft of proposed legislation "to change the method of computing basic pay for members of the uniformed services, to provide term retention contracts for Reserve officers, and for other purposes," together with a sectional analysis thereof.

This proposal is a part of the Department of Defense legislative program for 1958 and it has been approved by the Bureau of the Budget. It is recommended that this proposal be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The purpose of the proposed legislation is: (1) To effect a fundamental modernization and improvement in the present system of compensation for the uniformed services; and (2) to provide additional incentive for selected Reserve officers to remain on active duty beyond the period of obligated service to meet the requirements of the military services. It should be stated at the outset that this proposal is a basic change of the military pay system designed to attract and retain the quality of personnel needed in our modern Armed Forces.

With respect to the need for a fundamental modernization and improvement in the present system of compensation for the uniformed services, the military services are faced today with the problem of developing and maintaining a work force balanced by skills which will achieve optimum performance from the present weapons of warfare and those now under design or development for military operational use in the years ahead. The extensive career incentive legislative program enacted by the Congress in 1955 and 1956 has better equipped the military services to meet their numerical manpower requirements. These important measures set the foundation for vigorous programs in all the Armed Forces to increase the retention of experienced technical and leadership personnel.

These improvements have enabled the Armed Forces to bring the quantity problem under better control, but they have also given new emphasis to the quality problem—the need for a balanced skill structure.

In recognition of the changes necessitated by the rapidly advancing technology of weapons systems and because of the increasing requirements of military services for highly skilled technical and leadership personnel, the Secretary of Defense organized the Defense Advisory Committee on Professional and Technical Compensation. This Committee was composed of Mr. Ralph J. Cordiner, president of General Electric Co., as Chairman; Mr. Carter L. Burgess, former Assistant Secretary of Defense (Manpower, Personnel, and Reserve) as Vice Chairman; and as members: Dr. John A. Hannah, president of Michigan State University; Mr. Charles R. Hook, chairman of the board, Armco Steel Corp.; Mr. H. Lee White, a member of the law firm of Cadwalader, Wickersham & Taft of New York; the Assistant Secretaries for Manpower and Personnel of each of the military departments and high ranking military officers of each of the military services.

The Committee was requested to produce a forceful program of administrative and legislative measures which would give the military services the ability to attract and retain the scientific, professional, technical, combat leadership and management skills required today and in the future. The Committee was further requested to give consideration to how the present compensation practices aggravate the problem of personnel procurement and retention and how those practices might be changed to provide a solution to the manpower problem.

The Committee, in its findings, confirmed the problem of the military services as now being one of quality as opposed to quantity; that it is not a matter of a total number of people on board, but the level of competence of those people; and that while the machinery of modern defense is becoming ever more complex and technical, yet the principles and practices which had guided the military services in the recruitment, development, and compensation of men have not changed substantially in the history of our country.

The Committee expressed the view that the present compensation practices of the military services are so clearly out of step with the times, so inadequate to the needs of a technically advanced form of national defense, and so contrary to all that has been learned about human motivations, that they can be considered a major impediment to national defense. It was concluded that a fundamental modernization of these compensation practices constituted the basic step in the process of development of the highly skilled and balanced force needed by the military services today and in the future.

The modernization of the pay system envisaged by the Committee and upon which the Department of Defense has premised the attached legislative proposal is founded on four basic compensation principles:

1. The compensation system must be designed to encourage meritorious performance. The system must be progressive in nature so as to contain challenging rewards for successful handling of positions of increasing difficulty and responsibility.

2. The compensation system must provide a pay structure that reflects more accurately the particular gradation of skill and experience represented in the varying needs of different service situations. At the same time, this improved structure must carry with it the kinds of controls or selectivity necessary to insure that rewards are genuinely given where deserved and that increased rewards do not contribute to excesses in occupational areas already overcrowded.

3. The compensation system must provide compensation levels which are reasonably comparable to those paid people employed elsewhere in similar positions and occupations. Although it is completely impractical to make concrete and binding comparisons between industry and the Armed Forces because of the differences in the circumstances of employment, they can be used as guides in determining compensation levels that are appropriate to the needs of defense.

4. Without basic patriotism on the part of its members, there can be no Armed Forces. However, in time of peace patriotism alone is not a sufficient motivation for a career in the Armed Forces. The members of the Military Establishment must receive sufficient compensation to enable them to discharge their responsibilities to both their country and their families.

In translating the proposals of the Committee into legislation, the Department of Defense has given special consideration to the problem of converting from the present system of pay to the new system. In this connection, the following provisions which are not a part of the Cordiner report are included in the attached draft:

A 6-percent increase in basic pay for all personnel with more than 2 years of cumulative service. Enlisted personnel would be entitled to receive either a 6-percent increase in their present rate of basic pay or the new proposed rates of basic pay, whichever is higher.

Officer personnel would be entitled to either a 6-percent increase or the new proposed rates of basic pay, whichever is higher. Where the new rates of basic pay are higher, however, the officer would be phased into the new rates by a conversion plan which will provide a four-step phase-in. This will allow time to implement certain management proposals now under study, so that personnel receiving large increases may be carefully screened and selected.

In addition, the Department of Defense has revised downward the proposed rates of active-duty pay for general and flag officers from original Cordiner rates. It should also be noted that the attached proposed legislation does not extend the new proposed rates of pay to retired personnel.

The proposed legislation would amend the Career Compensation Act of 1949 to reflect the compensation principles recommended by the Committee. The major changes to the Career Compensation Act would accomplish the following:

(1) Revision of the present military compensation system to provide increased recognition for merit and performance instead of longevity.

(2) Eliminate pay inversions wherein substantial numbers of juniors receive more pay than their seniors by providing a pay scale in which the entry rate for each grade exceeds the highest pay rate of any lower grade.

(3) Expand the pay structure 2 pay grades for enlisted personnel (E–8 and E–9) and 2 pay grades for officers (O–9 and O–10) thus providing for a more precise delineation of levels of responsibility.

(4) Provisions of pay for senior officers that is more commensurate with their responsibilities and more nearly comparable with that paid to similar positions in industry.

(5) Relief of compression in the officer and enlisted pay structures through the establishment of suitable pay differentials between grades.

In additon to the problem discussed above, one of the most pressing officer manpower problems facing the Armed Forces today is the inability of the Armed Forces to retain a sufficient number of qualified young Reserve officers for extended periods of active duty beyond obligated service but short of retirement. The Reserve officer retention plan contained in the legislation is the same as that forwarded to the Congress last year and included in H. R. 7473.

I would emphasize that the proposed legislation is an essential part of an integrated program contemplated by the Department of Defense to achieve and maintain the necessary quality, experience level, and optimum balance by skills of personnel in the Armed Forces. Included in this program is the establishment of a system for proficiency pay equivalent to 1 or 2 pay-grade advancements to enlisted men who can qualify therefor by demonstrated high-quality performance of duty. The proficiency-pay system is being established under existing law. However, this measure cannot be fully effective unless there is first established the proper number of enlisted pay grades and pay differentials between grades as provided in the proposed legislation.

The Department recognizes that there exists a dual problem of encouraging personnel retention on one hand, and controlling it on the other. The Department of Defense must and will meet this problem by instituting concrete "personnel control" procedures.

I believe that if this legislation is enacted it will result in a significant improvement in the retention rates, quality, and desired balance by skills of personnel of the Armed Forces, and thus contribute directly to the defense of the Nation.

COST AND BUDGET DATA

Preliminary estimate of the additional cost for this proposal for fiscal year 1959 will be $518 million if this legislation is effective on July 1, 1958. More precise costing for fiscal year 1959 and for subsequent years together with estimated savings is under development.

Sincerely yours,

NEIL H. MCELROY.

SECTIONAL ANALYSIS OF A BILL TO CHANGE THE METHOD OF COMPUTING BASIC PAY FOR MEMBERS OF THE UNIFORMED SERVICES, TO PROVIDE TERM RETENTION CONTRACTS FOR RESERVE OFFICERS, AND FOR OTHER PURPOSES

Section 1 amends the Career Compensation Act of 1949 in the following respects:

Clause (1) of section 1 amends section 102 by adding two new clauses. The first provides that, for the purpose of the act, members of the Army National Guard or Air National Guard, while serving in that status, shall be treated as if they were members of the uniformed services. This would make explicit the coverage by the act of those members. Although, under sections 3062 (c) and 8062 (d) of title 10, United States Code, members of the Army National Guard and Air National Guard while in their Reserve status or when called into Federal service are members of the uniformed services, they are not actually members of a uniformed service while performing training or other duty in their State status for which they are entitled to pay from the United States. This clause does not broaden the coverage under the Career Compensation Act of 1949 which members of the National Guard now have when performing the type of duty for which they are entitled to pay and allowances from the United States. It is added in order to avoid specific mention of the National Guard at each place its members would be entitled to the benefits of that act. The second clause provides that the term "active duty" is defined to include active duty for training or any other full-time duty, in order to obviate the necessity of including those terms specifically throughout the bill where they are meant to be included. Where they are not meant to be included, words of exclusion are added.

Clause (2) (A) of section 1 strikes out present sections 201 and 202, dealing with basic pay and service creditable in the computation thereof, and inserts new sections 201, 202, 203, 204, and 205 in place thereof. The replaced section 201 set forth tables of basic pay, based on cumulative years of service, for all members of the uniformed services; provided for the distribution of various grades into pay grades; set forth the conditions under which members were entitled to basic pay; and provides additional monthly pay of $100 and $200 a month for lieutenant generals and generals, respectively.

The new section 201 (a) sets forth new pay tables for commissioned officers, based on years of service in grade, rather than cumulative years of service.

The new section 201 (b) distributes the various commissioned officer grades into pay grades. Two new commissioned pay grades are established, O–10 for generals and admirals and O–9 for lieutenant generals and vice admirals. While both of these grades were formerly allocated to pay grade O–8 along with major generals and rear admirals (upper half), additional monthly pay was provided by section 201 (f).

The new section 201 (c) provides additional increments of basic pay, as set forth

in the table therein, for officers in pay grades O–5 to O–8 serving on active duty under a call or order that does not specify a period of 30 days or less. However, the additional increments of pay would not be considered a part of their active-duty pay or monthly basic pay for the purpose of computing retired pay, severance pay, or readjustment payments, under any provision of law or the pay provided for Reserve officers released from active duty under section 680 of title 10, United States Code, or the accumulated leave payments under section 4 (c) of the Armed Forces Leave Act or section 219 (c) of the Public Health Service Act.

The new section 202 sets forth new pay tables for warrant officers, based on years of service in grade, rather than cumulative years of service.

The new section 203 (a) sets forth new pay tables for enlisted members, based on years of service in grade, rather than cumulative years of service. Two new enlisted pay grades are established, E–9 and E–8.

The new section 203 (b) directs the Secretary concerned to distribute enlisted members into the various pay grades, in the manner determined by him and with the approval of the Secretary of Defense.

The new section 203 (c) is a continuation of present section 201 (e), without change in substance, and provides that aviation cadets of the Navy, Air Force, or Marine Corps are entitled to monthly basic pay at the rate of 50 percent of the basic rate of a commissioned officer in pay grade O–1.

The new section 204 sets forth the conditions, formerly set forth in section 201 (d), under which members are entitled to basic pay.

The new section 204 (a) provides that a member on active duty (including active duty for training or any other purpose) is entitled to the basic pay of the pay grade to which assigned or in which distributed, according to his years of service in that pay grade. For this purpose, a member of the Army National Guard or Air National Guard who is performing full-time training, training duty with pay, or other full-time duty, authorized by section 316, 503, 504, or 505 of title 32, United States Code, is considered to be on active duty.

The new section 204 (b) restates and clarifies the first and second provisos of present section 201 (d). The new section provides (1) that when a member of a uniformed service is ordered to active duty (which term under the amendment made to section 102 by this act includes active duty for training) for a period of 30 days or less, or when a member of the Army National Guard or Air National Guard is called into Federal service for a period of 30 days or less, the time required to perform travel, as prescribed by regulations of the Secretary concerned, from home to first-duty station and from last-duty station to home is considered active duty; and (2) that when a member of a uniformed service is ordered to active duty for a period in excess of 30 days, or a member of the Army National Guard or Air National Guard is called into Federal service for a period in excess of 30 days, the time required to perform travel from home to first-duty station and from last-duty station to home, by the mode of transportation authorized in his orders, is considered active duty.

The new section 204 (c) is taken from the last sentence of present section 201 (d) which authorizes the payment to a member of a uniformed service at the time of his release from active duty, of any pay and allowances accruing to him incident to his release from active duty without regard to the actual performance of the travel home. The new section provides that any payment accruing under any law to any member of a uniformed service incident to his release from active duty, or for his return home incident to release from that duty, may be paid to the member before his departure from his last-duty station, whether or not he actually performs the travel involved.

The new section 205 replaces present section 202 which set forth the kinds of service creditable in computing cumulative years of service for basic-pay purposes. Since, under the new sections 201–203, basic pay is based on years of service in grade, it is no longer necessary to compute cumulative years of service for basic-pay purposes. The substance of former section 202 as relates to the computation of retired pay, however, is retained and restated as section 1405 of title 10, United States Code, by section 5 (3) of this act. The new section 205, therefore, sets forth only rules relating to computation of service in grade.

The new section 205 (a) sets forth the general rule that all periods of service of a member in a pay grade, whether or not on active duty, shall be credited in determining his years of service in that pay grade. For this purpose—

(1) no service which preceded a period of more than three months during which the person concerned was not a member of a uniformed service may not be credited as service in any grade;

(2) a member on active duty in any grade while holding another grade (such as a Reserve serving in a higher or lower temporary grade or a regular serving in a higher temporary grade) is considered to be serving only in his active duty pay grade;

(3) a member holding a temporary grade, higher than his Reserve grade, while not on active duty (such as a Reserve of the Air Force or Army released from active duty while serving in a higher temporary grade) is considered to be serving only in his temporary grade;

(4) an enlisted member or warrant officer of the National Guard who is also a Reserve commissioned officer (as authorized in sections 3354 and 8354 of title 10, United States Code) is considered to be serving as a commissioned officer only when on active duty as such; and

(5) a member who served in a pay grade before becoming 18 years of age may be credited with that service under regulations prescribed by the Secretary concerned.

The latter clause continues the provision presently contained in section 202 (c).

The new section 205 (b) provides that, for the purposes of determining years of service in a pay grade, a member whose name is on a temporary disability retired list or any other retired list of a uniformed service may not count his service while not on active duty. However, if a member whose name is on a temporary disability retired list is later restored to active duty (as authorized in section 1211 of title 10, United States Code), he is entitled to credit, for the purpose of this section, for the years of service in his pay grade while he was on that temporary disability retired list.

The new section 205 (c) relates to computation of service in grade of a member whose grade is reduced, who reenlists in a regular component within 3 months after release from active duty as an officer of the same service, who is ordered to active duty in a pay grade lower than that of any temporary or permanent grade he holds; or who is discharged from a Reserve enlistment for immediate enlistment in a regular component of a uniformed service in a pay grade lower than his Reserve grade. If his grade was reduced for other than inefficiency or disciplinary reasons, or if he is so ordered to active duty, enlisted, or reenlisted, he is entitled to the highest pay of the grade to which he is reduced, ordered to active duty, enlisted, or reenlisted, or to the highest pay of any intermediate pay grade to which he may later be promoted, provided he served in the higher grade at least 1 year. For example, an E–7 who is reduced to E–5 for other than inefficiency or disciplinary reasons, would be entitled to the highest pay provided for pay grade E–5 and if the member were subsequently promoted to pay grade E–6, he would be entitled to the highest pay provided for that pay grade. If he did not serve in the higher grade for at least 1 year, or if he was reduced to a lower pay grade for inefficiency or disciplinary reasons, he is credited in the pay grade to which reduced, ordered to active duty, enlisted, or reenlisted, or in any intermediate pay grade to which he may later be promoted, with only his actual years of service in the higher grade, in addition to any service previously performed in the lower grade. In addition, if a member who was reduced to a lower pay grade for inefficiency or disciplinary reasons is later again promoted to the grade in which he was serving before the reduction, he may not be credited with his previous service in that grade.

The new section 205 (d) is designed to prevent the automatic advancement of each member to a higher step of basic pay within his pay grade. If it is determined, under regulations prescribed by the Secretary concerned, that any of the service in the member's current step in his pay grade is unsatisfactory, his advancement to the next higher step in that pay grade may be withheld until such time as his service in the current step is determined, under those regulations, to be satisfactory. No service determined to be unsatisfactory under this subsection may be counted in determining years of service in any pay grade. The purpose of this provision is to insure that the member concerned may not enter a new step in a pay grade until he has performed the requisite amount (1 or 2 years as the case may be) of time in the preceding step.

The new section 205 (e) provides that, for the purpose of determining years of service in pay grade, service is considered to begin on the date the person concerned entered into the pay grade concerned, for pay purposes.

Clause (2) (B) of section 1 redesignates present section 203 as section 206 and restates subsection (b) thereof to prescribe different rates of special pay for doctors and dentists. Section 203, as amended by the act of April 30, 1956, chapter 223 (70 Stat. 122), provided special pay based on years of active service, regardless of pay grade. As restated, the subsection provides special pay on the basis of pay grades and years of active service as follows:

(1) $100 per month for medical and dental officers in pay grades O–2, O–3, and O–4, who have not completed 2 years of active service.

(2) $200 per month for medical and dental officers in pay grades O–2, O–3, and O–4, who have completed at least 2 years of active service.

(3) $150 per month for medical and dental officers in pay grade O–5.

(4) $100 per month for medical and dental officers in pay grade O–6, O–7, or O–8.

(5) $100 per month for veterinary officers in pay grade O–1, O–2, O–3, or O–4.

(6) $50 per month for veterinary officers in pay grade O–5.

Clause (2) (C) of section 1 redesignates present section 204 as section 207 and revises the tables in subsection (b) thereof to place incentive pay for hazardous duty under section 207 (a) (1) and (2) on the same basis of years of service in grade as is provided in new sections 201–203 for basic pay.

Clause (2) (D) of section 1 amends present section 205 (c) by striking out the reference to section 204 and inserting in place thereof a reference to section 207, which is present section 204 as renumbered.

Clause (2) (E) of section 1 redesignates present section 205 as 208.

Clause (2) (F) of section 1 redesignates present section 206 as 209 and restates the section to include within the special pay

table therein the two new enlisted pay grades (E-9 and E-8) established by new section 203 of the act.

Clause (2) (G) of section 1 amends present section 207 (e) by striking out the references to section 208 and inserting in place thereof references to section 211, which is present section 208 as renumbered.

Clause (2) (H) of section 1 redesignates present section 207 as 210.

Clause (2) (I) of section 1 amends present section 208 (a) by striking out the reference to section 207 and inserting in place thereof references to section 210, which is present section 207 as renumbered.

Clause (2) (J) of section 1 amends present section 208 (d) by striking out the words "(computed in accordance with the cumulative years of service of the member)," as under new section 203, basic pay for enlisted members is based on years of service in grade, rather than cumulative years of service.

Clause (2) (K) of section 1 redesignates present section 208 as 211.

Clause (3) (A) of section 1 amends section 302 (f), relating to quarters allowance, by striking out the table therein and replacing it with a new table reflecting the 2 new commissioned officer pay grades (O-10 and O-9) established by new section 201 of the act, and the 2 new enlisted pay grades (E-9 and E-8) established by new section 203 of the act.

Clause (3) (B) of section 1 amends section 302 (h) relating to quarters allowance for enlisted members, to reflect the two new enlisted pay grades (E-9 and E-8) established by new section 203 of the act.

Clause (3) (C) of section 1 amends the 10th sentence of section 303 (c) by striking out the reference to section 201 (e) and inserting in place thereof a reference to new section 204 which contains the provisions presently in section 201 (d) (formerly (e)).

Clause (3) (D) of section 1 amends section 304 (c) by inserting a reference to the Surgeon General of the Public Health Service, thereby providing for him the personal money allowance of $4,000 a year now provided for the Chiefs of Staff of the Army and Air Force, Chief of Naval Operations, Commandants of the Marine Corps, and Coast Guard, and the members of the Joint Chiefs of Staff.

Clause (4) (A) of section 1 amends section 501 (d) by striikng out the reference to section 204 and inserting in place thereof references to section 207, which is present section 204 as renumbered.

Clause (4) (B) of section 1 amends section 508 by striking out the words "basic pay" and inserting the words "base rate" in place thereof, and by striking out the words "with under 2 cumulative years' service," as the intent of section 508 is to provide cadets and midshipmen with pay at the lowest rate of pay grade O-1. The above changes are necessary to reflect the change in basic pay computation from cumulative years of service to years in pay grade.

Section 2 amends the tables contained in section 1 (c) of the act of May 19, 1952, relating to temporary basic allowances for quarters for enlisted members, to reflect the two new enlisted pay grades (E-9 and E-8) established by new section 203 of the act and provides for those pay grades the same allowance as prescribed for pay grades E-4 through E-7.

Section 3 provides, in general, a method of converting, over a 3-year period after the effective date of this act, the basic pay, or compensation based thereon, of members of the uniformed services from the rates in effect on the day before the effective date of this act to those prescribed in sections 201-203 of the Career Compensation Act of 1949, as amended by this act.

Subsection (a) provides that an enlisted member who was a member of a uniformed service on the effective date of this act (except an aviation cadet) and who had more than 2 cumulative years of service on the day before the effective date of this act is entitled to either (1) a 6-percent increase in basic pay computed at the rate in effect under the Career Compensation Act of 1949 before the effective date of this act, or (2) the rate prescribed by the Career Compensation Act of 1949, as amended by this act, whichever is higher.

Subsection (b) provides that—

(1) an officer with more than 2 cumulative years of service on the day before the effective date of this act, and who was a member of a uniformed service on the effective date of this act, will be entitled to have his pay increased by 6 percent; or

(2) if, after that officer's pay has been increased by 6 percent, the rate he would receive is still less than the applicable rate for his grade and years of service in grade, prescribed in the Career Compensation Act of 1949, as amended by this act, the officer will be entitled to receive during the first year the dollar amount prescribed in the "1st year" column of the table set forth therein in lieu of such 6 percent increase.

Cadets of the United States Military Academy, Air Force Academy, or Coast Guard Academy, midshipmen at the United States Naval Academy, aviation cadets, and contract surgeons are not affected by this section. Their pay will be computed at the rates prescribed in sections 203 (c) and 508 of the Career Compensation Act of 1949, as amended by this act, and section 504 of that act, as the case may be.

The amounts shown in the table are cumulative. They represent that maximum increase that may be paid to the member over the amount he was entitled to receive on the day before the effective date of this act. At the beginning of the fourth year following the effective date of this act, any difference that might remain between the "then" pay of the member and the applicable rate in the Career Compensation Act of 1949, as amended by this act, is added so as to put the member on the full rate.

An officer entering a basic pay status for the first time during the 3-year period beginning with the effective date of this act (or who, if he was a member of a uniformed service on the effective date of this act, had less than 2 cumulative years of service) will be entitled to basic pay computed at the rates in effect on the day before the effective date of this act increased by the applicable amount set forth in the table in section 3 (b) of this act (depending upon the year following the date of enactment of this act that he becomes entitled to basic pay).

Subsection (c) provides that a member's cumulative years of service for the computation of basic pay under this section (including entitlement to the 6 percent increase) are frozen as of the day before the effective date of this act. Such a provision is necessary to prevent inequities and inconsistencies which would otherwise arise during the phase-in period in computing the pay of officers upon promotion.

Subsection (d) is a savings provision. It provides that if the rate of basic pay to which a member was entitled on the day before the effective date of this act, and increased, in the case of a member with more than two cumulative years of service on the day before the effective date of this act, by 6 percent, is more than the applicable rate otherwise prescribed by the Career Compensation Act of 1949, as amended by this act, the member is entitled to the higher rate. It is intended that his pay continue to be so saved until that saved rate is less than the applicable rate of pay prescribed by the Career Compensation Act of 1949, as amended by this act, for a member of his grade and years of service in that grade or until he is reduced in pay grade for inefficiency or disciplinary reasons. If he is reduced for other reasons, it is intended that his basic pay be (1) the rate in effect on the day before the effective date of this act, applied to him as if it were in effect at the time of his reduction in grade, and increased by 6 percent, or (2) the applicable rate prescribed by the Career Compensation Act of 1949, as amended by this act, whichever is higher. It is further provided that a member is no longer entitled to the benefits of this section if, at any time during his coverage by it, he ceases to be a member of a uniformed service for a period of more than 4 months.

Subsection (e) is also a savings provision. It applies only to medical, dental, and veterinary officers. Since the rates of special pay provided by section 206 of the Career Compensation Act of 1949, as amended by this act, are less in some cases than the rates previously authorized, such an officer could, in the absence of this subsection, be entitled to less total pay during the 3-year period beginning with the effective date of this act. This subsection is intended to prevent any reduction in the total pay which these officers were receiving on the day before the effective date of this act (with basic pay increased under subsection (b)).

Subsection (f) provides that a member, who on the day before the effective date of this act is under competent orders requiring the performance of hazardous duty and the rate of his incentive pay for that duty on that date is higher than that provided for him under this act, continues to be entitled to the higher rate, whenever he is entitled to incentive pay under those orders, based on his cumulative years of service on the day before the effective date of this act. However, this subsection no longer applies to him after such date as the rate of incentive pay for his grade under this act is higher, because of increased years of service in pay grade, or after there is a change in his pay grade. For example, a qualified submarine officer who is away from his duty station on leave for a period of more than 15 days, although not entitled to incentive pay for that period of absence, would remain under orders for that duty and would be covered by this subsection.

Subsection (g) lists the categories of persons to whom the savings provisions in subsection (f) apply, as follows:

(1) To persons who are members of the uniformed services on the effective date of this act.

(2) To enlisted members whose enlistments terminated during the period between the date of enactment and the effective date of this act and who reenlist within 3 months after that termination.

Section 4 provides, in general, the rules for computing increased retired pay for members of the uniformed services who are—

(1) retired before the effective date of this act, serve a continuous period of at least 1 year on active duty, and are released from that duty on or after the effective date of this act; or

(2) retired during the 3-year period described in section 3 (b) of this act.

Subsection (a) provides that, except for persons covered by subsection (b), the changes in rates of basic pay made by this act do not apply in computing the retired pay, retirement pay, retainer pay, equivalent pay, severance pay, or readjustment payments, authorized under any law, or the pay provided by section 680 of title 10, United States Code, section 4 (c) of the Armed Forces Leave Act of 1946 (37 U. S. C. 33 (c)), or section 219 (c) of the Public Health Service Act, of any person who became entitled to that pay or those payments before the effective date of this act.

Subsection (b) provides that, if a member entitled to retired pay before the effective

date of this act performs continuous active duty for at least 1 year after being retired, and, if his release from that active duty takes place any time on or after the effective date of this act, he may elect to have his retired pay recomputed on the basis of the applicable rates prescribed by the Career Compensation Act of 1949, as amended by this act.

Subsection (c) applies to officers who become entitled to retired pay, severance pay, or readjustment payments authorized under any law; or the term retention pay provided by section 680 of title 10, United States Code; or pay provided by section 4 (c) of the Armed Forces Leave Act of 1946 (37 U. S. C. 33 (c)), or section 219 (c) of the Public Health Service Act; during the period beginning with the effective date of this act and ending before the fourth year after that date. It provides that, subject to subsection (d), such pay or payments will be based on the monthly basic pay to which he was entitled on the day he became entitled to such pay or payments.

Subsection (d) provides, in effect, that, for members in grades O–5 through O–8 (whose pay under section 201 of the Career Compensation Act of 1949, as amended by this act, consists in part of an "active-duty supplement"), any increases in basic pay received during the 3-year period beginning with the effective date of this act, will be held as first applying to bring his basic pay up to the applicable rate prescribed in that section. Thus, any increases in basic pay received by the member, up to the applicable rate prescribed in section 201 of the Career Compensation Act of 1949, as amended by this act, would be included in computing the retired pay of the member if he should retire before being fully phased-in under the table set forth in section 3 (b) of this act.

Section 4 (e) is a savings clause. It restates, without substantive change, the rule presently contained in the proviso of section 202 of the Career Compensation Act granting 30 years of service, for the purpose of computing retired pay, to certain members who received double-time credit toward retirement because of service outside the continental limits of the United States between 1898 and 1912.

Section 5 amends title 10, United States Code, as follows:

Clause (1) of section 5 amends section 555 (a) by striking out the reference to section 232 (a) of title 37, since the source statute for that section (section 201 of the Career Compensation Act of 1949) is repealed and replaced by section 1 of this act, and inserts a reference to the replacement section (202 (a) of the Career Compensation Act of 1949, as amended by this act).

Clause (2) (A) of section 5 amends section 679 to accomplish the following:

Subsection (a) authorizes the Secretaries of the military departments and the Secretary of the Treasury to enter into contracts with Reserve officers under their jurisdiction to serve on active duty for the period of time which the Secretary concerned determines necessary to meet the needs of his service, but not less than 2 years. This authority would not apply in time of war, or of national emergency declared after January 1, 1953, or to officers of the Medical or Dental Corps of the Army or Navy, the Veterinary Corps of the Army, or medical, dental, or veterinary officers of the Air Force.

Subsection (b) provides that a contract may not be made with a Reserve officer unless he has served on active duty for at least 2 years.

Subsection (c) provides that each contract shall provide than an officer may not be released from active duty without his consent during the period of the contract (1) because of a reduction in, or redistribution of, personnel strength, except upon the recommendation of a board of officers appointed by an authority designated by the Secretary concerned to determine officers to be released from active duty; or (2) for any other reason, without an opportunity, if he so requests, to be heard by a board of officers before the release. This requirement does not apply if the officer is dismissed or discharged under sentence of a court-martial; released because of unexplained absence without leave for at least 3 months; or released because he is convicted and sentenced to confinement in a Federal or State penitentiary or correctional institution and the sentence has become final.

Subsection (d) provides that these contracts will be subject to such policies, procedures, and controls as may be prescribed by the Secretary of Defense for the armed forces under his jurisdiction or by the Secretary of the Treasury for the Coast Guard when the Coast Guard is not operating as a service in the Navy.

Subsection (e) provides that these contracts terminate when a war or national emergency occurs and that the officer concerned may be kept on active duty during a war or emergency without his consent as otherwise provided by law.

Clause (2) (B) of section 5 amends section 680 to accomplish the following:

Subsection (a) provides that, except as provided in subsection (b), a Reserve officer who performs active duty under a contract made under section 679 is entitled to term retention pay for that active duty if he completes the prescribed period of active duty; is involuntarily released from active duty before the expiration of the specified period; or a war or national emergency occurs before he completes the specified period. However, he is not entitled to term retention pay if his involuntary release is for physical disability resulting from his intentional misconduct or willful neglect or for moral or professional dereliction.

Subsection (b) sets forth the circumstances under which an officer under contract may be eligible for term retention pay. These circumstances are—

(1) release for appointment in a regular component;

(2) release for a reason described in section 679 (c) (2) (A)–(C) (dismissal or discharge under court-martial sentence; release for unexplained absence without leave for at least 3 months; or release for conviction and sentence to confinement in penitentiary or correctional institution and the sentence is final); or

(3) eligibility for retired pay under any provision of law, or for severance pay for physical disability.

Subsection (c) is the formula for computing term retention pay. The officer's years of service (but not more than 12) under contract are multiplied by 2 months' basic pay to which he was entitled on the date of termination of his last contract, thus providing for up to 2 years' pay at the rate he was receiving on the date of that termination. If he dies after completing his contractual service, but before being paid for it, payment is made to his beneficiaries in the manner prescribed in the act of July 12, 1955, for the payment of deceased officers' pay accounts. In all other cases, payment is made only to the living officer and is payable at the time he is released from active duty.

Subsection (d) provides that service credited under subsection (c) may not be credited in computing readjustment pay under section 265 of the Armed Forces Reserve Act of 1952. However, that service shall be credited to him in determining, under that section, the years of continuous active duty necessary for eligibility for that pay. It further provides that the total amount of payments made to him under section 680 and under section 265 of the Armed Forces Reserve Act of 1952 may not be more than 2 years' basic pay at the rate to which he was entitled on the date he was last relieved from active duty.

Subsection (e) provides for the monthly deduction of an amount sufficient to recover, during the life expectancy of the officer, any term retention payments made to him if—

(1) he later qualifies for retired pay under any provision of title 10 except chapter 67 (retired pay for nonregular service at age 60); or

(2) he later qualifies for compensation under any law administered by the Veterans' Administration for a disability incurred during a period for which he received that term retention pay.

The deduction may not be more, in any one month, than 25 percent of the officer's monthly retired pay or monthly compensation. In addition, this subsection provides that there shall be deducted from any severance pay to which an officer who received term retention pay is entitled an amount equal to that received as term retention pay.

Clause (2) (C) of section 5 is a technical amendment to reflect, in the analysis of chapter 37 of title 10, the sections of that title amended by clauses (2) (A) and (B).

Clause (2) (D) of section 5 is a savings provision to the effect that clauses (2) (A)–(C) do not affect the rights or benefits of any person who entered into a contract under section 679 as it existed before the enactment of this act. However, that person may rescind a contract entered into before the enactment of this act in order to enter into a contract under those sections as restated in this act. If he rescinds the old contract and enters into a new one within 1 year after the date of eactment of this act, the new contract is effective as of that date.

Clause (3) of section 5 adds a new section 1405 to list the service which may be used in determining years of service for the computation of retired pay. The provisions of law mentioned in the new section 1405 presently authorize retired pay to be computed on the basis of cumulative years of service for basic pay purposes under present section 202 of the Career Compensation Act of 1949. However, under that act, as amended by this act, basic pay will henceforth be computed on the basis of years of service in grade rather than cumulative years of service, and present section 202 is eliminated from the act. In order to allow the computation of retired pay to continue to include this service without change, the new section 1405 of title 10 restates, for the purposes of computing retired pay under the sections set forth therein, the substance of the rules presently contained in section 202 of the Career Compensation Act of 1949.

Clause (4) of section 5 adds a new item to the analysis of chapter 71 of title 10, United States Code, to reflect the new section added by clause (3) above.

Clause (5), (6), (8)–(10), (16), and (20)–(22) of section 5 amend various sections of title 10, United States Code, relating to the computation of retired pay. As presently written, these sections refer to years of service used in computing basic pay. The amendments strike out these references and insert references to section 1405 of title 10, because, as explained in clause (3) above, the years of service creditable for the computation of retired pay are now set forth in that section.

Clause (6) (see clause (5)).

Clause (7) of section 5 amends section 3536 (b) by striking out the reference to service credit for the computation of pay of the leader of the Army Band as, under section 201 of the Career Compensation Act of 1949, as amended by this act, basic pay is computed on the basis of years of service rather than cumulative years of service.

Clause (8) (see clause (5)).

Clause (9) (see clause (5)).

Clause (10) (see clause (5)).

Clauses (11), (12), (23), and (24) of section 5 amend sections 3991 and 8991 to provide that the retired pay of an enlisted member of the Army or Air Force, respectively, will be computed on the basis of the pay to which he was entitled on the date of his retirement, rather than that to which he was entitled on the date of application for retirement, or the pay of his retired grade, as presently written. The purpose of the change is to assure that enlisted members who are serving in a pay grade that is higher than their enlisted grade will have their retired pay computed on the basis of that pay grade.

Clause (12) (see clause (11)).

Clauses (13) and (25) of section 5 amend sections 4385 (c) and 9385 (c) by deleting therefrom the words "(under 4 months)". These sections, dealing with attendance of members of Reserve officer training corps units at camps, authorize them to be paid at the lowest enlisted rate. Under present section 201 of the Career Compensation Act of 1949, that rate is "E–1 (under 4 months)". The amendment made by this clause conforms to that rate (E–1) as set forth in the new section 203 of that act.

Clause (14) of section 5 repeals the last sentence of section 5596 (f). This provision saved for enlisted members and warrant officers of the Navy and Marine Corps who are temporarily appointed to officer grades the pay and allowances that they were receiving before that temporary appointment if that pay and allowances are greater than that which they would have received as officers. The pay and allowances of persons appointed under this section before the effective date of this act is specifically saved by section 6 of this act.

Clause (15) of section 5 repeals the last sentence of section 5597 (h). For explanation see clause (14).

Clause (16) (see clause (5)).

Clause (17) of section 5 amends section 6221 (b), relating to the pay of the leader of the Navy Band, to delete therefrom reference to service which may be credited for pay purposes. The deleted language is no longer necessary as, under section 201 of the Career Compensation Act of 1949, as amended by this act, his pay is based on years of service in pay grade, rather than cumulative years of service.

Clause (18) of section 5 amends section 6326 (c) (2) to provide that the retired pay of enlisted members of the Regular Navy or Regular Marine Corps will be computed on the basis of the pay grade in which serving on date of retirement, rather than on the rate of pay of the grade in which retired, as presently written. The purpose of this change is to assure that enlisted members who are serving in a pay grade which is higher than their enlisted grade, will have their retired pay computed on the basis of that pay grade.

Clause (19) of section 5 amends section 6969 (b), relating to the pay of the leader of the Naval Academy Band, to delete therefrom reference to service which may be credited for pay purposes. The deleted language is no longer necessary as, under section 201 of the Career Compensation Act of 1949, as amended by this act, his pay is based on years of service in pay grade, rather than cumulative years of service.

Clause (20) (see clause (5)).

Clause (21) (see clause (5)).

Clause (22) (see clause (5)).

Clause (23) (see clause (11)).

Clause (24) (see clause (11)).

Clause (25) (see clause (13)).

Section 6 is a saving provision to protect the pay and allowances of members of the Navy or Marine Corps temporarily appointed as officers before the effective date of this Act.

Section 7 amends section 501 (b) (2) of the Veterans' Readjustment Assistance Act of 1952 to provide that no person will be paid mustering-out pay under that Act if he receives term retention pay under this Act.

Section 8 amends section 423 of title 14, United States Code, relating to the computation of retired pay of members of the Coast Guard. As amended, the section provides for that pay to be computed on the basis of years of service computed under section 1405 of title 10, rather than on the basis of cumulative years of service for pay purposes as presently written. As added by section 5 (3) of this Act, section 1405 contains, for retired pay purposes, the substance of the service computation provisions presently contained in section 202 of the Career Compensation Act of 1949, but deleted therefrom by section 1 (2) of this bill as basic pay will no longer be based on cumulative years of service.

Section 9 amends the act of June 3, 1948, relating to the computation of retired pay of members of the Coast and Geodetic Survey in the same respects and for the same reasons as the amendment made by section 8 above for the Coast Guard.

Section 10 is a series of technical amendments to the Servicemen's and Veterans' Survivor Benefits Act to change the references therein to sections of the Career Compensation Act of 1949 which are amended by section 1 of this act.

Section 11 amends section 265 (a) of the Armed Forces Reserve Act of 1952, relating to the computation of readjustment payments for Reserve members involuntarily released from active duty, to provide for that pay being computed on the basis of the pay to which the member was entitled when released, rather than the pay of the grade in which he was serving at the time of release. Under title II of the Career Compensation Act of 1949, as amended by this act, it is possible for certain members to be entitled to the pay of a pay grade which is higher than that in which the grade in which they are serving is distributed. The amendment made by this section conforms the subject act to the Career Compensation Act, as amended by this act.

Section 12 amends the Public Health Service Act in the following respects:

Clause (1) amends section 207 (d) (1) to delete therefrom words relating to cumulative years of service credited, upon appointment under section 207 (a), for the purposes of basic pay. Under the Career Compensation Act of 1949, as amended by this act, those words are unnecessary as basic pay is based on years of service in grade rather than cumulative years of service. In addition, the reference to section 207 (d) (2) is deleted since that part is repealed by clause (2) of this section.

Clause (2) repeals section 207 (d) (2) and redesignates section 207 (d) (3) and (4) as 207 (d) (2) and (3). The repealed part deals with service credit for cumulative years of service for basic pay purposes and is no longer necesary for the reasons explained above.

Clause (3) amends section 210 (g) by striking out the words "active duty pay" and "pay" and inserting the words "basic pay" in place thereof to conform to the terminology of the Career Compensation Act of 1949.

Clause (4) amends section 211 by striking out the words "active pay," "pay," and "active-duty pay" and inserting the words "basic pay" in place thereof to conform to the terminology of the Career Compensation Act of 1949.

Clause (5) amends section 221 (a) to preserve the applicability of the substance of the rule presently in section 202 (a) (7) of the Career Compensation Act of 1949, which limits its applicability to officers of the Public Health Service who are commissioned as medical or dental officers. Section 207 (a) (7) of the Career Compensation Act of 1949 is repealed by this act and restated in substance by section 5 (3) of this act which adds a new section 1405 to title 10, United States Code.

Subsection (b) repeals all provisions of law which before the effective date of this act authorized the credit of years of service for the purposes of pay and pay period, longevity pay, or basic pay for officers appointed in the senior assistant grade or above in the regular corps of the Public Health Service. The repealed provisions are unnecessary as, under the Career Compensation Act of 1949, as amended by this act, basic pay is based on years of service in grade rather than cumulative years of service. It is further provided that the credits previously authorized under the repealed provisions shall lapse.

Section 13 amends section 4 (c) of the Armed Forces Leave Act of 1946 by striking out the words "base and longevity pay," and inserting the words "basic pay" in place thereof, to conform to the terminology of the Career Compensation Act of 1949, as amended by this act.

Section 14 provides that the Secretary of Commerce will prescribe the pay and allowances for certain administrative enrollees who are part of the academic staff and supporting services of the United States Merchant Marine Academy, who are not members of the uniformed services but whose compensation is assimilated to the pay and allowances of members of the uniformed services.

Section 15 repeals section 110 of the Federal Executive Pay Act of 1956, relating to the pay of the Surgeon General of the Public Health Service, the Deputy Surgeon General, the Director of the National Institutes of Health, the Chief of the Bureau of Medical Services and the Bureau of State Services. The pay of these officers will, after 3 years from the effective date of this act, be covered by section 201 of the Career Compensation Act of 1949, as amended by this act.

Section 16 provides that, except for sections 1 (3) (D), 5 (2), and 15, the effective date of this act is July 1, 1958. Section 5 (2) (relating to term retention contracts for Reserve officers) becomes effective on the date of enactment of this act. Sections 1 (3) (D) (relating to the personal money allowance of the Surgeon General of the Public Health Service) and 15 (repealing present provisions of law relating to his salary) are repealed as of July 1, 1961 (the date of full implementation of the pay provisions of this act).

AMENDMENT OF FEDERAL RESERVE ACT

Mr. WATKINS. Mr. President, I introduce for proper reference a bill to amend section 24 of the Federal Reserve Act to clarify the requirements, when the collateral offered represents liens on grazing lands, in the case of loans made by national banks.

Less than a year ago a series of bank mergers in several of the intermountain States, including my own State of Utah resulted in the acquisition of many local banks in rural areas by national banks. In the granting of loans now, these "new national banks" are subject to Section 24 of the Federal Reserve Act which defines the type of security these banks may accept on loans.

Where land is given as security, Section 24 requires that it be improved real estate, including improved farmland and improved business and residential properties.

By letter under date of April 2, 1957, Mr. Ray M. Gidney, Comptroller of the Currency, informed me "that grazing or

rangeland—which has no improvements thereon—is not improved real estate. It follows that loans made primarily on the security of unimproved grazing or rangeland do not conform to section 24 of the Federal Reserve Act." This interpretation is provided for in the Comptroller's Circular Opinion No. 2050–C and is followed by all national banks.

Until the mergers I referred to a moment ago were consummated, the acquired local banks had accepted, as a regular course of business, liens on grazing lands as security for loans to local ranchers and stockmen. The agricultural economy of the intermountain States is primarily a livestock economy, dependent upon open rangeland for animal forage during many months of the year.

As you know, Mr. President, most of the Western States, particularly the intermountain States, are range States. By that I mean that a large percentage of the total land area is classified as rangeland. In Utah, for example, 88 percent of the land is rangeland. On this land, forage production is very small per acre, and although the area is large in total acreage, it produces normally only about one-half of the required livestock forage.

On the other hand, the acreage of irrigated lands is small. On these lands are produced a wide variety of cultivated crops, including forage crops, grasses, wild hay, pasture and alfalfa, and feed grains, such as barley, oats, and corn. These crops are used to provide feed during the winter when rangelands cannot sustain the animal population.

Much of the saleable land in many of our western counties is rangeland. Security in the form of improved real estate, as it relates to agriculture, in many areas is now limited to irrigated or dry farming lands as a result of these bank mergers. If this is not changed to include improved grazing land, it will work extreme hardship upon our livestock people in areas of the West now serviced only by national banks and other banks, subject to the lending provisions of the Federal Reserve Act.

Good grazing lands, Mr. President, often are the most liquid assets which ranchers have at their disposal. Appraisers who work for these local banks, which in the past could accept such lands as security for loans, have always kept the value of these lands low enough to make them good security.

In light of these facts, Mr. President, the bill I have sent to the desk amends section 24 of the Federal Reserve Act to provide that the term "improved real estate" as security for national bank loans, shall include grazing lands. But in order to insure beyond any question of a doubt that such grazing lands are sound collateral, eligibility is limited to those, first, lands on which the owner or lessee has carried out range improvements under a program of the Agricultural Conservation Program Service or the Soil Conservation Service of the United States Department of Agriculture, or as a member of a local conservation district; or second, those lands on which the owner or lessee has expended money in carrying out range management or soil conservation practices recognized and approved by a county Agricultural Stabilization and Conservation Committee, the local representative of the Soil Conservation Service, or the county agricultural extension agent.

I ask unanimous consent that the bill be printed at this point in my remarks, together with a letter to me from the Comptroller of the Currency, dated April 2, 1957.

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

The bill (S. 3083) to amend section 24 of the Federal Reserve Act to clarify the requirements of such section in the case of loans made by national banks when the collateral offered represents liens on grazing lands, introduced by Mr. WATKINS was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the first paragraph of section 24 of the Federal Reserve Act (12 U. S. C. 371) is amended by adding at the end thereof the following: "For the purposes of this paragraph, the term 'improved real estate' shall include grazing lands (1) on which the owner or lessee has carried out range improvements under a program of the Agricultural Conservation Program Service or the Soil Conservation Service of the United States Department of Agriculture, or as a member of a local soil conservation district, or (2) on which the owner or lessee has expended money in carrying out range management or soil conservation practices recognized and approved by a county Agricultural Stabilization and Conservation Committee, the local representative of the Soil Conservation Service, or the county agriculture extension agent."

The letter presented by Mr. WATKINS is as follows:

TREASURY DEPARTMENT,
COMPTROLLER OF THE CURRENCY,
Washington, April 2, 1958.

Hon. ARTHUR V. WATKINS,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WATKINS: This will acknowledge receipt of your letter of March 26, 1957, advising us of the letters you have received from livestock people in your State relative to the question of obtaining loans from national banks when the collateral offered represents liens on grazing lands.

Section 24 of the Federal Reserve Act (12 U. S. C. 371) provides in part that any national banking association may make real-estate loans secured by first liens upon improved real estate, including improved farm land and improved business and residential properties. Our real-estate loan circular furnished to all national banks, a copy of which is enclosed, contains a résumé of the general conditions which national banks are expected to follow in making loans secured by real estate and does not attempt to describe the conditions to be followed covering every type of loan secured by collateral, a part of which may represent a lien on real estate.

Loans are frequently made by national banks on the security of a chattel mortgage or other lien upon cattle or sheep. In order to be certain of pasturage in the event it should become necessary to take possession of the cattle or sheep, the bank may wish to take a mortgage on the borrower's grazing area which might be unimproved land or a leasehold interest. If the mortgage is taken by the bank to protect itself against such a contingency, it would not be necessary to apply the requirements of section 24. In such a case we would consider that the national bank making a loan secured by a lien on livestock is taking the lien on grazing land out of an abundance of caution in order to strengthen the primary security and to protect the loan against some unfavorable contingency. Of course, the primary responsibility for making a loan and any decision relative to the collateral which may be required of a particular borrower are matters which must be determined by the board of directors of the bank.

In a case where the lien on real estate is not taken out of an abundance of caution as additional security to protect the primary security for a loan, and the bank decides to make a loan in reliance upon a real-estate lien, the loan is a real-estate loan which must conform to the restrictions and limitations of section 24. Whether any piece of real estate is improved within the meaning of section 24 is almost wholly a question of fact and opinion as the term "improved real estate" is subject to varied interpretations. The nature of the improvements must be taken into consideration.

A parcel of land would be considered as improved real estate where it forms merely a part of the farm and is used for pasture. If the land or a greater part thereof is under cultivation as a farm, it is considered as improved real estate under the law even though no buildings have been erected thereon. If the land or a greater portion thereof is not under cultivation as a farm, it would be considered as improved if it had improvements of a permanent nature thereon such as a dwelling or other insurable improvements. However, it is the opinion of this office that grazing or range land (which has no improvements thereon) is not improved real estate. It follows that loans made primarily on the security of unimproved grazing or range land do not conform to section 24 of the Federal Reserve Act.

We shall be pleased to consider any further questions you may have in respect to this subject.

Sincerely yours,

R. M. GIDNEY,
Comptroller of the Currency.

LIMITATION OF AMOUNT OF PRICE-SUPPORT PAYMENTS TO PRODUCERS OF AGRICULTURAL COMMODITIES

Mr. WATKINS. Mr. President, in February 1956 I introduced a bill, S. 3126, which would have limited price support, determined on the basis of the support price, to $50,000. The Senate Agricultural Committee neither reported out the bill nor included provision for such a limitation in the first major price-support bill, S. 3183, which came before the Senate for debate that year.

During the course of that debate, the Senate did, however, consider several amendments of this nature. First, we considered the $25,000 limitation contained in the amendment offered by the senior Senator from Delaware [Mr. WILLIAMS], to which he later offered an amendment raising the limitation to $50,000, per my suggestion as contained in the amendment I had planned to offer. Second, the Senate later adopted the amendment offered by the senior Senator from Georgia [Mr. RUSSELL], to that offered by the senior Senator from Delaware, putting the limitation at $100,000.

Upon completion of debate on S. 3183, it was laid aside, and the House passed bill, H. R. 12, amended so as to contain the essence of S. 3183, was passed by the Senate. However, as H. R. 12 emerged from the conference committee, it did not contain the Williams-Watkins-Russell price-support-limitation amendment.

Since that time I have had occasion to study this matter again. I still believe that the Senate was right in amending H. R. 12 so as to provide for a limitation on price-support assistance, and I think that it ought to again address itself to this matter. For this reason, Mr. President, I send to the desk for proper reference a bill which would limit the total amount of price support to $50,000, which can be made available to any person, as defined in the bill, by the Commodity Credit Corporation or other agency of the United States Department of Agriculture.

While I voted for the Russell amendment, I did so at the time not because I believed that the $50,000 limitation I had originally proposed would not do the job, but because under the circumstance it seemed necessary to support the higher figure if any limitation at all was to be adopted.

Mr. President, the lack of a limitation upon the amount of price support assistance a farmer can receive gives, in my opinion, unnecessary financial assistance to a great many of the 134,041 farms which, according to the last agricultural census sold farm commodities valued at $25,000 or more. While it is clear that during certain marketing periods even these farms may need some price support assistance, it is equally clear that many of them simply do not need unlimited price support assistance, and some none at all.

The American people are getting tired of hearing about farmers defaulting on one-, two-, and three-hundred-thousand-dollar nonrecourse commodity loans. Especially is this true when it appears unlikely that a realistic limitation of $50,000 would materially affect the market price if all the wheat producers, for example, who get over that amount each year decided not to comply with the acreage eligibility requirements and raised all they physically could plant and harvest.

For example, in 1953 out of some 541,000 wheat loans, only 1,400 involved loan amounts exceeding $25,000. Since these 1,400 loans involved only 29 million bushels out of a total United States production of 1.1 billion bushels, it is unlikely, had these growers all stayed out of the support program, even had controls been in effect, that their total production would have materially affected adversely the market price.

The same appears to be true with respect to other crops. In 1953, for example, only 10 of the 43,000 loans on oats were in amounts exceeding $25,000. These 10 loans were on some 294,000 bushels out of a total production of 1.2 billion bushels. Had these 10 remained outside the program, any increased production, due to this fact on their parts, with or without cross-compliance, could not have affected the market price one iota.

In conclusion, Mr. President, I submit that the figure $50,000 as a limitation is realistic. It fits the situation, and will not tempt farmers in large enough numbers to ignore participation in the programs and thus adversely affect the market price by substantially increasing total production of the crop in question.

At the same time, it will place the emphasis where it is needed, namely upon the family-type farm. The size of the limitation proposed gives full protection to efficiently operated family-type farms. On the other hand, it will stop unlimited assistance to those nonfamily type corporation farms which simply do not require public assistance and whose activities in or out of the program cannot adversely affect the market price.

Mr. President, because the Department of Agriculture's position on this matter is reflected in a letter to me dated December 23, 1957, I ask unanimous consent that it be printed in the RECORD at this point, together with a copy of the bill.

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

The bill (S. 3084) to limit the amount of price-support payments which may be made to producers of agricultural commodities, introduced by Mr. WATKINS, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) title IV of the Agricultural Act of 1949, as amended, is amended by adding at the end of such title a new section as follows:

"SEC. 421. The total amount of price support made available under this Act to any person for any year through loans to such person, or through purchases made by Commodity Credit Corporation, or other agency of the United States Department of Agriculture, from such person, shall not exceed $50,000. The term 'person' shall mean any individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or agency of a State. In the event of any loan to, or purchase from, a cooperative marketing association, such limitation shall apply to the amount of price support made available through such cooperative association to each person. The limitation herein on the amount of price support made available to any person shall not apply if price support is extended by purchases of a product of an agricultural commodity from processors and the Secretary determines that it is impracticable to apply such limitations."

(b) The amendments made by this Act shall be effective with respect to 1958 and succeeding years.

The letter presented by Mr. WATKINS is as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D. C., December 23, 1957.

HON. ARTHUR V. WATKINS,
United States Senate.

DEAR SENATOR WATKINS: This is in reply to your inquiry of November 14 concerning the Department's position on legislation which would limit the amount of price support given to an individual producer.

We favor passage of legislation of this type. As your letter indicates, such legislation would be in accord with the President's farm program message of January 9, 1956. In that message the President requested Congress to consider placing a dollar limit on the size of price support loans to any one individual or farming unit at a level sufficiently high to give full protection to efficiently operated family farms.

However, we have no specific recommendation as to the level at which this limit should be established. In testifying before Congress on this subject on several different occasions, we have pointed out that we feel that the specific level selected should be determined by the Congress.

We would have no objection to the $50,000 limit established in your proposed bill.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE,
Acting Secretary.

AMENDMENT OF SOCIAL SECURITY ACT

Mr. PROXMIRE. Mr. President, I introduce for appropriate reference a bill to amend the Social Security program to bring the law more closely into line with present-day living costs and the needs of working people for their retirement programs.

I ask unanimous consent, Mr. President, that a statement summarizing the bill be printed at this point in the RECORD.

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

The bill (S. 3086) to amend title II of the Social Security Act to raise the amount of insurance benefits payable thereunder, provide full benefits for women at age 62, raise the maximum amount of annual earnings with respect to which benefits thereunder may be based, provide for hospitalization insurance, eliminate any age requirement for eligibility for disability insurance benefits, provide insurance benefits for dependents of disabled individuals, and to otherwise revise, improve, and liberalize the insurance system established by such title, and for other purposes, introduced by Mr. PROXMIRE, was received, read twice by its title, and referred to the Committee on Finance.

The statement presented by Mr. PROXMIRE is as follows:

STATEMENT BY SENATOR PROXMIRE

1. Raise benefits for everyone by an average of about 12 percent. This would boost the smallest payments by 17 percent—from $30 to $35. The top payment, which under present regulations is based on annual earnings of $4,200 or more, would be raised from $108.50 a month for a single person to $120.70, and from $162.75 to $181.05 for a married couple. Widows with children would receive still higher benefits.

Another provision (No. 8 below) would enable people whose earnings have averaged above $4,200 a year to earn retirement benefits more in line with their normal living expenses. By increasing the wage base to a maximum of $7,500 a year, the maximum would be increased to $181.20 for a single person or $271.80 for a married couple.

2. Allow social-security pensioners to earn $1,500 a year instead of the present limit of $1,200.

3. Sixty days of free hospitalization per year for persons receiving social security. We can no longer ignore the medical plight of the aged, who are generally unable to

buy private medical insurance. This feature is badly needed. It will be paid for out of the social-security fund, like all the other provisions.

4. Make women eligible for full benefits at 62. They now must take reduced benefits for life if they start receiving benefits at 62. Older women have a tougher time than men in the job market. Also, since most wives are several years younger than their husbands, this provision would make it possible for more couples to retire on full benefits when the husband reaches 65.

5. Remove the age requirement for disability. At present a person must be 50 to receive disability benefits. But a younger man who becomes disabled often has even greater financial responsibilities, since he probably has a growing family. Under this bill, he would be eligible for social-security disability benefits at the time of his disability, regardless of his age, and could also receive benefits for dependents. The law now provides that a person cannot collect benefits for dependents until he becomes 65.

6. Increase widow's benefits from 75 percent of their husband's allowance to 85 percent.

7. Allow a 4-percent increase in benefits for each year worked past the eligibility age. This would reward those who continue to work and pay into the fund. It might actually save the Government money.

8. Raise the wage base from $4,200 to $7,500. This is a revenue-producing feature which would cover the cost of many of the improved benefits. As it stands, a worker pays and receives social security only on the first $4,200 of his income. If he earns $4,200, his maximum retirement benefits are now 31 percent of his previous income. But if he earns $7,500, his benefits will be no higher—and will amount to only 17 percent of his previous income. By raising the wage base, this worker's benefits will be increased to 29 percent of his previous income.

9. More liberal system for computing farmers' income. The farmer would be allowed to disregard the recent years of unnaturally low farm income in establishing his base for benefits.

10. Allow a wage earner, in computing average income, to disregard one low-income year for every seven worked.

11. Remove the reduction in benefits that now applies if one receives veterans' or other benefits in addition to social security. Retirement benefits are not now reduced, and neither should disability benefits be.

12. Increase social-security payments from 2¼ percent of wages to 3 percent for both employer and employee, with a comparable increase for the self-employed.

These 12 important points will take a big step forward in improving the social security system and bringing it up to present-day living costs and retirement standards for our older citizens. They can be carried out without impairing the self-supporting character of the social security system.

But they do not do nearly enough to take care of the needs of many thousands of our older people who, through no fault of their own, were unable to earn adequate retirement benefits to support themselves decently in their old age. It is a shame for a country as rich as ours to expect elder citizens to exist on social security payments as low as $30 a month.

I am sponsoring and supporting additional legislation to give special help to people who cannot receive adequate retirement and survivors benefits under the social-security system.

(1) A food-stamp plan. I have introduced a bill to provide for a food-stamp plan which will enable older persons and others living on low incomes to buy all the food they need at greatly reduced cost—down to as little as one-quarter of the retail price. For just 40 percent of their total income or one-quarter of the retail cost, whichever is greater, people living on low incomes would be able to buy all the food they need for good, wholesome, health-conserving diets.

(2) A special amendment to liberalize the public-assistance law has been introduced in the House by a strong group of Democratic Congressmen, headed by JAMES ROOSEVELT, of California, and in the Senate by Senator HUBERT HUMPHREY, of Minnesota. I will vote for this bill when it reaches the floor.

This bill will improve public assistance for the blind, needy aged, physically handicapped, and dependent children. It will permit earnings of up to $600 a year without losing benefits, and will permit ownership of a $5,000 home free of lien.

(3) A bill to prohibit discrimination on account of residence. At present many deserving persons are denied public assistance even when they are in the most terrible need, just because they haven't lived in their particular State long enough to meet eligibility requirements set up by some of the State governments, including Wisconsin's. I am sponsoring a bill to put a stop to this inhuman discrimination.

ESTABLISHMENT OF NATIONAL MEMORIAL PARK AT FORT CLATSOP, OREG.

Mr. NEUBERGER. Mr. President, on July 12, 1955, it was my pleasure to introduce a bill for myself and my colleague, the senior Senator from Oregon [Mr. MORSE] and the senior Senator from Idaho [Mr. DWORSHAK] to authorize a study of the feasibility of including old Fort Clatsop, near Astoria, Oreg., among the historic shrines of national importance. Our bill was enacted. The study has been completed and favorably reported on by the Secretary of the Interior, and I am introducing proposed legislation today establishing the Fort Clatsop National Memorial in the vicinity where the intrepid adventurers, Meriwether Lewis and William Clark, ended their westward trek which brought the American flag overland across the continent for the first time in 1805. I introduce the bill for myself and the senior Senator from Oregon [Mr. MORSE].

The story of the Lewis and Clark Expedition always has been a source of great inspiration. Its great significance in our national heritage should be firmly established for future generations. Certainly in all history, few explorations resulted in greater fruits of discovery. Their efforts affirmed the claim of the United States on the unmapped western hinterlands. Their boots scuffed the first American pathways across mountain, plain, and desert so that eventually our flag could bridge the span from Atlantic to Pacific Ocean.

Indeed, the challenge faced by the junior Army officers, Lewis and Clark, and their band of men when they headed westward from St. Louis into unknown and hostile wilderness is not unlike the situation which confronts the Nation today, as we peer into the mysterious voids of the space age. Those on the expedition of 1805–1806 suffered hunger, thirst, cold, and sickness. The threat of attack hovered on the trek toward their westward goal. Beset by all the adversities that try the bodies and minds of men, they refused to abandon their purposes and objectives. They exhibited courage, skill, and determination. It would be wise, as we wrestle with the problems of atoms and missiles, to memorialize at Fort Clatsop the moral values symbolized by the Lewis and Clark Expedition. It would be well for us of this generation to be reminded that the growth and strength of the Nation was not achieved without hardship and sacrifice, nor can it be maintained without recognizing that these conditions often are the unrelenting price levied for human advancement.

The efforts of many individuals and organizations preceded the favorable report of the Park Service on establishment of Fort Clatsop National Memorial. The persistence of such men as Mr. Thomas Vaughan, of the Oregon Historical Society, and Mr. Burnby M. Bell, of the Clatsop County Historical Society, made possible much of the support for proper recognition of the Lewis and Clark Expedition's winter encampment at the mouth of the Columbia. They and many Oregon people who have worked with them on the Fort Clatsop project deserve grateful acknowledgment for advancing the idea of a national memorial for the Lewis and Clark Expedition.

Mr. President, I ask consent to have printed at this point in my remarks the text of the bill to authorize Fort Clatsop National Memorial.

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

The bill (S. 3087) to provide for the establishment of Fort Clatsop National Memorial in the State of Oregon, and for other purposes, introduced by Mr. NEUBERGER (for himself and Mr. MORSE), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That, for the purpose of commemorating the culmination, and the winter encampment, of the Lewis and Clark Expedition following its successful crossing of the North American Continent, there is hereby authorized to be established, in the manner provided herein, Fort Clatsop National Memorial.

SEC. 2. The Secretary of the Interior shall designate for inclusion in Fort Clatsop National Memorial land and improvements thereon located in Clatsop County, Oreg., which are associated with the winter encampment of the Lewis and Clark Expedition, known as Fort Clatsop, and, also, adjacent portions of the old trail which led overland from the Fort to the coast: Provided, The total area so designated shall contain no more than 125 acres.

SEC. 3. Within the area designated pursuant to section 2, the Secretary of the Interior is authorized to acquire land and interests in land by purchase, donation, with donated funds, or by such other means as he deems to be in the public interest.

SEC. 4. Establishment of Fort Clatsop National Memorial shall be effected when there is vested in the United States of America, title to not less than 100 acres of land associated with the historical events to be commemorated. Following its establishment, Fort Clatsop National Memorial shall be administered by the Secretary of the Interior pursuant to the act of August 25, 1916 (39 Stat. 535), as amended.

Mr. NEUBERGER. Mr. President, I have received much personal satisfaction

in writing about the Lewis and Clark Expedition. I also have had an opportunity to write a brief article for the New York Times of November 25, 1956, telling of plans for recognition of the expedition and its valiant members at the Fort Clatsop Memorial. I ask consent to have printed in the RECORD, an article entitled "Monument on the Pacific."

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

MONUMENT ON THE PACIFIC—HISTORIC FORT IN OREGON MAY SOON BECOME NATIONAL SHRINE

(By Hon. RICHARD L. NEUBERGER)

(NOTE.—Mr. NEUBERGER, junior United States Senator from Oregon, is author of the bill authorizing a national monument at Fort Clatsop.)

ASTORIA, OREG.—The oldest of all American settlements on the Pacific Coast soon may become the country's newest national monument. Under the terms of legislation passed by the 84th Congress, the National Park Service is presently studying the possibilities of creating a national shrine at rebuilt Fort Clatsop, near the picturesque mouth of the vast Columbia River. This was where Meriwether Lewis and William Clark spent the bleak winter of 1805–06, after they had carried the flag of the United States from St. Louis to the shores of the Pacific Ocean.

Fort Clatsop has an eminent rank in history. It was the first American military post anywhere west of St. Louis. It was the first habitation by Americans along the Pacific seaboard. It was the first edifice to house white persons in the Pacific northwest. It was where American conquest of the West began.

Last year, as part of the sesquicentennial observance of the arrival of Lewis and Clark at tidewater, Fort Clatsop was totally reconstructed on the exact site of the original post. The drawings and sketches of Lieutenant Clark, found in the expedition's journals, were followed faithfully. The famous fort is 50 by 50 feet in dimensions, with 3 rooms along 1 wall, and 4 along the other. A military parade ground occupies the center square, for the men of Lewis and Clark were enlisted in the United States Army.

COMMUNITY PROJECT

Reconstruction of Fort Clatsop was a community project. The Oregon Historical Society had strained a limited budget to obtain the site. The Crown-Zellerbach Corp. provided all the logs for the stockade and buildings. The logs were cut to the exact proportions of those described in Lieutenant Clark's 150-year-old plans. Even the flagpole was made the precise height of that from which flew the original Stars and Stripes to wave within sight of the Pacific Ocean.

In re-creating Fort Clatsop, difficulty was encountered in finding men with experience at constructing a log fort. The most skilled cabinetmakers and woodworkers did not have this type of skill. Two Finnish immigrants, recently arrived in the United States at last were discovered. They had just the talents needed.

These men, at daily carpenter's wages, undertook the major construction job. Thomas Vaughan, director of the Oregon State Historical Society, considers them actually responsible for the success of the project. Thus did two newcomers to America rebuild the oldest buildings which ever housed Americans west of St. Louis.

As a national monument, Fort Clatsop will possess many fascinating features. During the summer months of 1956, even with the most minimum sort of custodial care, more than 10,000 visitors trekked to the fort. The stockade commands a panorama of the sloughs, inlets and bays which surround the wide mouth of the Northwest's greatest river. Lofty trees of Douglas-fir form a natural fortress beyond the man-built bulwarks. On clear days, stately freighters and sleek passenger liners can be seen standing out to sea, ready to breast the Columbia's rolling bar.

STREAM NAMED FOR EXPLORERS

Fittingly, a near-by smaller stream is named the Lewis and Clark River. It meanders off into the wooded hills. In the distance bulks the 3,266-foot summit of Saddle Mountain, one of the highest peaks in the gentle Coast Range. Lewis and Clark themselves referred to this spectacular landmark in their journals, but never bestowed its nomenclature. Elk and deer inhabit the forests, and are tracked down during Oregon's hunting seasons. Indeed, the abundant supply of game induced the explorers to settle at the site of Fort Clatsop in 1805, rather than across the river in what today is the State of Washington.

The location of firepits, barbecue pits, log remains, and other remnants has left no doubt that the rebuilt structure is on the ground occupied by the original Fort Clatsop, which Capt. Meriwether Lewis named for the Clatsop Tribe of coastal Indians. Both the Oregon Historical Society and the National Park Service have taken great care to locate the site accurately.

At least $50,000 has been invested in the site and in the reconstruction of the celebrated fort. With the establishment of a national monument, Thomas Vaughn, of the historical society, believes that it will become one of the principal tourist attractions of the north Pacific seacoast.

Visitors who glimpse the reconstructed fort also will have an opportunity to savor of some of the finest boating, hiking, fishing, and surf-bathing anywhere in the West.

The spacious Clatsop beaches stretch southward for many miles from the mouth of the Columbia River. These beaches, of sand as white as glacial snow, are frequently guarded by towering headlands and lofty capes. The surf is foamingly picturesque, although often too chilly for all except the most Spartan swimmers. Back and forth across the Columbia's bar prowls the Engineer Corps dredge *Essayons*, largest in the world, deepening the river entrance to 48 feet. This has long been a goal of mariners and pilots. Peacock Spit, near the Columbia's mouth, has claimed more vessels than any other shoal off the north Pacific coast.

Astoria, a few miles from Fort Clatsop, is the principal salmon-fishing community in the Northwest. During the late summer, hordes of Chinook salmon return to the Columbia from the sea, where they may roam as far as the Kamchatka. These fish must ascend to the river's remote headwaters. There it is their destiny to spawn and then to die. They run a gantlet of sports fishermen and commercial gillnetters en route.

The Chinooks frequently weigh up to 50 or 60 pounds. Although Lewis and Clark wearied of this diet, they are among the tastiest of fish. Tourists catching a river giant like to have their salmon canned at a custom cannery, with the proud fisherman's own name on the fancy labels.

TRANSPORTATION

No railroad passenger trains serve Astoria, but there is frequent service by Greyhound buses and West Coast Airlines. The highways are excellent. U. S. 101 threads along the seacoast, hugging cliffs and looping headlands. State Route 26 twists across the Coast Range via the Wolf Creek drainage basin. The distance from Portland is 98 miles. Route 26 goes through Seaside, Oregon's most popular beach resort, which is approximately 18 miles from the site of reconstructed Fort Clatsop. Lewis and Clark strolled along the generous beaches, and distilled salt from sea water at Seaside to cure their elk steaks and roasts.

When they were in Oregon long ago, some of the argonauts of Lewis and Clark climbed a great cape back of Seaside now known as Tillamook Head. In the lonely solitude of that vast scene, they were relieved to get back to the snug coziness of their stockade of logs at Fort Clatsop. The rebuilt version of that first of all American homes in the West is being studied today by the National Park Service for establishment as a national shrine. Fort Clatsop, after all, symbolizes America's beginning as a Nation which stretches from "sea to shining sea."

AMENDMENT OF FEDERAL AID ROAD ACT

Mr. CHAVEZ. Mr. President, I introduce, for appropriate reference, a bill which would extend the authorization for the Federal-aid primary, secondary, and urban systems. I am proposing $900 million for fiscal year 1960 for these roads and $925 million for fiscal year 1961 for the system.

I am suggesting $30 million for forest highways for fiscal years 1960 and 1961; $27 million for forest development roads for fiscal years 1960 and 1961; $16 million for national park roads and trails for fiscal years 1960 and 1961; $16 million for parkways in national parks for fiscal years 1960 and 1961; $12 million for Indian reservations and land roads for fiscal years 1960 and 1961; and $2 million for public lands roads for fiscal years 1960 and 1961.

The present act authorizes funds for the roads enumerated only through fiscal year 1959; therefore, it is necessary that steps be taken to extend the authorization for these roads.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3088) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways, introduced by Mr. CHAVEZ, was received, read twice by its title, and referred to the Committee on Public Welfare.

AMENDMENT OF CIVIL RIGHTS ACT OF 1957

Mr. JAVITS. Mr. President, on behalf of myself and the Senator from New Jersey [Mr. CASE], I introduce a bill which, in effect, will restore the basic provisions of part III, which were eliminated from last year's civil rights bill.

The task of achieving full civil rights for all our people, regardless of race or color, is no less pressing this year than it was last year, when we undertook a great effort to secure the enactment of civil-rights legislation. If anything, to assure equal opportunity to all citizens is more important in the light of the stepped-up Russian challenge in the cold war. Indeed, the Russian effort in connection with earth satellites and foreign economic pentration is particularly directed toward impressing the 1 billion people of the free world in Asia, Africa, and the Middle East with communism and influencing them to reject the institutions of freedom.

While we respect the position of the administration not to seek additional civil-rights legislation at this session, we consider it our duty to press forward whenever and wherever the opportunity presents itself to strengthen the civil-rights statutes.

In my State there is a strong feeling that the civil-rights bill was inadequate. I have previously pledged this course of action, and I am following through. Experience has now clearly shown that the backing of law is needed, in order to give community action by conciliation, mediation, and technical assistance the opportunity to be effective in most cases of discrimination and segregation. We shall not solve the problems of discrimination and segregation on grounds of color, race, or religion—so harmful to our country at home and abroad—if we do not keep trying through the use of experience-tested procedures. I have great respect for the new Federal Civil Rights Commission, and believe it can render a great service by its investigations in the field. I do not believe, however, that it was created to defer the enactment of moderate laws such as that proposed by this bill, the need for the enactment of which has already been clearly demonstrated.

The bill would authorize the Attorney General, upon written complaint, to commence civil injunctive procedings against local officials who deprive, or those conspiring with those officials to deprive, a citizen of his constitutional rights to equal protection of the laws, under the 14th amendment.

In addition, the Attorney General would be granted the specific authority to commence civil action at the request of a State or municipality, where it is itself seeking to assure to the citizens their rights under the 14th amendment, but is prevented from doing so because of a conspiracy or threats of violence.

The authorization contained in this bill would permit civil action at an early date, before the situation had become dangerously acute in any locality, as it did in Little Rock. It will be recalled that the existing remedies in law are now for criminal prosecution. Practically, these are found unenforceable, because they are too stringent. Hence the need for civil remedies.

Under present law, an individual may bring such suit for civil injunction; but in many cases the individual is not financially able to commence proceedings, and the recent rash of so-called antibarratry statutes will make it increasingly difficult for those deprived of their rights to seek judicial redress. Therefore, this bill would permit the Attorney General to act upon a showing that the person about to be deprived is himself financially unable to prosecute a civil proceeding on his own behalf.

The events at Little Rock, Ark., occurred following our last session. The events at Little Rock demonstrate that in the last analysis, where local public officials seek to prevent the enjoyment of constitutional rights, the Federal Government has, as President Eisenhower has said, the "inescapable duty" to protect those rights.

The turning point at Little Rock was the fact that the court had already entered an injunction on the application of the local board of education. It was based upon the fact that other local public officials, including Governor Faubus, were violating this specific court decree, that the Federal authorities, in the person of the Attorney General and the President, had the right to intervene to protect individual Americans, as well as the community, against violence. It seems to me that this demonstrates conclusively that the Attorney General ought to have the power to get such a civil injunction decree, and should not be compelled to rely upon the happenstance that a decree to enforce civil rights has already been entered upon the suit of some individual affected or some public body. The legal situation found at Little Rock or the analogous legal situation which occurred at Clinton, Tennessee, will occur all too rarely. The protection of the civil rights of the individual should not be allowed to rest on legal accidents. Events in Little Rock in retrospect demonstrate the effectiveness of providing the right to invoke civil sanctions by the Attorney General, to assure that constitutional rights are given effect.

Mr. President, in support of the bill which I have introduced, I now quote from a memorandum prepared by Prof. Samuel Beer, of Harvard University, for a meeting in Boston of lawyers and other persons interested in this problem. In the memorandum Professor Beer stated as follows:

> Part III of the original bill (H. R. 6127): authorized proceedings by the Attorney General for injunctive relief against conspiracy to interfere with civil rights, including those derived from gurantee of equal protection of the laws. As of now, an individual can seek preventive relief under title 8, United States Code, 1940 edition, sections 43 and 47 (3). But in view of the anti-NAACP laws in Southern States, a person threatened with loss of civil rights is in fact under a grave handicap. This makes it all the more desirable that the Attorney General should be able to take the initiative and intervene in such a case. It is particularly important that part III be restored.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3090) to amend part III of the Civil Rights Act of 1957, introduced by Mr. JAVITS (for himself and Mr. CASE of New Jersey), was received, read twice by its title, and referred to the Committee on the Judiciary.

AMENDMENT OF AGRICULTURE ACT OF 1949, RELATING TO BANKRUPTCY OF WHEAT FARMERS

Mr. MURRAY. Mr. President, I am sending to the desk on behalf of myself and 15 other Senators a bill to prevent wholesale bankruptcy of wheat farmers of the United States.

Cosponsors of the measure, from both political parties, include my colleague from Montana [Mr. MANSFIELD], the Senator from North Dakota [Mr. YOUNG], and Senators CARROLL, CASE of South Dakota, CHAVEZ, CHURCH, HENNINGS, HUMPHREY, JACKSON, KERR, MAGNUSON, MORSE, PROXMIRE, YARBOROUGH, and MONRONEY.

At the request of the offices of several additional Senators who are interested in the measure, I request that the bill lie on the table through Monday, January 27, so that Senators not now cosponsoring may join in introducing it.

Mr. President, in April 1956, the President of the United States reversed a decision of the Secretary of Agriculture to cut wheat price supports to $1.81. The President himself announced a $2 support level for wheat that year. The measure I have just introduced for a large, bipartisan group continues the $2 level on the 1958 crop, canceling the announced support of only $1.78 per bushel.

Wheat farmers have overwhelmingly supported acreage allotments and indicated their readiness to accept bushel quotas on their marketings.

In the war years these farmers expanded their production beyond 75 million harvested acres to produce the wheat necessary to win the war and write the peace. Despite economic hardship, they cut their harvested acreage down to 49,784,000 acres in 1956 and by an additional 6 million acres last year. They have cut their production from 1⅓ billion bushels during the peak wartime demand to less than 1 billion bushels—only 947 million bushels—last year.

These reductions in acreage and production have been made in spite of declining price supports and economic hardship. As the President of the United States himself recognized in April 1956, the wheat farmers are in serious financial trouble. Thousands have gone broke. Thousands more—the backbone of food producers who are as essential to our security as missile makers—will go broke if the $1.78 level goes into effect.

The United States Department of Agriculture released a study earlier this month on the investment necessary to realize fixed amounts of income from farming. The study shows that some cotton farmers realize $2,500 income from a $14,000 investment. But the study found that it takes an $89,000 investment on a Montana wheat farm to realize the same amount of income.

To earn $3,500 the required investment varied from $17,000 in certain cotton areas to $122,000 for a Montana wheat farm.

This Nation cannot afford to bankrupt such wheat farmers wholesale, for national security reasons if no other, and I am sure that the Members of the Congress have no desire to do so. If the President of the United States knew the facts about the effect of a $1.78 support price for wheat, I am sure he would agree that support should be continued at a level at least as high as he himself ordered in 1956.

Unfortunately, the announcement of $1.78 support levels on 1958 crop wheat has resulted in rather heavy plantings of winter wheat for 1958 harvest. A little of this heavier planting results from an increase from 15 to 30 acres in the amount which may be planted and har-

vested without penalty for use on the farm. There are, of course, other factors, but clearly it was the prospect of low prices which resulted—as it almost invariably does—in farmers seeking to maintain gross income through increased output.

With improved support, many of these farmers will be able to hold excess production in bond to market in 1959. Marketing penalties will offset losses caused by marketing of overquota wheat.

The confusion will be ended, and order and cooperation restored, if a fairer support level is adopted.

It is my hope that there can be action on this measure before spring wheat planting gets under way. I favor at least 90 percent of parity support for wheat as a permanent program. Wheat farmers have shown they will adjust production to make such price support feasible without great expense to the Government. It is obvious, however, that 90 percent supports would be vetoed at this time. It is my hope that a $2 per bushel support level can be agreed upon by all of us and quickly enacted into law.

Mr. President, I ask unanimous consent that the bill lie on the desk until Monday next, so that other interested Senators may add their names as cosponsors.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from Montana.

The bill (S. 3091) to amend section 101 of the Agricultural Act of 1949, introduced by Mr. MURRAY (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

Mr. PROXMIRE. Mr. President, I am happy to join with the Senator from Montana [Mr. MURRAY] and other Senators today in cosponsoring a bill to overrule the latest reduction in the price support rate for wheat which Secretary Benson has ordered for the present crop.

Wisconsin was once the Nation's leading wheat State, but our production of wheat has declined sharply in the last half century or more. Nevertheless, wheat continues to have much greater importance to the Wisconsin economy than is commonly recognized.

The 1957 wheat crop in Wisconsin was valued at $2½ million, according to the State Crop Reporting Service. The 22 cents per bushel cut in wheat supports that Secretary Benson has ordered will cost the economy of my State more than $300,000 a year.

But this direct interest of Wisconsin farmers in the wheat price support rate is not the most important reason for their concern. Lower prices for wheat mean increased downward pressure on prices for all farm commodities, including dairy products. There cannot be high prices for dairy commodities if producers of other commodities are getting such low incomes that they would be inclined to shift into dairying.

Moreover, farmers and their representatives must stand together. Wisconsin dairy farmers need the aid of wheat producers from Montana and other States, of cotton producers from the South, of corn and hog producers from the Midwest, and so forth.

This is not, of course, a satisfactory program for the long range. Like the emergency dairy bill to prevent the cut in milk prices from taking effect next April 1, this bill will hold the line and prevent farm conditions from getting worse in the period immediately ahead, until a workable long-range farm program can be enacted.

EXTENSION OF EXPORT CONTROL ACT OF 1949

Mr. FULBRIGHT. Mr. President, the Export Control Act of 1949 will expire June 30, 1958. In the interest of the national security it is essential that this act be extended for two additional years.

The Export Control Act authorizes the President to prohibit and curtail the exportation from the United States, its Territories, and possessions of any articles, materials, or supplies including technical data. The act provides that this authority may be used on the basis of three standards: The national security, the foreign policy, and domestic scarcities. It is under this act that shipments of all commodities from the United States to Communist China are embargoed and shipments of strategic commodities to the rest of the Soviet bloc are carefully controlled.

The President has delegated the authority in this act to the Secretary of Commerce, who has the benefit of advice from the various agencies interested in exports, such as the Departments of State and Defense.

Congress has been receiving regular quarterly reports from the Secretary of Commerce, as required by the act, which contain complete information about operations under the act.

National security and foreign policy considerations during the next 2 years make it evident that the extension of this act will be necessary. The need for the extension is indicated also in the President's recent budget message.

The Secretary of Commerce, in his letter of January 20, addressed to the President of the Senate, requested the extension of this act. I ask unanimous consent that his letter be printed in the RECORD at this point.

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

THE SECRETARY OF COMMERCE,
Washington, D. C., January 20, 1958.

Hon. SAM RAYBURN,
Speaker of the House of Representatives, Washington, D. C.

Hon. RICHARD M. NIXON,
President of the Senate, United States Senate, Washington, D. C.

DEAR MR. SPEAKER AND DEAR MR. PRESIDENT: The Export Control Act of 1949, as amended (50 U. S. C. App., secs. 2021–2032), expires by its terms on June 30, 1958. I recommend that the Congress extend this law for another 2 years, and I attach a proposed draft bill to accomplish that purpose.

Under this act, the Congress has authorized the regulation of exports of commodities and technical data to the extent necessary to safeguard our security and our domestic economy, and to further our foreign policy. These controls are administered in the Department of Commerce, by delegation of authority from the President, and they are needed and used for all these purposes at the present time. More specifically, they are being employed to limit the volume of exports to all destinations of a few important materials that continue to be in short supply and to prevent the European Soviet bloc from obtaining our strategic goods and technical data. They are also used to implement the national policy prohibiting all economic relations with Communist China and North Korea. Exports to friendly nations, on the other hand, even of strategic goods are substantially free of export license controls except to the extent necessary to prevent diversion, transshipment, or re-exportation to unauthorized destinations.

The act provides for interdepartmental consultation in its administration, including the determination of what commodities should be controlled, to what destinations, in what manner, and to what extent. For this purpose, I have established an Advisory Committee on Export Policy on which are represented, among others, the Departments of State and Defense. It is our considered judgment that world tensions are such that export controls should not be permitted to expire on the present termination date of the act. The President stated most recently in his message on the budget, this is "a time of growing danger," and, as we see it, under such circumstances, controls of this nature are clearly essential for the indefinite future.

There is ample flexibility in the act to permit us to make any necessary changes in the scope and direction of export controls as and when conditions change, so that no other substantive amendments of the law are required. And, if at any time these controls should cease to be needed, they can be readily terminated, for section 12 of the act allows this to be done in advance of the specified termination date either by concurrent resolution of the Congress or Presidential order.

The attached draft bill would amend section 12 to change the present termination date from June 30, 1958, to June 30, 1960. A similar extension was authorized by Congress in 1956. It will provide for the minimum extension required from the viewpoint of efficient administration and enforcement, while yet providing an opportunity for the next Congress to review the program and authorize its further extension if still necessary.

For budgetary, planning, and personnel reasons, and so that no doubts may arise as to the continuation of the policies involved, I respectfully urge consideration of this recommendation by the Congress as early in this session as possible. We have been advised by the Bureau of the Budget that enactment of this legislation would be in accord with the program of the President.

Sincerely yours,

SINCLAIR WEEKS,
Secretary of Commerce.

Mr. FULBRIGHT. Mr. President, on behalf of myself and the Senator from Indiana [Mr. CAPEHART] I introduce for appropriate reference a bill to extend the act for 2 years.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3093) to extend for an additional period of 2 years the authority to regulate exports contained in the Export Control Act of 1949, introduced by Mr. FULBRIGHT (for himself and Mr. CAPEHART), was received, read twice by its title, and referred to the Committee on Banking and Currency.

TAX RELIEF FOR TEACHERS TAKING CERTAIN COURSES

Mr. SMATHERS. Mr. President, today we are waging an all-out effort to improve educational standards throughout the country. It is essential that we do so in order to meet successfully the Soviet challenge. The battle for educational superiority is now on, and we all recognize that it must be won if we and the rest of the free world are to continue to survive.

In our efforts to win this battle, those engaged in the teaching profession have an extremely important task entrusted to them. Particularly is this true when we stop to realize that they share a great amount of the responsibility, together with parents and the community, of molding the minds of the future citizens of this great land. All too often their efforts are very much taken for granted.

It is gratifying to note that those in the teaching profession are fully cognizant of the responsibility which they share, and are anxious to continually improve their qualifications as teachers. On the part of a large majority of them, it is virtually mandatory to continue their education during the summer recess, in order to keep current with modern teaching methods, as well as to further their ability to carry out in the most effective manner their chosen profession. The expenses incurred by them for such activities have placed upon their shoulders a heavy financial burden, for it is generally known that the salaries of teachers in many localities are none too attractive.

The rising costs of living have added to their burden. Because of this problem, many of our highly qualified teachers have already left the teaching profession, and many more are thinking of doing so, despite the fact that teaching is their first love. This is a problem with which we in the Congress should concern ourselves, in these perilous days, by exploring all avenues, in order to encourage highly qualified teachers to carry on, as well as to develop an adequate reservoir of them for future needs. The youth of our Nation, and the Nation itself, will suffer irreparably unless we exert every effort to insure that we have a teaching profession amply stocked with highly qualified teachers, second to none.

I have thought about this situation for some time, and believe that one of the ways in which we in the Congress can be of assistance, as a step in the right direction toward achieving our objective, is to grant tax relief for the expenses incurred by teachers in connection with courses pursued by them to further improve their qualifications and keep pace with modern teaching techniques. In this way we can better prepare the youth of the Nation to face the problems of the future, and indirectly can make an immeasurable contribution toward winning the battle of educational superiority—a battle which must of necessity be won if we are to be successful in waging a campaign of total peace.

Mr. President, at this time I introduce proposed legislation to provide for this purpose, and I request that it be appropriately referred. I sincerely hope that the Congress will act promptly and favorably on it.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3096) to amend the Internal Revenue Code of 1954 so as to allow a deduction for amounts paid by a teacher for his further education, introduced by Mr. SMATHERS, was received, read twice by its title, and referred to the Committee on Finance.

AMENDMENT OF SECTION 1 OF THE ELKINS ACT

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to amend section 1 of the Elkins Act, as amended. I ask unanimous consent that a justification for the proposed legislation may be printed in the RECORD.

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

The bill (S. 3101) to amend section 1 of the Elkins Act, as amended, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The justification presented by Mr. MAGNUSON is as follows:

The attached draft bill is designed to clarify and make certain that every shipment knowingly transported in interstate or foreign commerce at less than the applicable tariff rate, whether actually so transported or such result is reached indirectly by means of a device, constitutes a separate offense under section 1 of the Elkins Act. It would also subject the carriers to the treble-damage forfeiture provisions of paragraph (3) of section 1 of that act.

Paragraph (1) of section 1 of the Elkins Act provides, in part, that "it shall be unlawful for any person, persons, or corporation to offer, grant, or give, or to solicit, accept, or receive any rebate, concession, or discrimination in respect to the transportation of any property in interstate or foreign commerce by any common carrier * * * whereby any such property shall, by any device whatever, be transported at a less rate than that named in the tariffs published and filed by such carrier."

The thing prohibited is the departure from the tariff rate by any means whatsoever, whether direct between the parties, or indirect by the employment of the most devious subterfuge. Among the various devices which have been condemned by the Commission, the Federal courts, including the Supreme Court of the United States, as resulting in the transportation of property at less than tariff rates are donations or contributions to the construction costs of a shipper's plant, sale of land to a shipper at less than cost, leasing of property at inadequate rentals, use of carriers' funds or credit free or at inadequate interest, and providing storage facilities to shippers free or at inadequate charges.

It is the Commission's position that section 1 of the Elkins Act, as presently worded, contemplates that each shipment transported in interstate commerce at less than tariff rate, whether actually so transported or such result is obtained by any device, constitutes a separate offense. It appears necessary, however, that the act be amended so as to spell this out specifically since the Department of Justice has recently taken the position that when devices are used to obtain transportation it is the device which constitutes the offense and not the transportation at concession rates resulting from the use of such devices.

This position was taken by the Department of Justice following the dismissal by the United States District Court at Louisville, Ky., of all but one count in each criminal information filed against the Southern Railway Co. and the Louisville Produce Association, Inc., in 30 and 20 counts, respectively, charging violations of section 1 of the Elkins Act. The court in dismissing all but one of the counts against each defendant stated:

"While the informations contain multiple counts, each information charges in substance only one offense under United States Code, title 49, section 41 (1)."

The Solicitor General of the United States refused to appeal this ruling of the court although the Commission recommended it. Subsequently, after further consideration of the Commission's position by the Solicitor General and the Department of Justice, the Commission was advised by letter dated July 17, 1957, that the Department was against the filing of informations which are based on the theory that each shipment transported subsequent to donations or contributions by the carrier to the shipper constitutes a separate offense. Again, on November 19, 1957, the Department of Justice advised a United States attorney, to whom the Commission had transmitted proposed indictments which were based upon the Commission's theory, that "We have concluded, upon reviewing this matter, that such a legal theory is unsound."

Under the theory followed by the Justice Department each shipment constitutes a separate offense when it is actually transported at less than tariff rate, but not when the same result is obtained by devices. Under this theory, a thousand shipments transported at $100, each, less than the tariff rate would result in 1,000 offenses, but if the carrier by a lump-sum payment of $100,000 to the shipper thereby obtains 1,000 shipments, there is only one offense. With a maximum fine of $20,000 for such offense the carriers will not, under this interpretation, be effectively deterred from "purchasing" traffic, by means of donations, concessions, and other devices, and the Elkins Act can no longer be considered "a terror to evildoers." In *Penna. R. R. Co.* v. *International Coal Mining Co.* (230 U. S. 184), at page 206, Mr. Justice Lamar stated:

"The act imposes heavy penalties, independent of the amount of the rebate paid, and as each shipment constitutes a separate offense, the law in its measure of fine and punishment is a terror to evildoers."

As an additional deterrent, paragraph (3) of section 1 of the Elkins Act would be amended by the proposed bill so as to subject carriers, as well as the shippers and receivers, to the treble-damages forfeiture provisions. Since the carriers are usually the moving parties in inducing shippers by means of attractive concessions to locate along their lines, it is believed that they would be further deterred from committing such violations by subjecting them to the forfeiture provisions of paragraph (3), in addition to the criminal provisions to which both shippers and carriers are now subject.

EXEMPTION OF CERTAIN FOUR-WHEEL MOTORCARS AND TRUCKS FROM SAFETY APPLIANCE ACTS

Mr. MAGNUSON. Mr. President, I introduce, for appropriate reference, a bill to amend the Safety Appliance Acts so as to authorize the Interstate Commerce Commission to exempt 4-wheel track motorcars and 4-wheel push trucks from any or all requirements

thereof, and for other purposes. I ask unanimous consent that a justification for the legislation be printed in the RECORD.

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

The bill (S. 3102) to amend the Safety Appliance Acts so as to authorize the Interstate Commerce Commission to exempt 4-wheel track motorcars and 4-wheel push trucks from any or all requirements thereof, and for other purposes, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The justification presented by Mr. MAGNUSON is as follows:

The attached draft bill would amend the Safety Appliance Acts only to the extent of granting the Interstate Commerce Commission authority to exempt 4-wheel track motorcars and 4-wheel push trucks from any or all requirements thereof, and to authorize the Commission to prescribe such other appliances and devices, and the specifications therefor, found to be desirable or necessary in the interest of safety of operation of these small maintenance cars.

The Safety Appliance Acts require all railroad locomotive engines to be equipped with power driving-wheel brakes and appliances for operating the train-brake system. Cars must be equipped with automatic couplers, efficient hand brakes, secure sill-steps, hand holds and grab irons, and, on cars requiring them, secure ladders, running boards, and roof hand holds. The Commission is charged with the responsibility of enforcing these acts, and, in addition, must prescribe the number, dimensions, location, and manner of application of most of these devices.

At no time since the enactment of the various safety appliance laws has the Commission considered small 4-wheel track motorcars or 4-wheel push trucks to be within the scope of these laws. It has not, therefore, prescribed any standards with respect thereto. On May 13, 1957, however, the United States Supreme Court, in a 5 to 4 decision, in *Baltimore and Ohio R. Co.* v. *Jackson* (353 U. S. 325), specifically held that the Safety Appliance Acts were applicable to these vehicles.

Although it may be possible, with appropriate dimensional modifications, to install all of the required safety appliances on these small vehicles, rigid application of the statutory requirements to these cars is not, in the Commission's opinion, practical or desirable. The various appliances presently available were designed solely for standard railroad cars and are wholly unsuitable because of their size and weight for use on these small-track cars. Any additional degree of safety that might therefore be attained by their installation would be more than offset by newly created hazards. These vehicles, for example, must be lifted from the rails after use, and any substantial increase in their weight would make their removal more difficult. Since it is often necessary to clear trains on short notice, these cars would be hard to handle in emergencies, with cumbersome appliances which have little or no practical value. Train-track motor car collisions would inevitably occur. Thus the appliances would result in a greater potential danger not only to the employees but also travelers. Possibly, suitable appliances of this nature may eventually be designed for these small cars. At present, however, none are available.

Other appliances, such as sill-steps and end and side handholds, would also have no practical value on these vehicles. While these appliances are necessary on conventional cars to facilitate coupling and uncoupling and the boarding of such cars, the deck of a track motorcar or push truck is so close to the ground that these appliances would serve no useful purpose. In fact, if installed and used, there appliances would place the employee in such an unnatural and awkward position that he could easily lose his balance and fall from the car.

Thus, many of the mandatory provisions of the Safety Appliance Acts, when applied to these small 4-wheel track motorcars and 4-wheel push trucks, would not promote the safety of employees and travelers. On the other hand, there undoubtedly are a number of other appliances and devices not now required by the acts, such as windshield wipers, headlights, and horns, which may contribute materially to the safety of operation of these small-track vehicles. It is, therefore, desirable that the Commission be granted authority, as proposed in the draft bill, to prescribe such appliances and the specifications therefor if found necessary or desirable in the interest of safety.

In order to provide a greater degree of flexibility in the law so as to make its application to track motorcars and push trucks more practical, it is urged that the Safety Appliance Acts be amended as proposed in the attached draft bill.

AMENDMENT OF INTERSTATE COMMERCE ACT, RELATING TO UNIFICATION OR ACQUISITION OF CONTROL

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to amend section 5 (10) of the Interstate Commerce Act, as amended, to change the basis for determining whether a proposed unification or acquisition of control comes within the exemption. I ask unanimous consent that a justification for the legislation be printed in the RECORD.

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

The bill (S. 3103) to amend section 5 (10) of the Interstate Commerce Act, as amended, to change the basis for determining whether a proposed unification or acquisition of control comes within the exemption, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The justification presented by Mr. MAGNUSON is as follows:

The attached draft bill is designed to provide a more reliable criterion for determining whether a proposed unification or acquisition of control comes within the exemption of subsection (10) of section 5 of the Interstate Commerce Act.

The present yardstick for exempting motor carrier transactions from the requirements of section 5 is an aggregate of not more than 20 vehicles "owned, leased, controlled, or operated by such parties, for purposes of transportation subject to part II." In applying this exemption, numerous questions have arisen concerning, for example, (a) vehicles used in intrastate commerce, exempt transportation, or private carriage, but which are available or suitable for regulated interstate service, (b) equipment or noncarrier affiliates, (c) vehicles leased or short periods, (d) disabled vehicles, and (e) combinations of vehicles. The time and effort expended in establishing the number on which jurisdiction depends, where the question is close, has proved disproportionate to the benefit intended to be allowed by the exemption. It has proved virtually impossible in many instances to check whether the exemption was applicable to transactions purportedly consummated under the exemption, and subsequently questioned as improperly exempted.

Gross operating revenues of carriers would be a definite and practical basis for the exemption. The figures would be readily ascertainable from annual reports which all carriers are required to file, and from quarterly reports which carriers with average gross revenues of $200,000 or more are required to file. As of December 31, 1956, there were 3,079 of the latter and 13,782 with average gross revenues of less than $200,000 per annum. On the basis of a limited study, the Commission is of the opinion that the use of $250,000 as the measure for the exemption will correspond roughly with the present measure in paragraph (10).

AMENDMENT OF INTERSTATE COMMERCE ACT, RELATING TO THE FILING OF CERTAIN STATEMENTS

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to amend part II of the Interstate Commerce Act to require the filing of brief statements by certain motor carriers subject to the safety and hours of service regulations of the Interstate Commerce Commission. I ask unanimous consent that a justification for the legislation may be printed in the RECORD.

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

The bill (S. 3104) to amend part II of the Interstate Commerce Act to require the filing of brief statements by certain motor carriers subject to the safety and hours of service regulations of the Interstate Commerce Commission, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The justification presented by Mr. MAGNUSON is as follows:

The purpose of the attached draft bill, which is in the nature of a substitute for bills H. R. 5664 and S. 1490 introduced during the 1st session of the 85th Congress, is to amend part II of the Interstate Commerce Act so as to provide the Interstate Commerce Commission with an expedient method for the proper and effective administration of its motor carrier safety and hours of service regulations.

An important part of the Commission's statutory responsibility for motor carrier safety relates to private carriers of property, exempt commodity haulers under section 203 (b) (6), local carriers in commercial zones, and carriers operating in foreign commerce between points in a foreign country through the United States. The Commission is, however, unable to administer its safety and hours of service regulations effectively with respect to these carriers because at the present time it does not know who they are or where they are located.

According to the Commission's latest field estimates there are about 92,000 private carriers, operating about 844,000 vehicles, and about 48,000 for-hire carriers, operating about 226,000 vehicles, which are exempt from economic regulation.

Since these regulations were first prescribed in 1939, copies have been served on all known carriers subject thereto. Under present circumstances copies are served on private carriers, and on carriers operating under the section 203 (b) exemptions, as they become known to the Commission either through observation on the highways by staff members, or by happenstance. Consequently, copies of the regulations have been served on only about one-third of the private carriers and on about one-fourth of the carriers operating under the exemptions in section 203 (b). Moreover, recent road checks have confirmed the Commission's belief that there are many such carriers who do not even know that they are required to comply with the Commission's safety regulations. In the absence of a more effective method of reaching these carriers, the Commission can never hope to acquaint all of them with the regulations to which they are already subject.

Investigations of a number of major accidents have disclosed serious violations of the Commission's safety regulations in the operations of non-certificated carriers. This is especially true with respect to those aspects of safety which are covered only by the regulations of this Commission, particularly those relating to maximum hours of service of drivers, driver qualifications, and proper maintenance of vehicles. Although no data have been accumulated, it has been recognized that many very serious accidents are traceable to ignorance or disregard of the Commission's regulations by such carriers.

It has been the Commission's policy to obtain, insofar as possible, compliance with its motor-carrier safety regulations. The Commission's only purpose in requesting such legislation is to make it possible to send these carriers information and educational material to promote better compliance, and thereby help reduce the number of accidents on the Nation's highways. This proposal does not contemplate the filing of complicated or elaborate reports. It is only necessary that the Commission be kept informed respecting the identity of such carriers, their location, and the number of vehicles which they own or operate. This could be accomplished through the simple expediency of mailing a post card once a year.

The Commission is now empowered under section 220 of the Interstate Commerce Act to require certain reports from private carriers. In this connection, section 220 (a) provides, in part, as follows:

"The Commission is hereby authorized to require annual, periodical, or special reports from all motor carriers, brokers, lessors, and associations (as defined in this section); to prescribe the manner and form in which such reports shall be made; and to require from such carriers, brokers, lessors, and associations specific and full, true, and correct answers to all questions upon which the Commission may deem information to be necessary."

Although the question is not settled, there is some doubt as to whether the requirements of section 220 may not be extended to carriers exempted under section 203 (b) (6) of the act. In any event, the proposed draft of substitute bill is suggested as a simple and preferable alternative to existing law. This is not only consistent with the Commission's long-standing policy of keeping the reporting requirements under the act to a minimum but, further, would make uniform the application thereof to both private and exempt carriers.

The enactment of the proposed substitute bill is essential to the proper and expedient administration of our motor-carrier safety regulations, and would assist the Commission in the discharge of its responsibility to the public. With modern highway safety problems demanding more and more attention, the Commission believes adoption of this proposal would represent a big step in the reduction of highway accidents by providing these carriers with information and educational material to promote better compliance with its safety regulations.

INDEMNITY PROTECTION IN RESPECT OF THE NUCLEAR-POWERED MERCHANT SHIP—AMENDMENT OF MERCHANT MARINE ACT

Mr. MAGNUSON. Mr. President, I introduce, for appropriate reference, a bill to amend section 716 of the Merchant Marine Act, 1936, as amended—Public Law 848, 84th Congress—to provide indemnity protection in respect of the nuclear-powered merchant ship. I ask unanimous consent to have printed in the RECORD a statement as to the purposes and provisions of the bill.

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

The bill (S. 3106) to amend section 716 of the Merchant Marine Act, 1936, as amended (Public Law 848, 84th Cong.), to provide indemnity protection in respect of the nuclear-powered merchant ship, introduced by Mr. MAGNUSON (for himself and Mr. BRICKER), by request, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The statement presented by Mr. MAGNUSON is as follows:

The Congress has enacted authority to build an atomic-powered merchant ship (Public Law 848, 84th Cong.; 70 Stat. 731). The law, by an amendment to the Merchant Marine Act, 1936, provides for the construction, outfitting, and preparation for operation (including training of personnel) of a nuclear-powered merchant ship capable of providing shipping services on routes essential for maintaining the flow of the foreign commerce of the United States. The Maritime Administration, Department of Commerce, may employ persons, firms, and corporations, on a contract or fee basis, for the performance of special services deemed necessary in carrying on activities and functions under the law.

The Secretary of Commerce has specific authority under Public Law 701, 84th Congress (70 Stat. 531), for the purpose of developing, trial, and testing, to operate vessels owned by the United States which have been constructed for experimental or testing purposes.

In making preliminary studies of the problems in connection with the building, testing, and operation of the first nuclear-powered ship, which will be a merchant type ocean-going vessel, the Department has met with problems in the important and critical matter of third party liability of designers, builders, and operators of the new vessel. Being a facility which will be used in world-wide ocean-going commerce, the matter of third party liability takes on a special significance in a field of liability which apparently must remain indeterminate until experience and judicial determinations can provide guides for private insurance and indemnity organizations in this field.

The Department is concerned with prompt progress in the construction of the new nuclear-powered merchant ship. The Department has encountered difficulty in securing contracts in respect of the proposed vessel. These difficulties rise out of the practically immeasurable monetary liability in a particular case of possible nuclear disaster in connection with the ship, even though the possibility of such an occurrence with consequent legal liability may be only remote. It appears to be the generally accepted legal viewpoint that only experience and judicial determinations will fix the extent of the legal liability of designers, builders, owners, and operators of an atomic-powered vessel. The fact that the vessel will operate in ocean-going commerce and will necessarily operate in proximity to shoreside establishments and properties, both domestic and foreign, expands the geographical field of risk very broadly. Insurance and indemnity protection from private organizations may be available but only in limited amounts, deemed insufficient by prospective designers, contractors, and operators.

The Department in the legislative proposals recommends meeting these problems by authorizing the Secretary of Commerce, in connection with the design, construction, maintenance, repair, use, and operation of the ship, to provide that the United States will indemnify any contractors or agents of the United States against liability on account of claims (including reasonable expenses of litigation or settlement of such claims) by third persons (including employees of the contractor) for death, bodily injury, sickness, or disease, or loss of or damage to property, arising as a result of such activities in connection with the ship. The indemnification would be effective to the extent that the liability arises out of the contract or agency and to the extent not compensated by insurance or otherwise. The bill would authorize the Secretary to require indemnified contractors or agents to procure private insurance against the covered hazards to the extent available at reasonable terms.

Payment under the liability provision would be made only with the approval of the Secretary, or his designee for that purpose, and would be made out of funds obligated for performance of the contract or agency agreement or out of any funds appropriated by Congress for making such payments.

Early and favorable consideration of this proposal is recommended in order that there may be no delay in the construction of this nuclear-powered merchant vessel.

The Director, Bureau of the Budget, has advised that there would be no objection to the submission of the proposed measure to the Congress.

UNITED STATES ACADEMY OF SCIENCE

Mr. POTTER. Mr. President, I introduce, for appropriate reference, a bill to establish a Commission on the Establishment of a United States Academy of Science.

Since I am not a scientist, nor a mathematician, nor an educator, I would not presume to suggest details as to the curricula, operation, or administration of such an Academy. Therefore, my bill calls for establishment of a Commission composed of nine members, appointed by the President, from the fields of education and science and the Armed Forces. It shall be the duty of the Commission, after appropriate study and inquiry, to make recommendations to the Congress with respect to the establishment, organization, and administration of such an Academy.

In the interest of national defense, our armed services must continually be assured adequate manpower and knowledge in the fields of science and mathematics. I am convinced that an United States Academy of Science, within the Department of Defense, would materially supplement existing sources of manpower and knowledge. In addition, such an Academy would give proper recognition and voice to scientists and mathematicians in the development of our national defense which, unfortunately, is not now accorded them.

Modern defense weapons are vitally dependent on basic research in science and mathematics. Therefore, I believe it to be of utmost importance that the proposed Academy provide for such basic research. Not only would it be of inestimable value in the development of our defense mechanisms but the fruits it would bear would ultimately serve all mankind in the peaceful pursuits of life.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3110) to establish a Commission on the Establishment of a United States Academy of Science, introduced by Mr. POTTER, was received, read twice by its title, and referred to the Committee on Armed Services.

PROPOSED LEGISLATION RELATING TO PRESIDENTIAL DISABILITY

Mr. BRIDGES. Mr. President, I propose to speak briefly on the subject of Presidential inability or disability. The illnesses of President Eisenhower, beginning with his heart attack in September of 1955, have served to focus attention on this subject not only by the people of the United States, but beyond our shores as well. We are fortunate, indeed, that in each instance he has been able to make rapid and full recovery, enabling him to quickly resume his leadership in the most important and demanding position in the world today.

Article II, section 1, paragraph 6, of the Constitution provides:

> In case of the Removal of the President from office, or of his Death, Resignation, or Inability to discharge the Powers and Duties of the said Office, the same shall devolve on the Vice President, and the Congress may by Law provide for the Case of Removal, Death, Resignation, or Inability, both of the President and Vice President, declaring what Officer shall then act as President, and such Officer shall act accordingly, until the Disability be removed, or a President shall be elected.

It is not my intention now to discuss this constitutional provision in detail. It is sufficient, I believe, to call attention to the fact that there are few people, if any, who feel the provision is adequate.

Apparently it does not take care of the contingency of a President who is so disabled as to be unable to perform the powers and duties of his office and is unable or unwilling to do anything about it voluntarily. There are those who believe that whatever gap there may be in our laws in this respect can easily be remedied, however. They contend that there is clear authority under this constitutional provision for the Congress to act by statute—whatever form that statute might take—and thereby provide a solution for what otherwise might easily become a national, if not international, crisis. There is other responsible authority for the view that there are constitutional defects which preclude Congress from acting in any way short of a constitutional amendment.

Since I am not a lawyer I do not presume to make any judgment as to which of these views is correct. But it is a problem that is with us, and that requires as early a solution as we can give it.

I am pleased that on Thursday of last week the Senate passed Senate Concurrent Resolution 2, submited by the Senator from Rhode Island [Mr. GREEN], providing for creation of a joint Congressional committee to look into all matters involved in the election, succession, and duties of the President and Vice President. Such a study will include the Presidential inability question and its possible solution. However, one cannot fail to note the unwillingness of the other body to enact similar resolutions passed by the Senate in previous Congresses.

The Subcommittee on Constitutional Amendments of the Senate Committee on the Judiciary has scheduled hearings on this subject, beginning Friday, January 24, 1958. I congratulate its chairman, the senior Senator from Tennessee [Mr. KEFAUVER], for having the discernment to recognize the high priority which this problem deserves. It is my hope that from these hearings will emerge constructive solutions to this difficult and vexing problem.

We as a nation have been extremely fortunate that until this point in our history we have never been faced with a serious crisis because of a President being totally disabled. Under earlier administrations, we have had narrow escapes, however. I have in mind the case of the shooting of President Garfield by an assassin in 1881, followed by a lingering illness before his death. Then there was the long illness of President Wilson from which he never fully recovered, although he served out his term of office.

Some attention was given in the Congress to the problem of providing more adequately by law or by constitutional amendment for the case of Presidential disability immediately after both of those episodes. However, nothing came of those efforts. The problem remains with us, and it must be solved. We cannot take the chance that our past good luck in avoiding a serious national crisis because of Presidential disability will hold out for all future time. In view of world conditions, it seems imperative that now as never before is the time that we in the Congress should face up to the need for providing an appropriate solution as promptly as possible.

President Eisenhower himself has urged the Congress to act, and in his behalf, former Attorney General Brownell has proposed that the Constitution be amended so as to provide a Cabinet decision on Presidential inability. That proposal is embodied in a joint resolution—House Joint Resolution 294—introduced in the other body by Representative KEATING. Other measures have included: a bill by Senator PAYNE—S. 238; and proposals of constitutional amendments by Senator FULBRIGHT—Senate Joint Resolution 100—and Senator KEFAUVER—Senate Joint Resolution 133 and Senate Joint Resolution 134. In addition to the Eisenhower proposal in the other body, there is a bill—H. R. 6510—and a proposed constitutional amendment—House Joint Resolution 334—by Representative KEATING; and a joint resolution—House Joint Resolution 293—and a proposed constitutional amendment—House Joint Resolution 295—by Representative CELLER.

The solutions embodied in these measures are many and varied. There has been little crystallization of opinion to date as to what forms those solutions might take. It is precisely because there has been no general agreement upon a remedy that I am today proposing as points of departure yet other approaches for study and consideration by the Congress. In addition, the question of Presidential inability to serve is essentially political in nature, even though there may be questions of fact involved requiring outside medical or other evidence. It is for this reason that I feel it should be determined by the elected representatives of the people rather than by those holding appointive office.

Mr. President, I introduce for appropriate reference a bill and two joint resolutions providing alternate proposals to amend the Constitution. The bill and one of the joint resolutions I am introducing attempt solutions of the Presidential inability problem in somewhat different detail than is embodied in any of the measures now pending in Congress to which I have already alluded in these remarks. The other joint resolution which I am introducing is somewhat similar to a proposal of the senior Senator from Tennessee [Mr. KEFAUVER], Senate Joint Resolution 133. I do not propose to discuss those details now, however. Instead, I ask unanimous consent that an explanatory statement I have prepared be printed in the RECORD.

The VICE PRESIDENT. The bill and joint resolutions will be received and appropriately referred; and, without objection, the explanatory statement will be printed in the RECORD.

The bill and joint resolutions, introduced by Mr. BRIDGES, were received, read twice by their titles, and referred to the Committee on the Judiciary, as follows:

S. 3113. A bill to provide for the determination of the ability of the President to discharge the powers and duties of his office, and for other purposes;

S. J. Res. 143. Joint resolution proposing an amendment to the Constitution of the United States to provide for determination of the ability of the President to discharge the powers and duties of his office; and

S. J. Res. 144. Joint resolution proposing an amendment to the Constitution of the United States to make provision for the continuous discharge of the powers and duties of the office of the President of the United States.

The explanation presented by Mr. BRIDGES is as follows:

EXPLANATION OF MEASURES PROPOSING SOLUTIONS TO THE PROBLEM OF PRESIDENTIAL INABILITY

INTRODUCTION

In the bill I have introduced the question of Presidential inability would be determined by the Congress. Its initial consideration would be by a Congressional committee, composed of the President pro tempore of the Senate, the Speaker of the House, and the majority and minority leaders of both Houses. Following affirmative action by this committee, a concurrent resolution would be reported to each House, the adoption of which would require the concurrence of two-thirds of those present and voting.

Both of my proposals of constitutional amendment are based on the assumption that the Constitution might not now contain authority for Congress to provide by legislation for the determination of the ability of the President to discharge the powers and duties of his office.

In one joint resolution I am proposing by constitutional amendment to achieve what the bill is designed to do by statute.

The other joint resolution proposes, as an alternative, a constitutional amendment which, among other things, grants Congress constitutional authority to provide for the making of such determinations, but would not incorporate into the Constitution itself details of the methods to be used.

BILL

The bill is based upon the assumption that constitutional authority now exists under which the Congress by legislation may provide for the determination of the ability of the President to discharge the powers and duties of his office.

Subsection (a) of the first section of the bill creates a committee for the consideration of any question which may arise as to the inability of the President to discharge those powers and duties. It is composed of the President pro tempore of the Senate, the Speaker of the House, and the majority and minority leaders of both Houses. The committee would be convened whenever the Vice President, by letter transmitted to the President pro tempore of the Senate and to the Speaker of the House, might suggest doubt as to the ability of the President to discharge his powers and duties. It could also be convened, in the absence of any such letter, upon request made by any four members of the committee, that number being prescribed as a quorum of the committee.

Subsection (b) of the first section makes it the duty of the committee, when convened for that purpose, to determine whether there is probable cause for belief that the President is unable for any cause to discharge the powers and duties of his office. If a determination is made, by the affirmative vote of at least four members, that such inability exists it is then the duty of the majority leader of each House to introduce in his House a concurrent resolution stating in substance that it has been determined by the Congress that the President is unable to discharge his powers and duties.

Subsection (c) of the first section provides that if such a resolution is adopted by both Houses, by the affirmative vote of not less than two-thirds of the Members present and voting in each House, the powers and duties of the President shall then devolve upon the Vice President, who shall discharge them until the disability of the President is removed or until a new President is elected and takes office.

Subsections (d) and (e) of the first section of the bill deal with the restoration to the President of his powers and duties upon the termination of his inability to discharge them.

Subsection (d) requires the committee described above to be convened upon receipt, by the President pro tempore of the Senate and the Speaker of the House, of a letter from the President advising that in his opinion his inability has ceased to exist. Upon the basis of such a letter, the majority leader of each House would be required to introduce in his House a concurrent resolution stating in substance that the Congress has determined that the inability of the President no longer exists.

Subsection (e) provides that upon the adoption of such a concurrent resolution by both Houses, by majority vote of all Members present and voting in each House, the President shall resume the discharge of the powers and duties of his office, and that the Vice President shall then resume the discharge of the powers and duties of the office of Vice President.

Section 2 of the bill is intended to insure the prompt disposition by the Congress of any concurrent resolution introduced in conformity with the provisions of the first section. Section 2 would amend the rules of the Senate and of the House to provide for the placement of any such resolution upon the appropriate calendar without reference to committee. The Senate rules also would be amended to provide that no such concurrent resolution would be subject to amendment; that no Senator would be entitled to speak for more than 1 hour in debate thereon; that no dilatory motion would be in order; and that points of order and appeals from the decision of the Presiding Officer made in the consideration of such a concurrent resolution would be decided without debate.

Following the precedent of section 101 of the Legislative Reorganization Act of 1946, the rule changes so made are explicitly stated to be made by the Congress in the exercise of its constitutional right to adopt rules for its proceedings, and the right of each House to alter such rules is expressly reserved.

JOINT RESOLUTION

The companion Senate joint resolution is based upon the assumption that the Constitution does not now provide authority under which the Congress by legislation may provide for the determination of the ability of the President to discharge the powers and duties of his office. It would propose an amendment to the Constitution which would add thereto a new article providing the mechanism for such determinations.

Sections 1 and 2 of the proposed constitutional amendment would provide that such determinations be made in precisely the same manner for which provision is made by the first section of the bill described above.

Section 3 of the proposed constitutional amendment would provide, in a manner comparable to that prescribed by section 2 of the bill described above, for the expeditious consideration by the Congress of any concurrent resolution reciting a determination by the Congress that the President is unable to discharge the powers and duties of his office, or that any previously determined disability of the President has ceased to exist.

Section 4 of the proposed constitutional amendment would authorize the President pro tempore of the Senate and the Speaker of the House of Representatives, acting jointly, to call the Congress into special session for the consideration of any concurrent resolution for a determination that the President is unable to discharge his powers and duties if the committee established by section 1 of the amendment should determine, at any time at which the Congress is not in session, that there is probable cause for belief that the President is unable to discharge those powers and duties.

Section 5 of the proposed constitutional amendment provides that it shall be inoperative unless ratified by legislatures of three-fourths of the several States within 7 years from the date of its submission.

ALTERNATIVE JOINT RESOLUTION

The alternative joint resolution also rests upon the assumption that the Constitution does not now provide authority under which the Congress may provide for the determination of the ability of the President to discharge his powers and duties. It differs from the joint resolution described above in that it proposes a constitutional amendment which would grant to the Congress constitutional authority to provide for the making of such determinations, but would not incorporate into the Constitution itself a detailed prescription of the method to be used in making such determinations. The amendment proposed by the alternative joint resolution is based upon the theory that (1) the Constitution should provide a means for the solution of any problem of Presidential inability which may arise in the future, but (2) the fallibility of human foresight may render impracticable any undertaking to place in the Constitution itself detailed provisions regulating the disposition of every contingency which might conceivably occur at any time during the future life of the Nation.

Sections 1 and 2 of the alternative amendment proposed by this joint resolution would replace the present provisions of the sixth paragraph of section 1 of article II of the Constitution, which would then be repealed by section 5 of the amendment.

Section 1 of the alternative amendment deals with the situation in which the President is rendered incapable of performing his duties because of his removal, death, resignation, or inability occurring at a time at which there is a Vice President who can discharge those duties. It would restate the first clause of the sixth paragraph of section 1 of article II of the Constitution in a manner which would expressly confirm the historical interpretation given thereto by providing that in the case of the removal, death, or resignation of the President, the Vice President shall become President, and shall serve as such for the remainder of the term for which his predecessor was elected. It would add a new provision to the effect that in the event of the inability of the President to discharge his powers and duties, such powers and duties would be discharged by the Vice President only during the continuance of the inability of the President. Thus, it would be made clear that in the event of incapacity of the President arising from causes other than removal, death, or resignation, the Vice President would not succeed to the office of President or become President.

Section 2 of the alternative amendment deals with the situation in which the President is rendered incapable of performing his duties because of his removal, death, resignation, or inability occurring at a time at which there is no Vice President who can discharge those duties. It restates, without change, in effect, the present provisions of the second clause of the sixth paragraph of section 1 of article II of the Constitution. Like the present constitutional provision which it would replace, it would confer authority under which the Congress may provide by law for such a situation.

The first sentence of section 3 of the alternative amendment provides new express authority under which the Congress shall provide by law for the determination of all questions of fact arising under sections 1 and 2. The second sentence provides new authority under which the Congress is authorized by concurrent resolution, adopted with the concurrence of two-thirds of all Members present and voting in each House, to provide for the discharge of the powers and duties of the President at any time of

emergency at which there may be no person who is qualified, under the Constitution or under any statute previously enacted, to discharge those powers and duties. That sentence is intended to enable the Congress to supply an officer to discharge the powers and duties of the office of President if (1) no person can qualify therefor under any existing constitutional or statutory authority, and (2) the Congress is precluded from making provision by statute for the designation of any such person because of the absence of any person who is qualified to sign any bill which it might enact for that purpose.

Section 4 of the alternate amendment contains a provision (comparable to that of section 4 of the principal proposed amendment described above) authorizing the President pro tempore of the Senate and the Speaker of the House of Representatives, acting jointly, to convene the Congress in special session if they should determine, at any time at which the Congress is not in session, that there is probable cause for the invocation of the provisions of the second sentence of section 3. Thus, provision is made for the solution of any unusual situation which has not been foreseen, and for which no provision has been made by statute.

Section 6 of the alternative amendment provides that the proposed amendment shall be inoperative unless ratified by legislatures of three-fourths of the several States within 7 years from the date of its submission.

COLUMBIA RIVER REGIONAL CORPORATION BILL

Mr. NEUBERGER. Mr. President, a proposal known as the Columbia River regional corporation bill has been drafted by the Northwest Public Power Association as an amendment to the Bonneville Act. This proposal has the support of many groups, newspapers, and individual citizens in our part of the country. They long have urged introduction of such legislation so that hearings might be held upon its numerous features by the appropriate committee of the Senate.

I imagine some of these requests have come to me because I am the only Senator from the Pacific Northwest who serves on the Public Works Committee, where the bill probably will be referred by the Parliamentarian, inasmuch as it amends the original Bonneville Act.

However, I want to make it clear that the predominant request to introduce this bill has come from the Northwest Public Power Association, and I am offering the measure in the form in which that group transmitted it to my office. Although I myself do not subscribe to every feature of the measure, I believe completely that the basic idea has genuine merit and deserves a thorough and careful hearing by the appropriate Senate committee.

Accordingly, Mr. President, I am introducing this bill today by request, in the hope that extended and exhaustive hearings will disclose how it would operate and in what ways it might be improved. I have been assured by the distinguished chairman of the Senate Committee on Public Works [Mr. CHAVEZ] that he will cooperate in arranging hearings on so important a piece of legislation. His kindness and cooperation are profoundly appreciated.

My cosponsors include many of the able and outstanding Members of the Senate from the Pacific Northwest and from the area of the Tennessee Valley Authority, for the regional-corporation bill contains numerous features similar to the TVA self-financing act which was approved by the Senate last year. These cosponsors are the senior Senator from Oregon [Mr. MORSE], the senior Senator from Montana [Mr. MURRAY], the senior Senator from Alabama [Mr. HILL], the junior Senator from Montana [Mr. MANSFIELD] and the junior Senator from Alabama [Mr. SPARKMAN].

Mr. President, a number of other Members of the Senate have expressed personal interest in this legislation, in addition to the cosponsors whose names I have enumerated. So that further cosponsors may join in introduction of the measure, I ask that it lie on the table until Monday, February 3, 1958, for that purpose.

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

Mr. NEUBERGER. Mr. President, this is a complex proposal. I do not entirely agree with all of its many features. Some of the cosponsors may feel similarly. But Congressional hearings are one valuable avenue by which such proposals are studied by the American people, and in this manner they often are hammered into final and improved form on the anvil of legislative study and analysis.

In essence, this regional corporation would make possible the expansion and development of dams and power facilities in the Pacific Northwest through use of their own hydroelectric power revenues. To that extent, the bill might be said to be substantially comparable to the TVA self-financing act on which the United States Senate already has acted favorably.

COLUMBIA RIVER POWER SYSTEM FAR AHEAD OF REPAYMENT SCHEDULE

The fiscal soundness of this approach is indicated by the fact that the Federal Government's capital investment in Columbia River dams falls in the "gilt-edged" category. A report from the Office of the Comptroller General shows that Pacific Northwest Federal power projects were $78,806,820 ahead of schedule in repayments to the Federal Treasury at the end of the 1957 fiscal year. The Federal loan payout schedule until that time had called for $148,017,884 in payments on principal, but the projects had earned sufficient additional revenue to repay $226,824,704, thus exceeding requirements by more than 50 percent. In addition, the dams have returned $161,718,044 in interest payments, and have recovered $123,933,335 for all operation and maintenance expenses of the projects.

Numerous groups in the Northwest have come to the conclusion in recent years that some form of self-financing was advisable in our region. This conclusion has been reached reluctantly. Under Federal financing, such great projects as Grand Coulee, Bonneville, McNary, The Dalles, Chief Joseph, Hungry Horse, and many others were constructed on the Columbia River and its surging tributaries. During the national administrations in office from 1933 until 1953, some 20 such projects were authorized for Federal development in the Northwest. No new major projects have been authorized for Federal construction since 1953.

Policies established for use of Columbia River water resources are of profound national significance. Waters of the Columbia are the source of nearly 40 percent of the Nation's potential water power. The Columbia provides the country's only inland water navigation route to penetrate a major American mountain range. The Columbia and its tributaries nurture our country's largest runs of migratory fish. Over 6 million acres of arid but fertile soil can be cultivated through proper harnessing of the Columbia's flow.

The power supply of the Columbia has been a vital factor in defense of this Nation. During World War II, generators of Grand Coulee and Bonneville Dams made possible the processing of the aluminum needed for 50,000 planes a year. They stoked the Hanford plutonium works where vital elements were prepared for the atomic bombs whose mushroom clouds at Nagasaki and Hiroshima spelled the end of worldwide hostilities.

The Columbia is to the Pacific Northwest what the Mississippi and Missouri are to the great agricultural heartland of the Nation, and what the Hudson and Ohio are to the industrial complex of our Northeastern States. The regions of our country are diverse and widely separated, but there is a close interrelationship of economic factors. The progress and prosperity of the entire country, therefore, depend on conditions which exist in each. Five years ago, the Pacific Northwest States had an expanding Columbia River power system which sparked the economic growth of the entire region. This fact was emphasized in a 1954 report of the Stanford Research Institute which stated:

> Any detailed examination of the region's manufacturing growth during the past 12 years must conclude that a large part of it has been due to the region's ample supply of low-cost power, either directly or indirectly.

SLOWDOWN OF COLUMBIA DEVELOPMENT OCCURRED IN RECENT YEARS

The Pacific Northwest States do not now have the economic thrust provided by an outpouring of low-cost kilowatts from Federal dams. The Bonneville Power Administration has not signed a new industrial power contract in 5 years. The spigot has been turned off on construction of vitally needed flood control, navigation, and power facilities. Moreover, continuation of this negative policy can be gloomily anticipated for the future. It is reflected in the President's recent budget message which forbade the start of any new water-resource development projects anywhere in the United States.

Only two new starts on major power dams have been begun during the past 5 years. These are Ice Harbor, on the

Snake River; and John Day, on the main stem of the Columbia. Funds for both undertakings had to be obtained, alas, by those of us in Congress, over and against the opposition of the present administration and its Budget Bureau. Great credit is due to men such as the Senator from Washington [Mr. MAGNUSON] for leadership on the Appropriations Committee in this effort. In the budget for the fiscal year 1959, a meager $2 million is recommended by the Bureau of the Budget for John Day, a project ultimately to cost some $300 million. At such a rate, it might take more than a century of time to complete John Day to its last parapet.

While development of the Columbia is postponed and delayed, we learn that the Soviet Union has under construction 40 major river projects, 4 of which exceed the energy output of Grand Coulee—heretofore the world's premier generating unit. The Columbia is put in the deep freeze while concrete and steel rise on the Volga, the Angara, and the Yenisei. My friend the Senator from Louisiana [Mr. ELLENDER] has told me of seeing in the U. S. S. R. turbines for an Angara River dam nearly three times as large as any in operation in this country. In view of the challenge, this Nation cannot afford any longer to abandon its water-resource requirements.

I do not make these references in any partisan sense. But they are part of modern history, and they explain the reasons for introduction of this regional corporation bill. Unless I am mistaken, the present national administration has never made any bones of its opposition to continued Federal expansion of many choice multiple-purpose sites in the Columbia Basin. Furthermore, our negotiations with Canada for joint use of the vast storage resources of the upper reaches of the Columbia have deteriorated to the point where the Canadian Parliament actually has appropriated $250,000 for a study of the feasibility of diverting out of the upper Columbia a volume of water supply equal to the total flow of the Colorado River at Glenn's Ferry. More than one newspaper or organization has pointed out that, through the licensing authority of the Federal Power Commission, choice sites have been lifted out of the comprehensive plan for the Columbia Basin and have been granted to a private utility company here, a municipal system there, as well as to public utility districts and similar entities. Unified development has been lacking. Wildlife and fisheries considerations frequently have been ignored.

It is against this background that the regional corporation bill has been drafted and sent to me, with the request that it be introduced in the Senate, so hearings may be begun.

I wish to stress again that this introduction does not imply agreement on the part of my cosponsors or myself as to the dotting of each "i" and the crossing of every "t."

HEARINGS WILL DEVELOP MEANS TO IMPROVE OR AUGMENT PROPOSAL

One or two reservations come to mind immediately. I am not certain that the regional corporation should sell its bonds exclusively to the United States Treasury for an indefinite period. Perhaps after a preliminary period, the corporation should be allowed to sell its bonds on the open market, if terms are favorable. Hearings will have to develop the rate provisions of the act, as to whether they shall be pegged at 2½ percent or at the prevailing cost of money to the Treasury.

In addition, we must take into cognizance the present controversy over the rates paid by rural electrification cooperatives, in comparison with current Treasury borrowing costs. Should not the regional corporation receive the same privilege?

Several observers with wide background in this field have expressed to me some reservations over section 12 (a), which provides a 5-year period before the President could transfer to the regional corporation units of the Columbia River power system. These people believe the 5-year period should be eliminated or drastically reduced, so that a project languishing for funds can be taken over by the regional corporation and hastened to completion with Columbia River power revenues.

Mr. L. C. Binford, for example, who is chairman of Oregon's State Water Resources Board, confided to me recently his concern that perhaps the Regional Corporation bill does not give sufficient weight to such ancillary values as wildlife, fisheries, forestry, scenery, and pollution control. That is something which hearings certainly can disclose to us. It is my fervent hope that conservationists such as Mr. Binford and others will testify as witnesses before the Rivers and Harbors subcommittee, which is presided over by the distinguished senior Senator from Oklahoma [Mr. KERR].

The proposed corporation is governed by the public-power preference clause in the Bonneville Act. I, myself, along with my distinguished senior colleague [Mr. MORSE], am the sopnsor of an amendment to the Bonneville preference clause known as S. 2206. This would assign to industrial uses of power a substantially higher priority than at present. It also would provide for more uniform geographic distribution of power among the several States of the basin. It is my hope that the measure, in final form, will contain the substance of the preference-clause changes proposed by S. 2206, particularly because the Pacific Northwest is now so desperately and urgently in need of new payrolls which are attracted by low-cost water power.

But I have deliberately not intruded my own changes into the Regional Corporation bill, as delivered to me by the Northwest Public Power Association and its executive secretary, Mr. Gus Norwood. I felt that, once I had included my own changes, others would rightfully be entitled to equal consideration. As these changes would be added, the bill would cease to be that of its original authors. Nor could I assess accurately or fairly the worth or value of each amendment proposed to me. I would be substituting my own judgment for that of the drafters of the bill. I could not accept responsibility for such sovereignty over a proposal as complex and with as many ramifications as this one. Thus, I am introducing it "by request" in exactly the form in which it came from its authors. I believe this is eminently fair.

Mr. President, every person who knows me personally must realize that I long have favored Federal financing, management, and operation of our great multiple-purpose Columbia River projects such as Bonneville and Grand Coulee. In 1936, I wrote for Harper's magazine some of the first national articles ever published about these magnificent undertakings; that was at a time when I was barely old enough to vote. I thrilled to the dedication speeches at these projects by President Franklin D. Roosevelt. I was one of the first employees of the Bonneville Power Administration, working for 6 or 8 weeks for the late Administrator J. D. Ross, in a small office in Portland, as a part-time public-relations adviser. I have felt that our Federal power system under the Bonneville Act did more to develop the Pacific Northwest than any event since the Lewis and Clark Expedition or the coming of the first transcontinental railroads. In my 45 years, I have been privileged to sit at the feet of great Federal power advocates, such as Mr. Ross, the late Senator George W. Norris, the late Senator Charles L. McNary, the late Senator William E. Borah, Senator James E. Murray, ex-Senator Rufus C. Holman, and many others—and to hear from them of their faith in this time-tested approach to water-resource development.

But, Mr. President, as the illustrious poet James Russell Lowell wrote in his immortal Present Crisis:

> New occasions teach new duties,
> Time makes ancient good uncouth;
> They must upward still and onward,
> Who would keep abreast of truth.

The stern exigency of events has compelled us from the Pacific Northwest to consider seriously some other method of financing and keeping on a continuous basis the great power, reclamation, navigation, and flood-control projects which are so vital to our region. That is why the regional corporation bill is being introduced in the Senate today by me, for my colleagues and myself.

Mr. President, I ask unanimous consent to include in the RECORD, at this point in my remarks, explanatory material, provided by Mr. Gus Norwood, about the Columbia River regional corporation bill, and also an analysis of the bill.

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

HIGHLIGHTS OF THE BILL

1. Purpose of the proposed legislation is to carry forward and to improve the Government's water resources programs in the Pacific Northwest by providing a better form of administrative organization and a better method of financing.

2. By improving the stability and adequacy of power supply these programs would result in urgently needed uplift for the re-

gional economy. A specific new purpose of the legislation is stated: "to promote the diversified economic and industrial development of the several States in the basin."

3. This bill creates the Columbia River Development Corporation whose 5-man board would be appointed by the President with the advice and consent of the Senate.

4. Modeled after the St. Lawrence Seaway Development Corporation Act, the Corporation would be enabled to issue and deposit with the Secretary of the Treasury its 50-year electric revenue bonds to finance its programs on a self-liquidating basis.

5. Like other Government corporations it would be enabled to use its revenues.

6. The Corporation would be fully subject to the budgetary and other controls imposed by the Government Corporation Control Act of 1945.

7. Provision is made for repayment of all Federal investment on a self-liquidation basis.

8. The bill is generally analogous to the TVA self-financing bill which was approved by the Senate in 1957.

9. The Corporation would succeed the Bonneville Power Administration and assume its assets and liabilities and functions.

10. A public regional corporation to market power from Grand Coulee, Bonneville and other Federal projects was first proposed in 1936 by the Pacific Northwest Regional Planning Commission in a 192-page report to the President.

11. Having in mind this original corporate proposal, Congress wrote into the Bonneville Act of 1937 the language: "The form of administration herein established for the Bonneville project is intended to be provisional pending the establishment of a permanent administration for Bonneville and other projects in the Columbia River Basin."

12. The bill retains the traditional preference or antimonopoly clause.

13. As one step in insuring the adequacy of power supply and in preventing future power shortages the bill requires: "the Corporation shall be responsible for preparing and presenting to the Congress advance programs for construction of such projects and other facilities as will meet the anticipated net power requirements of the Pacific Northwest."

14. The bill does not concern itself with whether power is sold locally by public or private utilities. The Corporation may serve all comers.

15. The bill avoids the controversial approach of both the interstate compact and the Columbia Valley Authority.

16. The Corporation is required to conform to strictly defined standards and goals of comprehensive, multiple purpose conservation of water resources. It is required to construct fish ladders. It will continue present subsidies to irrigation.

SECTION BY SECTION ANALYSIS, BONNEVILLE ACT AMENDMENTS OF 1958

Section 1: Section 1 designates the bill as "Bonneville Project Act Amendments of 1958."

Section 2: Section 2 continues existing jurisdiction of the Secretary of War and the Chief of the Engineers and creates a permanent administration for Bonneville and other projects in the Columbia River Basin as contemplated by the Bonneville Project Act. It establishes responsibility to the President and makes the Corporation marketing agent for all federally generated power produced in the Pacific Northwest.

Section 3: Section 3 amends subsection (a) of section 2 of the Bonneville Project Act to make the act consistent with the corporate form of administration. It establishes a board of five full time directors to be appointed by the President with the advice and consent of the Senate; defines their duties as policy, directive, and general supervisory functions; sets forth the qualifications of directors; enables the Corporation to construct hydroelectric projects or other power producing facilities which are authorized by Congress; establishes the unified and orderly development of the Columbia River Basin through the timely construction of multiple purpose projects as the standard which the Corporation shall meet. This section also contemplates that the Corporation shall be the President's agent for coordinating activities with Canada. It further imposes on the Corporation a positive duty to obtain the counsel, assistance, and participation of residents of the area, particularly as represented by the State and local governments and other organizations, public and private, in the development and operation of its program.

Section 4: Section 4 adds to the objectives of the Bonneville Project Act the promotion of "the diversified economic and industrial development of the several States in the basin"; and strengthens the statutory authority to maintain a grid system for the Pacific Northwest.

Section 5: Section 5 removes a limitation of existing law by permitting, but not requiring, the Corporation to alleviate hardships resulting to owners of property because of acquisition by the Corporation when they are required to sustain expenses in relocating businesses.

Section 6: Section 6 authorizes the acquisition of property by exchange.

Section 7: Section 7 adds technical powers necessary to the corporate form of administration; provides specifically for wheeling electric energy as a service by the Corporation; authorizes the Corporation to adjust for dislocations caused by its acquisition or construction of any projects; and requires that the Corporation file complete annual reports, including a financial statement, with the President and Congress.

Section 8: Section 8 defines "Pacific Northwest" and the "Columbia River Power System." The Columbia River Power System excludes specific nonpower facilities which do not constitute an integral part of any power dam or are not necessary for the operation of a project for the generation of power.

Section 9: Section 9 conforms the existing provisions of the Bonneville Project Act to the corporate form of organization; provides for the sale of electric energy to Federal agencies and in conjunction with other provisions of the act places upon the Corporation the responsibility for fixing and maintaining adequate rate schedules.

Section 10: Section 10 authorizes the Corporation to make the most advantageous arrangements for maintenance of facilities by utilizing the services of other agencies, public or private, with which it is doing business.

Section 11: Section 11 expands existing section 6 of the Bonneville Project Act by making express provision for wheeling electric energy; by fixing the responsibility for adequate rates and charges for services on the Corporation; requiring that the rates be both as low as possible consistent with sound business principles and at the same time adequate to make the reimbursable activities of the Corporation self-liquidating, including the repayment of principal and interest to the United States.

The section further both limits and defines the purposes to which the costs of multiple-purpose projects may be allocated and requires the Corporation to present, in the interests of full disclosure of the facts to appropriate Government agencies, a tentative cost allocation which is not now required from any agency. The section further reinforces the responsibility to the President by requiring presidential approval of the allocation of actual costs. The bill continues the requirement that accounting records be maintained in accordance with Federal Power Commission requirements.

Section 12: Section 12 defines the responsibility of the Corporation as: (1) Requiring an advance program which, in the interests of regional responsibility, must be submitted to the governors of the States in the Pacific Northwest prior to its submission to Congress and the President, and on which they, as well as the Secretary of the Interior and the Secretary of the Army, have the right to include their comments.

The bill further directs that the program of the Corporation shall be designed to conserve, develop, and improve the water resources of the region in order to obtain optimum public benefits. Moreover, it imposes on the Corporation a new responsibility to select among projects so as to attain the objects of the act. A statutory objective for the control of floods on the Columbia River is established, and the Corporation is directed to take cognizance of this and of the approved plans of the Corps of Engineers for navigation improvements. It fixes the responsibility of the Corporation for multiple purpose, optimum development of the natural resources. The Corporation is, nevertheless, limited by the section to multiple-purpose facilities in the Pacific Northwest and projects to be constructed are required to be submitted to Congress as part of the annual budget program required by the Government Corporation Control Act. Additional limitations are imposed in that the statutory authority of the Secretary of the Army to prescribe regulations for the operation of projects for flood control is specifically recognized.

The section further permits the utilization of existing Federal agencies to carry out the functions of the Corporation so that their present organization need not be disrupted.

This section also incorporates statutory requirements applicable to the Bureau of Reclamation protecting the rights of water users under State laws.

Section 13: Section 13 amends existing provisions for open-market purchases to compensate for the increased cost of materials and services.

Section 14: Section 14 amends section 9 of the Bonneville Project Act to establish a composite advisory council. This continues the intragovernmental council established by the original Bonneville Project Act and incorporates the concept of the Bonneville Regional Advisory Board which includes non-Federal agencies. Other provisions are designed to assure that the advisory council shall be independent of the Corporation.

Section 15: Section 15 amends section 10 of the Bonneville Project Act, relating to personnel, to conform to the corporate form of organization. The civil-service law and the Veteran's Preference Act are made generally applicable. Additional restrictions against political tests or qualifications are imposed and present protective legislation is extended to the employees of the Corporation, as well as to the employees of persons contracting with the Corporation.

Section 16: Section 16 establishes priorities according to which the funds of the Corporation shall be expended, subject to the limitations imposed pursuant to the Government Corporation Control Act. It further provides for the issuance of revenue bonds by the Corporation, which must be repaid within a 50-year period, bear interest at the rate of 2½ percent per year. The approval of the Secretary of the Treasury is required both as to financial feasibility and conformity with the orderly management of the fiscal affairs of the Government.

The section further provides for the purchase of the Corporation's bonds by the Treasury and requires that the cost of assets acquired from the United States allocated to power shall be paid within a 50-year period.

Section 17: Section 17 provides for the orderly transition to a corporate form of organization. Portions of the Columbia River power system shall be transferred by the President when he finds that more effective management or the efficiency of operations will be promoted. The facilities of the Bonneville Power Administration, however, will be transferred as soon as the Board of Directors is appointed.

The section also strengthens the authority of the Corporation to promote industrial development by prohibiting the Corporation from entering into or carrying out existing contracts which purport to restrict the sales of industrial power in any manner not expressly authorized by the act. The Corporation is required to assume obligations of the United States.

Section 18: Section 18 provides for the application of the Government Corporation Control Act and authorizes negotiations leading to the operation of the Corporation pursuant to an intertsate compact.

Section 19: Section 19 makes minor language changes.

Section 20: Section 20 provides for a period up to 6 months in duration for the transfer to a corporate form of organization at the discretion of the President.

Mr. NEUBERGER. Mr. President, along with the explanatory material received from Mr. Norwood's office, I believe that recent editorials from representative Oregon newspapers should be included in the RECORD, for the information of Members of the Senate. These editorials are from the Oregonian, of December 28, 1957; the Oregon Journal, of January 5, 1958; the Salem Statesman, of December 30, 1957; and the East Oregonian, of December 10, 1957.

The editorials in the Statesman and the Journal are somewhat critical of certain aspects of the regional corporation bill, although not necessarily hostile to the idea in its entirety. The editorial from the Oregonian is by the editor of the editorial page of that newspaper, Herbert Lundy, who has been one of the leading and most faithful advocates of this particular approach to water-resource development in the Pacific Northwest. Mr. Lundy long has insisted that a new method of obtaining funds for Columbia Basin projects is essential to orderly and continuous development. The editorial from the East Oregonian likewise urges early consideration of the proposal.

In my opinion, the RECORD also should contain an editorial entitled "Power Planning Chaos" published in the Oregonian of January 17, 1958. This editorial demonstrates why some unified and more successful method is now required in order to bring about comprehensive use of the vast resources of the Columbia River system.

Mr. President, I ask unanimous consent that all these insertions be made in the body of the RECORD.

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

[From the Oregonian, Portland, Oreg., of December 28, 1957]

REGIONAL POWER AGENCY CAN DO THE JOB

The Oregonian welcomes Senator NEUBERGER'S announcement that he will introduce a Columbia Basin regional power corporation bill in the coming session. A thorough Congressional examination of this proposal is long overdue. In our opinion, this is one formula for planned and comprehensive regional development, largely self-financed, on which leaders of both political parties, the Eisenhower administration and a Democratic Congress can reach substantial agreement.

In brief, the plan calls for: A new Federal corporation with directors elected or appointed from the Northwest States to absorb the Bonneville power marketing agency; this agency to finance the power costs of new multiple-purpose hydroelectric projects by selling revenue bonds backed by system earnings; the agency to be empowered to go into atomic generation when this becomes feasible; Congress to continue to appropriate funds for traditional nonreimbursable costs assigned to flood control and navigation; the use of a portion of power revenues to assist irrigation to be continued, under Congressional direction, possibly through establishment of a Columbia Basin account; the Federal and regional responsibility for fisheries and recreation, affected by dam building, to be recognized and met.

There are, of course, many complex problems involved, none of which seems too tough to be solved, beyond this bare outline.

One is the historic Federal preference clause which is retained in a bill prepared by the Pacific Northwest Public Power Association. Senator NEUBERGER favors modification of the preference to stimulate Federal power sales to industries and for a better distribution of power consumption so that Oregon and other Northwest States will be more competitive with Washington. Private utilities and many who believe there is no longer any need, if there ever was a need, for preference, favor eliminating it entirely.

Another is the need to obtain the lowest possible costs for power production. Revenue bond financing would cost more than Congressional appropriations with repayment at interest. But a Government guaranty of such bonds would provide a lower rate. Also, an agency which could plan its financing and construction could build dams and power lines more cheaply than agencies laboring under the uncertainties and setbacks of Congressional appropriations. In any event, the Northwest is moving into a period when availability of large blocks of power is becoming more essential than obtaining the lowest rates in the Nation.

It had been expected that a regional power corporation bill would be introduced in the past session by Senator JACKSON of Washington. At the last moment he decided against it. Perhaps he thought it might be a political hazard in his race for reelection next year. Also, it has been argued that Congress might use the existence of such a bill as an excuse to refuse funds for John Day Dam. Since there will be great pressure in Congress against more funds for northwest dams, due to the missiles program, we think more delay on the regional agency plan would be inexcusable. We must have the machinery to do the job for ourselves if the declining Federal interest evaporates entirely.

There is no sound reason, in our view, why the Eisenhower administration should not support the Federal corporation plan for northwest power. It already has precedents. The President has proposed legislation in two Congresses to make the Tennessee Valley Authority a self-financing agency. The St. Lawrence Seaways Corp. legislation drafted by the administration embodies many of the same principles. The Eisenhower "partnership" idea fits the regional corporation plan—this, indeed, would be a true partnership, between Congress and a regional authority in which Northwest States would have a considerable voice, which would be governed by northwest residents elected by the people or appointed by the President.

The Oregonian has been proposing establishment of a regional power corporation since 1951. It has been approved in principle by many individuals and groups. We believe it can be worked out and can become the most potent force for northwest progress ever devised. Thus, we welcome Senator NEUBERGER'S decision to introduce such legislation and believe that adequate hearings in Washington and in the region will show the strength of what is, essentially, a do-it-yourself project of great magnitude.

[From the Portland Sunday Journal of January 5, 1958]

QUESTIONS ON POWER CORPORATION

In general, anyone with an idea which might eventuate in more power, public or private, for the Pacific Northwest deserves a hearing. This still is true despite the fact that the regional outlook for power now is the best it has been for 10 years, due primarily to greatly expanded non-Federal construction.

For this reason, Senator NEUBERGER'S proposal to introduce a regional power corporation bill, by request, in order that it could be given a full hearing before the Congress, should not be shrugged off.

At the same time, it should be borne in mind that the regional power corporation bill as developed in the past 3 years by the Northwest Public Power Association (Gus Norwood, executive secretary) raises more questions than it answers. And unless Senator NEUBERGER makes some fundamental changes in the measure, it probably will get no farther than the earlier Norwood bills or the Columbia Valley authority bills which preceded it.

Senator NEUBERGER himself raises both general and specific questions concerning provisions of the sixth draft of the Norwood proposal.

He questions whether a new Government entity provides a better medium for expanding and diversifying the region's economy by tapping unused water resources than through a proper program of Federal dam construction.

And he again raises the question concerning the advisability of perpetuating the public preference clause (as the latest Norwood draft does) which discriminates against big industry and the private distributors of Bonneville power, particularly in Oregon. They will be squeezed out of the Federal Columbia power picture in a few years as public preference customers as Washington takes more and more of BPA's total production.

There are other obvious questions which Senator NEUBERGER does not raise. The Norwood bill (which draws liberally on TVA, CVA and St. Lawrence Seaway legislation for ideas) assumes that the regional corporation could finance the proposed takeover of the Bonneville power system and the power features of the Federal Government's power projects in the Columbia Basin by issuing utility revenue bonds payable in 50 years. It bases this assumption on a secondary assumption that the United States Treasury would guarantee payment of these bonds, at least in early stages of operation.

The magnitude of these assumptions becomes apparent when one remembers that the Bonneville Power Administration alone has approximately $420,000,000 invested in its transmission grid and the Federal Government has another $1,500,000,000 invested in power facilities at multipurpose projects.

If a regional power corporation assumed repayment of obligations of this size and undertook construction of another $2,000,000,000 worth of projects simultaneously, it is doubtful that the bond market could or would absorb such a load—even with Uncle's backing.

There are other factors, of course—the question of veto authority over all power projects in the region, public and private, and the question (also left unanswered) as to who would pay for nonreimbursable features of future projects such as fishways, flood control and navigation facilities.

The point is, such a proposal would demand most careful scrutiny as to feasibility and public interest. And this scrutiny should not be permitted to slow down existing Federal projects, such as John Day, which will spell the difference between power plenty and power stringency in the next decade.

[From the Oregon Statesman, Salem, Oreg., of December 30, 1957]

POWER AGENCY FOR NORTHWEST

Senator NEUBERGER has agreed to introduce by request a bill to create a Pacific Northwest power authority. The "by request" implies a readiness to have the content of the bill given consideration without a firm commitment to its support. In this instance the request comes from Herb Lundy, editor of the editorial page of the Oregonian who has been advocating a regional power agency for many years.

While the idea has some points of similarity with the once strongly advocated—and bitterly opposed—Columbia Valley Authority, it has this essential difference: The government would be more localized, also no grandiose scheme of overall development, as under TVA, is contemplated. The gist of the plan was explained in an Oregonian editorial Saturday:

"A new Federal corporation with directors elected or appointed from the Northwest States to absorb the Bonneville power marketing agency; this agency to finance the power costs of new multiple-purpose hydroelectric projects by selling revenue bonds backed by system earnings; the agency to be empowered to go into atomic generation when this becomes feasible; Congress to continue to appropriate funds for traditional nonreimbursable costs assigned to flood control and navigation; the use of a portion of power revenues to assist irrigation to be continued, under Congressional direction, possibly through establishment of a Columbia Basin account; the Federal and regional responsibility for fisheries and recreation, affected by dam building, to be recognized and met."

Initially the agency's revenue bond financing would be supported by the treasury, although this may not be necessary. If county PUDs in Washington can float bond issues running into hundreds of millions with no more assets than a power license, surely a BPA (Bonneville Power Agency) could do the same, and at lower interest rate than the recent Chelan PUD issue where the coupon rate was 5 percent.

There would be some obvious advantages from a local authority. The pull and haul for Congressional appropriations would be halted. Projects could be scheduled better. Comprehensive contracts could be let. Administrative costs should be lower.

On the other hand some difficulties can be foreseen. Unless the unfair "public preference" clause is omitted, Oregon would virtually be eliminated as a sharer in the agency's power output, unless it had a surplus to dispose of.

The problem of government also rises. If it is to be a Federal authority, then it will remain a Federal instrumentality. If it is to be a regional agency, the mechanics for its continuing control is complicated. The compact idea is not flexible enough. There are successful interstate authorities—Port of New York for instance—but none where the contention potential is so pronounced. If appointments are to be made by governors, we have chances of disagreement there—or of reversal of policies depending on the swings of political fortunes. The old argument between upstream and downstream States would arise. A prime question is this: To whom would the governing body of the agency be responsible—to the Congress, to the President, to the States (governors or legislatures), to the people of the several States?

Still other questions present themselves: What would its status be, in case it wanted to construct a dam, with relation to conflicting interest: fishing, irrigation, wild life? Also how would costs be apportioned on multiple-purpose projects like Libby Dam?

We do not imply that these difficulties cannot be hurdled. That should be possible; but we would do well to have them spelled out in advance rather than to plunge in with blind optimism.

It may be too late for such an agency to get authorization from Congress. So many of the potential sites already are committed that the pattern already has been pretty well fixed. Also Congress is characteristically slow to move, and certainly will not enact this measure unless it has hearty support from the Northwest Congressional delegation.

Let us have the bill introduced, however, and laid open for public discussion and Congressional consideration. The idea itself has merit. Give the bill to implement it a close but fair look.

[From the East Oregonian, Pendleton, Oreg., of December 10, 1957]

A REGIONAL CORPORATION

Because the Congress will be asked by the Eisenhower administration to appropriate more funds for defense there has been much speculation as to the availability of funds for domestic programs. It has been anticipated that the administration will adopt a "no new starts" policy which would halt appropriations for water resources development projects—hydroelectric, reclamation, and flood control.

How would this—delaying of construction of John Day Dam, impounding funds for construction of the Crooked River reclamation project, withholding funds for several other projects that have been authorized—affect the economy of the State of Oregon?

Oregon's economy is dependent upon the development of three basic resources—wood, soil, and water. Wood products manufacturing contributes most to the State's economy and agriculture stands second. Full utilization of the water resources of the State in the direction of increasing agricultural production and providing all available hydroelectric energy from our streams could do much more toward growth of the State's economy than has been done.

Some of the job of developing the State's water resources can be done by the private power companies. They are doing some of it now. But there is much they cannot do. They cannot build reclamation projects and neither can any other private group. And they cannot provide low-cost power that will attract those industries that must have low-cost power.

Metallurgical industries have been moving into the Ohio Valley and eastward because the Northwest cannot provide them with abundant low-cost power. Although they are paying more than they would be charged for Bonneville power the higher cost is just about offset by higher freight rates they would pay on products manufactured in the Northwest and shipped to the populous centers of the Midwest and East. Low-cost power must be available in the Northwest in sufficient quantity to attract those industries here. There are too many contrary factors that make the region undesirable to them.

What can be done to assure the continued development of the vast hydroelectric potential of this region?

Senator RICHARD NEUBERGER says it is the responsibility of the Federal Government and he refuses to accept the administration's premise that the Nation cannot afford to develop its resources at the same time that it is catching up with the Russians in the missiles race. He points out that the Russians are well able to keep both programs going simultaneously and argues that the United States is quite capable of matching the Soviets.

There is another approach to the subject. Its proponents do not take issue with Senator NEUBERGER, but it has been their thinking for some time that the day might not be too far off when the Congress, no matter in which party's control, would refuse to annually spend large sums of money for the development of the hydroelectric potential of the Northwest. They point out that it has been increasingly difficult to get adequate funds. The Oregonian has been a spokesman for this group. It is that newspaper's suggestion that a regional corporation, composed of the Federal Government and the Northwest States, be formed to build hydroelectric projects in this region. The job would be financed by borrowing funds on existing installations, thereby removing the Federal Government from financing.

We think Senator NEUBERGER is entirely right, that this Nation is well able to pay for the development of its resources while it is spending for an adequate defense. But we would like to see the introduction of legislation that would establish a regional corporation. Then, if the Congress refused to make any more appropriations for hydroelectric projects in the Northwest the region would not be placed in a vacuum. A regional corporation would permit progress on the huge task of developing the region's hydroelectric potential. We do not see how industrial and business growth can be accomplished without full utilization of the water resources of the region.

[From the Oregonian, Portland, Oreg., of January 17, 1958]

POWER PLANNING CHAOS

The President's budget for Northwest water projects illustrates again why this newspaper advocates a regional power corporation for comprehensive planning and orderly construction of Columbia Basin power units with major self-financing by sale of revenue bonds.

The $2 million item for John Day Dam in the Columbia would barely keep that needed project alive. The Eisenhower administration originally favored partnership construction of this dam, which is a link in the Federal system. But Congressman Sam Coon's bill to effect that, with local utilities to be the cash-contributing partners, never got out of committee, and Coon was defeated at the next election.

The next administration budget did not include anything for John Day. But the Democratic Congress approved a token amount, $1 million, to nail down the project, as a Federal undertaking. The administration accepted that, but in the present

budget squeeze to provide more billions for arms without new taxes, only $2 million was asked for John Day. Only preliminary work could be done, if that figure should be accepted by Congress, toward construction of a $350 million project.

Ice Harbor, Hills Creek, and Cougar Dams, also given life by Congress without administration approval, fared better in the budget. But the administration policy is no new starts—a policy which Congress may accept, this time, in view of the new sums needed for missiles, earth satellites, and the military generally. That means postponement of lower Monumental Dam, the next in a stairway of four to bring navigation to Lewiston on the Snake, and of Green Peter Dam, on the South Santiam, another project, like Cougar, on the South Fork of the McKenzie, originally labeled partnership by the administration.

The President did include $196,000 to complete a Bureau of Reclamation study of feasibility of a high dam at the Pleasant Valley site in the Snake—a study sought by Secretary of Interior Seaton but forbidden by a committee of Congress last session. Here, again, orderly planning has taken a beating from the political pull and haul between administration and Congress. Northwest Power Co.'s application for a lower dam at Pleasant Valley is before the Federal Power Commission and a decision may be expected before Congress can act on the high dam survey item. The higher dam should have been studied long ago.

The record of Federal planning and construction in the Columbia Basin is that of a drunken man staggering up hill on a windy day. Besides the tug-of-war between Congress and the administration, and between the political parties, there has been an underground cold war among the Federal agencies, including the Army engineers, Bureau of Reclamation, Federal Power Commission and Bonneville Power Administration, and a constant struggle between public power and private power.

We see no relief from this chaotic warfare which is strangling Northwest water resource development, in view of the space-age requirements for more and more appropriations for arms to compete with Russia. The time is right for Congressional approval of a single, self-financing Northwest agency to absorb the Bonneville Power Administration and take over planning and construction of multiple-use projects.

Mr. NEUBERGER. In conclusion, Mr. President, I send to the desk the bill and the insertions to which I have referred, and I ask that the bill be appropriately referred.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3114) to amend the Bonneville Project Act in order to establish the Columbia River Development Corporation, introduced by Mr. NEUBERGER (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Public Works.

EXEMPTION OF CERTAIN DURUM WHEAT FROM ACREAGE ALLOTMENT AND MARKETING QUOTA PROVISIONS OF AGRICULTURAL ADJUSTMENT ACT

Mr. KUCHEL. Mr. President, I introduce, for appropriate reference, a bill to exempt the production of durum wheat in the Tule Lake area, Modoc and Siskiyou Counties, Calif., from the acreage allotment and marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended. I ask unanimous consent that a statement, prepared by me, relating to the bill, may be printed in the RECORD.

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

The bill (S. 3120) to exempt the production of durum wheat in the Tule Lake area, Modoc and Siskiyou Counties, Calif., from the acreage allotment and marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, introduced by Mr. KUCHEL, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

The statement presented by Mr. KUCHEL is as follows:

STATEMENT BY SENATOR KUCHEL

I am introducing this bill for the veteran homesteaders of the Tule Lake division of the Klamath project in northern California. That basin, totaling about 68,000 acres, lies above 4,000 elevation which limits its crop program to alsike clover, alfalfa, potatoes, and malt barley. Since World War II, veterans settled the land. A combination of low tariffs, prohibitive freight rates and the diversion of acreage from the basic crops have rendered these crops profitless. This has resulted in the economic failure of 40 percent of these settlers in the past 3 years. After 5 years of extensive experimentation in cooperation with the University of California, durum wheat has emerged as the crop most likely to solve the problem. They have proven that they can raise not only high-quality durum wheat, but have established a local market for macaroni that no other durum area can fill. However, they have been unable to obtain wheat allotments to raise it legally, and they have requested this legislation as a last desperate means of saving their community. Through it, they ask the permission of the Congress of the United States to stay in business.

PROPOSED CONSTITUTIONAL AMENDMENT TO GIVE CONGRESS POWER TO DETERMINE DISABILITY OF THE PRESIDENT TO DISCHARGE THE POWERS AND DUTIES OF HIS OFFICE

Mr. O'MAHONEY. Mr. President, I introduce a joint resolution proposing an amendment to the Constitution of the United States to provide for a method of determining disability of the President of the United States.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 141) proposing an amendment to the Constitution of the United States relating to the determination of the inability of the President to discharge the powers and duties of his office, introduced by Mr. O'MAHONEY, was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. O'MAHONEY. For the third time in the history of this Nation, we are confronted with a situation which graphically demonstrates the ambiguity created by precedent in the Presidential succession provisions of our Constitution.

When, after having been shot down by a disappointed office seeker, President Garfield lay ill for 80 days and his sole act as President was his signature on an extradition paper, the country wondered if it would be constitutionally proper for the Vice President to assume the powers and duties of the President. Even the Members of the Cabinet debated whether, if he did so, the President, upon recovery, could resume the duties of his office.

When President Wilson lay seriously ill, the victim of a severe stroke, the Nation again pondered these issues.

Now President Eisenhower, himself the unfortunate victim of heart attack, ileitis, and cerebral spasm, has called upon the Congress to settle once and for all the perplexing issues arising out of the Presidential succession in times when the President is incapacitated.

JOHN TYLER SET PRECEDENT MORE THAN 100 YEARS AGO

We would not be here reviewing this problem had it not been for the precedent established by Vice President John Tyler in 1841, when, upon the death of President William Henry Harrison, he insisted upon taking the oath as President of the United States and resisted all attempts to address him as Acting President rather than the President.

He had already taken the oath of office as Vice President of the United States. There is no language in the Constitution requiring the Vice President, upon succeeding to the powers and duties of the office of President, to take a new oath of office. It was John Tyler who created that precedent, as the result, I am confident, of a misconstruction of the language of the Constitution.

There were many in Tyler's day who would not agree that he was President, but rather felt that he was Acting President. Among the newspapers of the day, the Harrisburg Intelligencer, the Richmond Inquirer, and the New York Evening Post expressed that view. Some Members of Congress raised the question of how they should address him when they notified him that the Congress was ready for work. It was Mr. Wise of Virginia who informed the Congress that Tyler would insist upon being regarded as the President and, although this did not meet with the approval of persons such as Senator William Allen of Ohio, Vice President Tyler had his way, and was thereafter known as the President.

THERE WAS A POLITICAL BACKGROUND TO TYLER'S ACTION

It may be of interest to point out that this action was the result of the fact that William Henry Harrison was a Whig and Tyler a Democrat. Harrison was nominated by the Whigs as their candidate for President in 1840. The campaign was conducted without a political platform upon the part of the Whigs.

John Tyler, who had been at least a dissident Democrat, so far as some of the policies of Andrew Jackson and Martin Van Buren were concerned, was persuaded by the Whigs to accept the nomination for Vice President. However, when Harrison died, the Cabinet, headed by Daniel Webster, sent a message to Mr. Tyler, at his home in Virginia, to the effect that, owing to the regrettable death of the President of the

United States, William Henry Harrison, he, John Tyler, was now Acting President. Observe I say "Acting President."

Instead of responding to this message, Tyler came hurrying to Washington, and he persuaded Chief Judge William Cranch of the Circuit Court of the District of Columbia to administer to him the oath of President of the United States.

The reason behind his insistence upon being known as the President was that he was fearful that the Cabinet, appointed by General Harrison, would attempt to direct his activities in the Office of President and in discharging his duties and powers of that office.

So, refusing to be subject to the orders of the Cabinet, he took the oath as President.

CONSTITUTION CITED IN ARGUMENTS ON BOTH SIDES OF QUESTION

The language of article II, section 1, clause 6 of the Constitution formed the basis of the arguments both pro and con with respect to the right of Vice President Tyler to become more than Acting President. That part of the Constitution reads as follows:

ARTICLE II, SECTION 1, CLAUSE 6, THE CONSTITUTION OF THE UNITED STATES OF AMERICA

In case of the Removal of the President from Office, or of his Death, Resignation, or Inability to discharge the Powers and Duties of the said Office, the same shall devolve on the Vice President, and the Congress may by Law provide for the Case of Removal, Death, Resignation, or Inability, both of the President and Vice President, declaring what Officer shall then act as President, and such Officer shall act accordingly, until the Disability be removed, or a President shall be elected.

The matter of Presidential succession first appeared in the Constitutional Convention in the draft submitted by Charles Pinckney. When the original draft of the Constitution went to the Committee on Style it contained two separate clauses dealing with Presidential succession. Although the manner of the selection of the President and the status of his successor had not been decided upon by the Convention at that point, it is interesting to note the language of these two clauses.

This is the language which went to the Committee on Style, and which was revised solely for the purpose of attaining what the members of that committee deemed to be better literary quality in the great document which was being prepared. I now read the Pinckney provision:

In case of [the President's] removal as aforesaid, death, absence, resignation, or inability to discharge the powers or duties of his office, the Vice President shall exercise those powers and duties until another President be chosen, or until the inability of the President be removed.

The Legislature may declare by law what officer of the United States shall act as President, in case of the death, resignation, or disability of the President and Vice President; and such officer shall act accordingly, until such disability be removed, or a President shall be elected.

Please note that in this draft the Vice President was to exercise the powers and duties of the Office of the Presidency as distinct from the office itself. Also note that he was to serve until the inability of the President be removed. Further, the delegation of power to Congress was to establish what person should act in the event both the President and Vice President were disabled. The Committee on Style changed this language so that it became one clause instead of two, and in so doing brought much of the confusion which now exists.

However, I believe that the primary cause of the confusion was the action of Vice President Tyler, as I have already described it, because the clause of the Constitution as it now reads refers to the "powers and duties of the said office," and then adds: "The same shall devolve on the Vice President."

DRAFTERS OF CONSTITUTION INTENDED THAT VICE PRESIDENT SHOULD ASSUME DUTIES OF THE OFFICE, NOT THE OFFICE ITSELF

It is clear from the language of the Constitution itself and from what was said in the Pinckney draft that the intention of the drafters of the Constitution was not that the office should devolve upon the Vice President, but that the powers and the duties thereof should so devolve upon him.

The wisdom of the Founding Fathers is certainly legendary, but it is obvious that in this area at least, it was not infallible so far as the Committee on Style was concerned. When John Tyler established his precedent and the others of his day acceded to it, they rested their argument upon that part of the clause 6 which states that in case of removal of the President from his office, or of his death or inability to discharge the duties of his office, the same shall devolve upon the Vice President. It was their position as I have said, that the words "the same" referred to "the said office" rather than to the powers and duties of the said office. Their argument may be disputed today in theory but it is established in precedent for, since the assumption of the Office of the Presidency by Vice President Tyler, six other Vice Presidents have assumed that office upon the death of the President. Vice Presidents Fillmore, Arthur, Theodore Roosevelt, Coolidge, and Truman gained office in this manner.

It is important to note that there are four instances in which the words "the same" apply with equal logic. First there is removal from office; secondly, there is death; thirdly, there is resignation; and fourthly, there is inability. What devolves upon the Vice President by virtue of this clause devolves in each of these cases and the pattern having been established that it is the office which devolves upon the Vice President upon the death of the President, it is difficult to maintain today, if the Vice President were to act in the President's stead during the President's incapacity, that the Vice President had not become President. This, of course, would exclude the possibility that the President could, upon recovery, resume the powers and duties of the Office of President.

This very difficulty has twice before caused conscientious Vice Presidents to refrain from assuming the powers and duties of the Presidency, although the situation then existing certainly demanded it.

AMENDMENT WOULD ENABLE PRESIDENT TO RESUME DUTIES UPON RECOVERY FROM DISABILITY

The purpose of my amendment, Mr. President, is to remove this ambiguity completely, and to provide that when the disability exists, particularly in days of great crisis, the Vice President shall, by virtue of his office and by reason of the Constitution, become the Acting President, not the President. This would enable the President, who was ill and disabled, to resume his office upon recovery, and there would be no question or doubt about it.

NATION HAS SUFFERED FROM LACK OF LEADERSHIP DURING INCAPACITY OF PRESIDENTS

That this Nation suffered by reason of the failure of Vice President Arthur and Vice President Marshall to assume the Office of President may be inferred from the inactivity of the Presidents during their periods of incapacity. Allusion has already been made to the fact that during his 80 days of illness, President Garfield signed but one official document, that being an extradition paper. In President Wilson's day he was not able to meet with the Cabinet for 8 months. More than a score of bills became law without his signature. The Democratic Members of Congress sought unsuccessfully to get his advice on certain matters then pending before the Congress. Leadership and direction were obviously lacking.

NATIONAL LEADERSHIP BY THE EXECUTIVE IS ESSENTIAL

While it was important to have leadership and direction in 1881 and in 1920, it is doubly important to have such characteristics today. It is foolhardy to suppose that this country may indulge in the supposition that since the Nation has not suffered greater tribulation during these periods of Presidential incapacity, it may expect to escape unscathed in a similar crisis in the future.

It is not sufficient to consider this matter in the light of what the office means to the United States alone. We must consider what the Office of the Presidency of the United States means to the world as well, for this Nation occupies a position of leadership which we must maintain in order that the free institutions we revere may continue to exist.

PRESIDENT EISENHOWER HAS ASKED CLARIFICATION OF DETERMINATION OF PRESIDENTIAL DISABILITY

We are confronted then both by an opportunity and by a challenge. The opportunity has been made possible by the candor and frankness of President Eisenhower, who has stated that when you are confined to your bed you think about a lot of things and that one of the things he thought about was the determination of the inability of the President. His reflection caused him to request of the Department of Justice to submit a proposed solution of the issue we are discussing today. Such a proposal has been submitted in the House of Representatives by Congressman KEATING. It must be obvious to all that inherent in the assumption of such a proposal by the President is the idea that

the present provisions of the Constitution are inadequate in this regard. If they are inadequate, the paramount question is what new remedy shall be invoked by which to determine the inability of a President.

This then is our challenge. We must determine the critical question of who, or better yet, what body, shall determine when a President is incapacitated, and when he has recovered sufficiently to perform the duties of his office.

SEVERAL METHODS HAVE BEEN PROPOSED

The President has suggested that the Cabinet be the agency to determine the ability of the President to discharge the functions of his office.

Senator FULBRIGHT has submitted another proposal under which the Supreme Court would make such a determination after submission of the issue to the Congress.

The chairman of the Judiciary Subcommittee on Constitutional Amendments, the distinguished senior Senator from Tennessee [Mr. KEFAUVER] has authored two proposals, one of which would require the appointment of a commission to determine the issue. The other proposal of the chairman would leave determination of that question to await the enactment of a statute following authorization for such procedure.

While I do not desire in any manner to deprecate the efforts of any other person who has seriously considered this matter, I am convinced that each of them represent certain difficulties which I shall specify in a moment. I believe that the proper approach to this problem would be to vest the determination of this issue in the Congress of the United States. The President is the only Federal officer elected by all the people of all the States. The Members of Congress are elected by the people of the several States and Congressional districts.

CONGRESS CAN BEST REPRESENT THE WILL OF THE PEOPLE IN THIS MATTER

We are, of course, dealing with the highest elective office which is in the power of the people of the United States to bestow on any man. To interpose the Supreme Court, or the members of the Cabinet between the people of the United States and the Office of President would seem to me to violate the spirit of the Constitution as we know it. The determination of the inability of the President of the United States must be publicly accepted and the vehicle calculated to gain public acceptance most readily, it seems to me, is the vehicle to be adopted. There is no group, nor could there be any individual, who represents a better cross section of public opinion than the Congress of the United States. Their decision would be less apt to be motivated by temporary gain than any other agency for any such temptation would be tempered by the knowledge that they would soon have to stand accountable before the people of the United States in free and open elections. There is no such check existent so far as the members of the Supreme Court or the Cabinet are concerned, and while I would not impute bad faith to anyone who might occupy those offices, I am deeply conscious of the fact that we are dealing with the Constitution and that we must, therefore, examine all contingencies. It has been argued that the members of the Supreme Court, or the members of the President's Cabinet, could be removed by impeachment in the event that they were unfaithful in the task which they would be called upon to perform, should the President be incapacitated. Impeachment is a difficult proposition, not lightly to be considered, and often fettered with political implications of the greatest magnitude. The check which impeachment affords, therefore, is hardly as formidable as the check represented by the ballot box.

With this in mind, I would like to review some of the provisions which I have written into the amendment which I now offer.

I ask unanimous consent that the text of the joint resolution may be printed at length at this point in the RECORD.

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

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. Whenever the President proclaims that he is unable to discharge the powers and duties of his office, or whenever the Senate and the House of Representatives pass a resolution declaring that the President is unable to discharge the powers and duties of his office, the Vice President, or if there be no Vice President, the officer next in line of succession to the office of President as provided by law, shall be Acting President.

"SEC. 2. An Acting President shall exercise the powers and duties of the office of President under this article until (1) the end of the then current Presidential term, (2) such Acting President finds and proclaims that the inability of the President no longer exists, (3) the inability of the President is determined, in accordance with section 3 of this article, no longer to exist, whichever first occurs.

"SEC. 3. Whenever, during any period in which an Acting President is discharging the powers and duties of the office of President under this article, the Senate and the House of Representatives pass a resolution declaring that the inability of the President to discharge the powers and duties of his office no longer exists, the Acting President shall cease to exercise the powers and duties of the office of President and the President shall exercise such powers and duties.

"SEC. 4. The Congress may by law provide for the case where either or both Houses of Congress are not in session, declaring what officer or officers shall convene such House or Houses for the purpose of enabling them to perform the duties conferred upon them by this article.

"SEC. 5. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within 7 years from the date of its submission."

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

Mr. O'MAHONEY. I yield.

Mr. DIRKSEN. I certainly would not be offensive to my friend from Wyoming. I share his concern about former President Tyler's confusion. But I am wondering what has happened to the 3-minute rule. Has it become a casualty this afternoon? We are in the morning hour, I admonish my colleague.

Mr. O'MAHONEY. Mr. President, I regret that I was not close enough to hear what my friend from Illinois said.

Mr. DIRKSEN. We are in the morning hour, and I wondered whether the 3-minute rule had become a casualty.

Mr. O'MAHONEY. The 3-minute rule has frequently been a casualty in the progress of these matters. Senators have been very indulgent, the Senator from Illinois particularly. He is always kind and indulgent toward me. I express my public appreciation to him now, as I have done on many occasions before. I now come to the analysis of the proposed amendment, and then I shall be finished.

ONLY PRESIDENTIAL DISABILITY IS DEALT WITH IN AMENDMENT

My joint resolution, I should explain, deals only with the question of the inability of the President. It does not attempt to repeal article II, section 1, clause 6, insofar as that article relates to the death, resignation or removal of the President. My resolution provides that the President may himself proclaim that he is unable to discharge the powers and duties of his office and that when he does so, the Vice President shall succeed him as Acting President. It also provides that in the event the President does not, or cannot, make such a proclamation, the Senate and the House of Representatives may pass a resolution declaring that he is unable to discharge the duties and powers of his office, and the Vice President may thereupon assume those duties. I have required in my resolution that the President proclaim, rather than announce, his disability, for a proclamation is a more formal act which is widely publicized and disseminated and which would serve to fix the date, the time, and the place of such action so as to avoid, as near as possible, litigation which may result.

CONGRESS COULD DETERMINE PRESIDENT'S ABILITY TO RESUME DUTIES

Under the terms of my joint resolution the Acting President is permitted to exercise the powers and duties of the Office of the President until the end of the current Presidential term, if the President does not recover sufficiently to assume those duties himself. If the President does recover, the Acting President may so declare and the Vice President will then cease to exercise the functions of the Presidency. In the event that neither of these two contingencies occur, my resolution would permit the Senate and the House of Representatives to determine whether the President had sufficiently recovered to again resume his duties. Since I realize that the Congress is not always in session, and its function under my resolution is of extreme importance, I have taken the precaution to provide authority for the Congress to pass a statute declaring what officer or officers may convene either or

both Houses of Congress to determine the issue of inability. These basically are the provisions of the amendment.

CONGRESSIONAL RESOLUTION REGARDING PRESIDENTIAL DISABILITY WOULD BE CONCURRENT RESOLUTION

I should touch on one other matter in discussing my proposal. When the proposal states that the Senate and the House of Representatives may pass a resolution declaring inability, or declaring that the inability has been removed, I am referring to the type of resolution which is popularly known as a concurrent resolution. This is a resolution which, as all Members know, does not require the signature of the President. A concurrent resolution, as such, is not mentioned in the Constitution. It has been used for so long, however, without serious question that I believe it forms a proper vehicle to be utilized in this instance.

GENERAL PULASKI MEMORIAL DAY

Mr. SALTONSTALL. Mr. President, on behalf of myself and the two Senators from Delaware [Mr. WILLIAMS and Mr. FREAR] I introduce, for appropriate reference, a joint resolution to authorize the President of the United States to proclaim October 11, 1958, as General Pulaski Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski.

This year marks the 178th anniversary of the death of General Pulaski, a great Polish patriot who gave his life on behalf of those ideals and liberties which we as a nation cherish. He gave his life for our country during our fight for freedom. The memory of General Pulaski is significant to us not only for the debt of gratitude which we as Americans owe to him and to his people, but also because General Pulaski's service in the cause of freedom stands as a symbol of the cooperation of free men of the world wherever they may be to join together in common cause. Regardless of nationality, the principles of freedom and liberty upon which our country was founded have always bound men together.

Let us take time this year to pay tribute to the great Polish patriot, Brig. Gen. Casimir Pulaski, who lived for, fought for, and died for the cause of American liberty.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 142) authorizing the President of the United States of America to proclaim October 11, 1958, General Pulaski's Memorial Day for the observance and commemoration of the death of Brigadier General Pulaski, introduced by Mr. SALTONSTALL (for himself, Mr. WILLIAMS, and Mr. FREAR), was received, read twice by its title, and referred to the Committee on the Judiciary.

SMALL BUSINESS DISASTER LOANS—ADDITIONAL SPONSORS OF BILL

Mr. FULBRIGHT. Mr. President, today I reported from the Banking and Currency Committee, Senate bill 2920, a bill to provide for small-business disaster loans in areas affected by excessive rainfall. The bill was originally sponsored by the Senator from Mississippi [Mr. EASTLAND], the Senator from Missouri [Mr. SYMINGTON], the Senator from Tennessee [Mr. KEFAUVER], and myself. I ask unanimous consent that the names of the Senator from Mississippi [Mr. STENNIS] and the Senator from Minnesota [Mr. THYE], who had similar bills before the committee, be added as cosponsors when the bill, as reported, is next reprinted.

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

Mr. FULBRIGHT. Mr. President, I should like to say that the Senator from Mississippi [Mr. STENNIS] came before our committee and testified, and has been of great assistance in developing this bill; and the Senator from Minnesota [Mr. THYE] has also taken a great interest and has submitted to the committee a very fine statement.

PROVISION OF SCIENTIFIC SCHOLARSHIPS TO CERTAIN CHILDREN—ADDITIONAL COSPONSORS OF BILL

Mr. SMATHERS. Mr. President, I wish to announce that the following Senators have indicated their desire to join with me as cosponsors of S. 2737, a bill to provide scientific scholarships and fellowships for children of veterans and other individuals from interest resulting from the investment of certain funds obtained under the provisions of the Trading With the Enemy Act, and to provide for the repayment from such funds of certain American war claims against Germany and Japan:

Senators DOUGLAS, THURMOND, SMITH of Maine, SYMINGTON, and SCOTT.

I ask unanimous consent that their names be included on the next printing of this legislation.

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

ASSISTANCE TO STATES IN IMPROVEMENT OF CERTAIN AREAS ADJACENT TO NATIONAL SYSTEM OF DEFENSE HIGHWAYS—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of January 16, 1958, the names of Mr. PURTELL and Mr. CLARK were added as additional cosponsors of the bill (S. 3041) to provide for assisting the States in the improvement and control of certain areas adjacent to the National System of Interstate and Defense Highways, and for other purposes, introduced by Mr. BUSH on January 16, 1958.

INCREASED COMPENSATION FOR POSTAL AND CLASSIFIED EMPLOYEES—AMENDMENTS

Mr. JOHNSTON of South Carolina. Mr. President, I submit a committee amendment to S. 27, the pending postal pay bill, Calendar No. 716. Also, I submit a committee amendment to S. 734. The pending Classification Act pay bill, Calendar No. 740.

I ask that these amendments be printed so that every Member of the Senate may have full opportunity to study them carefully. If that is done I am confident they will be quickly approved as presented, without objection.

The VICE PRESIDENT. Without objection, the committee amendments will be received and printed.

Mr. JOHNSTON of South Carolina. Mr. President, I should also like to have printed in the RECORD, immediately following my remarks, three tables. The first table relates to the pay of our postal employees and the second table relates to the pay of employees under the Classification Act. Each table shows (a) the current rate of pay in each grade or level and step of the schedules, (b) the rate that would be established by the administration bill, and (c) the rate that will be established by the adoption of the committee amendment. Also shown in each instance is the exact difference between the administration bill and the committee amendment.

The third table shows the number of employees currently in each step of each level of the postal field schedule. In view of some recent articles appearing in certain local newspapers, I ask that each Member of the Senate pay particularly close attention to the number of postal employees in level 4 and particularly the number of employees in step 7, and the three longevity levels of level 4. These figures speak for themselves and show that the postal employee who enters level 4 as clerk or carrier ends his Federal career 25 or 30 years later in level 4. This employee only gets an increase in pay when Congress votes it for him.

Mr. President, the committee amendments I have just submitted do not alter, materially, the pay bills pending on the Senate Calendar. These bills which were reported last spring provided that they become effective at a then current date. The committee amendments, in recognition of that fact, would make the increases retroactively effective to October 1, 1957.

Additionally, the amendments include a number of provisions recently recommended by the administration.

Otherwise, the bills, as amended, are essentially the same.

The provisions of the bills will be explained and discussed fully at the proper time. However, I cannot conclude these brief remarks without paying proper tribute to the fine work done last year, and again this year, by the Federal Employees' Compensation Subcommittee, under the chairmanship of the distinguished junior Senator from Oregon [Mr. NEUBERGER]. Serving with him on the subcommittee were the distinguished junior Senator from Texas [Mr. YARBOROUGH], the distinguished junior Senator from Wisconsin [Mr. PROXMIRE], the distinguished senior Senator from

North Dakota [Mr. LANGER], and the distinguished junior Senator from Kentucky [Mr. MORTON].

The subcommittee held long and exhaustive public hearings last spring, following which they reported an equitable, well-designed bill to the full committee. The full committee acted promptly and reported the bill to the Senate.

Again this year the subcommittee acted with dispatch in the development of appropriate amendments to the pending bills.

I am most happy to report that the amendments were adopted unanimously by the subcommittee and approved unanimously by the full committee.

I have never seen a finer spirit of cooperation or more complete agreement than that which prevailed in both the subcommittee and the full committee in connection with the consideration and approval of these measures.

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

TABLE 1.—*Postal pay table—Comparison between (a) present rates, (b) rates in administration bill, and (c) rates in S. 27*

Level		Step 1	2	3	4	5	6	7
1	Present rate	$2,880	$2,980	$3,080	$3,180	$3,280	$3,380	$3,480
	Administration plan	3,053	3,159	3,265	3,371	3,477	3,583	3,689
	S. 27	3,335	3,445	3,555	3,665	3,775	3,885	3,995
	Difference [1]	+282	+286	+290	+294	+298	+302	+306
2	Present rate	3,090	3,195	3,300	3,405	3,510	3,615	3,720
	Administration plan	3,276	3,387	3,498	3,609	3,720	3,831	3,942
	S. 27	3,560	3,675	3,790	3,905	4,020	4,135	4,250
	Difference [1]	+284	+288	+292	+296	+300	+304	+308
3	Present rate	3,330	3,445	3,560	3,675	3,790	3,905	4,020
	Administration plan	3,530	3,652	3,774	3,896	4,018	4,140	4,262
	S. 27	3,820	3,945	4,070	4,195	4,320	4,445	4,570
	Difference [1]	+290	+293	+296	+299	+302	+305	+308
4	Present rate	3,660	3,785	3,910	4,035	4,160	4,285	4,410
	Administration plan	3,879	4,012	4,145	4,278	4,411	4,544	4,677
	S. 27	4,175	4,310	4,445	4,580	4,715	4,850	4,985
	Difference [1]	+296	+298	+300	+302	+304	+306	+308
5	Present rate	3,880	4,005	4,130	4,255	4,380	4,505	4,630
	Administration plan	4,113	4,246	4,379	4,512	4,645	4,778	4,911
	S. 27	4,410	4,545	4,680	4,815	4,950	5,085	5,220
	Difference [1]	+297	+299	+301	+303	+305	+307	+309
6	Present rate	4,190	4,330	4,470	4,610	4,750	4,890	5,030
	Administration plan	4,442	4,590	4,738	4,886	5,034	5,182	5,330
	S. 27	4,665	4,815	4,965	5,115	5,265	5,415	5,565
	Difference [1]	+223	+225	+227	+229	+231	+233	+235
7	Present rate	4,530	4,685	4,840	4,995	5,150	5,305	5,460
	Administration plan	4,802	4,966	5,130	5,294	5,458	5,622	5,786
	S. 27	4,950	5,115	5,280	5,445	5,610	5,775	5,940
	Difference [1]	+148	+149	+150	+151	+152	+153	+154
8	Present rate	4,890	5,060	5,230	5,400	5,570	5,740	5,910
	Administration plan	5,184	5,364	5,544	5,724	5,904	6,084	6,264
	S. 27	5,255	5,440	5,625	5,810	5,995	6,180	6,365
	Difference [1]	+71	+76	+81	+86	+91	+96	+101
9	Present rate	5,280	5,465	5,650	5,835	6,020	6,205	6,390
	Administration plan	5,597	5,793	5,989	6,185	6,381	6,577	6,773
	S. 27	5,675	5,875	6,075	6,275	6,475	6,675	6,875
	Difference [1]	+78	+82	+86	+90	+94	+98	+102
10	Present rate	5,800	6,000	6,200	6,400	6,600	6,800	7,000
	Administration plan	6,148	6,360	6,572	6,784	6,996	7,208	7,420
	S. 27	6,235	6,450	6,665	6,880	7,095	7,310	7,525
	Difference [1]	+87	+90	+93	+96	+99	+102	+105
11	Present rate	$6,380	$6,600	$6,820	$7,040	$7,260	$7,480	$7,700
	Administration plan	6,763	6,996	7,229	7,462	7,695	7,928	8,161
	S. 27	6,860	7,095	7,330	7,565	7,800	8,035	8,270
	Difference [1]	+97	+99	+101	+103	+105	+107	+109
12	Present rate	7,020	7,260	7,500	7,740	7,980	8,220	8,460
	Administration plan	7,442	7,696	7,950	8,204	8,458	8,712	8,966
	S. 27	7,545	7,805	8,065	8,325	8,585	8,845	9,105
	Difference [1]	+103	+109	+115	+121	+127	+133	+139
13	Present rate	7,730	7,990	8,250	8,510	8,770	9,030	9,290
	Administration plan	8,193	8,469	8,745	9,021	9,297	9,573	9,849
	S. 27	8,310	8,590	8,870	9,150	9,430	9,710	9,990
	Difference [1]	+117	+121	+125	+129	+133	+137	+141
14	Present rate	8,500	8,780	9,060	9,340	9,620	9,900	10,180
	Administration plan	9,010	9,307	9,604	9,901	10,198	10,495	10,792
	S. 27	9,140	9,440	9,740	10,040	10,340	10,640	10,940
	Difference [1]	+130	+133	+136	+139	+142	+145	+148
15	Present rate	9,350	9,650	9,950	10,250	10,550	10,850	11,150
	Administration plan	9,911	10,229	10,547	10,865	11,183	11,501	11,819
	S. 27	10,050	10,350	10,650	10,950	11,250	11,550	11,850
	Difference [1]	+139	+121	+103	+85	+67	+49	+31
16	Present rate	10,300	10,600	10,900	11,200	11,500	11,800	12,100
	Administration plan	10,918	11,236	11,554	11,872	12,190	12,508	12,826
	S. 27	11,075	11,375	11,675	11,975	12,275	12,575	12,875
	Difference [1]	+157	+139	+121	+103	+85	+67	+49
17	Present rate	11,400	11,700	12,000	12,300	12,600	12,900	13,200
	Administration plan	12,084	12,402	12,720	13,038	13,356	13,674	13,992
	S. 27	12,255	12,555	12,855	13,155	13,455	13,755	14,055
	Difference [1]	+171	+153	+135	+117	+99	+81	+63
18	Present rate	12,800	13,100	13,400	13,700	14,000	14,300	14,600
	Administration plan	13,568	13,886	14,204	14,522	14,840	15,158	15,476
	S. 27	13,760	14,060	14,360	14,660	14,960	15,260	15,560
	Difference [1]	+192	+174	+156	+138	+120	+102	+84
19	Present rate	14,000	14,300	14,600	14,900	15,200	------	------
	Administration plan	14,840	15,158	15,476	15,794	16,112	------	------
	S. 27	15,000	15,300	15,600	15,900	------	------	------
	Difference [1]	+160	+142	+124	+106	−212	------	------
20	Present rate	16,000	------	------	------	------	------	------
	Administration plan	16,960	------	------	------	------	------	------
	S. 27	16,000	------	------	------	------	------	------
	Difference [1]	−960	------	------	------	------	------	------

[1] The amount by which the rates in S. 27 differ from those in the administration bill.

TABLE 2.—*Classified salary table—Comparison between (a) present rates, (b) rates in administration bill, and (c) rates in S. 734*

Grade		Step 1	2	3	4	5	6	7
GS-1	Present rate	$2,690	$2,775	$2,860	$2,945	$3,030	$3,115	$3,200
	Administration plan	2,855	2,945	3,035	3,125	3,215	3,305	3,395
	S. 734	2,890	2,980	3,070	3,160	3,250	3,340	3,430
	Difference [1]	+35	+35	+35	+35	+35	+35	+35
GS-2	Present rate	2,960	3,045	3,130	3,215	3,300	3,385	3,470
	Administration plan	3,140	3,230	3,320	3,410	3,500	3,590	3,680
	S. 734	3,180	3,270	3,360	3,450	3,540	3,630	3,720
	Difference [1]	+40	+40	+40	+40	+40	+40	+40
GS-3	Present rate	3,175	3,260	3,345	3,430	3,515	3,600	3,685
	Administration plan	3,370	3,460	3,550	3,640	3,730	3,820	3,910
	S. 734	3,415	3,505	3,595	3,685	3,775	3,865	3,955
	Difference [1]	+45	+45	+45	+45	+45	+45	+45
GS-4	Present rate	3,415	3,500	3,585	3,670	3,755	3,840	3,925
	Administration plan	3,625	3,715	3,805	3,895	3,985	4,075	4,165
	S. 734	3,670	3,760	3,850	3,940	4,030	4,120	4,210
	Difference [1]	+45	+45	+45	+45	+45	+45	+45
GS-5	Present rate	3,670	3,805	3,940	4,075	4,210	4,345	4,480
	Administration plan	3,895	4,040	4,185	4,330	4,475	4,620	4,765
	S. 734	3,945	4,090	4,235	4,380	4,525	4,670	4,815
	Difference [1]	+50	+50	+50	+50	+50	+50	+50
GS-6	Present rate	4,080	4,215	4,350	4,485	4,620	4,755	4,890
	Administration plan	4,325	4,470	4,615	4,760	4,905	5,050	5,195
	S. 734	4,385	4,530	4,675	4,820	4,965	5,110	5,255
	Difference [1]	+60	+60	+60	+60	+60	+60	+60
GS-7	Present rate	4,525	4,660	4,795	4,930	5,065	5,200	5,335
	Administration plan	4,800	4,945	5,090	5,235	5,380	5,525	5,670
	S. 734	4,865	5,010	5,155	5,300	5,445	5,590	5,735
	Difference [1]	+65	+65	+65	+65	+65	+65	+65
GS-8	Present rate	4,970	5,105	5,240	5,375	5,510	5,645	5,780
	Administration plan	5,270	5,415	5,560	5,705	5,850	5,995	6,140
	S. 734	5,345	5,490	5,635	5,780	5,925	6,070	6,215
	Difference [1]	+75	+75	+75	+75	+75	+75	+75
GS-9	Present rate	5,440	5,575	5,710	5,845	5,980	6,115	6,250
	Administration plan	5,770	5,915	6,060	6,205	6,350	6,495	6,640
	S. 734	5,850	5,995	6,140	6,285	6,430	6,575	6,720
	Difference [1]	+80	+80	+80	+80	+80	+80	+80
GS-10	Present rate	$5,915	$6,050	$6,185	$6,320	$6,455	$6,590	$6,725
	Administration plan	6,270	6,415	6,560	6,705	6,850	6,995	7,140
	S. 734	6,360	6,505	6,650	6,795	6,940	7,085	7,230
	Difference [1]	+90	+90	+90	+90	+90	+90	+90
GS-11	Present rate	6,390	6,605	6,820	7,035	7,250	7,465	------
	Administration plan	6,880	7,110	7,340	7,570	7,800	8,030	------
	S. 734	6,870	7,100	7,330	7,560	7,790	8,020	------
	Difference [1]	−10	−10	−10	−10	−10	−10	------
GS-12	Present rate	7,570	7,785	8,000	8,215	8,430	8,645	------
	Administration plan	8,150	8,380	8,610	8,840	9,070	9,300	------
	S. 734	8,140	8,370	8,600	8,830	9,060	9,290	------
	Difference [1]	−10	−10	−10	−10	−10	−10	------
GS-13	Present rate	8,990	9,205	9,420	9,635	9,850	10,065	------
	Administration plan	9,675	9,905	10,135	10,365	10,595	10,825	------
	S. 734	9,750	10,000	10,250	10,500	10,750	11,000	------
	Difference [1]	+75	+95	+115	+135	+155	+175	------
GS-14	Present rate	10,320	10,535	10,750	10,965	11,180	11,395	------
	Administration plan	11,105	11,335	11,565	11,795	12,025	12,255	------
	S. 734	11,250	11,500	11,750	12,000	12,250	12,500	------
	Difference [1]	+145	+165	+185	+205	+225	+245	------
GS-15	Present rate	11,610	11,880	12,150	12,420	12,690	------	------
	Administration plan	13,000	13,425	13,850	14,275	14,700	------	------
	S. 734	12,600	12,900	13,200	13,500	13,800	------	------
	Difference [1]	−400	−525	−650	−775	−900	------	------
GS-16	Present rate	12,900	13,115	13,330	13,545	13,760	------	------
	Administration plan	14,500	15,000	15,500	16,000	16,500	------	------
	S. 734	14,000	14,300	14,600	14,900	15,200	------	------
	Difference [1]	−500	−700	−900	−1,100	−1,300	------	------
GS-17	Present rate	13,975	14,190	14,405	14,620	14,835	------	------
	Administration plan	16,000	16,500	17,000	17,500	18,000	------	------
	S. 734	15,500	15,800	16,100	16,400	16,700	------	------
	Difference [1]	−500	−700	−900	−1,100	−1,300	------	------
GS-18	Present rate	16,000	------	------	------	------	------	------
	Administration plan	18,000	18,500	19,000	19,500	------	------	------
	S. 734	17,500	------	------	------	------	------	------
	Difference [1]	−500	−1,000	−1,500	−2,000	------	------	------

[1] The amount by which the rates in S. 734 differ from those in the administration bill.

TABLE 3.—*Distribution of postal field service employees, June 30, 1957*

	Total	Scheduled steps							Longevity steps			
		1	2	3	4	5	6	7	O	A	B	C
All employees	519,898	80,055	74,308	32,452	36,824	35,400	47,580	213,279	332,511	37,871	76,064	73,452
PFS schedule	474,698	75,389	69,466	30,811	34,987	32,108	44,350	187,587	310,688	30,500	68,416	65,094
Level 1	3,443	738	110	20	117	330	1,230	898	2,611	439	285	108
Level 2	27,244	8,942	3,572	2,074	8,320	580	2,487	1,269	23,379	2,325	1,192	348
Level 3	35,741	6,636	3,436	2,703	2,399	6,511	12,262	1,803	28,563	3,068	2,558	1,552
Level 4	329,296	52,421	44,145	18,272	16,090	15,577	17,563	165,228	228,951	15,333	46,424	38,588
Level 5	27,143	2,550	5,247	1,991	1,732	764	2,966	11,893	14,064	1,927	5,744	5,408
Level 6	10,244	1,237	5,169	1,005	358	670	332	1,473	4,677	1,828	2,219	1,520
Level 7	17,521	808	2,597	1,093	791	2,867	5,526	3,929	3,405	2,606	4,278	7,232
Level 8	10,029	844	796	1,558	2,732	2,478	967	654	2,236	1,473	2,559	3,761
Level 9	5,969	430	492	1,243	1,159	1,580	800	265	1,305	662	1,418	2,584
Level 10	3,346	231	1,252	353	854	493	108	55	489	416	775	1,666
Level 11	1,709	255	853	236	195	128	9	32	400	182	280	847
Level 12	1,086	108	594	246	58	16	41	23	151	143	285	507
Level 13	877	93	546	82	110	4	9	33	178	62	211	426
Level 14	592	43	414	4	65	54	2	10	117	23	126	326
Level 15	280	20	164	3	11	51	21	10	100	6	40	134
Level 16	112	9	63	14	3	3	14	6	44	4	13	51
Level 17	39	10	14	3	1	1	8	2	11	2	8	18
Level 18	11		1	1			5	4	4	1		6
Level 19	3	1	1			1			1		1	1
Level 20	13	13							2			11

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, January 23, 1958, he presented to the President of the United States the enrolled 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.

PROPOSED AMENDMENTS TO TAFT-HARTLEY ACT—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 316)

The PRESIDING OFFICER (Mr. MORTON in the chair). The Chair lays before the Senate a message from the President of the United States recommending amendments to the Taft-Hartley Act. The Chair is informed that the message has been read in the House of Representatives; and, without objection, the reading of the message in the Senate will be dispensed with, and the message will be printed in the RECORD and referred to the Committee on Labor and Public Welfare.

The message is as follows:

To the Congress of the United States:

There are submitted herewith for the consideration of the Congress, recommendations for amendments to the Taft-Hartley Act and for additional legislation to provide greater protections for the rights of individual workers, the public, and management and unions, in labor-management relations.

I

No labor-management relations legislative program today can ignore the disclosures of corruption, racketeering and abuse of trust and power in the labor-management field. Many of these disclosures have been made in Congressional hearings and in investigations by grand juries and local law enforcement agencies. In the various States vigilant attention by law enforcement officials, and public interest in the effective enforcement of existing laws against criminal activity, are doing much to eliminate many of the evils and abuses which have occurred. Union officials—most of whom are decent, honest Americans—are also doing much to eliminate the few in the ranks of organized labor who are corrupt. However, the importance to American workers and to the public of preventing the impairment of the individual rights of employees and the fact that voluntary action is inadequate in this respect have become increasingly evident. In order to protect the basic rights of the individual worker and to maintain the integrity of trade unionism itself, action on the part of the Government is needed.

The American public is in need of reassurance:

1. That the funds which are set aside for the benefit of working men and women in health, welfare, and pension plans are accounted for.

2. That the moneys which are contributed by workers to union treasuries are being used solely to advance their welfare.

3. That organizations in which working people associate together voluntarily to improve their status through collective action will be administered in such fashion to reflect their will.

4. That working people are more fully protected from dealings between representatives of labor and management which have the effect of preventing the full exercise of their rights to organize and bargain collectively.

5. That the public is protected against unfair labor and management practices within the collective-bargaining relationship which give rise to the exercise of coercive power by one as against the other tending to impede the peaceful development of that relationship, or which infringe the legitimate rights of innocent third parties.

The Secretary of Labor has recommended to me a comprehensive program of legislation which, if enacted, will, I believe, give that reassurance to the American public. His recommendations constitute the program of this administration in the labor-management field, and the administration urges the Congress to enact legislation:

1. To require the registration and detailed annual reporting to the Department of Labor, with appropriate disclosure, of all plans which provide health, welfare, or pension benefits to working men and women, whether administered by employers, by unions, or jointly by both. The administration made specific legislative recommendations in this respect in 1956 and 1957.

2. To require:

(a) That all labor organizations, having members employed in industries affecting commerce or which receive benefits of tax exemption under the Internal Revenue Code, including regional and local conferences and councils, shall:

(1) File with the Department of Labor detailed annual financial reports, which shall be available for public examination.

(2) Maintain proper financial books and records open to the scrutiny of all of their members.

(b) That officers of such labor organizations who handle union funds be held to the highest degree of responsibility for the funds committed to their care by union members; and that the members of such organizations be given an unequivocal right to sue in Federal or State courts to enforce these responsibilities. This would not supersede existing State statutes of judicial remedies.

3. To require that all labor organizations:

(a) File annually with the Department of Labor detailed information as to their constitutions, bylaws, and organizational structure and procedures.

(b) Show by appropriate reporting that their members have the right and opportunity to elect and have elected at intervals of not more than four years, their local officers directly by secret ballot, and their national officers either directly by secret ballot, or through delegate bodies elected directly by the membership by secret ballot, with due notice of any election being given to the members. The Department of Labor would be authorized to make full public disclosure of these reports.

4. To require:

(a) That all employers report to the Department of Labor all financial dealings with labor organizations or their representatives either directly or through

a third party, but exempting those employer payments specifically authorized by law or reported under other requirements of law; to require that all labor organizations and representatives of labor organizations report to the Department of Labor all such financial dealings with employers either directly or through a third party; and to authorize the Department of Labor to make full public disclosure of these reports.

(b) To prohibit by the application of appropriate civil and criminal laws financial dealings between employers and labor unions which operate to impair the rights of working people to organize, to select their bargaining representative or effectively to bargain collectively; specifically to amend the Taft-Hartley Act to prohibit payments made to employee representatives by employer agents or representatives, as well as those made directly by employers, except as authorized by law; to cover employer payments to an employee representative other than a representative of his employees; to prohibit payments over and above payments for regular job duties made by an employer, his agent or representative to an employee or group or committee of employees to influence other employees in the exercise of their right of self-organization or the selection of a bargaining representative; and to make it clear that employer payments to trust funds for apprenticeship and training purposes are not prohibited.

5. For effective administration of this program of reporting and disclosure of general union funds, conflicts of interest, union organization and structure and also the program for reporting and disclosure of welfare and pension plans, the administration recommends that there be created in the Department of Labor a Commissioner of Labor Reports who would be responsible to the Secretary for the performance of duties under the new legislation. The Commissioner should be appointed by the President with the advice and consent of the Senate. In the administration of these reporting requirements, the Commissioner of Labor Reports would be empowered through authority derived from the Secretary of Labor to:

(a) Make full public disclosure of all information contained in the reports;

(b) Seek injunctions against violations;

(c) Investigate reports of violations of the reporting requirements, including the accuracy of reports filed, and charges that union election or procedural practices are not in accordance with the reporting requirements; and

(d) Issue subpenas for the production of all appropriate books and records and compel testimony by witnesses.

6. In order to ensure the effective enforcement of this program, the Administration recommends that the following criminal and administrative sanctions be enacted into law:

(a) Criminal.

(1) The embezzlement of general union funds, false statements or entries, or willful destruction of books should be made punishable as a felony.

(2) The Criminal Code provisions relating to filing of false information should be made specifically applicable to these reports.

(3) The failure of an employer or a union to file required reports should be made a misdemeanor.

(4) A new bribery section should be added to the Criminal Code making it a felony for an employer, or his agent or representative, or any union official or representative, to make or receive any payments to influence improperly the actions of the other in labor-management matters. To facilitate prosecutions of violations of this section there should be included a provision for immunity to witnesses.

(b) Administrative.

At the present time any labor organization covered by the National Labor Relations Act is denied access to its processes if it fails to file financial and organizational reports. This should be continued. In addition, subject to the requirements of the Administrative Procedures Act, including judicial review, for the willful failure to file true and proper reports the administration recommends that:

(1) all labor organizations and employers be denied all rights or privileges available to them under Federal labor management relations laws;

(2) All labor organizations be liable to revocation of any outstanding certification as bargaining representative under any law of the United States;

(3) All labor organizations be liable to the forfeiture for an appropriate period of tax exemptions available to them under the Internal Revenue Code.

7. Certain provisions of the National Labor Relations Act afford opportunity for labor or management to coerce the other, often with detrimental effect on individual employees, innocent third parties and the general public. The administration recommends that the ambiguities and inequities that exist in these provisions be removed by amending them as follows:

(a) Amend the secondary boycott provisions of the act to make it clear that they prevent direct coercion of an employer to cease doing business with another; coercion of employers by inducement or encouragement of individual employees to refuse to perform services; coercion of secondary employers who do not come within the act's definition of "employer"; and coercion of employers to enter into or to enforce agreements to cease using the products of, or to cease doing business with, another person.

To further amend the secondary boycott provisions to make it clear that they do not prevent activity against a secondary employer who is performing "farmed out" work in behalf of a struck employer; or activity against secondary employers engaged in work on a construction project with the primary employer.

(b) Amend the act to make it an unfair labor practice for a union, by picketing, to coerce an employer to recognize it as the bargaining representative of his employees or his employees to accept or designate it as their representative where:

The employer has recognized in accordance with law another labor organization: The employees, within the last preceding 12 months, have rejected the union in a representative election; or it is otherwise clear that the employees do not desire the union as their bargaining representative.

(c) Amend the act to eliminate the statutory prohibition which bars economic strikers who are not entitled to reinstatement from voting in representation elections.

II

In addition to the above the administration recommends that several other changes be made in the Labor-Management Relations Act of 1947. Some of these changes have been proposed before, some are new, but all are intended to strengthen and improve the act where experience has shown that correction is needed. These proposals are as follows:

1. Amend the act to eliminate the jurisdictional gap referred to in recent Supreme Court decisions by authorizing the States to act with respect to matters over which the National Labor Relations Board declines to assert jurisdiction.

2. Amend the act to authorize the Board, under appropriate circumstances, to certify as bargaining representatives, without a prior election, unions acting in behalf of employees primarily engaged in the building and construction industry.

3. In view of the enactment of the Communist Control Act of 1954, amend the act to eliminate the provision requiring the filing of non-Communist affidavits by officers of unions seeking to use the act's processes.

4. Amend the act so that parties to a valid collective bargaining agreement may not be required to negotiate during the life of the agreement unless it provides for reopening or the parties mutually agree to its being reopened.

5. Amend the act to make it clear that when the Office of the General Counsel becomes vacant the President may designate some other officer or employee to serve as Acting General Counsel during the vacancy.

These legislative recommendations are designed to benefit and protect the welfare of American workers and the general public, to curb abuses, and to provide greater harmony and stability in labor-management relations. They take into consideration the fundamental principle that an effective right to organize and bargain collectively is an essential part of this Nation's free and democratic society.

I urge that the Congress give speedy consideration to these proposals.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *January 23, 1958.*

THE ADMINISTRATION'S LABOR PROPOSALS

Mr. SMITH of New Jersey. Mr. President, in line with the administration's labor proposals, I introduce for appropriate reference three bills to carry out

the recommendations of the President. I introduce these bills as the ranking minority member of the Senate Committee on Labor and Public Welfare:

The first is Labor Reports Act of 1958, and then two bills dealing with amendments to the Labor-Management Relations Act of 1947, as amended. These three proposals are in accord with the program of the President.

I wish to express my approval and support of the President's proposals to strengthen and improve our laws relating to labor-management relations. The recommendations constitute a practical approach to the complex problems in this field. Considered as a whole, they make up a comprehensive program for dealing with these problems in a manner which is in the best interest of all parties concerned.

This program reaffirms the position that the proper role of Government in the labor field is to maintain a framework of laws which promotes integrity and responsibility in labor-management relations and encourages free collective bargaining without Government domination.

The specific proposals have been tailored to fit the particular practices or abuses toward which they are directed. They provide reasonable and practicable protections for regular union funds as well as welfare and pension plan funds. The reporting of practices and procedures and the right and opportunity of union members to elect officers by secret ballot place in the hands of union members the tools whereby they may help themselves improve the standards of democratic procedures in their own unions. The proposals with respect to secondary boycotts and picketing would provide needed protection against union coercion. Certain inequities regarding the voting rights of economic strikers would be eliminated, and stability of collective bargaining relationships would be assured.

The administration's program is a fair and equitable one, which provides added protection for the rights of employees, employers, and the public, and will, I believe, be welcomed by responsible labor organizations.

The VICE PRESIDENT. The bills will be received and appropriately referred.

The bills, introduced by Mr. SMITH of New Jersey, were received, read twice by their titles, and referred to the Committee on Labor and Public Welfare, as follows:

S. 3097. A bill to require labor organization reports, to ensure disclosure of certain labor organization information, to define certain duties and responsibilities of labor organizations and employers, and to provide further safeguards for workers against improper activities in the conduct of labor organization affairs;

S. 3098. A bill to amend the Labor Management Relations Act, 1947, as amended, and for other purposes; and

S. 3099. A bill to amend the Labor Management Relations Act, 1947, and for other purposes.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

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

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

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

By Mr. GOLDWATER:

Address delivered by him at the Eisenhower dinner at Detroit, Mich., on June 20, 1958.

By Mr. KUCHEL:

Speech on civil-rights legislation, 1957, delivered by him before the Pacific southwest board, Anti-Defamation League of B'nai B'rith, in Los Angeles, Calif., September 17, 1957.

By Mr. MONRONEY:

Address delivered by Senator KERR at 37th annual meeting of American Petroleum Institute in Chicago, Ill., on November 11, 1957.

By Mr. MARTIN of Pennsylvania:

Address entitled "Inflation and Growth," delivered by Senator BENNETT before the Chicago Economic Club on November 14, 1957.

Remarks of Senator Bricker, Senator Lausche, Governor O'Neill, of Ohio, response by former Secretary of the Treasury George M. Humphrey, at 64th annual banquet of Ohio Chamber of Commerce, at Columbus, Ohio, on October 16, 1957.

By Mr. WILEY:

Statement prepared by him and article published in the Wisconsin Agriculturalist and Farmer on the subject of tree planting.

NOTICE OF HEARING ON NOMINATION OF EDWIN M. STANLEY TO BE UNITED STATES DISTRICT JUDGE, MIDDLE DISTRICT OF NORTH CAROLINA

Mr. O'MAHONEY. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, February 6, 1958, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Edwin M. Stanley, of North Carolina, to be United States district judge, for the middle district of North Carolina.

At the indicated time and place persons interested in the above nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from North Carolina [Mr. ERVIN], chairman, the Senator from Nebraska [Mr. HRUSKA], and myself.

NOTICE OF RESCHEDULING OF HEARINGS ON S. 1870, RELATING TO THE RENDITION OF MUSICAL COMPOSITIONS ON COIN-OPERATED MACHINES

Mr. O'MAHONEY. Mr. President, on behalf of the standing Subcommittee on Patents, Trademarks, and Copyrights of the Committee on the Judiciary, I desire to give notice that the hearings previously scheduled to commence January 15, 1958, on S. 1870, a bill to amend section 1 (e) of title 17 of the United States Code with regard to the rendition of musical compositions on coin-operated machines, have been rescheduled to commence at 10 a. m., in room 424, Senate Office Building, on Wednesday, February 19, and to continue through Friday, February 21, 1958. At the indicated time and place all persons interested in the proposed legislation may make such representations as may be pertinent. The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Wisconsin [Mr. WILEY], and myself, chairman.

NOTICE OF HEARING ON NOMINATIONS OF LAWRENCE EDWARD WALSH TO BE DEPUTY ATTORNEY GENERAL AND MALCOLM R. WILKEY TO BE AN ASSISTANT ATTORNEY GENERAL

Mr. O'MAHONEY. Mr. President, on behalf of the chairman of the Committee on the Judiciary [Mr. EASTLAND], I desire to give notice that a public hearing has been scheduled for Monday, February 3, 1958, beginning at 2:30 p. m., in room 424, Senate Office Building, before the Committee on the Judiciary, upon the nomination of Lawrence Edward Walsh, of New York, to be Deputy Attorney General, and Malcolm R. Wilkey, of Texas, to be an Assistant Attorney General.

At the indicated time and place persons interested in the above nominations may make such representations as may be pertinent.

NOTICE OF HEARING ON NOMINATION OF W. WILSON WHITE TO BE AN ASSISTANT ATTORNEY GENERAL

Mr. O'MAHONEY. Mr. President, on behalf of the chairman of the Committee on the Judiciary [Mr. EASTLAND], I desire to give notice that a public hearing has been scheduled for Tuesday, February 4, 1958, beginning at 10:30 a. m., in room 424, Senate Office Building, before the Committee on the Judiciary, upon the nomination of W. Wilson White, of Pennsylvania, to be an Assistant Attorney General.

At the indicated time and place persons interested in the above nomination may make such representations as may be pertinent.

NOTICE OF HEARING ON NOMINATIONS TO COMMISSION ON CIVIL RIGHTS

Mr. O'MAHONEY. Mr. President, on behalf of the chairman of the Committee of the Judiciary [Mr. EASTLAND], I desire to give notice that a public hearing has been scheduled for Monday, February 10, 1958, beginning at 2:30

p. m., in room 424, Senate Office Building, before the Committee of the Judiciary, upon the following nominations to be members of the Commission on Civil Rights: John A. Hannah, of Michigan; John S. Battle, of Virginia; Doyle Elam Carlton, of Florida; the Reverend Theodore M. Hesburgh, of Indiana; Robert G. Storey, of Texas; J. Ernest Wilkins, of Illinois.

At the indicated time and place persons interested in the above nominations may make such representations as may be pertinent.

NOTICE OF HEARING ON SUNDRY NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the following nominations:

James W. Riddleberger, of Virginia, to be Ambassador to Greece, vice George V. Allen.

Parker T. Hart, of Illinois, to be Ambassador to the Hashemite Kingdom of Jordan, vice Lester D. Mallory.

U. Alexis Johnson, of California, to be Ambassador to Thailand, vice Max Waldo Bishop.

John Wesley Jones, of Iowa, to be Ambassador to the United Kingdom of Libya, vice John L. Tappin.

Lester D. Mallory, of Washington, to be Ambassador to Guatemala, vice Edward J. Sparks.

Edward J. Sparks, of New York, to be Ambassador to Venezuela, vice Dempster McIntosh.

Clifton R. Wharton, of California, to be Envoy to Rumania, vice Robert H. Thayer.

Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today from the President of the United States sundry nominations in the Foreign Service.

Notice is given that the Committee on Foreign Relations, at the expiration of 6 days, in accordance with the committee rule, will give consideration to these nominations.

THE PRESIDENT'S FOREIGN POLICY—ADDRESS BY SECRETARY OF STATE

Mr. SMITH of New Jersey. Mr. President, I regret that from many quarters, political and otherwise, there seems to be some attempt to criticize both the President and Secretary of State in connection with our foreign policy. In my few remarks today in the morning hour, I wish to make clear my complete and unconditional support of our President's foreign policy, as enunciated by him and our Secretary of State.

On Thursday, January 16, the Secretary of State, Mr. Dulles, delivered an outstanding address before the National Press Club, which address is obviously complementary to the state of the Union message of the President of January 9, and to the President's diplomatic and inspired reply, dated January 12, 1958, to Mr. Bulganin's attempted needling.

I ask unanimous consent that the full text of Mr. Dulles' address before the Press Club be printed in the body of the RECORD at the close of my remarks.

I also ask to have printed in the RECORD, following Mr. Dulles' remarks, the pertinent article entitled "Dulles Stars at Bat," written by James Reston and published in the New York Times of January 17; also the article entitled "Dulles Seen Opposed Only to Fruitless 'Summit' Talk," written by David Lawrence and published in the New York Herald Tribune of January 17.

In his article, Mr. Lawrence quoted a very significant paragraph from the Dulles speech, and I am advised that the quotation was received with enthusiasm by the members of the Press Club present. The paragraph was as follows:

> There is a difference between being respected and being liked. We do not run the foreign policy of the United States with a view to winning a popularity contest, and we have to do things which we know are not going to be popular. But we have not done, in my opinion, anything for which we are not respected; and I prefer being respected to being liked.

These are certainly the words of a courageous statesman, as David Lawrence emphasized.

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

ADDRESS BY JOHN FOSTER DULLES, SECRETARY OF STATE, BEFORE THE NATIONAL PRESS CLUB, WASHINGTON, D. C., THURSDAY, JANUARY 16, 1958

I shall speak first about sputnik. The launching of an earth satellite by the Soviets may mark a decisive turn in the worldwide struggle between Communist imperialism and the free world.

No doubt the Communist rulers gained a success. They have an opportunity to gloat, an opportunity that they have not neglected. But sputnik, mocking the American people with its "beep-beep" may go down in history as Mr. Khrushchev's boomerang.

It jolted the American people and produced a reaction which was healthy, the kind of reaction that has, in the past, served freedom well. A wave of mortification, anger and fresh determination swept the country. Out of that mood is coming a more serious appraisal of the struggle in which we are engaged, and an increasing willingness to make the kind of efforts and sacrifices needed to win that struggle.

It is, of course, essential that our Nation should react in the right ways. If we act like a bull in the arena which puts down its head and blindly charges the matador's red cape, that could be our undoing. Our response must be a "heads up" not a "heads down" response. We must see clearly and think straight. We must appraise accurately the strength of our adversary and also his weaknesses. We must design our own strategy to parry his strength and to exploit his weaknesses.

II

Communist imperialism has elements of strength that make it formidable.

The rulers have an iron grip upon the people—nearly one billion of them—and subject them to a harsh discipline of work and sacrifice. Thus they abstract vast sums for military establishments and for implementing political-economic offensives.

The directing forces of Communist imperialism have from the beginning seen the struggle as a long one, lasting, as Lenin and Stalin used to put it "for an entire historical era." Accordingly, they have engaged in long-range planning and have not relied upon quick successes, as has been the undoing of so many militaristic dictators. This planning now shows results in a large and ever-growing corps of scientists and technicians who, as a special privileged class, serve the state and party at home and abroad.

At home they have enabled the Soviets to develop a military establishment equipped with the most modern weapons, both conventional and nuclear. It must, I think, be conceded that the Soviets, by concentrating on missiles for the past 12 years, have been more imaginative and more daring than we have been over the same period.

The steady buildup of Soviet industrial power now makes it possible for the Soviet bloc to conduct economic warfare to gain control of newly independent and newly developing countries. It loans large sums as aid and makes attractive barter deals whereby it absorbs raw materials in exchange for its manufactured products.

Communist propaganda is highly developed and particularly effective. Its effectiveness is at least superficially augmented by the fact that those who direct the Communist propaganda feel no obligation to speak the truth or to tell in one part of the world the same story that they tell in another.

III

The assets of Communist imperialism are surely formidable. But there is no reason whatever for us to be discouraged or to think that those assets enable it to dominate the world. Communist imperialism has its weakness as well as its strength. For example:

1. Even the most potent despotism is bound to pay some attention to the mounting demands of the people for more consumer's goods. The spectacular shifts which have occurred in Soviet leadership over the last 5 years are not merely struggles for power but struggles between the adherents of different policies. We need not exclude the possibility of there coming into power those who will primarily seek the welfare of the Soviet people and not continue to keep them impaled on the sickle of Communist imperialism.

2. Minds that are fine enough to deal with modern scientific and technical problems cannot be kept from coming to independent conclusions about other matters. The growth within the Soviet Union of a new intelligentsia is bound to affect Soviet policies.

3. The leaders of the newly independent countries seek jealously to safeguard their independence. They know that there are hundreds of millions within the Sino-Soviet bloc who desperately need better living conditions, and that consequently the Communist rulers would not deny betterment at home and confer it abroad except to make major political gains. Therefore the governments of the newly independent countries are wary and look for safe alternatives to Communist aid and trade.

4. Perhaps the greatest weakness of the Soviet position is that it does not seem able to disengage itself from the partition of Germany and the suppression of the independence of the nations of Eastern Europe.

IV

I now speak of United States policies. They are compounded of confidence and realization of how formidable are the resources of those who seek world domination.

United States peaceful policies, coordinated with the policies of dependable allies, have both a defensive and an affirmative character.

1. We will maintain a strong, balanced military posture including enough ever-pres-

ent and ever-alert retaliatory power to deter Soviet aggression. The President's state-of-the-Union message made clear that need. There seems little doubt that the Congress will respond.

2. We propose to counter the economic threat. It will be harder to get the resources to do that. But unless we wage successfully the political-economic war that is now being fought, Communist imperialism can win without ever a gun being fired. It is vital that the newly independent and newly developing countries should find in freedom the way to lift up their own people. It is vital that the United States continue to be a dependable market where other free world nations can sell what they produce and buy what they need. Without assurances in these two respects, Communist imperialism would gain control of many lands with their human, material and strategic values; and in the end our own economy would be strangled by lack of the exports and imports which are essential to our economic health.

3. We must see to it that our freedom is a dynamic force. That is not just a task of Government, but even more of our free citizenry.

Today there is a challenge to liberty more formidable than any in recent times. Powerful men are fanatically teaching that human diversity and human dignity are false ideals, and that human needs can best be satisfied by a materialistic, atheistic society which imposes conformity and treats human beings as cogs in a great economic machine.

In the face of that challenge, our own society is closely observed. We are widely regarded as the principal exponents of freedom and as leaders of the free world. Many are trying to judge whether this freedom of ours is really a product they want to import. It is up to us to make our freedom so rich, so dynamic, so self-disciplined, that its values will be beyond dispute and its influence become so penetrating as to shorten the life expectancy of Communist imperialism.

President Eisenhower, in his last month's speech at NATO, said that "there is a noble strategy of victory—not victory over any peoples but victory for all peoples." That strategy can be, and I am confident will be, implemented by such policies as I describe.

V

Given the intensive nature of the present struggle, what place is there for negotiation? First of all, let me say emphatically that there is a place for negotiation. Negotiation is one of the major tools of diplomacy. It would be the height of folly to renounce the use of this tool. This Administration has not done that in the past and does not intend to do it for the future.

We must, on the basis of past experience, assume that negotiation with the Communists, if it is to bring acceptable results, will be a long, hard task. I have often engaged in that work and have spent many days personally participating in high level face-to-face negotiations with the Soviets. I have had considerable education as to their methods.

Whenever negotiations involve matters of real substance, the Communists go at them in a tough, hard way. They are highly legalistic and seek to devise loopholes through which they can subsequently escape from what seem to be their obligations. They practice inexhaustible patience, withholding what they may be prepared to give until the last moment in the hope that they can get what they want without giving as much as they are ready to give. They astutely take into account any weaknesses of their opponents such as impatience to get the negotiation over or willingness to treat any agreement as a success, without regard to the contents or dependability. Furthermore, the scope of possible agreement is limited by the fact that the Communist record of performance is so poor that never ought the United States rely on any promises by the Communists which depend merely upon future good faith.

The negotiations which ended the Korean fighting took 2 years and involved 575 meetings. Many of the armistice provisions were quickly violated by the Communist side, but the essential—the abstention from warfare—has stuck, because it was in the mutual interest.

The negotiations for the state treaty which gave Austria her liberty took approximately 8 years and involved some 400 meetings. This treaty has been lived up to by the Communist side.

The negotiations for the International Atomic Energy Agency, which were finally concluded in 1956, took almost 3 years.

The negotiations with the Soviet Union for cultural contacts, upon which we are now engaged here at Washington, began 2½ years ago at the Geneva Summit Conference.

Our negotiations at Geneva with the Chinese Communists have been going on for over 2 years. We got an agreement for the release of the American civilian captives. But that agreement remains partially dishonored.

I do not suggest that negotiations must be so prolonged. With good will there is no need that they be so prolonged. But always in the past, if the negotiations involved real matters of substance, the Communists have proceeded very carefully and with a design to gain every possible advantage.

I believe that there should be, and will be, further negotiations with the Soviet Union. There are many areas where there could be dependable agreement in the common interest. Also, I believe that the Soviet rulers, and I know that we, do not want our two nations to drift so far apart that there is increased danger that the cold war will turn into a hot war.

President Eisenhower, in his reply of last Monday to Chairman Bulganin, took a major step looking to what could be further negotiations and agreements of exceptional importance.

He proposed strengthening the United Nations by reducing the use of the veto power.

He proposed proceeding with the reunification of Germany as agreed at Geneva in 1955.

He proposed considering how to give the peoples of Eastern Europe their promised, and long overdue, opportunity to have governments of their own choosing.

In the field of armament he advanced the most significant proposal that could be made at this time to assure human survival, namely, that outer space should be used only for peaceful purposes. It is unhappily too late now to assure fully what the United States proposed in 1947—that all fissionable material should be used only for peaceful purposes—although we still can, and should, do that for newly produced fissionable material. But it is possible now to assure that outer space—all of it—should be dedicated to peace and not to war. I might add at this point that we have been much interested in the suggestions made by Senator LYNDON JOHNSON in this field.

And finally President Eisenhower proposed that, since ability to supervise fulfillment of agreements is at the heart of all armament proposals, joint technical study groups should be established at once to explore the technical problems involved in supervision. He said that, so far as we were concerned, this could be done without any prior Soviet acceptance of any disarmament proposal. It could also be done without any Soviet commitment to the possible interdependence of the various proposals.

President Eisenhower's letter to Chairman Bulganin should dissipate once and for all any impression that the United States does not want to negotiate, or is afraid to negotiate with the Soviet rulers. The truth is quite the contrary. We do want a summit meeting, provided the proper conditions obtain.

We do not, however, want a summit meeting which merely represents another episode in the cold war, and which would be held under circumstances that would carry great peril to the free world.

There are, I know, many who feel that the cold war could be ended and the need for sacrificial effort removed by a stroke of a pen at the summit. That is the kind of illusion that has plagued mankind for a long time. Actually, peace is never achieved in that way, and nothing could be more folly for us than to act on the belief that all our danger could be ended by peaceful platitudes proclaimed from the summit by heads of government.

The expansionist goals of the Communist Parties, and the exploitation of the subject peoples for military and economic aggressive purposes, will not be altered by one iota by generalities uttered at a summit conference. But with the free peoples it is different. Their governments cannot make the necessary efforts except as the people themselves feel the need to work and sacrifice for the security of their nations and of their ideals. A summit conference which diverted the free nations from doing what is necessary for their security, without any comparable change in the Sino-Soviet bloc, could be a great, indeed a fatal, disaster.

Equally, it could be a disaster if the free world leaders at such a conference felt that, to avoid the danger inherent in a platitudinous declaration of peace, they had to go to the other extreme and break off in an atmosphere of hostility. That could intensify the cold war and make more likely that it would turn into a hot war.

For these reasons, it is essential, as President Eisenhower pointed out, and as Mr. Khrushchev once himself agreed, that any summit meeting should be well prepared. There should be assurance that significant topics will be discussed, and that there is a good prospect of arriving at significant agreements which will be fulfilled.

The way to such a meeting was clearly pointed out by President Eisenhower in his last week's message to Chairman Bulganin. It is now for the Soviet rulers to make clear whether or not they want a summit conference which will genuinely promote the cause of peace and justice in the world. We do.

[From the New York Times of January 17, 1958]

DULLES STARS AT BAT—AN EVALUATION OF HIS SKILL AT GETTING OUT OF A HOLE—ESPECIALLY IN JANUARY

(By James Reston)

WASHINGTON, January 16.—When a visitor to the National Press Club can empty the bar at 12:30 p. m., and induce more than 500 reporters to pay $1.75 for a press club luncheon, it is a safe assumption (a) that he is controversial, or (b) a celebrity, or (c) both.

Anyway, John Foster Dulles did it today. He arrived among his critics in good spirits, hit quite a few curve-ball questions out of the park, and departed at 2:15 with the score very definitely in his favor.

Washington may not agree with President Eisenhower that Mr. Dulles is the best Secretary of State since Thomas Jefferson, but nobody doubts his durability. He can get into more holes than a gravedigger, but he is a master at climbing out of them, especially in January.

Last January he produced, in quick succession, the misnamed Eisenhower doctrine for the Middle East, and the "right of innocent

passage" for ships in the Gulf of Aqaba. In another January, when he was being pressed hard on what his foreign policy was, he produced the "doctrine of massive retaliation." Now he is moving on outer space.

A GIFT AT ARGUMENT

It is not difficult to understand why he became one of the most successful lawyers in America. His gift of argument is impressive. He is the hardest working man in town, he takes his lickings with good grace, and he seems to be learning how to cut his losses.

At least this was the impression he made today. He has been talking about negotiating with the Russians for weeks, but today he convinced a lot of people that he actually was willing and eager to come down to specific cases and get the negotiations started.

Moreover, what he implied in public he has lately been saying more explicitly in private:

Let's get down to cases with something specific. Let's take the problem of controlling outerspace objects, separate it from all the other controversial disarmament questions, and set up a technical international committee to explore it without commitments or relation to any other problem.

Mr. Dulles is troubled by two things:

The clamorous criticism against him all over the free and neutral worlds; and the fear that the pace of rocketry development will be faster than the pace of negotiations for control of outer space objects.

SHUNS LIP-SERVICE CHARGE

He is trying to extricate himself from the widely believed charge that he is merely giving lip-service to negotiations, that he is stonewalling for time in order to close the missile gap, and meanwhile, that he is actually opposed to negotiations.

He did not wholly dispel the image of the reluctant negotiator today. In his discussion of how public opposition to the Soviet menace might collapse in the face of new shining promises from a summit meeting, he left the same old impression that his confidence in the people's judgment was really not very deep.

Nevertheless, he did adopt Lewis Carroll's principle that "the way to begin is to begin." He has a good memory and he does his homework. He properly blames Moscow for the lost opportunity of the Baruch atomic energy control plan—and he does not want to have history proclaim that the Secretary of State of the United States was responsible for refusing to negotiate with the Russians when rocketry was still detectable and controllable.

When he wrote his last book, "War or Peace," Mr. Dulles paid a glowing tribute to Vyacheslav Molotov, former Soviet foreign minister, as one of the most astute diplomats he had ever known. But Molotov was the man who kept saying "No" to the United States proposals that atomic energy should be controlled before it was too late.

Mr. Dulles does not want to get into the same position on the question of controlling rocketry. He has a sense of history and he knows, perhaps better than the President, that many of the leaders of the world are critical of him. Therefore, he does not want to be blamed for refusing to negotiate about the control of outer space while it is still controllable.

So he is persuaded that here is a limited field where both sides have something to gain by negotiating an agreement on the control of outer-space objects for scientific purposes alone. He is sincerely trying to get negotiations started in this field—before rocketry, like atomic weapons, becomes uncontrollable.

DIFFERS WITH KHRUSHCHEV

The general feeling here is that this is a good move. Nikita S. Khrushchev told this reporter in Moscow last fall that if a broad disarmament agreement could be negotiated with the United States, "it is quite possible to bring about a situation in which these means [sputniks and outer space objects] would serve exclusively peaceful purposes." But he put the big disarmament agreement first, and Mr. Dulles is suggesting the space-object agreement first.

Nevertheless, even if Mr. Khrushchev does not agree, Mr. Dulles' move can be used as a demonstration that he is not the no-man his detractors have been saying. His offer today was a casual expression of opinion, but a policy, supported by the President, to begin conversations with the Soviets as soon as they and the Allies approve the means of negotiation.

The question will then remain whether the change of tone by Mr. Dulles today can, if accepted by the Soviets, make up for the suspicions and criticisms of the Secretary in the past.

HEARTENED BY PRAISE

That he has the confidence of the President is clear. President Eisenhower described him yesterday as "the wisest, most dedicated man I know."

"I believe," said the President, "he has got greater knowledge in his field than any other man I know." And he added that the personal and intimate evaluations of Mr. Dulles by other world leaders agreed with the President's judgment that the Secretary should stay on the job.

This expression of confidence clearly touched and exhilerated Mr. Dulles today. He was full of bounce and self-confidence. He has a new and hopeful idea, and if the world leaders really do share the President's conclusion about the Secretary of State, this may be a useful year of negotiations after all.

[From the New York Herald Tribune of January 17, 1958]

DULLES SEEN OPPOSED ONLY TO FRUITLESS SUMMIT TALK

(By David Lawrence)

WASHINGTON, January 16.—If the newspaper writers of Europe could have been present at the National Press Club today when Secretary of State John Foster Dulles answered a barrage of questions from a big gathering of reporters here, they would have learned more about the foreign policy of the United States than ever before. They would have had to revise their oft-repeated charges that Mr. Dulles is rigid and inflexible and unwilling really to see a summit conference held.

For Mr. Dulles said flatly that the United States wants such a conference but doesn't want it to end in disaster or illusion and hence that it seeks to make sure that the Soviet leaders seriously intend to negotiate instead of just playing a propaganda game.

WANTS PROPER CONDITIONS

The Secretary told of the years and years of diplomatic conferences that have been held—and some still going on—with the Soviet representatives and of the broken pledges. He insisted that there could be a summit conference to sanctify agreements previously made by the foreign ministers. He pointed out, however, that when the foreign ministers or ambassadors negotiate, they do so by direction of the President or the head of state in every case. He added:

"President Eisenhower's letter to Chairman Bulganin should dissipate once and for all any impression that the United States does not want to negotiate, or is afraid to negotiate with the Soviet rulers. The truth is quite the contrary. We do want a summit meeting, provided the proper conditions obtain.

"We do not, however, want a summit meeting which merely represents another episode in the cold war and which would be held under circumstances that would carry great peril to the free world.

"There are, I know, many who feel that the cold war could be ended and the need for sacrificial effort removed by a stroke of a pen at the summit. That is the kind of illusion that has plagued mankind for a long time. Actually peace is never achieved in that way, and nothing could be more folly for us than to act on the belief that all our danger could be ended by peaceful platitudes proclaimed from the summit by heads of government."

Yet this is precisely the point of view being emphasized in many European newspapers which have been attacking Mr. Dulles as unwilling to negotiate.

The American Secretary of State is eager to negotiate, but he doesn't see any sense in bringing the heads of state together to give an appearance of peace which would discourage the taking of the defense measures deemed necessary against Communist imperialism.

WORLD UNDERMINE DE FENIE

Mr. Dulles said it would be "the greatest triumph of Khrushchev's career if he could bring about the relaxation of military effort by the West merely by pronouncing platitudes of friendship and good will without any corresponding acts to assure such a purpose.

Mr. Dulles did not hesitate to answer explicitly the questions that were asked him about the policy he followed in the Suez dispute and his attitude about nonrecognition of Red China. He declared, for instance, that America concurred in the British and French position about the Egyptian seizure of the Suez Canal but, with respect to America's protest against the military steps taken then, he believed he would recommend the same policy again if it occurred. He said it was a tragic affair and it was with a heavy heart that he took the steps he did. He said nothing would be gained now by reopening old wounds which have been healing.

NOTES RED CHINA HOSTILITY

As for Red China, Mr. Dulles said that in theory there was no reason why some day recognition shouldn't be extended, but that the conditions America feels must prevail do not prevail today. He emphasized Red China's persistent hostility to American policy in the Far East.

As for American prestige abroad, Mr. Dulles feels it "stands higher than ever before with the governments of the free world countries," but he commented that public opinion in those countries "may perhaps have been somewhat misled." He added that the United States is "respected more than it has even been before." he then remarked:

"There is a difference between being respected and being liked. We do not run the foreign policy of the United States with a view to winning a popularity contest and we have to do things which we know are not going to be popular. But we have not done, in my opinion, anything for which we are not respected, and I prefer being respected to being liked."

Those are the words of a courageous statesman—not the words of a craven politician seeking public favor at the expense of the national interest.

FORTIETH ANNIVERSARY OF UKRAINIAN INDEPENDENCE

Mr. SMITH of New Jersey. Mr. President, I want to join in the solemn occasion of the celebration of the 40th anniversary, on yesterday, January 22,

of Ukrainian independence. To these brave people who have kept alive the spirit of freedom and independence through the long winter of Russian oppression, we in America offer our deep friendship. Like them, we look forward to the day of an independent Ukraine which once again will be welcomed into the family of free nations. We and all other God-fearing peoples, in an ever-growing brotherhood, cherish with them the significance of this proudly remembered day; and we send to them our deep expressions of hope and friendship.

Mr. HUMPHREY. Mr. President, I am very happy to add my voice in commemoration of the 40th anniversary of Ukrainian Independence Day. Although it is a sad and sobering thought that on this occasion the valiant people of the Ukraine are enslaved by Soviet tyranny, I know that American people everywhere join in a fervent prayer that the time is not too far distant when the Ukrainian people can truly observe their Independence Day by proclaiming their freedom from the iron hand of the Kremlin.

To Ukrainian Americans, I say "Thank you for the great contributions you have made to our country," and I pledge myself to support of a firm United States diplomatic policy to help all oppressed peoples regain their freedom.

Mr. PURTELL. Mr. President, yesterday we observed the 40th anniversary of the independence of the Ukraine.

It has been my pleasure and privilege in this body to present a joint resolution in behalf of myself and my distinguished colleague [Mr. BUSH] calling for the designation of January 22 as Ukrainian Independence Day, as an indication that the brave people of the Ukraine have not been and never will be forgotten or forsaken.

We honor Ukrainian independence today with the hope and the prayer that it may soon be restored to this proud land which was the seat of an independent and free state from the 9th to the 14th century and again from the middle of the 17th century to late in the 18th century. Its history, however, has known more than 300 years of oppression and this 40th anniversary finds the Ukraine ground under the Communist boot.

Ukrainians in the homeland or wherever they are today still love liberty as fiercely as it can be loved and this deep patriotism and the great spiritual blessings with which they have been endowed guarantee the eventual return of the freedom they love and long for so much.

Let us, then, on this anniversary, salute the Ukraine and its people. Let us join with them in their prayers. Let us continue to show in our every action that they and their unrelenting pursuit of liberty are not forgotten but rather honored.

Freedom denied anywhere is and must be our cause. Let free men and women everywhere take new courage from the heroic Ukrainians and renew our determination that their efforts to regain their independence will be crowned with success.

Mr. PAYNE. Mr. President, yesterday, January 22, marked the 40th anniversary of the Ukraine's independence.

On January 22, 1918, the Ukrainian people, possessing a separate, distinctive and proud national history extending back to the 9th century, formed a free and independent Ukrainian National Republic. That great moment in their history was the result of generations of heroic effort and a deep sense of liberty which neither the Mongol hordes of the 13th and 14th centuries nor the iron rule of the czars could destroy.

The independence the Ukrainian people achieved in 1918 was short lived. It was smothered by Russian Communist armies in 1920, making the Ukraine one of the very first victims of this century's counterpart of the Mongols and czars of the past. Although independence was extinguished in 1920, the spirit of freedom has never died in the Ukraine. This despite the unbelievable inhumanity inflicted upon the Ukrainian people by the genocides of the Kremlin. Feats of heroism by the freedom loving Ukrainians in their efforts to be free of Russian colonialism and brutality are a matter of historical record.

It is only fitting that we recognize these ceaseless efforts of a great people by joining with them to commemorate this anniversary of their independence. It is with heavy hearts that we take cognizance of their present plight, but it is with hope and determination that we dedicate ourselves to a future which will witness the rebirth of independence in the Ukraine and other enslaved countries of the world.

Mr. IVES. Mr. President, yesterday, January 22, was the 40th anniversary of the independence of the Ukraine. The Russian Communists destroyed that independence in 1920. Nikita Khrushchev, known to those enslaved people "as the butcher of the Ukraine," was there during the made-in-Moscow famine of 1932–33 which ended the lives of 5 million patriotic Ukrainian peasants. The Ukraine, the largest captive non-Russian nation in Eastern Europe, remains today under Moscow's baleful domination.

But it is not without cause that the Ukrainians are known as the Irish of Eastern Europe. Moscow's enduring fear of its captive nations is one of the most powerful deterrents to war against the West. The rich and populous Ukraine is the greatest source of that fear to the rulers in the Kremlin.

Of this significant anniversary, let us join in looking ahead to that bright future date when Ukrainian independence shall live again in reality—as it lives today in the hearts of the Ukrainian people.

Mr. DIRKSEN. Mr. President, I should like to say a word about the Ukrainians. There are about 45,000 Ukrainians in the city of Chicago. I know many of them well. They are solid, rugged, law-abiding citizens, who epitomize the other 40 million in the Ukraine. I glory in the fact that, once having experienced the sunlight of freedom, they will not let the present flouting of liberty by the Soviet Union deter them from continuing their efforts until freedom is won by them.

Mr. PROXMIRE. Mr. President, yesterday marked important anniversaries in the national experiences of two peoples who have suffered under many centuries of imperialistic subjugation, and who are today the unhappy victims of the most despotic imperialism the world has ever seen—the atheistic imperialism of the Soviet Union. These are the people of Poland and of the Ukraine.

In 1863, on January 22, Polish patriots led a revolt by the Polish people against Russian control. The revolt failed, resulting in the direct incorporation of Poland into the Czarist Russian empire. The Polish people were barbarously punished by Czarist police and armies. Whole villages were exiled from their homes, with Russians brought in to take over their land. Poland remained under Czarist bonds for generations, but the fierce independence and patriotic zeal of the Polish people did not die. Finally, after World War I, free Poland again emerged into the family of nations, only to be smothered and divided again early in World War II under the Nazi and Communist attacks, one from the east, the other meeting it from the west.

The Ukrainian people's history is even more tragically one of foreign imperialism and subjugation. After centuries of Czarist rule and Russian domination, the people of the Ukraine made a brave bid for national independence. On January 22, 1918, a Ukrainian National Council at Kiev proclaimed the independence of Ukraine. The new nation was quickly beset with attacks both from the Bolsheviks and the Czarist regime's sympathizers in the civil war that ravaged the crumbled Czarist empire at the close of World War I. Late in 1920, the Soviets gained control over Ukraine, ending that unhappy nation's independence.

Mr. President, there are hundreds of thousands of Wisconsin citizens who are themselves immigrants or are descended from Polish and Ukrainian people who have come to the United States to make their homes and their lives here. They are indeed entitled to be proud of the brave history of their people, and we will share in the great heritage which they have added to our American culture. I join them today in saluting the courage, the patriotism, and the durable faith that has sustained the peoples of their nations under such almost endless oppression. Their patriotism is a powerful example for all the world, and an inspiration to all Americans.

I share, with Wisconsin's citizens of Polish descent, in the determination to help the people of Poland to attain the greatest measure of freedom and independence from the present-day Soviet imperialism. Our goal must be to help the Polish people to win the right to free elections and an end to their present captive status.

In this connection, the United States should do everything that will be practical and effective to encourage the people of Poland to help to give them the spirit, the means, and the support

whereby they can begin to free themselves from economic dependence upon the Soviet Union. As recommended by the Polish-American Congress and other Polish nationality organizations in this country, we should extend all practical economic help to Poland in the form largely of food shipments to help them widen the fundamental gulf between their nation and the Communist imperialists. I wish to commend the initiative that has been manifested by Senators GREEN, HUMPHREY, KENNEDY, PASTORE, and SPARKMAN in getting a program of loans for these purposes extended to Poland.

We must, of course, insist with great care that only food and similar consumer goods—not machinery useful for the war potential of the Soviet Union, should be included in any such shipments, but, on the other hand, we should not hesitate to provide nonstrategic food and other consumer goods to the Poles.

We must also keep up the pressure of our National Government to continue the United Nations investigations of Soviet aggression against the nations and peoples of eastern and central Europe, including those of both Poland and the Ukraine.

In the meantime, we should demonstrate the sincerity of America's concern for these brave people by easing certain unfair and discriminatory barriers in our immigration laws, which keep out of this country many potentially valuable new citizens from Poland and the Ukraine.

It will, in 1958, be 350 years since the first Polish settlers set foot in the United States of America. They settled in Jamestown Colony in 1608, to establish America's first glass industry. Millions of Poles and Ukrainians too have immigrated to the United States in the three and one-half centuries since these first-comers to Jamestown. They have served our Nation well—in our factories, mills and mines, on our farms, in commerce, the professions, and in government. And not the least of their service to America has been their contribution of the spirit of independence and love of liberty, that we mark on yesterday's anniversaries of these great days in the patriotic memory of the Polish and Ukrainian people.

Mr. SALTONSTALL. Mr. President, I wish to take this opportunity to join with my colleagues in paying tribute to the peoples of the Ukrainian National Republic.

Yesterday marked the 40th anniversary of the proclamation of independence of this republic which climaxed a long and historic struggle for freedom by spirited and dedicated people. The Ukraine was successful in stemming the tide of communism for several years but was unable to resist the treacherous and tyrannical force which ultimately engulfed them. Their subjection to Communist domination stands as a warning for all free people of the earth but their resistance, their lust for freedom and independence, and their fight against communism and Soviet aggression is an inspiration to all.

On behalf of their many relatives and friends in this country I wish for the people of the once independent Ukrainian National Republic the freedom and dignity which they as a people fought so hard to achieve. Their spirit and desire for self-determination, along with the spirit and desire of all of the peoples now under Communist enslavement, deserves our tribute.

Mr. LAUSCHE. Mr. President, the American people would be remiss if the anniversary of Ukrainian independence was forgotten for the reason that these people are now under the iron fist of Soviet imperialism. I, therefore, present the following pertinent remarks:

January 22, 1958, was the 40th anniversary of Ukraine's independence, which was destroyed by the Communists in 1920. Today, more than 6 million of its citizens are reported as political prisoners in Russian Communist slave labor camps. Their tragic situation must not be forgotten by all freedom-loving peoples.

There are indications that the Ukrainian people, who were the first victims of the tide of Communist imperialism which subsequently engulfed other free nations, will ultimately prove to be the Achilles' heel of the Communist Empire. In 1957, nationalist disturbances and the blowing up of Soviet troop trains demonstrated the inherent weakness of Soviet satellite domination. The people of Ukrainia are already demanding the end of Soviet "colonialism."

Therefore, it is with hope and a belief that the spirit of freedom still lives in the hearts of all Ukrainians, that I direct the attention of the Senate and the American people to the courageous Ukrainians, who, on this anniversary, fight for their traditional freedom. May God continue to bless them in their dedicated and sacrificial endeavors.

Mr. JAVITS. Mr. President, this week commemorates the 40th anniversary of Ukraine's independence, which the Russian Communists destroyed in 1920. The indomitable spirit in which the Ukrainian people have approached the task of rescuing their brave homeland from iron-fisted Communist rule can be both a source of pride to them and a fine example to freedom-loving peoples everywhere. Millions of Americans sympathetic with this cause pray that Ukraine and other captive nations will again become free and independent members of our community of nations. Recently, in New York City, I made an address at the ceremony opening a pictorial exhibit by the Assembly of Captive European Nations. I ask unanimous consent that my remarks on that occasion be printed in the RECORD.

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

ADDRESS BY SENATOR JAVITS AT THE OPENING CEREMONY OF A PICTORIAL EXHIBIT BY THE ASSEMBLY OF CAPTIVE EUROPEAN NATIONS

The restoration of freedom and independence to the captive nations of Central and Eastern Europe is vitally essential to freedom in the world. It is more urgent than ever for us to dedicate ourselves to the task of helping these captive peoples recover the liberty to which they are entitled and of which they have been deprived by the Soviet aggressor.

I cannot help but note the title of the last section of this impressive exhibit by the Assembly of Captive European Nations. The title reads "The Indivisability of Freedom." To many this phrase constitutes the essence of the message that our country has to give to the Free World and to the Soviet Union. To paraphrase Abraham Lincoln, it is that this world cannot permanently endure half slave and half free.

The courageous attempts by the peoples of captive nations to shake off the Communist yoke have been put down. Many lives were lost. Many aspirations were drowned. But by their very acts of resistance the workers and students in East Berlin, the patriots in Poznan, Poland, the heroes of the Hungarian revolution and countless others have fashioned ultimate victory out of momentary reverses. For they have taught us that man will fight for his freedom wherever and whenever that freedom is sought to be extinguished—notwithstanding every effort to brainwash him and deny him an opportunity to learn about freedom.

We of the United States are in this sense the ideological brothers of more than 100 million people in the captive European nations. Many of our forefathers came from these countries. But more than that we are united in our joint fight against the forces of a physical and psychological ruthless suppression that would make this world half slave. As long as freedom is suppressed behind the Iron Curtain the freedom of the entire world is threatened. I hope that the message we see here today will be repeated and repeated on all sides. May I join in this message to the captive peoples in Eastern Europe. We must stand firmly for our common ideals of freedom, liberty, and justice, for only then can we assure our children a future of peace, security, and human dignity.

NINETY-FIFTH ANNIVERSARY OF POLISH INSURRECTION OF 1863

Mr. HUMPHREY. Mr. President, yesterday marked the 95th anniversary of the Polish Insurrection of 1863, when the brave people of Poland rose up to wrest control of their country from the Russians. Their unhappy history has been one of subjection and terror, but the flame of freedom has continued to burn brightly in the hearts of the Polish people. With the 1956 uprising, the Polish people again demonstrated to the world their will to free themselves from Soviet terrorism. They have won friendship and support throughout the freedom-loving countries and, what is more, a greater measure of political autonomy and religious freedom. In recognition of their heroic achievement, America should extend her helping hand through greater economic and technical assistance programs. Our abundance of food and fiber can be a positive force for freedom by edging Poland toward a greater degree of independence from Soviet influence. To this great cause I pledge to continue my efforts to help these valiant people assume their rightful place in the family of nations.

Mr. DOUGLAS. Mr. President, I also wish to express the hope that the Ukrainian people may regain their independence. Once the Ukraine becomes independent, the power of communistic imperialism will be greatly reduced.

I also express the hope that the ties between Poland and Russia may progressively diminish. I join the Senator from Minnesota [Mr. HUMPHREY] in ex-

pressing the hope that our foreign policy with relation to that country will be guided by that principle.

TRIBUTE TO MR. HENDERSON, OF ST. ALBANS

Mr. MONRONEY. Mr. President, the CONGRESSIONAL RECORD, throughout its long history, has recorded the passing of many great men—wise makers of law, able administrators of public affairs, great military leaders, and countless others who during their life occupied a prominent place in the life of the Nation.

This morning I should like to place in the RECORD, as my sincere tribute to his memory, the passing of a man who possessed another and a more unobtrusive kind of greatness—the ability to mold and form human character.

For 40 years "Pop" Henderson lived quietly and modestly amongst us. He was the sort of person who never sought the limelight, preferring the rather cloistered atmosphere of St. Albans' School. Yet, Mr. President, his influence for good has gone far beyond those precincts. Successive generations of boys, most of them now men, have felt and benefited from the influence for good he exercised in the chapel, in the schoolroom, and on the athletic field.

Mr. President, as an acknowledgment of the truly great life this humble man of God lived, I ask unanimous consent to have printed in the RECORD an article from this morning's Washington Post and Times Herald entitled "Mr. Henderson, of St. Albans."

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

MR. HENDERSON, OF ST. ALBANS

The Reverend James Henderson, 78, died yesterday in Emergency Hospital after 40 years' service at St. Albans School. He was teacher, coach, and lifelong friend to hundreds of St. Albans boys.

"Pop" Henderson was an impressive figure on the day 40 years ago when he arrived at St. Albans to serve as rector, football-basketball-baseball coach and mathematics and sacred studies teacher.

Standing 6 feet 1 and weighing 225 pounds, he punctuated his most intricate lectures on algebra with the words "It's dead easy." Students who mastered "Pop" Henderson's problems never had any trouble later.

The citation on the gold medal he won last November for service to St. Albans reads in part: "Pop's boys respect him as a great teacher; they admire him as a great coach; and they love him as the great Christian gentleman he is."

The man who won the admiration and love of students and masters alike was born in Belfast, Ireland. He came to Massachusetts as a boy of six, and there began his preparation for a life of service through teaching.

At Trinity College, Hartford, Conn., he was captain of the football team in 1901. It was during his days at Trinity that he became known as defensive football's first roving center. Later he spent 3 years at Berkeley Divinity School, and then headed west to combine football coaching with missionary work.

The years following World War I were lean years for St. Albans School, and the "football parson" who had arrived in 1918 had to go through at least one season with a squad totaling only 12 boys.

His coaching during those years laid the foundation for an outstanding athletic tradition which the school has tried to carry on since Mr. Henderson's retirement 10 years ago.

Mr. Henderson continued to conduct services in the school chapel and was adviser to the athletic department until shortly before his death.

He is survived by his wife, Blanche Gould Henderson of 3888 Porter Street NW., a son, James Henderson, who is headmaster of the Maumee Valley Country Day School, Maumee Valley, Ohio, and a sister, Mrs. Albert Sadler, of West Acton, Mass.

WHICH PRESIDENT DOES AMERICA HEAR, IKE OR SHERM?

Mr. MONRONEY. Mr. President, I ask unanimous consent to have printed in the RECORD articles and editorials from the Washington Post, the Washington Star, and the Washington Daily News. These newspapers, all of which supported President Eisenhower with great enthusiasm in the campaigns of 1952 and 1956, unanimously agreed that the show put on by the Republicans in their money raising banquet of Monday night was a flop.

I have been unable to find any "rave" notices by these friends of the administration. In fact, to summarize their critiques of the production, it was about as inept, ineffective, and dismal as it could be in every department except the "cash register" section.

I had intended to have printed in the RECORD the speech by Sherman Adams, the Assistant to the President. I find, however, that my Republican colleague, Mr. SIMPSON, chairman of the Republican national campaign committee, inserted it in the RECORD of yesterday.

I commend it to all Senators for their reading. Perhaps they have wondered, too, whatever happened to the speech writers for the "old" NIXON. Now we can figure with some certainty that they are not among the growing army of the unemployed. White House employment must be pleasant and secure.

It is most interesting that most of the writers, Walter Lippmann in the Washington Post, and Doris Fleeson, in the Washington Star, as well as the editorial writers for the Washington News, and the Post editorial entitled "The GOP's Two Faces" all point out the huge size of the egg laid by Sherman Adams, the Assistant to the President.

Since all of these skilled political writers note the fact that the President's alter ego was traveling in the opposite direction from the President in his talk, one must wonder seriously if the man who runs most of the President's business is in fact in step—or even in contact—with his boss. Certainly the lines of communications—staffwise, that is—must have been adversely affected by interference from sputnik in its last flights over the White House.

Understanding good football, as every Oklahoman does, it must be embarrassing to the coach to be playing on the defensive and have his star quarterback downfield clipping in an offensive play.

The VICE PRESIDENT. Is there objection to the unanimous-consent request?

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

[From the Washington Evening Star of January 22, 1958]

THE ADAMS AND NIXON TECHNIQUES—WORM'S-EYE VIEW OF FORMER CONTRASTED WITH VICE PRESIDENT'S PRACTICAL SPEECH

(By Doris Fleeson)

Politicians do not create the issues of a campaign; they only ride them.

Some politicians have a greater gift for the jugular vein than others; some are more astute, some more ruthless. While their chosen techniques often indicate the man, few are able to obscure a real issue.

It does not therefore much matter substantively that in the kickoff of the Republican Congressional campaign President Eisenhower kept to the high road and his principal aide, Sherman Adams, took a worm's-eye view of history. The President ignored the economic recession and Soviet achievements in missile and outer space; Adams cataloged a purplish array of Democratic sins, including the Japanese attack on Pearl Harbor.

But the public is aroused by the Soviet conquest of outer space, with all its implications, and is hurting from the business downturn. These are the issues of 1958 which will confront all Members of the House and the one-third of the Senate this fall.

Significantly, the ablest Republican politician operating today—Vice President NIXON—made a less colorful but far more practical speech. The Vice President urged maximum Federal aid not only to avoid recession, but to insure the country's continued expansion and prosperity.

He also took accurate aim at the conservative sources of Republican campaign funds by invoking what would be for them the dire vision of a New Deal run by new dealers determined to make it work. The Vice President gibed, too, at the Democratic division on civil rights, a potent lure to the Negro vote.

The important aspect of the Adams speech is that he has again called attention to the potent semihidden issue of the campaign, the one which will be argued by word of mouth rather than in formal attack. It is whether President Eisenhower today after three serious illnesses, is really running the people who are running the Government.

Adams was completely in character as Adams in his contribution at Minneapolis; he told the politicians nothing about himself that they had not already learned. What he said was utterly unimaginable coming from Eisenhower, and it was said in cold blood without any real provocation.

It is Adams notably who commands the day-by-day operations of the White House with their profound influence upon the lives of all Americans. His occasional bitter speeches are only the piece of the iceberg that is floating out of the water; as with the iceberg, the potentially dangerous part is submerged, protected from accountability by the doctrine of separation of powers which he pleads whenever Congress questions his role.

The President will, of course, pay to an undetermined degree for the irritation Members of Congress feel when Adams jabs at them. They can reach the President through legislation, and they will.

[From the Washington Post of January 23, 1958]

A BAD BLUNDER

(By Walter Lippmann)

By his Minneapolis speech on Monday, Gov. Sherman Adams has made more difficult the delicate situation in the President's office. The situation is delicate because the

diminished strength of the President has made necessary an unusual, almost certainly an unprecedented, delegation of powers to the White House staff of which Governor Adams is the chief. The flat contradiction between the Adams speech and the President's own speech that same evening raises the question of how faithfully the President's will is being carried out by those to whom his powers are delegated. For on an issue of national importance Governor Adams was in open contradiction with the letter and the spirit of the President's speech.

If that can happen publicly, what goes on in the privacy of the President's office? This is a fair question, and it is a necessary one. For the Government of the United States is today being carried on under a special dispensation which can work only if there is a general and complete confidence in it. There must be confidence that the officials who exercise the President's powers are men who know him so well that they can act as he would act if he had the time and the energy to do the whole work of his office.

Were this complete confidence seriously broken, there would be a demoralizing political uproar about who exercises power and who can be held accountable.

The outward evidence of the country's confidence has been that Congress, the press, and the public have accepted the theory that Governor Adams and his assistants are confidential agents of the President who cannot be questioned by committees of Congress or in press conferences. This immunity rests on the principle that their relations with the President are confidential, and that their acts are to be treated as being his acts. For these acts, the President is accountable to the people. But his agents are accountable to him.

This is a complex and subtle theory which we have developed to meet an unusually difficult situation. It is not easy to keep believing it in the face of the known evidence about the President's absences from the White House, and the many evidences that he is not always well informed. Yet we have all wanted to believe in the theory since, given the facts about our constitutional system, we have no better choice than to believe it.

But the country will not go on believing it if it turns out that the confidential agents of the President are playing politics on their own, and contrary to the President's own political beliefs. The moral of it is that in the position he occupies, and with the immunity which he claims, Governor Adams should not make speeches at all, should nourish no political ambitions of his own, and should acquire, or at least simulate, what used to be called a passion for anonymity.

On the substance of the question, which is whether defense is a legitimate party question, the answer, I believe, is that here honesty will prove to be the best policy. Thus, it is the duty of the Democrats in Congress to examine the administration's defense proposals in the light of the best intelligence available and of the testimony of experts. It is not only their right but their duty to decide whether the administration's program is adequate and how it could be improved. The Democrats will be expected to come forward with their own program of amendments which Congress can then debate.

It is when we come to the post mortems for our having fallen behind in the race of armaments that an ugly partisanship will show itself. The country will do well to be very skeptical and very suspicious of all attempts to fix the blame on one party or the other. There have been too many Democrats and Republicans involved in the complicated history of the missiles and other strategic weapons to justify any verdict that one or the other party is guilty.

If there is to be an inquest, and there is much to be said for having one, it should not be made by a Congressional committee, composed of men among whom many must run for reelection in the fall. The inquest should be conducted in a judicial spirit by some kind of panel or commission which inspires general confidence and is composed of men who personally have nothing to gain and nothing to lose by the outcome of the elections.

[From the Washington Evening Star of January 22, 1958]

GOP Pep Talks

The Republican orators gave it the old college try in their Monday evening pep rallies, but the televised show that came into our living room was not the sort of thing that sets the prairies afire. On the contrary, it was dull and uninspiring. There were moments, in fact, when it was necessary to turn one's mind resolutely away from the impression that these were politically condemned men eating a last meal.

It is not our purpose to appear here, however, as one of those "pessimists" to whom the President paid his respects, or as a prophet of "gloom and doom," or what have you. Maybe it is a bit early to be writing off the Republican prospects next November. At any rate, 40,000 of the party faithful turned out for the dinners across the country, paying from $25 to $100 a plate for the privilege. We have seen no figure on the exact total of the take, but it must have amounted to a tidy sum. So the Republicans, while they may not be able to snare the wary voter in winning numbers, certainly should have the wherewithal to get in there and try. Nor is the wherewithal an item to be sneered at in any political campaign.

[From the Washington News of January 22, 1958]

It's Confusing

A mild difference of opinion was apparent Monday night as the GOP opened its 1958 campaign with speeches in some of the principal cities.

"Security and peace," said President Eisenhower in Chicago, "is not a partisan or political matter. Americans must not and never will let the issue of security and peace become a pawn in anyone's political chess game."

Sherman Adams, the President's assistant, speaking in Minneapolis, apparently hadn't read the boss' speech. His own address practically amounted to a dare to the Democrats.

They should, he said, "know better than to keep on politicking with national defense * * * ought to be called strictly to account by the American people for using this subject as party glue."

Mr. Adams referred to the "military catastrophe of Pearl Harbor * * * the scientific catastrophe of losing our military secrets * * * politics that led to the Red invasion of Korea * * * the tragic loss of China * * * the crippling defense planning between World War II and the following war they couldn't end."

In the interest of public enlightenment as to what the party expects to stand for in the pending Congressional campaign, it is respectfully suggested that the leaders of the GOP should get together.

ARTISTIC ENDEAVOR IN THE UNITED STATES

Mr. HUMPHREY. Mr. President, January 15, 1958, was an important day in the history of artistic endeavor in the United States. It was the occasion at the State Department of the swearing in and the first meeting of the Advisory Committee on the Arts.

As sponsor in the Senate of the legislation which was enacted as Public Law 860 of the 84th Congress, the International Cultural Exchange and Trade Fair Participation Act, I was asked to be present on that occasion with the Secretary of State and the distinguished senior Senator from New Jersey [Mr. Smith].

A list of the Committee members, a general description of their duties, and an outline of their program at the opening of a 2-day session was contained in a press release issued by the Department of State on January 14. I ask unanimous consent that this press release be printed in the Record at this point in my remarks.

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

Advisory Committee on the Arts To Open 2-Day Session in Washington, January 15–16, 1958

The Advisory Committee on the Arts appointed by the Secretary of State, under the terms of the International Cultural Exchange and Trade Fair Participation Act of 1956, will meet at the State Department for a 2-day session to inaugurate its duties.

The members of the Committee will take their oath of office at 9:40 a. m. Wednesday, January 15, and will be greeted by Secretary Dulles at the opening session.

The Committee, under the chairmanship of Rufus H. Fitzgerald, chancellor emeritus of the University of Pittsburgh, will devote its first sessions to receiving a general briefing concerning international programs in the arts sponsored or assisted by the United States Government. On the basis of such information they will conduct their subsequent evaluations of the effectiveness and the adequacy of these programs.

Members of the Committee in addition to Dr. Fitzgerald are: Gilmore Clarke, architect; Sumner McKnight Crosby, art historian; LaMar Dodd, artist and art educator; Thor Johnson, musician; James Albert Michener, author; Robert Montgomery, actor and television executive; George Lloyd Murphy, actor and motion-picture executive; Charles Nagel, art museum director; Mrs. Helen Crocker Russell, civic leader and art patron.

The Wednesday and Thursday program will include addresses by Senator Hubert H. Humphrey and Representative Frank Thompson, authors of the aforementioned legislation, by Dr. Thurston J. Davies, executive director of the Office of the United States Commissioner General for the Brussels Fair; Mr. Robert V. Dowling, chairman, board of directors, American National Theater and Academy; Andrew H. Berding, Assistant Secretary for Public Affairs; Donald B. Cook, staff director, Departmental Staff of the United States Advisory Commission on Educational Exchange; E. Allan Lightner, Jr., Deputy Assistant Secretary for Public Affairs; Russell L. Riley, director, International Educational Exchange Service; the Honorable George V. Allen, Director, United States Information Agency, and Thomas Beggs, director, National Collection of Fine Arts.

The purpose of the International Cultural Exchange and Trade Fair Participation Act "is to strengthen ties which unite us with other nations by demonstrating the cultural interests, developments, and achievements of the people of the United States, and the contributions being made by the United States economic and social system toward a peaceful and more fruitful life for its own people and other people throughout the world; and thus to assist in the development of friendly, sympathetic, and peaceful relations between the United States and the

other countries of the world." It provides for appointment of an advisory committee on the arts to advise and assist the President and Government departments and agencies in the conduct of the cultural program authorized by this act and—with special reference to the role of the arts—in other international cultural activities.

The Committee members were selected, under terms of the act, for their experience or interest in one or more of the arts.

Mr. HUMPHREY. Mr. President, at this opening session I had the honor to address the Committee in an informal and extemporaneous way. I ask unanimous consent that the transcript of my remarks be printed at this point in the RECORD.

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

TEXT OF REMARKS BY THE HONORABLE HUBERT H. HUMPHREY AT THE FIRST MEETING OF THE ADVISORY COMMITTEE ON THE ARTS, JANUARY 15, 1958

The CHAIRMAN. We are happy to have with us this morning Senator HUMPHREY, a coauthor of the bill under which this Committee functions. We are glad also to have with us Senator SMITH, of the Smith-Mundt bill. I regret that Congressman THOMPSON couldn't be with us this morning. He will be with us Thursday. We have regrets from Senator MUNDT that he could not be with us this morning.

We should like very much, Senator HUMPHREY, to have you talk to us at this time. We know you have done a lot of thinking about this and we would like to have your ideas and appreciate your being here.

Senator HUMPHREY. Thank you very much, Dr. Fitzgerald, members of the Committee, and my associates in Government, both in the legislative and executive branch.

First of all I want to say that in looking over your agenda today, I gather that your session will be one of quality and quantity. I note that you will have a very busy time. The agenda also reveals to me the scope of the interest and the responsibility of this Advisory Committee on the Arts.

I was impressed and touched by the remarks of the secretary because I am sure we all feel that these are the most critical times we have ever faced. They are subtly critical. If they were as openly challenging as we have been accustomed to in other days of our history, I suppose you would see the American people rise up as one. But the challenge of Soviet society and the challenge of its ideologies and practice is so varied and diverse that sometimes we fail to comprehend that we have a totalitarian challenge—a challenge in totality.

Somebody said to me the other day at a meeting, Senator SMITH—a meeting of the Advisory Commission on Information, in which you have such an interest—that we have "missiles misery." He pointed out that the American people are obviously aware of the need for a sudden advance and improvement in rocketry, missiles, satellites, and in the science of outer space. But the question is whether we have the kind of economic enlightenment and the kind of artistic and cultural appreciation that is required to meet this challenge.

I was greatly impressed when I heard the leader of the Soviets, Khrushchev, on that CBS telecast Face the Nation, lay down the gantlet to the whole Free World, particularly to the American people and the Government of this country, when he said: "We declare war on you." He then listed the areas in which the war had been declared, and you can rest assured those areas included education, and of culture.

It is for this reason that some of us in Congress—I hope all of us—have taken a renewed interest in matters relating to our education, our cultural developments and activities, the fine arts and the humanities.

Senator SMITH, to my right, was one of the early spokesmen and pioneers in the field of cultural and educational exchange. I am so pleased to see him here today.

In the 84th Congress, it was my privilege to be a member of the Foreign Relations Committee and to introduce legislation which subsequently became Public Law 860. Congressman FRANK THOMPSON of New Jersey, in the House of Representatives, introduced the companion bill. This act among other things formalized activities which already had been undertaken in a more or less ad hoc manner in the field of cultural exchange and trade fair participation. This act, as you know, is known as the International Cultural Exchange and Trade Participation Act, Public Law 860 of the 84th Congress, and in this law, in Section 10, is a provision for the mandatory establishment of the Advisory Committee on the Arts.

Now, of course the real parent of this committee is the Advisory Commission on Educational Exchange, which had recommended for years that a committee of this nature be appointed.

I felt that it was the duty of Congress to take this recommendation seriously and, therefore, we made it a mandatory part of the law, removing it from the discretionary area.

I was about to say we had gone through a gestation period for some time and finally the birth occurred. Reversing the usual order, I want to say a word or two about the marriage now.

The appointment and the formalizing of the Committee on the Arts indicates a kind of marriage, the first instance of this kind of marriage in American life—a marriage between Government on the one hand, and the arts, through this Committee, on the other.

Now, there have been some people who have been highly critical of this very possibility. They have protested such a marriage, saying that it would mean too much Government control, a stifling of the creativeness which could come from people interested in the fine arts.

Shakespeare was among the first group of skeptics to worry about a governmental interest in the arts, when he referred to "Arts made tongue-tied by authority."

He worried about the hard hand of government being placed over the creativeness of the human mind and spirit.

Then there was a more contemporary writer, a cynical and skeptical one at times, but one of our best minds, Henry Louis Mencken. In his book of essays, entitled "Prejudices" he voiced another apprehension expressed occasionally in Congress and in the executive branch. He referred to artists as "Never Puritans and seldom"—this is what he said—"seldom even respectable." I quickly disassociate myself from this summary judgment. I hasten to assert not only my own disagreement but I am sure that Mencken himself would not have said what he did had he been here this morning with this distinguished assemblage.

I want to conclude on this note. This joining together in a cooperative spirit by government and art through this Advisory Committee on the Arts is to me very good and sound, and I appeal to you to make it a success. We cannot afford to fail even on the domestic scene. I know we are primarily concerned here with international developments and the effect of this participation upon our international relations. But, very frankly, as I said earlier today to Mr. Murphy, in our pleasant visit in the diplomatic reception room, it is a pity that the American people themselves do not know more about what is going on in the fields of cultural exchange, of educational exchange, of trade fairs.

What a pity it is that more people don't appreciate the opportunities open to us in the field of participation in the arts. It is encouraging, however, to know that many of you, like Mrs. Hawkes, have spoken throughout America about this good work. I want to commend you, and assure you that you have friends in Congress. Congress will be watching you, not in terms of an investigating kind of watchfulness but a watchfulness filled with affection and sympathy. If there is anything we can do, I hope you will feel free not only to advise the Secretary but also that you will give the Congress the advice and counsel we need to make improvements.

We have a job to do. We are proud of our country. I will tell you, fellow Americans, I am tired of hearing we don't do well. We have everything with which to do; I am sure we have the will to do what needs to be done. I would like to think that American art and culture would be made known, not only to ourselves but the world, even if Stalin had never been born, if Marx had never got locked up in that museum in London, and if Lenin had never stormed across the scene.

There are some things worth doing. If there is some way we can, by doing these things, make an impression favorable upon others, then our works have been twice blessed.

Thank you very much and congratulations.

Mr. HUMPHREY. Mr. President, I know that the Senate will want to join in hailing what we hope will be an active and enterprising new Advisory Committee. This Committee has a real opportunity to break new ground. It is the first top-level Federal committee established by Congress in the field of coordinating the arts at home and abroad.

Following their 2-day meeting, the Advisory Committee on the Arts issued a statement, which I should like to have printed in the RECORD at this point. I ask unanimous consent that this may be done. The statement is contained in a press release issued by the State Department on January 16, 1958.

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

STATEMENT OF THE ADVISORY COMMITTEE ON THE ARTS

The Advisory Committee on the Arts ended their 2-day session today. At the conclusion of this meeting, the Committee issued the following statement:

As members of the Advisory Committee on the Arts, we are glad to place such special knowledge and experience as we may have at the service of our Government in its promotion of cultural relationships with other nations and peoples.

At a time of reassessment of the Nation's scientific and technological accomplishments, the creation of this committee furnishes gratifying evidence that our Governments, the creation of this Committee furtural achievements. Our maturity in the arts can win us the respect of others as surely as our progress in science.

The Committee's initial meeting has been devoted to a familiarization with the Government's interest in the arts as a means of communication with other peoples, and with the various interrelated programs through which this interest is made evident. We have been impressed by the statements made to us. In particular, the Secretary of State spoke eloquently, and with manifest

sincerity, of the importance he and the Department of State attach to demonstrating America's achievement in the arts as a hallmark of our national maturity. The remarks of the Honorable George V. Allen and other officials of the executive branch were of like character. Assurances were received from Senator HUBERT HUMPHREY, Senator H. ALEXANDER SMITH, and Representative FRANK THOMPSON that they and many of their colleagues in the Congress share fully in this interest in the arts in our international relations.

The reports received on the scope and effectiveness of our Government's programs for artistic presentations and exchanges were equally impressive to the Committee. The fact that so much has been accomplished with limited resources is a tribute to the ingenuity and imaginativeness of the administrators of these programs and to the generosity of so many of the artists who have participated and of public-spirited citizens and groups. The success to date suggests that consideration should be given to an expansion of these activities.

It will be one of our important tasks as an advisory committee to give continuing review and guidance to these programs—in particular to the President's cultural presentations program and the reciprocal visits of artists under the international exchange program. It is our desire to be of assistance to the Department of State and to the other agencies, public and private, in the realization of the objectives of these programs.

We recognize the complexities of the relationship between government and the arts, but we see no necessary incongruity in the artist's serving the legitimate ends of government or in government's giving recognition to the artist. We believe that in the arts integrity and quality are important watchwords, and within the framework of our relations with other nations we are confident that these values have been, and will be, honored.

The arts illumine the mind, kindle the spirit, and move the heart. Surely there can be few better ways to serve the cause of international understanding.

Mr. HUMPHREY. Mr. President, the establishment of the Advisory Committee on the Arts is just one additional step long overdue in what should be a general effort on our part to increase our attention to the role of arts and culture in international relations. Increasingly this subject has been attracting editorial support. On January 17, the Minneapolis Star contributed a notable editorial on this subject, We Arm To Parley.

I ask unanimous consent that the text of this editorial be printed in the RECORD at this point in my remarks.

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

[From the Minneapolis Star of January 17, 1958]

WE ARM TO PARLEY

Several times in recent months we have heard the argument that the United States cannot afford to increase cultural exchanges or enter into negotiations with the Soviet Union for fear that the American people would become indifferent to the Communist danger. This argument, we contend, is sheer nonsense.

It may be difficult to believe that this theory is seriously considered in Washington, but we heard it first from the lips of a State Department official. Now the Washington correspondent of the Manchester Guardian, Max Freedman, reports that some officials in Washington fear that "all this talk of diplomatic negotiations can easily undermine the campaign for higher defense expenditures."

Perhaps it is such a fear that motivates Secretary of State Dulles. For he has been strangely reluctant to go forward with efforts to negotiate with the Soviets, increase cultural exchanges with them, or improve United States-Soviet relations on other fronts.

Yet it shows little confidence in democracy to fear that the Russians might contaminate us with their friendship. This approach implies that a free people would succumb to the blandishments of the Communists. It reflects little faith that the Communists might be affected favorably by their experiences under democracy.

Perhaps even more serious is the inference, in any approach, that Government officials should decide whether the public should come in contact with people of different political beliefs. This approach follows the "big brother knows best" principle.

We have long contended that the Russians ought to be permitted to come freely to this country to learn more about our people and our form of government. We have argued that if the Russians really got to know us, they would learn that their fears about any aggressive designs by the United States on the Soviet Union are only the product of Soviet propaganda.

Nor do we think that the American people would fail to support a missiles program if our Government pushed harder for talks with the Russians. As President Eisenhower said in his state of the Union address, we seek peace and security. We would move toward both goals by approving higher defense spending and seeking further negotiations with the Soviet Union. As Winston Churchill once said, "we arm to parley."

THE BRUSSELS FAIR

Mr. HUMPHREY. Mr. President, on the Senate floor on January 9 I spoke about the challenge confronting us immediately in connection with the needed appropriations for the Brussels Fair. I wish to reiterate the importance of immediate action today. I earnestly hope, Mr. President, that the Appropriations Committees will find it possible to hold hearings without delay, if hearings are necessary.

The public attention to this issue is increasing. There is no question that additional funds will be required. My bill, S. 2923, asked for an additional appropriation of $2,054,000, a figure which the State Department is prepared to defend.

In this connection, Mr. President, the current issue of the Saturday Evening Post discusses the outlook for the Brussels Fair in an article entitled "We'll Go on Trial at the Fair." The article is written by Ernest O. Hauser, and I ask unanimous consent that this article be printed at this point in my remarks.

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

WE'LL GO ON TRIAL AT THE FAIR—A PREVIEW OF UNCLE SAM'S PITCH AT THIS YEAR'S WORLD'S FAIR IN BRUSSELS, WHERE THE SOVIET SHOW WILL STAND FACE TO FACE AGAINST OURS—EUROPEANS WILL JUDGE US BY WHAT THEY SEE

(By Ernest O. Hauser)

BRUSSELS.—Are world's fairs obsolescent? The universe has shrunk since the first universal exposition, in 1851, drew approximately 6 million spectators to London's glittering Crystal Palace. Men and ideas traveled slowly in those days, and seeing was believing. In our age of cheap and rapid travel, of radio, film, and television, what is the point of mounting yet another global kermess where Man can gaze at the accomplishments of Man?

The people now preparing the Brussels Universal and International Exposition of 1958 have no illusions on this score. Their fair, they know, may well be the last of its kind. So much more reason, they will tell you, to make it an unparalleled success—a giant firecracker whose brilliant flash won't be forgotten for a long, long time. Thirty-five million visitors, they hope, will take a look at the 50-nation extravaganza, opening on April 17 and closing 6 months later. Belgium, the anxious host, is spending some $300 million on the project, plus some $400 million on sprucing up the Belgian capital for the occasion.

For the United States, now finishing one of the most spectacular pavilions on the exposition grounds, Brussels will mark a precedent. Never before have we participated on a comparable scale in a world's fair—and there are those who say that this historic fact alone will make the Brussels Exposition. Still, even as the star performers of this show, we'll be on our mettle like the rest of them. Our national pavilion, as it happens, is just across the way from the pavilion of the Soviet Union. Already, as he picks his way across the muddy grounds, the visitor is irresistibly attracted by the two looming rival structures which will, undoubtedly, become the fair's prime objects of curiosity.

This is no trade fair, and no hawking is permitted; to have your order books around would be obscene. True expositions, as distinguished from commercial fairs, are ruled by solemn international agreement. A charter signed in 1928 by the governments of 35 nations—including Russia, but not the United States—lays down the ground rules. According to these rules, a "universal exposition" should be a stock-taking of our civilization. This ever-changing world, arrested in one quivering moment, should hold still for inspection, as it were, before proceeding on its headlong course.

Hence, Belgium's aim to make the Brussels fair "a balance sheet in the creation of a more human world." There is much gossip here of transcendental matters; and nice, round words, like "humanism," "progress" and "the pursuit of happiness," fill the moist Belgian air. Unfortunately, Belgium has picked the atom for a mascot. While Man himself serves as a general theme, the Atom—symbol of our age—will cast its eerie shadow on the fair. A weird Rube Goldberg fantasy called the "Atomium" will be to Brussels, 1958, what the Eiffel Tower was to the Paris Exposition of 1889, and the Trylon and Perisphere to the New York World's Fair of 1939. Raising itself to a height of 360 feet, this monstrous Christmas tree will represent the structure of a simple metal crystal, with nine enormous spheres acting as atoms. Escalators will move up and down inside the hollow branches, and there will be a restaurant in the top atom.

Brussels seems a good place to stage this kind of competition. It certainly is not for nothing that this is the fifth international exposition to be held here in seven decades—the last took place in 1935. A crossroads in the flow of goods and people, the Belgian capital sits in the hub of a highly developed, thickly settled region. Within a 200-mile radius lie the coal mines and the cotton mills of northern France, the busy factories of Western Germany, the crowded shores of England. Some 135 million people live and work within this compass. Keen traders, the inviting Belgians have no intention of suppressing their own commercial instincts for the duration of the fair.

As for ourselves, we are going into Brussels, 1958, with the diffidence of a party whose case is not yet proved. Most of the 200,000 visitors expected to throng our building on a busy day are likely to be total strangers whose mental image of America and our way of life, at best, is sketchy. They have known us first as liberators, then as the generous dispensers of dollar aid and finally as wide-eyed tourists. They have also seen our movies, they have read about McCarthy, about Little Rock, they have heard about American materialism, and they are wondering where fancy ends and truth begins.

Here, then, for the first time since World War II, is our chance to put ourselves across—to tear down a whole web of misconceptions and show what we believe to be our real face. This, evidently, is no simple one-way propaganda job; the opposition plies its trade across the street, and most of our customers will be comparison shoppers.

"We have divorced our thinking from a frontal conflict with the Russians," one of our planners said. "All we want, frankly, is the best pavilion and the most beautifully designed exhibit."

But to begin at the beginning. When our State Department, in the fall of 1954, received the Belgian invitation, it did not look at Brussels—more than 3 years off—as a matter of immediate concern. Handing the project, as a sideline, to one of its officials, it let things ride. It was not until July 31, 1956, that Congress was in a position to vote empowering legislation. And in October of that year Howard S. Cullman was sworn in as our Commissioner General.

He seemed the right man for the job. A rich tobacco merchant who, for many years, had headed the efficient and politically clean Port of New York Authority, Cullman was probably best known as a successful Broadway angel. Among the 150 plays and musicals he had sponsored were hits like Life With Father, South Pacific, The King and I, and Teahouse of the August Moon. His flair for showmanship was bound to prove an asset, and his financial independence allowed him to turn down the $25,000-a-year remuneration provided for the job.

But there were only 18 months to go when he stepped in. Most other nations had their feet well on the ground by then, and some, like Germany, had done a year's constructive planning. To make things worse, Congress was in an economy mood. While holding out hope for eventual approval of the $15 million Cullman and his small, handpicked team considered necessary, the legislators were unwilling to put more than $12,345,000 into the enterprise. That, even now, is all there is, and Cullman's inability to lay his hands on more has caused some painful cuts, particularly in the entertainment program.

Still, what the United States has on the ground by now needs no apologies. Like other major nations, we were assigned a 6½-acre site. It is roughly triangular, rising toward the rear to form a natural amphitheater. Leaving the narrow forward portion of the triangle free—part of it will be taken up by a reflecting pool—we are constructing in the rear a massive, circular pavilion.

Though no less modern than most of the other national pavilions, the structure is far from extreme; its restful and harmonious lines give it an almost classic air. The worst that can be said of it is that, with its flat, overhanging lid, and its Great Seal of the United States over the door, it looks like an American officer's cap. Its architect, Edward D. Stone—identified with such Manhattan landmarks as Radio City Music Hall and the Museum of Modern Art—likes to make people shudder by picturing the kind of thing he could have built if he had wanted to appear audacious. "Terrific, isn't it?" he will exclaim, with fitting modesty, as he clambers all over the enormous steel-and-plastic pile.

No open-span round structure of this size has ever been attempted; the floor, 340 feet across, would hold a couple of football fields. But the pavilion's most conspicuous feature is the bicycle-wheel roof; made of 2,100 translucent plastic panels airlifted in 8 planeloads from New Hampshire, it is suspended from the rim by thin steel cables—a system borrowed from Rome's oval Colosseum, whose canvas top used to be strung in just this manner. An opening in the roof lets in sunshine and rain. And the illusion of the great outdoors is further heightened by a pool in the center of the floor, and 11 fine old willow trees which our builders have been careful to preserve. The outer skin of the pavilion is a transparent mesh; lighted from the inside, the heavy drum will be transformed into an airy apparition.

There is little doubt that the $5 million edifice itself will be our No. 1 exhibit at the fair. Already, it is something of a legend. A British Sunday paper has forewarned its readers that "the American pavilion * * * will have the biggest dome in the world, housing a whole forest and a huge-floating platform" and costing about $42 million.

However, this is but a shell to hold our national presentation, and while admitting that it is stunning, one might well ask, "But is it functional?" As almost all the impedimenta of our civilization are rectangular, a round pavilion may not be ideally suited for the display of this civilization, as anybody who has ever tried to fit rectangular furniture into round spaces will appreciate. But then, this is a Government project. Our designing team was hired when it was too late to change the structure; and, being stubborn individualists, they went ahead and squared the circle, constructing a rectangular world within the drum, and leaving foreign visitors with an impressive insight into our wonderfully democratic way of doing things.

The actual producers of the show—Peter G. Harnden Associates, a private firm of designers—were given a good deal to chew on. Cullman's team had solicited opinions on what our exhibits should be like from 30 prominent Americans. A conference held under the auspices of the Massachusetts Institute of Technology had further crystallized the issue. What almost everyone insisted on was modesty. "No bragging" was the keynote. We should present ourselves as a dynamic, restless people, saddled with problems just like everybody else, groping for the right answers and committed to a constant search for an improved way of life. The theme of our show would be the "continuous American revolution."

To translate this philosophy into 120,000 square feet of three-dimensional exhibits was no small order. The end result, as visitors will see it at the fair, is, in the main, the work of two creative minds—Industrial-Design Consultant James S. Plaut, our deputy commissioner general; and Architect Bernard Rudofsky, associated with the Harnden workshop as top designer for the project. While it is impossible to say at this stage whether their presentation will go down as a success or a resounding failure, it is certain to create enough attention to make the exercise worth while.

The general mood of the exhibit will be one of tranquillity—a welcome calm designed to give the visitor relief from the aggressiveness of the fair as a whole; to grant him, after loud and garish miles, a respite. There will be a minimum of graphs, statistics, obtrusive photomurals, and heroic slogans. Nor will we show off our wealth—no bronze, chrome, plate glass, or rich marble. If we seduce, we shall seduce by understatement.

"The visitor," the working script predicts, "will recall the United States Pavilion as an experience rather than an exhibition."

Although 100 college students from back home will serve as guides during the fair, there is no prescribed itinerary. You are on your own, and you may start and finish where you like. Here then—with the proviso that some items are still tentative—is your sneak preview of our main exhibits.

Surveying the ground floor, you'll find it a strange wedlock between tradition and avant-garde. Side by side with such down-to-earth displays as twin exhibits on atomic energy and automation—the only hints of our industrial might—you will encounter abstract works of art and some engaging bits of whimsey. A surrealistic spread of objects, displayed under a giant ceiling map of the United States, delineates the Face of America. Among the wrinkles there will be a bale of tumbleweed from the Southwest, a California gold nugget, Hollywoodiana, cowboy accouterments, a row of rural mailboxes, American Indian artifacts, the model of a side-wheeler, a copy of the Declaration of Independence, an Idaho potato mounted like a jewel, strange butterflies, and a live rattlesnake. "They'll taste the continent in a few samples," Rudofsky says. "We will present the unexpected, the things the movies don't show. Some of these objects will be seen for the first time in Europe."

Wherever possible, we shall imply rather than shout our message. A working model of the New York Stock Exchange, complete with ticker tape and a big board, will get across the public ownership of our corporations. An electronic-scale model of Philadelphia, with buildings that turn turtle and drop out of sight to be replaced by a new city, will document American urbanism. Voting machines—placed in our pavilion on President Eisenhower's personal request—will illustrate the everyday mechanics of our democracy. And a pictorial show of the opening up of the American West will remind Europeans that we, too, have a past.

But it is on the balcony that the originality of the designers comes into its own. The stylized prototypes of some American houses—a Texas ranch, a Southern cabin, a New England cottage—lead up to islands showing, each in its own way, a facet of our domestic life. None of these units—an American kitchen, a sun deck, a living room, a children's playpen, and so forth—will try to be the real thing, but will attempt to capture the elusive essence of an environment created by and for Americans. Appealing to the viewer's sense of beauty and imagination, these items may be brilliantly successful or fall completely flat. At any rate, no one can say that they are exhibition cliches.

The one display most apt to make Americans feel suddenly at home and give the stranger an authentic feel of our daily life is a characteristic street—a streetscape—complete with signposts, manholes, traffic lines, street lamps, a billboard, show windows and a functioning corner drugstore—where Europeans may have their first soda at the fountain.

So far, so good. The bombshell will be hidden in the leafy grounds where a small building will enshrine bits of unfinished business. Here, in a haunting black and white, we shall present such unsolved problems as slum clearance, the dust bowl, civil rights and race relations, along with progress made toward their ultimate solution. This, obviously, is the sector of the show most likely to blow up in our planners' faces, as visiting Americans themselves may not see eye to eye on all the answers. But, the designers ask, Is there a better way of making friends than taking all the skeletons out of

their closets and airing them for international inspection? And, quite conceivably, they'll win their point.

America will thus sink in. Whatever one may think of individual items, the freshness of the whole approach, the intellectual titillation provided by the show in its entirety, will keep the thing on a remarkably high level. And the sophisticated European audience is likely to appreciate the total absence of the direct sell. What else? Short films, playing on scattered screens, and the first movie-in-the-round shown outside the United States will add a visual touch of American life and scenery. Several teams of pretty girls will model American fashions. A restaurant will try to serve American corned-beef hash and apple pie. And, in a spacious theater, adorned in simple white and gold, a program of American plays, musicals, ballets, and concerts—somewhat reduced for lack of funds—will uphold our cultural renown.

Although the total impact of our Brussels effort can't be assessed until the gates are open, the contrast between our formula of calculated modesty and the big Soviet noise across the way is certain to have its effect. There will be nothing very subtle about the Russian pavilion. Ignoring a Belgian request to all foreign exhibitors to use no more than 70 percent of their allotted acreage for construction, the Russians are covering nine-tenths of theirs with a colossal glass-and-steel box—a kind of super-Parthenon designed to awe rather than please. Inside, you'll find, surrounded by the implements of progress—industrial, agricultural, and plain cultural—a large statue of Lenin. As Russia's commissioner general for the fair happens to be Assistant Minister for Machine Tool Production, the Russians will be bulging with machine tools where we shall bulge with understatement.

Still, as this phase of the cold war will be fought in plain view of 35 million spectators, there is little point in our discounting the Russians in advance. They are, by all accounts, spending more money on their show than the United States, although the $50 million mentioned in the press is probably exaggerated. And while such live exhibits as a coal mine and an oil well hardly sound exciting, the Russians may have some surprises up their sleeves—astral and otherwise. Their restaurant, where national dishes will be served, is likely to prove one of the sensations of the fair. And their essays in culture, which will include a presentation of the Bolshoi ballet, will make our own shortage of funds for the performing arts doubly regrettable.

As Belgium could invite only the nations with which she is on speaking terms, some Governments, including those of mainland China and Eastern Germany, have not been asked. Others, though invited, have since bowed out for lack of interest or cash—notably India, Pakistan, South Africa, Australia, Poland, Sweden, Denmark, and Greece. But what remains will be sufficiently universal to justify the label of the fair. The presence of Monaco, Liechtenstein, and San Marino—the last just freed from 12 years of Communist rule—will prove that size is not a requisite of sovereignty. And the pavilions of seven international organizations, from the United Nations to the European Coal and Steel Community, will add their one-world touch.

Still, a brief stroll around the foreign section, reverberating with the din of last-minute construction work, and smelling of enthusiasm and fresh paint, reveals a frightening variety of states of mind. West Germany parades her eight rectangular pavilions in a clear, orderly, headstrong formation. The Netherlands, whose theme is Water—Friend and Enemy, is turning part of her establishment into the sea. Morocco's closed-mouth and forbidding fortress makes you think of the wind in the high Atlas. Italy gently draws you into an Italian village, with a fine little piazza and palazzo. The Czechs are sheathing their three windowless pavilions with 7 million diamond-shaped pieces of gilt glass. Great Britain, always a nation of shopkeepers, uses a modest government pavilion as come-on for a huge, hangarlike showcase of British goods, erected by the Federation of British Industries. The Japanese, torn between old and new, crown their exquisite paper house with a futuristic metal lid. And the Brazilians can be found under a tricky fiber canopy that looks like a tarpaulin.

Our neighbor on the right, the sovereign state of Vatican City, is welcoming all sinners to a gleaming-white city of God from which a startlingly modern church raises a 180-foot belfry. The world Protestant churches have their own pavilion in another sector of the fair grounds. The French, as if they did not have enough problems at home, have had hard luck at Brussels. Having first run into burst sewers underneath their site, which made it difficult to sink foundations, they found that the design their architects came up with was so advanced that the building could not be constructed. Only when the original idea of pivoting the entire roof upon a single strut was compromised by the addition of two new supports would the pavilion stand up—a heavy blow to every Frenchman's love of abstract logic.

All of these handsome structures, the agreement says, must be razed when the fair is over, at the exhibitors' expense. Some European countries, with this sad end in mind, use prefabricated materials for their buildings, and have foreseen their reerection at home—the Soviet pavilion, for example, will serve as an exhibition hall in Moscow. We, living all the way across the water, are less fortunate. Not only will our beautiful pavilion transform itself into a lumbering white elephant the day the show is over, but, having to depend largely on local labor and materials, we have to pay a Belgian tax on some of the transactions involved—an ugly $430,000 surprise to our planners. Although the matter has led to some pointed questions in the United States Senate, where the tax was referred to as a holdup, there is little hope for Belgian leniency.

What everyone would like to know, at this point, is whether Belgium will relax its rule against serving liquor, other than beer, in public places. Without a sampling of French and Italian wines, a dash of vodka, Scotch or rye, many a visitor, it is feared, may drop dead from exhaustion prematurely.

But what about the Belgians as exhibitors? Reserving for themselves the spacious grounds of the annual Brussels trade fair—the foreign zone is, normally, a royal park—they will spread themselves over nearly one half of the 500-acre exposition grounds. There, at their ease, they will display their own civilization, with emphasis on its material and commercial aspects. However, the world's hosts do not intend to play dog-in-the-manger. In giving their own manufacturers a chance to show their wares, they are willing to grant foreign firms asylum on their sovereign grounds, and half a dozen large American concerns, unable to exhibit in the United States pavilion, will have pavilions of their own across the line. The lofty purpose of the exposition, of course, prevents the sale of goods displayed.

More of a blown-up country fair than a sophisticated exercise in self-portrayal, the Belgian show will have something for everyone. The sector given over to the country's famous diamond industry, for example, is almost certain to rank with the main attractions of the fair. There will be the inevitable midway, to be sure, and a gay and capricious folklore land, taking you back to the year 1900. A surprisingly large portion of the Belgian site is set aside for the displays of Belgium's African domain, especially the Belgian Congo. But it appears there will be no attempt—as in France's Algerian exhibit—to refute charges of colonialism.

By now, this country of 9 million inhabitants is heavily committed to the exposition. Although the transformation of traffic-locked and cluttered Brussels into a modern capital had long been on the books, the fair has turned the long-term project into a $400 million crash program. There seems to be no street here, at this writing, that is not being widened or at least torn up. New overpasses, underpasses, throughways are gradually emerging from the chaos. The city's shopkeepers anticipate fat profits, while the more sensitive look forward to the fair as one looks forward to an earthquake, and talk of going on a nice, long trip. The one question to which the Belgians, so far, have given little thought is where to billet the invading army. Hotel space in the city of 1,300,000 is woefully inadequate, and visitors may have to fan out over the surrounding country, bivouac on ships in nearby ports or use the Brussels-Paris helicopter service for commuting.

Will it be worth the trouble? It is one thing to talk about a rattlesnake, and quite another thing to hear it rattle. To judge a fair, you want the noise, the smells, the fireworks and, above all, the crowds. This much is sure: the Brussels Exposition, a peaceful contest among 50 nations, will give the jaded traveler a new sense of affinity with a bewildered, striving, basically inoffensive species: man. As such, the first world's fair since World War II will warrant the enormous effort made to give it diversity and punch. And, if it does turn out to be the last, it will at least be worthy of its famous predecessors.

ASIAN POLICY

Mr. HUMPHREY. Mr. President, during the Congressional recess a good many informed, intelligent Americans visited other countries of the world and sent home reports which could be helpful to Members of Congress. I think too often we in the Senate and House of Representatives tend to rely on official information too exclusively. When, as has happened so often in recent months and years, the net impact of official information differs seriously in emphasis from the impact of unofficial information, perhaps it is all the more important to pay attention to the latter.

The distinguished editorial page editor of the Washington Post, Mr. Robert H. Estabrook, has recently been in Asia. Many of us have followed his excellent and thought-provoking reports as they appear in his newspaper. One of these, a general summary of the current situation in Asia and of our policies in Asia, appeared in the Washington Post on Sunday, December 29, 1957.

In this article Mr. Estabrook stressed the following major propositions which, I feel, are not fully understood here in the United States:

First. The Soviet sputniks and missiles prowess have dealt a devastating blow to American prestige in Asia.

Second. Our Secretary of State is universally unpopular and his policies are everywhere under attack in Asia.

Third. To Asians who are caught in the midst of a social revolution, our official support for reactionary and anti-

Asian regimes is regarded as undemocratic.

Fourth. Military pacts in south and southwest Asia have been ineffective and, in the Pakistan-India theater, disruptive of previous balances of power.

Fifth. Economic aid and technical assistance are the most useful aspects of the American policy in Asia.

Sixth. Our domestic behavior in race relations is being carefully watched everywhere in Asia.

Seventh. Asians view our current foreign policy as too identified with the interests of former colonial powers; they regard our protestations and anticolonialism as being frequently hypocritical.

Eighth. American personnel in Asia do not always have the personal qualifications necessary for the sensitive jobs they hold.

Ninth. The United States has not used its own prestige or influence to promote conciliation and mediation of Asian disputes.

Mr. President, from time to time I, myself, have spoken on many of these points. For instance, on January 16, 1956, at the Marshall College Forum at Huntington, W. Va., I proposed an 8-point Asian program. I ask unanimous consent that the press release I issued at the time be printed at this point in my remarks.

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

SENATOR HUMPHREY CALLS FOR NEW EIGHT-POINT ASIAN POLICY

Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, Monday night called for a "new and imaginative" Asian policy, based on eight essential points:

1. The drawing of a military line against communism in Asia "which has the clear support of our European allies and at least the unspoken approval of the great majority of non-Communist Asians."

2. Reexamination of our assumption that all military allies should be accepted, regardless of the consequences.

3. Indentification of our interests with all free nations, rather than only with those who unquestioningly follow our lead.

4. Self-restraint in the statements of our responsible public officials.

5. Extension of our information services, stressing positive affirmation of our democratic faith and our working democratic system.

6. Strengthening of the morale of our Foreign Service, improving the strength and caliber of our representation in Asia.

7. A substantial, long-term economic aid program, preferably through the U. N., and on an intelligent partnership basis with the Asian peoples.

8. Recovery of our relationships with the key Asian nations of India and Japan, the "great hope for an effective counterbalance to China."

Warning that danger to American objectives and interests "is as great today in Asia as it was in Europe in 1947," Senator HUMPHREY told the Marshall College Forum at Huntington, W. Va., that he is disturbed by the "steadily growing power and prestige of Communist China, and by the gap which exists between the views commonly expressed in America and those held by other non-Communist peoples.

"The halting of communism and the development of wide areas of growing strength and stability in Asia is crucial to our position, not only in that part of the world, but also in the Middle East and Europe. It is crucial to the entire world power balance.

"Our diplomacy should have two objectives: First, to stabilize and extend the area of freedom, and second, to place on the Communists the responsibility for the cold war tensions that continue to exist.

"But recently, in an unimaginative and impatient way, we have increasingly adopted the attitude in our relations to the billion or more uncommitted peoples of the world, that 'if they are not for us they are against us.' At the very same time, the Communists have increasingly adopted the reverse attitude in their relations to the same billion or more uncommitted peoples. The Communists say, 'If they are not against us they are for us.'

"Lenin said long ago that 'for world communism the road to Paris lies through Peking and Calcutta.' Khrushchev and Bulganin are the most recent and most effective exponents of this approach. Today world communism is putting a new stress on the middle world which stretches across Asia from the Mediterranean to the Sea of Japan.

"Communist China's dynamic rate of development and her bitter antagonism to the United States make her at least as great a potential threat to peace and stability as the Soviet Union itself. She can appeal to other Asians on an anticolonial, antiwhite, antiwestern basis.

"Meanwhile the things Asians hear us say are largely of a military nature. Yet American atomic power, supported by a weak SEATO alliance whose only Asian members are Pakistan, Thailand, and the Philippines, will be woefully inadequate to cope with Chinese ambitions in Asia over the next generation. An American-dominated, American-managed military program in Asia, if that is all we produce, will inevitably amount to dead-end diplomacy."

After listing his eight points for a new Asian policy, Senator HUMPHREY concluded: "Japan and India between them have 455 million people, 20 percent of the world's population. From the point of view of manpower, this is the major Asian counterbalance to China's 580 million. With 75 percent of Asia's industrial output, millions of skilled and potentially skilled workers, and important natural resources, these two nations are the only effective Asian industrial counterbalance to China. In Gandhi, India has by far the most significant Asian spiritual and ideological counterbalance to communism.

"India and Communist China are now involved in an economic race which is terribly important in our future. China is conducting her economic development with forced labor and rigid controls. India is striving to conduct hers democratically, and yet compete with China for results in a similar period of time.

"Having sat through a bitter and futile partisan debate over who lost China, I for one have no interest in participating in another such debate 5 years hence over who lost India or who lost Japan. The great hope for an effective counterbalance to China in Asia is India and Japan, with American power in the background. Unless these two key nations remain independent and friendly to us, there is basically little future for the American position in Asia.

"Let us recognize this essential fact and act upon it."

Mr. HUMPHREY. Mr. President, these principles, and others mentioned in Mr. Estabrook's report, cannot be repeated too often. This Congress and succeeding Congresses are going to be faced with the need for the development of a broad and imaginative policy toward Asia. What Mr. Estabrook says is unalterably true:

The key to stability in Asia is economic, and in a nutshell is in the development of a middle class. This is the real meaning of American economic efforts, and these are far more important than armaments in determining the future of Asia.

When the countries of Asia are involved in the cold war, their economic development is retarded accordingly and the solution of international disputes which affect them is rendered impossible. The challenge to American policy is for this country to be mature enough to be content with neutrality on the part of Asian countries which have chosen free ways.

Mr. President, I ask unanimous consent that the text of Mr. Estabrook's article to which I referred be printed at this point in the RECORD.

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

OUR STOCK LOW IN ASIA; DULLES HEAVILY BLAMED

(By Robert H. Estabrook)

How does the United States look in Asia? In 32,000 miles of travel through 18 countries of Asia and the Near East, I asked this question in seeking to obtain a better understanding of Asian views and problems.

Talks with presidents, prime ministers, and private citizens in these countries as well as with Americans overseas have led to certain broad conclusions. Aware of the dangers of superficial generalization, and aware, too, that there is no such thing as one single Asian point of view, I nevertheless list these conclusions for what they are worth:

MISSILE REVERBERATIONS

1. Sputniks I and II and Soviet missile prowess have caused a devastating blow to American prestige in Asia. Soviet prestige has risen accordingly. The fellow who said that the United States was not in a race with Russia for the earth satellite could not have miscalculated more grossly in terms of the psychological effect.

By the same token, the American propaganda response—as contrasted with what actually is being done to strengthen defense—appears panicky to many Asians. As one said, it looks like precisely what the Russians wanted and it accentuates their claim of superiority. The initial failure of project Vanguard fell with perhaps a worse thud in Asia than in the United States.

The net result is to cause questioning among America's allies and a more determined neutrality, intermingled with fear, among the neutrals. There remains a large reservoir of friendship for and admiration of the United States, but confidence has been shaken. In countries where there is a tradition of playing the winner, there are doubts as to whether the United States is the right horse to back. The one exception is India, where the Soviet success has created a certain sympathy for the United States as the underdog.

THE DULLES IMAGE

2. The policies of John Foster Dulles are under attack everywhere. In private conversation, it was hard to find any official who would defend the Secretary of State except out of politeness. The image held of him is of a man who thinks primarily in military terms, who would like to involve every part of the world in the cold war, who has little understanding of the feelings of neutral countries and who wants to sign everyone up on the dotted line.

This image does not hold for President Eisenhower, who is looked upon as a man of peace but one who has lamentably failed to lead. But the feeling against Dulles is strong. Regardless of whether the indictment is fair—and surely some Asians would blame him even for breathing—Dulles' unpopularity is an indisputable fact.

Particularly in question is the matter of absolute judgments. In many countries of Asia, especially those with colonial backgrounds, there is not the same good-versus-evil attitude toward communism as frequently prevails in the United States. People in these countries tend to admire the technological accomplishments of the Soviet and Chinese revolutions although they are repelled by the human cost.

In most Asian countries, there is sharp criticism of the rigidity of American policy toward Communist China. Many Asians with no particular sympathy toward Peking reject continued American recognition of Nationalist China as sovereign on the mainland as based on fiction. They know—and many of the leaders of Taiwan (Formosa) also know—that the Nationalists simply are not going to return to the mainland.

At the same time, because American policy has been stuck on the same note for so long, governments of countries where there are large Chinese populations are anxious not to have an abrupt change for fear that any additional prestige for Peking would create internal security problems for them. In most of these countries, however, there is recognition that the only way really to win the loyalty of the overseas Chinese is through a determined effort at assimilation with equal rights.

What would command a good bit of tacit support in Asia is a gradual modification of American policy in two respects: (1) The relaxation of restrictions on trade with Communist China so as to make them conform to the strategic restrictions on trade with the Soviet bloc; and (2) the seating of Communist China in the United Nations with the concurrent provision of a seat in the General Assembly for an independent Taiwan. Such a policy, which is sometimes termed a two-China policy but is better described as an independent Taiwan policy, would enlist considerable sympathy even though the governments of Indonesia, Burma and India are committed to the thesis that Taiwan belongs to the mainland.

THE REVOLUTIONARY TIDE

3. Many Asians feel that United States policy does not show sufficient understanding of the revolutionary feeling which has swept the continent. As one person put it, "You Americans are committed to the support of legally established governments. But the Russians and Chinese support popular aspirations."

Revolution is sometimes regarded as a horrid word in the United States even though this country is itself the product of revolution. What Asians mean by it is an effort to shuck off reminders of foreign rule and to chart a new course based on self-respect. The zeal varies in proportion to the amount of repression during colonial eras. It is the least where, as in most countries once under British dominion, there has been a conscientious effort to provide education and to develop a competent civil service.

Often the Communists appear to support the extremes of revolutionary and nationalistic feeling blindly to the disadvantage of fair or logical solutions—as in the Indonesian dispute with the Netherlands over West Irian (New Guinea) and the Indian dispute with Pakistan over Kashmir. Asians sometimes contrast this support, without too much regard for the alternatives with American support of Syngman Rhee in Korea, Chiang Kai-shek in Taiwan and the military dictatorship in Thailand—regimes which are looked upon as reactionary and antirevolutionary.

Perhaps understandably, the economic objectives are often described as socialism. Asian countries have had little experience with private enterprise of other than the explosive variety, and in many countries the government is the only major source of capital. What most Asians mean by socialism is some sort of welfare state. There often is a doctrinaire faith in slogans and in the views of the late Harold Laski of the London School of Economics. But this is more theory than practice. Most countries would be happy to settle for only a small portion of the economic benefits of American life and call them socialism.

MILITARY AID

4. Military pacts are poorly suited to the needs of south and southwest Asia, where conditions differ greatly from those in NATO. It may be that the creation of the Southeast Asia Treaty Organization (SEATO) helped stem the Communist military advance, although this is debatable. It may also be that the Baghdad Pact strengthened the determination of the Moslem countries to resist Soviet pressure, although it rent the Arab world and may have presented the opportunity for Soviet leapfrogging. But what is altogether clear is that in most countries an exaggerated emphasis on military buildings merely diverts resources and attention from the economic requirements for real stability.

A particular case in point is American military aid to Pakistan. This caused an enormous amount of harm to American relations with India, probably far beyond any defense gain achieved in Pakistan. Certainly Pakistan, with a struggling economy, has not been made into a strong ally.

In India, the fear reaction has been out of all proportion to the cause; American military aid to Pakistan has been seized upon as a rationalization for Indian refusal to accept the U. N. resolutions on Kashmir and as a scapegoat for many of India's other troubles. The net result is that in both countries resources have been diverted to arms when the same resources could be devoted far more productively to satisfying some of the economic needs.

Patently, it is unrealistic to look upon most of the countries of Asia as potential allies in a military sense. Some of the governments with which the United States has alliances have little popular base, and to this extent the alliances are built on sand. In some countries, the military aid programs assumed by the United States appear interminable; there is no possible way in which impoverished governments can take over the burden.

Throughout most of free Asia, with a few conspicuous exceptions, the mere achievement of independence and a determination to remain independent is all that reasonably can be expected. It is foolish to think that countries on the borders of Communist China with mammoth internal problems will want to irritate their powerful neighbor by joining military pacts or shouting their anticommunism.

Most of these countries, nevertheless, have made a choice in an intellectual sense. They prefer the free way, and they will cling to it so long as they can make progress in satisfying their needs. The challenge to the United States in these countries is to help them untie their economic knots and increase their productivity without seeming to take over the countries themselves. This is a task for subtlety, not for an anti-Communist loyalty test.

In most of the countries, communism is a practical internal problem rather than an external ideological issue. A shift in Communist tactics is apparent in Southeast Asia. In Malaya, in Laos, and in Burma, particularly, Communist insurgents are coming out of the woods to lay down their arms and become nice, respectable fellows who seek recognition in political parties. Then they concentrate assiduously on subversion—in the schools, unions, and the like.

These tactics cannot be met by military means. They have to be met by the strengthening of internal security and intellectual defenses—by economic and political measures.

ECONOMIC AID

5. American economic help is the most important tool this country has, but it needs to be wielded skillfully so as not to develop satellite mentalities. Some countries such as India welcome a shift from grants to long-term loans, especially loans repayable in local currency. This is to be encouraged as a stimulus to responsibility. But there must be recognition also that in some other countries, notably those of what was once Indochina, there simply are not the resources at the present time to place aid wholly on a loan basis. A continuation of some grant aid will be necessary.

Of course, there is waste in American economic aid. Sometimes it is poured in too fast, and sometimes it is diverted by the various forms of squeeze which are endemic in Asia. Sometimes it makes too little headway against the increase in population—though in much of Asia, including India, the rate of increase is below that in the United States.

One of the most important ways in which the United States can help strengthen public administration in Asia is to persuade governments to raise the pathetically low salaries of civil servants. In many cases, this probably would save far more than the cost by reducing the temptation of corruption.

Technical assistance is the most valuable single aspect of American aid and produces the most long-term good. But it cannot be the whole program. Inevitably, American aid is in competition with Communist aid in some countries. This is not necessarily bad, but the peoples of the countries concerned need to see what the United States is doing. Mere talk by the Communists of building a hospital, for example, may tend to offset in public opinion more important but less visible American help. For this reason, some impact assistance is necessary.

The exchange program by which Asian leaders are brought to the United States for visits pays big dividends. Sometimes, however, these leaders are overwhelmed by the factories and assembly lines they see—overwhelmed with despair, because they know that they cannot hope for such developments in their own countries. The inclusion of visits to areas like Puerto Rico, where "Operation Bootstrap" has had such success in improving living standards in an underdeveloped economy, would be much more helpful for their immediate problems.

THE COLOR QUESTION

6. Questions of color and human dignity are at the root of many Asian reactions. The white man has large sins to atone for in Asia, and he will be expiating them for a long time. Even though there is hypocrisy in the way in which some Asians view their own discrimination problems and even though some still reflect the servant-and-master conditioning of colonial times, color sensitivity is everywhere.

The publicly expressed reaction to Little Rock was mild in some countries, and the incidents even brought calls in Japan and India for elimination of prejudices there. But it would be a bad mistake to think that such things do not matter. They matter greatly, and the United States got off easily.

The peoples of Asia belong to the colored races which make up well over half of mankind. These peoples do not understand the kind of insensitivity which seems to deny fundamental human equality. Some of them do realize that the United States is making progress toward its own expressed ideals, but this recognition is easily marred or set back by a series of headlines.

ANTICOLONIALISM

7. Many peoples of Asia feel that the United States is being untrue to its own traditions in failing to support them completely on what they regard as anticolonial

issues. This is not altogether or even largely a matter of logic; there is much emotion and fancy in it, and not a little color sensitivity in the feeling that the United States tends to side with the white nations. There was amazement when the United States opposed the course of white nations in the Suez invasion.

Sometimes this anticolonialism is carried to extremes of bitterness and does demonstrable damage to immediate interests, as in frightening away investment. Nevertheless, it is one of the fundamental factors in the revolutionary mood of Asia. Asians view colonialism as meaning the exploitation of darker peoples by white nations; they have no experience with Communist colonialism.

Such things as Dulles' unfortunate remarks to the effect that Goa is part of Portugal do the United States harm. Although there is no justification for the mistreatment of innocent Dutch residents of Indonesia, much of the Indonesian resentment of the Netherlands in the quarrel over West Irian is understandable in terms of the abuses and shortcomings of past Dutch administration of the East Indies.

Anticolonialism can be just as blind, of course, as the more extreme kinds of colonialism. The colonial records of European countries in Asia vary greatly, and old-fashioned colonialism is all but gone. Many of the abuses have been exaggerated and exploited by demagogs. Yet the bad and lasting effect of most colonialism, apart from any material achievements, is to dull self-respect. It is this which Asian countries are struggling to regain. Although they cannot reasonably expect that the United States will ignore other interests to support them in every dispute, they do look to this country to break frankly with colonial practices it does not like.

AMERICAN MISFITS

8. There are too many Americans in official positions abroad, and too many of them are unsuited for dealing with Asians. This assertion needs to be qualified. There are some exceptionally able American ambassadors in Asia, some commendably effective representatives of the United States Information Agency (and most of them are good) and some highly sensible and knowledgeable administrators in the economic aid program. But the bad apples taint the barrel.

Although some Americans in Asia live and work under conditions of genuine hardship, others never had it so good and act accordingly; they live on a scale far beyond what they could afford in the United States. Far worse is the arrogance of some. Something seems to happen to certain Americans when they get on the plane or boat; they develop an intolerance and an overbearing contempt for the "locals" and for people whose values differ from theirs.

In one country, an economic official addressed a letter to a cabinet minister which said in effect: "You will carry out such and such a policy or else." No sovereign government can put up with this sort of peremptoriness.

In addition to the abuses of bureaucracy and empire-building, there is the danger of loss of objectivity. Some Americans tend to identify themselves with particular governments or cliques and to become advocates instead of American representatives.

In Thailand, the September coup d'etat was predicted in advance but the report was quashed in the United States Embassy because a top official refused to believe it. The former Ambassador to Pakistan, who surprisingly was kept on in Karachi after his daughter married the son of President Mirza, went native even to the extent of having his family adopt Pakistani dress. Asians do not really respect such obsequiousness.

USE OF INFLUENCE

9. Although "strings" on American help are repugnant to Asian governments, this country could use its influence to press solutions to internal disputes in Asia. It is absurd, for example, to have President Rhee, of Korea, adamantly resisting any sort of accord with Japan over fishing rights when the United States is giving more aid to Korea than to any other country and at the same time is trying to promote an economically stable Japan. Korean bitterness at past Japanese repression is real, but the attitude summed up by the Foreign Minister is self-defeating: "The Japanese are getting arrogant again. They won't agree to our terms."

Obviously, the United States cannot be in the position of giving orders, but it can disabuse recalcitrant governments of the notion that it condones their intransigence. Friendly relations between the United States and Asian countries call for mutual support. It is dangerous to allow any government to get the idea that the United States needs it more than it needs the United States.

ONE COMMON CAUSE

In summary, free Asia is an exciting place, a continent of extremes of wealth and poverty and nationalism, of high aspirations and sometimes disappointing performance, of widely differing paces of development. The one common denominator is a fervent desire for economic betterment.

Each of the countries has individual problems. Indonesia is depressing because it is wasting its energies in a foreign quarrel and inviting a Communist takeover instead of concentrating on correcting its centrifugal tendencies through more autonomy and better government. Ceylon is worrisome because its economy is stagnating and there is little intellectual awareness of the danger of communism. India is perhaps the most impressive, not because its internal problems are not vast, but because it is doing a great deal to meet them.

There are more than three-fourths of a billion people in free Asia, exclusive of the Middle East. In the last analysis, people do count—in moral, spiritual, and physical terms. Either the countries of Asia will succeed in meeting their problems as free governments, in which case they will be on our side irrespective of alliances, or they will be seduced by the seemingly quicker authoritarian ways of communism with the forfeiture of the liberties they never have fully enjoyed.

The key to stability in Asia is economic, and in a nutshell, is in the development of a middle class. This is the real meaning of American economic efforts, and these are far more important than armaments in determining the future of Asia.

When the countries of Asia are involved in the cold war, their economic development is retarded accordingly and the solution of international disputes which affect them is rendered impossible. The challenge to American policy is for this country to be mature enough to be content with neutrality on the part of Asian countries which have chosen free ways.

The essential point, though perhaps obvious, has nowhere been better expressed than by Stephen Spender in his essay on why he left communism in The God That Failed. The only solution, he wrote is "for the peoples and nations who love liberty to lead a movement throughout the world to improve the conditions of the millions of people who care more for bread than for freedom; thus raising them to a level of existence where they can care for freedom. The interests of the very few people in the world who care for the values of freedom must be identified with those of the many who need bread, or freedom will be lost."

CONSERVATION OF NATURAL RESOURCES

Mr. HUMPHREY. Mr. President, conservation of our natural resources is essential to the Nation's long-range security. We must not lose sight of sound conservation objectives under the pressures of emergency defense actions.

A very constructive article on this question written by John B. Oakes appeared in the New York Times of Sunday, January 5.

Mr. President, I ask unanimous consent that the article be printed in the RECORD at this point.

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

CONSERVATION: THE RECORD OF 1957—PUBLIC SHOWS GROWING INTEREST IN BASIC POLICY ISSUES

(By John B. Oakes)

If the year 1957 was marked by no major disasters in the conservation of renewable natural resources in the United States, it produced no sensational victories either. The best that can be said about the conservation year just ended is that along with the explosive growth of the pressures against the forests, waters, soil, wildlife, and the scenic values of our country, a public awareness of the issues involved seemed to be growing, too.

But if it is to be of any practical service, awareness has to be translated into action. The only way that conservationists—and the millions who do not even know what conservation is but instinctively sympathize with its goals—can make their voices heard is through organization, counter-pressures and votes. To accomplish conservation goals, political and moral leadership are also essential. In recent years there has not been much conservation leadership of any kind coming from the White House. However, since Secretary Seaton's appointment, things have been looking up considerably. Meanwhile, the voice of conservationists as citizens has become steadily stronger, and their effect has been increasingly evident at the polls. In Congress conservation is now a force to be reckoned with, and the number of Members of Congress genuinely interested in conservation is increasing.

IMPORTANT MEASURE

The most important single piece of conservation legislation considered last year in Congress is the Wilderness Preservation bill (S. 1176), on which hearings have been held in both Houses. This measure would establish as legally defined public policy the permanent preservation of the most important wild and still unspoiled areas under Federal control left in the United States. The bill would give a more solid base of protection to the little that remains of primeval America, perhaps 2.5 percent of the country's land surface. The pending measure has run up against strong bureaucratic opposition from the interested Government agencies such as the Forest Service and the Park Service that see in it some potential curtailment of their freedom of movement. No less formidable opposition comes from private interests that fear some of their exploitative privileges or prospects might be interfered with under the terms of the bill.

In addition to the Wilderness bill, there was also discussed a less controversial measure for an Outdoor Recreation Resources Review (S. 846), providing for a survey of the Nation's future needs and the lands still available for public recreation in the broadest sense. The Senate has already passed this bill, which has administration support.

Other significant conservation measures considered during the 1957 Congress include the following:

A billboard-control bill for the new Federal Interstate Highway System: Even the most watered down of the various proposals to restrict the billboard menace on roads paid for 90 percent with Federal funds failed to be reported out of Senate committee. The pusillanimity of Congress in the face of the strong tactics of a few Congressional spokesmen for the billboard industry and related lobbies was matched only by the weak-kneed attitude of the administration in its failure to push for effective billboard-control legislation.

Bruces Eddy Dam on the north fork of the Clearwater River in Idaho: Congress killed a preliminary appropriation for this structure, which would wreck one of the great wildlife and scenic areas of the Nation, and would do so before current surveys to establish the precise extent of the potential damage have been completed.

The Engle bill to curb military land grabs: This badly needed measure has passed both Houses in different form, and should become law at this session. Meanwhile, the armed services continue to try to muscle in on tempting tracts of public land, frequently land already set aside for conservation purposes.

Florida Key Deer Refuge: After years of effort, Representative BENNETT of Florida succeeded in getting a bill passed to set up a 1,000-acre refuge in the Keys for this rare mammal.

Dinosaur National Park: Two measures are pending to give the existing national monument—saved in 1956 from dam-construction after one of the toughest fights in conservation history—more secure status by turning it into a national park.

Chesapeake and Ohio National Historical Park: The 185-mile stretch along the Potomac River between Great Falls and Cumberland, Md., including the historic C. & O. Canal, would become a park under pending legeislation endorsed last year by the Interior Department.

Pollution control: After a close fight, Congress provided the necessary funds to carry through its second year the present long-term program of Federal aid to States in constructing sewage-treatment plants. On other appropriations, Congress was reasonably generous to conservation activities, including the National Park Service's ten-year development plan known as Mission 66.

OTHER HIGHLIGHTS

Of the many non-legislative developments in the field of conservation during the year, probably the most significant has been the constant pressure of urban expansion in general, and highway construction in particular, on valuable historic, scenic and recreational areas. The threat to historic buildings and sites has been felt in many States, especially in the east. The overflow of expanding cities in surrounding green areas, without any attempt to set aside small parks and woodlands, becomes with the passing of every year a more critical problem, which can be solved only by far-sighted planning and some thought for the health and welfare of future generations.

Another matter of increasing concern is the tendency of governmental agencies—notably the Department of Agriculture—to try to solve the problem of insect pests by broadside aerial spraying without adequate knowledge of the damage done to human and animal life in the process. The spraying of some 3 million acres in the northeast last spring to control the gypsy moth has now been followed by plans announced last month to spray from 20 to 30 million acres in the south with a deadly chemical to eradicate the fire ant. The protests against this kind of wholesale control program arise not from fanatics but from serious and experienced scientists who warn not only of the dangers to life but also of the likelihood that elimination of one insect pest by such artificial means may well create conditions for the upsurge of others equally or even more harmful.

FORTIETH ANNIVERSARY OF CAPITAL TIMES, MADISON, WIS.

Mr. HUMPHREY. Mr. President, during this January the great liberal newspaper, the Madison (Wis.) Capital Times celebrates its 40th anniversary. I wish to take note at this time of the outstanding public service of this midwestern newspaper, which for two generations has been the rallying point for so much of the liberal leadership of the upper Midwest, and for years has been a spokesman for the forces for free inquiry, progress and humanitarianism.

The Capital Times' editor, William Evjue, is a man I am proud to call my friend. His leadership of this great American newspaper has been inspiring and dynamic. Under Bill Evjue the Times has broadened and strengthened its influence in American thought. It is a real pleasure and an honor to be able to add my voice to those legions of friends and admirers who join with Mr. Evjue and the staff of the Capital Times in celebration of this 40th anniversary of publication.

NATIONAL YMCA WEEK

Mr. IVES. Mr. President, I should like to invite attention to the fact that this is National YMCA Week. During this week, millions of Americans affiliated with more than 1,800 YMCA's across the country are celebrating a worthwhile job truly well done.

Since 1844, the YMCA has been a pioneer in the cause of brotherhood and development of our youth—the spirit and mind of youth as well as physical well-being. The "Y" has become a unique and vital part of virtually every American community. It provides a home for some, help for many, and an interest for all.

The YMCA has served our fighting men during every war since the Civil War. It has contributed mightily to health and physical fitness programs and has contributed much to American sports and athletics, creating such games as basketball and volleyball.

The "Y" has also sponsored organized camping, water safety instruction, youth and government programs, and boys' work. From its leadership has come assistance in founding other groups such as the Camp Fire Girls and the Boy Scouts of America.

The YMCA has also pioneered such advances as the shorter workweek, night school education, and short-term community finance campaigns.

I am certain that all of us will join in a sincere "well done" to this excellent and improved organization, and we might also add, "Please keep up the good work."

THE MONEY ECONOMY AND BUSINESS CONTRACTIONS

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an address delivered before the annual meeting of the American Economics Association at the Sheraton Hotel, Philadelphia, Pa., on December 30, 1957.

The address was on the subject, The Money Economy and Business Contractions, and was delivered by Dr. Asher Achinstein, who is senior specialist in price economics of the Legislative Reference Service of the Library of Congress.

Dr. Achinstein is one of the Nation's leading experts on business cycles, and is the author of the book Introduction to Business Cycles. He has also served as economic consultant to the Senate Committee on Banking and Currency, under the chairmanship of the Senator from Arkansas [Mr. FULBRIGHT], and was associated with the Council of Economic Advisers under Dr. Arthur F. Burns.

We shall shortly receive the President's economic report, and must consider specific legislative proposals growing out of that report, as well as pending legislation affecting the national economy. Therefore, I believe Dr. Achinstein's thought-provoking paper deserves to be brought to the attention of Members of Congress.

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

THE MONEY ECONOMY AND BUSINESS CONTRACTIONS

(By Asher Achinstein, Legislative Reference Service, Library of Congress)

INTRODUCTION

Among the few well-founded generalizations of human behavior derived from the history of business cycles is that long periods of prosperity generate widespread optimism and periods of prolonged business contraction are dominated by a pessimistic psychology. There is plenty of evidence that economists have not been free from the influence of these psychological waves—in appraisals of the business outlook, in the assumptions underlying long-range projections, and even in the formulation of their theoretical models.

One manifestation of the general optimistic phase is the popular use of the "softer" expressions when referring to business downturns, such as rolling readjustment and business recession, rather than of terms with more omnious overtones like business contraction or depression. Moreover, the longer prosperity lasted, anyone referring to major business contractions was increasingly regarded as among those unforunates who had never recovered from the stagnationist philosophy of the 1930's as propounded, let us say, by Keynes, Hansen, or Schumpeter, or as among those who had fallen so far behind the times as not to have discovered with Sumner Slichter that the business cycle was largely a thing of the past. In recent months the signs have been multiplying that we have reached a turning point in the optimistic phase of the psychological wave that has accompanied almost two decades of more or less continuous business expansion. The very title of this session is good evidence that such a change has taken place.

As I understand my assignment from President Copeland, I am to consider whether in the future a business contraction substantially greater than, let us say, the kind we experienced in 1953–54, is likely in view of

the contracyclical tools that have become available and the structural changes that have taken place in the economy since 1929. While there is no specific time reference to this assignment, I need hardly add that there are implications to be drawn from this paper with respect to the level of business activity in 1958.

CYCLICAL FLUCTUATIONS AND ECONOMIC ORGANIZATION

In one sense, the question posed by the title of this session is an easy one to answer. On the basis of the past behavior of the economy, the statistical odds are that in the future we are likely to experience a business contraction that is steeper than either of the two that has occurred since the Second World War, or of longer duration, or both. This disagreeable answer is based neither on a mechanistic view of historical development nor upon a lack of appreciation of the progress we have made in attempts to control those economic instabilities that play such havoc with human welfare. It is based on the assumption that the problems we have to deal with are deep seated and, with all our efforts, we have yet to learn how to deal adequately with them. The business cycle has been with us a long time whereas most of the measures for promoting stability on which we now rely date only since the great depression of the 1930's. Moreover, since then matters have been further complicated by hot and cold wars and perhaps by some institutional changes in recent decades which may even aggravate instability.

The problems are deep seated because cyclical fluctuations are rooted in our economic organization which operates in terms of a pecuniary logic as well as through industrial and technical processes. In the money economy producers and consumers are caught up in a network of price and financial relationships which have a powerful influence on the cumulative processes generated during business expansions and contractions and which have frequently determined whether contractions are mild or severe. Among the highly significant factors responsible for such steep declines as took place in 1920–21, 1929–33, and 1937–38 were: the speculative inventory and price developments in the expansion phase of the first post-World War I cycle; the speculative character of real estate and stock market credit and of foreign loans in the 1920's, together with the rapid expansion of consumer credit; and the unusually sharp rise of inventories in 1937, as well as the inability of financial institutions to make funds available to a prostrate construction industry because their portfolios were still bulging with an inheritance of sour mortgages and foreclosed properties from the 1920's.

MINOR AND MAJOR CYCLES

In evaluating the influence of structural changes and the efficacy of tools to minimize instability it is necessary to refer, however briefly, to the distinction in the literature between minor and major cycles. The former is usually associated with inventory readjustments and the latter with fluctuations in the producer durable-goods industries and in construction. I believe it is not incorrect to assert that most business cycle theorists who emphasize the importance of the distinction appear to assume that different sets of causal factors are at play in minor and major cycles. There is no doubt that the cycles since World War I which were not mentioned in the previous paragraph and which manifested mild contractions in 1923–24, 1926–27, 1948–49, and 1953–54, mainly involved inventory readjustments. But this does not tell us whether the excessive accumulation of stocks originated only in sectors that supposedly have no influence on the course of the major cycle, or in sectors which supposedly do influence it. Certainly minor contractions usually also exhibit varying degrees of slackening in the durable goods and construction industries that are presumed to be "strategic" in the behavior of the long cycle.

The differentiation between minor and major cycles with a view to establishing different causal factors appears to run into difficulties when the attempt is made to apply the two-cycle hypothesis to the cyclical fluctuations of the past—let alone the much greater difficulties in employing the hypothesis for appraisals of current business conditions. Prof. R. A. Gordon, who has devoted a good deal of attention to the study of individual cycles since World War I, finds it necessary to speak of "hybrid" cycles with characteristics common to minor and major cycles, and also of "incomplete" major cycles with expansion phases that do not have a chance to culminate into major contractions.

In part, the difficulties, I believe, arise from three commitments: first, an analytic framework based on a fairly sharp separation between short- and long-term expectations which is then applied to historical experience on the assumption that short-term expectations dominate minor cycles and long-term expectations determine major cycles; second, a strong emphasis on the notion of a stock of investment opportunities which becomes exhausted for a considerable period because of the behavior of innovation and other exogenous technological factors; and third, on the realization however, that both short and long cycles are influenced by other elements of a monetary and financial character which do not fit in neatly either with the analytical formulation or with the classification of historical cycles.

Despite the ambiguities involved in tagging individual cycles, the attempt to treat several succeeding minor cycles as a unit of the expansion phase of a major cycle followed by a severe and long contraction phase during which minor cycles are absent can be a fruitful operational procedure. This approach has been used mainly by business cycle theorists who regard innovations and real new investment as the dynamic factors and consumption as the passive element. But this approach may be even more fruitful if greater emphasis is placed on the role of the consumer and of the financial institutions which influence the variability of his demand.

In considering the variability of consumer spending, I have in mind consumer durable good and residential construction. The latter is treated in our national accounting systems under the category of investment, and there are many who argue that consumer durables should be similarly handled. But I hold with those who find it more illuminating to view them both under the category of consumption, since, among other reasons, the motivations and influences that affect family decisions to purchase these goods are quite different from those which govern the investment decisions of business firms. These two sectors of the economy played a powerful role in the expansion phase of the major cycle in the 1920's and during the period since World War II. They contributed greatly to the deep and prolonged contraction of the 1930's. Their behavior may also determine to a considerable extent whether the late 1950's will experience a substantial business decline. Since World War II consumer expenditures for durable goods and housing have been nearly half again as large as business expenditures for plant and equipment. Moreover, their rate of growth has greatly stimulated outlays for commercial construction, plant and equipment, and expenditures for community facilities and services by State and local governments.

THE CONSTRUCTON CYCLE

There is a large measure of agreement among investigators of cyclical fluctuations that the building industry in this country, and particularly residential construction, is characterized by long cycles with wide amplitudes and with a duration of about 15 to 20 years. It is also noted that the more severe business contractions have taken place during the downward phase of the long construction cycle. Despite frequent reference to these characteristics of the residential construction industry, one can hardly say that the causal factors for the long swings have received the careful study they deserve. The usual explanation which is largely in terms of population changes leaves much to be desired. This is an area which seems to cry out for an institutional study of the role played by the real-estate operator, builder, lender, consumer, etc., in creating housing booms followed by deep and prolonged slumps.

At the risk of sounding dogmatic because of brevity, I shall outline what appear to me to be the strategic variables that account for the long construction cycles of the past. The expansion phase of the long wave in new residential building is determined in large degree by the income factor, especially shifts in the distribution of income. The market for new housing falls within the middle and upper ranges of the income pyramid. The change in economic status which comes with a rise in family income is reflected before long in a determination to move into a new house and a new neighborhood. Such a change is an outward manifestation of one's higher standard of living in addition to the real benefits derived from a new dwelling. In this connection one can readily use the acceleration principle to account for the magnification of the upward movement in residential building. But a more realistic basis for the acceleration in the pace of construction is provided by the organization of the industry—the speculative character of real-estate activity, the optimistic proclivities of the builder, and the readiness of financial institutions to pump funds into construction. In previous major cycles, as the history of urban communities shows, the satisfaction of a spurt in housing demand was bound up with considerable land speculation in the outskirts of cities, especially after improvements in transportation facilities made new subdivisions feasible for development. Moreover, there is no industry which has been so dependent on outside sources for funds to carry out its operations so that the mortgage market and the monetary influences affecting that market have been powerful influences determining the level of building.

Wars, of course, have also greatly stimulated postwar housing booms. This is not only due to the backlog resulting from the curtailment of residential construction during hostilities, but also because war increases migration of families, adds other members of the household to the ranks of labor, lifts many persons into higher income brackets, and increases liquid assets due in large part to reduced spending for durable goods whose production is curtailed during wartime.

As the housing boom goes on its merry way more or less ignoring several minor business recessions, land and building costs rise substantially and the supply of new dwellings in certain price ranges becomes excessive. Both the limitations of the income pyramid and the more cautious lending policies of financial institutions, who really call the tune so far as decisions to launch new projects are concerned, become increasingly effective in curtailing the level of new building.

Once the housing boom comes to an end, why is there such a deep and lengthy slump in building? Granting that there has been a saturation of the market, the long time it takes for the industry to recover can hardly be explained in terms of a surplus

that must wait upon an increasing population to wipe it out. A more realistic account of the duration of the slump is the painful and long drawn-out process of downward revision of the overcapitalized properties and the other adjustments necessary to correct the excesses of the speculative real estate boom. Financial institutions, which are at the center of this prolonged struggle for recapitalization—what with defaulted mortgages, the taking over of foreclosed properties, etc.—have no incentive to supply funds for new construction that is in direct competition with the large number of existing dwellings whose capital values have meanwhile been dropping to depression levels.

Whether or not one accepts an interpretation of past housing booms based on income changes, speculative activity, and monetary influences, and of protracted periods of residential building slumps in terms of a drawn-out struggle for revision of capitalizations, or if you prefer, a struggle for liquidity, there is little doubt that a major business contraction is more likely in a period of declining building activity. Our construction statistics suffer from serious gaps and the data on housing starts probably understate the volume of completions during the past 7 years, but if the yearly figures of starts adequately measure the general direction, it appears that the peak of new dwellings may have been reached in 1950 and that the trend has been downward since then. This suggests that perhaps we have entered the contraction phase of another long residential building cycle. It is particularly important, therefore, to establish the extent to which the institutional changes which have occurred in this area since the mid-thirties are likely to moderate such a possible downward movement.

STRUCTURAL CHANGES AND GROWTH OF CONSUMER DEBT

The housing boom since World War II has not been characterized by the kind of speculative subdivision activity and reckless financing methods prevalent in the twenties, culminating in the collapse of the mortgage structure. Since the 1930's, the mortgage market has become much less vulnerable due to the widespread use of the monthly amortized mortgage, the insurance and guaranty programs of the Federal Housing Administration and the Veterans' Administration, and because of the greater marketability of mortgages through the operations of the Federal National Mortgage Association. Furthermore, Federal Government insurance of deposits of commercial banks, savings banks, and of share accounts in savings and loan associations, has also greatly strengthened the ability of the money economy to withstand the cumulative processes of a business contraction.

All of these institutional changes substantially lessen the possibility of a downturn becoming deeper and longer than any experienced during the past decade. However, there are other developments, partly an outgrowth of the same institutional changes. The housing boom has produced a spectacular rise in mortgage indebtedness, having been fed by easy credit terms—ever lower downpayments and longer terms of maturity—in addition to the stimulus it received from the income and population factors. There are those who profess little concern about the record increase in the size of mortgage indebtedness. Easier credit terms have reduced the debt service to what amounts to rental payments under tenant occupancy—with the result that the growth of mortgage debt does not necessarily signify a particularly onerous burden on homeowners. Unfortunately, we do not have any satisfactory measures of the debt burden on the consumer. Comparisons of aggregates over a period of years, based on total mortgage debt outstanding and disposable income, do not tell us very much about the relative burden of the debt. What would be illuminating would be more adequate data on actual monthly payments for different income groups.

The crucial question with respect to debt burden is, of course, the impact on borrowers and lenders when a business downturn occurs and there is a sizable drop in employment and incomes. The good record of repayments and foreclosures during the recessions of 1949 and 1954 is encouraging, but this favorable condition took place when the building industry itself was an important factor in keeping the downturn mild and short. If the industry cannot be counted on to give the necessary push for an early business recovery because it is itself confronted by market and other conditions that limit its scale of operations, then the large volume of new dwellings financed in recent years on the basis of little or no downpayments, long maturities, and high debt-to-value ratios, can create difficulties for mortgagors and mortgagees which would aggravate a business downturn. A large part of the mortgage debt is not protected by Government insurance or guaranties. Moreover, as studies of the housing boom of the 1920's indicate, the longer the boom continues the greater the deterioration of the quality of the credit, so that there are greater defaults and foreclosures on loans made during the latter part of the boom than on those made earlier. The institutional changes introduced since the thirties should enable the mortgage structure to adjust itself more readily to declining real-estate values, increasing defaults, etc., and avoid making liquidity the overriding consideration with the customary adverse effects on the fortunes of the building industry. But there is still a time lag in the readjustment process—shorter though it may be—that could nevertheless result in a sizable curtailment of the volume of loans for new construction.

But what of the device of further easing of credit terms to give the necessary stimulus to residential building? Here the thought arises as to whether we have not come near to scraping the bottom of the barrel in the liberalization of terms under the FHA and VA programs. Then, too, there is a question whether these programs, which were so influential in directing the energies of the building industry toward providing single-family projects in our suburbs, are as likely to be so successful as they were in the past. As a result of the great number of such dwellings constructed since the war, the roads to suburbia are frequently clogged with autos moving bumper to bumper and suitable sites for housing development are meanwhile becoming scarcer—a situation which is not likely to be eased before the 1960's when our national highway program will have progressed much further. Moreover, although I have deliberately chosen to give the population factor a secondary role in the long construction cycle, it should be mentioned that the decline in household formation since 1950 may not be significantly reversed before the early 1960's.

Like the mortgage debt, the debt for consumer durable has grown in the postwar period at a greatly accelerated rate and for the same reasons—the increase in incomes, the greater equalization of incomes, and the progressive easing of terms. Maturities on automobile paper, for example, shifted from 12 months in the 1920's to 18 months by 1937, 24 months by 1952, and 36 months by 1955. We need not stop to consider the aggravating potentialities during a business downturn of the record increases in installment credit, since what was said about deterioration of credit and the debt burden in the housing area is also applicable to the durable goods field. Here too, there are limits to which maturities can be further lengthened to stimulate demand.

MONETARY POLICY

With respect to the influence of the rapid growth of installment credit on economic stability, one cannot fail to note an important structural change that has taken place in this area over the past three decades. In the 1920's, installment lending operations were virtually nonexistent so far as commercial banks were concerned. In recent years their installment business—the most profitable part of their lending operations—has exceeded that of any other financial institution, and it is estimated that, directly and indirectly, commercial banks have financed more than half of the total installment credit. It is difficult to see how this change can have failed to weaken the effectiveness of general monetary controls in restraining credit expansion by banks and by some of their strongest customers and most effective competitors, the sales finance companies.

Flexible monetary policy had been in eclipse for quite a long time before its revival in recent years. We are all aware of the mistaken monetary policies pursued in the late twenties and early thirties which contributed so much to the deepening of the depression. Certainly monetary authorities have learned many lessons since then, not the least important of which is that their actions must not aggravate cyclical fluctuations. Since steep and prolonged contractions have their origin in developments of the preceding boom, as well as in the kind of adjustments that are made in the early stages of the downturn, one must ask how efficacious has monetary policy been in restraining excessive expansion in the prosperity phase of the cycle? In this connection, the timing and vigor of action are important, as are the specific tools employed. No doubt the execution of monetary policy in the interest of economic stability is no easy matter. Part of the difficulty arises from lack of agreement as to what general credit policies are expected to accomplish. If there are differences in the views of economists on the objectives and efficacy of monetary tools, one should certainly view sympathetically the efforts of those in charge of monetary controls who have to steer a course amidst the "pressures" from bankers and businessmen, committees of the Congress, and the administration.

There are many who have expressed considerable satisfaction at the skill with which the Federal Reserve Board has employed flexible credit policies since, let us say, May 1953. There can be no doubt that the $1.2 billion increase in bank reserves through open market operations between May and July 1953, the reduction of reserve requirements in June, the lowering of the discount rate from 2 percent in February 1954 to 1½ percent in May, and the further reduction in reserve requirements in June, created a condition of credit ease which speeded up business recovery in 1954. The Chairman of the Federal Reserve Board, has in retrospect, expressed regret that the Board followed too liberal a policy in the first half of 1954. If a review of monetary actions in the recent past justifies any regrets, the failure to move more vigorously in early 1955 might be a more fitting basis for such feelings than the liberality of 1954. It is instructive to note that attention was called to the danger of excessive credit expansion early in 1955.

In this connection I should like to refer to an important difference between the 1920's and the 1950's, namely, the greater sophistication of the Congress on policy matters relating to economic stability. Since the Employment Act of 1946, the publications of the economic reports of the President and the hearings and publications of the Joint Economic Committee have had their influence on Capitol Hill. The monthly Economic Indicators, and that most valuable

compendium of statistical information provided by the appendix to the economic reports, are used intensively by committees and their staffs.

On March 3, 1955, the Senate Banking and Currency Committee started its 3 weeks of public hearings on the stock market. They were held at a time when there had been a continuous rise of stock prices for 18 months, with Standard & Poor's index of 480 common stocks rising by almost 60 percent since September 1953, and consumer installment indebtedness was moving forward toward the record rate of $2 billion reached in the second quarter of the year. During the course of these hearings, which received wide public attention, a number of prominent witnesses emphasized that there was increasing evidence of unhealthy speculative activity in the stock market and an undesirable expansion of mortgage and installment credit. The economic report of the President issued about 6 weeks earlier also had already cautioned that continued economic recovery must not be jeopardized by overemphasis on speculative activity, and that activities involving the discounting of a long future, as in the case of home purchases, or the pricing of corporate shares, might be carried to excess.

At the same time, there were other voices objecting to the effort to focus attention on the potentially dangerous developments in the field of credit. The Secretary of the Treasury, for example, emphasized instead the potential danger that any inquiry into the stock market might have on confidence. Such divergence of views must have made it more difficult for the monetary authorities to take vigorous action. In any event, the reserve board did not raise the discount rate until April 1955, and then only from 1½ percent to 1¾ percent, and there was no attempt to change reserve requirements, which had been progressively lowered from 24 percent in mid-1953 to 20 percent in mid-1954. The monetary authorities exerted pressure on the reserves of commercial banks through open-market operations, but the banks found other ways to supply funds—through sale of their securities and borrowing from the Reserve banks—to meet the continued demands of business and consumers.

DURABLE GOODS SECTORS AND ECONOMIC STABILITY

There can be little doubt that the great expansion of credit has been a major influence producing a bunching of expenditures on durable goods which is a potent force in aggravating instability. The production of 8 million cars in 1955 and a volume of housing starts which was close to the postwar peak reached in 1950, followed in the next year by a record rate of expansion in plant and equipment expenditures, resulted in great pressures on physical resources, a further rise in building costs, and in a growing shortage of loan funds that culminated in the highest level of interest rates in 25 years.

It has been frequently asserted in recent years that the economy has become more stable because business firms have come to rely increasingly upon long-range budgeting of capital expenditures and upon research outlays that tend to regularize the innovation process. Moreover, the consumer, accustomed to a higher standard of living, with greater determination to maintain that standard, more assured by larger liquid assets, and by the knowledge that he is the beneficiary of public and private unemployment compensation and old-age benefits, and that the greater power of unionism will hold the line on the price of labor, is more likely to maintain his customary expenditures. The strength of these structural changes in the face of the more persistent characteristics of the money economy has certainly not yet been tested. It would be folly, therefore, to minimize the fact that investment decisions are still governed by profit considerations, cost-price relationships, and psychological influences, and that consumers are still likely to curtail spending when fixed commitments loom more burdensome with a decline in incomes and when employment prospects become dimmer. It is the postponability of durable goods, whether producer or consumer, which makes for more violent fluctuations, and that must still be reckoned with as a fundamental characteristic of our economy. If there is a marked decline in both of these sectors—due to an autonomous shift in consumer demand and to a temporary saturation of the stock of durable goods—the downward readjustment of incomes, prices, and capital values becomes more drawn out, and the stimuli for expansion in other sectors of the private economy become weaker. To be sure, such a contraction will be cushioned by the automatic stabilizers, the higher floor provided by the size of Government expenditures and by the improvements introduced into our financial structure in recent decades. We can also count much more on Government determination to pursue monetary and fiscal policies to speed up recovery. But these tools are not likely to be adequate when the durable goods and construction industries show sizable contractions. If these conditions should prevail in the near future, then a decline substantially greater than any we have had in the postwar period is likely.

One final word. In a period when we are beginning to adjust our thinking to the presence of the sputniks, expansion of our military programs may counteract contractionary tendencies. At the same time, we are beginning to recognize that we may be unable to meet our problems without some fundamental reassessment of our values—a reassessment which may not leave untouched those standards of consumption which have dominated our economy in the postwar era.

THE GTA DAILY RADIO ROUNDUP

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD the GTA Daily Radio Roundup, prepared by the Farmers' Union Grain Terminal Association, St. Paul, Minn., dated January 15, 1958.

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

Go back to the free market. Time and time again, you've all heard that advice given to farmers in high-level speeches and high-sounding phrases, often from businessmen and business research groups. But, what about business? Does it practice what it preaches? Does it really believe in maintaining a free market? In past broadcasts, we've pointed out many, many examples to show how business is protected by law, how industry receives Government subsidies of various sorts, and how prices are determined by 2 or 3 companies, in which any resemblance to a free market is strictly a fairy tale.

For the latest example, we go, today, to that great winter vacation spot, Miami Beach, Fla. There, the National Automobile Dealers Association is holding its annual convention. And, what do you think has a top place on its agenda? We'll let the Wall Street Journal tell us. It says, "The National Automobile Dealers Association is preparing to display its legislative muscle once more. Its objective: A change in the antitrust law to permit the reestablishment of a device known as territorial security or service responsibility," the newspaper explains.

Do those descriptive phrases sound like a move to stifle competition Oh, no, says the retiring president of the association, one Frederick M. Sutter, by name. He says it is "a concept within which the automobile dealer says to the customer, "It is our bounden duty to protect you.' " Sounds like quite a deal, doesn't it—a big brother dealer all your own, just to protect you. But, the newspaper comments that no matter what you call it, this scheme sets up geographical limits for each auto dealer and prescribes penalties he must pay for stepping outside his bounds to make a sale. You, as a customer, must buy from your local dealer. The others won't talk turkey.

The news report says there's a difference of opinion among the auto dealers on the merits of the plan. But one thing is clear—the executive vice president of the association has decided that some form of protection is desired by members—and he's out to get it. Where will the leaders of this drive for auto-dealer protection look? To Washington, of course, says the Wall Street Journal. In 1956, the dealers went to Washington, too, and then they got a law putting a curb on the manufacturers' power to cancel franchise agreements.

Dealers backing the new protection plan even have an organization of their own. They call it the Authorized Dealer Survival Association, and they're going to keep right on fighting for protection, and that means working for laws to give it to them.

Don't let anyone fool you into believing that only farmers go to Washington to work for laws to protect them from the free market. They're latecomers, indeed, in that effort. But, most farmers have long understood that farm prices are made in Washington.

OUR INCOME TAX SIEVE—ARTICLE FROM WASHINGTON DAILY NEWS

Mr. GORE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, an article from the Washington Daily News entitled "Our Income Tax Sieve."

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

OUR INCOME TAX SIEVE

(By Jack Steele)

A Pennsylvania dairy owner and his wife went on a safari to Africa.

Their lion hunt, with stopovers in London and Rome, took 5 months and cost $16,818. They charged it all to the dairy as a business expense.

Their reason: They took films on the trip which later were shown to customers to help advertise their milk.

The Internal Revenue Service disallowed the deduction and slapped them with a $7,305 tax bill. But the couple appealed to the United States Tax Court and won.

The court ruled that the safari was an "ordinary and necessary" business expense which had given the dairy good advertising at low cost and was tax deductible.

So other taxpayers had to pay nearly half of the cost of the milkman's lion hunt, by making up the taxes he avoided.

Other taxpayers also had to make up several hundred thousand dollars in taxes avoided by a popular TV comedian.

CAPITAL GAINS: 25 PERCENT VERSUS 90 PERCENT

The comedian formed a company to produce his show—with himself as the major stockholder—and then sold it to a TV network for more than $2 million. The Tax Court ruled he only had to pay a 25-percent capital gains tax. If the network had paid him directly, his tax at ordinary rates would have run close to 90 percent.

The same was true with a famous movie producer who got a big cash settlement from his studio when he retired. The revenue code said such payments should be taxed as ordinary income. But Congress passed a

special bill so the producer could report his as a capital gain—at a tax saving of nearly $2 million. Later in this series these two Hollywood cases will be discussed in greater detail and the persons identified.

The lion-hunting milkman, the TV comedian and the movie magnate all avoid part of their income taxes. What each one did was perfectly legal.

Their cases are only three out of many thousands which might be cited to illustrate how taxpayers can use gimmicks and loopholes in the tax laws to cut their income taxes.

They also indicate how:

Our Federal income tax system has become a chaotic mess.

Congress has riddled the tax laws with exceptions, exemptions and special benefits which are unfair to millions of other taxpayers.

These preferences have eroded the tax base so that many billions of dollars of income completely escape taxation each year.

They also have made the Revenue Code so complicated and illogical that only a handful of tax lawyers know what it means.

These legal tax-avoidance devices—along with the high tax rates they help make necessary—are causing a steady increase in tax dodging, cheating, and evasion.

And, worst of all, they have blocked tax rate cuts which would benefit all taxpayers equally.

Such criticisms of the income tax system are being voiced today by an impressive array of tax experts. They include law school professors, economists, and former Treasury officials who may be the only Americans left who can understand our tax laws and judge them impartially.

Pressure for basic tax reform is growing. To find out why, I have spent many weeks studying the tax laws and interviewing scores of tax authorities.

On the basis of this inquiry, these enumerated conclusions seem inescapable:

1. OUR TAX LAWS ARE GROSSLY UNFAIR

The keystone for a fair income-tax system is that taxpayers with similar incomes should pay similar taxes.

This is far from true today.

Individuals or companies with equal incomes pay widely differing taxes, depending in part on how they earn and spend their money.

Individual examples

The big trouble is that we have several income-tax systems. This is shown by the wide variation in the taxes paid by the following persons, each with an income of $100,000 a year:

A single man who earns all his income in salary pays $65,928.

A single man whose income comes from oil royalties pays $42,829.

A married man who earns all his income in salary pays $52,056.

A single or married man whose income is in capital gains pays $25,000.

And a single or married man whose income is all in interest on state or local bonds pays no taxes at all.

Group inequalities

These are by no means all the inequities in the income tax laws, which also discriminate among many groups of taxpayers. Here are a few samples:

Individuals whose incomes are in wages or salaries pay higher taxes than those who deal in securities or investments.

Older people pay less taxes than most younger taxpayers.

Renters pay more taxes than home owners.

Unionized workers get tax advantages over the unorganized and self-employed.

Inventors are taxed less than writers, artists and musicians.

Business inequalities

Tax inequities hit businesses as well as individuals. For example:

Big companies often pay relatively less taxes than smaller ones.

Co-operatives pay less taxes than other businesses with which they compete.

Oil and insurance firms get big tax windfalls.

2. HIGH TAX RATES MEAN LITTLE

The income tax is based on another principle—ability to pay. Thus the revenue code provides graduated tax rates which rise steeply from 20 to 91 percent.

Congress voted the high top rates in a soak-the-rich mood during World War II. Never daring ether to repeal or enforce them, it has simply undermined them.

It has loaded the tax laws with escape clauses which enable persons with high incomes to avoid the high rates. And wealthy taxpayers have shifted much of their income to forms taxed at lower rates.

So the high surtax rates simply do not mean what many people believe or pretend they do. The 91 percent rate applies only to net income over $200,000 ($400,000 for couples). Actual rates for all income are much less because of the lower rates which apply below the top brackets and exemptions, deductions, and loopholes.

Recent studies of the 1954 tax returns—the latest available—reveal some startling facts.

The actual average tax rate paid by all taxpayers with net incomes of $100,000 and over in 1954 was only 48 percent.

And, if capital gains and other income excluded from net income had been counted, the average rate for those in the $100,000 and up brackets would drop to only 37.5 percent.

Yet the rate specified in the tax tables for $100,000 of net income is 67.3 percent.

3. THE TAX LAWS ARE HOPELESSLY COMPLEX

Tax differentials cause most of the complications in the code. Each gimmick adds a line or more to the tax return forms.

Here's just one sample. The retirement income credit adopted in 1954 saves elderly taxpayers $140 million a year. But it added half a page to the tax forms and nearly a page to the instructions. It is so complicated only a retired person would have time to figure it out.

Today few individuals who have income from any sources except wages or salaries can make out their own tax returns. Big businesses have to hire batteries of accountants and lawyers—and shape most of their business decisions to fit the tax laws.

4. TAX EVASION IS INCREASING

There are no reliable figures on the amount of tax cheating. Expert estimates range from $3 billion to $10 billion of taxes evaded each year.

The revenue service made its last big study of evasion in 1948. Its findings, applied to today's income levels, put the tax cheating at $3 billion a year.

But recent statistical studies indicate that more than $26 billion of income is unreported. At average rates, this would mean nearly $7 billion in taxes evaded. And this does not include additional billions which may be chiseled on exemptions, deductions and expense accounts.

Revenue officials insist there is no proof that tax cheating is on the increase. Most tax authorities disagree. They cite many signs that "beating the tax collector" has become a fashionable game with some taxpayers. And they note that the man who is caught cheating a bit on his taxes suffers little social stigma.

Congress has insured that getting caught at tax evasion is partly a matter of luck. Only 2 million of the 60 million taxable returns filed each year are audited. Many corporate returns also escape auditing.

For years Revenue Commissioners have assured Congress that better enforcement would bring in $20 in taxes for every dollar spent. But Congress has withheld the funds needed to hire more revenue agents.

It might be, as former Commissioner T. Coleman Andrews once suggested, that the people would demand repeal of the income tax within a year if Congress ever voted enough funds for its all-out enforcement.

5. TAX REFORM OFFERS HOPE OF RATE CUTS

For 15 years Congress has been giving tax relief in little bits and pieces to special groups of taxpayers. The resulting leakage in tax revenues and erosion of the tax base—as well as rising Government costs—have barred general tax-rate cuts.

Experts estimate that tax-rate cuts ranging from 25 to 33⅓ percent would be possible now if Congress stopped this practice and rolled back some of these preferences and special benefits.

ADVERSE IMPACT ON OREGON BUSINESS OF HIGH RATES OF INTEREST

Mr. NEUBERGER. Mr. President, few economic subjects are more vital to Oregon than the decline in employment and payrolls of its crucial lumber industry.

Certain Oregon bankers have attempted to make political capital out of this decline, which has meant suffering and adversity for many Oregon families.

A more statesmanlike attitude has been taken by Mr. H. M. Phillips, vice president and investment director of the First National Bank of Portland, in an address on January 7 to the Kiwanis Club of Salem. According to a news account in the Salem Statesman of January 8, 1958, Mr. Phillips attributed the economic slump in Oregon to "a slowdown in home construction in the United States caused mainly by tight money." The same issue of the Salem Statesman, which is edited by ex-Gov. Charles A. Sprague, of Oregon, contained a thoughtful editorial entitled "Paper Mills for Oregon." This editorial stresses a point of view which I have long advocated; namely, that one of the best hopes for taking up the slack in lumber employment in Oregon lies in the use of such surplus timber as lodgepole and jack pine for pulp and paper production.

I ask unanimous consent that the news story from the Statesman and the editorial by ex-Governor Sprague appear in the body of the CONGRESSIONAL RECORD for the information of those Members of the Senate who have shared our concern over the economic difficulties now confronting the Pacific Northwest.

There being no objection, the news story and editorial were ordered to be printed in the RECORD, as follows:

[From the Salem Statesman of January 8, 1958]

BANKER EXPLAINS HOW OREGON ECONOMY HIT BY TIGHT MONEY

A slowdown in home construction in the United States caused mainly by tight money was blamed yesterday for bringing on Oregon's economic slump.

H. M. Phillips, vice president and investment director of the First National Bank of Portland, spoke to members of Salem Kiwanis Club on Oregon—"Today and Tomorrow."

Home construction accounts for three-quarters of Oregon's lumber output, and less construction means less lumber sold, he pointed out.

The lumber industry provides $1¼ billion of the State's $3¼ billion yearly income, he said, and when it suffers, so does Oregon.

National fiscal policy, as expressed by the Federal Reserve System, and the high debt level have tightened credit and made home financing more difficult and more unattractive to investors, he said.

More and more individuals are against going further into debt to build, he added.

Phillips predicted that the westward shift in population would gradually bolster Oregon's prosperity.

Despite the slump he expressed satisfaction in the State's lumber field, pointing to steps being taken to provide sustained forest yields and more efficient use of waste products. Oregon also has good wate. and power resources and a stable dependable labor market, he said.

To offset the banana republic effects of a one-industry State, Phillips urged more work to bring in industrial expansion.

"We need an operating environment, laws, and fair and equitable tax structure," he said, "of interest to business."

He blamed taxes—which take nearly one-third of the State's individual income—for a part in the recession.

PAPER MILLS FOR OREGON

One of the best prospects for early industrial expansion in Oregon is in the manufacture of pulp and paper. We have the largest stores of timber, the principal ingredient of pulp from which paper is made, and at proper locations an abundance of water and electric energy. Some such projects are being made already for production—a kraft paper mill set up by Georgia-Pacific at Toledo, and an insulating board mill near Klamath Falls, by Johns-Manville Corp., which will use jack pine of the high plateau for raw material.

Other projects are hanging fire. International Paper Co. which bought Long-Bell, definitely plans to erect 1 or 2 mills in Oregon, and communities from Reedsport to Klamath Falls via Roseburg and Grants Pass are bidding for site selection. Powell River Paper Co., which now controls Brooks-Scanlon of Bend, has been studying possible locations for a pulp-paper operation, but has announced no choice. Bend is hopeful that the plant will be located in its vicinity.

At present there is some over-capacity in paper manufacture, also in the production of cellulose pulp for rayon. But such is the steady growth in demand for paper products there is no alarm over the present surplus capacity. It takes about 2 years to erect a plant and iron out its bugs, so corporate interests study prospects for the future not the present. It is the long-range view for instance which prompts Crown Zellerbach to bargain with Newfoundland for timber for a newsprint mill there. It figures the present oversupply of newsprint is temporary and expects to find a market in the eastern part of the country for the output of a Newfoundland mill.

Oregon communities are a bit impatient, but decisions will be announced before long on pending projects, and others will spring up to take care of the growing needs of an increasing population.

COMMUNIST SUPPORT OF WESTERN HEMISPHERE UNREST

Mr. JOHNSTON of South Carolina. Mr. President, my duties and responsibilities as a member of the Judiciary Subcommittee on Trading With the Enemy Act and Internal Security have made me keenly alert to what is transpiring in Egypt, Indonesia, and particularly among our neighbors south of the border. The current issues of our newspapers are full of the unrest in Guatemala and Venezuela. Hundreds were reported killed in Venezuela only yesterday.

Someone recently said that if the Free World were denied the oil from the Middle East and also deprived of the oil reserves in Venezuela, we would be crippled beyond our comprehension. While we in the United States have a bountiful suply of oil, we still must depend upon our foreign reserves to supplement our needs and those of the Free World allied with us.

We must be constantly on the alert to prevent the Communists from making inroads into the free and democratic nations of the world. The Communists, of course, believe in confiscation and its twin evil, nationalization. My dear friend, John Peurifoy, did much in his lifetime to straighten out the affairs in Guatemala. He was helping in the same manner in the Far East at the very moment of his unfortunate and untimely death.

News accounts reporting events throughout Latin America reflect the gaining momentum of Red activity within the sovereign states of our neighbors.

The growing unrest, turmoil, confusion, and bloodshed is undoubtedly caused in part by their own domestic issues and local problems. To the extent that they are indigenous or domestic and confined to a particular country, then they are problems of that country which must be solved within their own national framework by responsible political leadership. Political maturity has come to Latin America and with freedom from foreign agitation the people of South and Central America are prepared to handle their own domestic difficulties.

These are areas of politics in which the United States has no proper concern and in which we have no desire to interfere. However, we do want to know, and we do want to interfere if this hemispheric unrest is caused or supported by Communists or by Communist money from within the United States. Our difficulty today is that we, the American people, do not even know the facts with regard to the communistic activities within our own country which are directly affecting the stability of government in many of the countries of South and Central America.

I was pleased to learn from the President's message to the Congress that there is an increasing awareness within the present administration of the communistic economic offensive which has been and is being directed against Latin America. I join with the administration in its efforts to recognize the serious nature of this problem and to defeat this effort of Russia.

In like manner, I ask that the administration join with the Internal Security Committee of the Senate and lend its support to the investigation which we now have under way. We will welcome support and cooperation from any source which will assist us in determining what is going on within our own country which is designed to foment unrest and turmoil within Latin America.

I urge vigilance in our affairs with the states of Latin America. Today we are relatively secure in that area, it was only yesterday that we were relatively secure in the Middle East. We must profit by our Middle East experience and we must always remember that Latin America represents Russia's most coveted territory.

The Internal Security Committee intends to do its part in this important work; we hope for assistance and cooperation from all who are able to provide it.

OPPOSITION BY NEBRASKANS TO PROPOSED RAIL FREIGHT INCREASES

Mr. CURTIS. Mr. President, for the past several days I have been receiving letters and telegrams from Nebraska wheat growers and hay dealers setting forth their opposition to the railroad freight rate increases requested by railroads under ex parte 212. The views of the wheat growers are best set forth in a statement of objections which has been filed with the Interstate Commerce Commission by the Nebraska Wheat Commission, and which I ask to have printed in the RECORD at this point as a part of my remarks.

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

STATEMENT OF OBJECTIONS TO RAILROAD FREIGHT RATE INCREASES REQUESTED BY RAILROADS UNDER "EX PARTE 212"

(By Leslie F. Sheffield, chief, Nebraska Wheat Commission)

1. Railroad freight increases proposed mean a direct out-of-pocket cost to Nebraska farmers.

(a) Freight increases automatically result in a reduced price for agricultural products.

The price received by a farmer for a bushel of wheat at his local country elevator is determined by the price at the terminal market less the transportation to that market and less the handling and profit charge by the country elevator. As a result, the cost of transporting that bushel of wheat to market is paid by the farmer and any increase in the transportation cost is automatically reflected to the farmer and paid by him.

Since there is no correlation between the price received by the grower for a bushel of wheat and railroad freight rates, this means that any further increase on freight rates for wheat shipments will be absorbed by the farmer and consequently, he will receive that much less for a bushel of wheat.

Based on the average railroad movement of wheat shipments in Nebraska over the past 10 years, the proposed 3 percent increase on freight rates on wheat alone would add approximately $450,000 annually to the freight bill for shipping Nebraska wheat to terminal markets. As pointed out in the preceding paragraph, this additional cost would have to be absorbed by the growers and this would be a direct out-of-pocket cost.

Since the prices received by farmers for other agricultural products are similarly affected by increases in freight rates, this

means that the proposed increase of 3 percent on freight rates for agricultural products will automatically deduct the total amount of the increased freight rate from farm income in Nebraska.

(b) Freight increases on manufactured goods shipped into Nebraska must be paid by the buyer of these goods.

Since the prices paid for manufactured goods must of necessity include the costs of shipping the product from the factory to the buyer, any increase in the freight costs must be absorbed in the prices paid for the manufactured products. Only a very small percentage of the total manufactured goods used or consumed in Nebraska are processed or manufactured within this State, consequently the purchaser of these products must pay any increases in the costs of transporting the many manufactured goods which are shipped from factories, mostly in the eastern United States, to cities and towns within the State.

Any increases in rail freight rates are doubly disastrous to our Nebraska farmers who not only will receive less for their agricultural products because of the increased freight rates; but who also will have to absorb the increased freight rates on all manufactured products which they must buy. In each case, any increase in freight rates means a direct out-of-pocket cost over which the farmer has no control, because he must ship his agricultural products to market and he has to buy manufactured products required in his farming operation.

2. Proposed rate increase under ex parte 212 is at a crucial time for farmers who are caught in a cost-price squeeze.

The rate increases proposed under ex parte 212 is at a very crucial time for farmers who are caught in a cost-price squeeze. The December 15, 1957, Agricultural Prices Report, issued by the State-Federal Division of Agricultural Statistics, 203 Post Office Building, Lincoln, Nebr., carried the following summary table:

Summary table

Indexes (1910-14=100)	Dec. 15, 1956	Nov. 15, 1957	Dec. 15, 1957	Record high	
				Index	Date
Prices received	235	242	242	313	February 1951.
Parity index [1]	290	298	299	299	December 1957.
Parity ratio	81	81	81	123	October 1946.

[1] Prices paid, interest, taxes, and wage rates based on data for the indicated dates.

Although the parity ratio is unchanged at 81 for the 3 dates shown, it readily can be observed that the parity index at 299 for December 1957 is at a record high. This means that farm costs for Nebraska farmers are at a record high, whereas the prices received for their agricultural products stand at an index of 242 or a parity ratio of 81.

With farm costs expected to remain high and to increase as labor, machinery, and other cost items go up in price, while the prices farmers receive for their products are expected to continue to decline, it is readily apparent that this is a time when farmers cannot afford to be doubly penalized by increases in freight rates.

3. Wheat already is paying more than its fair share of costs involved in its transportation by railroads.

The following statistics on rail revenue received from wheat shipments in comparison to the out-of-pocket costs for transporting wheat are taken from statement No. 5-57 "Distribution of the Rail Revenue Contribution by Commodity Groups—1955" prepared by the Cost Finding Section, Bureau of Accounts, Cost Finding, and Valuation, Interstate Commerce Commission:

	Railroad transportation	
	United States to United States	West to West
Out-of-pocket costs	$854,748	$655,077
Contribution in rail revenue	1,049,293	906,148

These statistics were obtained through a 1 percent waybill study and for those commodities studied, wheat had one of the highest ratios for revenue received to out-of-pocket costs.

The Report on Freight Commodity Statistics for 1956 issued by the Interstate Commerce Commission revealed that for the Class I railroads of the United States, the rail revenue received for transporting wheat was the highest of all products of agriculture. Total gross revenue for wheat rail movement on Class I railroads in the United States for 1956 was $234,258,449 compared to the total gross revenue for all products of agriculture of $1,184,011,584.

4. Transportation costs of moving wheat to export is the principal determining factor in making up export wheat shipments.

The principal determining factor in making up export wheat shipments is the transportation cost of moving wheat from interior points to ports of export. Grain export firms in making up wheat export shipments must know what the cost of the wheat will be delivered to the port.

Since wheat is exported under the United States Grain Standard, an exporter who is loading a cargo of No. 2 hard red winter wheat for export will purchase that wheat at the lowest possible price delivered to the port elevator. In making up his cargo, one carload of No. 2 wheat which meets the requirements of his cargo is just as satisfactory as another. Since the 5 States of Texas, Oklahoma, Kansas, Nebraska, and Colorado all produce hard red winter wheat, wheat of No. 2 grade is available in each of these States. However, in making up his cargo, if the exporter can obtain all the carloads of No. 2 hard red winter wheat from an interior Texas point at a cost of $2 per bushel and a freight cost of $.15 per bushel to the port elevator, then this exporter obviously would not be interested in purchasing wheat from McCook, Nebraska, at a price of $1.90 per bushel when the rail freight charge to gulf ports is now $.52 per bushel. The difference in the cost of the wheat delivered to port from the Texas point of $2.15 compared to the cost of the McCook, Nebraska, wheat delivered to port at a cost of $2.42 is obviously too great to permit movement of the Nebraska wheat to export in any substantial quantity in normal trade channels.

Truck and barge competition in moving wheat to export have resulted in reduced rail rates to meet the competition in those areas where truck and barge movement have become factors in transporting wheat to export. However, in Nebraska there is no suitable river transportation available to result in any appreciable barge movement of wheat and to date only a very small volume of truck movement of wheat to export has materialized because of the distance involved and the problem of obtaining backhauls.

The end result of this situation is that other wheat-producing areas will become more competitive than Nebraska because of lower freight costs resulting from increased truck and barge competition with the railroads, whereas, Nebraska wheat will be priced out of the export market because of the high cost of transportation to export. Add to this the fact that each percentage increase in freight rates puts the area of longest haul at an increasingly greater disadvantage than the area of shorter haul, and the penalty of a 3 percent increase proposed under ex parte 212 becomes more obvious.

5. Exceptions to proposed increase under ex parte 212 for wheat from Oklahoma, Missouri, Kansas, and Texas to Texas gulf ports (appendix V, page 13, class 1) is discriminatory to Nebraska.

In appendix V, page 13, of ex parte 212, under class 1, wheat from Oklahoma, Missouri, Kansas, and Texas to Texas gulf ports for export is listed as an exception to the proposed increase. Inasmuch as the wheat produced in the five States of Kansas, Nebraska, Oklahoma, Texas, and Colorado is all of the hard red winter variety and is therefore subject to the same markets and prices, all States in this region should be treated the same in the etsablishment of rates.

This request by the railroads under ex parte 212 for excepting only a portion of the hard red winter wheat region to the proposed increases for wheat shipments to Texas gulf ports is discriminatory and prejudicial. If any States in this hard red winter wheat region are excepted from the proposed increases, then Nebraska and Colorado should also be excepted from the increases on wheat shipments to Texas gulf ports.

6. Any further increase in rail freight rates for wheat will result in a further shift to truck transportation.

During the past 2 years, the railroads in the western territory have received the following freight rate increases for wheat: March 1956, 5 percent; December 1956, 5 percent; August 1957, 4 percent. Each of these increases have stepped up the shift from rail to truck movement of wheat and other grains.

One large grain and milling firm in Nebraska which prior to the increases in 1956 received the great majority of its wheat by rail until these increases has recorded a steadily increasingly percentage of its total wheat receipts by truck. In the months of January and February 1957 this firm received over 400,000 bushels of wheat from western Nebraska and eastern Colorado. Prior to the 5 percent increase in rates on December 28, 1956, most of this wheat was received by rail. At an average rate of 25 cents per bushel this means a loss to the railroads of over $100,000 in rail freight revenue in just 2 months' time for wheat receipts at just one firm. In December 1957, this same firm received over 210,000 bushels of wheat by truck or over 50 percent of the total receipts by truck from the area where trucks are competitive. Multiply this by other grain firms receipts by truck and it becomes apparent that each percentage increase in freight rates will be more than offset by the decline in total rail revenue from wheat caused by a further shift from rail to truck movement.

Unless the railroads make themselves competitive with the trucks from the standpoint of both rate and service, then the time may soon arrive when not only will trucks be moving most of the grain, but the entire concept of grain marketing may be changed. The Nation's grain markets today provide a valuable service to farmers, grain merchants, processing firms and the consuming public; however, their effectiveness is tied directly to the volume of grain handled. Since truck shipments bypass the major grain

markets, the welfare of the Nation's grain markets is dependent upon maintaining rail movement of the majority of the Nation's grain. Consequently, the matter of keeping rail freight rates competitive with rates on other methods of transportation takes on an entirely different perspective which involves everyone from the grower to the consumer.

Competition forces shippers of any freight commodity to use that mode of transportation which provides the most satisfactory services at the most reasonable costs. If trucks provide the transportation service for a particular commodity at a rate which is lower than the rail rate and the accompanying transit privileges, then competition will force a diversion in the movement of that commodity from rail to truck. This is exactly the situation which exists today in the transportation of wheat and any further rate increases will speed up this shift to truck movement.

7. Efforts by Nebraska and Kansas Wheat Commissions to develop additional Foreign market outlets for wheat would be jeopardized by additional freight increases.

The Nebraska and Kansas wheat commissions are undertaking joint activities and projects in European and South American countries in attempts to develop additional foreign market outlets for our hard red winter wheat. One of the most serious problems involved in these activities is the high cost of transporting wheat from Nebraska and Kansas to the ports. Rail transportation costs from shipping points in these two States to gulf ports presently constitute approximately 25 percent of the total cost of the wheat at its original shipping point. If the transportation cost goes up through rail freight increases as proposed for wheat under ex parte 212, then the possibilities of moving wheat from Nebraska and Kansas to export at prices competitive with Canadian wheat on the world market certainly will be lessened. Any further curtailment of our export market for wheat will add to the wheat surplus problems and will have a depressing effect upon agriculture in both Nebraska and Kansas.

8. Reduction in free time for railroad cars at export will further depress prices farmers receive for wheat.

The proposal by the railroads under section (a), page 6, appendix II of ex parte 212, whereby the free time permitted for railroad cars at export will act as a depressing influence on the prices paid to growers for wheat. Export grain firms in assembling wheat for a cargo shipment for export normally receive carload shipments from widely separated areas and the length of time required to move these cars from various points to export varies considerably. As a result, it is impossible to assemble the 175–200 carloads of wheat required for one cargo of wheat and to have these cars inspected, reports on inspection, and unloaded within four days time. Another important variable is the uncertainty in the arrival time for ships which are scheduled to transport the cargo.

This reduction in free time for railroad cars at export would result in greatly increased car demurrage charges which would be reflected back to the producer in the price which export grain firms would be willing to pay for wheat for export. Since exports constitute from 30 to 50 percent of the total production of wheat in most years, this represents a substantial portion of the wheat market.

9. Provision for refund in event no increase or lesser increase be allowed after proposed rates under ex parte 212 in effect is completely unsatisfactory from standpoint of producer.

The proposal by the railroads that ex parte 212 be permitted to go into effect on February 1, 1958 "without suspension but subject to the condition that refund be made in the event that, after full investigation, no increase, or a lesser increase than set forth in the schedules, is allowed with respect to particular rates", is wholly unsatisfactory from the standpoint of producers.

If the increase under ex parte 212 goes into effect on February 1, 1958, then the price a producer receives for a bushel of wheat will immediately reflect the freight rate increase but if these increases were later disallowed, there would be so many complications in computing the refund on grain shipments involving transit that the refund could never be reflected or repaid back to the producer. This procedure would be so cumbersome that any advantages of such refunds would be far outweighed by the many disadvantages. The costs involved in administering such refunds would be prohibitive and since the grower, who really pays the increased freight costs for shipping his produce, would not benefit from any refunds, this procedure would be completely unsatisfactory from the producer's standpoint.

Mr. CURTIS. Mr. President, a letter dated January 14, 1958, from Mr. I. L. Watson, secretary of the Elkhorn Valley Hay Dealers Association, concisely states the views of Nebraska hay producers regarding this problem. I ask unanimous consent to have the letter printed in the RECORD at this point as a part of my remarks.

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

INMAN, NEBR., *January 14, 1958.*

Senator CARL T. CURTIS,
United States Senate,
Washington, D. C.

DEAR SENATOR CURTIS: On behalf of the Watson Hay Co. and the Elkhorn Valley Hay Dealers Association, I am writing you protesting the advance of $1 per ton freight rate on hay as proposed in tariff and increased rates and charges X–212 to become effective February 1, 1958.

This is the third freight-rate increase we have had in less than a year. The overall average increase in X–212 is around 3 percent but for some reason hay seems to be carrying a much larger increase than other commodities. This means an advance in freight charges on hay from stations on Northwestern Railway, Bassett through Inman, to Omaha, Nebr., of 19 to 23 percent, instead of average 3 percent.

Nebraska, being one of the largest producers of prairie and alfalfa hay, always has a big surplus to ship out. This is certainly going to affect the economy of our State. We realize that the railroads are in bad shape, but don't believe they are going to better themselves by pricing their services out of the market.

Would appreciate anything you can do for us before the Interstate Commerce Commission on these rates.

Very truly yours,

I. L. WATSON,
Secretary, Watson Hay Co., Elkhorn Valley Hay Dealers Association.

THE DOMESTIC JEWELED WATCH INDUSTRY

Mr. CURTIS. Mr. President, last year I informed the Senate of the rapidly deteriorating state of the domestic jeweled watch industry. You will recall that the domestic companies filed an application with the Office of Defense Mobilization more than 2 years ago under that provision of the Trade Agreements Act which was enacted by Congress in 1955 specifically to prevent skills and plant capacities essential to the national defense from being seriously injured by imports. It saddens me to report to the Senate today that the employment of production workers in the domestic watch industry has sunk even lower than it was a year ago. In 1956, there were 3,955 production workers in our domestic watch plants. Today, there are only 2,803. Can the Members of the Senate view this continued and rapid layoff of production workers with complacency? These highly skilled workers have repeatedly been found to be essential to the Nation's mobilization base. And, when you realize that the watch industry is heavily involved in the missiles program because of the important contribution these skills are making, you will be even more concerned. And despite this alarming trend, the Office of Defense Mobilization has still not made its findings in the watch case. I am afraid that this is another case of relief delayed being the same as relief denied.

But this is not the worst of the bad news. Last week the 850 employees of the Elgin National Watch Co. at its Lincoln, Nebr., plant were told that the plant is being shut down. The Elgin Co. announced that it is being forced by imports to cease watchmaking operations at the Lincoln plant. It is consolidating its watch operations at its Elgin, Ill., plant. While the Elgin Co. will continue to manufacture jeweled watches, neither it nor the Nation will any longer have available the capacity of the Lincoln plant. How much longer are we going to tolerate these conditions which fly directly in the face of the policy the Congress put into the Trade Agreements Act to safeguard our vital defense industries?

SPECIAL AID TO SMALL BUSINESS IN DEPRESSED AREAS

Mr. PAYNE. Mr. President, the current rise in unemployment throughout the Nation strengthens the arguments in favor of special financial aid to small businesses located in labor surplus areas. An effective, yet inexpensive means of helping those communities hit by economic reverses would be to provide low-interest, long-term loans to the small businesses in the area. Last year I introduced a bill (S. 244) to make such loans available through the Small Business Administration. Today the need for this program is even greater than a year ago.

The precedent for this program was set in 1955 when SBA was authorized to make liberal-term loans in areas suffering from natural disasters such as flood or drought. The similarity between such natural disasters and economic disaster is obvious and the need for assistance is just as great. Under this program those areas defined by the Labor Department as having a substantial labor surplus would become eligible for those loans to be granted for periods up to 20 years at not more than 3 percent interest. According to the latest reports areas in 23 States are now so classified by the Labor Department. In Maine such hard-hit communities as

Saco, Biddeford and Sanford would benefit under the provisions of S. 244. To aid in curbing economic difficulties and to sustain smaller businesses in this area, this new category of disaster loans should be adopted. The value of this program cannot be questioned and it is my hope that it will be made a part of the small-business legislation to be enacted during this session.

RECLAMATION, FLOOD CONTROL, AND NAVIGATION PROJECTS

Mr. MURRAY. Mr. President, on August 28, on behalf of the Committee on Interior and Insular Affairs and the Committee on Public Works, Senate Resolution 148 was reported favorably to the Senate with perfecting amendments. Both committees recommended that the resolution, as amended, be passed.

Minority views were filed from each committee. All appear in Senate Report No. 1154.

A principal objective of the resolution is to facilitate consideration of Reclamation, flood control, and navigation projects referred to our committees for authorization recommendations. Favorable comments on this objective of the resolution in this respect were received from practically all executive agencies concerned, including the Comptroller General and the Bureau of the Budget.

The resolution seeks a full disclosure from executive agencies of background information on such items as cost allocations and benefit-cost ratios.

Experience of our committees shows that complete information as to alternative methods of cost allocations is essential to full consideration of all factors.

Our committees seek the approval of the Senate of our efforts to improve procedures. Consideration of pending legislation will be expedited by having the information requested included in the comments of executive agencies.

Other phases of the resolution are designed to elimnate what appears to be unnecessary delays in the executive agencies in forwarding to the Congress reports required by law.

Approval by the Senate of the resolution will be a forward step and of great assistance to our two committees.

THE FARM ECONOMIC SITUATION

Mr. YOUNG. Mr. President, almost every magazine and newspaper today has some article concerning the farm economic situation. Many people looking merely at gross farm income assume that farmers are doing very well not realizing, of course, that farm operating costs have risen sharply year after year.

Mr. President, one of the best editorials I have read on the farm situation appeared in the January 16 issue of the Minot Daily News published at Minot, N. Dak. I ask that this be printed in the RECORD as a part of my remarks.

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

FARM COSTS RECORD

Occasionally some brave soul comes forth with the statement that, with wheat at $2 a bushel, plus here and there a premium, along with pretty good prices for beef, to all of which certain Government subsidies are added, the North Dakota farmer has little reason for complaint.

Of course, it matters not the least what the farmer receives unless his operating costs, as well as capital investment, is considered at the same time.

It does not take a long-haired economist to know what is going on right in our midst.

There is just no solution for the little fellow, and that includes, of course, the young chap who wants to get started in farming—the fellows this State badly needs to bolster its citizenship.

Time was when a young man who could muster $500 for a secondhand tractor was in business. He might find a small farm to rent and be on his way. A few head of cattle, hogs, and turkeys supplemented his income.

But it doesn't work today. The turkeys have to be sold in competition with the fellow who raises and finishes 10,000. His few head of beef cattle are sold in competition with the rancher raising several thousand.

One catch is that one man can feed 250 head of cattle with use of power machinery, as well as 10 or 15. And labor cost is a major item.

A man operating 3 or 4 sections can skim off a little from each acre, to total a pretty good return, where the small farmer just can't make it go, even though he donates his labor.

Farming has become big business, which requires a big investment and a lot of credit.

Senator-Farmer MILT YOUNG has developed some cost figures the farmer is confronted with, which give or take a few dollars either way, appear to be pretty sound. It might be well to clip this table and have it readily available for the enlightenment of those who have been looking just at the income totals.

The Senator has not mentioned the inflation spiral that is reflected in food and clothing, items that are just as realistic for the farm family as for those on a weekly payroll in town.

Here are the figures that show a 10-year increase in machinery cost up to 64 percent:

Commodity and unit	Average prices paid by farmers		Percent increase
	Average 1947–49	September 1957	
Gasoline, tank truck, per gallon	*Cents* 21.9	*Cents* 27	23
Tractor, 30-39-horsepower	$2,100	$3,000	43
Tractor plows, 3-bottom	269	400	49
Disk harrows, tandem	202	301	49
Manure spreaders	332	513	55
Grain drills, 20-tube	475	754	59
Combines, self-propelled, 12-foot	4,310	6,140	42
Corn picker-huskers, 2-row	1,210	1,980	64

ADDRESS DELIVERED BY SENATOR KNOWLAND AT WASHINGTON AND LEE UNIVERSITY

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an address delivered by the minority leader, the Senator from California [Mr. KNOWLAND], at Washington and Lee University, Lexington, Va., on January 11.

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

SPEECH OF UNITED STATES SENATOR WILLIAM F. KNOWLAND, OMICRON DELTA KAPPA ANNUAL TAP DAY LUNCHEON, WASHINGTON AND LEE UNIVERSITY, LEXINGTON, VA., SATURDAY, JANUARY 11, 1958

Mr. President, faculty, students, and friends of Washington and Lee University, there have been many developments that have taken place in the world since I first accepted the invitation of your organization to attend this meeting today. The invitation was extended in February of 1957 and accepted in early March.

The names of the great Americans associated with this university are a heritage of our entire Nation. The activities and character of these Virginians are a source of pride and inspiration of every American across this wide land of ours.

The placing of Sputniks I and II into their orbits has had a tremendous impact in this country and throughout the world.

It has presented a challenge to this country and to the Free World and has underscored the fact that the Soviet Union has a long-range-missile capability which must not be underestimated.

The challenge facing this country is to make sure that we overtake the Soviet lead in the missile field and that we retain a deterrent power in our Strategic Air Command that would effectively persuade the Soviet Union that they cannot commit aggression against us without suffering devastating counterblows.

An additional challenge, however, is to do this job while we maintain our free-enterprise system and a solvent Federal Government.

It is important that we face up to the problems ahead of us without either fear or complacency.

The fact that the Soviet Union has gained an ascendancy in the earth's satellite field and an apparent lead in the long-range missile field does not eliminate the defensive power of the United States in our Strategic Air Command, our superiority in atomic weapons and the capabilities of our Navy, Army, and our allied forces abroad.

However, a grave threat would be involved if the Soviet Union continued to enjoy a leadership in outer space or in missile research development and production.

The Nation has a right to expect that the administration and the Congress will work together in accomplishing our objective and that solutions be reached on the basis of what is essential for the preservation of our Nation and the security of the free world, rather than on any narrow partisan bickering.

Since shortly after the close of World War II it has been apparent to the people and the governments of the Free World that the Soviet Union was not prepared to let up on its pressures to extend, by one means or another, the power and influence of their international Communist conspiracy.

Even those who had been hopeful at first that there would be a change of policy with the death of Stalin have come to recognize that the shifting of personalities by natural death, violent liquidation, or enforced removal to subordinate positions does not change the basic long-term strategic objectives of the Kremlin.

Not only is this made clear by the writings and statements of the Soviet leaders, present and past, but by whole series of deeds.

In my judgment, we dare not ignore this record if we are to preserve the future of our own Republic and to assure the survival of freedom elsewhere in the world.

It was only recently that Khrushchev in one of his franker moments and with his

usual nondiplomatic approach said in referring to those who believe in free institutions:

"We will bury you."

This is not a major departure from long-established Communist doctrine. In 1901, some 16 years before the Russian Revolution, Lenin said:

"We have never rejected terror on principle, nor can we ever do so. Terror is a form of military operation that may be usefully applied, or may even be essential in certain moments of the battle."

Some years later in 1923 Stalin added his contribution to the Communist doctrine in the following language:

"To choose the victim, to prepare the blow with care, to slake an implacable vengeance, and then to go to bed—there is nothing sweeter in the world."

These statements, among vast numbers of others that could be documented, taken together with the long record of the Soviet Union in violating its treaties and agreements with non-Communist powers certainly should put the Free World on notice that a Soviet agreement is not worth the paper upon which it is written.

Despite a massive Soviet propaganda buildup that is growing in volume regarding their peaceful intentions the following facts cannot be successfully disputed:

1. The Soviet Union has violated every international agreement or treaty it has had with a non-Communist power whenever it suited their national interests. These include its treaties of friendship and nonaggression with Finland, Poland, Latvia, Lithuania, Estonia, Hungary, Rumania, Bulgaria, Czechoslovakia, and the Republic of China.

2. The Soviet Union to date has been unwilling to agree to any effective inspection system that would give equal protection to the Free World.

3. If our atomic defensive capability was eliminated the Soviet-Communist strength in conventional forces would be sufficient to overwhelm Western Europe, the Middle East, and Asia.

4. There has been no reliable information indicating any change in long-term Soviet-Communist strategy—the destruction of human freedom everywhere.

5. Despite the well-advertised smiles of Khrushchev in the summer of 1956, the inherent totalitarian blood lust of the Soviet Communist system was demonstrated by the ruthless crushing of freedom of Hungary in November of that year.

No prudent persons can ignore these facts.

The Communist bloc may be likened to an arsonist. With stealth and a penny box of matches, they could destroy a great metropolitan area were it not for an extensive and expensive fire-alarm and fire-fighting system.

There have been suggestions made that the full air inspection suggested by the President be modified so that in exchange for our air inspection over Siberia that the Soviets be allowed to inspect Alaska and all of the United States west of the Mississippi.

As an American, a Westerner, and a Californian, I must in candor state that such a "compromise proposal" does not appeal to me. It sounds too much like a Communist recipe for rabbit stew of equal parts—1 horse to 1 rabbit.

As long as the menace of international communism exists we must maintain a strong national defensive force in the air, on the land, and on the sea.

We also need to constantly encourage our allies abroad to face the facts and carry their fair share of the defense burden. This Nation cannot and should not be expected to do the job alone.

It is time for us to rededicate ourselves to a renewed faith in our free way of life.

We must not take our constitutional form of government or our free enterprise system for granted. Neither fall into the category of something that can be locked in a safe-deposit box and kept forever secure. Each generation must be prepared to make the necessary sacrifices to maintain them that our Founding Fathers were prepared to make in the first instance.

Other nations have been or now are larger in land area, in population, and in natural resources. Yet they have not been able to give to their people the freedom and the standard of living Americans have enjoyed.

As important as is the productive capacity of our Nation and its military strength, these are not the factors which alone could preserve our freedom or enable us to maintain a free world of free men. The inner strength of America has not been its great cities, its huge industrial plants, its extended transportation systems, or its variety of natural resources, as important as these are.

The factors which made America an inspiration to the rest of the world grew out of our Declaration of Independence, the Constitution of the United States and the spiritual values which the Founders of our Republic recognized and by which they were guided.

We have recognized that there is a higher moral law to which governments are also accountable. We have humbly acknowledged the divine inspiration which has made and preserved us as a Nation.

We have read of and been inspired by the action of George Washington in kneeling in prayer during the dark days of Valley Forge.

The priceless ingredient for our people has been our constitutional form of government which guarantees our religious personal and economic freedom.

America is still the authentic revolution. The flame of freedom which was struck at Concord and Lexington still is an inspiration to the enslaved behind the Iron Curtain.

But it is also an ageless lesson that no outsiders can win independence for a people. They must be willing to pay the price in blood and resources to gain their own freedom.

We do recognize, however, that when freedom is destroyed anywhere a bit of freedom is destroyed everywhere.

Nations can die while delegates talk. During the 1956–57 Hungarian struggle the General Assembly of the United Nations passed 10 resolutions in 76 days of debate. All that while freedom was being strangled to death in Hungary. With callous indifference the Soviet Union placed itself above the higher moral law of God as well as above its obligations under the United Nations Charter.

This presents the issue: Are the obligations and the mandates of the United Nations to be applicable to the democratic nations but not to the totalitarian powers? To the law-abiding but not to the outlaw nations? To the small and weak countries but not to the big and strong? What kind of justice is this? Are we building on quicksand? What kind of a foundation is this for constructing a system of international law and order based on justice?

We serve no useful purpose if we hide the facts. To the contrary, by ignoring them and failing to seek remedies we may endanger the safety of this Republic and free men everywhere.

For many decades the men in the Kremlin have preached the doctrine that the free world contains the seeds of its own destruction. It is far more likely, I believe, that the Communist world contains the seeds of its own destruction.

Hungary was but the latest in the indications that, even under totalitarian police rule and the brainwashing of a whole generation, the spark of freedom still lived and was capable of lighting a fire that endangered the whole monolithic structure of Communist tyranny.

After the Hungarian experience how much reliance can the Soviet Union place in the armed forces of the other captive nations if freedom is ever within their reach? How can they have faith in Communist indoctrination when young students were the leaders of the Hungarian rebellion?

International communism which 40 years ago imposed its will upon the people of Russia has in the meantime, by conquest, subversion, and international blackmail, extended its power to where over 900 million people are enslaved behind the Iron Curtain.

Probably not as much as 10 percent of that number can be considered hard-core Communist Party members.

Never before in history have so few imposed their ruthless totalitarian will upon so many human beings.

They will be relentless in seeking to destroy our institutions. Fortified by our faith in God, we must be determined that our way of life will be preserved.

I believe we are at one of the great crucial turning points of history.

History will judge us on how we of our generation met the great problems, international and domestic, which confront our generation. There has never been a time in our history when it was more important that we as Americans regardless of our party differences subscribe to the pledge of Thomas Jefferson when he said:

"I have sworn upon the altar of God eternal hostility to every form of tyranny over the mind of man."

THE TAFT MEMORIAL

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, a letter from the Architect of the Capitol addressed to me, and copy of the Senate resolution and various documents showing that all requirements prerequisite to commencement of erection of the Taft Memorial have been met.

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

ARCHITECT OF THE CAPITOL,
Washington, D. C., January 17, 1958.

Hon. STYLES BRIDGES,
United States Senate,
Washington, D. C.

MY DEAR SENATOR BRIDGES: You will remember that some time ago we agreed that during this session of Congress there should be inserted in the CONGRESSIONAL RECORD, a copy of the Senate resolution authorizing the erection of the Taft Memorial and documents showing that all requirements prerequisite to commencement of erection have been met.

In order that you might have this information available for insertion in the RECORD, I am enclosing the following material:

1. Copy of Senate Concurrent Resolution 44, 84th Congress, agreed to by the Senate on July 22, 1955, and by the House on July 25, 1955, which authorized the erection of the Taft Memorial and set forth certain conditions to be met before construction could begin.

2. Copy of Senate Report No. 1065, 84th Congress, accompanying Senate Concurrent Resolution 44.

3. Copy of letter of October 11, 1955, from Mr. David E. Finley, Chairman of the Commission of Fine Arts, approving the design of the Memorial.

4. Copy of my letter of December 7, 1956, to the architect for the Taft Memorial, Mr. Douglas W. Orr, approving the design, plans, and specifications for the Memorial.

5. Letters of October 3, 1957, from Robert V. Fleming, treasurer, the Robert A. Taft

Memorial Foundation, Inc., concerning estimated expenditures and funds available for erection of the Memorial.

6. Copy of letter dated October 8, 1957, from the senior vice president and cashier of the Riggs National Bank, Washington, D. C., certifying that sufficient funds are available to insure completion of the Memorial.

7. Copy of my letter of October 9, 1957, to the president of the Robert A. Taft Memorial Foundation, Inc., certifying that all requirements of Senate Concurrent Resolution 44, prerequisite to commencement of erection, have been met.

If there is any other information that you think should be included, please let me know.

Sincerely,

J. GEORGE STEWART,
Architect of the Capitol.

[S. Con. Res. 44, 84th Cong., 1st sess.]

Resolved by the Senate (the House of Representatives concurring), That the Robert A. Taft Memorial Foundation is authorized to erect on the Capitol Grounds, and present to the Congress of the United States, a memorial bell tower of appropriate design dedicated to the memory of Robert A. Taft. Such memorial shall be equipped with bells and shall be erected on the site described as square 633 on the drawing of the Architect of the Capitol. Such site is located just below the Fountain Plaza area, and lies between New Jersey Avenue on the east, Constitution Avenue on the south, C Street on the north, Louisiana Avenue diagonally on the northwest, and First Street on the west.

SEC. 2. The design and plans for the erection of such memorial shall be subject to the approval of the Architect of the Capitol, with the advice of the Commission on Fine Arts, and such memorial shall be erected without expense to the United States.

SEC. 3. The authority granted by the first section of this act shall cease to exist unless (a) within 1 year after the passage of this concurrent resolution the plans for such memorial have been presented for the approval of the Architect of the Capitol, and within 3 years after such approval, the erection of such memorial has commenced, and (b) the Architect of the Capitol finds that, prior to the commencement of the erection of such memorial, sufficient funds are available to insure its completion.

SEC. 4. After the completion of the memorial according to the approved plans and specifications, it shall be accepted on behalf of the people of the United States by the Congress and thereafter shall be maintained by the Congress as part of the Capitol Grounds.

[S. Rept No. 1054, 84th Cong., 1st sess.]

MEMORIAL TO ROBERT A. TAFT

(Mr. GREEN, from the Committee on Rules and Administration, submitted the following report to accompany S. Con. Res. 44:)

The Committee on Rules and Administration to whom was referred the concurrent resolution (S. Con. Res. 44) to erect on the Capitol Grounds a memorial bell tower in memory of Robert A. Taft, having considered the same, report favorably thereon with amendments, and recommend that the concurrent resolution, as amended, be agreed to by the Senate.

This concurrent resolution would give to Congress as a gift from the Robert A. Taft Memorial Foundation, Inc., of Washington, D. C., a memorial bell tower erected in the memory of the late Senator from Ohio. Designed by one of the Nation's foremost architects, the carillon would be a simple marble shaft, of clean lines, rising 100 feet over an attractive base and fountain. In accordance with the concurent resolution the site would be on that part of the Capitol Grounds bounded by New Jersey Avenue on the east, Constitution Avenue on the south, C Street on the north, Louisiana Avenue diagonally on the northwest, and First Street on the west.

The amendments inserted in the concurrent resolution by the Committee on Rules and Administration correct the spelling of one word, and also add to the description of the memorial site.

The Robert A. Taft Memorial Foundation, Inc., was formed on July 13, 1954, as a nonprofit organization to perpetuate the high standards and ideals and public service exemplified by the late Senator from Ohio.

It has a board of trustees of 100 men and women in the various walks of life and is representative of the entire Nation. The chairman is the Honorable Herbert Hoover, former President of the United States, and the honorary chairman is the Honorable Dwight D. Eisenhower, President of the United States.

The foundation has a three-point program:

1. A physical memorial to be erected on the Capitol Grounds in Washington.

2. A Robert A. Taft Institute of Government.

3. A program of scholarships, fellowships, and research grants.

A recent action taken by the board of trustees was to propose that the foundation give to the Congress of the United States and to the people of this country a bell tower or carillon in memory of Senator Taft. This tower is expected to cost between $1 million and $1.2 million. The foundation will bear all expenses connected with the project.

The memorial will have a base or platform of about 55 by 45 feet in area, and about 15 feet high, surrounded by a low hedge and benches at the corners. Extending 12 feet beyond this platform on each of the 4 sides will be a water basin with a series of spraying jets. Pavement of platform would be done with marble strips set in pebble concrete. Walks leading to the platform will be provided with steps in two tiers, to give it a gradual approach.

The rectangular tower will be 11 feet thick, 32 feet wide, and 100 feet tall. At its base, in low relief, will be a sculpture of Robert A. Taft and a scroll. The shaft and the sculpture is to be of Tennessee pink marble; the walls of the basin and of the platform of carnelian Minnesota granite. Twenty-five bells will be placed in the upper part of the shaft, which will have belltone openings between supporting marble piers. The mechanism for playing this carillon manually or automatically will be in a room inside the bottom of the shaft. The site will be suitably landscaped.

The whole is a design of Douglas W. Orr, noted architect of New Haven, Conn., and a member of the Commission of Fine Arts.

At the present time there are a number of small memorial plaques on the Capitol Grounds, especially those located at the bases of memorial trees, which have been placed there by informal arrangement. The only statue on the grounds is that of Chief Justice John Marshall on the West Plaza, unveiled on May 10, 1884. Formerly, the heroic statue of George Washington by Horatio Greenough sat for more than 60 years before the Capitol on the east front before it was removed to the Smithsonian Institution in 1908. A third memorial, raised in memory to the naval dead of the Tripolitan War, sat as the center of a large pool on the west front of the Capitol from about 1832 to 1860, when it was removed to the United States Naval Academy at Annapolis, Md. (See appendix E (3).)

From the first, Congress has always reserved to itself the placement of monuments on the Capitol Grounds. Under the statute (40 U. S. C. 162) there can be no change in the architectural features of the Capitol Grounds without the approval of Congress. In requiring, however, that the Architect seek the advice of the Commission of Fine Arts, the committee was of the opinion that this should be done in order to effect harmony in the designs of memorials within the District of Columbia, and that Congress should desire such advice. No precedent is being established thereby, nor is the Architect of the Capitol bound by the advice of the Commission.

APPENDIX A. LETTER FROM THE HONORABLE DWIGHT D. EISENHOWER, PRESIDENT OF THE UNITED STATES OF AMERICA, AND HONORARY CHAIRMAN OF THE ROBERT A. TAFT MEMORIAL FOUNDATION, INC.

THE WHITE HOUSE,
Washington, June 21, 1955.

The Honorable RICHARD M. NIXON,
The Vice President, Washington, D. C.

DEAR MR. VICE PRESIDENT: I understand that Mr. Herbert Hoover has written you on behalf of the board of trustees of the Robert A. Taft Memorial Foundation, Inc., offering to the Congress and to the people of the United States a monument to be erected on the Capitol Grounds to commemorate the late Senator Taft.

I realize that the Congress has exclusive jurisdiction over the Capitol and its Grounds, but I do hope that the Congress will be favorably disposed to the acceptance of this memorial. I believe that a monument to Senator Taft would do much to help perpetuate the high ideals, sound principles, and dedicated service which he exemplified throughout his public career.

With cordial regard.

Sincerely,

DWIGHT D. EISENHOWER.

APPENDIX B. LETTER FROM THE HONORABLE HERBERT HOOVER, FORMER PRESIDENT OF THE UNITED STATES OF AMERICA, AND CHAIRMAN OF THE ROBERT A. TAFT MEMORIAL FOUNDATION, INC.

JUNE 20, 1955.

The Honorable RICHARD M. NIXON,
Vice President of the United States,
Washington, D. C.

MY DEAR MR. VICE PRESIDENT: The Robert A. Taft Memorial Foundation, Inc., was formed on July 13, 1954, as a nonprofit organization to perpetuate the high standards and ideals and public service exemplified by the late Senator from Ohio. It has a board of trustees of 100 men and women in the various walks of life, and is representative of the entire Nation.

The foundation has a three-point program:

1. A physical memorial to be erected on the Capitol Grounds in Washington.

2. A Robert A. Taft Institute of Government.

3. A program of scholarships, fellowships, and research grants.

The necessary action has been taken by the board of trustees in connection with the erection of a bell tower or carillon which the board desires to give to the Congress of the United States and to the people. The foundation will bear all expenses connected with this project. We have seen the preliminary plans and sketches of this proposed memorial and the board of trustees of the foundation feels that the form of the design endeavors to interpret the man whom it commemorates in that it is a monument of simplicity, yet of dignity and strength. The trustees feel that the monument will be in keeping with the dignity and beauty of the existing monuments in Washington.

The trustees of the foundation have taken their action on the recommendation of a subcommittee on the physical memorial consisting of Representative Clarence J. Brown, chairman, Senator John W. Bricker, Senator

Styles Bridges, Mrs. Katharine Kennedy Brown, Senator Harry F. Byrd, Senator Everett M. Dirksen, Ambassador Homer Ferguson, Senator Walter George, Senator William F. Knowland, Senator Eugene D. Millikin, Senator Leverett Saltonstall, and Senator H. Alexander Smith. The cost of this monument would be met by the foundation, which plans to solicit general contributions from the public at large. It is the foundation's wish that Congress accept this monument as a gift and that it arrange for a suitable site on the Capitol Grounds.

Throughout his career Senator Taft exemplified the highest standards of integrity and probity in public life. He was a champion of American ideals and traditions, while at the same time he was a supercraftsman in the application of principles in the practical operation of government. His living example, consequently, was a tremendous influence for good citizenship and good government. This foundation seeks to keep alive his memory as an enduring inspiration for generations to come, and this monument will serve as a visible reminder of the simplicity and greatness of the man.

The above-mentioned subcommittee, after viewing several sites and consulting with the Architect of the Capitol and a member of the Commission of Fine Arts, has recommended the following site: Square 633 on the drawing of the Architect of the Capitol, located just below the Fountain Plaza area, lies between New Jersey Avenue on the east, Constitution Avenue on the south, Louisiana Avenue diagonally on the northwest, and First Street on the west.

We enclose a certified copy of the resolution of the executive committee formally offering to the Congress this monument to be erected on the Capitol Grounds at no expense to the United States Government. Authority was given by the board of trustees to the executive committee to take this action at a meeting of the board of trustees on January 8, 1955. We also enclose a photograph of the architect's sketch of the memorial which portrays the monument on the recommended site.

It is our hope that the Congress of the United States will take the appropriate steps to accept the gift from the foundation.

Sincerely,

HERBERT HOOVER, *Chairman.*

APPENDIX C. RESOLUTION ADOPTED BY THE EXECUTIVE COMMITTEE OF THE ROBERT A. TAFT MEMORIAL FOUNDATION, INC., ON MAY 25, 1955

Resolved, That pursuant to the resolution of the board of trustees adopted January 8, 1955, the executive committee determines that the conditions set forth in said resolution have been fully complied with, and that it is the unanimous opinion of the executive committee that the foundation proceed to erect the memorial according to the sketches submitted, using the materials and having the description and dimensions as follows: Base 55 by 45 feet surrounded by water basin, shaft 11 by 32 by 100 feet. On the base low relief sculpture of Robert A. Taft and scroll. Shaft and sculpture to be constructed of Tennessee pink marble, walls supporting platform and the basin to be constructed of carnelian Minnesota granite. Twenty-five bells to be placed in upper part of the shaft; that the estimated cost of between $1 million and $1,200,000 is hereby established as the approximate budget for the erection of the memorial; that Ben E. Tate, chairman of the ways and means committee of the foundation, be and he is hereby authorized to formulate plans to secure the necessary funds to erect said memorial; that the president be and he is hereby authorized to appoint other members of the board of trustees to serve as members of a finance committee to execute said fund-raising program, and shall designate one as chairman; that pursuant to said resolution of the board of trustees that the subcommittee for the physical memorial continue to supervise all the necessary actions in connection with the erection of the physical memorial; that said subcommittee is hereby authorized to secure definite plans and specifications and contracts, and is further authorized to modify the above description, dimensions, and materials as may be necessary to carry out the intent of the resolution for the erection of said memorial.

Resolved further, That no later than June 25, 1955, the chairman of the foundation be requested to transmit to the Congress of the United States the offer of a gift to it of the physical memorial to be erected on the Capitol Grounds without cost to the United States Government, substantially in the form as described herein, and to recommend that it be located on the following described site: Square 633 on the drawing of the Architect of the Capitol, located just below the Fountain Plaza area, lies between New Jersey Avenue on the east, Constitution Avenue on the south, Louisiana Avenue diagonally on the northwest, and First Street on the west; that said offer shall be made in the form of a letter to the President of the Senate and Speaker of the House of Representatives and attached thereto shall be a copy of this resolution and a photograph of the architect's sketch of the memorial.

Resolved further, That if and when the Congress accepts said offer of the foundation and upon the approval by the subcommittee of the plans and specifications, and the Architect of the Capitol, or by whomever person or persons required by the Congress to do so, the finance committee shall proceed to secure the necessary funds for the erection of said memorial and upon certification that sufficient funds have been either collected or pledged, and certification that all conditions set forth by the Congress have been complied with, B. CARROLL REECE, president of the foundation, on behalf of the foundation, shall enter into the necessary contracts and agreements for the erection of said memorial.

Resolved further, That anything in this resolution to the contrary notwithstanding, the wording of the scroll and the sculpture which is to be a part of said memorial shall be submitted to the executive committee for approval before submitting said sculpture and scroll to the designated representatives of the Congress for final approval.

Resolved further, That, in accordance with the statements made by the president, the substance of these resolutions shall be transmitted to the board of trustees as soon as possible.

APPENDIX D. APPLICABLE STATUTES—EXCERPTS

(1) Public buildings, property, and works (40 U. S. C.)

§ 193a. United States Capitol; area comprising; jurisdiction.

The United States Capitol Grounds shall comprise all squares, reservations, streets, roadways, walks, and other areas as defined on a map entitled "Map showing areas comprising United States Capitol Grounds," dated June 25, 1946, approved by the Architect of the Capitol and recorded in the Office of the Surveyor of the District of Columbia in book 127, page 8, and the jurisdiction and control over the United States Capitol Grounds, vested prior to July 31, 1946, by law in the Architect of the Capitol, is extended to the entire area of the United States Capitol Grounds as defined on the aforementioned map, and the Architect of the Capitol shall be responsible for the maintenance and improvement thereof: * * *

§ 162. Architect of Capitol; powers and duties.

The Architect of the Capitol shall perform all the duties relative to the Capitol Building performed prior to August 15, 1876, by the Commissioner of Public Buildings and Grounds, and shall be appointed by the President: *Provided,* That no change in the architectural features of the Capitol Building or in the landscape features of the Capitol Grounds shall be made except on plans to be approved by Congress. * * *

(2) Commission of Fine Arts

§ 104. Commission of Fine Arts.

A permanent Commission of Fine Arts is created to be composed of seven well-qualified judges of the fine arts, who shall be appointed by the President, and shall serve for a period of 4 years each, and until their successors are appointed and qualified. The President shall have authority to fill all vacancies. It shall be the duty of such Commission to advise upon the location of statues, fountains, and monuments in the public squares, streets, and parks in the District of Columbia, and upon the selection of models for statues, fountains, and monuments erected under the authority of the United States and upon the selection of artists for the execution of the same. It shall be the duty of the officers charged by law to determine such questions in each case to call for such advice. The foregoing provisions of this section shall not apply to the Capitol Building of the United States and the building of the Library of Congress. The Commission shall also advise generally upon questions of art when required to do so by the President, or by any committee of either House of Congress. * * *

APPENDIX E

Background on other Capitol memorials

(1) Statue of Chief Justice John Marshall[1]

The seated statue of Chief Justice John Marshall located upon the west plaza of the United States Capitol was unveiled on May 10, 1884. Chief Justice Marshall died in Philadelphia on the 6th of July 1835, and on the 7th day of July of that year, at a meeting of the bar of Philadelphia, resolutions were offered setting forth the grief of the bar at the death of the late Chief Justice and expressing a sense of the great public loss sustained and recommending to the bar of the United States cooperation in erecting a monument to the memory of the Chief Justice at some suitable place in the city of Washington. On the 10th of August 1835 a circular letter setting forth the purpose of collecting funds for erecting a monument was sent out to members of the bar in different sections of the country.

It was the purpose of the committee having in charge the collection of funds to be devoted to the erection of a monument to Chief Justice Marshall to limit the amount of subscriptions to the sum of $10 from each individual, and as the sum thus received failed to reach an amount considered necessary the receipts were carefully invested in the name of trustees of the Marshall Memorial Fund, so that in the year 1882 the sum thus invested had grown to an amount approximating $20,000.

At this time it was felt that the bar might be disposed to use this sum and such other moneys as might be subscribed and complete the project. Congress, however, supplemented the effort of the bar of Philadelphia by the enactment of the following legislation:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the Senate and the Speaker of the House of Representatives do appoint a joint committee of 3 Senators and 3 Representatives, with authority to contract for and erect a statue to the memory of Chief Justice John Marshall, formerly of the Supreme Court of the United States; that said

[1] From Arts and Artists, p. 486.

statue shall be placed in a suitable public reservation, to be designated by said joint committee, in the city of Washington; and for said purpose the sum of $20,000, or so much thereof as may be necessary, is hereby appropriated out of any money in the Treasury not otherwise appropriated." (Approved March 10, 1882.) (Stat. L., vol. 22, p. 28.)

William Wetmore Story,[2] son of Justice Story, was selected as the sculptor of the memorial and was paid approximately $40,000 for his work.

The program upon the date of unveiling consisted of music by the Marine Band; prayer, Reverend Doctor Armstrong; music; address, the Chief Justice; music; oration, William Henry Rawle; music; benediction.

The statue is of bronze with marble base. The statue weighs approximately 2 tons and the marble base without brick backing about 10 tons.

(2) Statue of Washington

(By Horatio Greenough)

This statue was placed in the rotunda of the Capitol in 1841. It soon became apparent, even to the artist himself, that the center of the rotunda of the Capitol was not a fit resting place for the statue and Greenough wrote a letter to the committee of Congress asking its removal to a more suitable place, complaining that the light in the rotunda was defective and that in it the statue could be not be seen to advantage.

By appropriation of $5,000 in 1844, Congress authorized the removal of the statue to the grounds east of the Capitol, where it remained until 1908, when it was transferred to the Smithsonian Institution.

(From H. Doc. No. 45, August 4, 1841; also p. 101, Art and Artists of the Capitol:)

1832, February 18: The House of Representatives adopted a resolution;

"Resolved, That the President of the United States be authorized to employ Horatio Greenough, of Massachusetts, to execute, in marble, a full length pedestrian statue of Washington, to be placed in the centre of the rotunda of the Capitol; the head to be a copy of Houdon's Washington, and the accessories to be left to the judgment of the artist."

1832, February 23: The Secretary of State, by direction of the President, addressed to Mr. Greenough a letter of instructions for carrying into effect the resolution of the House.

1833, March 30: The Department of State, at the direction of the President, accepts the offer of Mr. Greenough dated July 8, 1832, to execute the work in 4 years for $20,000 to be paid in installments of $5,000 each.

1832, July 14: An appropriation of $5,000 was made "to enable the President of the United States to contract with a skilful artist to execute, in marble, a pedestrian statue of George Washington, to be placed in the center of the rotunda of the Capitol;" and several appropriations were made at succeeding sessions in furtherance of the same object.

May 27, 1840: By resolution of Congress, it was directed "That the Secretary of the Navy be authorized and instructed to take measures for the importation and erection of the statue of Washington by Greenough."

In pursuance of this authority, the Navy Department held a correspondence with Commodore Hull, commanding on the Mediterranean station, who entered into an agreement with the owners, or master, of the ship *Sea* for the transportation of the statue to the United States. This ship, with the statue on board, arrived in this city on the 31st ultimo and now lies at the navy yard.

July 31, 1841, statue arrived in Washington.

(From H. Doc. No. 53, August 16, 1841:)

August 13, 1841: C. K. Stribling, commanding the Navy Yard, Washington, gives a receipt to Capt. J. A. Delano, master of the ship *Sea*, for the statue of Washington.

The exact date of erection in the rotunda is not found in the files.

The statue was modeled in Florence, Italy, and the sculptor wrote to the Secretary of State March 12, 1841, that the work had occupied his entire attention during 4 years and 5 months in its execution; the time passed in making journeys, and otherwise employed with reference to it, had been nearly 1 year. He gave a detailed account of expenses incurred in modeling the statue during 1834–35 and 1836; also an account of expenses incurred in finishing in marble the statue including the purchase of the block and the transportation of the monument to Leghorn, 1839, 1840, 1841.

The statue is of marble, length 10 feet 6 inches. Height 10 feet 6 inches, width 6 feet 6 inches, and weighs somewhat under 20 tons.

(From H. Rept. No. 219, February 22, 1843:)

January 1843: The sculptor presented a memorial to Congress, praying for the removal of the statue from the rotunda to the ground in front of the western facade of the Capitol.

(P. 103, Art and Artists of the Capitol:)

Civil and Diplomatic Expenses Appropriation Act, 1844: "For the removal of the statue of Washington from its present position and permanently placing the same on a proper pedestal and covering it temporarily in the enclosed and cultivated public grounds, east of the Capitol directly in front of the main entrance and steps of the east front of the Capitol, as suggested by the report of the Joint Committee on the Library and in the letter of Mr. Greenough dated February 3, 1843, referred to and reported by said committee in connection with the memorial of Horatio Greenough, under the direction and supervision of the said Greenough, the sum of $5,000" (Stats. L, vol. 5, p. 642).

1908: Public Resolution No. 26 (60th Cong., 1st sess.) provided for removal and transfer to the custody of the Smithsonian Institution, and in the Deficiency Act approved May 30, 1908:

"Washington Statue: For transfer of the marble statue of Washington by Greenough from the plaza in front of the Capitol to the Smithsonian Institution under the direction of the Secretary of the Smithsonian Institution and the Superintendent of the Capitol Building and Grounds, including the construction of a foundation and a marble base, $5,000" (Stat. L., vol. 35, p. 492).

1908, November 21: Removal completed.

(3) Naval or Tripoli Monument

"The year 1808 marked the arrival in Washington of a work of art known as the Naval Monument (by Micali of Leghorn, Italy), purchased by officers of the United States Navy to memorialize the losses of the Navy at Tripoli.

"The monument was brought to this country on the frigate *Constitution* and by act of Congress, approved March 13, 1808 (Stat. L., vol. 2, p. 476), the duties were remitted.

"This monument was erected at the Washington Navy Yard and remained there during the time when the yard was burned to prevent it falling into the hands of the British and some years later was removed from the Navy Yard to the west front of the Capitol, where it was located in a large pool, of which it formed the center."[3]

United States Statutes at Large, volume 4, page 462: "For rebuilding and removing the monument erected in the Navy Yard at Washington by the officers of the American Navy, to the memory of those who fell in battle in the Tripolitan War, a sum not exceeding $2,100, to be expended under the orders of the Secretary of the Navy." (Approved March 2, 1831.)

United States Statutes at Large, volume 4, page 580: "That for the purpose of paying the workmen for renewing the inscriptions, and giving uniformity of color to the naval monument, its ornaments and statues, recently removed from the Washington Navy Yard to the Capitol Square, a sum not exceeding $200 be, and the same is hereby, appropriated, out of any money in the Treasury not otherwise appropriated." (Approved July 14, 1832.)

"The monument remained in this location until the year 1860, when it was taken down and reerected in the grounds of the Naval Academy at Annapolis, where it still may be seen."[4]

THE COMMISSION OF FINE ARTS,
Washington, D. C., October 11, 1955.

HON. CLARENCE J. BROWN,
Chairman, Physical Memorial Subcommittee, Robert A. Taft Memorial Foundation, Washington, D. C.

DEAR CONGRESSMAN BROWN: At a meeting of the Commission of Fine Arts on October 6, 1955, the drawings of the carillon tower, which your committee has commissioned Mr. Douglas Orr to design to the memory of the late Senator Robert A. Taft, were presented by the architect for the consideration of the Commission of Fine Arts.

The Commission is glad to have the opportunity to express its opinion and highly commends the design for the memorial which, in its judgment, splendidly solves the requirements.

For the Commission of Fine Arts:

Sincerely yours,

DAVID E. FINLEY, *Chairman.*

DECEMBER 7, 1956.

MR. DOUGLAS W. ORR,
New Haven, Conn.

MY DEAR MR. ORR: Reference is made to Senate Concurrent Resolution 44, 84th Congress, agreed to by the Senate, July 22, 1955, and by the House, July 25, 1955, which provides as follows:

"Resolved by the Senate (the House of Representatives concurring), That the Robert A. Taft Memorial Foundation is authorized to erect on the Capitol Grounds, and present to the Congress of the United States, a memorial bell tower of appropriate design dedicated to the memory of Robert A. Taft. Such memorial shall be equipped with bells and shall be erected on the site described as square 633 on the drawing of the Architect of the Capitol. Such site is located just below the Fountain Plaza area, and lies between New Jersey Avenue on the east, Constitution Avenue on the south, C Street on the north, Louisiana Avenue diagonally on the northwest, and First Street on the west.

"SEC. 2. The design and plans for the erection of such memorial shall be subject to the approval of the Architect of the Capitol, with the advice of the Commission of Fine Arts, and such memorial shall be erected without expense to the United States.

"SEC. 3. The authority granted by the first section of this act shall cease to exist unless (a) within 1 year after the passage of this concurrent resolution the plans for such memorial have been presented for the approval of the Architect of the Capitol, and within 3 years after such approval, the erection of such memorial has commenced, and (b) the Architect of the Capitol finds that, prior to the commencement

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[2] For Biography of W. W. Story, see p. 374, Arts and Artists.

[3] From Art and Artists of the Capitol of the United States, Fairman, pp. 14, 93.

[4] United States Statutes at Large, volume 12, page 83: "For the removal of the naval monument from the west front of the Capitol to the grounds of the Naval Academy at Annapolis, $1,500." (Approved June 22, 1860.)

of the erection of such memorial, sufficient funds are available to insure its completion.

"SEC. 4. After the completion of the memorial according to the approved plans and specifications, it shall be accepted on behalf of the people of the United States by the Congress and thereafter shall be maintained by the Congress as part of the Capitol Grounds."

Pursuant to the provisions of section 3 of the foregoing resolution, plans for the Taft Memorial, prepared by you, were submitted to the Architect of the Capitol for approval, June 15, 1956—more than 5 weeks prior to the expiration date required for such submission under the provisions of said section 3.

Drawings for the proposed memorial having been submitted by you to the Commission of Fine Arts and the Commission having highly commended the design for the memorial as splendidly solving the requirements, and minor modifications having been made by you in such plans to conform to requirements of the Architect of the Capitol, the design, plans and specifications for the erection of such memorial, as finally considered, are hereby formally approved by the Architect of the Capitol pursuant to the provisions of section 2 of the foregoing resolution.

Sincerely yours,

J. GEORGE STEWART,
Architect of the Capitol.

THE ROBERT A. TAFT MEMORIAL FOUNDATION, INC.
Washington, D. C., October 3, 1957.

Hon. J. GEORGE STEWART,
Architect of the Capitol,
Washington, D. C.

MY DEAR MR. STEWART: I refer to my telephone conversation with you relative to your certificate which is required before work can commence on the Robert A. Taft Memorial.

I desire to advise that firm bids for this work have been received and that the budget of expenses, including bells, bronze casting of the statue, and fees of the architect, engineers, landscape architect, sculptor and bell consultant, together with other estimated expenditures, including a reserve for contingencies of $50,000, total $719,500.

In order that you may issue your certificate, I am writing you as treasurer of the Robert A. Taft Memorial Foundation that there is on hand in the Riggs National Bank $600,000 U. S. Treasury bills plus cash totaling $125,000, or a total of $725,000. The United States securities are held in safekeeping and the cash is on deposit for the account of the Robert A. Taft Memorial Foundation, Construction Account, and funds are for the cost of construction and will not be used for any other purpose than for the construction on the basis of the bids and estimated expenditures hereinbefore outlined.

For withdrawal purposes this account is under the control of two signatures of the Honorable B. Carroll Reece and Honorable I. Jack Martin, countersigned by myself as treasurer or Mr. John M. Christie or Mr. Norman D. Morgan, assistant treasurers.

It would seem to me, therefore, that with this letter you have sufficient assurances to justify you to issue the certificate as these funds will be held by the Riggs National Bank only for the purpose of construction of the memorial until the work has been completed.

Yours very sincerely,

ROBERT V. FLEMING,
Treasurer.

THE RIGGS NATIONAL BANK,
WASHINGTON, D. C.,
October 8, 1957.

The Honorable J. GEORGE STEWART,
Architect of the Capitol,
Washington, D. C.

DEAR MR. STEWART: I, J. C. McCormack, senior vice president and cashier of the Riggs National Bank of Washington, D. C., a national banking association organized and existing under the laws of the United States of America, hereby certify that the Robert A. Taft Memorial Foundation, Inc., construction account was opened with this institution on October 3, 1957, with an initial deposit of $125,000, and the balance in the account as of this date is $125,000, and that we are holding in safekeeping for the Robert A. Taft Memorial Foundation, Inc., construction account $600,000 United States Treasury bills, $300,000 maturing November 7, 1957, and $300,000 maturing December 19, 1957.

Very truly yours,

J. C. MCCORMACK,
Senior Vice President and Cashier.

Attest:

NEIL H. WHEELER,
Assistant Cashier.

ARCHITECT OF THE CAPITOL,
Washington, D. C., October 9, 1957.

Hon. B. CARROLL REECE,
President, Robert A. Taft
Memorial Foundation, Inc.,
Washington, D. C.

MY DEAR MR. PRESIDENT: I am writing to you with reference to S. Con. Res. 44, 84th Congress, agreed to by the Senate on July 22, 1955, and by the House on July 25, 1955, which authorized the erection on the Capitol Grounds of a bell tower of appropriate design dedicated to the memory of Robert A. Taft.

I now find that there are sufficient funds available in the Riggs National Bank of Washington, D. C., for the completion of such a memorial.

I am happy to certify that all requirements of S. Con. Res. 44 prerequisite to commencement of erection have been met, and trust that work on this beautiful memorial may be started at an early date.

Sincerely,

J. GEORGE STEWART,
Architect of the Capitol.

THE EXCHANGE PROGRAM WITH PERU

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to insert in the CONGRESSIONAL RECORD two clippings, from newspapers in Peru, concerning the recent inauguration of an exchange program with that country. These clippings were in Spanish, and I have had translations made by the Library of Congress.

I hope my colleagues will take the trouble to read this further evidence of the effectiveness of the exchange program. Of all the activities in which this country has engaged in the foreign field, I am convinced that this one returns more solid and lasting benefits than any other relative to the investment. In view of the fact that the administration has lowered by a substantial amount the request in this year's budget, this matter requires our earnest attention.

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

FULBRIGHT COMMITTEE WILL SPEND EIGHT MILLION IN PERU ON EDUCATION

Approximately 8.5 million soles will be invested by the Fulbright committee [in Peru] in the next 2 years, thus giving reality to several educational exchange programs between Peru and the United States and translated into 95 fellowships being granted to professional men of both countries.

In announcing the plans for 1958 and 1959, the executive secretary of the Fulbright committee in Peru, Eduardo F. Indacochea, said that they would be fully operative by that time and that the projects for the coming year would start functioning within the next 2 months.

"The 1958 program," he said, "includes such interesting and useful projects as advice concerning the establishment of the school of medicine at Trujillo (a United States specialist will come here for that purpose); a course in Anglo-American law at San Marcos; research in geophysics, volcanology, and hydrology in the Arequipa region; a postgraduate course in vegetal physiology at La Molina; a chair of quantitative (space) physics at San Marcos; a course in virus study [research?] at the school of medicine, and special courses in technical and physical education in official institutions, all of them under the direction and guidance of distinguished United States specialists."

During 1958 a total of 45 fellowships will be granted; 23 will go to United States scientists and teachers, and 22 to physicians and full professors going to the United States to perfect their knowledge. (These include five fellowships for Peruvian teachers to attend the seminar on educational development which will be held at the University of Puerto Rico in October.) This entire program will represent an investment of 4 million soles.

As we know, the exchange will be effected by American citizens coming to [Peru to] study, teach, carry on research, or any other educational or cultural activity, and by Peruvian citizens going to the United States for specific study and investigation. "The financing," Indacochea said, "will be taken care of by United States Government funds and in local money (soles in our case) by virtue of special conventions." "It is not," he added, "a propaganda or technical assistance program. It is simply one of educational and cultural exchange."

But the program drafted by the Fulbright committee will reach its peak in 1959, as an investment of 4.3 million soles has been earmarked for that period. It comprises 50 fellowships (25 for Peruvians and 25 for Americans) and provides a project for medical education under which 5 professors of medicine of United States universities will be giving regular courses in physiology, pharmacology, anatomy, and biophysics at the 4 [sic] schools of medicine which by that time will have been made operative at Arequipa, Trujillo, and Lima.

For 1959 plans have also been made for projects in archeology and anthropology; short-term courses on various aspects of the culture and life in the United States, and a program of teacher training with the participation of the Escuela Normal Superior [teachers' college] and the National Institute of Education of San Marcos University.

Indacochea said in closing: "We believe that the Fulbright program in its first 3 years of application (it started limited operations this year with a budget of 1,700,000 soles and only 10 fellowships) will mean positive benefits for our country."

FULBRIGHT COMMITTEE: CULTURAL EXCHANGE

The United States will invest in the coming year through the Fulbright committee the sum of eight million soles in a broad cultural exchange program, which will include the coming to this country of United States experts and technicians and the granting of special scholarships for Peruvian specialists for travel to the United States in order to perfect their education. In both cases the program will directly benefit our country. The visiting scientists and experts will have

to be outstanding personalities; they would give lectures or courses in their respective specialties in the centers of higher education.

The program of the Fulbright committee includes—and this is a fundamental aspect—an allocation of funds for the establishment in due course of the projected Medical School of the University at Trujillo. This newspaper has repeatedly stated, relative to the schools of medicine of Trujillo and Arequipa, that the fundamental problem is the achievement of a high level of teaching efficiency, if necessary, through the contracting of foreign experts. The Fulbright committee affords a means of achieving that end, since its plan provides for the coming to our country of a United States expert for the specific purpose of participating in the establishment of the school of medicine at Trujillo.

Without any rhetorical designs, it may be held that a plan of cultural exchange such as that put into effect by the Fulbright committee can but produce enormous mutual benefits.

(Source: La Prensa (Lima, Peru), November 30, 1957.)

INVESTMENTS FOR FREEDOM

Mr. POTTER. Mr. President, recent events show that the economic development of the uncommitted countries of the world requires our earnest attention. We are competing with the Soviet bloc for the minds and hearts of men. Nations which recently emerged from colonialism wish to enjoy the benefits of modern industrial development. They are proud and sensitive. If they establish free enterprise economies, they will enjoy the benefits of an industrial society and retain the human values which we treasure. If they accept aid from the Communist bloc, we know that they will lose their freedom. A recent study by the State Department shows that during the past 2½ years the Soviet Union has made commitments to 10 underdeveloped nations to provide them with approximately $1½ billion in economic aid.

In addition to direct aid from the Soviet Union, proposals have been made in the United Nations to establish a special United Nations fund for economic development popularly known as SUNFED. The U. N. Economic and Social Council in the 1957 summer session recommended that the General Assembly establish this fund. This proposal was opposed by the United States, the United Kingdom and Canada. I thoroughly support this stand by our State Department. The establishment of a United Nations fund would make our economic aid available to all countries—those already embracing communism as well as the uncommitted nations. Furthermore, this fund would make it possible for Soviet technicians to be sent into uncommitted countries with the aid and support of the American taxpayer.

I do not know who first proposed SUNFED. However, Walter Reuther is one of its strongest supporters. In March of 1956, he proposed that the United States contribute an amount equal to 2 percent of our gross national product for a period of 25 years to SUNFED. That would involve an expenditure of $8 billion a year at the present level of gross national product. Over the 25-year period, Mr. Reuther is proposing that we agree to give away $200 billion.

On October 28, 1957, Dr. Leland I. Doan, the president of the Dow Chemical Co., of Midland, Mich., addressed the Economic Club of New York on the subject, "Investments for Freedom." The occasion was a unique one, as Dr. Doan occupied the same platform as Aneurin Bevan, a leader of the British Labor Party and one of the severest critics of the foreign policy of the present British Conservative Government. Dr. Doan stressed that there are limits which we are fast approaching on governmental aid by the American taxpayer. However, he stressed that there is a vast potential of untapped economic resources. This can be obtained by encouraging more private investment.

Dr. Doan said:

There are distinct advantages in this approach. For one thing, we can be sure such capital would serve a sound economic purpose. No businessman would invest it otherwise. For another, private enterprise will automatically supply its own technical assistance, and they will be technicians grounded in the principles of freedom not in those of communism.

Private enterprise will also tend to take with it American standards of education, health, housing and other aspects of our culture, and by experience and instinct will tend to elevate, rather than depress, the status of the worker. Thus we shall be reaching and benefiting very directly some of the masses whom we desire to help.

I completely endorse the views expressed by Dr. Doan. If private enterprise is to perform successfully, the Congress must continue to promote such investment.

Dr. Doan further said:

Our own Government could take some steps to encourage investment abroad. It could, for example, extend the concept of the Western Hemisphere Trade Corporation to the rest of the free world. It can understandably be argued that tax concessions on foreign investment are illogical when we are so heavily taxing the income from our domestic investments. On the contrary, by encouraging private investment such concessions should be expected to reduce the need for governmental aid, thus reducing the overall load on the taxpayers. And, of course, one may well ask: If such a policy is good for the Western Hemisphere, why not for the rest of the free world?

There is a close parallel between Dr. Doan's proposal and President Eisenhower's views on the role of private investment. In his state of the Union message he said:

To help bring these multiple benefits, our economic aid effort should be made more effective.

In proposals for future economic aid, I am stressing a greater use of repayable loans, through the Development Loan Fund, through funds generated by sale of surplus farm products, and through the Export-Import Bank.

While some increase in Government funds will be required, it remains our objective to encourage shifting to the use of private capital sources as rapidly as possible.

I believe Dr. Doan's suggestions will help implement President Eisenhower's program, and in order that Dr. Doan's thoughts may aid us in our consideration of this problem, I ask unanimous consent to include his address in the body of the RECORD.

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

INVESTMENTS FOR FREEDOM

(By Leland I. Doan, president, the Dow Chemical Co.)

In being briefed for this very pleasant and challenging mission I was told that I was at liberty to be as controversial as I wished. This gives me some comfort, for while I do not come here for the purpose of being controversial I should hardly expect my remarks to be accepted without critical evaluation. And it would indeed be surprising if, for example, your distinguished guest, Mr. Bevan, were in accord with all of them. In any event, you will understand that such opinions as I express are simply based on what appears logical and practical to me as a businessman.

October has been a history-making month in some quite diverse matters. Milwaukee took the series away from the Yankees and the Russians won the race to outer space.

It also witnessed the arrival in our midst of a most lovely and gracious lady from Britain who gained a host of American friends and admirers.

Apart from all the specific questions and counterquestions which sputnik has raised it has served to shrink our globe still further and focus our attention even more completely on the complexity and urgency of the world's problems. The overriding one, of course, is that of differing ideologies and whether or not they can be compromised so as to enjoy a peaceful coexistence.

It would appear that the world's most basic root of unrest is the great disparity in the conditions under which men live. The most obvious is physical well-being, followed by such things as freedom from oppression, desire for self-expression, identity, equality, and so on. While the mechanism of war may be political, it springs from human factors.

As we look about our world we see have's and have-not's. We see some countries whose people have a high degree of physical well-being, relatively high cultural advance, and many such spiritual nourishments as freedom, identity and opportunity.

We see other nations where the average level of material well-being would be regarded here as gross poverty, where culture has lagged and where individual freedoms and opportunities are minimal. And, of course, we see all degrees and combinations of economic, cultural, and political conditions. We see freedom here, regimentation there, serfdom in another place. We see freedom with relative poverty in one place and relative prosperity with regimentation or a high degree of statism in another.

Such circumstances just naturally breed fear, unrest, suspicion, jealousy, and all the other emotions which lead to conflict between men and between nations of men.

Thus, we come to the general recognition that foremost among the world's needs today is that of bringing about a greater degree of equality among its people—of helping the have-not's to attain a status more comparable to that of the have's. And, of course, there is equally general recognition that such a project requires the investment of capital, resources, and technical knowledge.

The big questions, however, are: "How should these objectives be approached? By what means can they best be accomplished for the greatest good to all people?"

On these there is a great divergence of opinion between individuals, between organizations, and between nations. It is these avenues to development which I should like

to explore. And I trust you will bear in mind that this is so complex and many-faceted a subject that numerous angles or related matters will have to be ignored or taken for granted.

There are differing political philosophies regarding this problem. There is the answer of communism. This is not only a possible answer, it is so effective an answer to sheer economic development that it is our chief worry. In case we were not sufficiently aware of it, we needed only sputnik to underline Russia's ability to supply the technology. And one might note here parenthetically that she is graduating technical people at a more rapid rate than we—thus creating a vast pool of technical-assistance personnel who will carry with them the doctrines and propaganda of communism wherever they go. Further, she has indicated a willingness and ability to supply capital and resources, if need be, in large quantities.

Communism has one other asset in approaching the problem. It is quite willing to use force—to bring about change by decree.

And, of course, that is one of our big quarrels with communism and the Communist approach. It subjugates the individual to the state. The state becomes supreme, arbitrarily deciding what is good and what is not good for its subjects.

We have similar objections to less extreme forms of statism because they tend to diminish the dignity, the freedom, the opportunity of the individual.

We still believe firmly in the better mousetrap and the right of the individual to decide whether or not he will buy it. Within the framework of public safety and decency we endow the individual with the right to determine his own courses of action. Through his decisions in the market place he determines who shall succeed and fail, and he stands as a constant challenge to business and industry to build the better mousetrap.

We believe our economic vigor is due to the fact that we have elevated and unshackled the individual, have confronted him with unlimited opportunity and challenged him with responsibility.

It is natural, then, for us to believe that a similar formula is in the best interest of other peoples of the world. Thus we should like to see assistance to the less developed countries based upon principles of democracy and freedom.

Herein lies a pitfall in that we often tend to be overly self-righteous. We become so convinced that our ways of doing things are superior that we are unsympathetic to, or at least mystified by, people who do not accept them with eagerness and alacrity.

Many countries are sincerely interested in American methods, but we have to bear in mind that they may have markedly different cultures, mores and traditions which may not be compatible with some of ours. In short, while they may be interested in learning from us, they do not necessarily desire to be like us.

Also there are frequent limitations of resources, trading areas, educational levels and other factors which militate against the adoption of some of our economic practices.

Our mass market has in itself been unique, and only now do we see prospects of a similar mass market developing in Europe under the program outlined for the European Economic Community. If successful, this should alleviate many of Europe's traditional economic ills, and we can be sure it will have potent influences on our own economy.

In all, we need to approach the problem of aiding the less developed or less industrialized countries with a great deal of understanding and, conversely, bend every effort to improve their understanding of us.

The history of our Nation has been a history of investments for freedom. Our ancestors invested a lot of blood, sweat and tears because they wished to be free—and a lot more to carve a civilized nation out of a wilderness. Twice in this century we have gone into tremendously costly wars to defend our own freedom and uphold the rights of others against aggression.

Since World War II we have distributed billions upon billions of dollars in foreign aid. There has been some humanitarianism in this, and possibly some economic self-interest, but basically these also have been investments for freedom, fortifying both our own and that of the recipient countries against the spread of communism.

In fact, after years of this, we are now beginning to face up to the fact that while a tremendous need for assistance still exists—and will continue to for many years—we cannot feasibly go on bleeding ourselves forever. Our resources, while great, are not without limit, and neither is the patience of the American taxpayer.

The sharp reduction in the amount last authorized for foreign aid clearly shows that Congress is not disposed to continue so expensive a program. There is a growing sentiment for tax reduction, and from a standpoint of practical politics foreign aid is a more likely place to reduce the budget than domestic welfare programs, the benefits of which are much more evident to the voters and taxpayers.

So there is an understandable disposition to reduce foreign aid as such in the face of a continuing need on the part of less developed countries for assistance in elevating their economies. Is this bad? Are we in danger of thereby losing additional areas of the world to communism? It depends on many things, but I do not necessarily think so.

State-to-state aid, of the type we have been extending, is a direct and convenient means of supplying capital and has a number of advantages. It can be directed arbitrarily where need is greatest irrespective of normal economic forces. It can, if desired, be used for political leverage. The recipient government can control its use—direct it, for example, into needed public works, transport systems and other facilities essential to a healthy economy.

Such aid, however, is not without weaknesses. It may be too subject to vagaries of politics at either end of the line. It may be channeled into projects which have more prideful appeal than economic validity. Or it may even be channeled into the recipient country's general budget.

A further grave weakness is that it often fails to materially benefit the masses of the population whom we wish to benefit and with whom we wish to make friends. It has in some cases only served to aggravate an already undesirable situation—to call upon an old phrase, to make the rich richer and the poor poorer.

Such are some of the pitfalls of state-to-state aid when viewed in terms of our desire to improve the condition of the world's less fortunate people.

Now we are being asked to participate in a gigantic project of multilateral aid which would be even more fraught with hazard. It is called the Special United Nations Fund for Economic Development or, in the nomenclature of the age, SUNFED. I might add that the word "special" was added after the need for some initial letter preceding the "U" became painfully obvious.

SUNFED is a scheme devised by the United Nations Economic and Social Council which would call for voluntary contributions from various nations with distributions from the pool controlled by the U. N. In the initial stages the thinking was that contributions would be made as funds were released through disarmament, but as enthusiasm gathered the sentiment shifted to one of, "Why wait for disarmament? Let's do it now."

So by vote of ECOSOC the General Assembly of the United Nations will be asked this fall to set the machinery in motion.

This is no small program. Some have estimated that to support adequately such a program would require as much as $10 billion a year—extended over a period of decades.

The United Kingdom, Canada, and the United States have stood firmly against any early establishment of such a program and voted against the ECOSOC recommendation to the General Assembly.

Let us assume for a moment that we were to participate in such a program—and we would, of course, be expected to contribute heavily.

First, we would presumably have only one vote in determining the distribution of the funds. We would have no effective power to channel our investment in the directions we most desired or even to insure that it would benefit only nations friendly to the United States. This is an important consideration so long as a state of cold war exists.

Second, our contribution, being in readily convertible currency, could be spent anywhere in the world. There would be no need on the part of the recipient country to spend it for American materials and American technicians. In fact it could as readily buy materials and hire its technicians from Iron Curtain countries. Thus we could indirectly be strengthening Iron Curtain economies and helping to spread Communist propaganda into new areas.

The Russian contribution, on the other hand, would obviously be in rubles spendable only within the Soviet Union and its satellites.

There are two considerations, but I think these two should be sufficient to warn us away from any such plan. Yet there are those among us who seem totally unconcerned over such obvious dangers.

In March of 1956 Walter Reuther proposed that the United States contribute an amount equivalent to 2 percent of gross national product to such a program for a period of 25 years. Currently that would be $8 billion a year and that figure presumably would rise. His proposal included these points:

The 2 percent contribution over a 25-year period to be made without qualifications.

The program to be administered through the United Nations and multilateral agencies.

Economic aid from the world fund to be available to uncommitted as well as committed nations.

The following month, in addressing the American Society of Newspaper Editors, Adlai Stevenson proposed that all our foreign aid be channeled through the United Nations.

Perhaps these gentlemen wish to appear humanitarian and global in their thinking. Humanitarianism and global thinking are necessary and desirable, but I submit that the globe is not at this time one big happy family and we can ill afford humanitarianism in a form that may betray our own welfare and security.

Now, I presume we will find it necessary to continue some governmental foreign aid for some years to come, and we should most certainly keep it under our own control. There is need, however, to reduce it as much and as quickly as possible, and I am of the opinion that if we can bring about the right set of conditions private capital can take over a large part of this development job with advantage to itself and benefit to the host countries.

There are distinct advantages in this approach. For one thing we can be sure such capital would serve a sound economic purpose. No business man would invest it otherwise. For another, private enterprise will automatically supply its own technical

assistance—and they will be technicians grounded in the principles of freedom, not in those of communism.

Private enterprise will also tend to take with it American standards of education, health, housing, and other aspects of our culture, and by experience and instinct will tend to elevate, rather than depress, the status of the worker. Thus we shall be reaching and benefiting very directly some of the masses whom we desire to help.

Finally, since these investments will be economic and self-sustaining, we can gradually eliminate state-to-state aid as private capital takes over, thus reducing the burden on the American taxpayer.

Just last week, in San Francisco, Vice President NIXON discussed this approach, and I agree in principle with most of what he said. It is necessary, of course, to recognize that this is not a simple and easy approach. You cannot force private investment in any given direction—whether it be Indonesia or the State of Ohio. You can, however, create conditions which will attract it.

United States policies control some of these conditions, but to a far greater extent they are dependent upon the policies and attitudes of the recipient countries. Some countries, such as Canada, The Netherlands and Venezuela, have found that large amounts of American capital can be attracted by establishing favorable investment climates. This does not seem to be generally understood by the less developed countries where the need for American capital is great.

Our own Government could take some steps to encourage investment abroad. It could, for example, extend the concept of the Western Hemisphere Trade Corporation to the rest of the free world. It can understandably be argued that tax concessions on foreign investment are illogical when we are so heavily taxing the income from our domestic investments. On the contrary, by encouraging private investment such concessions should be expected to reduce the need for governmental aid, thus reducing the overall load to the taxpayers. And, of course, one may well ask: If such a policy is good for the Western Hemisphere, why not for the rest of the free world?

Another potent inducement would be tax policies which would allow for the rapid recovery of investment before normal taxes were to apply. The host country would offer something similar to a certificate of necessity for tax relief, and this, in turn, would be honored by the United States Government.

Another stimulus over which we have some control would be an improved insurance plan for overseas investors against such hazards as devaluation, war damage, and so on. Our present plan is helpful but it does not cover all of the hazards inherent in foreign investment.

The greatest responsibility, of course, lies in the recipient countries themselves. And it must be recognized that in some cases the basic instability of the government, or of its international relationships, is a strong deterrent to American investment. However, minimum favorable conditions would include:

Guaranties that properties will not be expropriated or nationalized without fair compensation to be paid promptly and in a freely convertible currency.

No restrictions should be placed on the remission of earned income in freely convertible currencies, or, similarly, upon the recovery of one's initial investment through sale of properties.

No arbitrary or discriminatory laws should place burdens upon a foreign company which are not imposed upon domestic firms and, of course, the laws regulating domestic firms should be fair and just.

Such guaranties would do much to eliminate the hazards and headaches which now deter private investment in many parts of the world. Conversely, of course, American capital should not expect any special privilege simply because it is American capital. And it should further welcome the participation of capital from the host country.

Assuming foreign investment can be encouraged, we should also see to it that our tariff structure is such that it does not encourage American capital to go abroad simply for the purpose of exploiting relatively lower labor costs and importing back into the United States products which otherwise would be made here.

I oppose such practices because they tend to depress American wage levels and, in a sense, represent the exportation of jobs. Our objective should be to elevate the standards of other countries, not to reduce or freeze our own.

As the world's standards of living become more equalized the world's trade barriers can gradually be reduced and possibly, one day, eliminated.

Meanwhile, however, we should recognize that encouraging an extensive program of foreign investment implies the need for a reappraisal of tariff and trade policies to protect our domestic investment and the living standards of our own people.

Our Trade Agreements Act was first placed on the statute books in 1934 and has been extended upon each expiration with few changes. Twenty-three years have elapsed since this basic legislation, yet there is a tendency to disregard the many changes in the intervening period which affect the operation of American business.

Since 1934 we have had the Wagner Act, the Social Security Act, the Walsh-Healy Act, the Robinson-Patman Act, the Miller-Tydings Act, the Fair Labor Standards Act, and the Taft-Hartley Act. All of these, in one way or another, have tended to increase the cost of American production.

In the light of these and other influences which have come upon the scene, it seems to me our Trade Agreements Act is about due for a long and thoughtful look and perhaps a complete overhaul.

There is no single and easy road to a more equalized and happier world. The great bulk of responsibility for development and progress must rest within the various countries themselves. What I have suggested here could at most be but a small ingredient. Sometimes, however, as with a catalyst, a small amount of something can have a tremendously stimulating effect.

With encouragements and safeguards such as I have outlined, I believe private American capital could become a more potent force for good, helping to build a more global prosperity on a sound and economic basis.

It is a distinct objective, but we shall only reach it sooner if we soon take the first steps.

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 a bill (H. R. 10146) making supplemental appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 58) authorizing the President of the United States to proclaim the week of January 26, 1958, through February 1 as National Junior Achievement Week.

HOUSE BILL REFERRED

The bill (H. R. 10146) making supplemental appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

HEALTH FOR PEACE

Mr. HILL. Mr. President, in his state of the Union message, President Eisenhower cited the cooperative effort embodied in the 5-year plan to wipe malaria from the face of the earth. The President then went on to say that "we would be willing to pool our efforts with the Soviets in other campaigns against the diseases that are the common enemy of all mortals—such as cancer and heart disease."

On Sunday, January 12, in its lead editorial, the New York Times hailed the President's proposal as "a different kind of war." The Times editorial urged that we carry on a cold war in which the Russians could be our allies—a war against malaria, cancer, heart disease and the other universal killers of mankind.

In the New York Times on January 18 another editorial entitled "Health for Peace," concluded with these words regarding the President's proposal:

> These are all things that can be done readily and effectively with no revolutionary changes in our philosophy or our modes of approach. What is needed is to get our sights up. Health for peace can be a standard to which all men of goodwill can repair.

Dr. Howard Rusk, the distinguished associate editor of the New York Times and world authority on rehabilitation, devoted an entire column to the President's proposal on Sunday, January 12. He described the President's international health crusade as a bold proposal that should capture the minds and hearts of mankind throughout the world.

Dr. Rusk wrote:

> There are two significant aspects to these new proposals by the President. The first is that he should place such great emphasis upon them in such an important statement as his state of the Union message.
>
> Second, for the first time, our Federal Government has indicated in a positive way our willingness to enter into cooperative research efforts against two of mankind's greatest killers on a partnership basis with the Soviet Union.

The articles I have cited are merely samples of the enthusiastic reaction to the President's proposal. However, the enthusiastic editorial salutes had hardly subsided when the President presented his budget for fiscal 1959. To my utter consternation, I found that the President had cut the budgets for cancer and heart research below the level appropriated in fiscal 1958.

Cancer offers a striking example of the unfortunate contrast between word and deed. In the state of the Union message, the President is asking us to pool our efforts in a broadened fight against cancer, yet in his budget message he is cutting back our own domestic fight against the disease.

In 1958 cancer killed 1 man, woman, or child every 2 minutes. During every 2 minutes that the Senate has been in session today, a man, woman, or child in the United States has died from cancer.

According to a recent study by the American Cancer Society, cancer eventually strikes 2 out of every 3 American families. Unless we step up our medical research offensive against the disease, 40 million people now alive in this country will be disabled by cancer.

Comparatively speaking, we spend only pennies in the research fight against cancer. During the current year, it is estimated that the Federal Government will put only about $45 million into the research fight against cancer. This breaks down to about $1.75 per American now alive who will die from cancer. Furthermore, the funds we spend for cancer research are only a fraction of the several billion dollars in losses which cancer causes to our economy every year.

On a number of occasions I have emphasized the fact that many scientists have come before the Senate Appropriations Committee and assured us, in the most conservative terms possible, that cancer as a killer of mankind could be wiped from the face of the earth if we invested enough money in an all-out research offensive against it.

I am likewise deeply disappointed that the President has seen fit to cut the budget estimate for the National Heart Institute.

Heart disease killed more than 800,000 Americans last year, and accounted for more than 50 percent of the total deaths in our country. It is estimated that about 10 million Americans are currently suffering from diseases of the heart and circulation.

The damage to our economy caused by heart disease is staggering in its impact. Estimates presented to the Senate Appropriations Committee at hearings last May indicate that heart disease causes a $3 billion annual loss to our economy.

Yet, for research against this killer of our people and this crippler of our economy, the Federal Government last year spent less than $30 million—less than $3 per person afflicted with the disease.

Over the past 5 years, many of the Nation's most distinguished heart specialists have appeared before the Senate Appropriations Committee, at their own expense, giving the facts that demonstrated the inadequacy of the sums recommended and allocated by the Eisenhower administration to research against heart disease. For example, in May 1955, Dr. Paul Dudley White, who attended the President during his unfortunate heart attack, appeared before the Senate Appropriations Committee and stated that "the United States is one of the most unhealthy countries in the world today, in large part because of this serious threat of coronary heart disease."

The grim realities with which we are confronted in the vital field of health are the compelling reasons that I strongly propose that we initiate a dynamic program of health for peace. As a part of this program, I suggest, first of all, that the President submit to Congress a substantial supplemental budget increase for research against cancer and heart disease during fiscal 1959. I further suggest that the President submit to the Congress during this session a long-range research program against these two diseases. This type of proposal would be similar in manner to the 1954 proposal for a 5-year program stepping up each year the sums available for vocational rehabilitation. In each year since 1954 the Congress has appropriated the increased sums called for in the 5-year program.

Second. I propose that the United States expand its participation in the international programs dedicated to fighting these diseases. In the article to which I have referred previously, Dr. Rusk pointed out that "the World Health Organization's budget of only $13,500,000 is far too small for it to undertake even token projects in basic or clinical research in such diseases as cancer and heart disease."

Last year, less than 1 percent of our mutual-security budget was devoted to health. We have reason to believe that, if we devoted a larger percent of the program to health, we would more effectively gain the friendship and gratitude of the peoples we seek to help.

Third. I propose that we take the initiative in planning international research attacks on cancer and heart disease. For example, there is an international conference on cancer scheduled for this July in London. I propose that we send an official governmental delegation of leading scientists and Members of Congress to initiate a worldwide research attack against this insidious disease. The incidence of cancer is rising in all parts of the world and humanity must unite and pool its scientific efforts to turn back the tide.

Fourth. I propose an official exchange program between Russian and American scientists working in the fields of cancer and heart disease. In the last year, we have had informal visits of a few Russian doctors to this country and a few of our doctors have visited Russia in an unofficial capacity. I think these visits should be formalized. As a start I propose that our Government invite 10 Russian doctors—5 specialists in heart disease and 5 specialists in cancer—to come to the National Institutes of Health here in Washington and sit down with a comparable group of distinguished American doctors to plan a joint pooling of research efforts against these diseases.

Fifth. I propose that we initiate plans for an international clearinghouse of medical research information, not only on cancer and heart disease, but on all the major illnesses which plague humanity.

I propose an official program of exchange between Russian and American scientists working in the fields of cancer and heart disease. If this can be done within the present mechanism of the World Health Organization, it should be proposed by the American delegation at the World Health Assembly here in the United States in May of this year.

Time does not permit a full discussion of the tremendous advantages our country can gain in leading an all-out attack against these universal diseases. We must not forget that there is an underprivileged two-thirds of the human race which is afflicted by the ravages of disease. Every 60 seconds, 20 people somewhere in the underprivileged two-thirds of the world die from malaria, tuberculosis, or intestinal infections. Twenty persons in that area died while I have spoken this one paragraph.

In the field of diseases, our world has become very small indeed. In this modern air age, a traveler can pick up an infectious disease in India and can spread it to many points in the United States. Diseases such as Asian influenza, starting in one country, rapidly moved to our country. These deadly diseases know no territorial boundaries; they know no people of any particular nation. They spread from one nation to another. Our only safety lies in prevention of disease at the source. For the first time in the long history of man, we now have the technical knowledge we need in order to do the job against many of these diseases. The campaign against malaria is a dramatic example of a pooled effort to wipe out this scourge of mankind. In the past few years we have reduced the number of persons suffering from malaria from 300 million to 200 million, and deaths from malaria have dropped from 3 million to 2 million a year. Furthermore, the campaign against malaria has been remarkably inexpensive. At a cost of approximately 20 cents per capita, we have wiped out malaria in many parts of the globe.

These campaigns have paid off magnificently, not only in increased health, but also in greatly increased productivity. World Health officers in Bengal found that, with malaria under control, the farmers in that area were able to produce 543 pounds more rice per acre. In the Philippine Islands, a 2-year campaign against malaria became the key factor in the economic rehabilitation of the islands.

Our public health workers superbly demonstrated what could be done against disease at the close of World War II. When that war ended, epidemics of malaria, smallpox, typhus, and tuberculosis paralyzed wide areas of the European Continent, making economic recovery virtually impossible. In 3 years, our public health workers and the native health personnel turned the tide. By 1948, death rates in Western Europe were the lowest ever recorded. We know that no other type of assistance pays richer dividends in gratitude and friendship than our investment in fighting disease, protecting the health, and lengthening the life spans of afflicted peoples.

The constitution of the World Health Organization reminds us that the enjoyment of the highest standard of health is one of the fundamental rights of all human beings. Here is a wonderful opportunity for the free world. If we are to win the peoples of the world over to our side, what better way is there than by offering them the priceless boon of health and long life? Communism

breeds in disease, poverty, and human suffering. We must strengthen the diseased and afflicted peoples, so they can stand up and make a free choice between democracy and Communist despotism.

Mr. President, we now have within our grasp the building of a united front of the peoples of the world against the universal diseases which know no geographical boundaries. But we must act, and act boldly, now.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, the complete editorial entitled "Health for Peace," which was published in the New York Times of January 18.

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

HEALTH FOR PEACE

President Eisenhower has made an appeal to this Nation and to others that more of our resources and skills be mobilized in a more vigorous campaign for health. This is part of the whole program of waging peace and of turning strength into constructive channels.

There are some things that can be done immediately. The first, obviously, is the earmarking of a more substantial part of our foreign-aid fund for definite health objectives. Up to this point, it must be confessed, not as much as 1 percent of our total aid funds has gone specifically for this fight for the sick and the crippled.

Beyond this there is a need for prompt and coordinated planning. This means the enlargement of the scope of some of the projects that are already in being and the extension of techniques that have been proved and lessons that have been learned to much wider fields. The good work that has been done thus far in malaria control, for example, should be promptly extended to a global attack upon tuberculosis. The therapy is already developed. All that is lacking is the organization to put it to use.

This broader scope in our efforts, however, should go beyond the mere appropriation of money or the application of developed techniques. It should embrace the use of our understanding of the human aspects of our global health for peace offensive. This means a new impetus for research in the disease field. On the human side, also, we need a broader exchange of both scientists and students. This is not expensive in proportion to the enormous benefits that can be gained.

These are all things that can be done readily and effectively with no revolutionary changes in our philosophy or our modes of approach. What is needed is to get our sights up. "Health for peace" can be a standard to which all men of good will can repair.

Mr. DIRKSEN subsequently said: Mr. President, in regard to the remarks made by the distinguished Senator from Alabama [Mr. HILL] on the budget for the Public Health Service, from which remarks we learn that the Senator from Alabama is of the opinion that the President's solicitude is not matched by the budget estimates for this purpose, I point out to the Senator that for the fiscal year 1958 the Senate Appropriations Committee, without regard to the budget estimates, added very, very substantial sums for the items for the Public Health Service, for explorations in the cardiac and in the cancer fields.

So I think the budget submitted for fiscal 1959 is quite in line with that of 1958 as it originally came before the Congress.

THE IMPORTANCE OF WORKING UNCEASINGLY FOR LASTING PEACE AND THE DIGNITY OF MAN

Mr. JAVITS. Mr. President, I have received a letter from a 24-year-old housewife of Lindenhurst, Long Island. Although I am a new Member of the Senate, I ask the indulgence of the Senate in order that I may read the letter to the Senate at this time. Senators have been talking about crises; and here are the people, epitomized by this letter—which is not long—speaking in terms of what is in their hearts:

LINDENHURST, LONG ISLAND, N. Y.,
January 6, 1958.

Senator JACOB K. JAVITS,
New York City, N. Y.

DEAR SENATOR: I am a mother, 24 years old, with 2 very young sons and I feel I must write you because I am so very confused and frightened by current events. I may not make sense at times, but then—can a parent think straight when he looks upon his child's face, with so much innocence there, and then foresees a future of terror and destruction?

I am neither a Republican or Democrat, as I vote for the man I feel most fit to serve his country. I voted for you for that reason and now I, as an American, am asking you "What is happening and what can we do about it?" If money can bring the defense needed to protect my children's lives then I am willing to be taxed more, and more, until perhaps, with God's mercy, there will come a night when I may sleep unafraid, safe, and once again secure.

It appears to me there is so much talking being done in our Halls of Congress and very little action. We have committees for everything and yet how much is accomplished by them? When Pearl Harbor was attacked we rallied, because we were at war, well we are at war today to prevent war—why can't this be realized? Everyone is shouting we are too complacent—I am not and neither are my friends and neighbors. At get-togethers over coffee women no longer discuss their hairdos or latest styles, they talk of missiles and sputniks and war. Please tell the Members of Congress that they have the people's support—if they must tax us more let it be done—don't let money stand in the way of our children's futures. Don't let party politics come before defense which means our very existence. Don't be afraid of losing a vote if in your heart you feel you are right. No one, who can be called a true American, who has children, could in his heart cry out against what our Government feels must be done.

I know when I see my child, sleeping in his bed, safe and secure I say to myself "What is his future?" He knows not the meaning of war, or satellites, or bombs, or death. I will do anything in my power to protect that innocence, sacrifice anything so that someday I may say to him "My son, here is your world, your future is safe and you are free as God meant you to be." I do not believe that God in Heaven meant man to live in fear, in underground shelters, nor to destroy himself, but I believe He has finally made us realize what freedom is, and how we must fight to save it. For if as some believe, war is inevitable let us be prepared to the fullest, to salvage humanity as best we can and pray to our Father in Heaven that we win and to also remember, "It is better to die on one's feet than live on one's knees."

Very truly yours,
MRS. WALTER F. KENNEDY.

I had the permission of Mrs. Kennedy to read her letter to the Senate.

I was pleased to reply to her as follows:

JANUARY 16, 1958.

MRS. WALTER F. KENNEDY,
Lindenhurst, Long Island, N. Y.

DEAR MRS. KENNEDY: Thank you so much for your very moving letter. You reflect the views of millions of young American mothers and fathers who share your deep worry over the precariousness of the peace and your strong determination to do whatever must be done, by the citizens and the Government, to keep our Nation strong for defense and to work unceasingly for lasting peace and the dignity of man.

You may be sure that the issues of security and freedom are paramount in my mind as the No. 1 obligation in representing my constituents. I am taking the liberty of including an address I am making in San Francisco that spells out my specific recommendations in detail, but I did want to write you this personal and solemn note.

I, too, have small children. As a parent as well as your Senator, your sincere words went to my heart. I know the resources of mind and spirit of the American people as you typify them in your letter. We will unite to do whatever must be done to meet the challenge and we will willingly pay the cost of winning the right to freedom and human dignity.

Sincerely,

JACOB K. JAVITS,
United States Senator.

Mr. President, if anything was ever needed to spur men to great actions, it is a feeling of this kind, which is deep in the hearts of the people of our country. I consider it a great honor to read this letter to the Senate of the United States.

FINANCIAL PLIGHT OF AMERICAN RAILROAD INDUSTRY

Mr. NEUBERGER. Mr. President, when I was in my home State for 3½ months this past autumn, many executives, employees, and stockholders of America's railroads discussed with me the financial plight of these carriers. I met with members of railroad brotherhoods who are alarmed over the future of their jobs. A distressingly large number of Oregon railroad workers already have been hit by layoffs.

This is why I recently addressed a letter to the distinguished chairman of the Senate Committee on Interstate and Foreign Commerce [Mr. MAGNUSON], urging early hearings on the problems of the railroads. He is to be commended for his characteristically prompt and effective action. I have been pleased to note a statement of last week by the chairman of the subcommittee studying the difficulties of the railroads, the able Senator from Florida [Mr. SMATHERS], to the effect that he believes Congress must take early steps to preserve the railroad industry and thus strengthen the country's economy. I am gratified that this attention is being accorded so immediate and urgent a problem.

Because the railroads' plight is now an issue confronting all of us, I believe the Senate should see a thoughtful editorial on the subject which was published January 16 by one of America's foremost daily newspapers, the New York Times, under the title "Can Railroads Be Saved?" I ask unanimous consent, Mr.

President, that this editorial appear in the body of the CONGRESSIONAL RECORD.

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

CAN RAILROADS BE SAVED?

The Senate subcommittee hearing in Washington on problems of the railroads, held under the chairmanship of Senator SMATHERS, of Florida, has produced some gloomy testimony from road presidents. The condition is precarious; bankruptcy is around the corner; the roads are being nibbled to death by overregulation. Subsidized competition, declining freight traffic, heavy loss on passenger service, bargain rates to the Government for carrying mail, increasing labor costs, restriction of mergers—these are among the bases of complaint by a sick industry.

The day has long passed when the railroads could be regarded as a sinister, malevolent monopoly. Trucks, buses, pipelines, airplanes, the private automobile have changed that. Government, by building streets, highways, limited-access superhighways, bridges, tunnels, airports, terminals, and by providing other forms of tax subsidy or favored treatment, has put the railroads in their place, which is now the bottom of the heap.

Can the railroads be saved at all? Are they today's anachronism, surviving as a vestigial tail of transportation? The answer must depend largely on railroad management and ownership itself. But if it seems to the Smathers committee, as it seems to us, that public interest absolutely requires the healthy survival of the railroads, then Government must give the railroads a chance to fight on even terms for their lives.

It might begin with a reduction of regulation, a drastic reduction. There is, now, a double or triple jeopardy, costly, frustrating, and time-consuming. It starts with the Interstate Commerce Commission, trickles down through State regulatory bodies and finally into local government. Prices are fixed, in peace as in war. Government would not presume to tell a retail merchant that he could not close a branch store that was failing to produce profit, or diversify into other forms of business. Government has no hesitation to insist on continuation of highly unproductive railroad service or restrict diversification and merger.

Certain tax relief is possible. While the railroads, on a national basis, emphasize the end of subsidy to competitors rather than subsidy for themselves, cities and metropolitan areas—pondering what dire consequences would follow abandonment of local railroad commuter services—will have to face up to subsidy or, at the very least, a generous curtailment of taxation exacted of railroads. This process has begun; it is merely an extension, which seems somewhat novel because the railroads are privately owned, of what New York City does with its own railroad, the subway system. Here the taxpayer carries the whole load of capital construction and equipment purchase.

We have a curious situation. The public interest demands that the railroads not go out of business. Yet government, representing the public, fails year after year, hearing after hearing, to advance a positive program; it continues a policy of negation through regulation. If the railroads are really doomed by progress, then why not try letting them, for once in their long history, have their own way, their last chance to compete as they will in a free enterprise system? If this took them along the road to suicide, then at least government would not be to blame.

THE MARVELOUS EFFICIENCY OF THE AMERICAN FARMER

Mr. PROXMIRE. Mr. President, there is one figure in the President's economic report that should be burned into the consciousness of every citizen who believes in the American dream. On page 108, table E–1, of the economic report it is stated that man-hour productivity of the American farmer has increased since 1947 by more than 80 percent. In that same table, Mr. President, is the further fact that in this identical period man-hour productivity in all other industries increased by less than 30 percent.

The heart of the American dream, Mr. President, is that in this great system of economic freedom of ours anyone who works very hard, who applies his intelligence, and who produces more, will win his reward.

The facts are clear, Mr. President. The farmer has increased his productivity nearly three times as fast as the rest of the American workers. He has used his ingenuity, his capital, his brainpower and musclepower to achieve a marvelous improvement in efficiency. Under the American dream his reward should have shot up for this great contribution. Instead it has dropped. It has fallen fast and hard and far. The farmer's reward for by far the greatest efficiency improvement in our economy has been a sinking cut in his income since 1947 by 35 percent.

At the very time the farmer's income has dwindled, the income of virtually everyone else in the economy has pushed ahead rapidly. The great injustice in American economic life today, Mr. President, is that the farmer, who is working longer hours than anyone, and with such a rapidly increasing efficiency, is receiving less than half the total per capita income of those off the farm.

Mr. President, this is why it is so imperative that this session of Congress enact a farm law that will work. This gross injustice to American farmers must not continue.

Mr. President, I desire to address myself to another subject.

The PRESIDING OFFICER (Mr. MORTON in the chair). The Senator from Wisconsin has the floor.

THE AMERICAN ECONOMY STANDS STILL

Mr. PROXMIRE. Mr. President, every American must look with deep concern at the tragic revelation in the President's economic report that last year our country's industrial production failed to increase at all. Table I on page 10 of this report discloses that the United States enjoyed a more than 4 percent average annual increase in industrial production since 1947–49. But last year there was no increase whatsoever.

At a time when we are engaged in a race for survival with the Soviet Union, this stagnation is alarming. Reliable estimates indicate that while we were standing still last year, industrial production in Soviet Russia continued the headlong expansion which has been so much more rapid than ours ever since 1945.

Mr. President, the Free World must base its fight for freedom squarely on the productivity of the American economy. None of us doubts that America's free economic system can outproduce Soviet Russia. But it will take leadership that insists on moving forward and moving steadily and swiftly. There is nothing in the President's economic report to indicate that there is any understanding of the immensity and urgency of the challenge our economy faces.

It is time that American leadership faces up to this paradox of idleness by more than one-third of our steel industry, nearly half of our auto capacity, and more than 4 million productive American workers at the very time when we confront our sternest military and economic tests.

Mr. President——

The PRESIDING OFFICER. The Senator from Wisconsin.

FORTIETH ANNIVERSARY OF THE CAPITAL TIMES

Mr. PROXMIRE. Mr. President, the Capital Times has been the crusading and independent voice of Wisconsin's progressive people now for 40 years. I am greatly impressed by how widely throughout the Nation the Capital Times is read and respected. To a remarkable degree, the reputation and the spirit of Wisconsin are represented in the public mind by this outstanding newspaper. Nowhere else in the country does there survive any other newspaper that so well exemplifies the golden age of personal journalism—of outspoken independence, of crusading zeal, of courageous devotion to the public interest—which has been all but submerged in the present day's mode of big business commercialization of the news and big business saturation of the editorial page.

My own regard for the Capital Times is exceptionally intimate and particularly high. It was the reputation of this outstanding newspaper that drew me to Wisconsin. As a former reporter on its staff, and as a daily reader in its home community, I learned to value its unique contribution. As a candidate for high State office in several hard-fought campaigns, I have been privileged indeed to have its tremendously significant support. In my successful campaign for the United States Senate, it was the only daily newspaper in Wisconsin that supported me. I confidently hope that in the resurgence of Wisconsin's great progressive tradition, that I believe is certainly at hand in this year of 1958, the Capital Times will continue to blaze the trail ahead to the great reforms which are needed to maintain the faith and the morale of progressive public servants, and to furnish the public understanding without which great public accomplishments are not possible.

Mr. President, I ask unanimous consent that an editorial from Labor, the

publication of railroad brotherhoods, entitled "40 Years of Crusading," be printed in the RECORD at this point.

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

FORTY YEARS OF CRUSADING

Crusading daily papers are rare in this country, and those which survive 4 decades are rarer still—but there's one which has just celebrated its 40th birthday and bids fair to go on for many years more. That's the Capital Times of Madison, Wis., edited by William T. Evjue, who himself not long ago celebrated his own 75th fighting year.

In the birthday issue of the Times, Evjue graphically recalled the hard struggle in getting the paper started and in keeping it alive. He tells graphically, too, of the waves of hysteria and bigotry which buffeted the Times through the years.

The paper was launched in December 1917 as a champion of Senator "Old Bob" LaFollette and his progressive Republican movement. LaFollette was then being denounced as disloyal and pro-German because he opposed America's entry into World War I.

Evjue recounts how from the first issue the paper faced an advertising boycott; its newsboys were hounded on the streets and threatened with jail; some supporters who pledged funds to finance the paper ran out, all because the paper was friendly to "Battle Bob."

"I have not in my lifetime seen anything to compare with the hatred inspired against LaFollette," Evjue writes. "People whose battles he had fought with every ounce of his boundless energy and passion for justice turned against him."

Evjue then tells how the advertising boycott kept going for a year, but the paper, with a mounting circle of stanch friends, kept afloat.

By February 12, 1919, it had attained 10,000 circulation (today it has over 45,000). Evjue reproduces in the Times a colorful hand-written letter he received from "Old Bob" LaFollette a few days later.

"It was fitting," LaFollette wrote to Evjue, "that you should cross the 10,000 mark on Lincoln's birthday. In its field the Times is a daily emancipation proclamation."

LaFollette went on to point out that "the enemies of democracy are entrenched in every community; they speak through Presidents and Cabinets; they rule in Congress; they are in the pulpits; they control the press." Then "Old Bob" closed with a plea to go on with the fight against reaction. That fight has made great gains, but Tories are still in most places of power.

Evjue then recalls that the real vindication for LaFollette came in 1922 when he won reelection to the United States Senate by the greatest margin ever accorded a statewide candidate up to then. This, says Evjue, convinced him that the people can be temporarily swayed by hysteria and fear, but they will eventually return to sound reasoning that have given democracy its real strength.

(A greater vindicaton came in May this year when "Old Bob" was among five noted Americans nominated for the United States Senate's Hall of Fame.)

Evjue closes by pointing out that "a crusading newspaper always has to take it on the chin because in serving the public interest it must expect to incure the enemity of special interests."

"During the past 40 years," he concludes, "these special interests have used the labels of pro-Germanism, pro-Romanism, and pro-communism in seeking to destroy this newspaper. But the demagogs who raised these issues have gone into political oblivion. Meantime the Capital Times continues its fight for good government, the public welfare, freedom for American citizens and the right of every citizen to the pursuit of life, liberty, and happiness."

PROTESTS AGAINST CUT IN MILK PRICES

Mr. PROXMIRE. Mr. President, dairy farmers in Wisconsin and throughout the Nation are stunned by the cruel order of Secretary Benson to slash their milk prices on next April 1, which has been followed up with the recommendation of President Eisenhower in his farm message for authority to let Secretary Benson cut milk prices even further in subsequent years.

Farm people have been writing and telegraphing me in great numbers to protest against this unnecessary and unjustified action by the administration. I believe that these messages contain much information that should be brought to the attention of each Member of the Senate. Therefore I ask unanimous consent that these messages which I have received from major farm organizations be printed in the RECORD.

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

MILWAUKEE, WIS., *January 17, 1958.*

Hon. WILLIAM PROXMIRE,
Senate Office Building,
Washington, D. C.

The Wisconsin Independent Milk Producers Association, representing most of milksheds supplying Milwaukee and Chicago, worried over dairy situation and market outlook for producers, request your undivided effort toward satisfactory dairy program and suggest it is high time United States follows lead of other countries, notably Dominican Republic, in fostering sound dairy industry based upon strong Holstein-Friesen bloodlines and broad use of dairy products. The Dominican Republic has solved agricultural problems worthy your study and attention.

CHARLES DINEEN,
Secretary.

ST. PAUL, MINN., *January 21, 1958.*

Hon. WILLIAM PROXMIRE,
Senate Office Building,
Washington, D. C.:

For your information, the following telegram was sent to Senators YOUNG, THYE, and MUNDT:

"In view of the great harm already inflicted upon farm families and Main Street businessmen by the agricultural policies of this administration since 1953, which has drastically reduced the net income and purchasing power of farmers, and in view of the recently announced policies of President Eisenhower in his farm message to reduce price supports below the disaster level, and in view of the misinformation which Secretary Benson attempted to spread before your committee last week, we, the undersigned, sincerely believe that you, the Republican members of the Senate Agriculture Committee, by reason of your successful support of Eisenhower's reelection in 1956, have a moral responsibility to keep faith with your constituents by interceding with the President and informing him of the true facts and situation in agriculture and persuading him to revise his policies to avoid certain disaster in one of America's major industries. We request that you urge the President to immediately use his executive authority to rescind the order cutting wheat supports 22 cents per bushel on the 1958 crop and the order cutting manufacturing milk 25 cents per hundredweight to take effect April 1, 1958. In the event of the President's refusal, you should not only immediately initiate support legislation to reverse these cuts and to prohibit any further cuts in price supports on any farm commodity, but you also should join in initiating and supporting broad legislation to restore a fairer share of income to farmers. The need is urgent and immediate. The responsibility is yours as much as it is the President's."

M. W. Thatcher, General Manager, Farmers' Union Grain Terminal Association, St. Paul, Minn.; Thomas H. Steichen, General Manager, Farmers' Union Central Exchange, South St. Paul, Minn.; Glenn J. Talbott, Chairman, National Farmers' Union Executive Committee, and President, North Dakota Farmers' Union, Jamestown; Paul W. Opsahl, President, South Dakota Farmers' Union, Huron; Leonard E. Kenfield, President, Montana Farmers' Union, Great Falls; Kenneth W. Hones, President, Wisconsin Farmers' Union, Chippewa Falls; Edwin Christianson, President, Minnesota Farmers' Union, St. Paul; Glenn A. Long, Manager, Farmers' Union Marketing Association, South St. Paul.

FOND DU LAC, WIS., *January 16, 1958.*

Senator WILLIAM PROXMIRE,
Senate Office Building,
Washington, D. C.:

Our State board of directors, in session today, January 16, 1958, were stunned by President Eisenhower's message on agriculture wherein he recommends that dairy support minimums be lowered to 60 percent of parity and wherein he considers dairying along with peanuts, tobacco, and the other basic commodities. At present parity figures, the President's proposal would permit the lowering of 3.95 percent milk to about $2.40 per hundredweight. This could cost Wisconsin dairy farmers another $95 million per year in dairy income in addition to the $45 million cut Benson has announced for the next production year.

We urge that you use every possible means to institute a $3.50 per hundredweight mandatory minimum dairy support price, and that legislation for self-help be enacted at as early a date as possible that would legally permit dairy farmers to conduct their own dairy support and stabilization program.

The President's request for authority to cut dairy farmers returns when at the same time he recommends legislation to increase Government employees wages, foreign-aid costs and defense spending is incomprehensible. American farmers who produce food are this administration's forgotten class.

We want to visit with you on this serious matter next week.

WM. C. ECKLES,
General Manager, Pure Milk Products Cooperative.

MARINETTE COUNTY
POMONA GRANGE, NO. 27,
Wausaukee, Wis., January 15, 1958.

Hon. WILLIAM PROXMIRE,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SIR: At a recent meeting of our Marinette County Pomona Grange, which embraces Marinette and Oconto Counties, a discussion centered around milk prices, parity, and Secretary Benson. All seemed to think that lowering the parity from 82 to 75 percent on dairy products would prove disastrous to the dairy farmer in Wisconsin. Our solid membership petitions you to use your influence in every way possible to fight these price-support cuts.

Very truly yours

Mrs. PEARL BAYLESS,
Secretary.

BONDUEL COOPERATIVE LIVESTOCK SHIPPING ASSOCIATION,
Bonduel, Wis., January 17, 1958.
The Honorable WILLIAM PROXMIRE,
The United States Senate,
Washington, D. C.

DEAR SIR: The annual meeting of the Bonduel Cooperative Livestock Shipping Association was held on January 10, 1958, at Bonduel, with a membership of 400 farmers. During the course of the meeting, the members voted that the directors should formulate the following resolution and forward a copy to you.

Bonduel, being a dairy community, receives about 90 percent of its income from the sale of dairy products.

Any lowering of the parity price of dairy products would greatly curtail the buying power of our farmers. It would force some of the smaller farmers to find work in nearby cities to bolster their dwindling income, and even force some to sell their farms.

We request you to do everything in your power to retain the present level of parity (90 percent) and to support us by voting against any lowering of the parity level.

Yours for better farming.

NORMAN BURMEISTER,
Secretary.

RICHLAND COOPERATIVE ELECTRIC ASSOCIATION,
Richland Center, Wis., January 16, 1958.
Hon. WILLIAM PROXMIRE,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: The Richland Cooperative Electric Board, at its last meeting, directed me as secretary to write to you and ask for your assistance in reversing the order of Secretary of Agriculture Benson, under which dairy price supports will be cut to the minimum level under present law. Wisconsin farmers are already eating into their depreciation and other reserves to keep going, and the action of the Secretary in pulling the rug out from under them will result in complete bankruptcy for many of the hard pressed farmers.

National Milk Producers Federation has estimated that dairymen will lose about $250 million in income next year as a result of the Benson cut. Experience has plainly demonstrated that previous cuts by Secretary Benson have not resulted in any decrease in surpluses, and have not improved the prices of milk and dairy products in the market place. At a time when reliable reports indicate that Wisconsin dairy farmers are earning an average of only 43 cents an hour, for working time last year, we cannot find language strong enough to condemn this unfortunate action in further depressing farm income.

We call upon you to give us every assistance possible in securing a reversal of this unfair order.

Very truly yours,

THERON M. JANNEY,
Secretary.

FAILURE OF VETERANS' ADMINISTRATION TO PROTECT VETERAN BORROWERS ON MORTGAGES

Mr. WILLIAMS. Mr. President, today I wish to discuss another situation wherein the Veterans' Administration failed to recognize any responsibility to protect the veteran and sat idly by and allowed him to be taken advantage of by the lender.

On September 12, 1949, Mr. Charles T. Armbruster, a veteran, and Margaret C. Armbruster, his wife, purchased a home at 7 Gordon Place, Scranton, Pa., purchase price $2,800. They were granted a loan of $2,800 to finance this transaction by the Polish National Union of America in Scranton, Pa., with the Veterans' Administration issuing a guaranty of 50 percent of the loan—or $1,400.

On August 3, 1949, Mr. William C. Winstone, a private fee appraiser designated by the Veterans' Administration, had appraised this property on an as is basis for $2,500. On August 9, 1949, Mr. Winstone advised that he had made a typographical error and changed the as is reasonable value to $2,800, which new valuation covered the amount of the mortgage.

The cost of the property was listed as $2,800, plus $300 deemed necessary for repairs, plus $118 representing closing costs. Thus the veteran's cash outlay was $418 for repair and costs; and the mortgage, $2,800.

After living in this home, 7 Gordon Place, for about a year they were advised that an error had been made and that they had been deeded 5 Gordon Place. Upon being notified of this mistake, a new deed and a new mortgage were executed correcting the error.

From March of 1950 until November of 1952, payments of $20 per month were made, and then the veteran became unemployed. In 1953 they offered the property for sale with the G & G real estate company located in the First National Bank of Scranton, requesting that the property be sold for enough to cover the mortgage price.

On March 2, 1954, they received a letter from Attorney Alphonse C. F. Kenowski—exhibit No. 1—stating that he had before him the bond and mortgage executed as security for the $2,800 loan due the Polish National Union of America, with instructions from the bank to sell the property by sheriff's sale unless payment was made. In this same letter he pointed out that the additional costs involved through the sheriff's sale would be at least $400 and suggested that these additional costs could be saved if Mr. and Mrs. Armbruster would be willing to execute a deed for the property to the holder of the mortgage, the Polish National Union Bank.

The attorney was promptly notified that they would be glad to sign the deed, and on March 12, 1954, they received a second letter from the same attorney, Mr. Kenowski—exhibit No. 2—enciosing the deed and requesting that they sign and have it properly notarized. In this same letter the attorney promised:

> After this is done there will be no further debts or obligations due from you to the Polish National Union of America.

This deed was promptly signed and returned as requested.

On March 26, 1954, Mr. Kenowski—exhibit No. 3—acknowledged receipt of the deed properly signed; however, he said that before the bank could record the deed it would need a certificate showing that the notary public who acknowledged the signatures was duly qualified as a notary. This certificate certifying the eligibility of the notary public for attachment to the deed was promptly returned, and the veteran by so doing had every right to feel that this closed the transaction.

On August 4, 1954, 4 months later—exhibit No. 4—Mr. and Mrs. Armbruster received a letter from the Veterans' Administration demanding immediate payment of the full mortgage. They stated that the mortgage was in default, and unless it was promptly paid they would foreclose on the property. This letter from the Veterans' Administration included the warning that:

> Unless you are able to make satisfactory arrangements for curing the default, you will lose your property and your credit standing in your community will be seriously affected.

This was over 4 months after the veteran had deeded the property to the Polish Union Bank on the basis of its promise that by so doing they would be relieved of all further debts from the bank.

The bank and the Veterans' Administration, further ignoring the transfer and acceptance of the above-mentioned deed, on September 10, 1954, had this property sold at sheriff's sale. The Polish National Union of America, the mortgagor, was the buyer of the property at the price of $549.49. The costs of the sheriff's sale were listed as $443.90. These costs added to the original mortgage, plus back interest and taxes, brought the total indebtedness of the veteran to $3,784.29, against which was applied the $549 received for the property. Thus the Polish National Union now had two deeds for this property—one from the veteran and one from the sheriff—and a full mortgage claim against the veteran and the Veterans' Administration for their part of the guaranty.

Proof that this property's valuation had not deteriorated is evidenced by the fact that on December 20, 1954, the Polish National Union Bank resold the property for $3,500—Deed Book No. 517, page 559, Lackawanna County, Pa.

The bank then called upon the Veterans' Administration for a payment of the original 50-percent guaranty, and this Government agency gratuitously wrote them a check for $1,381.09.

The Veterans' Administration is now proceeding to file a claim against the veteran for the collection of this $1,381.09 and is completely ignoring the veteran's agreement with the bank's attorney that his debt to the bank was paid in March 1954 when he gave the bank a deed to his property.

I am requesting that the appropriate Senate committee give attention to the question as to whether this is an isolated case or a common practice which is being followed.

Also, in view of the facts surrounding this case I do not think the Veterans' Administration was justified in paying the bank since the bank already had title to the property originally insured. Therefore, I am requesting that the Veterans' Administration again reexamine this case to see if the bank rather than the veteran, is not the one to be billed for the $1,381.09.

I ask unanimous consent that insertions labeled 1, 2, 3, and 4, the correspondence to which I have referred, be incorporated in the RECORD, at this point as a part of my remarks.

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

EXHIBIT No. 1

KENOWSKI & KENOWSKI,
Scranton, Pa., March 2, 1954.

Mr. and Mrs. CHARLES ARMBRUSTER,
Wilmington, Del.

DEAR SIR AND MADAM: I have before me the bond and mortgage executed by you as security for a loan in the sum of $2,800 due to the Polish National Union of America.

I am instructed to issue immediate execution on said bond and mortgage and have your property at 7 Gordon Place sold by the sheriff. Of course this procedure will add additional costs in the sum of at least $400, thereby increasing the debt on the said property to that extent.

If you desire to save these additional costs, will you execute a deed for the said property to the Polish National Union of America? If you are willing so to do, kindly advise me by return mail and I shall send you a deed for your signatures.

Thanking you for your kind cooperation in the premises, I am,

Yours very truly,

ALPHONSE C. F. KENOWSKI.

EXHIBIT No. 2

KENOWSKI & KENOWSKI,
Scranton, Pa., March 12, 1954.

Mr. and Mrs. CHARLES ARMBRUSTER,
Wilmington, Del.

DEAR SIR AND MADAM: In accordance with your letter of March 10 last, I contacted Harry Gordon and received from him your deed and have drawn a new deed from you to the Polish National Union of America.

You will please sign your names on the second page thereof, opposite the spaces penciled with an X, then have a notary public acknowledge the said deed and attach thereto a certificate showing his power to take acknowledgements and return the same to me. After this is done there will be no further debts or obligations due from you to the Polish National Union of America.

Thanking you for your kind cooperation in the premises, I am,

Yours very truly,

ALPHONSE C. F. KENOWSKI.

EXHIBIT No. 3

KENOWSKI & KENOWSKI,
Scranton, Pa., March 26, 1954.

Mr. and Mrs. CHARLES ARMBRUSTER, Sr.,
Wilmington, Del.

DEAR SIR AND MADAM: Receipt of the deed to the Polish National Union of America is hereby acknowledged. However, before I can record the deed I must have a certificate showing that the notary public who acknowledged your signatures is duly qualified as such.

Will you therefore see the notary public and ask him to give you such a certificate and then send it to me and I shall attach it to the deed.

Thanking you for your kind cooperation, I am,

Yours very truly,

ALPHONSE C. F. KENOWSKI.

EXHIBIT No. 4

VETERANS' ADMINISTRATION,
REGIONAL OFFICE,
Wilkes-Barre, Pa., August 4, 1954.

Mr. CHARLES T. ARMBRUSTER,
Scranton, Pa.

DEAR MR. ARMBRUSTER: We have received advice from the lending institution that your loan, as described above, is in default and that it intends to foreclose the mortgage on your property unless satisfactory arrangements are made for taking care of the past due payments at an early date.

We are sure that you recognize the importance of your taking care of the delinquent payments on your loan without delay. First, unless you are able to make satisfactory arrangements for curing the default, you will lose your property and your credit standing in your community will be seriously affected. In addition, if the Government is required to pay a claim on the loan, any amount paid to the lender in your behalf will represent a debt which you owe the Government. Afterward, any compensation or pension which you may be receiving or to which you may be entitled in the future could be withheld in whole or in part until the debt was satisfied.

If you are interested in saving your property, you are urged to see your lender immediately and to make arrangements to bring your account up to date. If you are unable to work out a plan with the lender which will save your property and you believe that the advice of this office will be of any assistance to you, we will be pleased to discuss your problems with you at your convenience. An appointment for this purpose may be obtained by writing this office at the above address or telephoning number VA 3-1131, extension 273. This office is open every day from 8: 30 a. m. to 5 p. m. Monday through Friday.

Very truly yours,

B. S. HARRIS,
Loan Guaranty Officer or Designee.

LOOPHOLE IN INCOME-TAX LAWS IN CONNECTION WITH LOAN-FINANCED PLAN FOR INSURANCE CREDITS

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a statement which I prepared for release last Monday, but which was not delivered in the Senate because the Senate adjourned out of respect to the memory of a departed colleague. This statement describes a major loophole in our income-tax laws by reason of the possibility of an individual arranging a substantial insurance credit with an insurance company through a loan-financed plan.

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

STATEMENT BY SENATOR WILLIAMS

Today I wish to discuss a major loophole in our income-tax laws through which it is possible for an individual in the upper income tax brackets to work out an arrangement with an insurance company through a loan-financed plan, thereby building up a substantial insurance credit with a negligible downpayment, with the carrying costs being financed largely through tax-exempt savings.

I will cite one hypothetical case showing how a taxpayer in the 50-percent bracket can with a nominal downpayment utilize this loan-financed plan and with a negligible comparative cost pyramid his small cash outlay into a substantial insurance annuity.

The key to this plan is the conversion of interest-tax credits into tax-exempt savings, and as a taxpayer approaches the higher brackets the loophole becomes progressively more advantageous.

This procedure is referred to in insurance circles as the loan-financed insurance and annuity plan and operates as follows:

The essential feature of this loan-financed insurance and annuity plan is an arrangement which will permit the policyholder to deduct the interest on borrowed funds while there is a simultaneous tax-free buildup of earnings on the reserves behind the policy. Under such arrangements it is contemplated that the purchaser will pay all, or substantially all, of his premiums by means of loans obtained from a bank or the issuing company against the cash or loan value of his contract, with no plan for liquidating the indebtedness thus incurred except on the surrender or maturity of the policy.

Depending on the interest rate on the borrowed money, the taxpayer's tax bracket, and the contractual rate of increase in the cash value of the policy, the purchaser of the plan gets a tax saving which reduces the net cost of his outlay and may furnish him a substantial tax profit at the expense of the revenues. In some cases, these plans become virtually self-sustaining after the first one or two premiums and are advertised as being of negligible cost to high-bracket purchasers.

Under the typical bank-loan plan an individual will purchase a life insurance or endowment policy, perhaps paying the first premium in cash. Usually by prior arrangement he then assigns the contract to a bank as collateral for loans with which to pay future premiums as they fall due year by year.

The purpose is to convert the carrying of life insurance, partly if not entirely, into deductible interest payments, thereby substantially reducing the net outlay to be paid by people with substantial incomes.

Bank-financed life insurance

[Age: 45. $100,000 ordinary life plan. Annual premium: $3,563]

Year	Total death [1] benefit	Bank loan	Net protection	Total cash value of policy [2]	Total collateral required [3]	Gross interest at 5 percent
1	$100,000	$3,563	$96,437	$1,400	$2,163	$178.15
2	100,500	7,126	93,374	4,484	2,642	356.30
3	101,100	10,689	90,411	7,536	3,153	534.45
4	101,900	14,252	87,648	10,319	3,933	712.60
5	102,800	17,815	84,985	13,278	4,537	890.75
						(2,672.25)
6	103,800	21,378	82,422	16,216	5,162	1,068.90
7	104,900	24,941	79,959	19,338	5,603	1,247.05
8	106,200	28,504	77,696	22,508	5,996	1,425.20
9	107,600	32,067	75,533	25,870	6,197	1,603.35
10	109,200	35,630	73,570	29,392	6,238	1,781.50
						(9,798.25)
15	118,300	53,445	64,855	47,968	5,477	2,672.25
20	128,900	71,260	57,640	68,073	3,187	3,563.00
						(37,411.50)

[1] Policy amount, plus dividend additions.
[2] Includes guaranteed cash values, plus cash value of dividend additions.
[3] Total cash value of policy less bank loan.

The table above summarizes an example of a bank-financed life-insurance plan on $100,000 ordinary life coverage for an individual aged 45 at an annual premium of $3,563.

You will note that the plan, financed at a gross interest rate of 5 percent, would result in interest payments and deductions of $37,411.50 over a 20-year period.

For an individual in a 50-percent tax bracket the net interest cost would be $18,705.75. For this cost plus the deposit of additional collateral of $3,187 the insured would have built up a total death benefit, including accrued policy dividends, of $128,900 which would be entirely tax exempt. The net insurance protection after subtracting the $71,260 bank loan against the policy would amount to $57,640.

Although this is a comparatively conservative type of bank-loan plan, it illustrates how advantageously the interest deduction on such loans can be used to finance a tax-exempt benefit.

To relieve further the policyholder utilizing this bank-loan plan of any risk resulting from an uncertainty about the future interest rate charged by the bank and the personal liability of the policyholder for his loan, plans have been developed for direct-with-insurance-company loans.

Such a plan is described in some of the advertising circulars distributed by the insurance companies. One circular entitled "Application of Tax Savings in Reduction of Life Insurance Costs," which has come to my attention, carries this quotation:

"It has been proven possible for individuals or corporations to own life insurance under the direct-with-insurance-company loan plan without any cost whatever if the policy is held for a sufficient length of time. The cash value of the contract increases and ultimately reaches the point where the owner may recover his initial outlay for the first annual premium, and also the total net cost of his interest payments after tax credits."

The Treasury Department has recognized this plan as a glaring loophole in our revenue code and in a letter dated November 21, 1957, stated that they would recommend to both the Senate Finance Committee and the House Ways and Means Committee that corrective legislation be enacted.

I urge that both committees and the Congress give prompt attention to the need for this legislation.

PROCEDURES FOR REPORTS BY EXECUTIVE AGENCIES RELATIVE TO DEVELOPMENT OF LAND AND WATER RESOURCES

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated by title for the information of the Senate.

The CHIEF CLERK. A 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.

UNEMPLOYMENT IN THE MAJOR EMPLOYMENT CENTERS

Mr. CLARK. Mr. President, yesterday the Department of Labor released its regular bimonthly summary of unemployment in the major employment centers of the United States.

The report draws a picture of an unemployment situation that is already extremely serious, and that is getting worse. Let me quote from the report:

Unemployment rose to above year-ago totals in nearly all of the 149 major centers regularly surveyed by the Bureau of Employment Security and its affiliated State employment security agencies. In some areas, joblessness has reached the highest level for this time of the year since the business downturns of 1949 and 1953–54.

In 40 of the 149 surveyed areas, labor-market conditions softened in the past 2 months to an extent warranting a change in the area's previous Bureau of Employment Security classification according to relative adequacy of labor supply. With unemployment nationally already averaging approximately 5.2 percent of the labor force on a seasonally adjusted basis in December and still rising in many areas as 1958 began, 21 centers edged over into the group D (substantial labor surplus) category in January. Classification in this grouping reflects an unemployment level of 6 to 9 percent, with this situation expected to continue for the next few months. In addition, two areas previously classified in group D—Erie, Pa., and Muskegon, Mich.—were reclassified to the E category to indicate further increases in already high unemployment totals.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a list of the areas of substantial labor surplus in the United States, as taken from the Bureau's report. They number 118 areas in 26 States and Puerto Rico and are the areas with unemployment over 6 percent. I regret to say that 14 of those areas are in my own State of Pennsylvania.

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

AREAS OF SUBSTANTIAL LABOR SURPLUS, JANUARY 1958

MAJOR AREAS

Connecticut: Bridgeport, Waterbury.
Indiana: Evansville, South Bend, Terre Haute.
Kentucky: Louisville.
Massachusetts: Fall River, Lawrence, Lowell, New Bedford.
Michigan: Battle Creek, Detroit, Grand Rapids, Muskegon.
Missouri: Kansas City, St. Louis.
New Jersey: Atlantic City, Newark, Paterson, Trenton.
New York: Utica-Rome.
North Carolina: Asheville, Durham.
Ohio: Canton, Lorain-Elyria, Youngstown.
Oregon: Portland.
Pennsylvania: Altoona, Erie, Johnstown, Philadelphia, Pittsburgh, Scranton, Wilkes-Barre-Hazelton.
Puerto Rico: Mayaguez, Ponce, San Juan.
Rhode Island: Providence.
Tennessee: Knoxville.
Washington: Spokane.
West Virginia: Charleston, Huntington-Ashland, Wheeling, Steubenville.
Wisconsin: Kenosha, Racine.

SMALLER AREAS [1]

Alabama: Jasper, Talladega.
Connecticut: Danielson.
Illinois: Canton, Harrisburg, Herrin-Murphysboro-West Frankfort, La Salle, Litchfield, Mount Carmel-Olney, Mount Vernon, Springfield.
Indiana: Michigan City-La Porte, Muncie, Richmond, Vincennes.
Kansas: Coffeyville-Independence-Parsons, Pittsburg.
Kentucky: Corbin, Frankfort, Hazard, Madisonville, Middlesboro-Harlan, Morehead-Grayson, Owensboro, Paintsville-Prestonsburg, Pikeville-Williamson.
Maine: Biddeford-Sanford.
Maryland: Cumberland.
Massachusetts: Marlboro, Milford, North Adams, Pittsfield, Southbridge-Webster.
Michigan: Bay City, Benton Harbor, Jackson, Marquette, Monroe, Port Huron.
New Jersey: Bridgeton, Long Branch.
North Carolina: Fayetteville, Kinston, Mount Airy, Rocky Mount, Rutherfordton-Forest City, Shelby-Kings Mountain, Waynesville.
Ohio: New Philadelphia-Dover, Portsmouth-Chillicothe, Springfield.
Oklahoma: McAlester.
Pennsylvania: Berwick-Bloomsburg, Clearfield-DuBois, Lewistown, Lock Haven, Pottsville, Sunbury-Shamokin-Mount Carmel, Uniontown, Connellsville.
Rhode Island: Newport.
Tennessee: LaFollette-Jellico-Tazewell.
Texas: Texarkana.
Vermont: Burlington, Springfield.
Virginia: Big Stone Gap-Appalachia, Radford-Pulaski.
West Virginia: Beckley, Fairmont, Logan, Point Pleasant-Gallipolis, Ronceverte-White Sulphur Springs, Welch.

[1] These areas are not part of the regular area labor market reporting and area classification program of the Bureau of Employment Security and its affiliated State employment security agencies.

Mr. CLARK. Mr. President, 6 percent has usually been accepted in this country as the point beyond which unemployment should not be allowed to climb without immediate and effective action.

As it happens, this bimonthly report appears 3 days after the economic report of the President, which by law is supposed to contain the administration's recommendations for accomplishing the objective of "maximum employment." I have looked through the economic report in vain for the measures which are going to accomplish a reversal of the trend toward rising unemployment. What is proposed there is, in my judgment, quite inadequate.

One measure that is referred to favorably in the economic report is an area redevelopment bill. I welcome that endorsement by the President, even though he fails to back up his recommendation with a specific allocation of money in the budget, as he did last year, and even though the administration bill would be far less effective than the bill (S. 964) introduced by the senior Senator from Illinois [Mr. DOUGLAS] with many cosponsors.

We all hope for an upturn which will take most of our 118 areas out of the category of substantial labor surplus. But for those communities that remain as heavy unemployment areas, enactment of this bill is needed as one essential weapon in our arsenal of measures with which to do battle against the poverty and suffering which always arise from persistent unemployment.

Mr. President, I turn now to another subject.

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

THE GAITHER REPORT

Mr. CLARK. Mr. President, this morning we have learned from the newspapers that the Gaither Report will not

be made available by the President to either the Preparedness Subcommittee or to the people of the United States of America.

I do not question the constitutional authority of the President of the United States to make the decision that he will not make public this critical report which is so badly needed by the people and by the Congress. Undoubtedly he has the constitutional right to rely on the doctrine of separation of powers, and not to make the report public.

However, I seriously question his judgment, if not his right. I suspect that the failure to make public even the conclusions of this report will return to haunt the administration for many a long day.

It so happens that the withholding of the conclusions of the Gaither Report has been only partially effective, because in the brilliant article written by Chalmers M. Roberts, and published in the Washington Post of December 20, 1957, the substance of the report has already been made available.

I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, the article by Mr. Roberts.

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

SECRET REPORT SEES UNITED STATES IN GRAVE PERIL—ENORMOUS ARMS OUTLAY IS HELD VITAL TO SURVIVAL

(By Chalmers M. Roberts)

The still-top-secret Gaither Report portrays a United States in the gravest danger in its history.

It pictures the Nation moving in frightening course to the status of a second-class power.

It shows an America exposed to an almost immediate threat from the missile-bristling Soviet Union.

It finds America's long-term prospect one of cataclysmic peril in the face of rocketing Soviet military might and of a powerful, growing Soviet economy and technology which will bring new political, propaganda, and psychological assaults on freedom all around the globe.

In short, the report strips away the complacency and lays bare the highly unpleasant realities in what is the first across-the-board survey of the relative postures of the United States and the Free World and of the Soviet Union and the Communist orbit.

To prevent what otherwise appears to be inevitable catastrophe, the Gaither Report urgently calls for an enormous increase in military spending—from now through 1970—and for many other costly, radical measures of first and second priority.

Only through such an all-out effort, the report says, can the United States hope to close the current missile gap and to counter the worldwide Communist offensive in many fields and in many lands.

Established as the first, overriding priority is the revitalizing of the American retaliatory offensive force, as principal deterrent to an all-out Russian attack.

To meet all kinds of military threats, the report states, there must be:

A rapidly rising military budget through 1970, reaching in the years 1960 and 1961 a peak outlay of about $8 billion a year in additional expenditures over and above the current $38 billion defense outlay. Another $5 billion a year, for several years, for a civilian shelter program, is recommended on a second-priority basis.

A sweeping reorganization of the Pentagon command system and of the current roles and missions of the armed services, both of which are regarded as completely outmoded in this nuclear age. A Budget Bureau study of such changes is already under way.

A much-increased preparation to fight limited wars—seen as the more likely kind of conflict, especially in the Middle East and Asia, providing the massive offensive capability is created.

These key recommendations were among those presented to President Eisenhower at an extraordinary National Security Council (NSC) meeting on November 7, 4 days after the launching of the second Soviet sputnik. The committee report, 6 months in the making and completed about the time of the first sputnik launching, was unanimous.

At that dramatic NSC meeting, with some 45 persons crowded into the White House broadcast room, two of the President's most valued friends in the financial world—John J. McCloy and Robert Lovett—pledged to Mr. Eisenhower the complete backing of the American financial community if he would approve the program proposed.

McCloy and Lovett, both Republicans who held high posts in past Democratic administrations, expressed their conviction that the American public would shoulder the burden and accept the responsibilities of such major increases in the budget. They said also that the American economy was capable of carrying the load.

The report makes clear, specifically or by obvious implication, that there can be no thought of a tax cut, that the debt ceiling must be lifted promptly, that possible tax increases ought at least to be explored.

The President, as a result of the Gaither report, has begun to change his thinking. But he indicated at that NSC meeting and in subsequent conversations a nagging fear that the American people would balk at paying the bill, even though he said he personally would like to do the things called for in the report.

Some participants in the meeting even felt the President also was fearful that publication of the gloomy findings in the report would panic the American people into going off in all directions at once.

Many of those who worked on the report, prominent figures in the Nation's business, financial, scientific, and educational communities, were appalled, even frightened, at what they discovered to be the state of the American military posture in comparison with that of the Soviet Union.

The Committee, therefore, divided its recommendations into short-term and long-term proposals, some with top priority, others with lesser priority.

OFFENSIVE POWER STRESSED

Basically, the report put its prime military emphasis on offensive power as the best defense. Its second emphasis was that the United States must insure its own air and civilian defenses in view of what the committee discovered to be the technical strength of the Russians for offense.

Many of the short-term proposals discussed by the Committee already have been put in motion by the President; such steps as a costly further dispersal of the Strategic Air Command's bombers. Others in the longer term category are expected to be acted upon; a better—and extremely costly—alert system which could warn against missiles, a capability now wholly lacking; a pooling of allied scientific brainpower and an improvement in American scientific education; increased emphasis on various airborne and short-range nuclear weapons. The earlier Cordiner Committee recommendations for pay increases to prevent the alarming loss of skilled Armed Forces personnel was considered so obvious a necessity that it was not directly touched upon.

One of the recommendations in this area, on which the Gaither Committee was particularly emphatic, was the allocation of a great deal more money—the exact amount was not specified—to basic scientific research and development. The Committee, with a heavy scientific weighting in its outlook, was fully sympathetic to complaints of military research and science leaders that their funds had been unduly cut in the recent period.

AID, SHELTER NEEDS SEEN

As to long-term steps, aside from the massive military boost, the Committee recommended:

An increased foreign-aid program, especially economic aid for the underdeveloped nations. But no specific figure was recommended.

A civil defense shelter program at a cost of around $5 billion a year for 4 or 5 years. The shelters would be designed to save lives against the perils of radioactive fallout and only incidentally to help the Nation's industry recuperate after an enemy attack.

The shelter program was given a second-level priority and the billions of dollars it would cost would be over and above the huge military budget increase of up to $8 billion a year. If all the varied proposals of all categories of priority were in fact accepted by the President and the Congress, the budget would have to soar far, far above the current level of around $72 billion.

HUGE EXPENSE CALCULATED

In fact, it was roughly calculated by some, though not in the report itself as presented to the President, that to do all the things necessary (including a multi-billion-dollar antimissile-missile program which was considered) could cost an additional $20 billion or more a year on an average over the period through 1970. But the Gaither Committee avoided any such total calculation in its report.

In considering a shelter program, there was much discussion of whether Americans would even heed air-raid warnings and use such expensive means of protection. And it was felt that even if a perfect air-defense system were created, only a hypothetical possibility, fallout would spread over great areas because of enemy use of dead-man fuses to set off nuclear explosives, even if the plane or missile carrying them was shot down.

Moreover, there was a strong belief that no shelter construction could be built to withstand a near hit by a multimegaton nuclear bomb.

SHELTER PLAN REVISED

Accordingly, the Committee did not recommend the 40- or 50-billion-dollar shelter program designed to protect against blast. Instead, it called for a $5-billion-a-year program to erect shelters against radioactivity. The thought was that once a bomb had hit, those who survived would have a few hours time to seek protection against the ensuing radiation poison, and would go to the shelters.

Curiously, the Gaither Committee grew out of the shelter problem. Last spring the Federal Civil Defense Administration came to President Eisenhower with a proposal for a shelter program costing some $40 billion or more.

The President threw up his hands, said he could not understand how a shelter program fitted into the whole defense picture and asked for an NSC study on that. But as the Committee was gathered together, the members realized they could not answer his question without considering the much broader picture. They first began considering deterrents to war in general, finally broadened their study to an across-the-board basis. They stopped short, however, of considering specifically such major foreign policy questions as the American policy toward German reunification or toward Red China.

One of the reasons for emphasizing the offensive, with shelters in a secondary priority, was the psychological effect on America's allies. Here the foreign-aid picture also was considered.

BASES LINKED TO FOREIGN AID

The late Frank C. Nash, who had made a year-long study for the Pentagon and the State Department of American bases and forces abroad, told the Gaither group foreign bases were necessary for advanced American military forces and missiles.

He told them frankly that the facts of international political life are such that if America expected to get missile bases abroad, it would have to pay for them—in increased foreign aid.

Further, the Committee accepted the fact that for other military, political, psychological and moral reasons, America must maintain its allies. It cannot revert to the Fortress America concept. Accordingly, increased foreign aid, both economic and military, is recommended as essential to the maintenance of the American alliance.

PENTAGON CHANGES INVOLVED

As to the Pentagon command structure and the roles and missions assigned to the various services at Key West in prehydrogen bomb 1948, the Gaither Committee avoided recommending any exact solution, such as a redivision of forces into strategic and tactical commands.

It appears, though it could not be confirmed, that the Committee felt that the Secretary of Defense must be given an improved setup with a major paring down of the many assistant secretaries and joint committees. It also appears, though this likewise is unconfirmed, that the Committee felt that the Secretary's personal staff should control certain operational commands, which would perform missions now divided among the competing services.

Some of these steps would require Congressional changes in the National Security Act and other laws; others could be ordered by the President under present law.

That the President is concerned over the roles and missions problem is indicated by the fact that he has asked not only the Budget Bureau but also his Science Advisory Committee, headed by I. I. Rabi, for their views on military organization. Their recommendations are still secret, if in fact they have been reached as yet.

Basic to the military discussions in the report is the belief that there has been no real unification of the services, that unified commands have in fact worked in only rare cases.

One special area of Committee concern in terms of needed service unification is the Continental Air Defense Command.

STATISTICAL TABLES SECRET

The Gaither report contains a number of tables of relative strength of the two opposing forces, and the projection of these forces, to America's catastrophic disadvantage, if no remedial steps are taken. These tables, and others estimating United States capabilities to do the various things proposed, are the most secret parts of the report. They would not appear in any sanitized version of the Gaither report which would be given to the Senate Preparedness Subcommittee which has asked for the document.

The reason that the proposed military budget curve would go up so swiftly, if the report's recommendations are carried out, and then possibly drop back to some degree, is because of the overlapping period of manned aircraft and missiles. Gen. Curtis LeMay, Vice Chief of the Air Force Staff, on Tuesday told the Senate committee that present plans call for continuing medium B–47 bombers in service until 1970, the last year covered by the Gaither report. But there is hardly more than hope that the new, much higher defense budget could be appreciably cut after the proposed 1960–61 peak.

DIVIDED ON SPACE CONQUEST

The 1960–61 date appears to be the earliest estimate by the committee of when the United States could close the missile gap. The short-term measures are designed to use every available means of protecting the United States and the free world until American missiles match Soviet rocketry.

The Gaither report did not deal with the problem of outer space, the multi-billion-dollar question of what the United States should do in the race to the moon and to Mars, on which committee members appear to be divided.

What the ultimate effect of the Gaither report will be will depend first on the President and then on the Congress and the public. At the time it was initiated, official and public complacency was widespread. Even after the committee had reached the point of unanimous agreement that billions more must be spent, the atmosphere was not conducive to their ideas.

The committee went to work at the time of President Eisenhower's dictum that no more than $38 billion would be spent for military purposes. Former Defense Secretary Charles E. Wilson was slashing military spending to stay within the limit.

The Budget Bureau and the Pentagon budget officers were adamant in resistance to spending above that sum. The influence of former Treasury Secretary George M. Humphrey, architect of that policy, still prevailed. In fact, during the Gaither Committee deliberations, Humphrey returned on one trip to Washington to campaign among his former associates against any change in military spending figures.

Not only was the economy ax in full swing at that time but Treasury Secretary Robert Anderson was reported to be consulting with some of his civilian advisers on a tax cut—trying to decide whether it should be in the $2.5 billion, the $5 billion or the $7 billion range.

ALERTED BY SPUTNIKS

Sputnik came at the right moment, as far as the Gaither Committee was concerned. In some Members' opinion, Sputnik and its succeeding Muttnik "saved" the Gaither report—as, they hope, the Russian satellites may save America by alerting it to its peril.

The President's state of the Union and budget messages to the Congress next month and the Congressional responses will tell whether the Gaither report, plus the sputniks, have changed the national course.

One of the subjects which had lengthy committee consideration was the relative growth of the American and the Soviet economies. Here there was a detailed examination of the relationship of the proposed budget increases to the current econmic recession. The committee, incidentally, started on the premise of a recession, not of further inflation.

The conclusion was that the proposed additional expenditures would come at a fortuitous moment in the American economy. Economists generally agree that the gross national product, the sum total of all goods and services in the Nation, should normally increase by about 3½ percent per year over the long run. But this is not now occurring and the Treasury is entering a period of declining revenues. Hence the new expenditures should get the gross product back to the normal growth rate, in turn generating revenue for the Treasury which could pay for most of the additional military expenses that the committee recommended. And a controlled economy could be avoided.

ECONOMC OUTLOO'I SPECULATIVE

Much here is in the speculative realm. The committee assumption, however, was that the increased spending would fit the economic picture with benefit both to the economy and the national defense, with no more than limited tax rises at the most. Hence the reference only to exploring tax increases.

Committee members were impressed, and unfavorably, by the long-term Soviet rate of industrial growth, estimated to be about twice the American rate over the past 25 years. This growth, admittedly based on a less mature industrial economy and apparently beginning to slow down, permits the Kremlin to devote about 25 percent of its production to the military, compared to only 8.7 percent of American production so committed. The Soviet gross national product is only about one-third that of America. In another 10 years, it is estimated to reach about one-half the American figure, because of a faster rate of growth.

It is estimated, for example, that if the United States added about 10 percent to its defense commitment, in terms of gross product, the Soviets would have to raise theirs by one-third and do so in a nation already on the meagerest ration of consumer goods.

GAITHER TASK COMPLETED BY OTHERS

The Gaither report takes its name from H. Rowan Gaither, Jr., San Francisco lawyer and former head of the Ford Foundation, who was its initial chairman.

Gaither became ill, however, and the report was completed under the direction of two other members. These cochairman were Robert C. Sprague, of the Sprague Electric Co., and William C. Foster, of the Olin-Mathieson Chemical Corp.

As listed by the White House, the other members of the Committee were: James P. Baxter, of William College; Robert D. Calkins, of Brookings Institution; John J. Corson, of McKinsey & Co.; James A. Perkins, of the Carnegie Corp.; Robert C. Prim, of Bell Telephone Laboratories; Hector R. Skifter, of Airborne Instruments Laboratories; William Webster, of the New England Electric System; and Prof. Jerome B. Wiesner, of the Massachusetts Institute of Technology.

The group had an advisory panel of 11, and 5 others who assisted the panel, the White House said.

The advisory panel included: Adm. Robert C. Carney (retired), of Westinghouse Electric Co.; Gen. James H. Doolittle (retired), Shell Oil Co.; Gen. John E. Hull (retired), Manufacturing Chemists Association; Mervin J. Kelly and James B. Fisk, of the Bell Telephone Laboratories; James R. Killian, Jr., Massachusetts Institute of Technology, and since named the President's scientific and technological adviser; Ernest O. Lawrence, University of California Radiation Laboratory; Robert Lovett, of Brown Bros. & Harriman; John J. McCloy, Chase Manhattan Bank; Frank Stanton, Columbia Broadcasting System, and I. I. Rabi, Chairman of the President's Science Advisory Committee.

Assisting the panel were: Paul H. Nitze, of George Washington University; Col. George A. Lincoln, United States Military Academy.

Also listed as assisting in the work of the Committee were Gen. James McCormick, Jr., president, and Albert G. Hill, vice president and director of research, of the Institute for Defense Analysis.

A number of other persons not listed by the White House also were called in for advice from time to time. The Committee also had the assistance of numerous officials in the Government.

Mr. CLARK. Mr. President, the importance of the article arises from the fact that it is well known by many Members of this body, including myself, that this newspaper account accurately and clearly states the major

findings and conclusions of the Gaither report. That report should have caused this administration to have a far greater sense of urgency than it presently gives any indication of having. I hope that all those who read the CONGRESSIONAL RECORD will take the time and the effort to read this newspaper account, so that they, too, may have an understanding of the very critical situation which confronts our country, and which I must say in all good conscience the President's budget does so little to remedy.

Mr. DIRKSEN. Mr. President, I, for one, believe that the President of the United States not only has the authority to withhold the Gaither report, but also has done a wise and discreet thing in so doing. The very fact of withholding it has already provoked much discussion, and is an indication of what would happen if an unevaluated report on a subject of such peculiar importance were made public.

Mr. President——

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

PRESIDENTIAL DISABILITY

Mr. DIRKSEN. Mr. President, I should like to make one comment on the subject of Presidential disability. If the program dealing with Presidential disability fails, it will not be the fault of the President of the United States, for with complete and uninhibited candor he has asked for the enactment of such legislation. The challenge and the responsibility are now on the doorstep of the Congress.

NATIONAL SECURITY AND POLITICS

Mr. HUMPHREY. Mr. President, some events which occurred earlier this week have confused the situation regarding a change in the way of a real spirit of unity toward national security, and given rise to serious concern over what the present administration regards as the most crucial issue confronting us.

Is it meeting a grave world challenge, as most of us thought, or just trying to perpetuate Republicans in office?

Most of us, regardless of political affiliation, came to the present session of the 85th Congress deeply concerned about worsening trends in international affairs, and determined, I am sure, as statesmen and Americans all, to put our country's security above all else.

Unfortunately, and regrettably, the wave of Republican oratory earlier this week has clouded and distorted that objective—and given the American people good reason to be confused and concerned.

No one has ever accused me of lacking partisan spirit and fervor. I believe in the two-party system. I believe in spirited partisan debate as the lifeblood of progress and political responsibility. Yet there are times when irresponsibility must be avoided, and partisanship put into proper perspective in relation to the problems confronting us.

If there has been serious concern felt by Democrats that our national leadership has not been all that it could or should be, that concern reflects an attitude of the American people—not just a partisan gloating that our political rivals are failing. The price of failure of leadership is too serious for any of us to take satisfaction in that happening.

Rather than take any satisfaction in this administration's shortcomings, as we saw them, we Democrats set about the business confronting all of us as Americans to rally together toward shoring up our strength and wiping out our weaknesses. We were not alone. Many prominent and influential Republicans shared our concern, and shared our determination to do something constructive about it.

That is the tenor on which this session of Congress opened. That is the tone set so ably by our majority leader in conducting the Preparedness Subcommittee inquiry into our military posture.

When the President outlined his objectives to us in his state of the Union messages, Democrats were among the first to laud the objectives—and pledge support in trying to implement them.

When the President sent us a budget that we felt failed to properly implement those objectives, some of us were openly critical—but for constructive purposes of serving national security, not for partisan purposes of just making a whipping boy of the GOP.

Yet the GOP has apparently embarked upon a course of political survival first, national security second.

I have no intention today of arguing with the blatantly false propaganda of Republican orators throughout the country last Monday night. My only purpose is to ask what purpose such narrow partisanship serves toward rallying our Nation to meet the challenges confronting us.

It is regrettable that while the President of the United States is talking in Chicago about taking national security out of politics, his trusted assistant, Sherman Adams, is staking out the low road of political campaigning by deliberately inciting and inviting bitter partisanship.

It is only about 15 feet from President Eisenhower's office in the east wing of the White House to the office of Sherman Adams. In view of the President's Chicago remarks, I respectfully suggest that he get up out of his chair and walk the 15 feet to inform Mr. Adams of his desires. And while he is at it, if he really wants national security to be kept from becoming a partisan issue, he might suggest that his three service Secretaries have more important matters to attend to than making partisan fundraising addresses in behalf of the Republican Party.

Quite frankly, I respect President Eisenhower's request that national security not become a partisan matter, yet I respectfully suggest that he at least withhold his request until his own fellow partisans have debated this matter out enough among themselves to know just where his own party stands.

Perhaps Vice President NIXON is right in explaining why the Republicans could indulge in political activity despite the troubled times, but let us not have it right for the Republicans and wrong for the Democrats.

As a sheer matter of political judgment, I must question the wisdom of Republican leaders using fund-raising dinners to attack the patriotism of any who criticize the administration's security efforts, when some of the President's most severe critics on this score have also been among the Republican Party's biggest contributors.

I can understand Mr. Adams' sensitivity to criticism. Yet I suggest he look carefully as to where it is coming from.

The report on 1956 general election campaigns from the Subcommittee on Privileges and Elections of the Senate's Committee on Rules and Administration lists Laurence and Nelson Rockefeller as having made 26 separate contributions to the Republicans, totaling more than $60,000. Yet I seem to recall that they have been to the forefront as critics of this administration's security efforts.

John A. McCone gave $7,500 to the Republicans, according to the same report, yet he too has been quite vocal about our glaring weakness—military organizational weaknesses.

Let me list a few more names. Gen. Lucius D. Clay gave $2,500 to the Republicans in 1956, and his wife $3,000. Justin W. Dart gave $3,000. Oveta Culp Hobby gave $1,000. Henry Luce gave 14 contributions totaling $23,000, and his wife added another $1,500. Thomas B. McCabe gave $11,500.

Yet all these are members of the Rockefeller brothers panels that brought out the critical report on Eisenhower defenses.

Big Republican contributors, mind you, Mr. President—not Democrats.

It must have given the GOP treasurer quite a start to have the patriotism of such contributors resoundingly attacked by Sherman Adams.

If we Democrats are supposed to withhold any appraisal of our strength or weaknesses, in the name of unity, I hope at least the administration will be willing to let its own Republican contributors speak out in behalf of national security and survival.

Actually, this issue does transcend partisanship—but it does not transcend critical debate.

I know of quite a few Republican Congressional leaders dissatisfied with the status quo. Must they too be silenced under this administration's mandate challenging the patriotism of critics?

Does the President fear the scrutiny of our citizenry? Does he fear the future spotlight of public attention? What does he seek to hide?

Far from being a partisan Democratic approach, any objective reader of the daily press knows that there is a long list of key national leaders including columnists, commentators, editors, educators, businessmen, and public officials who have openly stated that national security under our system of government requires public debate.

Yet we cannot have such debate in a constructive form so long as the patriotism of those seeking to get at the truth

is challenged by blind partisanship of Sherman Adams' demagoguery.

The criteria must be what best serves national security, not what best serves this administration, the Republican Party, or the Democratic Party.

Once again, this administration has failed to exemplify leadership in that direction.

It has weakened its own hand, in trying to protect itself. It has weakened its own chances of gaining bipartisan support for the tasks ahead.

How helpful was Sherman Adams' talk to those of us on this side of the aisle who must bear the brunt of efforts to rally votes for economic aid to our allies? How helpful was it to those of us who must try to save the reciprocal trade program?

These are the questions the President must answer to his own conscience, and to the American people. They are not partisan questions. They are serious questions affecting our security.

Mr. President, I am glad to note that by and large the American press has recognized the seriousness of this regrettable Republican partisan error. Perhaps there has been no better supporter of the Eisenhower administration than the Cowles Publications, of Minneapolis. Yet on the morning after Sherman Adams' talk in Minneapolis, the Minneapolis Tribune lead editorial was entitled "Questionable Tactics."

Mr. President, I ask unanimous consent that the editorial referred to be printed at this point in the RECORD.

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

QUESTIONABLE TACTICS

With Congress in the hands of the Democrats, it is surprising that the Republicans used their campaign dinners Monday night as the occasion for bitter attacks on the opposition party. Sherman Adams, the President's assistant, joined in the partisan attack here in Minneapolis. We think the GOP used questionable tactics, to say the least.

A certain amount of partisanship is expected, of course, at any party gathering for the political faithful. The illusion has to be maintained, apparently, that the Republicans are united and only the Democrats are divided; that any administration successes have come from the solid support of the Republicans in Congress, and that any failures have resulted from the opposition of the Democrats.

But in view of the challenges of Sputniks I and II and the intercontinental ballistic missile to the United States—and the need for Democratic support for the President's own program—we wonder whether it was necessary for the President's No. 1 assistant to question not only the intelligence and wisdom of opposition leaders but also their loyalty and patriotism.

Consider for example, Adams' intimation that the Democrats were responsible for Pearl Harbor, "the scientific catastrophe of losing our atomic secrets," the "Red invasion of Korea," the "handcuffs put on our conduct of that war," the "tragic loss of China," and "the surrender of positions of freedom throughout the world."

He doesn't quite repeat the McCarthy charge that the Democrats were guilty of "20 years of treason," but he certainly approaches it. And the point is whether the Democrats, who control Congress, and who are being asked to put through the Eisenhower program in a bipartisan spirit, really will be able to dismiss partisan attacks such as that launched by Adams. Frankly, we doubt that they will do so.

Adams' speech was noteworthy, too, for what he did not say as well as for what he said. President Eisenhower, in his state of the Union address and his budget message, made it clear that the administration considers the expansion of the economic-aid program as a major goal. Yet this issue wasn't even mentioned by Adams.

Nor did the Presidential assistant call for support for other Presidential programs, such as extension of the Trade Agreements Act, scientific cooperation with our allies, expansion of research, or even the "works of peace" proposed by Mr. Eisenhower. Yet all of these programs need more public support.

Summing up Adams' speech, we wonder whether his concern about electing a Republican Congress in 1958 did not blind him to the need for Democratic as well as Republican support for the President's program in the current session of Congress. Whether it did or not, we're sure the Democrats will enlighten him on the subject in the days to come.

Mr. HUMPHREY. Mr. President, similar views were expressed by the Washington Post in its editorial of Wednesday, January 22, entitled "The GOP's Two Faces." I ask unanimous consent that it be printed at this point in my remarks, together with a column of the same day by Marquis Childs entitled "Adams Sets Tone for GOP Attack."

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

THE GOP'S TWO FACES

Just as President Eisenhower was telling his Republican audience in Chicago that national security is not a partisan matter, in Minneapolis his assistant Sherman Adams was energetically contradicting him. Whereas the President's speech was mostly good-natured and inoffensive if dripping with platitudes, Mr. Adams engaged in a cheap and meanly partisan attack which is certain to do what the President said he did not want. It is hard to believe that there is no communication between two parts of the White House.

Mr. Adams charged that the attitude of persons who criticize defense preparations as inadequate is mostly "dictated by political expediency." He tagged the Democrats for "the military catastrophe of Pearl Harbor," the theft of atomic secrets and "the tragic loss of China"—and he compounded these exaggerations with the sleazy trick of remarking that "we do not need to bring up" such matters.

Let it be acknowledged that in the question of defense responsibility there are some skeletons in the Democratic closet, including inadequate preparation in the missile field. But this business of assigning blame for past mistakes is pointless; it merely distracts attention from the current challenge. The Democrats can charge with equal validity that the Republicans lost part of Indochina and have been in the process of losing Egypt and Syria. When Mr. Adams throws cuts in last year's defense budget at them, they can ask pointedly who invited them to cut the budget, then criticized cuts, then blocked the expenditure of funds after some of them had been restored.

Now, political rallies are the normal occasion for partisan oratory, for fulsome eulogies and claims of monopoly on virtue, and there is nothing inherently reprehensible in this in a democratic system. The Democrats are not exactly shrinking violets at such business, either. But there are limits beyond which this sort of hyperthyroid hyperbole can be carried without injuring national unity on essential matters, and when political figures of either party engage in politicking at the expense of the national interest they deserve to be slapped.

Political rallies do not have to be this divisive. Ambassador Henry Cabot Lodge delivered a good-tempered speech in Washington reciting the Republican boasts but not narrowly. Vice President NIXON made a speech in New York which, if not gentle with the Democrats, avoided the meanness of Mr. Adams. Mr. Eisenhower's own remarks were unexceptionable except for his allusion to the Korean war and his statement that no other war has been allowed to take its place—as if the Democrats would have sought any different objective.

Perhaps it was inevitable in a Congressional election year that defense would become a matter of partisan debate, although this will not help the sober resolution of difficult problems in a time of national peril. What the administration cannot do is maintain a pose of high principle with Mr. Eisenhower trilling like a lark while Mr. Adams simultaneously sweeps the gutter.

By the way, who, if anyone, is Mr. Adams' boss?

ADAMS SETS TONE FOR GOP ATTACK

(By Marquis Childs)

Republican orators around the country, working hard with statistics and quotations supplied by the Republican National Committee, were out to prove Monday night that the blame for the lag in the development of missiles rests squarely on Harry S Truman.

The same figures and the same quotations appeared in most of the speeches released in advance. And the theme, which will be heard again and again and again as the Congressional campaign approaches, is that the Eisenhower administration has done everything possible to make up for the delay and indifference of the Truman administration.

In short, on the perilous issue of the Nation's security we seem likely to get this fall an old-fashioned pot-and-kettle contest as to which is the blacker. It is not a prospect that holds out any conspicuous hope for unity on what must be done to catch up with Soviet Russia's lead.

The figures used in a number of the speeches delivered on the fifth anniversary of the President's first inauguration were intended, as Secretary of Commerce Weeks put it at a Republican fund-raising dinner in Tulsa, Okla., to curl your hair. From 1943 through 1952, $3.5 million was spent on long-range ballistic missiles, while from 1953 through 1958 more than $3.8 billion was spent.

The quotation used by speaker after speaker is by Wehrner von Braun, missile authority who directed the development of the Army's Jupiter missile at the Redstone Arsenal in Alabama. Von Braun is quoted as having said in answer to a question as to why Russia leads in outer space:

"The main reason is that the United States had no ballistic missile program worth mentioning between 1945 and 1951. These 6 years, during which the Russians obviously laid the groundwork for their large rocket program, are irretrievably lost."

But with the zeal that might have been expected from the man closest to the President and perhaps the most dedicated worker in the administration, Sherman Adams goes further than the others. In his dinner speech at Minneapolis he took the whole litany of denunciation, blaming the Democrats for the military castrophe of Pearl Harbor, the Red invasion of Korea, the plight of our defenses when the invasion began, the handcuffs put upon our conduct of that war, the tragic loss of China

and the surrender of positions of freedom throughout the world.

In other words, the Assistant to the President blames the Democrats for everything that happened while the Democratic Party was in control of the national administration, and that is standard political practice. But if this is to be the rule, then a Republican administration that happens to be in power when the missile lag came to public notice—regardless of where the fault really lies—will get the blame for it.

Adams, however, supplies a lead that, when all the slambanging over who did or didn't do what on missiles is over, will very likely set the tone of the Republican campaign this fall. He hails President Eisenhower as one who more than any other man in our time can achieve a genuine peace and save humanity from the holocaust of nuclear war.

Other speakers took the familiar line out of the campaigns of 1952, 1954, and 1956 to add up the casualties of World War II and Korea—462,000 of our sons killed, 744,000 wounded in wars under Democrat administrations. In other words, the Republican Party is once again to be represented as the party of peace and the Democratic Party as the party of war.

Speaking in Yakima, Wash., Secretary of Agriculture Benson said in his prepared text: "We are not lost in the abyss of a bloody, hopeless war which neither side could win, as we were only 5 years ago."

This same strategy did not work in 1954, although the national committee spent large sums in several States to blanket radio and television outlets with spot advertisements of Democrat wars and Democrat casualties. Perhaps this time, against a greater longing for peace and an end of tensions, it will do the job.

Mr. HUMPHREY. Mr. President, even the New York Times showed concern over the Eisenhower-Adams "high road-low road" campaigning with an editorial yesterday entitled "Politicking With Defense." I ask unanimous consent that it be printed in the RECORD, together with articles by political writer James Reston, of the New York Times, January 20 and 21, on the same subject.

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

[From the New York Times of January 22, 1958]

POLITICKING WITH DEFENSE

A headline on the front page of this newspaper yesterday read: "Eisenhower Urges 1958 Campaign Ban on Defense Issues." In the adjoining column the headline of another story read: "Adams Rakes Democrats: Pearl Harbor to Missiles." The two headlines expressed with precision the sense of the respective articles, which must have left a good many Americans wondering just who is directing Republican Party policy.

If Sherman Admas were some maverick GOP politician or even a representative of the strongly anti-Eisenhower extreme right wing of the party one might more easily understand his bitterly partisan Minneapolis speech, in which he suggested that the Democrats were responsible for everything from the fall of Adam to the rise of the sputnik. But Sherman Adams is no maverick and no anti-Eisenhower man. He is the President's own super chief of staff. Yet the contrast between the President's expressed desire to take the defense issue out of politics and Mr. Adams' obvious intention to put it into the middle of politics is too obvious to be overlooked, and too mysterious to be explained.

Not that Mr. Adams is the only sinner in this direction. The Democrats, headed by the always irrepressible Harry S Truman, began weeks ago to make the defense of the country a political issue. They have no more right to do so than the Republicans. Instead of recriminating about the past, a past in which both Democrats and Republicans have been grievously at fault, both parties would do far better for themselves and for the country by turning their attention to what has to be done to insure national security in the future. There is plenty of room for argument here, but at least the argument would be constructive, not backward looking and destructive.

[From the New York Times of January 20, 1958]

POLITICS AND SECURITY: AN EVALUATION OF REPUBLICAN PROSPECTS AND THE PART DEFENSE ISSUE WILL PLAY

(By James Reston)

WASHINGTON, January 20.—Fasten your seat belts, folks, the big political battle of 1958 is on.

The Republicans tonight started their sixth year in office with the loudest counter-attack since the last presidential election. The theme: We're in pretty good shape, and if we aren't, blame the Democrats.

President Eisenhower, in Chicago, insisted that United States security, and the differences over it, must be kept out of politics, but from all over the country came news of his principal lieutenants blaming the missile lag on the Truman administration.

"Our first objective—security and a just peace—is not a partisan or political matter," said the President. "Americans must never and will never let the issue of security and peace become a pawn in anyone's political chess game."

The Assistant to the President, Sherman Adams, however, insisted in Minneapolis that it was a partisan and political matter. He not only blamed the Democrats for the missile problem of today, but he also scorned them for Pearl Harbor, the tragic loss of China, the surrender of positions of freedom all over the world, for stumbling into the Korean war unprepared, and for not being able to fight that war effectively or end it.

OTHERS FOLLOW ADAMS' LINE

If there was ever any genuine chance of keeping politics out of the defense question—and there wasn't much—this has undoubtedly ended it.

While the President was calling for a political truce, the Republican National Committee was pouring out texts of GOP speeches following the Adams' line rather than the President's.

This is a bold, and in some ways, a hazardous strategy, for it opens the President to the charge that many of his own principal associates, including his principal aid, Mr. Adams, will not follow his lead. And it has already infuriated many Democrats whose support is essential if the Eisenhower legislative program is to get through the Congress.

There are now 49 Democrats to 46 Republicans in the Senate, with 1 seat vacant. Of the 32 Senate seats at stake in next November's election, 12 are held by Democrats and 20 by Republicans.

Five of the twelve Democratic seats are in sure Democratic territory—Florida, Mississippi, Tennessee, Texas, and Virginia—and the other seven are generally rated as favoring the Democrats or even.

In contrast, the Republicans seem sure of only 3 of the 20 Senate seats at stake this year—Nebraska, North Dakota, and Vermont. And even some Republican political experts fear that the House, where the Democrats now hold a 34-seat margin, may go Democratic by a much larger margin in November.

CHANGES ARE NOTED

Since the last election three major political developments have occurred: the President's popularity, as measured by the Gallup poll, has dropped 10 points but is still measurably higher than anybody else's; the administration, strong with the people on defense and foreign policy questions in 1956, has been put on the defensive in these fields by the political and scientific achievements of the Soviet Union; and the economic boom has visibly leveled off.

Confronted by the problem of raising more funds for national defense, the administration has taken a calculated risk of considerable political significance. In his budget message, the President called for a sharp reduction of the Federal public assistance grants to the States, starting in 1960.

Though it seems unlikely that Congress will go along with these requests, the Republicans nevertheless have acquired a new political burden. They must now carry the charge that they are trying to cut away many of the gains made by the people in the fields of old age assistance, aid to dependent children, aid to the needy blind, and to the permanently and totally disabled.

DEBATE PICTURE CHANGES

Thus two major changes have taken place in the political debate between the major parties: The Democrats have an issue in defense—they said there "was no mileage in this" in 1956—and they have been given new ammunition for their favorite argument, namely, that they are the party of the dispossessed and the poor.

This situation may explain the tone and vigor of the Republican counter-attack tonight, but it is interesting that the man who took the lead on all those issues that anger the Democrats the most was not Vice President NIXON but Mr. Adams.

Mr. NIXON in New York, took a few broad swipes at the opposition, and argued for vigorous campaigning, but Mr. Adams took over the low road, combining satire and mockery with appeals for "moral fiber."

Where the political battle will go from now on nobody knows, but the chances are it won't be up.

[From the New York Times of January 21, 1958]

THE ADAMS ONSLAUGHT: A COMMENT ON REASONS FOR SHARP ATTACK AS EISENHOWER URGED NONPARTISANSHIP

(By James Reston)

WASHINGTON, January 21. — Sherman Adams, the Assistant to the President, was the main topic of conversation in Washington today.

Why, the politicians were asking, did he go to Minneapolis last night and make a sharp political attack on the Democratic Party's defense record precisely at the moment when President Eisenhower was in Chicago appealing to everybody to keep politics out of the defense debate?

There were two popular interpretations of this odd incident, both of them probably wrong.

The first was that both the President and his chief of staff knew precisely what the other was doing and took different tacks as a political tactic to appeal to the two wings of the Republican Party.

The second was that Mr. Adams, with the President's knowledge and approval, was getting himself better known among the Republican politicos in order to see whether there was any support for his becoming a presidential candidate in 1960.

Most explanations of political conduct here, however, are usually simpler than the dramatic and complicated theories widely published. The simple fact in this particular case seems to be merely that Mr. Adams was sore at the Democrats.

He has been sitting around in his inaccessible office for weeks listening to the Democrats berate the Republican defense record. He thinks the opposition has been unfair. From the first sight of the Soviet satellite, he has taken the line that the United States was not involved in this "outer-space basketball game," as he once called it, and that everybody is getting too emotional about the whole missile race.

ADAMS HAS FIERCE LOYALTY

Mr. Adams has two well-developed qualities; a fierce loyalty to the President, and a bad temper. Both were involved last night in Minneapolis and when these two qualities combine, he runs to sarcasm and verbal aggression.

The Democrats do not especially resent the charges that they have a responsibility in their 1945–53 record for the missile shortage. This comes under the general heading of hard but fair political debate. But they resent two things:

They feel that Mr. Adams shoots from ambush in that he cannot be questioned by the Congress or the press, as the President and the Cabinet can.

And they resent his revival of the old fighting implications that the Democrats were responsible for Pearl Harbor, for the scientific catastrophe of losing our atomic secrets, for the Communist invasion of Korea, for the tragic loss of China, and for limiting the area of the Korean war.

It is this latter point that is hard to explain. For James C. Hagerty, the President's press secretary, said today that Mr. Adams knew what was in the President's speech, and presumably this included knowledge that the President was asking for a moratorium on partisan approaches to the defense debate.

Nevertheless, he raked up many of the charges that envenomed the whole political atmosphere here during the hey-day of the late Senator Joseph R. McCarthy.

There is an interesting paradox in all this, Mr. Adams has, for 5 years, played the role of the "anonymous man" in the White House. He has refused to answer question from Congress on the ground that he was acting on behalf of the President. He has rejected in the sharpest terms assertions that he was the powerful head of a palace guard that often exercised Presidential powers.

The official line has been that he was merely an objective servant who kept his own opinions out of things and merely presented all sides of a question to the President for his decision.

LEAVES ANONYMOUS ROLE

In recent months, however, he has been leaving the anonymous role and coming into the open, not to make general policy statements, but to whoop up the faithful at political rallies, scorn the opposition, and then retreat once more into the White House.

This sharp contrast between the role of the private adviser and the political provocateur is what has raised the question of his political ambitions. He has always refused to discuss this question, and his associates deny that any such ambitions exist.

But the mystery remains. He is, without doubt, the most powerful White House adviser since the late Harry Hopkins in the Roosevelt administration. Mr. Hopkins, too, denied for years that he allowed himself to think of seeking the Presidency, but in the end, he did think of it, and was encouraged by Roosevelt to do so.

Maybe the parallel is not exact. Mr. Adams' friends deny that it is. They also deny that he and the President entered into a high-road, low-road arrangement to appeal to the two wings of the Republican Party.

The President may not have approved Mr. Adams' text, but Mr. Adams ignored the President's advice.

And this has thrown him into the thick of political controversy, just at the time when most observers here believe that the President is delegating more authority to him all the time.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent that an article on the same subject by Walter Lippmann, which appeared in this morning's Washington Post, be printed at this point in the RECORD.

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

A BAD BLUNDER

(By Walter Lippmann)

By his Minneapolis speech on Monday, Governor Sherman Adams has made more difficult the delicate situation in the President's office. The situation is delicate because the diminished strength of the President has made necessary an unusual, almost certainly an unprecedented, delegation of powers to the White House staff of which Governor Adams is the chief. The flat contradiction between the Adams speech and the President's own speech that same evening raises the question of how faithfully the President's will is being carried out by those to whom his powers are delegated. For on an issue of national importance Governor Adams was in open contradiction with the letter and the spirit of the President's speech.

If that can happen publicly, what goes on in the privacy of the President's office? This is a fair question, and it is a necessary one. For the Government of the United States is today being carried on under a special dispensation which can work only if there is a general and complete confidence in it. There must be confidence that the officials who exercise the President's powers are men who know him so well that they can act as he would act if he had the time and the energy to do the whole work of his office.

Were this complete confidence seriously broken, there would be a demoralizing political uproar about who exercises power and who can be held accountable.

The outward evidence of the country's confidence has been that Congress, the press, and the public have accepted the theory that Governor Adams and his assistants are confidential agents of the President, who cannot be questioned by committees of Congress or in press conferences. This immunity rests on the principle that their relations with the President are confidential, and that their acts are to be treated as being his acts. For these acts, the President is accountable to the people. But his agents are accountable to him.

This is a complex and subtle theory which we have developed to meet an unusually difficult situation. It is not easy to keep believing it in the face of the known evidence about the President's absences from the White House, and the many evidences that he is not always well informed. Yet we have all wanted to believe in the theory since, given the facts about our constitutional system, we have no better choice than to believe it.

But the country will not go on believing it if it turns out that the confidential agents of the President are playing politics on their own, and contrary to the President's own political beliefs. The moral of it is that in the position he occupies, and with the immunity which he claims, Governor Adams should not make speeches at all, should nourish no political ambitions of his own, and should acquire, or at least simulate, what used to be called a passion for anonymity.

On the substance of the question, which is whether defense is a legitimate party question, the answer, I believe, is that here honesty will prove to be the best policy. Thus, it is the duty of the Democrats in Congress to examine the administration's defense proposals in the light of the best intelligence available and of the testimony of experts. It is not only their right but their duty to decide whether the administration's program is adequate and how it could be improved. The Democrats will be expected to come forward with their own program of amendments which Congress can then debate.

It is when we come to the post mortems for our having fallen behind in the race of armaments that an ugly partisanship will show itself. The country will do well to be very skeptical and very suspicious of all attempts to fix the blame on one party or the other. There have been too many Democrats and Republicans involved in the complicated history of the missiles and other strategic weapons to justify any verdict that one or the other party is guilty.

If there is to be an inquest, and there is much to be said for having one, it should not be made by a Congressional committee, composed of men among whom many must run for reelection in the fall. The inquest should be conducted in a judicial spirit by some kind of panel or commission which inspires general confidence and is composed of men who personally have nothing to gain and nothing to lose by the outcome of the elections.

Mr. HUMPHREY. Mr. President, while I am enough of a political realist not to expect the President or Mr. Adams to realize the error of their ways enough to apologize to the Democratic Party for aspersions against the patriotism and loyalty of a party in which a majority of the American people has shown its confidence in the last two Congressional elections, I do suggest that the least they could do would be to explain to their own big Republican contributors that it is all right for them to keep criticizing the administration's failures—so long as they keep contributing.

THE AMERICAN MERCHANT MARINE

Mr. SALTONSTALL. Mr. President, I should like to take a few minutes to bring to the attention of the Senate certain encouraging developments affecting the American Merchant Marine.

On August 30, 1957, I made a brief statement pointing out the vital necessity for continuing and expanding our shipbuilding and ship-operating programs. Today, I am happy to note that the President's budget message and his state-of-the-Union message together show a constructive approach toward the fulfillment of these programs.

The request for $160 million for shipyard subsidies, when approved by Congress, will mean that the long-range ship replacement program entered into by both Government and industry will continue as planned. The $120 million requested for operating-differential payments will insure shippers of our agricultural and manufactured products of regularly scheduled continuous access to the markets of the world, and will provide a consistent access to the raw materials which are in short supply—or nonexistent—in the United States.

In order to carry out the President's safety-through-strength policy, a strong, active, American-flag merchant fleet is

essential. I am confident that the Congress will approve the President's budget requests so that this Nation will fulfill its responsibilities to its friends and allies by guaranteeing to them and to the citizens of the United States continued existence of a strong and adequate merchant fleet.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. O'MAHONEY (for Mr. Eastland), from the Committee on the Judiciary:

William P. Rogers, of Maryland, to be Attorney General.

By Mr. BYRD, from the Committee on Finance:

Nelson P. Rose, of Ohio, to be General Counsel for the Department of the Treasury.

By Mr. FULBRIGHT, from the Committee on Banking and Currency:

Jesse P. Wolcott, of Michigan, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation;

Tom B. Coughran, of California, to be Executive Director of the International Bank for Reconstruction and Development; and

John S. Patterson, of Maryland, to be Deputy Director of the Office of Defense Mobilization.

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

Thomas C. Mann, of Texas, to be an Assistant Secretary of State;

Gerard C. Smith, of the District of Columbia, to be an Assistant Secretary of State;

Thorsten V. Kalijarvi, of New Hampshire, to be Ambassador Extraordinary and Plenipotentiary to El Salvador;

Robert McClintock, of California, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to the Republic of Lebanon;

Homer M. Byington, Jr., of Connecticut, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to the Federation of Malaya;

Donald R. Heath, of Kansas, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to the Kingdom of Saudi Arabia, and to serve concurrently and without additional compensation as Envoy Extraordinary and Minister Plenipotentiary to the Kingdom of Yemen;

Dr. H. van Zile Hyde, of Maryland, to be the representative on the executive board of the World Health Organization;

Dempster McIntosh, of Pennsylvania, to be Manager of the Development Loan Fund in the International Cooperation Administration of the Department of State; and

George V. Allen, of North Carolina, to be Director of the United States Information Agency.

Mr. MANSFIELD. 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. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

If there be no further reports of committees, the nominations on the calendar will be stated.

INTERNATIONAL ATOMIC ENERGY AGENCY

The Chief Clerk read the nomination of Robert M. McKinney, of New Mexico, to be the representative of the United States of America to the International Atomic Energy Agency.

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

POST OFFICE DEPARTMENT

The Chief Clerk read the nomination of Edson O. Sessions, of Illinois, to be Deputy Postmaster General.

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

DEPARTMENT OF THE TREASURY

The Chief Clerk read the nomination of Julian B. Baird, of Minnesota, to be Under Secretary of the Treasury for Monetary Affairs.

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

The Chief Clerk read the nomination of Tom B. Coughran, of California, to be an Assistant Secretary of the Treasury.

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

The Chief Clerk read the nomination of A. Gilmore Flues, of Ohio, to be an Assistant Secretary of the Treasury.

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

ADMINISTRATOR OF VETERANS' AFFAIRS

The Chief Clerk read the nomination of Sumner G. Whittier, of Massachusetts, to be Administrator of Veterans' Affairs.

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

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of all nominations confirmed today.

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

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, 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.

EXPLORING THE NEW AREAS OF STATESMANSHIP

Mr. FLANDERS. Mr. President, in the speech which Secretary Dulles delivered at the Press Club last week, I find new grounds for hope that an area of constructive statesmanship is at last opening before us. It is true that the body of the address repeated our besetting faults. A section of the problem of armament control was offered the Soviet Government as a challenge to its sincerity. This, of course, is not the way in which successful negotiations are begun in private life between two parties each of whom holds a strong position. Neither is it the way in which we can carry on international negotiations with any hope of success, where the other party holds so strong a position as does the Soviet Government.

Whether in private or in governmental negotiations, the constructive course is to find the area of mutual self-interest. With the Soviet Government there is no other effective method to use, if we are sincere in our search for armament control. Mutual self-confidence is out. There is none, except as it grows in the fertile soil of successful negotiations based upon mutual self-interest. It is useless to demand a show of sincerity by the Russians before beginning discussions. Should we not rather cease to impose on others impossible requirements of confidence and sincerity and demonstrate our own sincerity by proceeding from the practical base of mutual self-interest?

In his Press Club speech Secretary Dulles made the suggestion that an international commission be established to supervise all outer space exploration and make certain that it be devoted to the interest of science and humanity rather than to military purposes. In so doing he repeated his urgent suggestions of last July.

This is not the only forward look by the administration, for the President's letter to Bulganin proposed joint negotiations to the same end. Furthermore, we may confidently hope that the President's open-skies proposal made at the Geneva Summit Conference is still open.

In the Congress, as well as in the administration, the same wise foresight has appeared. Notably, the Senator from Texas [Mr. JOHNSON] saw in mankind's new celestial frontier the opportunity of adding a new dimension to freedom—and with it the very real prospect of reaching our goal of total peace.

Here, then, we have a positive indication of the prophetic vision of our political leadership. Can the vision be made real? I believe, Mr. President, that there are reasons for believing that we can make the vision real.

In the first place, we start with a clean slate so far as space is concerned. It is true that sputnik gave to the Soviets the psychological advantage of surprise, but we may be sure that their scientists and engineers have no doubt of our ability to equal and exceed that achievement in a very short time.

It may be argued that the opportunity for international agreement on atomic-energy control was even greater, since we held a near monopoly on that development when it was still new. Yet the Soviet Government, itself engaged in atomic development, turned down our proposals. This, in my judgment, does not make sure that new proposals for

space control will meet with the same fate. There is a healthy regard in Russia for the certainty of annihilation in case of an atomic war, and space-navigating proficiency multiplies the danger a thousandfold.

Furthermore, it is highly probable that the Russians have a better concept of our progress and capabilities in this field than do the American people. Our Euro-Asian friends cannot be sure of being the first to occupy space in some practically effective way. Therefore, agreement on the basis of mutual self-interest is by no means impossible. Let us give it a try.

Where shall we begin? Shall we start at the moon and work down, or shall we start at the earth and work up, even though our destination is the moon and points beyond?

Mr. President, it is my suggestion that we revive the President's open-skies proposal as the first step. Here is mutual advantage—plus. No one who has visited the missile centers of this Nation can escape the conviction that we are near to the launching of a satellite, manned by a willing and intelligent observer and reporter, who will be returned safely to earth. Even before that time we may have General Shriever's satellite carrying a recoverable capsule with its observations and reports intact. Let us proceed with all diligence to develop these and other means of occupying space effectively, depositing the records with the United Nations, and thus being the first to practice open skies for peaceful purposes.

It may be that our bargaining position is even better than this. It should not surprise us to learn some fine day that we are already taking pictures from the air, by means unrevealed to us common folk. It may be that our Soviet friends know this but cannot stop it. It is just as possible that the Soviet Government is now doing the same thing. I have no information on these matters, but such confidence have I in scientific achievement and practical skill that such a development would not at all astonish me.

Mr. President, let us not bungle this opportunity. Let us not approach it in any spirit of moral superiority, but on the basis of self-interest. Let us follow where the President pointed and led the way. Let us see what can be done with open skies.

From there we can go upward to space exploration and control, and outward to the control of land, sea, and air armaments—all without adding to the tensions of our atomic age. Let us make it a new Elizabethan age of exploration instead, but without any attempt at exclusive occupation. For space cannot be exclusively occupied.

Let us get going.

JUNIOR ACHIEVEMENT WEEK

Mr. JOHNSON of Texas. Mr. President, I submit a concurrent resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The concurrent resolution will be read for the information of the Senate.

The concurrent resolution (S. Con. Res. 58) was read, as follows:

Whereas it was the initiative, the sense of individual dignity, and the determination to mold their own futures that motivated those who founded this Nation; and

Whereas Junior Achievement, Inc., through its learning-by-doing program, is inculcating those ideals in American youth by helping them to set up and operate their own small-scale business enterprises; and

Whereas their experience in running Junior Achievement companies will provide these young people with a heightened understanding of the privileges and duties of citizenship and better prepare them to assume the responsibilities of community leadership; and

Whereas thousands of American businessmen voluntarily give unstintingly of their time, their counsel, and their experience for the benefit of the members of Junior Achievement; and

Whereas it is understood that the week beginning January 26, 1958, and ending February 1, 1958, will be observed as National Junior Achievement Week: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the President of the United States is authorized and requested to issue a proclamation designating the week of January 26, 1958, through February 1, 1958, as National Junior Achievement Week and urging all citizens of our country to salute the activities of Junior Achievers and their volunteer adult advisers through appropriate ceremonies.

Mr. JOHNSON of Texas. Mr. President, except for the dates specified, this resolution is identical with House Concurrent Resolution 73, which was unanimously agreed to by the Congress on January 17, 1957.

Its purpose is to request the President to designate the week of January 26 to February 1, 1958, as National Junior Achievement Week. At the present time legislation is pending before the Judiciary Committee which will make Junior Achievement Week an annual event, to be designated by the President. Because the Judiciary Committee has not had an opportunity to report that proposed legislation, it is necessary to consider the present resolution, providing for this year's celebration only.

Junior Achievement is a program through which young people are given an opportunity to take on real responsibilities early in life. Running small-scale business enterprises, tackling everyday problems with the help of their adult advisers, they are prepared for an active role in the economy. I think it is fitting that we recognize this fine program again this year, and give it our unanimous blessing.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

Mr. DIRKSEN. Mr. President, I merely wish to say that we fully concur in the purpose, the spirit, and the objective of the resolution.

CONTROL OF ADVERTISING ALONG INTERSTATE HIGHWAYS

Mr. NEUBERGER. Mr. President, I ask unanimous consent that I may yield to the junior Senator from Pennsylvania without losing my right to the floor.

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

Mr. CLARK. Mr. President, I should like to ask my friend from Oregon a question. I know of the outstanding effort he and some of his colleagues made during the last session of Congress to have the committee report a bill which would protect the Federal interstate highways from the unrestricted construction of billboards and other unsightly devices.

I know it failed by one vote last summer to be reported by the committee.

Accordingly, when the senior Senator from Connecticut [Mr. BUSH] introduced a new bill, which would have the same effect, I hoped that that bill, as was true of the other bill, would be passed, so that we could eliminate the unsightly roadside menaces on our interstate highway system.

My question is: Does the Senator feel there is some chance at this session of having such proposed legislation reported by the committee, and is he continuing his splendid and earnest efforts in the campaign against those unsightly menaces?

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

Mr. NEUBERGER. Does the Senator wish me to yield to him?

Mr. FLANDERS. I should like to comment briefly on this undertaking.

Mr. NEUBERGER. I shall be pleased to yield to the Senator from Vermont if he desires to make some comments on the remarks of the Senator from Pennsylvania.

Mr. FLANDERS. On the question of controlling billboards along the system of the Federal national highways, I wish to refer briefly to a similar campaign in my State for controlling billboards along our highways outside communities which have self-government.

It was to a great degree successful. I believe that anyone who drives through the State of Vermont will appreciate what has been done.

The suggestion has been made, as I understand, that this matter should be left to the States, rather than be handled by the Federal Government. Unless there is a clause in the Constitution which makes it unconstitutional for the Federal Government to control the margins of these highways within a State, I certainly will support by voice and vote, so far as I am permitted to do so, any undertaking to control the billboards along the new system of national highways.

I should like to ask those who have had legal training, of which I have not had the advantage, to give such assurance as they can that there is no constitutional obstruction in the way of such legislation.

Mr. CLARK. Mr. President, may I comment on the statement of the Senator from Vermont?

Mr. NEUBERGER. I yield to the Senator from Pennsylvania.

Mr. CLARK. Although I do not pretend to be a great constitutional lawyer, I do not have the slightest doubt that both

the bill introduced at the last session by the Senator from Oregon and the one introduced this year by the Senator from Connecticut would be upheld by any court as fully constitutional.

Mr. NEUBERGER. Mr. President, I appreciate the remarks of both the Senator from Pennsylvania and the Senator from Vermont.

In answer to the question propounded by the Senator from Pennsylvania, I shall outline the situation very briefly. Ever since 1955, the distinguished junior Senator from Tennessee [Mr. GORE] and the junior Senator from Oregon have been attempting to bring about some control and regulation of billboards along the 41,000 miles of our interstate highway system. On one occasion we succeeded in adding a billboard control provision to a bill which reached the Senate floor. Unhappily, that provision was eliminated on the floor of the Senate.

Last year, in 1957, the junior Senator from Tennessee and I worked extremely hard in the Committee on Public Works in trying to report from the committee a measure which would provide protection for the roadside beauty along the new roads that will cost the American motoring public upwards of $40 billion. Again, unfortunately, we failed in committee, by a vote of 7 to 6.

Now certain Members of the Senate, I may say at the 11th hour, after we have lost a great deal of precious time, have come forward as champions of billboard control. They are welcome, of course, and we are delighted that they have come into the fold. I might say, however, that their allegiance to our cause would have been more useful a substantially length of time earlier in our fight.

Already we have lost very valuable time—months, and even years—and as we stand here on the floor of the Senate today, the various States of the Union are locating their rights-of-way for these interstate roads. As these roads are laid out, the billboard companies, or the so-called outdoor advertisers, acquire so-called grandfather rights for the signs that are being put up to shut out the beautiful scenery—mountain, valley, hill, tree, and dale—from the view of the people who drive over those roads.

For example, one of the men who now comes forward as a champion of a billboard-control bill, cast one of the decisive votes last year which resulted in the defeat of the Gore-Neuberger billboard-control measure by a vote of 7 to 6 in committee, and thus kept the bill from being reported.

However, I wish to say, speaking for myself—and I feel sure that I am authorized to speak also for the distinguished Senator from Tennessee [Mr. GORE]—that we will try again this year to succeed in the cause for which we have been working for 3 years.

The belated adherents to whom I have referred do not include either the Senator from Pennsylvania or the Senator from Vermont. I know that the State of Vermont, which the Senator from Vermont, in part, so ably represents in the Senate, is one of the few States which have tried to control signboards along highways, and that he is devoted to this cause. Of course on many occasions I have had reason to know of the allegiance of the Senator from Pennsylvania to this effort.

It makes no difference to me whose bill passes to control signboards along the highways. I am not interested in credit or glory or renown. I believe that when the Federal Government is putting up 90 cents of every dollar which is spent on the roads, and when we realize that this will be the greatest highway network ever built by any country in the world, we owe at least a little bit to the motoring public of today and tomorrow. We must do what we can to prevent these roads from being plastered with signboards from the Gulf of California to the lovely States in New England which the Senator from Vermont in part represents in the Senate.

Mr. FLANDERS. May I trespass once more on the time of the Senator from Oregon?

Mr. NEUBERGER. I am happy to yield.

Mr. FLANDERS. I should like to relate an experience my State has had in connection with this matter. First, however, I should like to inquire as to the width of the strip which will be acquired for the purpose of these highways. Can the Senator from Oregon enlighten us on that point?

Mr. NEUBERGER. At the moment I am not qualified to tell the Senator from Vermont the exact width of the interstate highways. However, they are all virtually to be built to four-lane standards, as the Senator from Vermont realizes.

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

Mr. NEUBERGER. I yield.

Mr. CLARK. Mr. President, it is my understanding, if I may make this statement at this time, that the bill introduced by the Senator from Connecticut [Mr. BUSH] would make impractical the erection of signs within 660 feet of any interstate highway. That provision was added as an inducement, in a certain sense, to States to adopt appropriate legislation, by giving them additional financial assistance if they enacted that type of legislation, rather than attempt to hammer down any Federal standard. We at the Federal level can give an inducement to States by making it worth while to take such action.

Mr. NEUBERGER. Mr. President, the provision in our bill—and I believe there is a similar provision in the later bill introduced by the Senator from Connecticut [Mr. BUSH]—stipulates that a State which is willing to agree to control signboards along a particular stretch of highway, instead of receiving 90 percent of the funds to build that highway, will collect from the Federal Government 90¾ percent. In other words, such a State will receive 90 percent, plus three-quarters of 1 percent more as a bonus or reward for controlling signs along a particular portion of road.

Mr. FLANDERS. I thank the Senator. I might observe that the success of the campaign in Vermont was due to a decision of the State Supreme Court to the effect that the value accruing to a property holder with reference to the location of a signboard was not a value inherent in the property, but was derived from the location of the highway, and the location of the highway was determined by the State; therefore, the State had jurisdiction over whatever equities the property holder had with relation to the erection of highways and signboards. I do not know whether that situation applies to other States.

Mr. NEUBERGER. I am aware of the successful campaign that has been carried on in Vermont to protect the lovely scenery in that State.

Mrs. Neuberger and I, when we were members of the Oregon Legislature, made a similar effort in our State. I regret to report that it was not successful, although we tried to the utmost of our capacity and ability to make it successful.

But the proposal which the junior Senator from Tennessee [Mr. GORE] and I have sponsored for a number of years—and I understand it is virtually similar in the bill sponsored by the able senior Senator from Connecticut [Mr. BUSH]—uses the carrot rather than the stick method with the States. Instead of penalizing States which do not control billboards, the proposal which we have been advancing and sponsoring offers a bonus of an additional three-quarters of 1 percent from the Federal Government as a reward for protecting the scenery along the roads.

Mr. FLANDERS. I congratulate the Senators on their efforts. I wish to do anything within my power to translate those efforts into completed legislation.

Mr. NEUBERGER. The support of the distinguished Senator from Vermont is welcome, and the support of the distinguished Senator from Pennsylvania [Mr. CLARK] likewise is welcome and appreciated.

Mr. CLARK. I thank the Senator from Oregon. I am happy to know he is going to continue his efforts, which I hope this time will be successful.

Mr. NEUBERGER. We certainly share that hope.

IDAHO POWER CO.'S BROWNLEE DAM PROJECT ON SNAKE RIVER

Mr. WATKINS. Mr. President, Idaho Power Co.'s Brownlee Dam project on the Snake River will be operational this September.

This large storage dam will contribute 360,000 kilowatts of needed power to the Pacific Northwest power pool and will make available to the downstream areas of the Columbia River a million acre-feet of flood-control storage this coming winter.

In addition to its outstanding achievement of completing the world's second largest rock-fill hydroelectric dam in record time, Idaho Power Co. also has started construction on the second of its three-dam project units, Oxbow Dam.

This construction and its importance to the Pacific Northwest is described by Idaho Power Co.'s president, T. E. Roach, in a series of articles in the

Christian Science Monitor. In view of the still-continuing interest of the Congress in this valuable multiple-purpose, partnership water resource development project, I ask unanimous consent to have printed at this point in the RECORD the first two articles of the current series published in the Christian Science Monitor.

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

[From the Christian Science Monitor of January 14, 1958]

IDAHO POWER DUE TO LEAP WITH COMPLETION OF BROWNLEE DAM—FIRM TAKES GIANT STEPS—OXBOW UNIT UNDER WAY

(By T. E. Roach, president, Idaho Power Co., written for the Christian Science Monitor)

(How the Idaho Power Co. has kept pace with the new economic pattern that has developed in its territory in the postwar period and its plans for further expansion are told in a series of four articles by T. E. Roach, president. These articles were written in response to an invitation from the Christian Science Monitor.)

BOISE, IDAHO.—Brownlee Dam, first of three Idaho Power Co. hydroelectric projects licensed by the Federal Government for construction in the Hells Canyon reach of the Snake River, goes into operation in September 1958.

Its completion will have historic economic and engineering significance to the Pacific Northwest, for it will mean:

1. That Brownlee alone, with its initial installed generating capacity of 360,400 kilowatts of power, will nearly double the company's existing capacity.

2. That a sizable increment of electric power will become available to an area threatened by an acute shortage of power.

3. That to provide this much-needed power, the second largest rock-fill hydroelectric dam in the world and the largest in the United States will have been built in record time. Ordinarily, a dam of this magnitude would have required at least 18 more months to complete.

Brownlee alone will not solve the power shortage in the Pacific Northwest. Idaho Power is already at work on the second of the three dams—the Oxbow project, downstream from Brownlee. But Brownlee does symbolize the determination of this company to fulfill its responsibilities as a regulated public utility to the people of the area it serves.

The company's accomplishments of the past should be reviewed as a guide to the future.

ECONOMIC CHANGES

Idaho Power Co. was organized in 1916 with the merger of 5 operating companies, remnants of some 50 power-producing enterprises which came into being late in the 19th century and early in the present century. At the time of its organization, Idaho Power started with an investment in plant account of about $23 million and a total generating capacity of 20,340 kilowatts. Today the company's electric plant totals more than $187 million and its present generating capacity amounts to 375,000 kilowatts.

The company's growth was steady but unspectacular during the first 30 years of its operation. During World War II Idaho Power's supply in terms of generating capacity was not only adequate to meet the needs in its operating area, but provided an excess which could be exported to its neighbors in the Pacific Northwest, where mushrooming war industries had caused a power shortage.

With the cessation of hostilities it became obvious that economic changes were taking place. New agricultural processing plants were established; more lands were being brought under irrigation through use of electric pumps; manufacturing industries moved in; phosphate production was stepped up to provide more fertilizer for expanding agriculture. The Atomic Energy Commission was eyeing southern Idaho as a site for a huge nuclear reactor testing station. Mining was on the upswing, with the development of Idaho's great cobalt deposits just getting under way.

Abundant electric power was a must. To meet the responsibilities of supplying electric power for this area's growth, the company launched a $100 million postwar construction program. Within 6 years it had built 6 new hydroelectric dams and powerplants on the Snake River, and virtually quadrupled its kilowatt generating capacity. In addition, new transmission lines and substations were constructed to deliver the new electric power throughout the company's service area.

PLANT SWALLOWS POWER

That program marked the real beginning of multiple resources development of the Snake River.

What has brought about this tremendous postwar growth of the company? It is the new economic pattern shaping up for the Snake River Valley of southern Idaho and eastern Oregon, served by Idaho Power Co. It is a change which promises great economic advances. Before World War II the region was known primarily for its agricultural crops raised on irrigated lands, and for the production of livestock. With this change in the economic pattern, the region presents a wholesome, balanced economy of agriculture, commerce, and industry.

A dramatic illustration of the change which has taken place is found in the Westvaco elemental phosphorus plant at Pocatello, which today imposes a power demand about equal to the entire system load of Idaho Power about 10 years ago.

This change is further emphasized by the fact that the increase in use of electric services in Idaho Power Co.'s area for the past 15 years has been greater, percentagewise, than any other area in the entire Pacific Northwest, not excluding territories served by Federal agencies.

Even before that program of expansion was completed, the company recognized that there would be no tapering off in the need for more power. On June 23, 1947, Idaho Power filed application with the Federal Power Commission for a preliminary permit to commence development of the Hells Canyon stretch of the Snake River.

Today Idaho Power faces another decade of expansion which dwarfs that of the past.

TEN-YEAR EXPANSION PLAN

Under the second 10-year expansion program, which begins with construction of Brownlee Dam, we anticipate trebling the company's existing generating capacity. This program envisions investment of $260 million from 1956 through 1965, of which $160 million will be required for the three Snake River hydroelectric projects and related transmission facilities.

Although Idaho Power moved as swiftly as it could legally do so, the roadblocks put in its way by public-power advocates over the years have proved costly in terms of delayed electrical energy to the Pacific Northwest, which has long beeen hungry for more power.

Only by purchasing sizable blocks of steam-generated power from Utah has the Idaho Power Co. been able to maintain its position of never permitting its customers to experience a power shortage in the 41 years of its operation.

Brownlee will provide immediate insurance against an economic breakdown through lack of adequate power.

REGION BURGEONS

The area served by the company is still burgeoning. The plateau of demand for power is still out of sight, beyond the horizon.

In the last 7 years, irrigation pumping alone has converted more than 265,000 acres of sagebrush land to agricultural production. New agricultural processing plants are under construction. Westvaco and Idaho's own Simplot interests have greatly expanded the production of phosphate fertilizers and elemental phosphorus due to the availability of power. Cobalt mining has become big business, as Idaho has one of the two established large cobalt deposits in the Nation. And the Atomic Energy Commission is operating a nuclear reactor station where the first prototype of the atomic submarine was born, and where existing new peacetime atomic uses are being developed.

With it all, the people of the area have achieved a high electric living standard. The average home on the Idaho Power system uses 6,600 kilowatt-hours of electricity annually, more than double a national average of 3,000 kilowatt-hours of residential consumption. Moreover, the company has made electric service available to almost 100 percent of the farms in its area. These farm homes enjoy modern living by utilizing electric service to a greater extent than do city dwellers. Farm home use in Idaho average almost 8,000 kilowatt-hours annually.

Idaho Power has provided that electricity at a cost to consumers 35 percent below the national average. Only once in its 41-year history has it had to seek an increase in rates. That was in 1952. Since 1934, the company had made 12 voluntary rate reductions.

That has been our contribution to this area of the Pacific Northwest. As we have said, the end is not in sight. We look toward an exciting future.

[From the Christian Science Monitor of January 15, 1958]

MORE ELECTRIC POWER ON WAY FOR CRITICAL PACIFIC NORTHWEST AREA—IDAHO POWER SPEEDS SNAKE RIVER PROJECT

(By T. E. Roach, president, Idaho Power Co.)

(Construction of the huge new Brownlee Dam to provide additional power for the rapidly growing territory served by the Idaho Power Co. is described by T. E. Roach, president of the utility, in the second of this four-article series written at the request of the Christian Science Monitor.)

BOISE, IDAHO.—The Pacific Northwest is a critical defense area.

It is the site of aircraft factories, shipyards, atomic energy installations, aluminum and chemical plants, large basic metal industries such as lead, zinc, a Navy yard, a naval gun plant, Army posts, and Air Force bases.

All of these and many other industrial operations are dependent on electric power for their very existence. In Idaho Power Co.'s own service area—a 20,000-square-mile area of the Snake River Valley of southern Idaho and eastern Oregon—there are elemental phosphorus plants, atomic energy installations, a major Strategic Air Command base, a naval gun plant, as well as food processing plants and a highly productive market-basket type agriculture, which are all of vital importance to the national security. These, too, are dependent on electrical energy.

Yet, the Pacific Northwest is one of the few areas of the country which lack a safe reserve of electric power. Worse than that, it suffers from periodic power shortages. A perfect example is what occurred last January.

As the result of a sudden spell of freezing weather, Columbia River streamflows were reduced to a point where the resultant power production curtailment forced the Bonneville power system to discontinue all interruptible industrial loads. Result: Alcoa Aluminum dropped two potlines; Reynolds Metals dropped two potlines, and Kaiser Aluminum had to shut down three lines in one plant and curtail operations in another. This sort of thing can happen again and again. The situation cries out for more power, and in a hurry.

More power is on the way. Idaho Power will have it available next year. Brownlee Dam is rising at the upper end of Hells Canyon, the deepest gorge on the American Continent. Idaho Power is building it. The first of its four generators will be in operation by late next summer. Before the end of 1958, Brownlee will be completed with a total initial generating capacity of 360,400 kilowatts of electric power.

SIGNIFICANT TO REGION

This is of utmost significance to the entire Pacific Northwest as well as to the company's customers in the Snake River Valley. Idaho Power Co. is a member of the northwest power pool. It has already completed its transmission lines from Brownlee to tie in with the pool's network.

Brownlee is the first of three hydroelectric projects licensed by the Federal Government for construction by Idaho Power Co. in the Hells Canyon stretch of the Snake River between Idaho and Oregon. Rising 395 feet above bedrock, Brownlee will be the second largest rockfill .m in the world, exceeded only by a one-foot-higher dam in Japan. It will be one of the 15 biggest dams of all types in the United States.

This project is being built for Idaho Power by Morrison-Knudsen Co. in record time for a dam of this magnitude. Construction is now at a peak, with nearly 1,700 workers on the job, utilizing $6 million worth of heavy dam building equipment. On some phases of construction, work continues on a round-the-clock basis. On others, two 10-hour shifts daily are employed.

Immediately after the Federal Power Commission cleared the way by issuing Idaho Power Co. a license to build the three dams on the Snake River, the company signed an $87 million Brownlee-Oxbow construction contract with Morrison-Knudsen.

The race was started—a race against a threatening power shortage. Not in all the years since Idaho Power was organized in 1916 had it ever permitted its customers to experience a power shortage, nor will they suffer one now.

CONSTRUCTION STARTS IN 1955

The construction crews arrived in the remote canyon in November of 1955. They had built roads as they pushed toward the construction site so that materials, equipment, and more men could be mobilized. A campsite was cut out of the steep slopes of the canyon. Living facilities, warehouses, and shops were erected. Then they turned to attack the main task—to build a dam 395 feet high, 1,360 feet wide, and a quarter-mile thick at its base, one that would impound 1,500,000 acre-feet of water in a 57-mile reservoir.

Since that day, the construction crews have expended 4,500,000 man-hours of labor to the $63 millio" Brownlee project and to preliminary work on the nearby Oxbow project, second of the dams to be built.

Brownlee construction is on schedule today. It is over 72 percent completed.

The dam itself is taking shape with over 5 million cubic yards of rock in place. A wide wall of impervious clay, which forms the core of the dam, has already risen 295 feet above the foundations.

Excavation for the spillway is already completed. Pouring of its concrete covering started early in December. The 4 penstock tunnels, burrowed through 525 feet of solid rock, are completed and being lined with the steel tubes through which powerful jets of Snake River water will flow to the 4 turbines.

Construction has been started on the powerhouse which will rise to a height of 90 feet. The switchyard from which power will be channeled where needed is virtually complete. Much of the road relocation work has been completed and a new railroad bridge for the Union Pacific's mainline relocation is but one span from completion.

TRANSMISSION LINE EXTENDED

A 42-mile-long 230,000-volt transmission line between Brownlee and Baker, Oreg., has been completed to connect with a previously built line to LaGrande, Oreg., a terminus of the northwest power pool network. Another 230,000-volt transmission line 100 miles long is being constructed between Brownlee and Boise.

To provide for distribution of the increased power supply, Idaho Power is completing a $1,500,000 addition to its substation at Boise and is building a $4 million substation at American Falls, Idaho, to serve the eastern side of the company's transmission system.

Permanent housing has been built for the operating force both at Brownlee and at Oxbow. Schools have been erected not only to provide for children of the construction workers but to serve the families who will live in the permanent operators' villages.

With a population of better than 1,000, it is the largest community in Hells Canyon. Every facility is afforded the residents, including a supermarket, a barber shop, a post office, garage and automobile service station, water and sewage disposal.

Idaho Power makes television available to trailer town by relaying programs from Boise stations through rebroadcasting equipment set up on the heights of the canyon. Church services are held in trailer town school.

Around the bend of the river from trailer town, the work goes on—night and day—to bring ample electric supplies for the bright future of an ever-growing region.

THE ADMINISTRATION'S FARM PROGRAM

Mr. WATKINS. Mr. President, on January 16, 1958, Congress received from the President of the United States his recommendations for improving our present agricultural programs.

The recommendation which perhaps has generated the most controversy is that asking Congress to vest in the Secretary of Agriculture greater administrative discretion in setting price support levels on the basic commodities and dairy products. As Secretary Benson told the Senate Agriculture Committee last Friday:

Rather than determining price supports for the basic commodities by formula between 75 and 90 percent of parity, price supports should be determined administratively in a wider range from 60 to 90 percent of parity. This range should also apply to dairy products.

In the same testimony the Secretary of Agriculture listed the following reasons why, in his judgment, this recommendation should be enacted:

The suggested changes are needed for the following reasons:

1. Agricultural products are likely to continue to be abundant and cannot be successfully priced as if they were scarce.

2. Support levels computed under the present formula have stimulated production, priced us out of the market, and aggravated farmers' marketing problems.

3. Controls have not been effective in reducing over-all agricultural production despite the severe restrictions they impose on farmers' freedom to produce and market.

4. The concept of adjustment through effective production control is impractical, as evidenced by a series of legislative and administrative actions.

5. Farm people have not received the benefits from existing programs that they expected. On the contrary, existing programs have had many adverse effects.

(a) Necessary adjustments have been impeded during a period when the general state of the economy would have facilitated them, although the intent was to ease the adjustment from wartime to peacetime conditions.

(b) They have made little or no contribution to the problem of low-income farmers in whose name farm programs are frequently defended.

(c) They work against the long-run interest of the family type farm, insofar as they inhibit the flexibility in operation and adjustment in size needed to make family farms efficient. Good farmers find it difficult to maintain satisfactory incomes with their acreage curtailed. They need to adjust the scale of their operations to take advantage of advancing technology in agriculture.

(d) They raise the price of land to young farmers who are just starting out, since the worth of allotments tends to become capitalized into land values. A windfall profit to one generation becomes an overhead cost to the next.

(e) Statutory exemptions extended to growers in minimum-sized categories have required tighter restrictions on moderately larger and more efficient farms.

(f) Production on acres diverted out of the basic crops has complicated the marketing problems of other farmers who produce nonbasic products.

(g) They had led to criticisms against farm programs because of the high costs.

What additional evidence is there to support the Department of Agriculture in this matter? There is this, as the Secretary told the Senate Agriculture Committee last Friday:

Realized losses under program primarily for the support of farm prices and incomes was $3.25 billion in the 1957 fiscal year, far above the $1.9 billion cost in 1956. These amounts, of course, did not go entirely to farmers. Substantial amounts have had to be charged for storage, transportation, interest, and administration. Part of these costs represent economic, military, and other activities abroad. Some of these activities might have been undertaken entirely apart from our surplus-disposal operations.

Over 80 percent of the price support and stabilization costs in 1957 period was concentrated in three crops (wheat, cotton, and corn) and butter and manufactured dairy products. About one-half was incurred in two crops—wheat and cotton.

These heavy costs would be justified if they led to a solution of the agricultural problem. However, they have not. Price supports at the levels now required by law have continued to generate surpluses which must be disposed of at a heavy loss and which continue to depress farm prices and incomes. This is one of the reasons why we are requesting further changes in legislation.

As evidence of the fact that there is wide support among the American people of this administrative farm program, Mr. President, I ask unanimous consent that 3 newspaper editorials devoted to this

subject be printed at this point in the RECORD. They are of recent date, and were published in the Deseret News, of Salt Lake City, the Washington Post, and the Washington Sunday Star, respectively.

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

[From the Deseret News, Salt Lake Telegram of January 17, 1958]

COURAGE IN FARM LEGISLATION

The farm program President Eisenhower submitted to Congress yesterday reflects the courage and integrity that the public has expected from this administration.

It reflects courage because it is politically risky. The powerful farm bloc is attempting to reunite itself to fight just such a program. The administration will have a hard time holding onto the gains it has already made in farm legislation, much less go as far forward as the President proposes.

It reflects integrity because it is so obviously heading in the right direction, despite the tremendous pressures that are building for going the other way.

Paradoxically, the American farm problem has been created by the very elements of which America is so proud—that is, technological skills and ingenuity in making the best use of land and labor. Thus, despite more than a decade of trying to get land out of production, surpluses still spill out of our granaries. The surpluses come from the same technology that has made American production so vast and powerful in other fields, and which has, in fact, created such wealth in this country.

It would be criminally foolish, in our opinion, to try to hold back just such progress on the farms of the country. Secretary of Agriculture Benson's program, endorsed by the President, is aimed at helping the country adjust to the technological farm revolution rather than resist it.

By lowering the price support floor to 60% instead of 75% for basic crops and raising acreage allotments, the program would tend to remove the Government still further from the farm picture. By eliminating the silly "escalator" clause requiring supports to go up as surpluses go down, it would make possible much more effective cuts into our surpluses.

The other major proposal relates to the soil bank. Here again, the emphasis is on easing the effect on the individual of what President Eisenhower called the "irreversible" technological revolution in agriculture.

The soil bank has been given a bad name since its enactment in 1956, because a number of abuses have been exposed. The administration's new program would eliminate the source of virtually all the abuses disclosed so far.

It should be remembered that the soil bank has consisted of two parts. The "Acreage Reserve" program has been a temporary, year-to-year retirement of croplands. The field could lie idle one year while the farmer collected his fee from the Government, then be planted the next. The long-range conservation effect of such an arrangement was nil. Under political pressure from both parties, it became almost a relief program and became, in the eyes of the public, almost a fraud.

President Eisenhower proposes eliminating this part of the program. We agree with him completely.

He proposes, instead, strengthening the other part of the program, the so-called "Conservation Reserve." This requires the land to be retired, not year-to-year, but from 3 to 10 years. Moreover, trees, grass, wildlife cover or water-storage must be installed on the land, making it truly a conservation program and, indeed, a true "soil bank."

This part of the program has not been promoted much. Still, under it, 4,474,925 acres of the new Great Plains dustbowl have been signed up under the "Conservation Reserve." Grass and shelterbelt plantings will save millions of acres of priceless land that otherwise might "blow." It will leave them undamaged and ready for future use, either in an emergency or to feed some future population.

The administration has marked out for itself a real fight with these farm proposals. It is by no means assured of winning. But it is right, and we have the feeling that in the long run being right is more important than being popular.

[From the Washington Post of January 18, 1958]

DISENGAGEMENT IN FARMING

President Eisenhower has requested further withdrawal of the Government from farm controls and the maintenance of prices. The administration recognizes the failure of its acreage reserve plan as well as price supports to bring about the reduced production essential to boost agricultural prices anywhere near the parity level. So it is falling back upon less spectacular measures aimed at specific problems, with greater reliance on the forces of supply and demand so far as the larger commercial farms are concerned.

Even the present flexible price supports, which may range from 75 to 90 percent of parity, have contributed to surplus production. Under the present law, the escalator clauses encourage the piling up of new surpluses as soon as existing surpluses are reduced. If the law of supply and demand is to operate as a real regulator of production, these impediments will have to be modified.

The President seems to assume that the country's 2,100,000 commercial farms, which produce 90 percent of all the food and fiber marketed in this country, can generally take care of themselves. The current program would help this group largely through marketing loans, increased movement of farm surpluses abroad and stepped-up research to encourage greater industrial use of farm products. For the other 2,700,000 farmers, who have relatively little to sell, aid of a quite different type is contemplated. The expansion of the conservation reserve of the soil bank will be of interest chiefly to marginal farmers in this category. Those who are producing little for market will be encouraged to place their whole farms in the conservation reserve and to find jobs elsewhere. This is a salutary trend, as the Committee for Economic Development recently pointed out.

The question here is whether the $450 million requested by the President for the conservation reserve is sufficient. Congress may well decide to increase this sum and to liberalize the terms under which farmers may place their land in storage. The Department of Agriculture may also find it desirable to extend to the whole country the experimental arrangement under which farmers in 4 States may offer their entire farms to the soil bank on a biding basis for periods of 5 to 10 years.

Of special interest also to the small farmer who has little to sell is the rural development program. The President has pledged increased emphasis on this effort to train farmers for part-time industrial jobs, to locate industries in rural areas, to enhance efficiency and to improve water, land and timber resources in backward areas. Certainly much can be done under this program to help the lowest-income farmers who are most in need of assistance.

Many Congressmen have already indicated their displeasure with the Eisenhower-Benson program, but there seems to be little prospect of a Congressional plan being worked out and enacted. In the absence of any reasonable alternative, we think Congress would be well advised to let the administration put its program into effect. The President's new requests are a logical extension of the policies now being followed. If Congress can do better, it is, of course, welcome to try. But little could be said for leaving in effect a law that now satisfies neither the executive nor the legislative branch.

[From the Washington Star of January 19, 1958]

FARM FIREWORKS

President Eisenhower's recommendations for farm legislation hardly had reached Capitol Hill when the predicted fireworks over this controversial subject broke out. And on the basis of 1 day's hearings before the Senate Agriculture Committee it is obvious that more heat than light will be shed on the problem in the period immediately ahead. It is not, of course, an unprecedented situation and all the necessary elements for political passion are readily available.

There is, to begin with, a farm problem—in the sense that the farmers, applying vastly improved production methods and despite controls, have been producing more than markets can absorb. Neither Government price supports nor surplus disposal programs have been fully effective to a point where overall farm income has been able to keep pace with the general rise in prices which the farmer has had to pay for the other essentials of living. The marginal farmer—usually the home farmer—has been hit hardest; the commercial farmer, best able to invest in modern equipment and employing greater acreage, has fared best. In terms of political influence, however, the home farmer represents approximately 2.7 million families—and the temper of general unhappiness was reflected in much of the 1956 vote against the Republicans as the party in power. As Secretary of Agriculture Ezra Benson is the whipping boy and it is no surprise that farm-bloc members from both parties have jumped to the attack. Indeed, only a Democrat, Senator HOLLAND, of Florida, was moved to protest against the assault on Mr. Benson in the first day's hearing.

In brief, the President has proposed a greater freedom for the farm economy—fewer and less restrictive controls and reduced financial propping. He has asked for a wider range on price supports, with a lower permissible minimum, and outright abandonment of the escalator clause which has required higher supports whenever surpluses were reduced—a self-defeating formula that automatically provided incentive for new surpluses. He has proposed, also, that acreage controls be liberalized.

Underlying the President's plea is the philosophy that the Nation should find ways to utilize abundance, rather than striving unsuccessfully to create scarcity. It is his argument that legislation originally devised to meet depression needs, revised in wartime and revised again in a period of tense peace, has become outdated and ineffective. There is considerable evidence to support that theory. But with Congressional elections coming up again this fall, the prospects are not good, unhappily, for any material reduction in the most direct forms of Government assistance to the still politically powerful farm population.

THE PRESIDENT'S 1958 ECONOMIC REPORT

Mr. WATKINS. Mr. President, in my opinion this year's Economic Report of

the President is one of the most straightforward and analytical documents of that type ever presented to the Congress.

It is straight forward in that the President pointed out that the current rate of economic growth—not economic activity in general—"would clearly be unsatisfactory as a continuing condition." When it is realized, however, that the economy achieved a phenomenal 7.2 percent increase in real output of goods and services in 1955, followed by a 2.7 percent increase in 1956, the average of recent past years, it was not unlikely that readjustments had to be made in 1957, and that the rate of economic growth would slow down somewhat.

Since 1958 is again an election year, I believe it important that the American people, before passing judgment upon the economic performance of this administration, consider carefully the President's sage observation:

> Because our economy responds to forces and conditions that are continually changing in intensity and character, economic growth will inevitably proceed at a somewhat uneven pace. The high rate of economic growth that occurs when ground lost during a recession is being recovered cannot continue indefinitely. When economic resources are close to being fully used, even though there may be slack in some sectors of the economy, expansion normally proceeds at a slower pace. Efforts to accelerate growth under these conditions may succeed only in generating inflationary pressures.

Whether or not 1957 as a whole met all the objectives of the Employment Act cannot yet be determined. The forthcoming hearings of the Joint Committee on the Economic Report, however, will shed light upon this matter.

But it can be said that 1957, in spite of strong inflationary pressures throughout most of the year, and a modest decline in economic activity during the fourth quarter, was a prosperous and good year. This the President's report does make very clear. Record levels of production, employment, and personal disposable income were established.

The unfavorable feature of the economic performance, despite stringent monetary controls and a sensible fiscal program, was an inability to maintain a stable price level. Although the gross national product at $434 billion was up $19 billion over 1956, and represented a 5 percent money increase, the net gain in real terms was only 1 percent.

Mr. President, under these circumstances, I feel impelled to point out, as the President phrased it, that:

> The conclusion is inescapable that, if we are to have orderly and adequately rapid growth in the economy, our wagemaking and pricemaking arrangements must produce results consistent with a reasonably stable price level. They must do so within a free competitive economy. Freedom, including economic freedom, requires self-discipline. If important groups ignore this truth, the alternatives are either an economy damaged by inflation or controls that are incompatible with our free competitive institutions.

Government certainly can help by following sound countercyclical monetary and fiscal policies and programs. This the administration initiated last year, but the Federal program obviously is not adequate by itself. Self-discipline, as the President's report indicates, must govern the participants who make the millions upon millions of economic transactions which take place every year.

The performance by the agricultural sector of the economy in 1957 still left much to be desired in terms of price and income improvements. For this reason, I was pleased to note that the President's report contained a recommendation that Congress approve legislation providing for an annual survey of farm operators to provide data on farm income by economic classes.

This recommendation is embodied in S. 405, which I first introduced in the 84th Congress and again in the last session, because it had failed to come before the House of Representatives for floor action. Until such data is made available and widely distributed among the people and Members of Congress, we are not likely to develop farm programs which treat effectively the different problems confronting the owners and operators of our large and small commercial farms as well as our part-time farms. I am hopeful that the House will take favorable action upon S. 405, since the Senate again passed the bill by unanimous consent last session.

In closing, let me say that I was happy to note the optimistic tone of the President's observation that:

> As we look ahead in 1958, there are grounds for expecting that the decline in business activity need not be prolonged and that economic growth can be resumed without extended interruption.

OUR CURRENT CRISIS—AND THE NEED FOR EDUCATION

Mr. FULBRIGHT obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator from Arkansas yield, so that I may suggest the absence of a quorum.

Mr. FULBRIGHT. I shall be glad to yield.

Mr. MANSFIELD. Then, 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. MANSFIELD. 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. FULBRIGHT. Mr. President—

> If we could first know where we are, and whither we are tending, we could better judge what to do and how to do it.

When Abraham Lincoln spoke those words in his house-divided speech, a century ago, the Nation was fast drifting toward the abyss of a tragic and disastrous war. Lincoln sensed that a policy of Presidential firmness and candor might foster a national self-awareness—the indispensable preliminary to any saving act of Government. But, President James Buchanan, a tired and amiable man with tired policies, continued to spread the contagion of his own confusion over the land.

Today, what was true in 1858 is again true, but on a vastly larger scale, and in a vastly more menacing form.

The then issue of slavery has changed into the global conflict of cold war: A war in which military strength, or weakness, is a consequence rather than a cause of how things stand on the economic, political, educational, and cultural sectors of the battlefront. Meanwhile, one unnerving similarity to the America of a century ago remains in being: It is that the peril of the Nation increases daily because of the way the incumbent administration has dulled, and continues to dull, the Nation's awareness of the danger it faces—the danger that is posed by two leading questions:

How strong is the Soviet Union today?

How strong is it likely to be tomorrow?

When Sputniks I and II rang out with alarming answers to these two questions, the national will of America was poised to rally around the Presidency. Indeed, that is the traditional American reaction to a national emergency—as can be recalled from personal experience when the Japanese attacked Pearl Harbor, and when the Communists attacked Korea. In 1941, and again in 1950, the American people expected the President of the hour to proclaim the formidable truths of what the Nation faced, however unpleasant. He was expected to frame, to win approval for, and to execute the measures for overcoming the emergency. And Presidents Roosevelt and Truman, each in his own way, did just that.

No less was expected of the Eisenhower administration—if the emergency implications in Russia's scientific achievements were to be met and mastered. Yet months dropped away, and what we received instead was the same bland diet of sugar-coated half-truths that has made us fat and immobile in the past 5 years; 5 years when we should have been muscular, resilient, and ever on the move scouting the terrain ahead.

In the passing months, if there was any informed public discussion on the highest matters of state since the first earth satellite was launched, no thanks were due to administration sources. They were due, rather, to the aroused energy of individual Members of the Congress or of private persons. The highest officials of the administration, for their part, continued in their old ways.

They made their own inner councils the judge, the jury, and the repository of the records of their own actions, never taking the people into their full confidence. If they asked for support for this or that measure, they withheld a disclosure of the facts material to an informed public discussion of the merits of the proposal, or they so distorted the meaning of the facts as to make them a caricature of the realities they are meant to stand for.

As an example of this, the Gaither report, developed for the express purpose of evaluating our strength relative to that of the Soviet Union, was suppressed on the ground that its unpleasant truths might cause the people to panic. But in the next breath, Mr. Hagerty, the President's press secretary, assured the Nation that the report does not say that the

United States is weak now. If so, we are left to conclude that the report was not released because the Nation might panic from joy over the evidence of our strength. What a fantastic, dreamlike performance it has been.

Nor has the case changed very much for the better since the President's state of the Union message was delivered. The message, to begin with, is merely a printed catalog of good intentions. It is not the specifics of any action program. The experiences of the past 5 years should teach us by now that we would be well advised to withhold any hosannas about a proposed program until we see it in concrete form, and until we see whether the administration is willing to go the limit in fighting for its adoption. For the evidence of the past is that this administration has a chronic habit of not following through.

Anyway, from what administration sources have already put out about the details of their space-age program, it is, at bottom, a program calling for a minimal instead of a maximum effort on the part of the United States. For the ruling principle to which it is tailored—as administration sources have made clear in conferences with Congressional leaders—is this: That the Soviet Union—our challenger—is a warped society, wracked by internal strains, and fated for an early and inglorious collapse. In the circumstances, all we have to do is the very little that is required to keep our own motors idling until the inevitable crackup occurs to the Soviet Union.

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

Mr. FULBRIGHT. I yield to the Senator from Louisiana.

Mr. LONG. As a matter of fact, is it not true that from time to time some of us have been advised by administration sources, particularly by the Secretary of State, that we can almost expect the Soviet Union to crack up any day?

Mr. FULBRIGHT. In his testimony before the Committee on Foreign Relations 2 years ago, that was clearly the implication to be drawn from his testimony. I shall refer to that in the next paragraph of my prepared statement.

Mr. LONG. My impression of the Secretary's statement at that time was to the effect that the fact the Soviet Union had lasted that long was a cause for wonder.

Mr. FULBRIGHT. I think the Senator's statement is well taken.

It is worth remembering that the doctrinal line here was laid down by the administration less than 2 years ago. Shortly after the 20th Soviet Congress, that is, we were told by Secretary Dulles that the Russian system was a failure; that they were reexamining their creed from A to Z; that the Soviet Union was making no progress in penetrating the Middle East; and that all in all, their policies had miscarried. Since this was said, any fact, however, random, has been seized by administration sources and woven into the design if it can be made to fit the doctrinal theory of Soviet weakness.

Thus we are told that so much of the Soviet effort has gone into heavy industry and so little into consumer goods that its economy is out of balance; that its people are dissatisfied and will become disaffected. After all, they have only 100,000 automobiles a year, compared to our 6 million. It is suggested, furthermore, that Russian intellectuals cannot be regimented and controlled forever; that their demands for freedom may cause the government to turn its attention to some solution of Russia's internal troubles, thereby halting the push toward external aggression and subversion. Additionally, it is suggested that the proof of internal political tension and instability is to be found in the dismissal of Malenkov, Molotov, Kaganovich, and Zhukov. Each of these men represent sources of power that Khruschchev has alienated—so the argument goes—with the result that they are now merely biding their time for a disruptive counterattack on his present rule.

It is neither pleasant nor popular to contest this theorizing. The man who does so, by pointing to the facts of Soviet strength, risks every manner of false charge. Inevitably, it will be said of him that he has lost faith in America; that he is an apologist for the Soviet way of doing things; that he wants America to make itself over along Soviet lines; or that he means to panic America into a preventive war designed to smash the Soviet Union before its power increases any further. Nevertheless, precisely because I feel that the stuff of greatness has not gone out of the bones of America; precisely because I feel that our democratic society is equal to the emergency it faces, provided it knows what it is dealing with, let me here try to sketch the character of Soviet strength, and the specific areas of weakness in the American establishment, for the tests ahead.

I would admit straight off that the Soviet system may, in fact, have to be altered. In the long run, it may even collapse. But, as the saying goes, in the long run too, all of us shall be dead. Anyway, what counts most of all in the life of nations, is the pace and timing of events. And right now, when the world all around us is being hammered into new shapes, nothing on the line of vision points to a collapse of the Soviet system. True, the Soviet ideology has been, can be, and may be further repudiated by events. But the Soviet power system is something else again. Within, and external to, Russia, that power system may continue to justify its legitimacy in ideological terms. In point of fact, however, it does not need an ideology to sustain itself. As a power system pure and simple, it has powerful and measurable resources at its disposal.

For one thing, the Soviet Union itself represents a land mass 3 times as large as the United States, with enormous natural resources of every kind, and with a population of more than 200 million inhabitants. Moreover, in recent decades, its natural resources have been increasingly exploited at a rapid pace; and its industry—especially its heavy industry—has been developed enormously. If there are any signs of strain here, we would be closer to the truth of the matter in viewing them as the strains of growth instead of decline.

Secondly, it is true enough to say that the people of the Soviet Union lack consumer goods: automobiles, refrigerators, television, and fine clothes. But it does not follow from this that they are without enough to eat, or that they are lacking in warm clothes and shelter. What actually has happened is that the Soviets have devoted the materials and efforts, which might have made automobiles and other luxuries, to the development of rockets, satellites, jet planes, basic research, and, above all, education. And, as it happens, the latter activities have a far greater meaning in terms of national strength, than does the availability of luxurious consumer goods. Certainly the Persia of Xerxes was far more splendid in ornamentation than Sparta and Athens. But who won the battle of Marathon?

As for the dismissal of four of the most important party officials in the Soviet Union, on what grounds can this be construed as a sign of an imminent collapse? The fact that the deadly contest for topmost control over the intricate Soviet apparatus was waged at this time with little violence, and apparently no bloodshed, points more to the self-confidence and strength of the regime than to its weakness.

Again, relatively bleak internal conditions of Russia may, in fact, have the effect of inducing the people of the Soviet Union to work all the harder. In the case of the young, especially, it may induce them to exert every effort to achieve an excellent education—this, because they know that if they remain uneducated, they are doomed to live at a bare subsistence level.

It is, in fact, precisely in the field of education and basic research that the Russians have apparently made their greatest progress. Why should this be so? How is it that they recognized some years ago that trained minds were indispensable to modern technology, modern weapons, and modern methods of subversion? How is it that they had the vision to upgrade the pay and status of educators and scientists to a level just below that of the ruling hierarchy itself? It may be that the scholar in the field of history or politics is restrained by Communist dogma. But it seems fairly clear that the Communists have had the good sense to give way whenever there is conflict between their doctrines and the physical sciences. Witness the results they have achieved. On the other hand, there is little evidence that the scientists and professors are unhappy with their lot in the Soviet Union. Very few, if any, of them are found among the refugees who seek asylum in the West.

So once again the question intrudes itself: Why is it that Soviet leaders, for all their roughness and brutality, have had the shrewdness to recognize the supreme importance of education? Why is it that a system of government which we are told has many inherent weaknesses and is threatened by present internal stresses and strains, has had the foresight to take the long view and to devote a major effort to education? This

determined and successful drive by the Russians to cultivate to the utmost the intellectual powers of their people is the most serious, the most difficult, challenge of all to meet. It will require leadership of the highest order, with vision and persistence over the long term. Our people, and our political leaders, react promptly and decisively to a challenge requiring a short term, tangible solution, such as more missiles or submarines. They have been somewhat less successful in pursuing long-term policies, thoughtful and discriminating in concept, and intangible in character.

The question intrudes itself, and we can answer, in part, that the Soviets inherited from the old czarist government a tradition of intellectual excellence and scientific curiosity going back to Peter the Great and the founding of the Academy of Sciences at a time when America was still a wilderness inhabited by savages. Yet the greater part of the answer, so it seems to me, lies elsewhere. It lies in the fact that the principal rulers of Russia are professionals who have spent their entire lives in governmental affairs Their past and their future, their personal fortunes as well as their political positions, are identified with the strength and success of the government of Soviet Russia. The facts here are documented by Milovan Djilas, who, in his recent book, The New Class, emphasizes the proprietary nature of the relationship of the Communist Party with all the resources of Russia.

To repeat, the members of the Communist Party, and especially the leaders of the party and the rulers of Russia, own the place. None of them regard their sojourn in Moscow as a temporary sacrifice to the public welfare. They hope and expect to be in Moscow for a long time. They have no comfortable corporate berths to which to retire. They are interested in strengthening the power and endurance of their government because it is the same as strengthening their own power. In other words, there is an identity of interest between the government, as such, and those who control and operate it. And as they have every reason to take the long view in matters of national policy, they have every reason to encourage Russian scientific and technological developments—since it will be the new class itself which will get the first benefit from what that science and technology produces.

Here it may be argued that as the numbers of Russian scientists and technicians increase, they will impose their humanizing demands on the power group in control of the Soviet apparatus; and by forcing changes in their policies, bring the cold war to an end. Maybe so; and indeed, let us fervently hope so. Yet there are two answers to this argument.

One is, that the prospect it holds forth is not an immediate prospect. If it materializes at all, it will be at some point in the distant future, which leaves unanswered the immediate problem of how the rest of the world is to survive until the so-called contradictions in the Soviet system exert their full force.

The second answer is that the analogy of what happened in Germany on two occasions undercuts the assumption that the increase in the number of scientists and technicians within a country necessarily means that the country in question will be directed into the paths of peace. On two occasions in the 20th century, German scientists and technicians, certainly among the best in the world, did not stay the agressive march of Kaiser Wilhelm or Adolf Hitler. With rare exceptions, the German scientists and technicians underwent no crisis of conscience as they became the executive agents of what the Kaiser and the fuehrer meant to do.

On the grounds just set forth, then, it does not seem that we ought to count on any easy salvation such as might be produced by Russian internal developments. If we are to survive as a nation and as a democratic society—and if the West is to survive with us—it will be through what we do, and therefore force the Russians to do, and not through what the Russians on their own do or fail to do.

Where, then, do we now stand?

Fat, rich nations—like fat, rich old men—are prone to overestimate their powers. They tend to believe that they are entitled to the admiration and respect of others because of their wealth, or, at least, that money will purchase the subservience of less fortunate people. The employees of the rich men can scarcely be expected to tell their employer the truth about his public relations, and thereby put their own jobs in jeopardy. So, in a democracy, elected officials dependent upon the approval of their constituents for political life, are equally unlikely to draw comparisons with foreign powers which are unpleasant to the voters. The rare, very rare, exception which proved the rule was Churchill, at the time of the German attack, when he promised his people only blood, sweat, and tears; but even then the evidence of their dire predicament was too obvious to be denied or suppressed.

Right now, even in the hour of our so-called awakening to danger, the evidence offered by the administration that it is alive to the most difficult of all the challenges we face is discouraging in the extreme. There is little doubt that we will meet the immediate problem of missiles and satellites. But the real challenge we face involves the very roots of our society. It involves our educational system, the source of our knowledge and cultural values. And here the administration's program for a renaissance of learning is disturbingly small minded.

There are many important aspects of our policies which need overhauling, of course, such as the military organization, our tariff or reciprocal trade program, our mutual assistance effort, but all of these are secondary in importance to our educational program. The heart of the contest with the Soviet Union is education. As Mr. Walter Lippmann put the matter in a brilliant article on January 2:

> The challenge is not whether we can maintain or restore the balance of military power, necessary as it is to do that. The challenge is whether we can restore the intellectual greatness of the West, if not to its old preeminence, at least to a new equality.

Yet, as things now stand in America, there is no particular incentive for young people to exert themselves to achieve excellence in intellectual attainment. Our students can leave school with a minimum of learning and still be reasonably sure of a life of relative ease and luxury. Truckdrivers, bricklayers, and factory workers often receive a higher income than do professors; an Elvis Presley makes more than the President of the United States. Of a piece with this, there is no particular prestige attached to intellectual attainment in America. A man's success or status is measured, not so much by the ideas he may have developed or his service to the community. It is measured, rather, by the size of his house, the number and the vintage of the cars he owns, and where he spends his vacation.

Indeed, during the recent McCarthy era, the prestige of educators and intellectuals generally sank to an alltime low. The free discussion of ideas, the basis for our strength since the days of the Revolutionary War, was stifled. Security was substituted for scientific research. Discoveries which were made were locked in safes instead of becoming available as stimuli for new discoveries. Some of the best minds in the land were expelled from Government service, and a suspicion of educated people was spread throughout the land as if they were enemy aliens. The big doubt came to full flower in an orgy of flamboyant newspaper and television spectacles. Yet the McCarthy era was but the culmination of the long period of neglect of education, going back for many decades. It was the result, not the cause, of our anti-intellectualism—an outlook that was the very opposite of the highly educated men who were the Founding Fathers of America.

There will be those among us who will say, "But education takes too long and we do not have the time; our efforts must be devoted to missiles and outer space." This is truly the counsel of despair and disaster. The start toward improvement in education must be now; it should have been yesterday. Our most pressing short-range objective should be to start now on our long-range programs. The administration's proposal of a scholarship and counseling program of $250 million a year for 4 years is a step in the right direction, and I approve it. To that proposal, there should be added an additional authorization for $500 million a year to be distributed in accordance with the formula of Senate bill 472, approved by the Senate by a vote of 58 to 22 in 1948. This would make a respectable start toward our goal.

I should like to digress for a moment to invite attention to what has happened this year in connection with the national budget. As I have said, I approve of the $250 million a year which is proposed for a scholarship program, but I do not approve of the deletions and reductions in this year's budget as compared with last year's budget—of $93 million of Federal aid to impacted areas;

$9.2 million for the exchange of persons program under the Smith-Mundt authorization; the $2 million decrease in the appropriation for the Library Services Act; and the $451 million in school construction funds, which is abandoned in this budget. I assume the request for a school-construction program was left out because of what happened to the school-construction measure in the House, but I should like to encourage the administration to continue some effort to procure comparable funds—if not in that exact bill, in a bill such as I mentioned, which the Senate passed in 1948.

There is an item about which I have just heard on which I wish to compliment the Navy. I have heard, unofficially, that the Navy will announce in a short time a scholarship program covering approximately 500 persons, to be chosen from Navy personnel. I approve of such a program. However, when we add up all the figures, we find that, the assistance to education program that was announced, of $250 million a year, is a recommendation of only about half of the amount which was included in last year's budget for education. Therefore I do not consider it to be very rapid progress in improving education in this country.

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

Mr. FULBRIGHT. I yield to my friend, the Senator from Alabama.

Mr. SPARKMAN. First, I wish to compliment the distinguished Senator from Arkansas for the remarkably fine address he is making. I wish to ask him this question: Regardless of how good a scholarship is—and I certainly support it and believe it is good—if we depend solely upon that program, are we not begging the real question so far as developing a truly effective educational program in this country is concerned?

Mr. FULBRIGHT. The Senator is quite correct. The really deplorable conditions in education exist in the elementary and secondary levels. To superimpose a scholarship program on top of that situation is not a very satisfactory answer. I say that because the people who will come up and be eligible for the scholarship program, by and large, will be ill equipped to benefit from it.

Mr. SPARKMAN. The distinguished Senator from Arkansas has had a remarkable career in his short span of years. He was president of one of the fine universities in this country, and he has always been interested in educational problems. I should like to ask this question of the distinguished Senator: Does he not feel that, if there is a strong basic educational program in the country, we will get the scientists and physicists and all the other people we need?

Mr. FULBRIGHT. The Senator is absolutely correct. Actually, if time were not involved, I would say it would be a mistake to start as the administration does. However, I will go along with the program and support it because, first of all, it is the only one that we will have before us; and, secondly, because time is important, if we are to supply the scientists and other trained people in the various fields. However, I believe it is a mistake to divert our attention from the problems of our elementary and secondary schools.

Mr. SPARKMAN. This thought occurs to me: What will we do with the scholarship winners? Let me say that that thought comes home to me in a very practical way. Down in my State we have our A. & M. College, which is generally known as Auburn. It has a very fine engineering school. Yet only recently a couple of the engineering divisions of that school lost accreditation for the reason—and this is the only reason—that they had more students than they had facilities to take care of those students.

I ask this question: Is it proper for a State-supported institution to get to the point where it must turn away applicants simply because it does not have space enough in order to qualify for accreditation?

I may say to the distinguished Senator that the same threat, or at least the same condition, prevails in our State university, which likewise has a very fine school of engineering. Perhaps the same condition obtains in many other parts of the country, where schools are overcrowded already and are finding it difficult to meet the demands made upon them, and find themselves sadly lacking in facilities, with inadequate faculties, and with faculties inadequately paid.

Therefore, are we not simply begging the real question and piling up our troubles if we are willing to rest on this program alone?

Mr. FULBRIGHT. I certainly agree with the Senator. He has stated the situation very well indeed. I think it would be a great tragedy if we were to permit this opportunity to pass without doing something much more fundamental than merely adopting the scholarship program of the administration.

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

Mr. FULBRIGHT. I yield.

Mr. CLARK. I should like to comment on the brilliant address being made by the distinguished Senator from Arkansas. I commend him for expressing his thoughts on this very critical subject. I wonder whether the Senator would agree with this analysis, to which I have given some thought:

The highest priority for bringing American education back at least to a state of parity, if not the leadership which we stand in danger of losing, lies, regrettably, in the teaching profession itself. In other words, we must start with the kindergarten and work upward to the teacher of the graduate students. It will be impossible to rehabilitate the teaching profession with the resources available at the local and State levels. Of course money alone cannot cure the situation, but, at the same time, we must realize that without money it cannot be done at all.

The next priority lies with brick and mortar. It was very sad indeed to hear the President give up the program for school construction and college construction. We must realize that the days when it sufficed to have Mark Hopkins on one side and the student on the other side was sufficient; that can no longer be the case in days of chemistry and physics and the other sciences which require elaborate laboratories and other aids.

The third priority is one which is also the first priority. In other words, the school program of the administration, which I, too, endorse, will merely substitute one bright student for another bright student, by making it possible for a boy to go to college who could not otherwise go to college, and by replacing another boy who might not be as bright and who cannot get in because there is not room for him.

Mr. FULBRIGHT. The Senator has stated the situation very well. I sincerely believe that should be the order of priority over the long view. The earlier we get to it, the better; there is no time like the present, of course.

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

Mr. FULBRIGHT. I yield to the distinguished Senator from Illinois.

Mr. DIRKSEN. If the Senator will permit me to do so, I should like to address my question through him to the Senator from Alabama. Frankly, I am dismayed by the condition which our friend from Alabama describes exists in his State college, particularly with respect to its lack of facilities. I say that because certainly there is a State legislature in Alabama and it has bonding power and taxing power. Does the Senator now come here and confess that, because of the State's own failures in the educational field, the Federal Government should pick up the load? Is that it?

Mr. FULBRIGHT. I shall be glad to yield to the Senator from Alabama, and then I shall make a comment.

Mr. DIRKSEN. What else is there to be gathered from the Senator's observation?

Mr. SPARKMAN. I will say this to the distinguished Senator from Illinois. I am confident that our State legislature will cure the situation so far as it exists at the present time. However, what I have said is an indication of what is happening all over the country. Boys and girls are clamoring to get into colleges. We simply are not able to keep up the facililties and to maintain the teacher levels that we ought to maintain in order to take care of them. I may say, with reference to my own State, it will do those things that are necessary to be done to maintain adequate school facilities.

Mr. FULBRIGHT. I should like to comment on that same question.

Mr. DIRKSEN. Then I shall have another question.

Mr. FULBRIGHT. Yes. Before the Senator continues, I should like to say that just within the last few days I reviewed the debate which took place on the floor of the Senate in 1948. I wish to pay tribute to the late Senator Taft for the brilliant way in which he led that particular debate. He had sponsored the bill at that time. That was in the 80th Congress, and he was chairman of the Committee on Education and Public Welfare. Knowing the Senator from Illinois, I am sure he will be more

persuaded by the words of Senator Taft than he will be by me.

I shall refer the Senator to that debate for the precise answer, but I think I can give him the substance of it in a few words.

Senator Taft pointed out that he had had reservations about the Federal-aid-to-education bill and had voted against one bill of which, I believe, I was a cosponsor in 1945 or 1946. But he had, in the meantime, considered it further, and he so stated in the course of the debate. In addition there were also some amendments pertaining to the formula by which the money was to be distributed among the States, and those amendments appealed to him also.

But he said that many of the States, because of the economic condition of the country, simply did not have an adequate tax base to produce the necessary money. He spoke at some length about this. The Senator from Illinois knows that Senator Taft was a man of some understanding of the conditions in this country. He developed that thesis, I thought, in an unanswerable manner.

Many of the States—I do not wish to speak for Alabama, but I can speak for my own State—do not have adequate resources to bring the standards of education up to what they should be. If my memory serves me correctly Arkansas at that time spent a larger percent of its total income for education than did many States with higher incomes, a greater percentage than was the case in States like New York, Connecticut, and others. The formula which Senator Taft and his colleagues developed took cognizance of that fact.

So there is a reason why this particular matter is beyond the resources of many of the States—not all of them, but many of them. But even some of the rich States have within them areas which are incapable of maintaining an adequate standard of education.

I also commend the Senator's attention to what Senator Taft said about this being a national matter—that is, a matter of national importance—and not simply local. He did not mean to have the Federal Government supplant the States in the assumption of responsibility for education. What he said was that the Federal Government ought to back up the States with supplemental aid in their educational efforts.

We do not say that the Federal Government should step in and assume the primary responsibility. The proposal which was made then, and which I am making now, would not do anything of that sort; but it would enable the weak spots to be brought up to the minimum and would improve their quality.

One other observation, aside from the actual tangible effect: If Congress would do something which even recognized the importance of education as such, and recognized the importance of the teaching profession; if we were to give a little sign that we think it is important, it would provide a most beneficial shot in the arm, so to speak, to the teaching profession. It would achieve the purpose about which the Senator from Pennsylvania asked the question—How are we going to get good teachers? The teachers have the impression—and correctly so—that Congress cares nothing about teaching, although it cares about other things. The Senator from Illinois must know that there is not much incentive to enter the teaching profession today.

Mr. FULBRIGHT subsequently said:

With regard to the question the Senator from Illinois has raised, there is a passage shown in the CONGRESSIONAL RECORD of March 24, 1948, volume 94, part 3, page 3348, which I ask unanimous consent to have printed in the RECORD at the point where I referred to the justification for Federal aid to education. I do it for the very reason that the Senator from Illinois and other members of his party have raised the question. This is a classic justification for such aid, from the mouth of one of their distinguished predecessors, Senator Taft. I think it is an excellent way to put it, one with which I agree, and I ask unanimous consent that it may be printed in the RECORD. I have marked the passages for the reporter.

The PRESIDING OFFICER. Is there objection?

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

> Mr. President, I do not think I can exaggerate the necessity of education. Primary education lies at the basis of all forms of republican government. A government depending on the making of decisions by the people and depending on their intelligence can exist only if the people have some ability to understand the problems of government which are presented to them. Unless there is a satisfactory educational basis, there cannot possibly be hope for success in any democratic form of government where the people are expected to rule and to decide the questions which are placed before them.
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> The problem confronting us and the real objection to this bill, the point which troubled me and troubled others, is in connection with the question of what educational function the Federal Government has, and why the Federal Government is asked to participate in education. I quite agree that the primary obligation to educate children is in the States and local communities. Under our constitutional form of government, they have the primary obligation. I think the Federal obligation is a secondary one. It is one to back up the States, if I may use that expression, where it is necessary to back up the States. The difficulty with our tax system is that the States have limited powers of taxation, and that, particularly in the poorer States, they have very limited sources of taxation.
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> Today the States are exercising every power they can exercise. They have sales taxes, they have every form of tax they can think of. They are digging into all kinds of sources of taxation, and still the States today are raising about $12 billion, while the Federal Government is raising $45 billion. That is because, very simply, a State has no access to the principal sources of taxation. The States cannot successfully impose a personal-income tax of any considerable amount. They cannot successfully impose a corporation tax of any considerable amount. I served in the State Legislature of Ohio, and the moment we got our income tax a little higher than the surrounding States, all the wealthy people moved to other States. There is competition for wealth. It is possible for States to get up to somewhere around 5 percent of income perhaps, and that is about as high as it is possible to go if the State is to keep its citizens. In the same field, in relation to corporations, the moment taxes on corporations in Ohio became higher than the taxes in Pennsylvania, every new steel plant was built in Pennsylvania instead of being built in Ohio. I think the actual result shows very clearly that the States do not have access to those particular sources of taxation. That applies to all States, but, of course, it applies particularly to States which are far below the average level where, even if they could tap the sources within the State, they would be very inadequate for the purposes for which it is necessary that the State act.

Mr. DIRKSEN. I have a comment to make, and then I should like to ask a question. In the earlier part of the Senator's speech I thought there was some reflection, inferentially, upon the President's leadership. Is it contended that the President has abandoned the aid-to-education program, or that he has not recurrently asserted his interest in it and sought to get action in the House of Representatives, and that the House failed to pass a bill? Is that the record, or is it not?

Mr. FULBRIGHT. The Senator knows as well as I do what the vote was in the House of Representatives. The bill lost by six votes. Some of the principal leaders who participated in the defeat of that bill were from the State of the Senator from Illinois.

It was generally believed—and I am inclined to believe so too—that the President did not assert his full power in an effort to have the bill passed. These are things that I cannot prove. But the Senator knows that the Senate twice passed the bill to which I referred, but it never passed the House.

There is a responsibility of the administration, and especially the President, in my view, to use every power at its command to obtain action in the House.

I did say, and I shall elaborate upon it if the Senator wishes, that the President did not give priority to the matter of education. Last year's budget carried twice as much money for education as does the budget for this year. The President is proposing to eliminate completely aid to impacted areas. This has been one program which has escaped the pitfalls which have hampered other programs. The administration voluntarily says, "We are going to abolish it." It is a progressive abolition policy. For the first year, $93 million is deleted; then it is anticipated that the program will be completely eliminated within 3 or 4 years. I think that is a great mistake.

Mr. DIRKSEN. I simply want to say—and I think I may reveal this—that at a number of conferences late last year, when certain individuals tried to dissuade the President from emphasis on the aid to education program, he asserted, over and over again, that he had made assurances to the country, and he meant to redeem the pledge, if it was humanly possible to do so. But he could do so only if Congress gave him the authority and the money; and Congress failed to do so.

I think there is a limit beyond which a leader does not have to go, and come humbly, with his hat in his hand, and

say to Congress, which is under the control of the opposition party, and say, "Please, sir," in order to get his program under way.

Mr. FULBRIGHT. That defeat of the bill by six votes in the House took place prior to sputnik. It took place last summer. The new budget was submitted to Congress last week. Why did not the President include the same item in the budget and give it another chance? It is my impression that if a bill could be passed by the House, it could be passed by the Senate. I am judging by past actions. The Senate passed the other bill to which I have referred twice, but the House did not. I feel we should not give up so easily, especially since the bill was defeated in the House of Representatives by a very narrow margin. I think the Senator will agree with me that the two sputniks have aroused the country. I think the President gave up too easily. Why did he not come up with perhaps a comparable bill? I would not insist on the exact bill, but something comparable as to amount. That is the only point I make. I do not see why the President should give up so easily.

Mr. DIRKSEN. The same persons who were in the House of Representatives during the first session, last year, with few exceptions, are still there.

Second, I think my friend from Arkansas should not forget that the real aegis for the economy drive in the appropriation bills came from his side of the aisle last year. The President certainly would not be unmindful of the difficulties he is up against when they cut the funds for the United States Information Service, for the military, and all along the line, in the hope that a great economy record could be built up.

Mr. FULBRIGHT. The Senator from Illinois is opening up a new and entirely different subject, which I think is a very interesting one. The Senator will remember that the Executive himself invited Congress to do so; and then, in the very crucial moments, when they were in conference on various occasions, so I am told—I was not on the particular conference—said, "It is quite all right; we do not need the money."

But this involves a subject which I think our side would be perfectly willing to debate at the proper time. However, I think the Senator is bringing in subjects other than education, in this particular instance. There is no question about what the administration has done for education in this year's budget. That is a matter of record, not of opinion.

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

Mr. FULBRIGHT. I yield to the Senator from Minnesota.

Mr. HUMPHREY. First, the addresses made by the Senator from Arkansas—and this one in particular—are always very constructive and profound in thought and purpose.

The Senator from Illinois has opened up a Pandora's box of trouble—I should say trouble for himself and his associates—which we will get at in due time.

I would only say for the RECORD that the chief fiscal officer of the Republican Eisenhower administration was one George Humphrey—that is, curlyhaired George Humphrey, the one who wanted to tell Congress to cut the budget, lest it lead to fiscal irresponsibility, inflation, and all the other horrors of the mystical world he was outlining.

Second, I should like to have the RECORD also note that in the House, on the Federal aid to school construction bill, the Democratic majority substituted the Eisenhower education bill. The bill which was reported, known as the Kelley bill, was subsequently amended, so that the administration bill was the measure before the House.

The same 80 Republican Members who voted for the so-called Powell amendment, to load that bill down with the most controversial of all controversial material are the same 80—80-plus—who turned around, after they had the Powell amendment loaded onto the bill, and killed the bill. That is the fact of the matter.

I should say to the Senator from Arkansas that the interest he has expressed in the impacted areas proposed legislation is one that is close to my heart. It so happens that in the 81st Congress the junior Senator from Minnesota and the late Senator Taft of Ohio were the cosponsors of proposed legislation for Federal aid to impacted areas. We thought that bill at least would provide some help to the school districts and to the States.

Mr. FULBRIGHT. I may say it has been a lifesaver to many districts in my State and in other States.

Mr. HUMPHREY. Yes; all over the United States.

Mr. FULBRIGHT. That is correct.

Mr. HUMPHREY. And it has already provided an opportunity for literally thousands of students who otherwise would not have had it.

Mr. FULBRIGHT. That is correct.

Mr. HUMPHREY. Now we are going to step up the program. But the very administration which recommends a cut in the aid for impacted areas, now recommends a $2 billion increase in the defense program. This means, again, a shift of personnel and additional loads upon communities. Yet the administration is withdrawing that support.

But I still say that all of this is on the periphery, compared to what the Senator from Arkansas has pointed to. The truth is that the lack of emphasis upon educational standards and upon educational needs and intellectual standards in the Nation is such that now we are reaping this terrible harvest, and that is why we are not able to meet the Soviet threat in the intellectual areas, because we have been concentrating upon hardware, rather than upon economic needs and educational needs.

So if anything is discouraging to me, it is the fact that with all that the Senator from Arkansas is pointing to—all that needs to be done, and should have been done—what little appreciation there is today of these needs exists because the Soviet has driven us to it. I wish that sometimes we Americans in this decade would do something just because it was the right thing to do. I regret that now we are going to enter upon a field of Federal scholarships because if we do not, the big Communist bear will get us.

I believe we should have scholarships, even if there never had been a Communist. I believe it would be a good idea to improve our educational institutions, even if Karl Marx had never lived, and even if Khrushchev had never participated in the CBS television program which was broadcast across our Nation.

I am happy to note that the Senator from Arkansas has been a source of inspiration for good. In the Senate he has fought the good fight for better education; that has been his consistent position throughout his public service. He has consistently fought for better education, for the Fulbright Act, and for the exchange bills. Yet he knows that every time his exchange program has been under consideration, he has had to fight like a tiger for the authorization and appropriation of the necessary funds. I think that is indicative, again, of the depth of the problem.

Mr. FULBRIGHT. Mr. President, I thank the Senator from Minnesota for his kind words. I agree with him. I think these are things which we should do, regardless of what the Russians are doing. This is something we should have done a long time ago. As I tried to make plain earlier in my remarks, our deficiencies go back many years; they are not just of recent origin. These are things which we should do as a nation, regardless of our relations with Russia.

Mr. McNAMARA. Mr. President, will the Senator from Arkansas yield for a brief question?

Mr. FULBRIGHT. I am glad to yield.

Mr. McNAMARA. I should like to ask the Senator from Arkansas this question: What is the present position of the administration? It seems to me there has been some criticism of the Democrats because they said the President did not back up his words about aid to education. The one who, in this colloquy, appears to be the spokesman for the administration has indicated that he appears to be opposed to education. I should like to understand what the situation is.

Mr. DIRKSEN. Mr. President, let me inquire whether the Senator was referring to me.

Mr. McNAMARA. Yes; I was.

Mr. DIRKSEN. If the Senator from Michigan will just take the trouble to examine the files in the document room, he will discover that the junior Senator from Illinois has introduced proposed legislation on this subject.

Mr. McNAMARA. I was making reference, not to the files in the document room, but to the colloquy we just had on the subject.

Mr. DIRKSEN. As a matter of fact, I did not know that ever came up. I was simply referring to the first part of the Senator's speech, and said that I thought there was a reflection on the President for not exercising leadership in this field; and I was simply pointing out where the real impediment lay.

Mr. FULBRIGHT. I think the Senator correctly interpreted the first part of my remarks. My intention was to point out the lack of affirmative and positive

leadership on the part of this administration.

In the announcement of the scholarship program, which I favor, the Secretary for Health, Education, and Welfare emphasized that this was a temporary program and had within it its own termination date. That seemed to me to show, again, that they do not take this matter seriously.

As I have said, I had a long conference with Secretary Folsom. I have the highest respect for him. But I would say that they still do not have a firm determination and a real conviction on the subject of education.

Mr. COOPER. Mr. President, will the Senator from Arkansas yield to me?

Mr. FULBRIGHT. I yield to the Senator from Kentucky.

Mr. COOPER. Mr. President, I do not disagree with the main thesis of the speech of the Senator from Arkansas. I believe that the military crisis we face will be solved. The long-range problem is whether the steps necessary to raise the educational standards of our country will be taken. That decision may well determine the future direction of our national life. In the main, the educational problem will be decided locally. But leadership and emphasis must come, and can come, also from the Federal level.

I am glad the Senator from Arkansas has raised this great issue.

I must say that I am sorry that he has marred the great thesis of his speech by raising the partisan issue of whether this administration has given to Federal aid to education the necessary support. After making that criticism, I suppose I am going to fall into the same error. The Senator has been talking about what happened in the House of Representatives.

I happen to serve on the Senate Committee on Education and Labor, and I know what happened there. In 1948, when I was a Member of the Senate, a bill to provide aid to teachers was passed. There was very little partisanship at that time. On this side of the aisle the leadership of the late Senator Taft was chiefly responsible for the passage of the bill. He was aided by distinguished Senators on the other side of the aisle; and the bill was passed.

In 1953 and 1954, I served on the Senate Committee on Education and Labor. Together with other Senators, I introduced a school construction bill. The bill was reported from the committee, but we never were able to have it brought before the Senate for action. The record shows that, again and again, consideration of the bill by the Senate was objected to by Senators on the other side of the aisle. They stated that they would oppose having the bill considered by the Senate.

Last year school-construction bills were before our Senate committee. They never were considered, and no hearings were held although efforts were made along that line. I know the distinguished Senator from Alabama [Mr. HILL], who is chairman of the committee, has been one of the leaders throughout the years in the field of education, and I do not believe this to be his fault, but I must say the record will show that last year there were no hearings held, and no efforts made by the majority of the Senate to pass an educational bill.

I return now to what I think was the main thesis of the Senator's speech. I may say that, as for myself, I will support the educational program placed before Congress by the President. It is a necessary program. I hope that sometime during this session, at this time when people are concerned about our national situation, we may develop additional ways and means of shaping the educational system of this country, of raising the standards of teachers, raising the standards of high schools and primary schools, and so assuring a better education for citizens of this country.

Mr. FULBRIGHT. I may say to the Senator that before he came to the floor I had a good deal to say about the 1948 bill. We passed that bill twice. The principal reason why the Senate did not act last year or the year before was that there was no point in continuing to pass bills and getting nothing done in the House.

Mr. COOPER. I cannot accept that thesis. The Senate has its responsibility.

Mr. FULBRIGHT. I know the Senator is very conscientious in that regard, but I am confident that is the truth of the matter. I know there was a question as to how much energy or determination the administration used in efforts to get the bill passed in the House.

Mr. President, I have only a few more remarks to make.

To those who wish to delay, think for a moment how different our situation would be today if the House of Representatives had accepted the Senate education bill in 1948. Consider how far the Russians have traveled during those 10 years.

Not only should we provide more money for education as a whole, but we should also reform our basic ideas about elementary and secondary education. We must emphasize the rigorous training of the intellect, rather than the gentle cultivation of the personality, which has been so popular in recent years.

If we are to play the role of a leader among nations, in truth, if we are to retain our independence, we must have men and women who can read, write, and speak effectively and who understand thoroughly the world in which we live. Courses in life adjustment and coed cooking will not do the job. Mathematics, languages, the natural sciences, and history must once again become the core of the curriculum, and a way must be found to induce the students to study, preferably by inducing a desire to learn. Intellectual discipline is essential to our purposes.

The recent statement by Dr. W. O. Roberts, of Colorado University, that 80 percent of the college students in America should be sent home may be an overstatement, but it should not be dismissed without consideration.

Are there any indications that we have drawn the moral of the story?

A few days ago, a leading newspaper carried side by side two stories that answer the question in the negative. In one story, Professor Rabi, Chairman of the President's Scientific Advisory Council, said that he expects a "tremendous and explosive development in Russian physics during the next 10 years. Without a conscious effort on our part, their number of trained scientists will soon dwarf ours." He continued:

> Few high-school students (in America) now have a chance to get the grounding necessary to produce a civilized scientist. We have got to go back to repair the damage to our educational system before we can go ahead.

And he concluded:

> The absence in America of an effective means to institute a national educational policy with a system of incentives for high academic achievements was probably a major cause of the apparent Soviet advantage.

Adjoining this was a story bearing the headline "Ike Restricts Role of United States in Education." The text underneath concerned a letter written by the President to a conference of educators at Defiance College. The letter "stressed his belief that the major burden for producing more science and mathematics teachers rests primarily on nongovernmental programs." Thus, by means of this letter, we have an apparent rejection of the "national education policy with a system of incentives for high academic achievement" to which Professor Rabi rightly attaches so much importance.

The matter just set forth emphasizes a dilemma which inheres in our institutions, the escape from which will tax our wisdom and self-discipline. Historically and traditionally as a nation, we have emphasized the freedom of the individual, especially his freedom from governmental interference or oppression. This freedom from governmental oppression was one of the primary, if not the primary, purpose of the Founding Fathers in fomenting the Revolution and in constructing the Constitution. The protection of this freedom required the weakest possible central government consistent with the maintenance of internal order and the creation of an army and navy in time of war. In order to prevent the accumulation of arbitrary power by a popular leader, the Constitution distributed the various powers of government among the three primary branches and between the Federal Government and the States.

A logical, but not inevitable, result of the division of governmental powers is the nonprofessional character of the highest officials of our executive branch. For a weak government does not need professionals to run it. In fact, anyone who has experience and knowledge of governmental procedures—so the fear speaks, when it finds its voice—might be able to generate enough power to infringe on the liberty of the people. Not only have our highest officials been amateurs in governmental affairs; very often they have also been very able and dynamic leaders of big business who tra-

ditionally have regarded the Government as a kind of antagonist, always exacting taxes and occasionally, in wartime at least, subjecting them to painful regulations. Such men are the last on earth to wish to enhance in any way the powers of the Government which they temporarily serve, and with which they will soon resume their battle in the business arena.

None of these observations, I hope, need lead to the conclusion that the Soviet system is necessarily superior to our own, nor that we must emulate the Soviet Union in order to maintain our superiority. On the contrary, if we lose our liberties, by imitation or by conquest, we have lost all worth striving for.

We have failed, as a people, to educate ourselves to discriminate between that which is true and that which is false, to develop within ourselves that sense of direction and of values which a self-governing people must have to choose wisely among leaders and policies.

The confidence of the American people in their leaders has been shaken by recent developments. But of even greater danger to our future is the serious erosion of respect for our strength and judgment which has taken place among our allies of the Free World during the past several years. We are called upon by the challenge from Moscow to demonstrate the validity of the concept of democratic self-government, of government by the people. It is a challenge requiring the best that is in us; requiring an effort on the part of all 172 million of us, an effort which can be called forth only by a leadership with vision, with determination and strength to follow through. An uncertain sound from the trumpet will not do.

If we are to do the things upon which our future depends, we must understand better than in the past our relationship to our Government. We must view the Nation not as a series of compartments neatly dividing domestic from foreign affairs; or the interests of businessmen from the interests of farmers and laborers; or the interests of government officials from the interests of the electorate. We must view the Nation, its problems and resources, as one great whole. And in this view of things, we must understand that it is only as we are ready to sacrifice portions of our personal egoisms for the sake of the Nation—year in and year out—that we have a chance of surviving as a society, not by luck but by our own efforts.

The Government is not "they." The Government is "us."

Mobilizing and focusing power in a democracy is surely difficult, and some may say impossible in this type of crisis. But we can never know it is impossible unless we try it, and it is a fact that we have not tried.

The lesson of sputnik, to me, is not merely that we have fallen behind in a significant scientific field, important as that may be. What is more significant is that we have failed to appraise honestly and dispassionately the strength of our adversary and the weakness of ourselves. Either we have failed in this appraisal, or, if not, we have been so blind and satiated with our luxury and our slogans that we are unwilling to admit that which reason tells us must be true.

Whether it is a failure of knowledge or of will, it has, so far, been a failure to cultivate properly the very element on which our society fundamentally rests—the proper education of its people.

If our own choice is for the good life, while we remain indifferent to the rigorous conditions on which the good society can be attained, then our leadership will itself beguile us by promises of a good life. But if we ourselves acquire wisdom, if we ourselves become concerned about the good of the whole, then sooner or later the kind of leadership we cast up will itself mirror our own resolution to get on with the job and stay at it.

Where are we? We are in serious trouble.

Whither are we tending? We are tending toward national disaster—unless important and drastic changes of policy in many aspects of our domestic and foreign affairs make a true revival of learning the wheel that makes all the other wheels turn.

Do we have time? We will never have more time. Long years ago it was said: "Civilization is a race between education and catastrophe."

Mr. JOHNSON of Texas. Mr. President, I desire to express my great admiration for the distinguished junior Senator from Arkansas (Mr. FULBRIGHT). I congratulate him on the very farsighted, constructive, and eloquent speech he has just delivered in this historic Chamber.

The Senator from Arkansas is one of the great educational leaders of this Nation, and before he came to this Chamber he had distinguished himself in that field. His intimate knowledge of that profession no doubt has impressed him with its many needs. I wish to congratulate the Senator from Arkansas on the portions of his speech which I heard, and to state that I have had an opportunity to read most of it, although I have been busy in committee hearings all day.

I am delighted that the Senator from Arkansas has asserted the leadership he has here on the floor of the Senate today.

I expect, before I take my seat, to ask the Senate to consider a resolution continuing the Preparedness Investigating Subcommittee, as set up by this body. This morning that committee, made up of four Democrats and three Republicans, met with three of our other colleagues from the minority side of the Senate Armed Services Committee, thus making a total of six Republicans and four Democrats, and unanimously agreed to a statement in the nature of an interim report. In one place that statement repeats and reemphasizes what the Senator from Arkansas has so well said; namely, that the start toward improvement in education must be now—in fact, it should have been yesterday.

In our bicameral legislative system we do not always get everything we want, but I believe there is little doubt among those who are informed that had our colleagues in another body seen fit to have acted on an education bill there would have been prompt action by this body. I predict such action in the present session of Congress, this year.

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

Mr. JOHNSON of Texas. I yield to my friend.

Mr. FULBRIGHT. I wish to thank the Senator from Texas for his kind words with regard to the junior Senator from Arkansas. The Senator from Texas has always been most helpful in matters of this kind. I know that has been true in the past, and I am sure it will be true in the future.

Mr. MANSFIELD. Mr. President, will the Senator yield to me so that I may make a few remarks?

Mr. JOHNSON of Texas. I yield to my friend, the Senator from Montana.

Mr. MANSFIELD. Mr. President, I also wish to commend and congratulate the distinguished Senator from Arkansas [Mr. FULBRIGHT] for the leadership he has undertaken in bringing to the attention of the Senate and of the people of the country the great educational needs which confront us at this particular time.

As the majority leader has stated, the Senator from Arkansas [Mr. FULBRIGHT] has a long and outstanding record in the field of education, and has kept alive his interest during his service in both the House of Representatives and the Senate of the United States. I am delighted that the Senator from Arkansas saw fit to make this speech this afternoon and to lay the facts on the line. I was particularly impressed with his statement that "What is more significant is that we have failed to appraise honestly and dispassionately the strength of our adversary and the weakness of ourselves."

I think that tells the whole story.

I know we are indebted to the Senator from Arkansas for taking the lead this afternoon, and I hope he will continue his efforts in the difficult months ahead.

Mr. FULBRIGHT. I thank the Senator very much for his very kind words.

INVESTIGATION OF MATTERS PERTAINING TO DEFENSE

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Order No. 1203, Senate Resolution 212.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The resolution (S. Res. 212) was read as follows:

Resolved, That the Committee on Armed Services, or any duly authorized subcommittee thereof, is authorized under sections 134 (a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to—

(1) common defense generally;

(2) the War Department and the Military Establishment generally;

(3) the Navy Department and the Naval Establishment generally;

(4) soldiers' and sailors' homes;

(5) pay, promotion, retirement and other benefits and privileges of members of the Armed Forces;

(6) selective service;

(7) size and composition of the Army and Navy;

(8) forts, arsenals, military reservations, and navy yards;

(9) ammunition depots;

(10) maintenance and operation of the Panama Canal, including the administration, sanitation, and government of the Canal Zone;

(11) conservation, development and use of naval petroleum and oil-shale reserves;

(12) strategic and critical materials necessary for the common defense.

SEC. 2. For the purpose of this resolution the committee, from February 1, 1958, to January 31, 1959, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ upon a temporary basis technical, clerical, and other assistants and consultants: *Provided*, That the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than $1,200 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The expenses of the committee under this resolution, which shall not exceed $190,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. JOHNSON of Texas. Mr. President, I should like to state that this is the normal annual resolution from the Committee on Armed Services, which vests in that committee authority to investigate various matters in the Defense Establishment. The resolution provides funds for such work. The resolution was unanimously reported for the Armed Services Committee. It was unanimously reported by the Committee on Rules and Administration. It has been cleared by the leadership on both sides of the aisle. Both the Senator from Massachusetts [Mr. SALTONSTALL] and I appeared before the Committee on Rules and Administration when it was under consideration.

Mr. DIRKSEN. Mr. President, merely for the record I shall state the resolution has the full concurrence of the Members on this side.

Mr. SPARKMAN. Mr. President, will the Senator from Texas yield to me for a question?

Mr. JOHNSON of Texas. I yield to the Senator from Alabama.

Mr. SPARKMAN. I should like to ask about the next order of business. Is it contemplated to call that up for consideration also?

Mr. JOHNSON of Texas. The next order on the calendar?

Mr. SPARKMAN. Yes.

Mr. JOHNSON of Texas. No.

Mr. SPARKMAN. I was wondering why we are taking up the resolution at this time.

Mr. JOHNSON of Texas. We are taking up the resolution because I desired to file a report and because I had been able to get the resolution cleared by all concerned. The Senator from Louisiana [Mr. ELLENDER] has no question about this resolution. If the Senator from Alabama has objection, of course I would not want to proceed with it ahead of the Senator's resolution.

Mr. SPARKMAN. I have no objection. I simply wanted to know what was planned.

Mr. JOHNSON of Texas. Does the Senator have an objection?

This resolution has been cleared with the Senator from Louisiana [Mr. ELLENDER]. He desires to make certain statements on the subject. I have not cleared the other measures.

Mr. SPARKMAN. I have no objection. I merely wished to know when the other measures might be expected to be reached.

Mr. JOHNSON of Texas. I shall bring them up at the earliest possible date.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 212) was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move that the action by which the resolution was agreed to be reconsidered.

Mr. DIRKSEN. Mr. President, I move to lay that motion on the table.

The motion to reconsider was laid on the table.

PROCEDURE FOR CERTAIN REPORTS ON DEVELOPMENT OF LAND AND WATER RESOURCES

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Senate Resolution 148, Calendar No. 1188.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider 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, which had been reported from the Committee on Interior and Insular Affairs with amendments.

ORDER FOR RECOGNITION OF SENATOR ELLENDER ON TUESDAY NEXT TO DISCUSS DEFENSE, AID, AND TRADE PROGRAMS

Mr. JOHNSON of Texas. Mr. President, I should like to announce for the information of Senators that the distinguished senior Senator from Louisiana [Mr. ELLENDER] will address the Senate on Tuesday next in a statement of some 3 or 4 hours, in which he will review his study, which was undertaken during the time Congress was in recess, of our defense, aid, and trade programs.

I should like all Senators to be on notice that the Senator from Louisiana desires recognition early on Tuesday. At that time he will make a statement of considerable length. I ask unanimous consent that he be recognized immediately after the morning hour on Tuesday next.

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

STATEMENT BY PREPAREDNESS INVESTIGATING SUBCOMMITTEE OF THE COMMITTEE ON ARMED SERVICES.

Mr. JOHNSON of Texas. Mr. President, I have a very brief statement which I should like to present to the Senate, if my colleagues will indulge me.

The Senate Preparedness Subcommittee today concluded its current series of hearings into the satellite and missile programs with the adoption of a unanimous statement, in the nature of an interim report.

That statement expressed the sense of unity that the committee has as to the urgent need for strengthening our country's defenses. It expressed the kind of unity which I believe Americans desire.

We tried to state the facts which give cause for foreboding and the facts which give cause for hope. We stated those facts not as members of political parties but as servants of the Senate reporting to the Senate and to the people of the Nation.

Our country is entering a new period of history in which the total resources of America must be brought to their greatest development. No segment of our economy or of our life must be ignored or neglected.

Our programs, our policies and our practices must all be in good working order. A full national effort is required and this can be achieved only by people working together.

The goal is not merely to imitate some Soviet missile or some Soviet achievement. This attitude could lead us into a hypnotic trance in which we would forget that our true strength is our freedom.

That is a fundamental which we must not forget.

We would lose much more than we would gain if we tried to match totalitarian accomplishments by adopting totalitarian methods and values.

Our need to mobilize today flows from a necessity of forging ahead to broader frontiers of freedom—not merely from the need of catching up with the Soviets.

We must not fail because we sell short the potential of a free society. We must succeed by unleashing our minds, unleashing our capacity, and moving forward with the great force, vigor, and imagination of which we are capable.

I believe that spirit dominated the deliberations of the Senate Preparedness Subcommittee.

I do not mean that we are in agreement on every point presented to us in some seven-thousand-odd pages of testimony. The members of the subcommittee will differ on many specific points. But we see the dangers before us through the single perspective of Americans determined that freedom shall survive.

I wish to express my deep appreciation to the majority and minority members of the subcommittee. Without their wholehearted cooperation, the enterprise in which we have engaged would not have been possible.

I wish to express my great admiration and respect for our counsel, Mr. Edwin L. Weisl, who gave freely of his great talents and energies to bring about this report; to his associate, Mr. Cyrus R.

Vance, and to the many other staff members who contributed to the report.

For the benefit of the Senate, I wish to read the committee's statement, which is brief. Let me say, as I think I stated earlier, that there were 10 members present, all of whom approved this statement.

Approval of the following statement was voted by the members of the Senate Preparedness Committee: Senators JOHNSON (chairman), KEFAUVER, STENNIS, SYMINGTON, and Senators BRIDGES, SALTONSTALL, and FLANDERS. In addition, the other members of the Senate Armed Services Committee who were present at the meeting—Senators SMITH of Maine, CASE, and BUSH—indicated their approval of the statement.

We have now concluded our current set of hearings. On behalf of the subcommittee in consultation with other Members, I am making a brief statement.

No responsible civilian or military leader in the Government can do aught but face with deep foreboding the current prognoses of the outcome of general thermonuclear war. The subcommittee feels that the problems involved in this hearing are of immediate urgency to our Government and our people.

For the past 110 days, this subcommittee has been engaged in an unusual enterprise. It is a review of the Nation's present and future defense posture in the light of a rapidly evolving science and technology.

The subcommittee has heard some 70 witnesses. About 200 experts have been interviewed. Questionnaires have been sent to leaders of science, education, industry, and government. Some 7,000 pages of testimony are before us.

This inquiry has been one of the most thorough in my memory. It had to be because the subject matter did not permit anything except a careful, prudent, thorough approach. I believe both majority and minority Members will agree with that point.

In the course of our investigation, I hope we have been able to present to our people important facts. I know that it has been an educational process for me, and, I believe, for the other members of our group.

We began with a simple—but revolutionary—fact. It was that for the first time in all history, a man-made satellite was placed into an orbit around the earth.

There were many who realized that this was an inevitable development of the march of science. But the circumstances under which it happened were startling and brought into sharp focus facts which had been known previously but not fully appreciated.

We had expected to be first with this achievement. In fact, we have yet to prove second—although our own achievement in this field is not very far away. The winner was the Soviet Union.

From the beginning, however, it developed that there was much more at stake than the prestige of being first.

There is no evidence that the satellite is a weapon now.

But it has two important implications.

First, it demonstrates beyond question that the Soviet Union has the propulsive force to hurl a missile from one continent to another.

Second, the Soviet Union has gathered basic information about outer space.

These two facts raised a number of disturbing questions. We set out to explore those questions and determine the answers. On the basis of sworn testimony by top scientists, leading industrialists, and Government and military officials, it can now be said:

First. The Soviet Union leads the United States in the development of ballistic missiles.

Second. The Soviet Union leads the United States in number of submarines, which raises the possibility of attack with modern weapons or missiles—although the indications are that we are ahead in the production of atomic submarines.

Third. The Soviet Union is rapidly closing the gap in manned air power—and, at present rates, will surpass this country in a comparatively short time.

Fourth. The Soviet Union has a system which enables it to develop new weapons in substantially less time than the United States.

Fifth. The Soviet Union has led the world into outer space.

Sixth. The Soviet Union is producing scientists and technicians at a rate substantially greater than is our country.

These facts do not give cause for comfort. But we do not consider them a cause for despair or hopelessness. We regard them as a challenge to all Americans.

There is nothing in the record to indicate that America has lost its vitality or its capacity to produce in time whatever we need to retain our present power to strike devastating blows—blows of almost total destruction—at any aggressor.

The facts which we have been investigating are the facts of the future. And while the future is very close—extremely close—it is still under our control.

There is no point in arguing that things might have been different had things been done differently in the past. Everybody on this committee is willing to concede that point.

The past is already for historians. Let us seek solutions so that the future may be written by Free World historians.

Since sputnik I was put into orbit, and this inquiry began, the Secretary of Defense has taken the following actions:

Overtime restrictions have been removed from the ballistics programs and some of the other high priority programs.

Basic research projects have been restored to former levels.

The Army has been ordered into the satellite program.

Production of the Thor and Jupiter missiles has been authorized.

The development of the Atlas missile has been stepped up.

Development of the Polaris missile system has been accelerated.

The Army has received a go-ahead for developing a new, solid fuel missile.

An advanced research project agency has been authorized.

An office of Director of Guided Missiles is now in being.

Development of antisubmarine warfare capability has been stepped up.

Steps to disperse the Strategic Air Command are under way.

The Air Force has been authorized to go ahead with an early warning program against missiles.

The Army has been assigned the task of developing an antimissile system.

The Secretary of Defense has appointed consultants and has promised to come to Congress as soon as possible with recommendations to improve Defense Establishment through organizational changes.

I may say, for the information of the Senate, that the Secretary of Defense told us yesterday that he was hopeful he would be in a position to make positive recommendations within the next few weeks, perhaps by late March or early April.

These steps are admittedly only a beginning. There are many steps still to be considered. And it is heartening that the Secretary of Defense is keeping an open mind on those steps and has pledged decisions and greater actions when such actions are necessary as soon as possible.

The committee has received many urgent recommendations. The principal areas covered, though not necessarily in the following order of priority, upon which decisive action must be taken are:

First. Modernize and strengthen the Strategic Air Force.

Second. Step up the dispersal of SAC bases.

Third. Put more effort into developing antimissile missiles.

Fourth. Improve our early warning system for manned aircraft and accelerate the development of an early warning detection system for ballistics missiles.

Fifth. Modernize and strengthen ground and naval forces.

Sixth. Provide an adequate airlift for ground troops.

Seventh. Pour more effort into our antisubmarine program.

Eighth. Step up production schedules of Atlas, Thor, Jupiter, and accelerate the development of Titan.

Ninth. Reduce lead time in the development of weapon systems by cutting down on decision time and by simplifying procurement procedures.

Tenth. Provide for a freer exchange of scientific and technical information between the nations of the Free World.

Eleventh. Start work at once on the development of a rocket motor with a million-pound thrust.

Twelfth. Give serious attention to the question of shelters and stockpiles for civil defense.

Thirteenth. Reorganize the structure of the Defense Establishment.

Fourteenth. Provide increased incentives for the retention of trained personnel in the military services.

Fifteenth. Accelerate and expand research and development programs, provide funding on a long-term basis, and

improve control and administration within the Department of Defense or through the establishment of an independent agency.

Sixteenth. Put more effort in the development of manned missiles.

Seventeenth. Accelerate the development of the Polaris missile system.

The recommendations will all receive the careful consideration of the committee. They will be evaluated in the light of facts—carefully, thoroughly, and prudently.

There is another point I should like to make. The responsibilities of this subcommittee are limited to defense. But we have reached a stage of history where defense involves the total effort of a Nation.

We have been led into fields which will have to be explored by others with proper jurisdiction and with greater background. But these fields are related to our principal responsibility—the defense of our country.

There is, of course, the highly important field of education, to which the able junior Senator from Arkansas [Mr. FULBRIGHT] has referred so eloquently and at length this afternoon. It is obvious that all our plans for the future will be frustrated if we do not foster the training of our children along broad lines through greater concentration on science and mathematics without neglecting the humanities.

We can produce the weapons of survival with what we have now. But the missiles which are so dreaded today may prove obsolete almost as soon as they become realities.

There can be no adequate defense for the United States except in a reservoir of trained and educated minds.

Even more important, however, is the fact that there can be no security for the United States or any other country in weapons. The most accurate and destructive missile yet conceived can bring us nothing but a stalemate.

We prefer a stalemate to defeat and slavery. Let there be no mistake about that.

I am happy that the distinguished junior Senator from Minnesota [Mr. HUMPHREY] is on the floor, because I want him to follow the last lines of this intermediate report.

But the same forces, the same knowledge and the same technology which are producing ballistic missiles can also produce instruments of peace and universal cooperation.

We are engaged in a race for survival and we intend to win that race. But the truly worthwhile goal is a world of peace—the only world in which there will also be security.

The immediate objective is to defend ourselves. But the equally important objective is to reach the hearts and minds of men everywhere so the day will come when the ballistic missile will be merely a dusty relic in the museums of mankind and men everywhere will work together in understanding.

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

Mr. JOHNSON of Texas. I am happy to yield to my friend from Minnesota.

Mr. HUMPHREY. I am happy indeed that I was in the Chamber this afternoon when the majority leader made his intermediate report. I know it would have been a temptation for anyone in the Senator's position to have delivered a very pointed and even a caustic report, which would have been interpreted by some as partisan.

It would have been possible for the majority leader and the majority members of the committee to have assessed political blame.

I believe the majority leader, in his report, has relied upon the intelligence of the American people as to where any blame or fault may lie, and as to whether the recommendations which have been placed before us are sound and adequate.

I wish to commend the Senator from Texas and his committee. The intermediate report should be classified as "must" reading for every citizen of this Republic. It will also be reassuring, I am certain, to our allies, because it demonstrates the active, alert, keen, and dedicated interest of one of the coordinate branches of the Government, namely, the Congress, along with the executive branch of the Government.

I add these few words: Just as the Subcommittee on Preparedness is in the process of reviewing our basic military needs and our defense needs, so the entire area of American foreign policy will come under review, and needs to, in the same spirit, I may say, of constructive proposals and careful evaluation. When we find weaknesses and mistakes, we must correct them, instead of abusing one another. Where we see need for progress and new proposals, we must have the boldness to undertake them and carry them out.

Mr. JOHNSON of Texas. Mr. President, if the Senator will permit me to do so at that point, I should like to congratulate the committee of which he is a member for such worthy objectives and such high motives and such desirable proposals as he has enunciated, in an effort to seek the truth and in order that the United States may be worthy of the leadership of the Free World, in which we take so much pride.

Mr. HUMPHREY. I am of the opinion, I may say to the Senator from Texas, as I conclude my remarks, that the American people are so deeply concerned about the future of their country and about their present condition, that they will look with a certain amount of disdain and justifiable disgust upon Congress if our efforts to study the defense and foreign policy posture of our Nation, and if our efforts to strengthen both our military and foreign policy program, are treated in too rabid and partisan a manner.

Needless to say, there will have to be discussions, and in some areas disagreement. I believe we must be able to disagree in such a manner as will enable constructive alternatives to be offered.

I have spoken on occasion, very bluntly, concerning the foreign policy of our country. I shall do so in the future. I shall not chastise those who are in charge of it, but rather I shall offer what I hope will be fruitful and constructive suggestions to those who will continue to have responsibility.

I hope the Senator from Texas, the majority leader, will permit me to associate myself with the worthy objectives which have been expressed here today in the interim report. I am not a member of his subcommittee. I can say that the concluding paragraphs of that report are, of course, the spirit of the Nation and the hope of mankind.

It is my intention, as the chairman of the Subcommittee on Disarmament, to present to the Senate next week a statement of what I believe has been going on in this very difficult, complex, uncertain, and as yet, fruitless field, and to offer some constructive suggestions in that particular area.

I would only say that the hope of disarmament, or the hope which the Senator from Texas outlines, is possible only if this Nation can survive, because it is a truth that the leadership of free men rests in the Government of the United States and in this Chamber.

If this Government and this Nation are in peril, and if by any unhappy set of circumstances we should be weakened or destroyed, then I honestly believe that the hope for a world in which freedom can live will have been lost.

Mr. JOHNSON of Texas. Mr. President, I am indeed appreciative of the contribution which my able friend from Minnesota has made to the discussion. I am delighted that he should feel justified in associating himself with the statement made by the entire membership of our subcommittee.

I should not want this opportunity to pass without the Senator from Minnesota being informed that in the days ahead, when he travels down the rugged, rough road looking for peace, he will have my prayers and my support because, Mr. President, if the only thing we have to look forward to is the spending of $40 billion or $50 billion a year to negate the expenditures of another great power we will, at best, be letting it all go down the drain.

Somehow, somewhere, the great minds which have done so much to bring us modern implements, great adventures in science, and great discoveries, must be able to find a solution whereby men can live in the world together. If not, the road ahead will not be a very happy one.

Mr. YARBOROUGH. Mr. President, I desire to add my words of appreciation to those of the distinguished Senator from Minnesota concerning this message of great importance from the Subcommittee on Preparedness. I express my admiration for the wonderful work which has been done by the subcommittee, particularly by its chairman, the distinguished senior Senator from Texas, of whom we are so proud.

I particularly commend him, not merely for the report upon the present state of our defense and about what has not been done, but, more than that, for the inclusion in the report of a set of present objectives, without awaiting the final report, to give America some goal toward which to work in preparation for the long pull.

Mr. JOHNSON of Texas. I thank my friend for his complimentary statement. He is always generous and kind to me. He knows I reciprocate his admiration.

Mr. MANSFIELD. Mr. President, I wish to join with my colleagues in congratulating the distinguished majority leader upon the responsible attitude he has shown, not only in conducting the hearings of the Senate Subcommittee on Preparedness, but also in being able to cause members holding diverse views to issue a unanimous report. This is another indication of the sense of responsibility which the distinguished Senator from Texas has shown, not only since he has been the leader of the majority party in the Senate, but also in the days when he first became a Member of the Senate.

It is a pleasure, in view of what has happened in recent days, to see that this sense of responsibility is still paramount. I am hopeful that the nonpartisanship—or, as one of our colleagues on the other side of the aisle referred to it a short while ago, the unpartisanship—on the part of the Senate Subcommittee on Preparedness will be the norm rather than the exception in the days ahead as the subcommittee undertakes to continue its hearings. The country can be confident that a good job has been done and that the unanimous recommendations of the subcommittee will have good and lasting results.

Mr. JOHNSON of Texas. I thank my friend from Montana.

A CHALLENGE TO THE AMERICAN EDUCATION SYSTEM

Mr. MANSFIELD. Mr. President, I find myself in the happy position of following in the footsteps and under the leadership of the Senator from Arkansas [Mr. FULBRIGHT], who this afternoon made an outstanding speech on the condition of the American educational system. I am delighted that the Senator from Arkansas made the speech which he did.

In supplementing what he has said, I wish at this time to introduce a bill which would amend Public Law 507 by giving the National Science Foundation an expanded role in granting scholarships for study in the sciences and linguistics.

Mr. President, the second session of the 85th Congress is confronted with some of the most difficult and momentous problems in the history of this Nation. They are problems and issues which will affect the stature and future of the United States, both at home and abroad.

I speak of civil rights, the missile and defense program, foreign aid, reciprocal trade, resources development, a new farm program, and a program to strengthen and regain our technological and scientific supremacy. It is the latter of which I would like to speak today.

Several months ago we found ourselves second to the Soviet Union in the race for technological supremacy in the field of missiles and rockets. The Russians have put two satellites into outer space; they have announced that they have put the first atomic-powered ocean vessel into operation, and are boasting of greater things to come in satellites. And in spite of the fact that our missile and rocket programs have been speeded up to a crash basis the United States has not yet fired its first small satellite into outer space. All in all it has been a serious blow to our security and prestige throughout the world.

Why did it happen and most important of all how can we regain our superiority?

There are a number of reasons why we find ourselves in this spot but that is not the issue I am concerned with today. Today my only concern is how can we prevent the reoccurrence of this situation. One solution is through a sound and thorough program for training increased numbers of scientists, language specialists, technicians, and engineers, and seeing that their talents are being put to use. We must place a renewed emphasis on basic research. Basic research is the root of all of the great advancements being made in science; humanitarian and military.

The most important consideration in the Soviet Union's ability to surpass us in certain areas of science, languages and technology is the Russian educational system. I want to make it perfectly clear at this point that we as a free Nation should not adopt a dictatorial method as is done in Russia. But their recent achievements have underscored the need for a review of our educational system. We need a renewed emphasis on science and linguistics in our classrooms but this should not be done at the expense of other areas in our education. However, the Soviet Union's substantial lead in numbers of scientists, engineers, and language students must not be allowed to continue.

The young Russian student is given practically no chance to select his own courses. They are chosen for him. In this country our students have a wide choice, limited only by the facilities and staff of each school. All that is required is that they meet basic requirements. Too often experience shows that American students take the easy way out. We cannot force our students to take linguistics, science and engineering courses but we should provide incentives that would spark their interest. This requires new teaching methods, new and improved facilities, more adequately trained instructors in our schools, financial aid at the high-school and college level in this age of ever-increasing costs and a future of greater stability and respect for those in the scientific fields.

By the time a student in Russia has finished his 10th regular school term, he has had 4 years of chemistry, 5 years of physics, 5 years of biology, and 10 years of mathematics.

Soviet students get little chance to examine important problems with a critical eye, or to make up their own minds on issues that may arise. Although this is a major fallacy in the Russian education system it has produced an abundance of capable scientists and engineers who in turn have made it possible for the Russians to make such tremendous advances in missiles and rockets.

Allen Dulles, Director of the CIA, estimated some time ago that during the 10-year period, 1950 to 1960, the Soviets would graduate 1,200,000 in the sciences, while the United States would graduate 900,000. There may not appear to be such a great difference on the surface but it is vitally important to remember that the vast majority of the Russian scientists are being utilized for research and defense efforts directed by the Soviet Government. In the United States our scientists, engineers and technicians go into private industry, devoting many of their talents to peacetime and semiluxury purposes, some are working for our defense effort and others are completely lost in areas where their capabilities are not being used. In Russia the scientists enjoy a great deal of respect in society. In this country they do not universally enjoy such a position.

According to information compiled in a report released in March of 1956 by the Joint Committee on Atomic Energy, the American secondary-school system, as of 1936, was characterized as yielding to no other in the broadness of its democratic pattern and our methods of teaching science on the secondary-school level were more original, varied, and skillful than those in vogue in either France or Russia at that time.

Today the American school system enrolls more than 90 percent of the children from 7 to 16 years of age—a figure exceeding that attained in any other country. However, during the years since 1936, the teaching of the physical sciences in the American secondary schools has suffered a steady decline. Physics and chemistry are now frequently elective 1-year laboratory courses and stress is laid on physical rather than on mathematical thinking. Whether as a corollary or as a cause, the teaching of mathematics at the secondary school level has also declined. To meet this situation many colleges have adjusted their science courses to meet the high-school offerings.

Where does the responsibility rest for this lag in our scientific and engineering program? There is no one person or organization that can be blamed. It is a combination of factors. There is inadequate training and discipline in high schools. Most of our colleges have failed to expand the use of their facilities and to encourage students to complete their courses. Deficiencies in our military draft policies as they affect our college students are an important consideration, for many talented students are placed into routine positions in the armed services where their talents are not utilized.

I think most everyone will agree that ever since the end of World War II the American way of life has required less raw manpower and the demand for technicians, engineers, and scientists has been swiftly increasing. Unfortunately our production of these people in these fields has not met the change.

Prior to the Korean war we had an over abundance of scientists and engineers. But the Korean conflict and the boom in electronics, nuclear energy, and guided missiles transformed the picture.

The industrial ratio of engineers to factory workers, which stood at 1 to 250 in 1900, increased to 1 to 60 in 1950 and is rising with every new automation process. In some industries today, the ratio is as high as 1 engineer for every 10 employees.

As never before in our history this Nation's security rests in the hands of its scientists and engineers in the technological frontlines of scientific progress. Nuclear and thermonuclear weapons, intercontinental guided missiles, supersonic jetplanes, radar-warning nets, these are the complex instruments upon which depends our ability to preserve peace and to resist aggression if it should come. To develop these instruments and weapons and to improve them, we need men and women of the highest caliber in both theoretical and applied mathematics, physics, chemistry, and related fields. Basic research is vital to all progress made in these scientific fields.

The United States requires 30,000 to 35,000 new engineers annually; the new production burdens of the cold war require another 3,000 to 4,000 a year. But in 1954 accredited United States schools graduated only 22,000 engineers. At the same time, the Soviet Union graduated more than 53,000. In addition, Russia is graduating far more men in the subprofessional fields of engineering, in the technical areas that are so vital in a technological age. The Russians who produced only about 9,500 engineers in 1928 are now graduating engineers at a rate 2½ times greater than the United States.

In the past several years warnings have been sounded by prominent scientists, educators and statesmen both here and abroad. Despite the numerous speeches, statements and magazine articles which have painted such a dismal picture, very little has been done to remedy the situation. It took the Russian sputniks to really arouse Americans to this challenge. We must plan now for the present and the future in regaining our complete mastery of the sciences.

I have expressed my views on the shortage of scientists and engineers here in the Senate on several occasions. I have been concerned about this shortage for some time and it is one of the gravest problems that now faces the Congress.

On June 22, 1956, I addressed the Senate on this issue and recommended a 6-point program to meet the shortage of scientists and engineers. I am today restating these six points, because I feel that they would go far in improving the situation.

First. An expanded Federal scholarship program for college and graduate students in the natural sciences and engineering. In order to insure an adequate number of trained personnel in the service of the Federal Government in highly technical and skilled fields I suggest that the Government, under a scholarship program, select a number of high school students each year who have shown special scientific interests and capabilities and underwrite their education. In return these students could be required to put in a period of service after graduation which would be in some way beneficial to our national security, in the military or industry.

Second. Reemphasis on science and mathematics instruction in the high schools of the Nation. This must be a cooperative move between the local school districts and the States' departments of education.

Third. Increased salaries for high school and college instructors.

Fourth. A Federal grant-in-aid program to the States for science and mathematics teachers in the high school somewhat similar to existing Federal aid for certain agricultural and vocational training in the secondary schools.

Fifth. A revised selective service program, making allowances for students and graduates pursuing a career in the sciences and engineering.

Sixth. An improved public relations and security program for scientists, engineers, and technical personnel.

Seventh. This is an additional point. Increased salaries for scientists and technicians in the employ of the Federal Government so that the temptation to go out into private enterprise will be lessened. This has been partially met by the recent salary increases for scientists as announced by the Civil Service Commission.

This is a cooperative program. We need the help of the States, local and county school officials, and the general public. But the Federal Government must take the lead in meeting the crisis, nothing else will do. Only the Federal Government has the resources and prestige to produce the new emphasis that is needed on the training of qualified young people in the engineering and scientific fields.

In order to keep ahead in the worldwide race of technological advancement, the United States will need a vast and continuing supply of first-rate scientists and engineers. The proposals that I have made will, in my estimation, help to regain American stability and supremacy in the sciences, which will be so necessary in the years to come.

There are a number of things that this legislative body can do.

We can expand and appropriate sufficient funds for the summer training program for high school science and mathematics teachers under the direction of the National Science Foundation.

We can revise our selective-service laws so that consideration is given to those talented in the sciences and engineering. Military service should be secondary to the completion of college work in these instances. While in the armed services their talents should be put to good use.

We can amend our income-tax laws giving parents an additional exemption while sending their children to schools of higher education. This would be of great help in this age of ever-increasing tuition and living costs.

We can enact Federal-aid legislation which would help high schools and colleges improve and add additional laboratory facilities in their science departments.

Finally, we can and must enact a broad graduate and undergraduate scholarship program in the sciences and engineering. An expanded Federal scholarship program would do much to increase our supply of these professionals.

At the present time the Federal Government's role in promoting the education of potential scientists and engineers is generally limited to the National Science Foundation.

The foundation's fellowship system is the most direct means of augmenting the Nation's scientific manpower resources. By awarding fellowships for predoctoral study also, the foundation offers to an average of 600 selected students a year the opportunity to undertake at institutions of their choosing, the advanced training necessary for a career in research.

The foundation has a fine record but its role in the scholarship field is limited. The number of scholarships should be increased and funds should not be limited to predoctoral and graduate work. Direct assistance to students studying in the sciences and mathematics below the graduate level is necessary in order to increase the number of adequately trained scientists and engineers.

A nationwide testing program in our high schools at the sophomore level would be an important start in seeking out the potential student applicants for scholarships to study science and engineering in college. The States' departments of education could play an important part in this phase of the program.

I have sent to the desk legislation which would amend Public Law 507 giving the National Science Foundation an expanded role in granting scholarships for study in the sciences. This independent agency is in the best position to put such a program into operation. It is already in operation and my proposal would expand its activities and make available sufficient funds for such a scholarship program. Funds would be made available on an annual basis and could be adjusted to the needs of the Nation.

This is one of a number of proposals which will be submitted to Congress this session. There are those who advocate the appropriation of funds under the Health, Education, and Welfare Department for an elaborate scholarship program. There are those who suggest the formation of a National Science Academy along the line of our military academies. And there are those who would prefer a much more limited program of assistance. This is one of the greatest issues before Congress this session and it is imperative that something be done soon to turn back the tide of Russian supremacy in numbers of scientists and engineers.

A scholarship program of grants will be branded by some as a subsidy. But we should not let this deter us; we subsidize our merchant marine and our airlines for defense purposes and we subsidize our farmers. Why then, should we not subsidize the education of our

talented youngsters. It, too, would be in the interest of our country.

The entrance of the Federal Government into the area of aid to education is not without precedent. There has been a Federal-State cooperative program of vocational education since 1917 and it has proved to be highly successful. The Smith-Hughes Act provides for cooperation between the Federal Government and the States in the promotion of vocational education of less than college grade.

Federal funds are available for allotment to the States for agricultural education, distributive education, home economics education, and trade and industrial education. Federal funds are used to stimulate and assist the States in making adequate provisions for such training.

In 1946 the George-Barden Act was enacted to further develop the vocational education program.

The Government cannot legislate scientists into being and we cannot conscript students into these vital fields. We must adhere to the voluntary principle, so important to the American way of life, but I believe, we can attain this goal with the proper incentives.

Occasionally we find people who fear that such a program as I have suggested will create an excess of science personnel. A statement made by John R. Dunning, dean of the School of Engineering at Columbia University is appropriate to refute this position. He stated in a recent New York Times magazine article that "The emphasis on science and mathematics which we need so urgently for defense will be needed anyway, if we are ever to find replacements for our dwindling supplies of fuel and ore, or use our arts of automation to relieve our people of menial repetitive labor. What is military technology today is a higher and more dignified standard of living tomorrow."

The proposal, Mr. President, which I have introduced for appropriate action is not the final answer to the problem that confronts us. It is my hope, though, that what is being offered will be of use to the committee which will consider this proposed legislation, and out of this and other proposals made, a worthwhile solution will be found to overcome our deficiencies in school facilities, in properly qualified teachers, and in the fields of science, technology, and linguistics.

In closing, Mr. President, I want to say that the increased emphasis on training technical and scientific personnel is a matter of national survival and the betterment of future generations. This is a challenge which Congress alone can meet satisfactorily.

The bill (S. 3119) to amend the National Science Foundation Act in order to revise the authority to grant scholarships and fellowships under the provisions of such act, introduced by Mr. MANSFIELD, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. MANSFIELD. Mr. President, in connection with my remarks today on the subject A Challenge to the American Education System, I ask unanimous consent to have printed in the RECORD portions of a letter sent to me by an old friend, Mr. Sid Groff, of the Montana School of Mines, Butte, Mont.

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

There is considerable controversy over the failure of our schools to turn out the number of scientists that the Soviet system appears to do. Frankly, I agree with the Vice President on this issue—in that it would be a mistake to go whole hog for scientific training. I would think that the dropping of the Freudian and Dewey educational concepts, and the installations of compulsive and challenging course-work at lower levels would largely take care of the situation. Get at them young—for I doubt if most scientists are created in college—rather I would think that the ideas and desires and abilities were aroused in grade-school and high-school. Along with this, of course, is selection of better teachers, and providing them with a decent scale of living. To sum all this up, I think our modern school system is not challenging enough (too many easy ways out), and there are too many poor teachers in the system (those with ability and initiative go to better paid jobs). The general population should be made to realize that the teacher spends more time with the budding citizen than anyone except the parents, and in many cases even more time than the parents. There is also a tendency in education institutions to insist on an overwhelming amount of course work in education subjects, to the relative neglect of the basic material that the teacher is going to actually be teaching. What good does it do—if the teacher is an expert in education and doesn't handle his or her subject with adequacy and in a stimulating manner?

Probably there is an over emphasis on theoretical science in this country. What I'm getting at is that at this time we need a cool-headed practical science outlook. In other words another Thomas Edison, whose genius was not in theory at all, but in the practical application of what the theorists came up with.

MONTANA'S GROWING CONTRIBUTION TO THE ARTS

Mr. MANSFIELD. Mr. President, the State of Montana is a relatively young State, and its contributions to the arts have been somewhat limited. However, in recent years Montana has come into its own.

We have several wonderful museums which are continually expanding and growing in stature. Montana has claim to one of the Nation's most famous western artists, Charles Russell. A number of promising artists are now at work in the State, and our contributions to the field of literature are considerable. The Montana State Historical Society publishes one of the finest quarterlies of its kind, entitled "Montana, the Magazine of Western History," devoted to western folklore and history.

Mr. President, the September 8, 1957, issue of the New York Times Book Section contains J. Donald Adams' report on Montana's contribution to the arts. I ask unanimous consent that it be printed at this point in the CONGRESSIONAL RECORD.

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

SPEAKING OF BOOKS

(By J. Donald Adams)

For the past week or so I have been cruising again about Wyoming and Montana. Homeward bound, I watched, from the train window, the Yellowstone snaking eastward on its widening way to join the Missouri. No river save the Missouri itself is as rich in Western history. Countless Indian migrations traced it westward. For many nights its banks were lit by the campfires of Lewis and Clark. Custer rode up them with his 7th Cavalry toward the fatal encounter with the Sioux and Cheyennes on the hills above the Little Big Horn. Up and down across the Yellowstone moved John Colter and Jim Bridger and a legion of trappers and mountain men.

Not even Texans can be condescending about Montana. The distance across its northern counties almost equals that between Chicago and New York. "Montana, High, Wide and Handsome" was the title chosen by the late Joseph Kinsey Howard for his excellent book about the State; the three familiar adjectives were never more fittingly applied.

Of all the Rocky Mountain States, if we omit New Mexico and Arizona, Montana has made the finest regional contribution to the arts of painting and writing. Colorado has one good poet in Thomas Hornsby Ferril, and a promising magazine in The Colorado Quarterly; Wyoming, unfortunately, has yet to make herself felt in the creative arts; Idaho can boast only that Ezra Pound was born there, and that its Caxton Printers at Caldwell publishes valuable Americana; Utah, that it was the birthplace of Bernard De Voto and Mahonri Young.

All over Montana interest in the arts is mounting. Up at Browning, on the edge of Glacier National Park, where I went to watch Indian dances, and to see old friends among the Blackfeet and their Canadian cousins the Bloods, there is a remarkable museum devoted to the culture of the Plains Indians; down in Missoula, creative activity bubbles at the University of Montana; over in Bozeman, the arts are lively at Montana State College. When the visitor moves on to Helena, a State capital whose main street bears the factual name of Last Chance Gulch, he will find that the State Historical Society is doing fine things in constructive commemoration of the old West.

In saying all this about Montana, I feel like a heartless ingrate to say so little about its southern neighbor, for it was in Wyoming that I once had the most amazing fishing in my life, in Wyoming that I first got on familiar terms with a horse, and that I came to appreciate fully the depth of our injustice toward the American Indian. It was also in Wyoming that I witnessed the most profoundly moving religious ritual I have ever seen—the sunrise ceremony of the Arapaho sun dance.

But it is Montana's growing contribution to the arts on which I wish chiefly to report. Five years ago the State historical society opened its museum in Helena, featuring splendidly executed dioramas of Western history and housing, besides a fine collection of the paintings and bronzes of Charley Russell, the Montana cowboy whose work as an interpreter of the old West outdistanced, in the opinion of many, that of Frederic Remington. At about the same time, the society founded Montana, the Magazine of Western History, which is doing much the same thing, in a more limited field, as American Heritage. Another recent undertaking is the society's Montana Heritage Series—pamphlets which are maintaining a high level of quality. I have just been reading one of them—Verne

Dusenberry's moving account of the Northern Cheyenne, that most hapless of the Plains tribes, whose troubles seem never to cease.

It was my good fortune on this trip to be given a copy of Magpie's Nest, a collection of the poetry of Jason Bolles, one of the most promising of Montana writers, who unfortunately died some years ago at the age of 42. Several years back I reprinted one or two of his pieces in the poets' column; others appear there today. I regret that space forbids inclusion of one of his longer narrative poems. Several of them have a Robert Frost-like quality, with the difference, of course, that Bolles found his material, not in the New England hills, but in the high country of Montana. The Indians, in whom he was greatly interested, replaced Frost's Yankee farmers.

Bolles also attempted, with some success, a few Amerindian poems in which he tried to bridge the gulf between primitive attitudes and his Anglo-Saxon heritage. One regrets that he did not have a longer span of life in which to develop his gifts. Even so, he left a small body of distinctive verse which drew veracity from the region he knew and loved so well. To forestall inquiries, it is my unhappy duty to add that Magpie's Nest is no longer in print.

OUR CURRENT CRISIS AND THE NEED FOR EDUCATION — COMMENTS ON SPEECH OF SENATOR FULBRIGHT

Mr. DIRKSEN. Mr. President, I was indeed intrigued by the very scholarly address of the distinguished Senator from Arkansas [Mr. FULBRIGHT]. Not the least interesting, of course, was the very first portion of his address, in which he quoted what I believe is the first sentence Abraham Lincoln uttered, in Illinois, in his celebrated "House Divided" speech.

Also, in the second paragraph, the Senator from Arkansas made an allusion to former President Buchanan; the Senator used a very enchanting phrase when he spoke about "continued to spread the contagion of his own confusion over the land."

One thing that has always interested me is the pattern of human behavior which repeats itself year after year and decade after decade and generation after generation.

It was about 100 years ago that our country was confronted with the issue of survival. The question was whether the United States of America would survive as a free, united country. That issue finally had to be resolved by bloodshed. But some very fascinating things happened before that issue was finally resolved.

The Congress then had a Committee on the Conduct of the War; and, on occasions, nearly 100 years ago, the committee undertook to tell the Commander in Chief how he should conduct the war.

At that time there were groups of Congressmen who called for what they denominated a "bold, determined, forward, successful policy in winning the war." There were clamorings for leadership. There was clamor for a policy.

Nearly 100 years ago one of the leading editorials in the New York Times bore, in large type, the caption "Wanted, a Policy."

In New York there was an editor named Horace Greeley, who wielded a trenchant pen indeed, and often assailed the then President of the United States for what Mr. Greeley called the slowness of the war effort.

There were Congressional committees which, according to the biography of Edwin Stanton, then the Secretary of War, were looking for "smells." Our country was having General trouble 100 years ago. Gen. George B. McClellan, who was nicknamed by some in that generation "Mac-poleon," was made the General in Charge of the Army. If one bothers to read the history of that time, he discovers that hardly a day went by that McClellan was not clamoring for more troops, more money, more supplies, more equipment, more of everything. One hundred years ago Generals were resigning. And, as our distinguished friend, the Senator from Arkansas [Mr. FULBRIGHT], has said, an ex-President was around, to advise and comment. I prefer the language used by my distinguished friend, the Senator from Arkansas, when he said, "A tired and amiable man with tired policies continued to spread the contagion of his own confusion over the land."

In the face of all those difficulties—in the face of desertions from the Army and shaky credit that gave the Secretary of the Treasury no end of difficulty—there was a President of the United States, from my own State, a Commander in Chief, who held the ship of state to a steady course, with a firm and a calm hand. And when it was all over—having absorbed all the shocks, all the abuses, all the criticisms—we remained a free, united, prosperous country; and the issue of survival—which placed our country in jeopardy then—was successfully resolved.

Today is approximately 100 years later. Almost 100 years have gone by since Lincoln, the first President of my party, was the President; and now we have President Eisenhower. But the pattern of behavior is pretty much the same. Human behavior in every generation has been pretty much the same. We have done some work here because we have been dissatisfied with what has been going on; and I pay testimony to my distinguished friend, the Senator from Texas [Mr. JOHNSON], because I believe he has kept it at a high level. That has not always been true, either on his side or on my side.

But generals resign today, as they did 100 years ago, for reasons best known to themselves. Whether the reason could be frustration, whether it could be failure to secure the coveted fourth star, whether they did not get the assignment they wanted, I do not know, nor do I pass judgment.

I only say it happened 100 years ago when our country was in jeopardy; and it happens today, almost 100 years later, when we so trippingly with the tongue lay ourselves to phrases about concern and catastrophe, danger, and disaster, and all the rest.

Today there are editors and columnists and commentators, as there were 100 years ago, who raise pretty nearly the same cries. There are cries for leadership. Such a cry is contained in the speech to which I refer; and I raise the question with my distinguished friend, the Senator from Arkansas.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Illinois yield to me?

Mr. DIRKSEN. I yield with pleasure.

Mr. JOHNSON of Texas. Mr. President, I merely wish to thank my kind and fine friend for his generous reference to me. Through my association with the Senator—previously in the House of Representatives for many years, and more recently in the Senate—I know the fine contributions he has made in his long career of public service. And I believe he feels, as I do, that we are much more interested in where we are going than in where we have been.

Mr. DIRKSEN. That is true, and I thank the Senator from Texas.

Mr. JOHNSON of Texas. I must leave the floor, and I apologize to the Senator from Illinois. But I thank him for permitting me to interrupt him at this point.

Mr. DIRKSEN. I have been glad to yield.

Mr. President, when I heard, during the speech of the Senator from Arkansas, the allusion to former President Buchanan, as "a tired and amiable man with tired policies," who "continued to spread the contagion of his own confusion over the land," I thought of an ex-President who is around considerably today. I never found it in my heart to dislike him. I do disagree with him. He is probably the most uninhibited ex-President we ever had; and in that delightful condition of lack of inhibition he holds court in a New York hotel lobby, and there he supplies all the answers for the space age and for the missile era. It is all very delightful. But I have often wondered whether that was not the invitation to some of the partisan utterances which have been made.

I think this gives me a good chance to make a parenthetical observation regarding the statement made by our distinguished friend, the Senator from Minnesota [Mr. HUMPHREY], who took some exception to the speech made in Minneapolis by Sherman Adams, the Assistant to the President.

Mr. President, I once lived in Minneapolis for a considerable time, as a student. I know the town and I know the people; and it intrigues me now when some take such violent exception to what Mr. Adams said.

It was only a little while ago that he was considered by some as a sinister, slinking, Machiavellian sort of person who talked in dark corners, in whispers, and whose principal design in life, according to his critics, was to keep people from reaching the President of the United States. He was considered by some persons as one of the allegedly stealthy, silent, quiet, sinister persons, who was working his supernatural magic upon someone at the very head of Government.

But when he gets on an airplane and goes forth into the country, to lift his voice where all can hear, then he is suddenly regarded as a hydraheaded

monster about whom something must be done because he has injected a partisan note.

But, Mr. President, I wonder whether it was not our sometimes delightful friend from Missouri, the ex-President, who opened the doors, who widened the portals, in the first instance, because I thought we were rather circumspect in preserving an unpartisan attitude in the interest of the survival of our country.

But here this pattern unfolds, a pattern so identical with the one which confronted Abraham Lincoln nearly 100 years ago; and even as Abraham Lincoln maintained a steady hand upon the tiller and brought our country through that hour of jeopardy, so another President, Dwight Eisenhower, has very calmly given direction to the ship of state. He has not gone so fast as some persons would like, but, Mr. President, he has never gone backward. That is something to remember. In all this frantic search for advanced weapons, new guns, greater engines and instrumentalities of destruction—if that should be mankind's lot—we must remember that the President has vowed to himself and he has manifested to the country, that peace and disarmament will not be the first casualties.

When I hear these allusions to deep concern, to catastrophy, to danger, to lack of leadership, and all the rest, I only say that pattern was manifested, in the history of this Republic under the first Republican President, almost 100 years ago, even as it is being duplicated today, even to the resignation of frustrated generals. But under the President's calm and dedicated leadership, America will come through.

I do not believe there is any lack of confidence in Dwight Eisenhower. I do not agree with the statement of the Senator from Arkansas [Mr. FULBRIGHT] on page 9, wherein he says:

> The confidence of the American people in their leaders has been shaken by recent developments.

I do not agree at all. My mail does not show it. My conversations with people do not show it. My fraternization with my own people back home does not show it. Because a few columnists, a few commentators, or even a few Senators, lay their tongues to that kind of language, that does not mean the United States of America and the generality of the people have lost interest, have lost confidence in a kindly, humble, steadfast leader named Dwight Eisenhower, who, even as Lincoln took us through an hour of jeopardy 100 years ago, will take us through this hour of jeopardy and threat to our survival 100 years later.

Mr. President, I yield the floor.

NATIONAL AIR POLLUTION CONFERENCE

Mr. KUCHEL. Mr. President, 3 years ago the 84th Congress finally responded to a stream of appeals which had been mounting in urgency, number, and variety for nearly a decade by enacting the Air Pollution Act, Public Law 159.

From this act, which I had the honor of introducing, many helpful and beneficial results have flowed. The law authorized a five-year program of Federal assistance to States, counties, municipalities, and other public agencies endeavoring to identify the causes, ascertain the scientific effects, and prevent the occurrence of smog and other dangerous and distressing fumes and odors which plague many metropolitan areas of our Nation.

I am proud to have played a part in focusing the attention of the Congress and of the executive branch of our Government on the smog problem. It now has become widely acknowledged that there is a need for Federal participation in attacking this blight.

Now, at nearly the half-way mark in the campaign, it is obvious there is a need for more vigorous action, possibly along different lines from those followed in the past, to counter this public health menace.

The Secretary of Health, Education, and Welfare has just announced that a national air pollution conference will be held next November. I desire to commend the officials of the Department of Health, Education, and Welfare, particularly those in the United States Public Health Service, which carries out the functions of Public Law 159, for this forward-looking action.

The war against air pollution is well under way, Mr. President. It is being waged on many fronts. Battles are going on in laboratories and research institutes, in hospitals and in industry, and, I may add, in agriculture. With the Federal Government playing a vital role as supplier of munitions and active partner in formulating strategy, our Nation can be thankful that considerable progress has been recorded in attacking the sources and winning a number of skirmishes.

In the last three sessions, the Congress has been generous in supplying the Federal arsenal for this war. We have voted a total of almost $8 million—the appropriations under Public Law 159 were $1,190,000 for fiscal year 1956, $2,740,000 for fiscal year 1957, and $3,995,000 for fiscal year 1958 in which we currently are operating—and the President has requested $3,860,000 for the fourth year's activities in this program.

I am taking the time of the Senate, Mr. President, to discuss this subject because a significant point seems to have been reached in this war. The problem is indeed one of national importance, not merely a local or a sectional difficulty or inconvenience. Experience definitely has proved that smog is a product of industrialization and motorization and urbanization which have marked the growth and the progress of our Nation.

The efforts of scientists and researchers and the experience of control authorities now have demonstrated some ways in which the smog enemy may be dealt with. They also have revealed that certain aspects are not susceptible of handling successfully on strictly local, municipal, community, or State levels. The activities of more than 10 years show clearly that concerted additional effort on a national scale must be made if we are to accomplish all of which mankind is capable in eradicating aerial sewage from our country.

At this point, Mr. President, I should like to become provincial for a moment, but only for purposes of illustration.

Largely because it is an American characteristic to make fun of other peoples' difficulties and discomforts, the entire Nation knows that one of the front lines in the war against smog; I might even say the most active theater of hostilities—is in my native State of California.

The costly toll of air pollution first was felt in the heavily populated and fast-growing metropolitan area of Los Angeles. However, due to physical phenomena—the geography and unusual meteorological influences—the threat of serious injury and damage from smog also has been observed in other sections of my State. Indeed, scientists now warn that the conditions which have caused such discomfort, inconvenience, monetary loss, and suffering on the Los Angeles Basin are liable to develop in every thickly settled area along the whole Pacific seaboard and even in California's lush central valleys.

In the Los Angeles metropolitan area, the longest, the most aggressive, and the broadest campaign has been conducted against smog. Through investigation, research, experimentation, and trial-and-error approaches, a good many results have been accomplished. The emission of fumes and particles which are a basic ingredient of smog has been materially reduced by various measures. The uncontrolled outdoor burning of trash and rubbish, whether in public dumps or backyard incinerators, has been outlawed or stringently regulated. At substantial costs, numerous industries have installed apparatus and equipment, even reconstructed buildings and other installations, to reduce the output of noxious gases and dangerous chemicals from generating plants, oil refineries, chemical and metal factories, and other operations.

I might observe, parenthetically, the people have done this without any particular incentive under the tax laws. They have done it because they wanted to participate in a highly vital program.

The way has been pointed out for other communities to take effective steps to eliminate a number of the factors which cause smog. I should like to advise my colleagues that our people in California have been quick to profit from and to act on the experiences of Los Angeles. In the San Francisco-Oakland region, the Bay Area Air Pollution Control District now functions in six separate counties and recently began enforcing a stringent, far-reaching regulation controlling outdoor burning in the considerable territory where it has jurisdiction. Steps to create similar regulatory and enforcement agencies have been taken in other sections of California, including San Diego.

But as encouraging as these accomplishments and efforts may be, the stage has been reached now, Mr. President, where the strategists and the commanders in the war against smog have discovered they require more assistance. For that reason a request was made to appropriate Federal officials to convene a national air pollution conference of the sort Secretary Folsom and Surgeon General Burney have just announced will be held in November.

The purpose of this conference will be to deal with air pollution problems which cannot be solved on local levels. The meeting will be a fortuitous opportunity to explore with industry means of further reducing pollution, to appraise what all agencies of Government have been doing, to see what yet needs to be done, and to mobilize all the weapons and vehicles available to score victory.

One of these phases which I believe will and should receive attention involves the last remaining uncontrolled source of pollutants which, under certain conditions of weather and terrain, produce eye-smarting, lung-irritating haze, clouds, and blankets of smog. This is the internal combustion engine.

All of us in this body realize the tremendous increase our Nation has seen in numbers of motor vehicles and in their use. That is why the Congress 2 years ago authorized our 13-year Federal interstate highway program. That is why the President took the lead in summoning a national highway safety conference. The time now has arrived when we should probe into what may be the effect of motor vehicles and their exhausts on public health.

I joined public officials from the Los Angeles metropolitan area and my colleagues in Congress from California in urging the call for a national air pollution conference. I hope there will be the most widespread participation in such a meeting from both Government and industry to exchange experiences, pool ideas, and devise cooperative means of stamping out the remaining sources of smog.

Lest my colleagues think I am begging for Federal support for what is essentially a local situation and a local problem, let me cite briefly a respected authority to emphasize my warning that smog is such a serious menace that it warrants attention anew on a nationwide scale. One of the Nation's most capable smogfighters is Dr. Lauren B. Hitchcock, for several years president of the Air Pollution Foundation of Southern California. He has sounded an alarm in these words:

> But no city has unlimited clean air and in every city, smog production is rising rapidly. We who are fighting smog are convinced it's only a matter of time until a good many cities have crossed what we call the smog threshold. There is mounting smog in New York, in Detroit, Chicago, Houston, Philadelphia, Louisville, Des Moines, New Orleans, San Diego, Cincinnati, and many others. Chances are that unless something is done, most of our cities will be breathing badly polluted air within a decade or two. They will have crossed the smog threshold.

Before concluding, Mr. President, I wish to alert my friends from less thickly populated, less industrialized communities and States. Those who are fortunate enough to enjoy living in what is called the country should not be blind and deaf to appeals for help in eradicating smog. Let them be forewarned by a report from the California State Department of Public Health which only 1 year ago declared that smog from metropolitan centers was causing measurable damage to agricultural crops in 13 county areas bordering the heavily populated and industrialized communities. Even more alarming is the fact that 44 different kinds of crops were damaged. These facts prompted an assembly committee of the California Legislature to warn our people of California as follows:

> Further, smog from major metropolitan areas is known to travel into the rural areas and smaller cities and town at a considerable distance from the major smog-producing areas of the State. Those areas where smog has been a problem in the past are continuing to increase in size and there is definite evidence of air pollution in new areas.

Here I wish to observe, Mr. President, that when I introduced the original anti-air-pollution bill in this Chamber, Senators who came from widespread areas of the country were very glad to join with me in sponsoring it, and to help it receive the approval of the United States Senate.

As our population grows, as our motor vehicle numbers increase, as our industry fans out, there well may be no escaping air pollution and smog by fleeing to the suburbs.

The knowledge gained and progress made in finding ways of ending smog will not stamp out this menace to our Nation until every possible resource is brought into use in the air-pollution war.

I very much hope, as I have said, that the conference which is scheduled for a subsequent date this year will produce realistic results and will give to the Congress and the Federal Government its own considered judgment as to what, if any, further Federal legislation may be indicated in this all-important field.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD as a part of my remarks the text of a letter which I previously wrote to the Secretary of Health, Education, and Welfare, as well as the text of his letter in reply to me, and, in addition, a statement of the Department of Health, Education, and Welfare.

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

JANUARY 10, 1958.

The Honorable MARION B. FOLSOM,
Secretary, Health, Education, and Welfare, Washington, D. C.

DEAR SECRETARY FOLSOM: Responsible public officials of the Los Angeles metropolitan area who have been most intimately concerned with the air-pollution problem have communicated with me about their hope that a national conference can be held in the near future to consider ways of stepping up efforts to reduce and eliminate smog in the heavily populated communities of our Nation.

I enthusiastically concur in the suggestions which have been submitted to you by these officials and I earnestly recommend that action be taken as soon as possible to hold a meeting for this purpose.

I believe that the attack on the smog menace can be intensified and made more effective through a discussion and consultation by representatives of the various Federal agencies working under the Air Pollution Act (Public Law 159) which I had the honor of sponsoring in the 84th Congress, the officials of State, county, and local governments and agencies concerned with the problem, representatives of scientific and research institutions, and leaders of various industries which have interests of different sorts in this important question.

As I am sure you realize, the pace has been set for local efforts to identify and remove sources of air pollution by the State of California and agencies in the Los Angeles metropolitan area. For approximately a decade, vigorous research has been carried on, police powers invoked, educational campaigns conducted, and other measures taken to protect our people against the blight and menace of smog.

In recent years, the Federal Government has rendered valued assistance in these efforts and has contributed toward the progress so far made in cleaning the atmosphere in many sections of our Nation. Much, however, still must be done before the problem is solved.

The achievements in the Los Angeles metropolitan area demonstrate what can be done toward reducing discharge of pollutants from industrial plants, public utility plants, uncontrolled burning, and other sources within the control of community, county, and State authorities.

There remain some stubborn problems which require and deserve attention on a much broader scale. Foremost among these is the part played by motor vehicles and internal combustion engines in the emission of unburned hydrocarbons, chemicals, and fumes. This phase of the question of how to eradicate smog is engaging the attention of many individuals and organizations but, I am convinced, needs more aggressive efforts, on a considerably broader scale, if satisfactory results are to be obtained. I feel that a national conference such as has been suggested to you could be extremely helpful in directing and inspiring efforts toward this particular problem.

The act under which the Federal Government is assisting in the attack on smog was for a specified period of 5 years. I believe early consideration should be given the matter of deciding what role the Federal Government should play at the end of that period. At such a national conference, valuable opinions could be solicited for the guidance of the executive branch of the Federal Government and of the Congress regarding continuance and possibly expansion of the current program.

I am gratified to learn that you, the Surgeon General, and other officers of the Department of Health, Education, and Welfare are favorably inclined toward the idea of a national air pollution conference. Much good would come, I am certain, from a meeting of the sort proposed.

With kind regards, I am,

Sincerely,

THOMAS H. KUCHEL,
United States Senator.

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, January 20, 1958.

Hon. THOMAS H. KUCHEL,
United States Senate.

DEAR SENATOR KUCHEL: I appreciate so much your thoughtful communication of January 10, 1958, with respect to the air pollution problem generally and the endorse-

ment of the idea of a national conference later this year. It is very helpful to have your advice. You will have been advised, I am sure, of the fact that the Surgeon General is calling such a conference for November of this year. The enclosed press release provides some detail on it.

In view of the advanced research and control operations underway in Los Angeles and elsewhere in California, the Public Health Service is working in close collaboration with the air pollution control officials of your State. Accordingly, we were very pleased to meet with representatives of the Los Angeles area on January 9 and to have their views with respect to the conference.

Passage of the Air Pollution Act of 1955, which you sponsored, provided a means to focus national attention and effort on a problem of increasing significance in all major metropolitan centers of the country. Your continuing interest and support are most gratifying.

Sincerely yours,

M. B. FOLSOM,
Secretary.

UNITED STATES DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
PUBLIC HEALTH SERVICE,
Washington, D. C.

A national conference to study the growing problem of air pollution in urban areas will be held next fall, Secretary of Health, Education, and Welfare, Marion B. Folsom, announced today.

The conference, which will be held in Washington, D. C., is tentatively scheduled for the week of November 15, 1958, and is being called by recommendation of Dr. Leroy E. Burney, Surgeon General of the Public Health Service, Mr. Folsom said.

The purpose of the conference will be to bring together leading authorities to consider the many legal, medical, industrial problems involved and to pool the experience already obtained by such cities as Los Angeles, Pittsburgh, St. Louis, and others in combating air pollution.

Legislation enacted in 1955 authorized the Surgeon General of the Public Health Service to carry out a 5-year program of research and technical assistance to the States on the growing air pollution problem.

The Surgeon General, who will preside over the conference, said that it had been under consideration by the Service for some time and would provide a valuable opportunity for assessment of progress in mid-point of the 5-year program.

OUTER SPACE DEVELOPMENT THROUGH PEACEFUL APPLICATION OF ATOMIC ENERGY

Mr. ANDERSON. Mr. President, I have introduced today a bill—S. 3117—to amend the Atomic Energy Act of 1954, as amended, to provide for outer space development through the peaceful application of atomic energy, and for other purposes.

Mr. President, I ask unanimous consent that the text of the bill may be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. ANDERSON. Mr. President, the bill I have introduced is not to be regarded as the final form of a bill which the Congress should consider in this field. It has been introduced after consultation with the leadership, but that does not imply that the leadership, the Senator from New Mexico, or any other Member of the Congress is committed to the exact language of any portion of the bill. If hearings are to be held either by the Joint Committee on Atomic Energy or any other committee, there must be some bill on which to hold hearings. The bill has been introduced today for the purpose of developing the desired text. It is in compliance, I believe, with the prior announcements of the President, the statements of the Secretary of State, and the very fine address by the able majority leader [Mr. JOHNSON of Texas].

A very interesting article was published in the Christian Science Monitor of January 18, 1958. The article, which is entitled "The Assault on Outer Space," was written by William H. Stringer, chief of the Washington bureau of the Christian Science Monitor. Two paragraphs of that article, I think, are particularly interesting now. I read them:

Meanwhile, Senator LYNDON JOHNSON, Democrat, of Texas, in a move typical of his wide-ranging senatorial leadership, has taken a slightly different tack, and urged the administration to invite all members of the United Nations to join in the active conquest of space as an outpost of peace.

While Secretary Dulles has emphasized primarily supervision of outer-space usage, so as to maintain its peaceful character, Senator JOHNSON has urged that the conquest of space be made an actual joint venture of mankind, with joint research and development. This is probably a possibility implicit in the Dulles proposal, but the Texas Senator has stated it affirmatively.

I like this article by Mr. Stringer. He has caught the real essence, I think, of the proposal made by the majority leader, that this problem be stated affirmatively to the American people.

Mr. President, I ask unanimous consent to have the article by Mr. Stringer printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 2.)

Mr. ANDERSON. Yesterday an article entitled "The Challenge of Outer Space," written by Dorothy Thompson, was published in the Washington Evening Star. She says, among other things:

Senator LYNDON JOHNSON'S proposal seems to me far more imaginative, because it is affirmative. He has urged the administration to invite all members of the United Nations to come together in a joint enterprise for the active conquest of space as an outpost of peace.

I like the continued emphasis upon an affirmative approach. Yesterday hearings continued before the Joint Committee on Atomic Energy for perhaps six hours. We heard witness after witness outline the possibilities of interplanetary travel—trips to the moon, and trips to various planets, all involving enormous development, and all involving the peaceful conquest of outer space and the possibility of using it as an adjunct for peace.

Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks the excellent article by Dorothy Thompson entitled "The Challenge of Outer Space."

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

(See exhibit 3.)

Mr. ANDERSON. I wish to refer to another bill. I regret the junior Senator from Minnesota [Mr. HUMPHREY] is not present in the Chamber. However, I feel certain that he would not object to the remarks which I am about to make.

In a story which appeared recently in the press with respect to proposed legislation which was about to be introduced by the able Senator from Arkansas [Mr. MCCLELLAN] and by the junior Senator from Minnesota [Mr. HUMPHREY], there was a statement to the effect that they intended to introduce a bill calling for a widespread reshuffle of the Government's civilian scientific agencies, and that they proposed to establish a Department of Science with a Secretary of Cabinet rank.

The news story stated:

Further, it would junk the Joint Congressional Committee on Atomic Energy in favor of new House and Senate standing committees on science and technology.

I have known the able Senator from Minnesota for a long time. He and I have discussed reactors, particularly the reactors to be built by the rural cooperatives in his State of Minnesota. I know that he felt that the Joint Committee on Atomic Energy had tried hard to be of great benefit to the people of his State. Therefore, I consulted him and asked him if his bill did, in fact, propose to junk the Joint Committee on Atomic Energy.

I was happy to have him assure me that the bill meant exactly what it said, and that while the committee would be carried forward under a new name, the provision in the bill was that the members of the existing committee would be members of the new committee. He stated that he was merely proposing to continue the Joint Committee on a different basis.

I stress this point because I am happy to say that I think these proposals to move forward in the conquest of outer space should appeal to all Members of Congress, and that they should approach the problem with a recognition of the things which have been done and the things which should be done if we are to utilize outer space to the greatest possible advantage.

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

Mr. ANDERSON. I yield.

Mr. KUCHEL. I should like to have the RECORD show that here is one more Republican who salutes the distinguished junior Senator from New Mexico, particularly for the effective fashion in which he has cared for the public interest in connection with his chairmanship and his other work on the Joint Committee on Atomic Energy.

Mr. ANDERSON. I thank the Senator from California very much for that statement.

One of the things which I think we need to do is to inform ourselves on what the Russians are saying about outer space. Perhaps we have not always done

all we could to keep up with translations of statements by Russian scientists.

A Russian named A. A. Blagonravov, a member of the Academy of Sciences and a lieutenant general of artillery, who was in Washington at the time of the launching of sputnik, has written an article which was published in Soviet Aviation for December 29, 1957. This article is, I think, typical of most Russian articles. It is very flattering to Russian scientists—perhaps not unduly so in some respects, but pretty lavish in certain others.

Among other things the article has this to say:

> Soviet science is making new conquests one after another. The first-in-the-world atomic powerplant was followed by the largest synchrophasotron—

Probably the statement of the Russian scientist is correct. He continues:

> "Tu–104" plane was followed by new passenger airliners: "AN–10," "11–18," and "Tu–114"; intercontinental ballistic missile was followed by artificial earth satellites which opened a new era in the history of mankind—the era of conquests of interplanetary space.

These are the Russian programs. The Russians are interested in the conquest of interplanetary space, and if we do not wish to have another upset such as we had when the sputniks first went into the air, when people were a little disturbed and alarmed, we must get our particular activity going in the field.

The Russian scientist then asks:

> What can be said in regard to the future of Soviet science?

While I do not intend continually to give publicity to all the fine things he says about Russian scientists, I invite attention to the following paragraph:

> Finally, the future of Soviet science is closely connected with the conquest of Cosmos. Soon will appear new artificial earth satellites, and then the first rockets (unmanned at the beginning) will blast away to the moon and other planets. As predicted by Tsiolkovskiy, Soviet man will become a "citizen of the universe." New, even more enticing scientific problems are looming ahead.

The conquest of the moon is a most interesting project for us, and certainly for the Russians. The other day I noticed a statement as to how easy it would be to put a rocket on the moon. I had made the statement that it would not be easy to put a manned space vehicle on the moon and have it return. I hope we will shall not become confused by statements concerning two separate undertakings.

I believe it may eventually be possible to reach the moon with a chemically fired rocket, but I do not believe it will be possible—at least with our present knowledge—to reach the moon with a manned space vehicle and return it to earth using anything other than nuclear power. That is why I am extremely concerned that nuclear power be utilized in a peaceful manner for these purposes.

I do not intend to place in the RECORD all the statements made by Secretary of State Dulles at his press conference on Friday, January 17. I only say that many of the things which he stressed can be most easily developed in the fashion I have suggested in the bill which I have introduced today.

He compared the launching of space rockets with development of the atomic bomb. He stressed that we are in an era of great new developments. He said that in this era, great new developments could perhaps go uncontrolled for 10 years, but that, as in the case of atom bombs, there must come a time when they will have to be brought under control. I quote the Secretary of State:

> There would, I suppose, need to be some kind of an international commission, presumably and preferably under the auspices of the United States, which would have the task, perhaps comparable to the task of the International Atomic Energy Agency, which has a task of assuring that the nuclear material that it disposes of, at least, shall be used only for peaceful purposes.

I have tried to put most of the text of the press conference of the Secretary of State in the RECORD, because he does deal with the extreme importance of seeing to it that we move forward.

I have tried to consider this subject and to weigh it and decide in my own mind whether the military should continue to have the greatest control in the development of missiles for outer space, whether the Atomic Energy Commission might preferably take it over, or whether it should be under the control of a wholly independent and separate agency.

As I said in the beginning, it may be decided by some Members of the Senate that the matter should be left in the hands of the military, while other Members of the Senate will feel that it should be left with a wholly independent agency.

For the present I have come to the conclusion that the first suggestion, at least, should be that we proceed with our existing laboratories and the personnel of the Atomic Energy Commission, with its existing facilities for contracting, so that this work may go forward rapidly. In that fashion I believe we can save perhaps several years, and I think it is very important that we save as much time as we can.

Therefore, Mr. President, although the bill was introduced after consultation with the leadership, it does not bind anyone to any particular course.

In the hearings by the Joint Committee on Atomic Energy within the past few days, much has been said about weather control. Prior to his untimely death, Dr. John von Neumann, a member of the Atomic Energy Commission, and probably the world's greatest mathematician at the time of his death, referred many times to an article he had written which had been published in Fortune magazine, predicting the possibility of weather control.

The development of an earth satellite, particularly the development of a satellite large enough to carry a television camera into outer space to scan the surface of the earth, would make it possible, in terms of weather prediction, for a whole section of the earth to know in advance whether there would be floods or a drought.

Therefore, in satellites orbiting around the earth, we have a possible step toward weather control, about which people have joked for many years, and which now may be brought about.

The presence of Soviet satellites in orbit suggests the early advent of space vehicles—manned or unmanned craft capable of propulsion over large distances in outer space. The inevitability of such vehicles is becoming quite evident and we must assume that such achievement occurred to the Soviets some time ago. The presence of an animal in one satellite gives rise to such assumption. From the standpoint of military advantage and national prestige it seems imperative that we start a research and development program to attain space vehicle capability by at least the middle 1960's. This is an arbitrary date and national interests could well dictate speedier completion if Soviet intentions were known.

It is hardly arguable that we have the scientific and technical capacity for such a task and still meet other programing. The central point seems to be the policy direction of a program and under what jurisdiction it could be accomplished.

The President, as principal foreign-policy spokesman for the Nation has set the policy direction in his letter to Premier Bulganin of January 13. He proposed that outer space be used only for peaceful purposes and denied to the purposes of war. It follows then that it would be contradictory of purpose to have the space vehicle developed by a military agency because the most sincere intentions could be clouded by the genesis of the research.

Our able majority leader, the senior Senator from Texas [Mr. JOHNSON], has also called for United States control of space and its ultimate dedication to peace through a United Nations agency.

The concept of civilian control of energy and forces, military in origin but of great national and international importance, was debated and secured with the passage of the first Atomic Energy Act. This national decision in 1946 has been of great value to the Nation not only in accomplishment, such as the huge weapons stockpile, the hydrogen bomb, the *Nautilus*, and a large civilian power reactor, but in practice it provided the proper basis from which an atoms-for-peace program could be launched. The needs for civilian control of the atomic energy and for outer space are alike in terms of the search for peace. Furthermore, the prospect of better accomplishment in civilian hands is inviting.

The current Congressional hearings on military preparedness have shown repeatedly the inherent difficulties within the Department of Defense on major research and development projects, particularly in the missile program.

Assuming then that policy and promised accomplishment dictate the assignment of the space vehicle project to a civilian agency, the choice would be between a new or an existing agency.

The advantages of a new agency could be in the desirability of fresh approach and new administration to cope with a unique problem. A new agency lives in a fresh political climate free from the disputes of other years, and it could prosper in this climate. In addition, the

policy for space for peace would be fostered by removal from any association with the military or with weapons research present in some existing agencies.

The disadvantages may be these: Time, which may be of the essence, would be lost in staffing and in building facilities. Short of an expensive crash effort, up to 2 years could be lost, assuming the need for new laboratory facilities. There would be competition for scientists and engineers and while this shortage is not severe today there is no abundance of top people. The scientific explorations could cross the lines of authority of existing agencies and without the strongest of administration this could prevent the free flow of information, particularly if there was a conflict of information categories under security laws. In this, it is enough to say that in interagency matters priority is of little meaning.

One problem today is that we have so many executive agency committees and other groups in scientific and technical affairs and the creation of a new agency would seem to lead to additional confusion and possibly rivalry.

The alternative is placing jurisdiction in an existing civilian agency. There may be several from which to choose but the Atomic Energy Commission appears to be the most logical choice. The AEC nuclear rocket project—Project Rover—provides a basis for further efforts at large scale nuclear propulsion. There is ample scientific evidence that nuclear propulsion offers the best hope for propulsion of a space vehicle with its powerful and long-lived fuels and tremendous power potential. But even without this, an assignment to the Commission is tempting because it is a going agency and has the best laboratory complex in the Nation, perhaps in the world. These laboratories, range from the reactor and weapons centers to the medical facilities at Brookhaven, N. Y. The service functions of the Commission could service an additional project without much additional expense, and savings would result from this choice as compared to using a new agency.

There may be a disadvantage in the presently controversial aspects of the Atomic Energy Commission's role in power reactor development and in other things. On balance, though, the one compelling argument for assignment to the AEC could be the existence of the very excellent AEC laboratories. At locations such as Los Alamos and Livermore many hundreds of the Nation's best scientists have made outstanding contributions and have a stake in the surrounding communities. Their accomplishment merits assignment of tasks which could assure the future of their laboratory.

For the most part the laboratory facilities would require little modification in the early stages and perhaps this would be true later. Many of the types of personnel and facilities required for advanced types of propulsion, such as ion propulsion, are already in abundance at AEC laboratory installations. Physicists and mathematicians have the computer facilities and other tools which are equally adaptable to atomic as to space projects. Accelerator, electronic, and reactor facilities are also a normal part of such laboratories.

While there is controversy over the best method of attainment, the overall developmental record of the AEC is good and for the most part we have surpassed the Soviet, up till the present, with atomic development.

The record of the AEC includes the building of the H-bomb, developments for a nuclear Navy, a diversified family of weapons, as well as important peacetime accomplishments of developing a broad and diversified small-scale power technology.

If it might be said that the AEC has no direct experience in space matters except for the Rover and related projects such information could be obtained from an advisory body.

The Joint Committee on Atomic Energy would be the watchdog committee of the Congress over such an enterprise were it assigned to the AEC and here the experience of its committee members would be of great value. The committee has been intimately acquainted with broad scientific projects over the years in its studies of atomic research, development, and production. It made an outstanding contribution to the hydrogen bomb decision.

I might say at this point that we have constantly stressed the fact that, although a scientific advisory committee recommended to President Truman that he should not go ahead with the development of the hydrogen bomb, and although the Atomic Energy Commission voted not to go ahead with the hydrogen bomb, the Joint Committee on Atomic Energy battled on behalf of the H-bomb until President Truman decided to work on it against the advice of the scientists. Even then we achieved it only a few months ahead of the Russians. I can speak freely, because at the time this fine accomplishment took place I was not a member of the Joint Committee on Atomic Energy.

The joint committee also pushed for the building of the *Nautilus*. It has made a careful study of radioactive fallout and a host of other things, and I hope it will be equally effective in pushing for an outer space program.

It is for these reasons, Mr. President, that I have introduced the bill and have suggested that the Atomic Energy Committee should handle the operations under the proposed legislation.

EXHIBIT 1

Be it enacted, etc., That this act may be cited as "the Outer Space Development Amendment of 1958."

SEC. 2. The Atomic Energy Act of 1954, as amended, is amended by redesignating chapter 19 as chapter 20, and inserting a new chapter 19, reading as follows:

"CHAPTER 19. OUTER SPACE DEVELOPMENT

"SEC. 241. Purpose and policy: It is declared to be the purpose and policy of the United States—

"(a) To achieve the development and control of outer space for peaceful purposes by the United States and all friendly nations working cooperatively to promote scientific progress and the security and welfare of all nations and peoples of the earth.

"(b) To accelerate the civilian development of outer space propulsion, including appropriate energy-producing reactors and engines, vehicles and platforms, and all other related components and activities.

"SEC. 242. Program:

(a) The Atomic Energy Commission is authorized and directed to exercise its powers in such a manner as to accelerate research and development on outer space propulsion, including appropriate energy-producing reactors and engines, space vehicles and platforms, and all other related components and activities.

"(b) There is hereby established within the Commission a Division of Outer Space Development which shall administer the Commission's activities under this act. The Division shall be under the direction of an Assistant General Manager who shall be appointed by the Commission upon the recommendation of the General Manager.

"(c) The Commission, to the fullest extent practicable, shall utilize existing atomic energy laboratory installations, and other Government installations, personnel, and services, provided that the Commission shall retain full authority for the planning, direction, and overall budget control for such programs and projects.

"SEC. 243. Outer Space Advisory Committee: There is hereby established an Outer Space Advisory Committee (hereafter referred to as the Committee) which shall be composed of seven members appointed from civilian life by the President with the advice and consent of the Senate. The Committee shall be responsible for reviewing and advising the Commission, the President and other Government agencies, the Congress and the public as to the adequacy of proposed programs and the status and results of projects undertaken to carry out the purposes of this act.

"SEC. 244. International Laboratory for Outer Space Propulsion: The Commission, with the general policy guidance of the State Department, is authorized and directed to undertake to negotiate and execute an agreement with cooperating nations for the establishment of and participation in an International Laboratory for Outer Space Propulsion.

"SEC. 245. National Laboratory for Outer Space Propulsion: In order to carry out the purposes and policy of this act, and consistent with the provisions of section 242 (c) and 244, the Commission is authorized to establish a National Laboratory to serve as a domestic center for research and development on outer space propulsion and related activities."

SEC. 3. Section 202 of the Atomic Energy Act of 1954, as amended, is amended in the following particulars, as follows:

(a) At the end of the first, fourth, and fifth sentences add the following: "and outer space propulsion."

(b) In the sixth sentence following the words "atomic energy" add the following: "or outer space propulsion."

SEC. 4. The sum of $50 million is authorized to be appropriated or otherwise made available to finance initial operations and construction to carry out the provisions of this amendment.

EXHIBIT 2

[From the Christian Science Monitor of January 18, 1958]

THE ASSAULT ON OUTER SPACE

(By William H. Stringer)

WASHINGTON.—A reporter who lived through the postwar days of the launching of the Lilienthal-Acheson-Baruch proposals for international control of atomic energy is inclined to wonder these weeks if a similar great endeavor is not again developing.

This time, imagination is suddenly stirred by proposals for internationalizing the use of outer space rather than the use of atomic energy. And they envisage just as mammoth and precedent-breaking an assault on new horizons as did the Baruch plan.

And again, as in 1946–47, the outcome may depend on the Soviet Union and the mood of the leaders in the Kremlin. The Baruch plan failed.

The American proposal is taking shape under several hands. President Eisenhower, in his letter to Soviet Premier Bulganin, proposed joint negotiations to assure that outer space should be used only for peaceful purposes. Secretary of State Dulles, in his National Press Club speech, suggested that an international commission be set up, presumably under United Nations auspices, to supervise all outer-space exploration and make certain that it be devoted to the interests of science and humanity rather than military purposes.

Meanwhile, Senator LYNDON JOHNSON, Democrat, of Texas, in a move typical of his wide-ranging senatorial leadership, has taken a slightly different tack and urged the administration to invite all members of the United Nations to join in the active conquest of space as an outpost of peace.

While Secretary Dulles has emphasized primarily supervision of outer space usage, so as to maintain its peaceful character, Senator JOHNSON has urged that the conquest of space be made an actual joint venture of mankind, with joint research and development. This is probably a possibility implicit in the Dulles proposal, but the Texas Senator has stated it affirmatively.

Under this concept various nations undoubtedly would pursue their own space projects. But a U. N. organization would coordinate the careful research and breathtaking adventures.

Surely the United States, in these developing ideas, has got hold of something which should grip the world's attention. Secretary Dulles says mankind is facing an opportunity which is almost staggering in its possible implications. Senator JOHNSON comments on the opportunity of adding a new dimension to freedom—and with it the very real prospect of reaching our goal of total peace.

The great question, of course, is whether these bold ideas will end in failure, as did the attempt to control the A-bomb in its infancy. Failure is not inevitable. The very subject matter carries a more hopeful connotation.

The first use of atomic energy was for war, at Hiroshima; the first thrust into outer space was a peaceful mission, via Sputnik I. Thought readily conceives of space conquest as satisfying mankind's vast desire to know rather than as a mere sideshow to developing gigantic missiles. Moreover, mankind has learned through hydrogen-bomb tests how horrendous war would be with the weapons of tomorrow, and is more ready to turn from them.

Any agreement that outer space be penetrated only for peaceful purposes would of course rule out the big missiles, the ICBM's and IRBM's, which fly beyond the atmosphere in their trajectories. Supervision—inspection—should not be an insuperable problem. Today's easily detected cumbersome missiles may soon develop into the easily concealed Polaris type, with its stable solid-fuel propellant. But long-range radar, strategically placed, should be able to spot any rocket firings not vetted and approved by the proposed U. N. agency.

The subject isn't likely to lie dormant from here on. President Eisenhower's letter proposed to Moscow that a technical committee might even now commence discussions on the feasibility of controls.

How will Moscow respond? The first Soviet reactions reportedly are negative. A Soviet official commented to this correspondent that since space conquest is in its earliest childhood, there is no need yet to discuss joint efforts or controls. The Soviets believe themselves to be well ahead in the missile race. They may also believe that mankind's future belongs to communism—so why stoop to compromise?

Yet the Kremlin has recently displayed a healthy respect for the perils of hydrogen warfare. And these perils would be multiplied in an uncontrolled rivalry for outer space and new missiles. Moscow has not by any means delivered its considered or final judgment.

As for Washington's responsibility, the challenge is whether the administration and Congress have the wisdom and resourcefulness to make the space plan more than merely a Dulles démarche—to press the project in the forums of the world, and to allocate the billion dollars a year adjudged necessary for vigorous research and progress toward the conquest of this new frontier.

EXHIBIT 3

[From the Washington Evening Star of January 22, 1958]

THE CHALLENGE OF OUTER SPACE: JOINT CONQUEST, NOT EAST-WEST CONTROL, HELD BEST HOPE OF GAINING COOPERATION

(By Dorothy Thompson)

In two previous columns I have tried, rather feebly I fear, to suggest two conditions likely to determine whether a civilization will flourish or wane, giving place to another; that to flourish it must release continuing dynamism, demanding perpetual research in pure science, plus ever higher integration of effort.

The great problem of politics is to discern what is implict in the times, in order "to check what wants checking and supply what wants supplying." The words are Walt Whitman's. He attributed this function to the poet, and not incorrectly, for discernment requires imagination. A great civilization must display imagination, literally the power of projection.

In putting into orbit man's first earth satellite, the Russians displayed enormous imagination, as well as technical mastery.

Sputnik appeared as a Russian contribution to the International Geophysical Year, during which the scientists of 67 nations are intensively exploring earth, sea, and sky to add to mankind's knowledge.

The little earth satellites did not make their appearance in menacing guises, as instruments of war. The fission of uranium and release of the atom's power was an equally great scientific and technical masterpiece, but it was achieved during total war; its first use was for destruction, and from Hiroshima to this moment the very words "atomic" and "thermonuclear" evoke less hope than despair.

The Western—and especially American—reaction to the space satellites was not to greet the achievement in the frame of its contribution to geophysical explorations, but immediately to associate it with a lead in the most terrifying (and ingenious) of weapons: the intercontinental missile. The picture immediately projected in our minds was of great regions of the world being destroyed without warning at the push of a few buttons. So again the grandeur of the achievement was eclipsed by fear, and an intensification of efforts to create bigger and better war instruments.

Yet the implications of these instruments are clear to all. Their purpose is not to add to mankind's knowledge of earth, sea and sky—though, in the course of creating them, knowledge will accumulate. But the end purpose of that knowledge is destruction, of incalculable capacity and results.

The long-range, intercontinental missile would pass through outer space. So now the proposal has come from the President and Secretary Dulles that outer space be internationally controlled, under a convention that it will not be used for war purposes. But the difficulties of control are admitted, and meanwhile there is no letup in plans to create missiles which "successful" control would entirely eliminate.

The proposals appear to have been made rather hastily; the press is speculating that they are partly for propaganda value, and the likelihood of the Russians joining in is discounted.

Senator LYNDON JOHNSON's proposal seems to me far more imaginative, because it is affirmative. He has urged the administration to invite all members of the United Nations to come together in a joint enterprise for the active conquest of space as an outpost of peace.

This is humanly discerning. Time and again all of us have observed how fear and hostility fade when opponents engage on some common enterprise of lofty and adventurous quality. The President realized this when he suggested a joint international campaign against malaria. But the cynical ask why anyone should be concerned about malaria if he's likely to be blown into kingdom come. The issue is too serious for such timid beginnings.

The Russians—and especially their scientists, who have great influence in the U. S. S. R.—are more likely, I think, to welcome Senator JOHNSON's suggestion for active, constructive, scientific cooperation in the common passion for knowledge and discovery, than the negative proposal for controlling the essentially incontrollable.

Perhaps the first men to reach the moon will be a Russian and an American together. On that day the cold war would, we think, be ended in mutual respect and a worldwide burst of joy.

STATEMENT BY SECRETARY OF AGRICULTURE EZRA TAFT BENSON BEFORE SENATE COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the statement made by Secretary of Agriculture Ezra Taft Benson before the Senate Committee on Agriculture and Forestry on January 7 be printed at this point in the RECORD.

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

STATEMENT OF SECRETARY OF AGRICULTURE EZRA TAFT BENSON BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND FORESTRY, JANUARY 17, 1958

Mr. Chairman and members of the committee, a year ago, in testifying before your committee, I reported that "This is the first time in many years that a Secretary of Agriculture has been able to come before your committee and report such favorable development."

I am happy to be able to report to you now that in 1957 we again have had a number of favorable developments in agriculture including these:

Prices received by farmers have been running 3 percent above a year ago.

Realized net income for the second year in succession was above 1955 levels.

CCC's investment in farm products owned and under loan is expected to drop to about $6.8 billion on June 30, 1958. This will bring the total reduction since the holdings of June 30, 1956, to about $1.5 billion. While the size of reduction is significant, it tells only part of what we have done, because in this same period the steady acquisition of new surplus stocks under price support served to keep CCC inventories at high levels.

Movement of surplus agricultural commodities from CCC stocks into consumption reached an all-time high in the 1957 fiscal year. In that year, we moved out of CCC inventories commodities with a total cost value of $4.2 billion.

Exports of agricultural commodities in fiscal 1957 reached an all-time record high level of $4.7 billion with new records being achieved by major crops.

These improvements are gratifying to us in the Department. However, they still do

not represent all the changes we feel necessary so that farmers of the Nation can participate fairly in our dynamic and prosperous economy. Our primary effort, and to this task I am wholeheartedly devoted, must be to improve farm income. That is why I am appearing before your committee today to recommend certain further legislative changes which we feel are desirable if constructive use is to be made of the abundance of American agriculture and if farm incomes are to be increased.

THE PRICE SUPPORT PROGRAM

If we are to be of any real help to farmers, however, we must face up to certain unpleasant facts. One of these is the fact that our price-support program, which was written to cope with a depression, changed to help fight a war, and relatedly revised again somewhat in an effort to meet the needs of peace, has not solved the farm problem. And it has been an expensive effort.

Realized losses under program primarily for the support of farm prices and incomes was $3.25 billion in the 1957 fiscal year, far above the $1.9 billion cost in 1956. These amounts, of course, did not go entirely to farmers. Substantial amounts have had to be charged for storage, transportation, interest, and administration. Part of these costs represent economic, military, and other activities abroad. Some of these activities might have been undertaken entirely apart from our surplus-disposal operations.

Over 80 percent of the price support and stabilization costs in 1957 period was concentrated in three crops (wheat, cotton, and corn) and butter and manufactured dairy products. About one-half was incurred in two crops—wheat and cotton.

These heavy costs would be justified if they led to a solution of the agricultural problem. However, they have not. Price supports at the levels now required by law have continued to generate surpluses which must be disposed of at a heavy loss and which continue to depress farm prices and incomes. This is one of the reasons why we are requesting further changes in legislation.

We must modify our price support program so it can deal effectively with the technological revolution in agriculture to which our farmers are trying to adjust. Specific recommendations will be included in the farm food and fiber program which I shall outline in this testimony.

COST-PRICE SQUEEZE

Another of the hard facts which farmers are facing today and which we must face if we are to help them is the fact that despite improvement in farm prices and farm income, the cost-price squeeze still is a major problem in agriculture.

We are making strong efforts to cut down farm surpluses which have accumulated as a result of the rigid price support programs required by law. We are emphasizing the search for new and expanded markets for farm products. We are taking strong measures to balance production against effective demand. But that robber of net farm income—rising costs—has not been conquered. Nor can farmers or Government alone do it.

It is not for me to say what labor or industry should do at this juncture, but as a spokesman for agriculture in the Federal Government, I will say that I am deeply disturbed by any action which adds one penny to the production costs of farmers at this time.

Increases in wages and profits are justified to the extent that they represent compensation for increased productivity or efficiency. Certainly the benefits of greater efficiency and productivity should be shared by all. These are fundamental concepts which if violated must result in higher costs and prices. These factors are especially important today.

All of us must join in the battle against rising costs. There are many weapons which can be used to fight these rising costs. Some of these are the maintenance of a sound responsible monetary policy, sound farmer-owned and farmer-controlled cooperatives, and improved efficiency, particularly in marketing and distribution. We will never attain satisfactory farm prosperity, however, by increasing gross income if rising costs are allowed to siphon off all gains.

SURPLUS DISPOSAL OPERATIONS

We must face also the realization that we are still holding price-depressing stocks of farm goods in disturbing quantities despite outstanding successes in disposing of surpluses.

In testifying before your committee last year, I went into considerable detail in indicating the results of our disposal operations. I should now like to bring those figures up to date.

During the 15-month period ending September 30, 1957, the latest period for which information is available, surplus commodities with a cost value of $5.3 billion were moved out of CCC inventory. These brought total disposals since 1953 up to $11.6 billion. Since 1953 the rate of disposal of agricultural products has increased each year.

Four commodities or commodity groups accounted for nearly 80 percent of the total distribution of CCC surplus farm products during the 15-mouth period. These commodities were cotton, $2 billion; wheat, $1 billion; corn, $600 million; and dairy products, $400 million.

While much attention has been focused on sales for foreign currencies under Public Law 480, it still is not generally realized that most of our commodities have been moved by sales for dollars. Since July 1, 1953, 60 percent of our disposals have been for dollars, 12 percent by donations, 12 percent by barter, 11 percent by sales for foreign currencies, and 5 percent by other transfers and section 32 transactions.

More about our Public Law 480 sales efforts and our donation programs will be said later. Even as we point with pardonable pride to these accomplishments, however, we must, with equal candor, admit that as of December 31, 1957, we still had on hand surplus stocks with inventory value of $4.8 billion, and more will be acquired during 1958.

Obviously, there is still more to be done—both in the field of the removing of surpluses and in preventing their further accumulation.

A PROGRESS PROGRAM FOR AGRICULTURE

These are some of the unpleasant facts our farmers are facing today. And if we are to help them in making necessary adjustments we must face these facts, too.

We must consider the dynamics of today's agriculture—the accelerating sweep of technological change is mounting to sunburst proportions. Farm production per man-hour has doubled in the last 15 years. There has been more change in agriculture within the lifetime of men now living than in the previous 2,000 years.

Changes of such magnitude place great stress on our farm people and on the social, political, and economic institutions which serve them. Far-reaching adjustments are being made which involve the lives and hopes of 20 million men, women, and children on the family farms of America. We must see that our farm families are helped rather than hurt by these inevitable changes.

The scientific revolution in agriculture is cumulative and irreversible. It need not be feared. In recognition of this basic fact, we must:

Utilize more completely the abundance our farm people are now able to produce;

Find ways of further expanding outlets for the increased production;

Provide adequate price protection for our farm people;

Preserve and strengthen our free institutions.

These changes have affected individual farmers differently. Those on the 2.1 million commercial farms which produce nearly 91 percent of our total farm dollar output have problems far different from those who live on the 2.7 million farms which produce only about 9 percent.

(Appendix A shows a further breakdown of farm output comparisons.)

Sound agricultural legislation must consider the problems of farmers in both of these categories.

President Eisenhower in his budget message and in his agriculture message has outlined a proposed farm food and fiber program. I shall review the major parts of this progressive farm program and discuss them with this committee in the hope that they may be enacted into law this year. Some of the components are budget matters; others are proposals for essential forward-looking legislation.

I believe that action taken along the line of these recommendations will aid agricultural adjustment, provide more freedom for our farmers, and raise the levels of income.

Briefly stated, the proposed farm food and fiber program includes 15 important recommendations. They are:

1. The conservation reserve program of the soil bank should be strengthened, and the acreage reserve program terminated after the 1958 crop.

2. Authority to increase acreage allotments for cotton, wheat, rice, peanuts, and tobacco should be provided.

3. Acreage allotments for corn should be eliminated.

4. The escalator clauses in the basic law should be abolished.

5. The overall range within which price supports may be provided should be substantially widened by authorizing supports at a range of 60 to 90 percent of parity.

6. Price supports for cotton should be based on the average quality of the crop.

7. The membership of the Commodity Credit Corporation Advisory Board should be enlarged and the Board's responsibilities increased.

8. The Agricultural Trade Development and Assistance Act should be extended.

9. Research efforts aimed at increasing industrial uses of farm products should be expanded.

10. The National Wool Act should be extended.

11. The special milk program for schools and other institutions should be continued.

12. The sources of funds for the Rural Electrification Administration should be broadened.

13. State participation in programs to relieve the effects of drought or other natural disaster should be required.

14. Conservation accomplishment should be improved by restricting cost-sharing to those practices which achieve longer lasting conservation benefits and do not so materially contribute to increase production.

15. An increased emphasis should be placed on our rural-development program.

Let us now consider these components of the proposed farm food and fiber program separately.

1. The conservation reserve program of the soil bank should be strengthened, and the acreage reserve program terminated after the 1958 crop.

The conservation reserve has shown promise in retiring marginal acres from crop production, in aiding the cause of conservation, and in retiring whole farms from production when the operators choose to do so.

Accomplishment of the acreage reserve in production was hampered in 1956 by late enactment and by the inclusion of measures intended more for relief than for

adjustment. The 1957 program succeeded in reducing wheat production by about 175 million bushels, cotton by about 2 million bales, and corn by about 225 million bushels.

However, in 1958 the acreage-reserve program will be reduced in effectiveness by the legislatively imposed $3,000 limitation on the extent of participation.

In addition, the legislative changes herewith recommended for 1959 provide for elimination of corn-acreage allotments and authorization of increasing allotments for other basic crops under certain specified criteria. We should not provide for an acreage-reserve program on the one hand and an expanded acreage allotment on the other.

We should, therefore, shift emphasis within the soil bank from the short-time approach of the acreage reserve, aimed at reducing surpluses of the basic crops, to the long-term approach of the conservation reserve, aimed at overall production adjustment.

A conservation-reserve program of $450 million is recommended for the 1959 calendar year.

This recommended shift in emphasis would aid the small farmer, who would be able to retire his entire farm from production if he wished. It would also aid the large farmer, who would benefit pricewise from the production adjustments which would ensue.

An expanded conservation reserve can be an effective instrument of adjustment if it is accompanied by needed changes in price supports. It should not become merely a means of offsetting the production stimulus supplied by price supports held continually at incentive levels.

2. Authority to increase acreage allotments for cotton, wheat, rice, peanuts, and tobacco, should be provided.

Under present legislation, acreage allotments and price supports for the basic crops are determined by statistical formulas. Under these formulas, the permitted acreages are sharply restrictive. Allotments for certain crops may have to be reduced even further under present law, despite growing evidence that acreage restrictions have not brought about needed adjustments.

Authority should be provided for the Secretary of Agriculture to increase acreage allotments by up to 50 percent above the levels determined by existing formulas, in accordance with the criteria set forth in appendix B.

The law already specifies that the Secretary may provide price support at levels above those determined by formula, and this authority has been used. Authority of this type in the case of tobacco is being utilized. The law should also provide authority to increase acreage allotments when the mechanistic statistical formula yields results clearly contrary to the general interest.

However, any acreage increases must be related to price adjustments designed to permit the growth of markets needed to absorb the higher production.

3. Acreage allotments for corn should be eliminated.

It is proposed that acreage allotments beginning with the 1959 crop be eliminated. Acreage allotments have not been effective in reducing corn acreage and production. As a result, the carryover of corn as of October 1, 1957, is at a record high in excess of 1⅓ billion bushels.

During the last 20 years the commercial corn area spread from 566 counties in 12 States to 932 counties in 26 States. The legal requirements have forced a steady expansion in the extent of controls to which farmers are being subjected.

Farmers have voted to eliminate corn acreage allotments both with their corn planters and in the referendum held in December 1956. In this referendum over 61 percent of the corn farmers voting indicated their preference for a program of the type recommended in the attached bill. Only 14 percent of the 1957 production in the commercial corn area was eligible for price support because relatively few farmers complied with allotments.

Removing corn allotments will be a forward step in the direction of more freedom for farmers. Price supports would be provided at a level between 60 and 90 percent of parity for corn using the eight guidelines now provided in the Agricultural Act of 1949 for the nonmandatory nonbasic commodities.

4. The escalator clauses in the basic law should be abolished.

This is essential. This law requires that price supports be raised as the surplus is reduced. This means that incentives are provided to build new surpluses as soon as present surpluses start to decrease. This keeps farm people continually under the shadow of price-depressing surpluses.

Since our surplus-disposal and soil-bank programs have been effective in reducing surpluses, these escalator requirements are already operating to build more surpluses. Elimination of these escalator clauses is necessary if these programs are to achieve their purpose.

5. The overall range within which price supports may be provided should be substantially widened.

Presently, price supports must be provided for most types of tobacco at 90 percent of parity and for cotton, wheat, corn, rice, peanuts, and dairy products between 75 and 90 percent of parity. This range is too narrow to permit the expansion of markets needed to absorb the increased production which our farms will likely produce.

Rather than determining price supports for the basic commodities by formula between 75 and 90 percent of parity, price supports should be determined administratively in a wider range—from 60 to 90 percent of parity. This range should also apply to dairy products.

The criterion for determining the specific support level for dairy products could well continue as at present; namely, a level which will assure an adequate supply. The criteria for determining the specific support levels for the six basic crops should be the same as now apply to almost all other farm products, some 250 in total. (See appendix C.)

As background for this discussion, a review of some of the history of price supports is included in appendix D.

6. Price supports for cotton should be based on the average quality of the crop.

The price support for cotton should be based on average grade and staple the same as for all other crops. This would be an additional step in placing cotton in a better competitive relationship with foreign cotton and synthetic fibers. It would also eliminate the differences in handling supports for cotton as compared with other crops. The net effect of this provision on support levels is an oversupport of 1.1 cents per pound.

The present law requires Middling ⅞-inch to be used as the standard grade for determining parity and price supports. Only about 5 percent of the crop, however, is now of this specification or lower. Obviously, Middling ⅞-inch is not a representative quality for American upland cotton.

The lack of demand for these shorter, less desirable, staple lengths at prices equal to or above their loan rates causes them to go under loan and eventually into Government warehouses. Currently too large a proportion of the CCC stocks is in these low quality cottons, difficult to market and expensive to store. As these lower grade cottons back up in carryover stocks they tend, under present law, to reduce the allotment for all cotton producers.

Furthermore, if we are to develop a continuing expanding export market we should not encourage the production of these less desirable qualities. Rather, we should try to keep the United States in the forefront as a source of quality products competitively priced.

7. The membership of the Commodity Credit Corporation Advisory Board should be enlarged and the Board's responsibilities increased.

There is no desire on the part of the present Secretary of Agriculture to expand his discretionary authority beyond what is needed for sound operation of programs. However, there is a recognized need for additional administrative discretion in establishing price-support levels and acreage allotments.

Therefore, it is proposed that the present law relating to the CCC Advisory Board be amended to provide that specific duties of the Board shall include (1) making recommendations to the Secretary as to acreage allotments, and the levels of price support for mandatory and nonmandatory commodities, and (2) requiring the Secretary to consult with the Board in establishing price supports and acreage allotments.

In addition, to make the Board more representative, provision should be made for an increase in the membership of the Advisory Board from five to seven. Members should be appointed by the President as at present but with confirmation by the Senate. Not more than four members should be of the same political party.

8. The Agricultural Trade Development and Assistance Act should be extended.

It is recommended that Public Law 480, the Agricultural Trade Development and Assistance Act, be extended for 1 year to June 30, 1959, and authorization be provided for an additional $1.5 billion for Title I sales for foreign currency.

A large part of the progress made in reducing surpluses has resulted from programs carried out under the Agricultural Trade Development and Assistance Act of 1954. This act, passed at a time when the net inflow of commodities into Government storage was at a high level, has helped to put these commodities into consumption channels in a constructive manner.

Public Law 480 exports have made a major contribution in the attainment of an all-time high in total United States agricultural exports of $4.7 billion in 1956–57. In 1956–57 they accounted for these parts of total exports: wheat, three-fifths; rice, four-fifths; vegetable oils, about one-half; cotton, about one-third; corn, two-fifths. More detail regarding Public Law 480 exports and donations is included in appendix E.

Authority for foreign currency sales under title I expires on June 30, 1958, and the present authorization of $4 billion for title I programs will probably be completely committed early in 1958. Authority for title II famine donations expires on June 30, 1958, but unexpended funds still are expected to be sufficient to cover needs in 1958 and 1959.

Large quantities of surpluses have been moved during the past few years under special programs such as Public Law 480, but there is still a large surplus problem. There is need, therefore, for continuing titles I and II of Public Law 480 to help move these large agricultural surpluses, for it is more desirable to encourage increased consumption of this abundance, rather than to have it remain in or enter into storage at heavy cost.

The $1.5 billion increase in title I is intended for programing over an 18-month period and would help overcome program difficulties (inability to adequately meet requests, erratic use of shipping space, less efficient management of commodity inventories) that have resulted from more limited extensions. At the same time it would not result in acceleration of the present program. This level would not displace normal United States dollar sales.

In requesting this increased authorization we are asking primarily for the opportunity to use commodities already paid for under the price-support program, or which other-

wise would be acquired under such operations.

This act should not be considered a permanent part of the farm program. Therefore, we have limited our extension to 1 year. This will facilitate the periodic review by Congress of program results in the light of our agricultural situation, and in terms of the needs abroad.

9. Research efforts aimed at increasing industrial uses of farm products should be expanded.

During fiscal year 1958 and fiscal year 1959, we have taken or will take the following steps to place greater emphasis on utilization research:

1. Completed the realinement of the Agricultural Research Service, initiated in fiscal year 1957, in which the importance of utilization research was recognized by placing it on an equivalent organizational level with our production research.

2. Strengthening of basic research in the utilization research divisions.

3. Recommendation of a fiscal year 1959 appropriation of about $21 million for utilization research in the United States, representing an increase of $5.8 million over the amount made available in fiscal year 1958. Concurrently, recommendation of a fiscal year 1958 allocation of $2,000,000 and a fiscal year 1959 allocation of $5,000,000 from Public Law 480 funds for research in foreign countries on selected phases of our utilization research program. The total of about $26 million requested for utilization research in fiscal year 1959 represents an increase of more than 70 percent over the present level of the utilization research program. Included with increases in the past few years this request, if approved, would represent an increase of 174 percent over fiscal year 1953 for utilization research.

Our utilization research in the United States would be concentrated on our commodities in surplus, namely cereals, cotton, fats and oils, and dairy products, as well as on the development of uses for new crops. More details as to how these funds will be used is contained in appendix F.

10. The National Wool Act should be extended.

In the National Wool Act of 1954, Congress determined "that wool is an essential and strategic commodity which is not produced in quantities and grades in the United States to meet the domestic needs and that the desired domestic production of wool is impaired by the depressing effects of wide fluctuations in the price of wool in the world markets. It was declared to be the policy of Congress, as a measure of national security and in promotion of the general economic welfare, to encourage the annual domestic production of approximately three hundred million pounds of shorn wool, grease basis, at prices fair to both producers and consumers in a manner which will have the least adverse effects upon foreign trade."

The National Wool Act has been operated as an incentive payment program to expand wool production without (1) raising the tariff or otherwise adversely affecting trade with friendly countries, (2) increasing the cost of wool to consumers or adversely affecting the competitive position of wool, and (3) having the Government in the wool merchandising business.

Under this act the incentive price for shorn wool is established each year at such level as the Secretary determines to be necessary to encourage an annual production of 300 million pounds. The incentive price for each of the 4 years of the present program has been 62 cents per pound.

This legislation is scheduled to expire at the end of the 1958 season. We recommend that it be extended in its present general form.

11. The special milk program for schools and other institutions should be continued.

We are recommending a 2-year extension in the special milk program to increase fluid-milk consumption by children in schools, summer camps, and child-care institutions. This will extend the present annual authorization of $75 million through June 30, 1960. This program is making an outstanding contribution to the expansion of markets for fluid milk. Equally important, it is providing more children with more milk—a very real improvement as far as their dietary needs are concerned.

During 1957, participating children consumed 1.8 billion half pints of milk, a 29-percent increase over 1956, and expenditures totalled $61 million. An additional 1.8 billion half pints of milk were consumed under the national school lunch program. So, as a result of the two programs, children consumed 3.6 billion half pints of milk last year.

Authorization should also be continued for milk programs which presently serve the veteran's hospitals and the military service. More detail on these worthwhile programs is included in appendix G.

12. The sources of funds for the rural electrification administration should be broadened.

The President in his budget message referred to the recommendations to open up new sources of loan funds to finance the REA electric and telephone programs. This will enable the sound needs of these rural systems to be financed adequately and the purposes of the Rural Electrification Act to be accomplished through the appropriate use of Federal and private funds. This broader authority will permit meeting the needs of farm families while recognizing the increasing demands for these services by rural nonfarm consumers.

Estimates of capital funds needed to finance the growing demand for electric power in rural areas indicate that dollar requirements during the next generation will far exceed the $3.5 billion loaned by the Federal Government through REA during its first 22 years of operation. The proportion of nonfarm use will undoubtedly continue to increase. (See appendix H.)

The magnitude of these capital requirements and the change in the character of the services to be rendered under the expanding system emphasize the desirability of finding an adequate source of funds other than primary dependence on the Federal Treasury.

Initial sponsorship of REA programs by the Federal Government is in keeping with the historical practice of helping to provide needed services that could not be had through private initiative and resources alone.

Historically the Government has progressively stepped aside when such projects have reached a state of maturity sufficient to enable them to move ahead soundly with their own ownership, management, and financing.

The REA system has arrived at a state of maturity that permits the development of a permanent financing plan which will adequately provide for its future capital requirements and effect an orderly transition from Government to private financing.

Legislative recommendations will be made to the Congress to enable the systems to secure from private sources the additional loan funds needed for the sound improvement and expansion of the system in the years ahead. These proposed legislative changes would permit private loan funds to be used through an insured loan program or by a subordination of the Government's security position where that would be feasible and desirable.

This does not mean that the REA is to be without adequate funds. The President's budget message contains recommendations for further substantial Federal loan funds in 1959—$150 million for the electric program and $56 million for the telephone program. This is in addition to the unused balances from 1958 of $25 million on the electric program and $12 million on the telephone program.

There are undisbursed loan commitments of about $770 million that have been made to various REA borrowers. These funds are available to finance REA approved construction plans to further extend the services of these specific borrowers or to firm up their facilities to handle increased consumer requirements.

13. State participation in programs to relieve the effects of drought or other natural disaster should be required.

Legislation embodying the principle of State participation has already passed the Senate in the form of S. 304.

In past years virtually the full cost of the drought relief program has been carried by the Federal Government. If the States were to participate financially funds would be distributed more equitably, more economically, and more efficiently. This participation should equal at least 25 percent of the cost.

Increased rainfall in the Great Plains has made possible the termination of the drought relief program. Changes could now be made with a minimum of difficulty to existing programs.

14. Conservation cost-sharing should be in support of those practices which achieve longer lasting conservation benefits.

The budget proposes the continuation of the Agricultural Conservation Program of cost-sharing payments to farmers who carry out approved soil and water conservation measures on their farms. Authorization of funds is sought for a 1959 crop year program.

This reduction of $125 million below the present level of $250 million is proposed because of the general necessity to allocate expenditures only to the most essential needs so as to permit major effort in the national defense areas. We believe that by careful administration, the lower authorization will be sufficient to give attention to the most urgent problems of conserving agricultural resources. It is contemplated that the Department's total conservation effort will continue to be maintained at a substantial level.

The manner in which we intend to operate with these funds is indicated in appendix I.

15. An increased emphasis should be placed on our rural development program.

In close cooperation with the States, we have considerably strengthened and expanded the rural development program. As you know, this program is a Federal, State, and local effort to improve opportunity among the 2.5 million farm families who receive little income from farm marketings.

Rural development has three basic aims:

1. To strengthen and expand industry in underdeveloped rural areas and widen the range of off-farm opportunities.

2. To help families who want to stay in farming gain the tools, land, and information that will permit them to farm successfully.

3. To help all people in these areas arm themselves with adequate training and good health.

Since my last meeting with this committee, six additional States and Puerto Rico have come into the rural development program, making a total of 30 States where the work is going forward.

Personnel have been assigned especially to increase educational services on small farms; to help local citizen committees in organizing and planning development projects; to increase soil, water, and forest protection, administer credit programs, and conduct farm surveys.

No development in agricultural policy in recent years, I believe, holds greater long-term importance than the effort our departments and agencies are making on many fronts to strengthen, modify, and redirect educational and service programs in order to provide practical help and guidance for small farmers and their families. Provision has been made in the budget for these activities

which are a part of the continuing programs of the agencies involved. (See appendix J.)

CONCLUSION

The shortcomings of our past programs are quite clear. We have tried to legislate prices artificially, without full consideration for the inevitable forces of supply and demand. We have tried to control production artificially, without full consideration for the efficiency and ingenuity of our farmers. In other words, we have lacked realism.

Our farm programs—no matter how desirable in objective—have failed to get the job done. And that is why our energies are now devoted to the search for better measures to assure the sound future of agriculture.

The essential objective of preserving our traditional freedoms underlies the need for redirection of program efforts. Farmers, possibly more than any other group, value the right of individual decision and initiative. At times they may have to sacrifice what may appear to be short-term advantages in order to insure these rights for the future.

No one wants less effective programs for farmers. On the contrary, we must replace policies and programs which have failed with measures which will assure the American farmer his rightful place in the abundance of our free economy.

I have great optimism about the future of agriculture. This optimism originates from the fact that, in the final analysis, farmers will have to make up their minds which way they want to go. They will decide whether they want more freedom—more flexibility, more right of individual decision, more opportunity to make sound adjustments in line with their great efficiency, or whether they prefer more and more regimentation—more and more restrictive controls.

Farmers are independent, intelligent people. Their thinking is based on the true values of rural life. I am confident that they will make the right decisions when all the facts are available to them.

The forward looking realistic program which we have submitted to this committee represents proposals for action we feel are essential to the economic health of agriculture. The responsibility for implementing them rests with this committee and the Congress. We have presented them early in the session so that action can be taken in the first months of this session. The Department stands ready to help our committee in every possible way.

APPENDIX A

PER FARM PRODUCTION TABLE

The 1954 census listed a total of 4,783,018 farms. The figures below show how widely these farms varied as to value of market sales, hence income.

	Number of farms	Percent of total farms	Percent of total dollar output	Percent of acres used
I. Commercial farms having market sales of:				
$25,000 or over	134,000	2.8	31.3	22.4
$10,000 to $24,999	448,945	9.4	26.9	20.8
$5,000 to $9,999	706,929	14.8	20.5	19.0
$2,500 to $4,999	811,965	17.0	12.1	14.1
Total, over $2,500	2,101,839	44.0	90.8	76.3
II. Small full-time commercial farms having market sales of:				
$1,200 to $2,499	763,348	16.0	5.7	8.8
Less than $1,200	462,427	9.7	1.4	3.9
Total, less than $2,500	1,225,775	25.7	7.1	12.7
III. Part-time, residential, and other farms	1,455,404	30.4	2.0	11.0

As a guide to public policy, the chief significance of these figures is the fact that the 44 percent of our farms make up the efficient commercial farm class, produce 90.8 percent of all farm products that go to market. The remaining 56 percent of farms do not have the same problems as commercial farmers. They produce only 9.2 percent of marketed farm products. Thus, it is impossible to provide them with adequate net income by means of price supports. An effective program must recognize the basic differences in these various groups.

APPENDIX B

CRITERIA FOR INCREASED ACREAGE ALLOTMENTS

If the Secretary determines after investigation that such increase is necessary in the interests of the welfare of the agricultural economy—

1. to avoid hardships to producers of the commodity,

2. to meet potential market demands for the commodity,

3. to avoid undue restrictions on marketings,

4. to prevent disruption in the orderly marketing of the commodity,

5. to insure adequate farm income,

6. to make allowance for statistics of the Federal Government more recent than those used in the original determination of the marketing quota or acreage allotment, or

7. because of any combination of these factors.

Section 312 (b) of the Agricultural Adjustment Act of 1938, as amended, provides that the Secretary may increase the national marketing quota for tobacco above the formula determination by not more than 20 percent if he determines that such increase is necessary "in order to meet market demands or to avoid undue restrictions of marketings in adjusting the total supply to the reserve supply level." This authority has been used for a number of years.

APPENDIX C

PROPOSED CRITERIA FOR DETERMINING SUPPORT LEVELS FOR BASIC COMMODITIES

These involve consideration of:

1. The supply of the commodity in relation to the demand therefor;

2. the price levels at which other commodities are being supported and, in the case of feed grains, the feed values of such grains in relation to corn;

3. the availability of funds;

4. the perishability of the commodity;

5. the importance of the commodity to agriculture and the national economy;

6. the ability to dispose of stocks acquired through a price-support operation;

7. the need for offsetting temporary losses of export markets; and

8. the ability and willingness of producers to keep supplies in line with demand.

APPENDIX D

HISTORY OF PRICE SUPPORTS

The Agricultural Adjustment Act of 1938, which is still basic legislation (except for the price-support legislation) authorized CCC to make loans on agricultural commodities, including dairy products, and directed CCC to make loans on wheat, cotton, and corn at levels between 52 and 75 percent of parity. In 1941, new legislation required peanut supports at levels between 50 and 75 percent of parity.

With the advent of World War II, Congress passed three acts (the act of May 26, 1941, the act of July 1, 1941—the so-called Steagall amendment—and sec. 8 of the Stabilization Act of 1942) to encourage increased agricultural output by minimizing the price risk involved in expansion during wartime. Under these laws, as amended, the basic commodities (corn, wheat, cotton, rice, tobacco, and peanuts) and 14 others on which production increases had been requested were required to be supported at not less than 90 percent of parity for the war period and 2 years thereafter. (Initially—1941 crops—support was required at 85 percent of parity for the duration of hostilities, and this level was raised and the period lengthened beginning with 1942 crops. Cotton was required to be supported at slightly higher levels from 1944 through 1948.)

This was a significant change because it was the first time Congress had required support at a level as high as 90 percent of parity. This requirement (which ended with the 1948 crops of the basics and on December 31, 1948, for nonbasics) was extended for 1 additional crop year—1949—with some modifications in levels for some nonbasics by title I of the Agricultural Act of 1948. Title II of that act also reintroduced the idea of flexible price supports at between 60 and 90 percent of parity, but these provisions did not go into effect because they were superseded by the Agricultural Act of 1949.

The suggested changes are needed for the following reasons:

1. Agricultural products are likely to continue to be abundant and cannot be successfully priced as if they were scarce.

2. Support levels computed under the present formula have stimulated production, priced us out of the market, and aggravated farmers' marketing problems.

3. Controls have not been effective in reducing overall agricultural production despite the severe restrictions they impose on farmers' freedom to produce and market.

4. The concept of adjustment through effective production control is impractical, as evidenced by a series of legislative and administrative actions.

5. Farm people have not received the benefits from existing programs that they expected. On the contrary, existing programs have had many adverse effects.

(a) Necessary adjustments have been impeded during a period when the general state of the economy would have facilitated them, although the intent was to ease the adjustment from wartime to peacetime conditions.

(b) They have made little or no contribution to the problem of low income farmers in whose name farm programs are frequently defended.

(c) They work against the long-run interest of the family-type farm, insofar as they inhibit the flexibility in operation and adjustment in size needed to make family farms efficient. Good farmers find it difficult to maintain satisfactory incomes with their acreage curtailed. They need to adjust the scale of their operations to take advantage of advancing technology in agriculture.

(d) They raise the price of land to young farmers who are just starting out, since the worth of allotments tends to become capitalized into land values. A windfall profit to one generation becomes an overhead cost to the next.

(e) Statutory exemptions extended to growers in minimum-sized categories have required tighter restrictions on moderately larger and more efficient farms.

(f) Production on acres diverted out of the basic crops has complicated the marketing problems of other farmers who produce nonbasic products.

(g) They had led to criticisms against farm programs because of the high costs.

In the case of tobacco the combination of support at 90 percent of parity plus drastic cuts in acreage plus the working of the

modernized parity formula has resulted in the price of tobacco being about twice as high, relatively, as prices of other farm products. The most recent price index for tobacco is 466. For all farm products it is 242. The price of tobacco in a given year becomes an element in the formula which determines the price the next year.

The following shows the parity price effects of the present tobacco program:

	Parity		
	January 1956	January 1957	January 1958 (estimated)
Burley	52.0	56.6	60.0
Flue cured	53.4	55.8	60.0

This upward movement in parity is several times faster than the index of prices paid. As a result, like a multistage rocket, the support price keeps working higher and higher.

Thus, we are tending to price ourselves out of the world market on which 40 percent of flue-cured sales depend (7 percent of burley). This may force a further cut in allotments unless the law is changed.

APPENDIX E

PUBLIC LAW 480 PROGRAMS

In programing an additional $1.5 billion in Public Law 480 funds, we would continue to emphasize shipments to underdeveloped countries or countries in severe balance-of-payments difficulty. This program policy is now being followed for several reasons: (1) Large scale consumption increases are readily obtainable in these countries; (2) these countries lack the resources to buy our commodities and sales on a regular commercial basis usually are not possible; and (3) these markets offer a ready outlet for our surpluses with the least interference with normal commercial markets. Although these program policies minimize the effect of title I sales on other world suppliers, a careful analysis of the impact of the proposed programs on other suppliers is made and frequent consultations are held with other exporting countries on the general trend of the program as well as specific country agreements. In general, foreign governments have come to understand and accept that surplus disposal under title I is being managed in a manner to avoid injury to competing exporting countries.

EXHIBIT I.—*Approximate quantities of commodities under title I, Public Law 480, agreements signed from beginning of program through Dec. 31, 1957*

Country	Wheat and flour	Feed grains [1]	Rice	Cotton	Tobacco	Dairy products [2]	Fats and oils [3]	Poultry	Dry edible beans	Fruits and vegetables [4]	Meat [5]	Hay and pasture seeds
	Thousand bushels	*Thousand bushels*	*Thousand hundredweight*	*Thousand bales*	*Thousand pounds*	*Thousand pounds*	*Thousand pounds*	*Thousand pounds*	*Thousand hundredweight*	*Thousand pounds*	*Thousand pounds*	*Thousand hundredweight*
Argentina							219,169					
Austria	3,497	10,285		70.3	6,090		33,064			1,969		
Bolivia	2,412		228									
Brazil	[6] 85,091	369			121	7,035	50,918					
Burma				125.2	2,772	9,682				1,579		
Chile	8,651			50.9	400		84,738					9
China (Taiwan)				35.6	2,000	5,062	10,811					
Colombia	6,890			59.8			21,503					
Ecuador	1,130			6.0	856		30,193					
Egypt	10,645											
Finland	4,558	1,581		41.2	11,829					10,720		
France					7,716							
Germany								3,000				
Greece	17,939	8,871				29,783	79,051					
Iceland	284	616		.5	392		1,130			8,483		
India [7]	123,519		4,409	500.0	6,000	14,770						
Indonesia	2,889		5,632	244.5	23,037							
Iran	5,227					1,622						
Israel	14,788	16,019	7	19.9	841	60,170	34,200		37	882	40,000	
Italy	887	3,924		453.8	11,798		257,652					
Japan	31,030	12,058	2,142	317.0	9,839							
Korea	5,507	13,181	3,469	49.9	12,667	1,288	3,125				19,842	
Mexico		20,501										
Netherlands				1.8								
Pakistan	39,770		9,043	189.5	5,317	9,257	24,183					
Paraguay	994					933	3,126					
Peru	7,186					154	7,964					
Philippines			357	32.7		10,540	4,125		7		1,867	
Poland	14,808			197.9			42,317					
Portugal	3,879											
Spain	[8] 2,446	6,808		[9] 221.9	11,388		562,806			66,667	72,649	
Thailand					5,332	1,957						
Turkey	33,685	13,563	220				115,576				16,604	
United Kingdom					47,196					34,534		
Yugoslavia	79,540			210.4			192,117					
Total	507,252	107,776	25,507	2,828.8	165,591	152,253	1,777,768	3,000	44	124,834	150,962	9

[1] See the following:

	Thousand bushels
Corn	56,815
Oats	5,806
Barley	33,143
Grain sorghums	12,012
Total	107,776

[2] See the following:

	Thousand pounds
Condensed milk	7,054
Dry whole milk	3,869
Nonfat dry milk	58,680
Evaporated milk	22,425
Butter	29,308
Cheese	13,604
Butter oil	593
Butter oil and/or ghee	10,470
Ghee	4,249
Whey	2,001
Total	152,253

[3] See the following:

	Thousand pounds
Cottonseed oil and/or soybean oil	1,107,731
Cottonseed oil, soybean oil and/or lard	256,255
Linseed oil	12,490
Lard	224,920
Tallow and/or grease	176,372
Total	1,777,768

[4] See the following:

	Thousand pounds
Austria:	
Canned fruit and fruit juices	42
Dried fruit	1,927
Burma:	
Canned fruit and fruit juices	769
Dried fruit	810
Finland:	
Dried fruit	9,800
Fresh pears	920
Iceland, fresh citrus fruits and juices	8,483
Israel, dried prunes	882
Spain, potatoes	66,667
United Kingdom, fruits, fresh and canned	34,534
Total	124,834

[5] See the following:

	Thousand pounds
Philippines, variety meats	1,867
Israel, frozen beef	40,000
Korea, canned pork	19,842
Spain:	
Canned hams	2,571
Salt hams	2,149
Frozen beef and variety meats	67,929
Turkey, frozen beef	16,604
Total	150,962

[6] Includes 55,869,000 bushels under fiscal year 1957 program to be shipped over a 3-year period.

[7] 3-year program except rice, which is a 1-year program.

[8] Wheat to be sold to Spain for resale to Switzerland for financing procurement of Swiss goods by Spain.

[9] Includes 15,400 bales cotton linters.

Once and for all I should like to eliminate the notion in the minds of some people that this is a giveaway program.

The foreign currency sales, under title I of the act, have helped not only our farmers. They have been a positive factor in advancing United States interests abroad. People in many less-developed countries are better fed and clothed because of these operations. At the same time, we are using a considerable part of the sales proceeds for development purposes in these countries which will contribute further to their well-being. One of the outstanding conclusions of my recent overseas-trade trip is the reservoir of good will created by this program. In addition, funds are used for market-development work abroad to increase future sales of American farm products. Part of the local currency is being used for defense and United States operating expenses abroad. We are developing a program to use the $5 million of foreign currencies for utilization research abroad.

Donation programs

American farm surpluses which cannot be moved through commercial channels are being used constructively through large-scale donation programs at home and abroad. We are trying to move these commodities out of storage as fast as consistent with good administration and in a manner least disruptive to normal markets in order to reduce storage costs, prevent waste and remove their price depressing effects.

In this country, at the present time, we are donating surplus foods to over 12 million children participating in school-lunch programs, 1.4 million needy persons in charitable institutions and over 3 million persons in needy families. In addition these foods are used from time to time to alleviate suffering during natural disasters. The commodities available for donation at this time consist of nonfat dry milk, cheese, butter, flour, cornmeal and rice. However, at one time or another over the past several years, as a result of surplus removal and price-support programs, one or more of these domestic groups have received dried beans, beef products, pork products, poultry and poultry products, cottonseed oil, and fresh fruits and vegetables.

The use of these foods as an adjunct of the national school lunch program has been most constructive in both improving the nutrition of our children and in teaching them good eating habits that will build increasing markets for our agricultural production. We believe that all recipients have benefited materially from these donations.

After making certain that all requests in this country are met first, we have been donating large quanties of food out of CCC inventories to United States voluntary agencies for distribution to needy people in nearly 100 other countries around the world. Last year these foreign donations amounted to more than 1¾ billion pounds, costing CCC over $300 million. The foods currently available for foreign donation, after meeting domestic needs, are nonfat dry milk, cheese, flour, and cornmeal. Over the past years we have also donated dried beans, rice, butter, and cottonseed oil.

During my recent trip around the world I saw widespread needs for food. I also saw dramatic evidence of the effects of our sharing America's abundance through the donation of our surpluses. While I was in Japan I visited a school-lunch program where, in addition to a bowl of stew, they were serving a large bun, made with good American, 72-percent-extraction wheat flour, and a big bowl of reconstituted American nonfat dry milk. In addition to assisting that country to start a nationwide school-lunch program to improve the nutrition of their children, our commodities were helping to develop eating habits that may mean future markets. I also visited refugee centers in Hong Kong and Pakistan and saw our food helping to meet the direst need. All around the world our milk and other foods are being used to supplement health and feeding programs for children, pregnant and nursing mothers, victims of tuberculosis and leprosy, as well as just feeding hungry people.

While we must press forward in every way to develop sufficient markets for our farm production, we must be grateful for this opportunity of sharing our abundance with our neighbors.

EXHIBIT II.—*Commodity composition of programs under title I, Public Law 480, agreements signed from beginning of program through Dec. 31, 1957*

[In millions of dollars]

Country	Wheat and flour	Feed grains	Rice	Cotton	Tobacco	Dairy products	Fats and oils	Other	Market value	Ocean transportation [1]	Market value including ocean transportation	Estimated CCC cost including ocean transportation
Argentina							30.4		30.4	0.7	31.1	33.5
Austria	5.9	14.7		10.6	3.8		4.4	[2] 0.3	39.7	3.5	43.2	62.3
Bolivia	4.8		1.5						6.3	.5	6.8	9.1
Brazil	[3] 144.9	.6			.3	2.2	7.9		155.9	24.0	179.9	296.6
Burma				17.5	2.1	2.0		[2] 2.2	21.8	.9	22.7	32.2
Chile	14.2			7.3	.3		14.9	[4] 4	37.1	3.1	40.2	56.7
China (Taiwan)				5.0	1.7	1.5	1.0		9.2	.6	9.8	12.5
Colombia	13.4			9.5			3.6		26.5	2.7	29.2	40.0
Ecuador	2.2			.8	.7		3.8		7.5	.6	8.1	10.0
Egypt	17.0								17.0	2.5	19.5	36.5
Finland	7.7	2.4		6.8	7.0			[2] 1.2	25.1	2.1	27.2	37.8
France					4.5				4.5	.1	4.6	4.6
Germany								[5] 1.2	1.2		1.2	1.2
Greece	30.5	10.5				3.8	13.7		58.5	7.8	66.3	97.7
Iceland	.6	.7		.1	.4		.2	[2] 5	2.5	.3	2.8	3.6
India [6]	200.0		26.4	70.0	6.0	3.5			305.9	[7] 60.2	366.1	561.0
Indonesia	5.0		35.8	36.0	15.0				91.8	6.9	98.7	154.9
Iran	9.5					.8			10.3	2.6	12.9	21.0
Israel	25.5	18.8	.5	3.4	.6	14.7	5.1	[8] 10.4	79.0	8.3	87.3	135.1
Italy	1.5	5.5		65.3	8.9		42.4		123.6	4.5	128.1	165.4
Japan	48.6	15.2	13.7	52.8	7.7				138.0	13.4	151.4	207.3
Korea	8.7	15.3	24.5	9.8	6.6	.4	.5	[9] 8.0	73.8	8.5	82.3	97.6
Mexico		26.6							26.6	1.6	28.2	65.6
Netherlands				.3					.3	[10]	.3	.4
Pakistan	66.4		58.7	29.0	4.7	4.7	3.5		167.0	19.1	186.1	293.1
Paraguay	1.7					.4	.5		2.6	.4	3.0	4.3
Peru	12.0					.1	1.0		13.1	1.3	14.4	23.4
Philippines			2.5	4.9		1.1	.5	[11] 6	9.6	.7	10.3	15.1
Poland	25.6			31.5			3.6		60.7	4.7	65.4	90.7
Portugal [12]	6.3								6.3	.9	7.2	13.5
Spain	4.6	9.4		[13] 32.9	6.2		98.4	[14] 18.9	170.4	13.9	184.3	205.6
Thailand					3.9	.5			4.4	.2	4.6	4.9
Turkey	58.0	15.7	1.4				16.2	[15] 4.4	95.7	15.9	111.6	158.3
United Kingdom					33.0			[16] 2.2	35.2	.4	35.6	35.6
Yugoslavia	137.2			32.6			26.0		195.8	34.6	230.4	356.1
Total agreements	851.8	135.4	165.0	426.1	113.4	35.7	277.6	48.3	2,053.3	247.5	2,300.8	3,343.2

[1] Includes only ocean transportation to be financed by CCC.
[2] Fruit: Dried, fresh, and juices.
[3] Includes $110 million under fiscal year 1957 agreement to be shipped over a 3-year period.
[4] Hay and pasture seeds.
[5] Poultry.
[6] 3-year program except rice, which is a 1-year program.
[7] Includes $6 million estimated for ocean freight differential for which no rupee deposits are required. The balance, $54.2 million, only, is reflected in the currency use table XII.
[8] Dry edible beans $0.3 million; chilled or frozen beef, $10 million; dried prunes, $0.1 million.
[9] Canned pork.
[10] Less than $50,000.
[11] Variety meats, $0.5 million; dry edible beans, $0.1 million.
[12] Wheat to be sold to Spain for resale to Switzerland for financing procurement of Swiss goods by Spain.
[13] Cotton linters, $0.3 million.
[14] Hams, $1.6 million; salt pork, $0.4 million; potatoes, $1.4 million; frozen beef, $15.5 million.
[15] Canned and frozen beef.
[16] Fruits, fresh and canned.

EXHIBIT III.—*Planned uses of foreign currency under title I, Public Law 480 agreements signed from beginning of program through Dec. 31, 1957* [1]

Country	Total amount programed (market value including ocean transportation)	Market development	Purchase of strategic material	Military procurement	Purchase of goods for other countries [2]	Grants for multiple trade and economic development	Loans to private enterprise	Payment of United States obligations [3]	Loans to foreign governments	International education exchange	Translation and publication	Information and education
	Million dollars	*(104 a) million dollars*	*(104 b) million dollars*	*(104 c) million dollars*	*(104 d) million dollars*	*(104 e) million dollars*	*(104 e) million dollars*	*(104 f) million dollars*	*(104 g) million dollars*	*(104 h) million dollars*	*(104 i) million dollars*	*(104 j) million dollars*
Argentina	31.1	0.6			[2]			9.8	20.0	0.7		
Austria	43.2	1.0			3.1			12.1	26.3		.1	.6
Bolivia	6.8	.3		[4]				.7	5.4	.2		.2
Brazil	179.9	2.7		2.0				22.3	149.4	2.1	.5	.9
Burma	22.7	.5			[2]			4.1	18.1			
Chile	40.2	.8		.1				6.4	31.7	1.2		
China (Taiwan)	9.8	.7		4.9				3.4		.8		
Colombia	29.2	.8		.1	[2]			4.7	22.2	.6	[4]	.8
Ecuador	8.1	.4						.8	6.3	.4		.2
Egypt	19.5	.5						4.6	13.6	.8		
Finland	27.2	.5			[2] 13.0			13.0		.3	.3	.1
France	4.6	1.6			.8		.6	.6		1.0		
Germany	1.2	1.1						.1				
Greece	66.3	1.9				7.5	2.9	14.4	37.5	.6		1.5
Iceland	2.8	.1						.4	2.2	.1		
India, 3-year program	[5] 360.1	4.0			[2] 5.0	54.0		61.2	234.1	1.8		
Indonesia	98.7	1.0	2.0					16.1	79.0	.6		
Iran	12.9	.2		5.9				3.2	2.5	.8		.3
Israel	87.3	.7			[2]		8.7	19.6	58.3			
Italy	128.1	2.7			[2] 10.0			26.3	88.1			1.0
Japan	151.4	3.3		[6]	11.0			[6] 25.7	109.3	2.1		
Korea	82.3	.5		66.1				14.2		.9		.6
Mexico	28.2	2.5					7.1	2.9	13.6	1.2		.9
Netherlands	.3	.3						[4]				
Pakistan	186.1	2.4		79.3			16.4	28.7	54.4	2.1	1.3	1.5
Paraguay	3.0	.2						.4	2.2	.2		
Peru	14.4	.9		.1				2.1	10.4	.5	1	.3
Philippines	10.3	.8		2.1				1.4	5.2	.8		
Poland	65.4				[2]			65.4				
Portugal	7.2	.3						3.1	3.5	.3		
Spain	184.3	3.0						66.2	113.0	1.1	.5	.5
Thailand	4.6	.7						.8	2.1	.6	.1	.3
Turkey	111.6	.6						51.2	55.5	1.4	.1	2.8
United Kingdom	35.6	.3		[6]				[6] 35.3				
Yugoslavia	230.4	1.0		88.9				51.8	88.4		.3	
Total agreements	[5] 2,294.8	38.9	2.0	249.5	42.9	61.5	35.7	573.0	1,252.3	23.2	3.3	12.5
Uses as percent of total	100.0	1.7	.1	10.9	1.9	2.7	1.5	25.0	54.6	1.0	.1	.5

[1] Amounts shown on this table are subject to adjustment when actual purchases and allocations have been made. Amounts are in dollar equivalent at the deposit rates of exchange.

[2] Amounts shown in this column indicate a specified amount in the agreement for this use. Footnote 2 only shows an unspecified amount for possible procurement for third countries. A footnote and an amount indicate more than one agreement including both specified and unspecified amounts.

[3] In order to provide flexibility in the use of funds, many agreements provide that a specified amount of local currency proceeds may be used under secs. 104 (a), (b), (f), (h) and (i). In some instances, possible uses under sec. 104 (d) are also included in this category. Therefore, estimates based on the best information now available are indicated above under subsecs. (a), (b), (h) and (i). Balances not otherwise distributed are included under subsec. (f). This distribution is subject to revision when allocations have been completed.

[4] $50,000 or less.

[5] Total market value differs from total in table II by the $6,000,000 estimated for ocean freight differential in the Indian agreement for which no rupee deposits will be required.

[6] The Japanese agreement for the July-June year 1955-56 provides for the use of $8,100,000 and the U. K. agreements provide for approximately $35,100,000 under subsec. 104 (e). However, since in return for this currency use, these countries will construct and make available to the U. S. Armed Forces an equivalent value of dependent housing, the amounts are shown under 104 (f).

APPENDIX F

INCREASED UTILIZATION RESEARCH

Our utilization research under Public Law 480 foreign currency funds in foreign countries would be concentrated on developing and broadening the foreign market for our agricultural commodities. As you know, there are limitations in various countries to the fuller use of some of our products. Even though our exports of soybeans are at the highest level in history, there is a feeling by some users abroad that United States soybeans are difficult to process to the special types of food products preferred in these countries. As another example, the use of chemical additives for the preservation of some of our commodities and their products is meeting objection in foreign countries. In a number of instances, foreign food laws do not permit chemical additives in food products. We believe that intensive utilization research can discover means for solving these problems so that limitations on the use of United States agricultural commodities in foreign markets will be lessened or removed. By having the countries' own scientists solve these problems, we believe the adoption of such new knowledge by their own users would be speeded and additional markets for our farm products would be opened.

These research programs will be carried out under contract or grant arrangements, and will be carefully coordinated with research undertaken by the Department within the United States. Our plans include sending a member of our research staff to a number of foreign countries to survey the potentialities and to assemble information which will serve as a basis for future negotiations on specific projects.

Our utilization research in the United States would be generally directed to problems associated with commodities in surplus, namely, cereals, cotton, fats and oils, and dairy products, as well as on the development of new crops and new uses for present farm products.

APPENDIX G

SPECIAL MILK PROGRAMS

Even though schools were hard hit by the flu this fall, milk consumption was up about 10 percent during the first 4 months of the fiscal year. We also expect larger operations in the institutional outlets next year, as these groups learn more about the program and as we iron out some of the administrative problems encountered in the first year of the institutional operations. If the present trends continue, 1958 expenditures could be in the neighborhood of $70 million.

Also, the consumption of fluid milk by the military personnel and veterans' hospitals patients has been greatly increased through a special program in which CCC is paying about half of the cost of milk purchased by those agencies over and above their normal purchases. Last year, CCC paid $16,356,000 of such cost. Milk consumption by the military personnel expanded substantially. In addition, during calendar 1957, CCC donated 23 million pounds of butter and 2 million pounds of cheese to these agencies for use above their normal requirements.

These programs are carried out under the authority contained in the 1954 and subsequent amendments to the Agricultural Act of 1949 for CCC to buy milk and dairy products for price support and to donate these products to military agencies and veterans' hospitals for their increased use. The authority to donate dairy products is scheduled to expire December 31, 1958. The Department of Agriculture recommends that the authority be extended for 2 years through December 31, 1960.

APPENDIX H

REA SERVICES

REA financed electric systems are adding 100,000 new consumers annually. Nonfarm users outnumber farmers nearly 3 to 1 among these new consumers.

REA financed electric systems have made significant financial progress.

Their aggregate gross revenues increased 53 percent between 1952 and 1956—from $321 million to $491 million.

Their net margins increased from $24.5 million in 1952 to $69.4 million in 1956.

Their aggregate net worth climbed from $169.9 million to $378.3 million—from 8 percent of their assets in 1952 to 13.5 percent in 1956.

There is a good repayment record on the nearly $3.5 billion loaned—approximately $930 million in principal and interest. The borrowers' payments against loan maturities were 99.985 percent of the total amount which had become due by December 31, 1957. In addition, the borrowers had at that time a balance of payments in advance of the due date amounting to about $117 million.

Actual loan losses during the life of the program have been less than $50,000. Only a very small number of electric borrowers now are delinquent in loan repayments.

These accomplishments reflect great credit to the rural men and women who are largely responsible for making this outstanding record.

APPENDIX I

AGRICULTURAL CONSERVATION PROGRAM

The 1959 agricultural conservation program will give particular attention to those conservation measures which are of major importance to farmers in making a transition from cropland to grass or trees. Also, the program will give attention to the problem of continuing in protective cover land which otherwise might be shifted to a more intensive use.

Adjustments will be made nationally to direct the program away from practices contributing most to immediate increases in agricultural production. In view of the various programs designed to limit production, this step is entirely logical. The program will be operated at the local level on the basis of achieving the most urgently needed conservation which, in the judgment of local people, can be obtained under the circumstances that exist on their individual farms and ranches in 1959. While the program generally will be directed to practices with longer lasting benefits and which are not frequently repeated as a necessary part of farming, the policy will be to provide a program of sufficient scope and flexibility to deal with acute local problems. These conservation problems vary as to kind and intensity not only State by State but even as between counties within a State.

The reduced program fund will be distributed among the States on the basis of the same conservation needs formula as used in past programs. Therefore, the reduction in program level would be approximately the same in all States.

APPENDIX J

RURAL DEVELOPMENT PROGRAM

The 5 Federal departments (Departments of Commerce, Interior, Agriculture, Labor, Health, Education, and Welfare, and the Small Business Administration) participating in this program have taken significant steps to improve their regular services for rural people in underdeveloped areas and to direct such services more intensively toward overall economic and social betterment.

We recently completed a series of regional conferences for agency workers and rural lay leaders in 13 States, with the objective of improving programs in rural areas, especially in the field of industry development, employment, education, welfare and on-the-farm counseling. These meetings took place at Lexington, Ky.; Shreveport, La.; Fort Smith, Ark.; Athens, Ga.; and Asheville, N. C.

I want to clearly emphasize that the Rural Development Program is not separate from our regular activities improving living standards in underdeveloped rural areas. Nor is it limited in scope and objectives to specific areas. This program is one method, among many, of supplementing and redirecting the work of our agencies in order to gain more effectively the fundamental objective—area economic development.

A second principal aim of the program is encouragement of farm, business, civic, and church leaders in many different areas to undertake locally-directed area economic improvement.

We intend to accomplish the rural development job principally through a redirection of services already in the field, with emphasis on new methods and new approaches.

Educational and service programs, not only in agriculture but in other fields as well, must be adapted to help rural people take advantage of opportunity in an expanding economy which is rapidly changing the face of both rural and urban America.

APPENDIX K

OVERSEAS TRADE TRIP

On November 16, I returned from a trade trip around the world. On this trip I was accompanied by five Department officials, specialists in the various programs.

The purpose of the trip was to observe at first hand the agricultural and economic development of the countries visited, to meet government officials and trade groups in the interest of further expanding commercial exports of United States farm products, and to observe the results of the various programs under which our agricultural products are moving abroad.

We visited 12 countries and Hong Kong in just over 3 weeks. While our time in each country had to be limited, we have come back with some clear impressions and conclusions.

It was apparent to me that many of the nations we visited are making substantial progress in strengthening their economies. This is a factor of great importance in the future foreign demand for our agricultural products.

In several countries where the greatest progress has been made and industrialization is on a high level, there are encouraging market opportunities for dollar sales of our farm products. At every opportunity we stressed that the best interest of our country and that of the free world lies in preserving and strengthening normal commercial trade. As a means of bridging the gap of temporary financial difficulties, however, we also emphasized our dollar credit and barter programs.

In addition to the markets in the more industrialized areas, there are good potential markets for the products of American soil in the so-called underdeveloped areas. We witnessed the vigor and determination with which the people and the governments of these countries are attacking their basic economic problems and attempting to raise their living standards. Into these areas we are effectively moving large quantities of agricultural products under title I, Public Law 480, and receiving payment in foreign currencies; $1.2 billion of these foreign currencies are being loaned back to those governments to help finance part of the local cost of economic development projects. We are also making donations and gifts for relief assistance. We noted the great need for additional food in much of the world and the great shortage in the purchasing power of many people. As the economies of these countries improve, opportunities for moving larger amounts of United States farm products through commercial sales should increase.

We are also using much of the sales proceeds received under Public Law 480 to pay costs of our Government operations in these countries and to strengthen the defenses in the free world.

I was gratified to find that the abundance of American agriculture is contributing to the solution of some of the most fundamental problems in many countries. We Americans can be thankful we have agricultural abundance rather than scarcity. This permits us to maintain a high standard of living at home and makes it possible to help those countries who have a difficult choice to make between using their slender foreign exchange resources in basic economic development programs or meeting the needs of great segments of their population for more food, clothing, and other necessities of life.

We are helping to meet this dilemma through Public Law 480 and the other measures we use to move our agricultural products into consumption in other countries. The world, however, must recognize that these assistance programs are temporary and that normal commercial sales through private trade is the goal which we are continuing to achieve. Until we attain a balance between our production and effective demand, we should, however, continue to use some of our excess production to meet emergencies, to assist in effectuating our foreign policy, and to build goodwill and understanding.

The natural flow of our farm products abroad for cash will always be an important element in the income of the American farmer. Our best salesmen are the importers, processors, and consumers abroad who rely upon our standards of quality, continuous product availability, and the banking and other services this country can provide. We are helping to strengthen the future demand for American farm products through specific market-development activities, using many of the merchandising techniques that have been so successful here at home in these projects.

As everyone knows, we have very large supplies of most all of the basic agricultural products and our production again this year has been very large. We shall continue to do everything practicable to prevent these supplies from disrupting world markets and depressing prices to farmers at home and abroad.

PROPOSED COMMISSION ON FEDERAL AND STATE JURISDICTION

Mr. THURMOND. Mr. President, the profoundest issue touching on free government in the United States is as old as the Founding Fathers and the Constitutional Convention of 1787 and as new as tomorrow's decisions of the Supreme Court.

The issue is the maintenance of our constitutional equilibrium, the preservation of that system of checks and balances which has up to now been the principal guaranty of our heritage of freedom.

This system—and consequently our freedom—is now imperiled by two factors:

The first is the growing centralization of power in the Federal Government at the expense of the rights and integrity of the 48 States—the Federal usurpation of States rights.

The second factor is the usurpation by one of the three coordinate branches of the Federal Government of powers rightfully belonging to the other branches—the mounting violation of the principle of separation of powers.

If these trends are permitted to continue unchecked, the ultimate losers will be the people of this country.

The gainers profiting from this development, as centralization and encroachment win the ascendancy, will be those in Russia and elsewhere who are looking confidently for the transformation of America into one form or another of the total state. I might remind Senators that only last June Mr. Khrushchev hopefully predicted a United States which in another generation or two would be a twin sister to the Soviet Union. He said:

> And I prophesy that your grandchildren in America will live under socialism.

The Soviet leaders have been reasonably correct in their boasts. Are they this time?

Let me make it clear at the beginning, however, that I am not trying to sound the alarm against the imminent communization of America. It is just this sort of exaggeration that has so successfully beclouded attempts at serious discussion of this issue in the past. Let us at the outset get rid of the notion that those who hold my views believe that communism has already hammered its way into the White House and is now galloping up Pennsylvania Avenue like a cavalry charge, about to inundate the Congress.

It is not any Moscow-directed conspiracy promoting the communization of our Government that I mainly fear.

Nor do I fear that we will ever fall into quite the same sort of totalitarianism that was exemplified by Nazi Germany or Fascist Italy.

Then what is it that I fear?

What I fear is what is already visible. What I fear is the creation, subtly, law by law, decision by decision—almost imperceptibly—of the uniquely American version of the total state.

What I fear is this peculiarly American version of total or near-total Federal power.

The fact that so much of this dangerous growth has been built up, if not in accordance with a scrupulous regard for the Constitution, at least in accordance with the forms of law, is what makes the danger so difficult for many to perceive and to realize. The fact that such-and-such an act is passed by the Congress; the fact that the act is signed by our duly elected President; the fact that our Supreme Court, our highest judicial body, declares it constitutional—these give the amorphous growth of central power and the consequent weakening of States rights the marking of an American product.

But let us bear it in mind, Mr. President, that totalitarianism in a red, white, and blue package is still totalitarianism.

Before I set forth my specific proposition, embodied here in my proposed resolution, let me, at the outset, plead with all sincerity, that it is my purpose to bring this problem out for discussion and—eventually—decision, on the highest levels of statesmanship. Let me, to begin with, plead that we store away in the attic of forgotten recrimination the worn and beaten weapons of sectionalism that obscured and confused and distorted debate of these issues in the past.

I hope that I can convey something of the gravity of this question of States rights. I believe that the time has come for serious examination of the internecine struggle among the branches of the Federal Government to encroach on one another's prerogatives. All that I seek is to open wide a reasonable but vigorous and definitive path to the discovery of the facts, with a view to having the Congress then operate on those facts legislatively, as the facts indicate.

THE STATE-FEDERAL PROBLEM

First, the matter of the relationship of the States to the Federal Government. Let me interject here, for the benefit of those who may be recalling that several commissions and bodies have already been set up to study this problem, that the Commission which I am proposing here would, as I shall explain in a moment, proceed upon a completely different approach from that followed by these other bodies.

President Eisenhower put the problem very well in his address to the governors' conference at Williamsburg last year, and I should like to quote him briefly:

> Our governmental system, so carefully checked, so delicately balanced, with power fettered and the people free, has survived longer than any other attempt to conduct group affairs by the authority of the group itself. Yet a distinguished American scholar has only recently counseled us that in the measurable future, if present trends continue, the States are sure to degenerate into powerless satellites of the National Government in Washington.
>
> That this forecast does not suffer from lack of supporting evidence all of us know full well. The irony of the whole thing is accentuated as we recall that the National Government was itself not the parent, but the creature, of the States acting together.
>
> * * * * *
>
> Four years ago at your Seattle conference—

I am still quoting from the President's address—

> I expressed the conviction that unless we preserve the traditional power and responsibilities of State government, with revenues necessary to exercise that power and discharge those responsibilities, then we will not preserve the kind of America we have known; eventually, we will have, instead, another form of government and, therefore, quite another kind of America.
>
> That conviction I hold just as strongly today.

In order to make a start toward remedying the situation, the President called for the creation of a Joint Federal-State Action Committee, whose purpose was to make a study looking to the transfer of certain limited powers back to the State governments.

This Joint Federal-State Action Committee was not the first body set up to study problems of Federal-State relationship. In addition to valuable studies made by the Council of State Governments, by university groups, and by private individuals, there was the Commission on Intergovernmental Relations, also a project of President Eisenhower's. This Commission made a 2-year study of our Federal system, reporting to the President in 1955, and said to have been "the first official undertaking of its kind since the Constitutional Convention in 1787."

The Commission, under the chairmanship of Mr. Meyer Kestnbaum, submitted its report with the hope that the latter would "be regarded as the beginning rather than the end of a contemporary study of the subject of intergovernmental relations, and that it will stimulate all the levels of government to examine their respective responsibilities in a properly balanced Federal system."

I am very glad that the Commission termed its report only a beginning and that it urged further study of the problem.

I say this because, in my opinion, despite the valuable research done by this Commission, its conclusion—which I shall quote briefly in a moment—contains a major fallacy, a fallacy which my resolution is designed to avoid.

This fallacy is one which also shows up in the report of the Joint Federal-State Action Committee as well as in many of the private reports on this subject. The fallacy lies in the fact that these various reports are fundamentally in error in their basic approach to the problem. They approach the question of Federal-State jurisdiction primarily from the standpoint of policy, rather than from a constitutional standpoint.

This is the great distinction between that which I am proposing and those studies which have been made up to now. My resolution, it will be noted, emphasizes that the study shall be made of "the respective powers of the Federal Government and the State government under the Constitution" and of "the respective powers of the three branches of the Federal Government under the Constitution." The reports resulting from these previous studies, on the other hand, have, as I have said, based their recommendations largely on considerations of policy—principally administrative efficiency and economy.

Let me illustrate what I mean by quoting a few short passages from these reports.

The Commission on Intergovernmental Relations insisted that these Federal-State problems are today political, rather than constitutional, in that:

> The limits of the delegated and implied national powers fix the maximum range of national action. The existence of such constitutional bounds is probably more important than their exact location for the

purpose of maintaining the Federal nature of our governmental system. * * *

Under current judicial doctrine, there are still limits on the coercive powers at both levels, but the national powers are broad and the possibilities by means of spending are still broader. * * * Which level ought to move? Or should both? Or neither? What are prudent and proper divisions of labor and responsibility between them? These are questions mainly for legislative judgment, and the criteria are chiefly political, economic, and administrative, rather than legal.

The Honorable John H. Stambaugh, a staff director of the Joint Federal-State Action Committee, recently explained the approach of the committee as follows:

The only consideration before the committee is whether a given function can logically be assumed completely at the State and local level and be carried on with even greater effectiveness than under present arrangements. Local control and local decisions over as many of these programs as possible are desirable and necessary. Many of these programs can be enriched by the diversified administration of State and local governments; can be handled more effectively and responsively; and the States should and can obtain resources to finance these programs.

In a similar vein, a member of the House Government Operations Committee's subcommittee on intergovernmental relations applauded the committee's recommendations that certain functions be returned to the States, and here again policy considerations were stressed: "It's the thing to do," said Representative HOFFMAN. He declared that the States will get better results and better construction for less money if they handle their own programs.

As a final illustration of what I call the policy—as opposed to the constitutional—approach, I should like to quote a few sentences from a volume of very interesting essays on the subject, "The States and the Nation", by Leonard D. White—Baton Rouge, Louisiana State University Press, 1953:

These essays are not a study of constitutional law. I consider the constitutional issue settled conclusively against the States. The National Government can now go a long way under the interstate commerce clause and the general welfare clause; and by grants-in-aid it can buy whatever additional authority Congress believes desirable. The future of the States rests, not on constitutional protection, but on political and administrative decisions * * *. The issues of the future in this area are consequently political and administrative in nature.

Mr. President, the matter of considering the constitutional issue settled conclusively against the States and resting the whole future of the States on administrative policy and political decisions, rather than on constitutional protection, is, in my opinion, a very dangerous procedure. I cannot overemphasize how strongly opposed I am to any such approach to this problem. I should almost prefer that no commission at all ever be set up to study Federal-State relations, rather than that one should carry out its study from this approach, for this policy approach confirms the States, at the outset, as mere subdivisions of an all-powerful Central Government. This approach accepts the idea that the States, constitutionally, have no case; that there are no such things as States' rights; for, if certain powers and functions should be assigned to the States, purely on a policy basis, is it not then clear that the National Government could, at its whim, take back these functions and powers from the States, for reasons—or excuses—of policy?

We should encourage the transfer back to the States of certain functions now performed by the Federal Government. On this point, most of those who have studied the matter seem to be in agreement; but the principal reason for doing so should not be the question of policy—as Mr. Stambaugh, for example, urged, because it is "desirable," because the "programs can be enriched," "can be handled more effectively and responsively." He is right, of course, in that it is desirable from a policy standpoint: These programs can be handled more effectively and more responsively by the States. But the real reason why we should assign these functions to the States is that in so doing, we would be restoring the balance prescribed by the Constitution.

Any division of State and Federal powers that exists merely at the whim or sufferance of the National Government is of no lasting significance. True, the administration of these governmental functions by the States, instead of by the Federal Government, might—in most cases, definitely would—work out better, from a policy standpoint; but as far as affording any real protection to the basic rights and freedoms of the individual citizen—which is, in the long run, the policy consideration which should be paramount over all others—as far as protecting these rights is concerned, such an approach is worthless, because the States' powers and functions would be predicated, not on constitutional right, but on mere considerations of administrative policy or economy. In other words, they would be held only at the sufferance of the National Government.

WHY STATES RIGHTS?

This brings us to the heart of the matter, to the compelling reason why we must protect and restore the powers of the separate States, as we are commanded to do anyway by the Constitution. This brings us, indeed, to considerations of policy—not short-range, relatively unimportant details of administrative efficiency, but long-range, fundamental policy—in short, the basic, practical, human consideration which makes it so necessary, so vital, that, in this question of Federal-State relationship, we adhere to the course which the Constitution prescribes.

I refer, Mr. President, to the matter of individual rights—civil liberties. I refer to those basic human freedoms, individual liberties, which Western man has for so many centuries bled and suffered and struggled to secure. Basically, these are the fundamental liberties at stake in the question of States rights. It is essential that we look at States rights in a dispassionate way; that we see the principle of States rights in perspective. For many years the issue at stake has been beclouded, because many people tended to dismiss States rights as being simply a cloak for southern separatist aspirations, or a device to facilitate the exploitation of racial minorities. This is false, and false to the core. States rights is an enduring and valid principle which transcends the issue of race, and which has existed since long before there was a South.

For States rights is but the American term for the principle of local self-government, a principle with which the peoples of Ireland and of Finland, of Czechoslovakia and of Poland, and of Hungary are tragically familiar, and for which over the centuries they have fought and struggled and died.

The right of local self-government is as old as history itself. It is a fundamental and inalienable human right. It existed prior to the advent of written constitutions, and in Europe and most other parts of the globe it exists today independently of constitutions. Even though, in many quarters, the exercise of the right has been ruthlessly suppressed by Red force, the right itself still exists, and some day will be reasserted by the subject peoples.

In the establishment of our Union, we recognized this right of self-government; we incorporated it in our written Constitution, and we gave it its American name of States' rights. Through delegation by the States of certain of their powers, the right of local self-government was voluntarily limited to some extent, it is true—in certain specified particulars. But, on the other hand, the basic right itself was formalized; that is to say, it was formally recognized by the Constitution; and, lest there should have arisen any possible shred of doubt about it, the Founding Fathers took pains to reaffirm the principle in the 10th amendment:

The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

It has become the fashion, in late years, to ignore the 10th amendment, to dismiss it—as one Justice did—as a "mere truism." But every day events point more and more clearly to the compelling necessity for us—if we are to remain a free people—to reexamine this amendment and to rededicate ourselves to the principle of States' rights—local self-government—which it guarantees, for, in the long run, individual rights depend squarely on States' rights, upon the concept of local self-government. Far from being antithetical to each other, as certain parties have tried to portray them, the one principle depends upon the other.

It is unfortunate that so many of those who have labored so zealously in behalf of the cause of individual rights and civil liberties have done so, not merely in neglect, but often in actual derogation, of the rights of the States. In order to obtain some temporary and

usually illusory advance in the field of individual rights (generally where a minority group complication is involved), these "human rights" advocates have sought to curtail and cut down the powers and rights of the States and, in fact, to reduce the States to meaningless administrative subdivisions. In so doing, they are actually doing the worst possible disservice in the long run to the cause of human rights; for, at the expense of the States, they are helping to build up a vast concentration of power in Washington.

They are creating a centralized governmental apparatus against which the States first, and later the individual citizen, will be completely powerless. And when that day arrives—and, Mr. President, if we do not halt and reverse this trend in our Government, it will not be long in arriving—human rights, minority rights, individual liberties will be in the most mortal danger they could ever be in. When all power is concentrated in the Central Government, without effective State governments existing as a check, the end is near for the rights of the individual. When the principle of States' rights—local self-government—goes down the drain, individual rights will follow close behind. In our American system, the surest bulwark of individual liberty is the principle of States' rights.

The Founders knew this, and that is why they established this right of local self-government as one of the twin pillars of their carefully-devised system of checks and balances. They deliberately set up this system of checks and balances, and made States' rights one of its two bulwarks, in order to prevent the rise of a centralized and tyrannical power-apparatus, before which the individual citizen would be helpless.

PROBLEM OF THE THREE BRANCHES OF THE FEDERAL GOVERNMENT

The other major device set up by the Founders in their establishment of the checks and balances system—and this is the second matter with which the Commission here proposed would deal—was the principle of separation of powers; that is, the independence of the three branches of the Federal Government. States rights alone is not enough. It is necessary that within the Federal Government itself there be a strictly maintained balance among the three branches, the legislative, the executive, and the judicial. This balance can be maintained only by an unceasing and unyielding resistance to any and all attempts on the part of any one branch to usurp powers rightfully belonging to one of the other branches. In addition to marking the constitutional line between Federal and State powers, it would be the proposed Commission's function to study and locate and set forth the proper boundaries of these three Federal branches. And again, of course, to establish their respective jurisdictions under the Constitution, and not simply to determine what boundaries might be most expedient from a policy standpoint.

The pressing need of keeping these three branches within their proper bounds I shall not elaborate on to any great extent. I think that this need is obvious and clear to most, if not all, of those present. This body in particular should be well aware of certain trends which in recent years have seriously threatened the balance. I will not detail the rash of Court decisions which have caused concern in this body, among northern, southern, and western Members alike, as well as among members of the American bar and among private citizens. Suffice it to say that a dangerous trend is in motion and that this time, fortunately, a large body of responsible opinion seems at least to have perceived the danger.

I believe that there is an increasing awareness on the part of Members of both Houses of the dangers inherent in this growing imbalance within the structure of the Federal Government. If in this address I dwell in more detail on the State-Federal problem, it is only because I feel that Congress is perhaps less aware of the danger there, or less concerned over it, and not because I attach any less importance to the problem of the balance of the three Federal branches. Indeed, in view of the steadily shrinking power of the States, it is more imperative than ever that the principle of separation of powers among the three Federal branches be scrupulously preserved.

FINAL WORD ON THE STATES' RIGHTS PROBLEM

But to return once more to the States' rights half of the problem. Some will point out that the States themselves are in large measure responsible for their present weakened position; that the State governments themselves are willing parties to the present trend; that far from making any serious effort to reverse the trend, State officials continue to seek more and more Federal grants and handouts which they know full well will result in increasing Federal control; and these people may take the view that since the States apparently are unwilling to save themselves, why should we, the Congress, initiate any move to save them?

With the first part of that argument I find myself in at least partial agreement. It is quite true that some of the blame for their present plight rests with the States themselves. For one thing, the lure of Federal money has often been too strong for the States to resist. State political leaders, eager to boast of extra services provided, yet desirous of keeping State and local taxes down, have been all too willing to turn to the Federal Treasury—and, in so doing, to hitch ever more tightly to their States the reins of Federal control.

It is also true that, by neglecting certain fields in which large segments of their populations wanted governmental action taken, the States made very easy the task of those who were seeking to centralize power in Washington at the expense of the States. President Eisenhower put this very well in his Williamsburg speech, if I may quote him further:

> The tendency of bureaucracy to grow in size and power does not bear the whole of the blame for the march of political power to Washington. Never, under our constitutional system, could the National Government have siphoned away State authority without the neglect, acquiescence, or unthinking cooperation of the States themselves.
>
> The Founding Fathers foresaw and attempted to forestall such a contingency. They reserved to the people, and they reserved to the States, all power not specifically bestowed upon the National Government.
>
> But, like nature, people and their governments are intolerant of vacuums. Every State failure to meet a pressing public need has created the opportunity, developed the excuse and fed the temptation for the National Government to poach on the States' preserves. Year by year, responding to transient popular demands, the Congress has increased Federal functions. So, slowly at first, but in recent times more and more rapidly, the pendulum of power has swung from our States toward the Central Government.

Those were the words of President Eisenhower.

Like the President, I agree that the States themselves deserve much of the blame; I agree that the States seem little disposed to take any effective action to resist Federal encroachment, by rejecting further Federal financial aid. But even if the States apparently cannot or will not help themselves, it does not follow that this Congress should stand aside and watch the dissolution of our Federal form of government. The very fact that within the States themselves there are so many factors and currents—social, economic, and especially political—which tend to invite Federal encroachment, makes it doubly necessary that steps be taken now to preserve the balance intended by the Constitution. We are not interested in preserving States rights just because we wish to do a favor to State governments as such. Nor are we interested in the preserving of a political tradition merely for its own sake. The Congress should be interested in preserving States rights because the preservation of States rights is essential to the maintenance of our Federal form of government, and is therefore, vitally necessary to the well-being of the people of the United States.

CONCLUSION

Mr. President, I hope that in this brief talk I have been able to convey some sense of the urgency which I feel in regard to this matter. I hope that I have been able to make it clear why a survey of the boundaries of State and Federal jurisdiction is needed. I hope that I have been able to point out with sufficient clarity what I think is the basic fallacy involved in the previously-undertaken studies of Federal-State relationship—namely, the emphasis on considerations of policy rather than on constitutionalism. I hope, therefore, that Senators will agree that this proposed Commission on Federal and State

Jurisdiction is a vital necessity to the preservation of our Federal form of government and of our free institutions. I hope that Senators will support the joint resolution.

Much has been said on the floor during the past few days about the dangers facing us from abroad. Let us face firmly and resolutely this foreign threat; but at the same time let us look to the preservation of our freedom at home.

In taking every step necessary to maintain, or to restore, our system of checks and balances, let us all bear in mind these words of our first President, George Washington, spoken in his Farewell Address:

> The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments ancient and modern; some of them in our country, and under our own eyes. To preserve them must be as necessary as to institute them. Let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 145) to establish a Commission on Federal and State Jurisdiction, introduced by Mr. THURMOND, was received, read twice by its title, and referred to the Committee on Government Operations.

DEATH OF REPRESENTATIVE LAWRENCE HENRY SMITH, OF WISCONSIN

The PRESIDING OFFICER laid before the Senate a resolution coming from the House of Representatives, which was read, as follows:

Resolved, That the House has heard with profound sorrow of the death of Hon. LAWRENCE H. SMITH, a Representative from the State of Wisconsin.

Resolved, That a committee of 11 Members of the House with such Members of the Senate as may be joined be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect the House do now adjourn.

Mr. WILEY. Mr. President, I was saddened to learn of the passing of my friend, LAWRENCE HENRY SMITH, a Representative in Congress from my State.

I first became acquainted with LAWRENCE back in the early 1930's, when we were together in service group work. LARRY was one of those fine, clean, Christian characters who live to the full the light they possess.

LARRY was born in Racine, Wis., in September 1892. He obtained his education in the public schools of Racine and at the Milwaukee University School. Later he took additional courses, for 2 years, in the Milwaukee State Teachers College, and then enrolled in Marquette University, graduating from its law school in June 1923.

After he graduated from law school, he opened a law office in his hometown of Racine, where he continued the practice of law until he came to the House of Representatives, in 1941, to fill the vacancy caused by the death of Representative Bolles.

During World War I he served in Europe in the infantry of the 32d Division, as a first lieutenant. I had a brother who was a captain in that division.

In 1938 and 1939 he was Commander of the American Legion Department of Wisconsin.

He was president of the Racine County Bar Association. Since the special election in 1941, he has been reelected in every election since that time. When he passed away, he was a member of the House Committee on Foreign Affairs.

He was a hard worker. He was a man of character, forthright and sincere. With those qualities, of course, he had a multitude of friends. That was indicated by the fact that the people of his District reelected him back to the House of Representatives time and time again.

Surviving him are his wife, Eleanor, and three children. By his family, friends, and associates, indeed by all who knew him, he will be sorely missed.

I join with all who knew him in expressing to Eleanor, whom I also knew throughout the years, and to his fine family, my heartfelt sympathy at his passing.

Mr. President, I now desire to yield to my colleague, the distinguished junior Senator from Wisconsin [Mr. PROXMIRE] who wishes to speak concerning the death of Representative SMITH.

Mr. PROXMIRE. Mr. President, I join with my colleague, the distinguished senior Senator from Wisconsin [Mr. WILEY], in expressing my deep sympathy to the family and associates of the late Representative LAWRENCE SMITH. Although I knew him but briefly, and we were of opposite political faiths, LAWRENCE SMITH's long career, not only as a Member of Congress since 1941 but in public life for many years before that, always set a high standard of integrity and devotion to duty. The people of his Congressional District, who chose him nine times to represent them, will note his passing with sorrow, as will his colleagues here who knew and respected LAWRENCE SMITH for his conscientious attention to the business of the House Foreign Affairs Committee and of the House. Wisconsin and the Nation have lost an able public servant.

Mr. WILEY. Mr. President, I desire now to yield to the distinguished junior Senator from New York.

Mr. JAVITS. Mr. President, for 8 years I sat next to Representative LAWRENCE SMITH on the House Committee on Foreign Affairs. I learned to know him exceedingly well through working with him very closely.

Although his views on foreign policy differed from mine in many respects, few members of the committee held views more sincerely than did LAWRENCE SMITH. No one appreciated more keenly than I his patriotism and the lofty moral tone of everything he did and said in the House.

I join with my colleagues in the Senate and with my colleagues in the other body in extending my deepest and most heartfelt sympathy to his wife.

LAWRENCE SMITH was a gentleman of the finest strain which our country is capable of producing. His memory will, for me, be ever fresh.

Mr. WILEY. Mr. President, I submit a resolution and ask unanimous consent for its immediate consideration.

The resolution (S. Res. 244) was read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. LAWRENCE H. SMITH, late a Representative from the State of Wisconsin.

Resolved, That a committee of two Senators be appointed by the Vice President to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased, the Senate, at the conclusion of its business today, adjourn until Monday next.

The PRESIDING OFFICER. Pursuant to the second resolving clause, the Chair appoints, as the committee to attend the funeral of the late Representative, the senior Senator from Wisconsin [Mr. WILEY] and the junior Senator from Wisconsin [Mr. PROXMIRE].

Pursuant to the fourth resolving clause of the resolution, as a further mark of respect to the memory of the deceased Representative the Senate (at 6 o'clock and 25 minutes p. m.) adjourned until Monday, January 27, 1958, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate, Thursday, January 23, 1958:

DIPLOMATIC AND FOREIGN SERVICE

Parker T. Hart, of Illinois, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Hashemite Kingdom of Jordan, vice Lester D. Mallory.

U. Alexis Johnson, of California, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Thailand, vice Max Waldo Bishop.

John Wesley Jones, of Iowa, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Kingdom of Libya, vice John L. Tappin.

Lester D. Mallory, of Washington, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Guatemala, vice Edward J. Sparks.

Edward J. Sparks, of New York, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Venezuela, vice Dempster McIntosh.

Clifton R. Wharton, of California, a Foreign Service officer of class 1, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Rumania, vice Robert H. Thayer.

James W. Riddleberger, of Virginia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Greece, vice George V. Allen.

DIPLOMATIC AND FOREIGN SERVICE

The following-named persons, who were appointed during the last recess of the Senate, to the offices indicated:

Now a Foreign Service officer of class 1 and a secretary in the diplomatic service, to be also a consul general of the United States of America:

Frank A. Waring, of California.

Now Foreign Service officers of class 2 and secretaries in the diplomatic service, to be also consuls general of the United States of America:

Samuel D. Boykin, of Maryland.
Edward C. Crouch, of the District of Columbia.
Graham R. Hall, of Arkansas.
John F. Killea, of Texas.
Walter W. Orebaugh, of Oregon.

Now a Foreign Service officer of class 3 and a secretary in the diplomatic service, to be also a consul general of the United States of America:

Donald A. Dumont, of New York.

For appointment as a Foreign Service officer of class 2, a consul, and a secretary in the diplomatic service of the United States of America:

John Miles, of Illinois.

For appointment as Foreign Service officers of class 3, consuls, the secretaries in the diplomatic service of the United States of America:

James G. Byington, of Connecticut.
Harold A. Chastka, of South Dakota.
Mrs. Alice T. Curran, of New York.
Clyde E. Holmes, of Washington.
Wallace Irwin, Jr., of New York.
Benton D. Morgan, of California.
Jameson Parker, of the District of Columbia.
William J. Stibravy, of New Jersey.

For appointment as Foreign Service officer of class 4, a consul, and a secretary in the diplomatic service of the United States of America:

Mrs. Margaret Rupli Woodward, of the District of Columbia.

For appointment as Foreign Service officers of class 5, consuls, and secretaries in the diplomatic service of the United States of America:

Stephen Duncan-Peters, of New York.
Miss Elizabeth McGrory, of California.

Now Foreign Service officers of class 6 and secretaries in the diplomatic service, to be also consuls of the United States of America:

Paul J. Hoylen, of Maryland.
Andrew I. Killgore, of Alabama.
Anthony E. Starcevic, of California.

For appointment as Foreign Service officers of class 6, vice consuls of career and secretaries in the diplomatic service of the United States of America:

Miss Maurine Crane, of Utah.
Dudley E. Cyphers, of Florida.
Eric W. Fleisher, of Maryland.
Wane B. Gentry, of Washington.
James M. Hall, of Washington.
Miss Roberta L. Meyerkort, of Mississippi.
Miss Ruth G. Michaelson, of Michigan.
Philip M. Nagao, of California.
Gabriel J. Paolozzi, of Nevada.
Paul Sadler, of Tennessee.
Mrs. Helen S. Steele, of California.

For appointment as Foreign Service officers of class 8, vice consuls of career and secretaries in the diplomatic service of the United States of America:

Terrell E. Arnold, of California.
David P. Banowetz, of Louisiana.
Harry E. Bergold, Jr., of New York.
Miss Emma Bernardon, of New York.
Jay H. Blowers, of Florida.
James Bernard Bockian, of New Jersey.
Miss Helen Brady, of Pennsylvania.
William E. Breidenbach, of New York.
Peter S. Bridges, of Illinois.
Miss Lucy Therina Briggs, of Maine.
Jere Broh-Kahn, of Ohio.
Carroll Brown, of Alabama.
Eugene B. Bruns, of Maryland.
Jerald G. Clemans, of California.
John R. Clingerman, of Michigan.
Emmett M. Coxson, of Illinois.
William F. Crary, of Florida.
Robert R. Dennis, of Pennsylvania.
Francis De Tarr, of California.
Miss Helen Marie Donovan, of New Jersey.
Miss Suzanne E. Dress, of Pennsylvania.
Robert W. Duemling, of California.
William L. Dutton, Jr., of Iowa.
Richard A. Dwyer, of Indiana.
Miss Phyllis E. Elliott, of Missouri.
Ollie B. Ellison, of Illinois.
Raymond C. Ewing, of California.
Miss Anne Ladd Frederick, of Massachusetts.
Howard V. Funk, Jr., of New York.
Herbert Donald Gelber, of New York.
Terry G. Grant, of Illinois.
Kurt F. Gross, of Wisconsin.
Miss Thurza Maureen Harris, of Kansas.
James R. Holway, of Illinois.
James F. Hughes III, of New York.
David Korn, of Missouri.
David C. Lacey, Jr., of Ohio.
George M. Lane, of Massachusetts.
Frederick H. Lawton, of New Jersey.
Melvin H. Levine, of Massachusetts.
William H. Luers, of Illinois.
Edward J. Malonis, of Massachusetts.
Wade H. B. Matthews, of North Carolina.
James A. Mattson, of Minnesota.
John C. Monjo, of Connecticut.
John T. Morgan, of Illinois.
Miss Dorothy H. Myers, of Maryland.
Richard A. Neale, of California.
George Clay Nettles, of Alabama.
George W. Ogg, of Virginia.
Oscar J. Olson, Jr., of Texas.
James R. Panks, of Washington.
Thomas J. Pape, of Texas.
Edward L. Peck, of California.
Neale J. Pearson, of Florida.
Lawrence Pezzullo, of New York.
Homer R. Phelps, Jr., of New York.
Martin Polstein, of New York.
William H. Price, of Florida.
Frederick S. Quin, of New York.
William E. Rau, of Missouri.
Thomas J. Riegert, of Ohio.
John T. Rogerson, Jr., of Florida.
John Hall Rouse, Jr., of Maryland.
David D. Schobe, of Illinois.
Walter John Silva, of Massachusetts.
Clint E. Smith, of New Mexico.
Donnell D. Smith, of Rhode Island.
David C. Sperling, of Connecticut.
Linwood R. Starbird, of Maine.
Ronald Lewis Steel, of Illinois.
Donald C. Tice, of Kansas.
Blaine C. Tueller, of Utah.
Leonard B. Weddle, of Indiana.
Albert W. Whiting, of Kansas.
Stephan Charles Williams, of New York.
Herbert Gilman Wing, of Pennsylvania.

Foreign Service staff officers to be consuls of the United States of America:

Thomas J. Barrett, Jr., of Pennsylvania.
Stephen P. Belcher, Jr., of Vermont.
Robert C. Benedict, of California.
Richard C. Brower, of Minnesota.
Marvin A. Derrick, of California.
Homer G. Gayne, of the District of Columbia.
John L. Hedges, of Illinois.
Orton W. Hoover, of Iowa.
Rolf Jacoby, of New York.
Richard B. Joyce, of Missouri.
Robert G. Mahon, of California.
Paul R. Phillips, of California.
Robert L. Walker, of Montana.

Foreign Service Reserve officers to be consuls of the United States of America:

Chester R. Chartrand, of California.
Robert W. Crawford, of Ohio.
David J. DuBois, of New York.
William J. Hood, of Maine.
Roderick W. Horton, of New York.
George O. Kephart, of Maryland.
Max W. Kraus, of Maryland.
Vincent M. Lockhart, of Texas.
Thomas Polgar, of Virginia.
Arthur F. Rall, of New York.
Paul L. Springer, of Virginia.

Foreign Service Reserve officers to be vice consuls of the United States of America:

Walter L. Campbell, of California.
Richard J. Cleary, of Massachusetts.
William H. Dunbar, of the District of Columbia.
Ralph J. Katrosh, of Virginia.
William C. Rogers, of Kentucky.
R. Harden Smith, of Maryland.
George W. Steitz, of New York.
Robert D. Wiecha, of Michigan.
Throop M. Wilder, Jr., of the District of Columbia.

Foreign Service Reserve officers to be secretaries in the diplomatic service of the United States of America:

Lewis P. Achen, of Montana.
Burnett F. Anderson, of the District of Columbia.
Charles J. Beckman, of Arizona.
Alfred V. Boerner, of Maryland.
William B. Bromell, of Virginia.
Willard F. Burke, of Massachusetts.
James B. Burns, of Pennsylvania.
Michael C. Capraro, of New York.
Walter T. Cini, of New York.
Francis G. Coleman, of Pennsylvania.
Francis L. Coolidge, of the District of Columbia.
J. Edmund Crowley, of Virginia.
Robert K. Davis, of California.
Paul E. Eckel, of Maryland.
Sam A. Edwards, of Connecticut.
William T. Ellis, of Virginia.
Jack M. Forcey, of California.
Leonard C. Gmirkin, of Ohio.
Rolfe A. Haatvedt, of Iowa.
Virgil L. Harris, of California.
Henry D. Hecksher, of the District of Columbia.
Miss Louise M. Hoppy, of Oklahoma.
Earl H. Link, of Pennsylvania.
Edward A. Marelius, of Colorado.
John H. Martinsen, of Washington.
Clyde R. McAvoy, of New York.
Laughlin Phillips, of the District of Columbia.
Joseph W. Reidy, of Illinois.
John J. Shea, of New York.
Arnold M. Silver, of Massachusetts.
Michael F. Taylor, of Virginia.
Edward O. Welles, of the District of Columbia.

The following-named Foreign Service officers for promotion from class 2 to class 1:

W. Wendell Blancke, of California.
William O. Boswell, of Pennsylvania.
John H. Burns, of Oklahoma.
Prescott Childs, of Massachusetts.
Edward C. Crouch, of the District of Columbia.
Francis Deak, of the District of Columbia.
Robert F. Hale, of Oregon.
Morris N. Hughes, of Nebraska.
Eric Kocher, of California.
Robert G. Miner, of New York.
Charles P. O'Donnell, of Illinois.
William J. Porter, of Massachusetts.
Edward E. Rice, of Wisconsin.

Harold Sims, of Tennessee.
John M. Steeves, of the District of Columbia.
Carlos J. Warner, of Maine.
Murat W. Williams, of the District of Columbia.

The following-named Foreign Service officers for promotion from class 2 to class 1 and to be also consuls general of the United States of America:

Charles W. Adair, Jr., of Ohio.
Daniel V. Anderson, of Delaware.
Wilson T. M. Beale, Jr., of the District of Columbia.
William Belton, of Oregon.
W. Tapley Bennett, Jr., of Georgia.
Carl H. Boehringer, of Arizona.
William C. Burdett, of Georgia.
William I. Cargo, of Maryland.
Ralph N. Clough, of Washington.
William A. Crawford, of Pennsylvania.
Richard H. Davis, of New York.
Fulton Freeman, of California.
Edward L. Freers, of California.
Martin J. Hillenbrand, of Illinois.
Arthur G. Jones, of Virginia.
J. Jefferson Jones 3d, of Tennessee.
Edmund H. Kellogg, of Virginia.
Peyton Kerr, of Virginia.
Nat B. King, of Texas.
William L. Krieg, of Ohio.
William Leonhart, of West Virginia.
Edward P. Maffitt, of Missouri.
Edwin W. Martin, of Ohio.
Robert H. McBride, of Michigan.
Jack D. Neal, of Texas.
Joseph Palmer 2d, of California.
Stuart W. Rockwell, of Pennsylvania.
Terry B. Sanders, Jr., of Texas.
Joseph W. Scott, of Texas.
Richard M. Service, of the District of Columbia.
Harold Shullaw, of Illinois.
Wallace W. Stuart, of Tennessee.
David A. Thomasson, of Kentucky.

The following-named Foreign Service officers for promotion from class 3 to class 2:

Robert W. Adams, of Texas.
William C. Affeld, Jr., of New Jersey.
W. Stratton Anderson, Jr., of Illinois.
H. Kenneth Baker, of Maryland.
William Barnes, of Massachusetts.
Arthur E. Beach, of Missouri.
Robert M. Brandin, of New York.
Herbert D. Brewster, of Minnesota.
Stephen C. Brown, of West Virginia.
Willard O. Brown, of Texas.
Findley Burns, Jr., of Minnesota.
Kenneth A. Byrns, of Colorado.
Donald B. Calder, of New York.
Thomas Patrick Carroll, of New York.
Don V. Catlett, of Missouri.
Albert E. Clattenburg, Jr., of Pennsylvania.
Charles Philip Clock, of California.
Miss H. Alberta Colclaser, of Ohio.
William E. Cole, Jr., of New York.
John F. Correll, of Ohio.
Robert F. Corrigan, of Ohio.
Philip M. Davenport, of Maryland.
Rodger P. Davies, of California.
Henry Dearborn, of New Hampshire.
Samuel De Palma, of Maryland.
Thomas P. Dillon, of Missouri.
Perry Ellis, of California.
Jack M. Fleischer, of Wisconsin.
Richard Funkhouser, of California.
Daniel Gaudin, of Pennsylvania.
Forrest K. Geerken, of Minnesota.
Lewis E. Gleeck, Jr., of California.
Joseph N. Greene, Jr., of Massachusetts.
Paul L. Guest, of California.
John E. Hargrove, of Mississippi.
Franklin Hawley, of Michigan.
Frank Snowden Hopkins, of the District of Columbia.
Charles E. Hulick, Jr., of Pennsylvania.
Ralph H. Hunt, of Massachusetts.
Paul C. Hutton, of Colorado.
Alfred le S. Jenkins, of Georgia.
John M. Kennedy, of Virginia.
Roy I. Kimmel, of New Mexico.
Spencer M. King, of Maine.
William Kling, of New York.
M. Gordon Knox, of New York.
Abe Kramer, of California.
Eldred D. Kuppinger, of Ohio.
Nathaniel Lancaster, Jr., of Virginia.
Gilbert E. Larsen, of Illinois.
James H. Lewis, of Pennsylvania.
Thomas H. Linthicum, of California.
Aubrey E. Lippincott, of Arizona.
William L. Magistretti, of California.
Abram E. Manell, of California.
Donald B. McCue, of Virginia.
Robert G. McGregor, of Massachusetts.
Francis E. Meloy, Jr., of Maryland.
Lee E. Metcalf, of Texas.
Howard Meyers, of Maryland.
Charles P. Nolan, of Massachusetts.
Julian L. Nugent, Jr., of New Mexico.
Albert E. Pappano, of Ohio.
Paul H. Pearson, of Iowa.
Oliver A. Peterson, of Maryland.
Richard I. Phillips, of California.
George W. Renchard, of Michigan.
W. Garland Richardson, of Virginia.
Thomas C. M. Robinson, of Iowa.
Leslie L. Rood, of New Jersey.
Edward J. Rowell, of California.
Albert W. Sherer, Jr., of Illinois.
Thomas W. Simons, Sr., of the District of Columbia.
Walter Smith, of Illinois.
Byron B. Snyder, of California.
Paul J. Sturm, of Connecticut.
James W. Swihart, of Massachusetts.
John D. Tomlinson, of Illinois.
Richard E. Usher, of Wisconsin.
Joseph J. Wagner, of New York.
Herman Walker, Jr., of Maryland.
Andrew B. Wardlaw, of South Carolina.
Philip P. Williams, of California.
David G. Wilson, Jr., of Oregon.
Charles D. Withers, of South Carolina.

The following-named persons for appointment as Foreign Service officers of class 3, consuls, and secretaries in the diplomatic service of the United States of America:

Albert S. Watson, of Connecticut.
Stanley Wilcox, of Illinois.

The following-named Foreign Service officers for promotion from class 4 to class 3:

Hugh G. Appling, of California.
Philip Axelrod, of Delaware.
Taylor G. Belcher, of New York.
Harry H. Bell, of New Jersey.
Robert S. Black, of the District of Columbia.
Gray Bream, of Wyoming.
William T. Briggs, of Virginia.
Philip H. Chadbourn, Jr., of California.
Stanley M. Cleveland, of New York.
A. John Cope, Jr., of Utah.
Thomas J. Corcoran, of New York.
Alexander J. Davit, of Pennsylvania.
Richard C. Desmond, of Ohio.
Robert Donhauser, of New York.
Thomas A. Donovan, of North Dakota.
John Warner Foley, Jr., of New Hampshire.
Herbert Gordon, of New York.
Roger L. Heacock, of California.
John Calvin Hill, Jr., of South Carolina.
Robert B. Hill, of Massachusetts.
Oscar C. Holder, of Louisiana.
Miss Dorothy M. Jester, of California.
Thomas M. Judd, of Maryland.
Max V. Krebs, of California.
Weldon Litsey, of Texas.
Duncan A. D. Mackay, of New Jersey.
Martin G. Manch, of Virginia.
Grant V. McClanaham, of Missouri.
Thomas D. McKiernan, of Massachusetts.
Joseph A. Mendenhall, of Maryland.
Harold M. Midkiff, of Florida.
Robert W. Moore, of Iowa.
R. Kenneth Oakley, of Oklahoma.
Eugene L. Padberg, Jr., of Texas.
Ellwood M. Rabenold, Jr., of Pennsylvania.
Reed P. Robinson, of Utah.
Joseph W. Schutz, of California.
Frederick D. Sharp 3d, of Maine.
Merlin E. Smith, of Ohio.
Ernest L. Stanger, of Utah.
Charles G. Stefan, of California.
Robert A. Stevenson, of Florida.
Galen L. Stone, of Massachusetts.
John L. Topping, of New York.
Raymond A. Valliere, of New Hampshire.
Herbert E. Weiner, of New York.
Jackson W. Wilson, of Texas.
Robert M. Winfree, of the District of Columbia.
Robert W. Zimmermann, of the District of Columbia.

The following-named Foreign Service officers for promotion from class 5 to class 4:

Arthur S. Abbott, of Illinois.
Harold Aisley, of Maryland.
Joseph A. Angotti, of West Virginia.
Alfred L. Atherton, Jr., of Massachusetts.
John Campbell Ausland, of Pennsylvania.
John A. Baker, Jr., of Connecticut.
Harris H. Ball, of California.
Harry G. Barnes, Jr., of Minnesota.
John L. Barrett, of Texas.
Carl E. Bartch, of Ohio.
Williams Beal, of Massachusetts.
William E. Beauchamp, Jr., of New York.
Alf E. Bergesen, of New York.
Slator C. Blackiston, Jr., of North Carolina.
John Q. Blodgett, of Maryland.
Archer K. Blood, of Virginia.
Mrs. Elizabeth C. Bouch, of Oregon.
John M. Bowie, of the District of Columbia.
Vincent S. R. Brandt, of Rhode Island.
Miss Elizabeth Ann Brown, of Oregon.
Emerson M. Brown, of Michigan.
Robert R. Brungart, of Maryland.
Thompson R. Buchanan, of Maryland.
William A. Buell, Jr., of Rhode Island.
Miss Patricia M. Byrne, of Ohio.
Robert W. Caldwell, of North Carolina.
Paul C. Campbell, of Pennsylvania.
William A. Chapin, of Illinois.
Christian G. Chapman, of New York.
Carroll E. Cobb, of Colorado.
Richard H. Courtenaye, of California.
W. Kennedy Cromwell 3d, of Maryland.
Charles T. Cross, of Virginia.
John B. Crume, of Kentucky.
Phillip B. Dahl, of Illinois.
Miss Frances M. Dallor, of the District of Columbia.
Hampton Davis, of California.
Arthur R. Day, of New Jersey.
Mario R. DeCapua, of Connecticut.
William B. deGrace, of Massachusetts.
Paul W. Deibel, of Ohio.
Morris Dembo, of New York.
Edward J. Dembski, of Colorado.
John B. Dexter, of Maryland.
James A. Dibrell, of Texas.
Richard H. Donald, of Connecticut.
Anthony J. Dreape, of New Jersey.
Walter H. Drew, of Colorado.
Adolph Dubs, of Illinois.
Michael J. Dux, of Florida.
Theodore L. Eliot, Jr., of California.
Miss Virginia Ellis, of the District of Columbia.
Warrick E. Elrod, Jr., of Illinois.
Mrs. Elizabeth L. Engdahl, of New Hampshire.
Charles W. Falkner, of Oregon.
John M. Farrior, of North Carolina.
Harry Feinstein, of Georgia.
Benjamin A. Fleck, of Pennsylvania.
Robert C. Foulon, of Illinois.
A. Eugene Frank, of Illinois.
Harry George French, of Wisconsin.
Donald A. Gaiduk, of California.
John N. Gatch, Jr., of Ohio.
Norman W. Getsinger, of Michigan.
John I. Getz, of Illinois.
Russell L. Gibbs, of Michigan.
Justie E. Gist, of Iowa.
Culver Gleysteen, of Pennsylvania.
John G. Gossett, of Oklahoma.
Miss Betty C. Gough, of Maryland.
Pierre R. Graham, of Illinois.
Lindsey Grant, of New York.

Lawrence E. Gruza, of Connecticut.
James C. Haahr, of Minnesota.
Andrew E. Hanney, of Massachusetts.
Joseph A. Harary, of New York.
Miss Margaret P. Hays, of Texas.
Robert Whitcomb Heavey, of California.
Richard M. Herndon, of Pennsylvania.
Martin Y. Hirabayashi, of Maryland.
Robert S. Hoard, of California.
John H. Holdridge, of California.
Jerome K. Holloway, Jr., of Maryland.
Robert B. Houghton, of Michigan.
Robert B. Houston, Jr., of Missouri.
Thomas D. Huff, of Indiana.
Elmer C. Hulen, of Kentucky.
Mansfield L. Hunt, of Maine.
Milan W. Jerabek, of Maryland.
Robert C. Johnson, Jr., of New Jersey.
Charles M. Johnston, of Maryland.
James R. Johnston, of Ohio.
Curtis F. Jones, of Maine.
William Kane, of Virginia.
Warren A. Kelsey, of Massachusetts.
Bayard King, of Rhode Island.
David Klein, of Kansas.
Joseph B. Kyle, of Virginia.
Lowell Bruce Laingen, of Minnesota.
Mason A. La Selle, of Colorado.
Chase E. Laurendine, of Alabama.
Donald A. Lewis, of New York.
Herman Lindstrom, of Florida.
Harry M. Lofton, of South Carolina.
Earl H. Luboeansky, of Missouri.
Basil F. Macgowan, of Tennessee.
Dayton S. Mak, of Iowa.
Philip W. Manhard, of Florida.
Doyle V. Martin, of Oklahoma.
Glenwood B. Matthews, of California.
James A. May, of California.
James H. McFarland, Jr., of Michigan.
Robert A. McKinnon, of Michigan.
Kermit S. Midthun, of Michigan.
Daniel W. Montenegro, of New York.
Sam Moskowitz, of Missouri.
Grant E. Mouser 3d, of Ohio.
Franklin H. Murrell, of California.
Jacob M. Myerson, of the District of Columbia.
E. Jan Nadelman, of Virginia.
Joseph P. Nagoski, of Tennessee.
Joseph W. Neubert, of Washington.
Daniel O. Newberry, of Georgia.
Cleo A. Noel, Jr., of Missouri.
Douglas B. O'Connell, of New York.
John F. O'Donnell, Jr., of Massachusetts.
John F. O'Grady, of Massachusetts.
Robert L. Ouverson, of Minnesota.
William V. M. Owen, of the District of Columbia.
Carvel Painter, of Wisconsin.
Stephen E. Palmer, Jr., of New York.
Chris G. Petrow, of Massachusetts.
Harry F. Pfeiffer, Jr., of Maryland.
Harry M. Phelan, Jr., of Tennessee.
Wendell A. Pike, of Washington.
Ferdinand F. Pirhalla, of Pennsylvania.
Richard A. Poole, of New Jersey.
Paul M. Popple, of Illinois.
Francis C. Prescott, of Maine.
Lewis M. Purnell, of Delaware.
Jack R. Queen, of Ohio.
Lawrence P. Ralston, of Connecticut.
John P. Reddington, of New York.
Larry W. Roeder, of Missouri.
Frederick L. Royt, of Wisconsin.
James R. Ruchti, of Wisconsin.
David T. Schneider, of New Hampshire.
Robert M. Schneider, of Iowa.
Cabot Sedgwick, of Arizona.
Peter A. Seip, of Iowa.
Albert L. Seligmann, of Virginia.
Melvin E. Sinn, of Virginia.
Matthew D. Smith, Jr., of South Dakota.
Richard E. Snyder, of New Jersey.
Karl E. Sommerlatte, of Florida.
C. Melvin Sonne, Jr., of Pennsylvania.
William F. Spengler, of Wisconsin.
Daniel Sprecher, of New York.
Thomas C. Stave, of Washington.
Kenedon P. Steins, of the District of Columbia.
Robert W. Stookey, of Illinois.
DeWitt L. Stora, of California.
Lee T. Stull, of Pennsylvania.
Kenneth P. T. Sullivan, of Massachusetts.
Jack A. Sulser, of Illinois.
Kingdon W. Swayne, of Pennsylvania.
Charles R. Tanguy, of Maryland.
Herbert B. Thompson, of California.
David R. Thomson, of California.
Miss Ruth J. Torrance, of Virginia.
Theodore A. Tremblay, of California.
Edward J. Trost, of New York.
Thomas T. Turner, of Washington.
Philip H. Valdes, of New York.
Theodore A. Wahl, of New York.
Peter C. Walker, of New York.
Milton C. Walstrom, of the Territory of Hawaii.
Herbert S. Weast, of California.
Sidney Weintraub, of New York.
Robert W. Weise, Jr., of Minnesota.
Alfred W. Wells, of New York.
Karl F. Weygand, of Massachusetts.
Mrs. C. Carey White, of Arizona.
Orme Wilson, Jr., of New York.
Wendell W. Woodbury, of Iowa.
Charles G. Wootton, of Connecticut.
Arthur I. Wortzel, of New Jersey.
Frederick S. York, of New Jersey.
Harry R. Zerbel, of Wisconsin.

The following-named persons for appointment as Foreign Service officers of class 5, consuls, and secretaries in the diplomatic service of the United States of America:

Thomas M. Gaffney, of Massachusetts.
Arthur V. Metcalfe, of California.

The following-named Foreign Service officers for promotion from class 6 to class 5:

Robert E. Barbour, of Tennessee.
Hubert H. Buzbee, Jr., of Alabama.
Oscar H. Guerra, of Texas.
Malcolm P. Hallam, of South Dakota.
Andrew I. Killgore, of Alabama.
George R. Phelan, Jr., of Missouri.

The following-named Foreign Service officers for promotion from class 6 to class 5 and to be also consuls of the United States of America:

Miss Gloria E. Abiouness, of Virginia.
Karl D. Ackerman, of Oklahoma.
Richard H. Adams, of Texas.
Arthur P. Allen, of California.
Robert N. Allen, of Oklahoma.
Henry T. Andersen, of Connecticut.
Daniel N. Arzac, Jr., of California.
James H. Ashida, of Washington.
Robert A. Aylward, of Massachusetts.
Miss Mildred J. Baer, of Maryland.
Robert J. Ballantyne, of Massachusetts.
George M. Barbis, of California.
Malcolm R. Barnebey, of Texas.
Robert S. Barrett IV, of Virginia.
Raymond Bastianello, of Texas.
Raymond J. Becker, of California.
Philip B. Bergfield, of California.
John A. Billings, of Missouri.
Robert A. Bishton, of Maryland.
Richard J. Bloomfield, of Connecticut.
Miss Helen M. Bonnell, of Michigan.
Lewis W. Bowden, of the District of Columbia.
William G. Bradford, of Illinois.
John A. Brogan III, of New York.
William R. Brown, of Ohio.
Harrison W. Burgess, of Virginia.
Frank N. Burnet, of Alabama.
Robert L. Burns, of the District of Columbia.
Robert T. Burns, of Indiana.
Charles T. Butler, Jr., of Indiana.
Pratt Byrd, of Kentucky.
Alan L. Campbell, Jr., of North Carolina.
Roy O. Carlson, of Illinois.
Maxwell Chaplin, of California.
Arnold K. Childs, of Ohio.
Miss Virginia Whitfield Collins, of Florida.
Thomas F. Conlon, of Illinois.
John S. Connolly, Jr., of Virginia.
Eiler R. Cook, of Florida.
Ray H. Crane, of Utah.
Joseph H. Cunningham, of Nebraska.
Everett L. Damron, of Ohio.
Miss Lois M. Day, of Ohio.
John M. Dennis, of Pennsylvania.
Walker A. Diamanti, of Utah.
Thomas I. Dickson, Jr., of Texas.
Miss Hazel C. Dougherty, of Pennsylvania.
Miss Dorothy J. Dugan, of New Jersey.
Gilda R. Duly, of New York.
Chester G. Dunham, of Ohio.
William B. Edmondson, of Nebraska.
Alfred J. Erdos, of Arizona.
Elden B. Erickson, of Kansas.
Miss Barbara C. Fagan, of New York.
Michael A. Falzone, of New York.
Gordon R. Firth, of New York.
Richard V. Fischer, of Minnesota.
Robert M. Forcey, of California.
James B. Freeman, of Ohio.
William Lee Frost, of Connecticut.
Alexander S. C. Fuller, of Connecticut.
Fred J. Galanto, of Massachusetts.
Samuel R. Gammon III, of Texas.
John L. Gawf, of Colorado.
Charles A. Gendreau, of Minnesota.
H. Kent Goodspeed, of California.
Miss Shirley M. Green, of Missouri.
Clifford H. Gross, of New York.
Pierson M. Hall, of Kansas.
Donald S. Harris, of Connecticut.
William C. Harrop, of New Jersey.
Russell C. Heater, of California.
Mrs. Hallye A. Heiland, of California.
Robert T. Hennemeyer, of Illinois.
Frederick A. Hill, of California.
Benjamin C. Hilliard III, of West Virginia.
Edward C. Howatt, of Virginia.
Robert A. Jackson, of Michigan.
John W. Jelich, of New York.
Kempton B. Jenkins, of the District of Columbia.
John M. Kane, of Illinois.
George R. Kaplan, of Massachusetts.
Edward P. Kardas, of Pennsylvania.
John Edward Karkashian, of California.
Lawrence J. Kennon, of California.
C. Dirck Keyser, of New Jersey.
Edward L. Killham, of Illinois.
Leslie A. Klieforth, of California.
Kenneth W. Knauf, of Wisconsin.
John F. Knowles, of New Jersey.
Paul H. Kreisberg, of New York.
John Krizay, of Maryland.
Henry A. Lagasse, of New Hampshire.
Lyle F. Lane, of Washington.
Paul Baxter Lanius, Jr., of Colorado.
Edwin D. Ledbetter, of California.
Samuel W. Lewis, of Texas.
Charles E. Lilien, of Illinois.
John A. Linehan, Jr., of Massachusetts.
Alan W. Lukens, of Pennsylvania.
John G. MacCracken, of Virginia.
Timothy M. Manley, of Connecticut.
S. Douglas Martin, of New York.
Nicholas V. McCausland, of California.
Edward S. McClary, of California.
Miss Margaret J. McClellan, of Pennsylvania.
Harry R. Melone, Jr., of New York.
Franklin L. Mewshaw, of New York.
Miss Colette Meyer, of California.
Dudley W. Miller, of Colorado.
William A. Mitchell, of Maine.
George C. Moore, of California.
Benjamin R. Moser, of Virginia.
Edwin H. Moot, Jr., of Illinois.
Robert L. Mott, of California.
Charles Willis Naas, of Massachusetts.
Richard D. Nethercut, of Florida.
Michael H. Newlin, of North Carolina.
Donald R. Norland, of Iowa.
Anthony F. O'Boyle, of Pennsylvania.
Richard W. Ogle, of Indiana.
James M. E. O'Grady, of the District of Columbia.
Miss Mary W. Oliverson, of Oklahoma.
Hugh B. O'Neill, of Connecticut.
Frank V. Ortiz, Jr., of New Mexico.
Richard B. Owen, of Michigan.
James B. Parker, of Texas.
Russell R. Pearson, of Minnesota.
George W. Phillips, of Florida.

Richard St. F. Post, of Connecticut.
Arthur W. Purcell, of Massachusetts.
Peter J. Raineri, of New York.
Jess F. Reed, of Washington.
James F. Relph, Jr., of California.
Robert A. Remole, of Minnesota.
G. Edward Reynolds, of New York.
Charley L. Rice, of Texas.
Miss Martha Jean Richardson, of Illinois.
Ralph W. Richardson, of California.
Lucian L. Rocke, Jr., of Florida.
Robert H. Rose, of Utah.
Samuel O. Ruff, of North Carolina.
James T. Rush, of Rhode Island.
Leo J. Ryan, of Florida.
William E. Schaufele, Jr., of Ohio.
Kennedy B. Schmertz, of Pennsylvania.
Richard R. Selby, Jr., of New Jersey.
Robert G. Shackleton, of Ohio.
Miss Anna E. Simmons, of Texas.
Herman T. Skofield, of New Hampshire.
Robert F. Slutz, Jr., of Ohio.
Miss Cora M. Smith, of Vermont.
Miss Jean V. Smith, of Minnesota.
Michel F. Smith, of Texas.
Joseph F. Starkey, of Washington.
Lawrence L. Starlight, of New York.
Francis R. Starrs, Jr., of California.
William A. Stoltzfus, Jr., of Minnesota.
Thomas E. Tait, of New Jersey.
Jean R. Tartter, of Massachusetts.
Charles William Thomas, of Illinois.
William W. Thomas, Jr., of North Carolina.
Arthur T. Tienken, of New York.
William D. Toomey, of North Dakota.
Rene A. Tron, of New York.
Allen R. Turner, of Missouri.
Richard D. Vine, of New York.
Robert T. Wallace, of Florida.
Mrs. Marjory M. Wallis, of California.
Robert B. Warner, of Michigan.
Robert H. Wenzel, of Massachusetts.
Lewis M. White, of New York.
Charles L. Widney, Jr., of Georgia.
Miss Helen B. Wilson, of California.
Miss Eugenia Wolliak, of Connecticut.
Miss Julia L. Wooster, of Connecticut.
Robert C. Wysong, of California.
Amos Yoder, of Nebraska.
Robert D. Yoder, of Pennsylvania.
Carlos M. Yordan, of the Commonwealth of Puerto Rico.
Miss Jane B. Young, of the District of Columbia.
Dan A. Zachary, of Illinois.

The following-named persons for appointment as Foreign Service officers of class 6, vice consuls of career and secretaries in the diplomatic service of the United States of America:

Gori P. Bruno, of New York.
Dale W. Field, Jr., of Iowa.
Miss Wilda Mitchell, of Nebraska.

The following-named Foreign Service officers for promotion from class 7 to class 6:

Craig Baxter, of Ohio.
Joel W. Biller, of Wisconsin.
Wesley D. Boles, of California.
Donald W. Born, of Massachusetts.
Merritt C. Bragdon, Jr., of the District of Columbia.
Arthur E. Breisky, of California.
Marshall Brement, of Maryland.
Hugh K. Campbell, of Ohio.
Frank C. Carlucci, of Pennsylvania.
Edward J. Chesky, Jr., of Kansas.
Don T. Christensen, of California.
Herman J. Cohen, of New York.
Allen C. Davis, of Tennessee.
John G. Day, of New York.
John L. De Ornellas, of Alabama.
Willard A. De Pree, of Michigan.
C. Edward Dillery, of Washington.
Robert S. Dillon, of Virginia.
Richard W. Dye, of New York.
Harland H. Eastman, of Maine.
Miss Sharon E. Erdkamp, of Nebraska.
Fred Exton, Jr., of the District of Columbia.
Donald C. Ferguson, of California.
Lewis P. Fickett, Jr., of Maine.
Miss Catherine M. Frank, of Connecticut.
Gerald A. Friedman, of Florida.
Robert K. German, of Texas.
Miss Joan Gillespie, of Connecticut.
Wever Gim, of Utah.
Maynard W. Glitman, of Illinois.
Roderick N. Grant, of California.
William B. Grant, of Massachusetts.
Charles W. Grover, of New York.
Harold E. Grover, Jr., of Florida.
John E. Guendling, Jr., of Indiana.
Miss Theresa A. Healy, of New York.
Lambert Heyniger, of New York.
Wallace F. Holbrook, of Massachusetts.
William A. Ispirian, of New York.
Ralph T. Jans, of Michigan.
Lee R. Johnson, of Ohio.
Ernest B. Johnston, Jr., of Alabama.
Adolph W. Jones, of Tennessee.
Miss Helen E. Kavan, of Ohio.
Robert V. Keeley, of Virginia.
Charles S. Kennedy, Jr., of California.
James A. Klemstine, of Pennsylvania.
Albert A. Lakeland, Jr., of New York.
Peter W. Lande, of Massachusetts.
Samuel Lee, of the Territory of Hawaii.
Louis J. Link, of Kansas.
Jay H. Long, of California.
John M. Lord, Jr., of Massachusetts.
Stephen Low, of Ohio.
Walter H. Lubkeman, of New York.
David A. Macuk, of New Jersey.
James W. Mahoney, of Indiana.
Herbert S. Malin, of Connecticut.
Charles E. Marthinsen, of Pennsylvania.
J. Thomas McAndrew, of New York.
Franklin O. McCord, of Iowa.
Stuart H. McIntyre, of Oregon.
Frazier Meade, of Virginia.
Byron B. Morton, Jr., of New Jersey.
Robert H. Munn, of California.
William C. Nenno, of New York.
Gerald F. Nollette, of Washington.
Jay R. Nussbaum, of New York.
Gerald R. Olsen, of Michigan.
John Patrick Owens, of the District of Columbia.
David W. K. Peacock, Jr., of New Jersey.
Miss Mary Hoxton Pierce, of Florida.
Arthur C. Plambeck, of Illinois.
David R. Raynolds, of Connecticut.
Ernest G. Reeves, of Texas.
Owen W. Roberts, of New Jersey.
Stephen H. Rogers, of New York.
Edward M. Rowell, of California.
Glenn R. Ruihley, of Ohio.
Charles E. Rushing, of Illinois.
Miss Edith M. Scott, of the District of Columbia.
Peter Semler, of New York.
George B. Sherry, of Maryland.
Joseph G. Simanis, of Connecticut.
William N. Simonson, of Virginia.
Clyde H. Small, of California.
Jackson L. Smith, of Florida.
Charles R. Stout, of California.
John Sylvester, Jr., of the District of Columbia.
George H. Thigpen, of the District of Columbia.
David B. Timmins, of Utah.
Donald R. Toussaint, of California.
Frank G. Trinka, of New Jersey.
Frank M. Tucker, Jr., of Pennsylvania.
James R. Wachob, of Oregon.
Edward T. Walters, of Texas.
Miss Suzanne White, of Illinois.
Frontis B. Wiggins, Jr., of Georgia.
John E. Williams, of North Carolina.
Richard L. Williams, of Indiana.
Miss Suzanne S. Williams, of Ohio.

The following-named Foreign Service officers for promotion from class 8 to class 7:

Anthony C. Albrecht, of Virginia.
J. Bruce Amstutz, of Massachusetts.
Oler A. Bartley, Jr., of Delaware.
William M. Beck, of Illinois.
David A. Betts, of New York.
H. Eugene Bovis, of Florida.
Everett E. Briggs, of Maine.
Bazil W. Brown, Jr., of Pennsylvania.
Charles R. Carlisle, of Florida.
Gordon Chase, of Massachusetts.
Robert D. Collins, of California.
Miss Marguerite Cooper, of California.
Richard S. Dawson, Jr., of California.
Miss Stella M. Deinzer, of New York.
Lloyd L. DeWitt, of California.
Robert W. Drexler, of Wisconsin.
Miss Regina Marie Eltz, of Alabama.
Robert L. Flanegin, of Illinois.
Robert L. Funseth, of New York.
Paul F. Gardner, of Texas.
Marion L. Gribble, of New York.
Charles R. Hartley, of the District of Columbia.
Edgar P. Henderson, Jr., of Indiana.
Roger P. Hipskind, of Illinois.
Thomas J. Hirschfeld, of New York.
Edward Hurwitz, of New York.
George W. Jaeger, of Missouri.
James T. Johnson, of Montana.
Robert M. Kline, of Connecticut.
Tadao Kobayashi, of the Territory of Hawaii.
Robert Gerald Livingston, of Connecticut.
Peter P. Lord, of Massachusetts.
James Gordon Lowenstein, of Connecticut.
Jack F. Matlock, Jr., of Vermont.
Robert Marden Miller, of California.
Jay P. Moffat, of New Hampshire.
John L. Offner, of Pennsylvania.
Mark S. Pratt, of Rhode Island.
Thomas D. Quinn, of the District of Columbia.
Cecil S. Richardson, of New York.
Miss Ann C. Roper, of Ohio.
David E. Simcox, of Kentucky.
William Slany, of the District of Columbia.
Daniel P. Sullivan, of Virginia.
Roger W. Sullivan, of Massachusetts.
D. Dean Tyler, of California.
William Watts, of New York.
William B. Young, of New Hampshire.
Albert L. Zucca, of New York.

Jay R. Grahame, of New York, for appointment as a Foreign Service officer of class 8, a vice consul of career and a secretary in the diplomatic service of the United States of America.

The following-named Foreign Service Reserve officers to be vice consuls of the United States of America:

Theodore S. Mandeville, Jr., of Ohio.
Richard D. Van Winkle, of the District of Columbia.
Robert Wilbourn, of Texas.

The following-named Foreign Service Reserve officers to be secretaries in the diplomatic service of the United States of America:

Justin E. O'Donnell, of Pennsylvania.
Graham D. Renner, of California.
John Sherry, of Maryland.
Louis J. Toplosky, of New Jersey.
Steve Washenko, of Virginia.

United States District Judge

Julius H. Miner, of Illinois, to be United States district judge for the northern district of Illinois, vice John P. Barnes, retired.

United States Judge for the District Court of Guam

Eugene R. Gilmartin, of Rhode Island, to be United States judge for the District Court of Guam for the terms of 4 years, vice Paul D. Shriver, term expired.

United States Attorneys

Lester Shields Parsons, Jr., of Virginia, to be United States attorney for the eastern district of Virginia for a term of 4 years (reappointment).

George M. Yeager, of Alaska, to be United States attorney for the term of 4 years for division No. 4, district of Alaska, vice Theodore F. Stevens, resigned.

United States Marshals

Pervie Lee Dodd, of Alabama, to be United States marshal for the northern district of

Alabama for a term of 4 years (reappointment).

Herbert Barnes, of Delaware, to be United States marshal for the district of Delaware for the term of 4 years, vice Clarence H. Spence, term expired.

Harry Jennings, of Michigan, to be United States marshal for the western district of Michigan for a term of 4 years (reappointment).

Paul Johnson, of Oklahoma, to be United States marshal for the eastern district of Oklahoma for a term of 4 years (reappointment).

Harold Sexton, of Oregon, to be United States marshal for the district of Oregon for a term of 4 years (reappointment).

INTERSTATE COMMERCE COMMISSION

The following-named persons to be Interstate Commerce Commissioners for the terms indicated:

Anthony F. Arpaia, of Connecticut, for the term of 7 years expiring December 31, 1964 (reappointment).

Rupert L. Murphy, of Georgia, for the term of 7 years expiring December 31, 1964 (reappointment).

Abe McGregor Goff, of Idaho, for the remainder of the term expiring December 31, 1959, vice Owen Clarke, resigned.

NATIONAL MEDIATION BOARD

Leverett Edwards, of Oklahoma, to be a member of the National Mediation Board for the term expiring February 1, 1961 (reappointment).

IN THE COAST GUARD

Capt. Richard M. Ross for promotion to the permanent rank of rear admiral in the United States Coast Guard.

The following-named persons to be captains in the United States Coast Guard:

Alvin H. Giffin	Peter J. Smenton
James A. Alger, Jr.	Thomas R. Midtlyng
Albert J. Carpenter	John B. Oren
Willard J. Smith	Harry E. Davis, Jr.
Emmet T. Calahan	Joseph Howe
John H. Forney	George W. Holtzman
Eugene A. Coffin, Jr.	William W. Childress
David O. Reed	John H. Wagline
Edward W. Laird	John J. Hutson, Jr.
Verne C. Gibson	Robert E. McCaffery
Charles R. Monteiro	Albert E. Harned
Hugh D. Wear	Richard F. Rea
Daniel J. Lucinski	Louis M. Thayer, Jr.
Hubert R. Chaffee	

The following-named persons to be commanders in the United States Coast Guard:

Daniel C. Dickert	Albert Frost
Lloyd R. Morrison	William F. Adams
Cyril L. Heyliger	William F. Rea, III
Frank F. Elliott	James L. Lathrop
Henry C. Keene, Jr.	Vincent J. Cass
Ellis L. Perry	Austin C. Wagner
Loy W. A. Renshaw	Stephen G. Carkeek
Cecil E. Meree, Jr.	Norman L. Horton
Clyde L. Olson	Henry A. Pearce, Jr.
Joseph G. Bastow, Jr.	William A. Jenkins
Bob Kirsten	John Natwig
John B. Speaker, Jr.	Roy M. Hutchins, Jr.
Louis F. Sudnik	John F. Thompson, Jr.
William E. Chapline	

The following-named persons to be lieutenant commanders in the United States Coast Guard:

Stephen Varanko	Donby J. Mathieu
John R. Mackey	David W. DeFreest
Joseph F. Furlough, Jr.	Robert L. Lawlis
	James W. Dodson
Ottis H. Abney	George D. Winstein
Curtis H. Jurgens	William W. Richter
Allen E. Armstrong	John A. Corso
Charles D. Budd	William H. St. George
Howard A. Linse	George T. Treffs
Harry E. Chapin	Robert J. Bloxsom
James McMenamin	Joseph W. Finnegan

The following-named persons to be lieutenants in the United States Coast Guard:

Jack A. Howell	Arthur W. Gove
Russell P. Combs	George J. Weidner
William E. Heath	Carl E. Rodehau
Justin J. Bonanno	Raymond W. Bernhardt
Lenard Fielding, Jr.	
John F. O'Connor	Edward S. Davis, Jr.
Richard A. Bauman	Robert C. Pittman

The following-named persons to be lieutenants (junior grade) in the United States Coast Guard:

Domenic A. Calicchio	James N. Schenk
William Drew	John H. Guest

IN THE REGULAR AIR FORCE

The following-named officers for promotion in the Regular Air Force under the provisions of sections 8298 and 8299, title 10, United States Code. All officers are subject to physical examination required by law.

First lieutenant to captain

CHAPLAIN

Rathjen, David E., 32432A.
Kiryluk, Nicholas T., 32433A.

Second lieutenant to first lieutenant

MEDICAL SERVICE CORPS

Higgins, Donald D., 32497A.
Hankins, John W., 32498A.
Rosenthal, Harry, 32499A.
Slagel, Ronald V., Jr., 32500A.
Aaron, Robert V., 32501A.
Mugford, Frank M., 32502A.

NOTE.—Dates of rank of all officers nominated for promotion will be determined by the Secretary of the Air Force.

IN THE NAVY

Capt. Lot Ensey, United States Navy, to be Director of Budget and Reports in the Department of the Navy for a term of 3 years with the rank of rear admiral.

CONFIRMATIONS

Executive nominations confirmed by the Senate Thursday, January 23, 1958:

INTERNATIONAL ATOMIC ENERGY AGENCY

Robert M. McKinney, of New Mexico, to be the representative of the United States of America to the International Atomic Energy Agency.

POST OFFICE DEPARTMENT

Edson O. Sessions, of Illinois, to be Deputy Postmaster General.

DEPARTMENT OF THE TREASURY

Julian B. Baird, of Minnesota, to be Under Secretary of the Treasury for Monetary Affairs.

Tom B. Coughran, of California, to be an Assistant Secretary of the Treasury.

A. Gilmore Flues, of Ohio, to be an Assistant Secretary of the Treasury.

ADMINISTRATOR OF VETERANS' AFFAIRS

Sumner G. Whittier, of Massachusetts, to be Administrator of Veterans' Affairs.

HOUSE OF REPRESENTATIVES

THURSDAY, JANUARY 23, 1958

The House met at 11 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Isaiah 26:3: *"Thou wilt keep him in perfect peace whose mind is stayed on Thee."*

O Thou whose name is love and in whom we find that perfect love, which casteth out all fear, help us to meet our daily duties and difficulties with faith and fortitude.

Grant that in these strange and strenuous days we may never lose heart or hope.

Humbly we confess that we are frequently more conscious of our problems and perplexities than we are of Thy gracious providence and Thy peace which passeth all understanding.

We thank Thee for Thy servant, one of our colleagues, who now dwells with Thee in eternal blessedness. Give unto his bereaved family the consolations of Thy grace.

Thou didst not lose him in giving him to us. So we have not lost him by his return to Thee, for what is Thine is ours always.

Hear us in Christ's name. Amen.

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

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford, one of his secretaries.

INVITATION TO MEMBERS TO DEBATE FOREIGN POLICY ON MONDAY, JANUARY 27

Mr. REUSS. 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 Wisconsin?

There was no objection.

Mr. REUSS. Mr. Speaker, the shape of United States foreign policy is a matter of vital importance to every Member of the Congress, to every person represented by us here, and, in fact, to all the peoples of the world.

America's standing in the world community is under constant challenge, and not only from the Communist countries. Long-term pressure on the United States as guardian of the Free World and leader in the struggle for peace has been enormously intensified by the success of Russian sputniks and ballistic missiles, and the apparent growing effectiveness of Communist diplomacy in many parts of the world.

Some of our best friends have added to the pressure. They look to the United States not only for armed might, but for energetic leadership in the policy field—for creativeness, ingenuity, positive new ideas, ability to adapt to new situations, to get out of the rut and back on the road.

In the House we debate foreign policy matters often, but in the context of considering specific pieces of legislation. With many of my colleagues, I believe that the House can profitably spend more time discussing the broad, overall aspects of foreign policy, as the other body so often does.

On next Monday afternoon, January 27, under special orders obtained by myself, the gentleman from Arizona [Mr. UDALL], and the gentleman from California [Mr. ROOSEVELT], we shall have 2 hours to discuss our foreign policy. We