

KENTUCKY

Kermit W. Cook, Beaver Dam.
James M. Lane, Gravel Switch.
James S. Little, Jackson.
T. Y. Tabor, Munfordville.
Robert W. Quinn, Prospect.
Thomas L. Mattingly, St. Mary.
James D. Young, White Plains.
John O. Boarman, Jr., Whitesville.

LOUISIANA

Doris L. Hebert, Baldwin.
James H. Smith, Newllano.
Lillian T. Martin, Ruston.

MAINE

John C. Callahan, Farmington.
John C. Swett, Howland.
Victor C. Brown, New Sharon.
Wilmot R. Crandlemire, Vanceboro.

MARYLAND

Adam M. Kraisser, Hanover.
John R. Corun, Jr., Jefferson.
William R. Long, Sharpsburg.
Anna N. Moore, White Marsh.

MASSACHUSETTS

Marion P. Norman, Bellingham.
Albert A. Gaukroger, Beverly.
Thomas J. Mason, Clinton.
Sydney E. St. Peters, Conway.
Charles M. Thrasher, Natick.
Eleanor F. Ricker, West Chelmsford.
Theodore A. Swieca, West Groton.

MICHIGAN

Jack D. Dickhout, Boyne City.
Jacob D. Bostrom, Jr., Branch.
Lyle G. Kaechele, Caledonia.
Richard F. Richardson, Clinton.
Olen O. Smith, Crystal.
Thomas J. Butler, Emmett.
Elizabeth E. Ospring, Grand Junction.
Doratheia S. Parmenter, Holton.
Frank E. Kline, Jones.
Donald D. Iverson, Lake City.
Frank M. Townsend, Marcellus.
James L. Collins, Milan.
Robert G. Brown, Monroe.
Leonard L. Swanson, Muir.
Edmund B. Sulski, Napoleon.
Merle Jean Fester, Riverside.
Eugenie A. Westhauser, Sawyer.
Orrin B. Powell, Stockbridge.
Edward O. Perkett, Traverse City.

MINNESOTA

Rudolph F. Berg, Jr., Bagley.

MISSISSIPPI

Reiford W. Castens, Camden.
Charles F. Crigler, Starkville.
James W. Anderson, West Enterprise.

MISSOURI

Joseph E. Manson, Keytesville.
Edward J. Shelton, West Plains.
Wayne N. Welker, Williamstown.

MONTANA

Donald F. Valiton, Deer Lodge.

NEBRASKA

Leonard L. Larsen, Fremont.
Denny L. Stecher, Hooper.
Aaron E. Brodhagen, Pierce.

NEVADA

Myrtle M. Curtis, Weed Heights.

NEW HAMPSHIRE

Winburn T. Dudley, Union.
Leroy F. Barnhart, Wentworth.

NEW JERSEY

Wallace H. Harvey, Far Hills.
Warren J. Binns, Jr., Garwood.
Carl F. Vanderwall, Linden.
John A. Castellano, Mount Ephraim.

NEW YORK

Paul E. Wamp, Jr., Dansville.
Nicholas W. Toborg, Leeds.
Mabel M. Herman, North Java.

NORTH CAROLINA

Albert E. Ballard, Ansonville.
Raymond L. Long, Biscoe.
John H. Hufton, Creswell.
George O. Petree, Danbury.
Isabelle M. Howard, Fairfield.
Frank Conder, Jr., Indian Trall.
Charles Clifton Mock, Pfafftown.
Leland L. Allsbrook, Scotland Neck.
John H. Norton, Stony Point.
Lloyd J. Parrish, Swansboro.
Harry R. Sams, Woodland.

NORTH DAKOTA

Leo J. Lesmeister, Hallday.
William Harold Dunnell, Minot.
Orlando A. Lebacken, Reynolds.

OHIO

Ross N. Lament, Huntsville.
Gail E. Collins, Lakeview.
Lloyd E. Ullman, Lower Salem.
William Patrick Lochary, Pomeroy.
Robert M. Talmage, Sabina.

OKLAHOMA

Mabel C. Heidenreich, Duke.

OREGON

Joseph W. Dougherty, Aumsville.
Eva A. Murray, Dayville.
Lucile R. Olney, Hammond.
George E. Crakes, Harrisburg.
Lulu C. Sheasley, McKenzie Bridge.

PENNSYLVANIA

Gerald Kilmer, Avondale.
Louis C. Schultz, Blossburg.
Fay M. Lash, Bobtown.
Doris G. Evans, Brave.
John Blackwood, Jr., Center Valley.
Janet C. Marsico, Cheswick.
Harry O. Campsee, Jr., Claysville.
Bernard N. Murphy, Dushore.
French Cason, Sr., Greensburg.
Aleda U. Shumaker, Jerome.
Robert F. Acker, Lake City.
Harry S. Kolva, Lykens.
Robert B. Woodring, Milesburg.
Edward J. Miller, Newry.
Leo J. English, Oil City.
Mary D. Bacha, Rixford.
Claude B. Arnold, Rome.
James W. Sullivan, Snow Shoe.
Pauline A. Gossick, Stiles.
Edgar S. Babb, Tatamy.
Kenneth C. Beener, Valley Forge.
Charles Blaine Strickler, Washington Boro.

SOUTH CAROLINA

Donald H. Burch, Cheraw.
Lou Ann Wilder, Hemingway.
Jack Edwards, Johnston.

SOUTH DAKOTA

Rolland R. Mattheis, Lennox.
Stephen Robert Pearson, Webster.

TENNESSEE

Marvin H. Reaves, Dyersburg.
Billie J. Ross, McEwen.

TEXAS

Jake Fortenberry, Adrian.
Jean M. Barnhart, Cactus.
Ralph O. Crawford, Dilley.
Frances M. Harvey, Fort Davis.
Darrell R. Sherman, Leander.
Edward H. Leache, McGregor.
Elma T. Wakefield, Midway.
Dorothy M. Henly, New Deal.
James M. Sullins, Oglesby.
Ruth J. Mras, Port Isabel.
Jennie M. Moyer, Price.
Lucy M. Matthews, Wickett.

UTAH

Edwin W. Johnson, Bingham Canyon.
Wayne Barney, Escalante.
Glen T. Evans, Lehi.

VERMONT

James A. Colburn, Lyndon Center.

VIRGINIA

Lela O. Scott, Amelia Court House.
Steve P. Phipps, Mouth of Wilson.

Grace Alleene Ringstaff, Pounding Mill.
Maud N. Ridley, Stony Creek.

WASHINGTON

William Bizyack, Cle Elum.
Harrison H. Holmes, Cosmopolis.
Hugh M. Behme, Custer.
Lawrence B. Howe, Enumclaw.
Harold H. Bechtold, Forks.
Marion L. Ellsworth, Inchellum.
Ione M. Jurgens, Kahlotus.
Claude F. Kramer, Keyport.
Edward P. Fitzgerald, Kitsap.
Walter E. Soehl, La Center.
Hazel L. Buckingham, Mansfield.
Marguerite H. Riggs, Marblemount.
Grace G. Kallenberger, Marlin.
Joanne T. Allen, Moclips.
Lawrence A. Winn, Oakesdale.
James W. Markel, Omak.
Lawrence G. Luzader, Pe Ell.
Randall L. Stroud, Puyallup.
Robert E. Olney, Redmond.
Joseph Everett Reed, Selah.
John H. Gray, Shelton.
Gladys A. Therriault, Warden.
Josiah F. Lester, Wenatchee.
Bonnie M. Wade, Westport.
Leslie J. Marsh, Wilkeson.
Darrell G. Dufresne, Jr., Winthrop.

WEST VIRGINIA

Clarence W. Haga, Cairo.
Gladys M. Lewis, Camden on Gauley.
Fred E. Wiseman, Charleston.
Frances Adams, Hugheston.
Rex A. Pygman, Huntington.
Norman Edward Wagner, Marlinton.
Frank H. Hardesty, Matoaka.
James Woodrow Smith, Sophia.
Granville Curtis Sexton, Welch.

WISCONSIN

Clayton C. Watkins, Argyle.
Paul W. Fleming, Emerald.
Roy M. Schwalbach, Germantown.
Gilbert H. Mueller, Glenbetulah.
Paul C. Matzke, Juda.
Jake Van Bendegom, Kenosha.
Elmer M. Rumpf, Milton.
Casamere A. Maniaci, Wood.

WYOMING

Floyd W. Graefe, Jackson.
Rouse W. Anderson, Ten Sleep.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JULY 2, 1958

The House met at 11 o'clock a. m.
The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

I Peter 3: 12: The eyes of the Lord are over the righteous and His ears are open unto their prayers.

O thou God of all greatness and goodness, we thank Thee for that memorable day in the calendar of our national history, called Independence Day, which we are soon to celebrate.

May our hearts expand with the spirit of pride and patriotism, of gratitude and renewed consecration, as we contemplate and reflect upon its sacred significance.

We are grateful for the faith and fortitude of our forefathers and all those heroes and patriots who fought so valiantly to make the dream of freedom a blessed reality.

Grant that our beloved country may be inspired and strengthened in its glorious mission of releasing the hidden splendor of humanity and leading all

mankind into the radiant light of a new and better day.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 982. An act to amend section 77 (c) (6) of the Bankruptcy Act;

H. R. 10154. An act to empower the Judicial Conference to study and recommend changes in and additions to the rules of practice and procedure in the Federal courts;

H. R. 11861. An act authorizing the city of Chester, Ill., to construct new approaches to and to reconstruct, repair, or improve the existing approaches to a toll bridge across the Mississippi River at or near Chester, Ill.;

H. R. 11936. An act to extend the time for the collection of tolls to amortize the cost, including reasonable interest and financing cost, of the construction of a bridge across the Missouri River at Brownville, Nebr.;

H. R. 12311. An act to amend the act of September 7, 1950 (relating to the construction of a public airport in or near the District of Columbia), to remove the limitation on the amount authorized to be appropriated for construction;

H. R. 12739. An act to amend section 1105 (b) of title XI (Federal Ship Mortgage Insurance) of the Merchant Marine Act, 1936, as amended, to implement the pledge of faith clause; and

H. R. 12827. An act to amend the provisions of title III of the Federal Civil Defense Act of 1950, as amended.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 7963. An act to amend the Small Business Act of 1953, as amended.

The message also announced that the Senate insists on its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. FULBRIGHT, Mr. ROBERTSON, Mr. SPARKMAN, Mr. CLARK, Mr. CAPEHART, Mr. BRICKER, and Mr. BENNETT to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 12948. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1959, and for other purposes.

The message also announced that the Senate insists on its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PASTORE, Mr. McCLELLAN, Mr. JOHNSON of Texas, Mr. BIBLE, Mr. FREAR, Mr. DIRKSEN, Mr. IVES, and Mr. BEALL to be the conferees on the part of the Senate.

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

S. 2117. An act directing the Secretary of the Army to transfer certain buildings to the Crow Creek Sioux Indian Tribe;

S. 3177. An act authorizing the modification of the Crisfield Harbor, Md., project in the interest of navigation;

S. 3203. An act relating to minerals on the Wind River Indian Reservation in Wyoming, and for other purposes;

S. 3437. An act authorizing the Department of Highways of the State of Minnesota to construct, maintain, and operate a free highway bridge between International Falls, Minn., and Fort Frances, Ontario, Canada;

S. 3499. An act to amend the vessel admeasurement laws relating to water ballast spaces;

S. 3608. An act to revive and reenact the act authorizing the State Highway Commission of the State of Maine to construct, maintain, and operate a free highway bridge between Lubec, Maine, and Campobello Island, New Brunswick, Canada; and

S. 3728. An act to incorporate the Big Brothers of America.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 86. An act to provide for a research program in the field of weather modification to be conducted by the National Science Foundation, and for other purposes; and

S. 2007. An act to amend the United States Grain Standards Act, 1916, as amended, to permit the Secretary of Agriculture to charge and collect for certain services performed and to deposit such collections to the credit of the appropriation available for administration of the act, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11451) entitled "An act to authorize the construction and sale by the Federal Maritime Board of a superliner passenger vessel equivalent to the steamship *United States*, and a superliner passenger vessel for operation in the Pacific Ocean, and for other purposes."

ADMISSIBILITY OF EVIDENCE—STATEMENTS AND CONFESSIONS

The SPEAKER. The unfinished business is the passage of the bill (H. R. 11477) to amend chapter 223 of title 18, United States Code, to provide for the admission of certain evidence, and for other purposes.

The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WALTER. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 294, nays 79, not voting 57, as follows:

[Roll No. 118]

YEAS—294

Abbutt	Flood	Michel
Abernethy	Flynt	Miller, Md.
Adair	Fogarty	Miller, Nebr.
Albert	Ford	Mills
Alexander	Forrester	Minshall
Alger	Fountain	Mitchell
Allen, Calif.	Frazier	Moore
Allen, Ill.	Fulton	Morano
Anderson,	Garmatz	Moulder
Mont.	Gary	Mumma
Andrews	Gathings	Murray
Arends	Gavin	Natcher
Ashmore	George	Neal
Aspinall	Glenn	Nicholson
Auchincloss	Grant	Nimtzt
Avery	Gregory	Norblad
Gross	Gubser	Norrell
Balley	Hagen	O'Brien, N. Y.
Baker	Hale	O'Hara, Minn.
Baldwin	Haley	O'Konski
Baring	Harden	Osmer
Bates	Hardy	Ostertag
Baumhart	Harris	Patman
Beamer	Harrison, Nebr.	Patterson
Becker	Harrison, Va.	Pelly
Beckworth	Harvey	Pfost
Belcher	Hébert	Pillion
Bennett, Fla.	Hemphill	Poage
Bennett, Mich.	Henderson	Poff
Bentley	Herlong	Polk
Berry	Heselton	Preston
Betts	Hess	Prouty
Blitch	Hiestand	Quie
Bolton	Hill	Ray
Bonner	Hillings	Reece, Tenn.
Bosch	Hoeven	Reed
Bow	Hoffman	Rees, Kans.
Boykin	Holmes	Riehlman
Bray	Holt	Riley
Breeding	Horan	Roberts
Brooks, Tex.	Hosmer	Robison, N. Y.
Broomfield	Huddleston	Robison, Ky.
Brown, Ga.	Hull	Rogers, Colo.
Brown, Ohio	Hyde	Rogers, Fla.
Broyhill	Ikard	Rogers, Mass.
Budge	Jackson	Rutherford
Burleson	James	Sadlak
Bush	Jarman	St. George
Byrd	Jennings	Saylor
Byrne, Ill.	Jensen	Schenck
Byrnes, Wis.	Johansen	Scherer
Canfield	Johnson	Schwengel
Cannon	Jonas	Scott, N. C.
Carrigg	Jones, Ala.	Scrivner
Cederberg	Judd	Scudder
Chamberlain	Kean	Seely-Brown
Chelf	Keating	Selden
Chenoweth	Kee	Sheehan
Chiperfield	Church	Sheppard
Church	Clevenger	Sikes
Cleavenger	Coad	Siler
Coad	Collier	Simpson, Ill.
Collier	Cooley	Simpson, Pa.
Cooley	Corbett	Smith, Calif.
Corbett	Coudert	Smith, Kans.
Coudert	Cramer	Smith, Miss.
Cramer	Cretella	Smith, Va.
Cretella	Cunningham,	Spence
Cunningham,	Iowa	Springer
Lane	Cunningham,	Stagers
Lankford	Nebr.	Stauffer
Latham	Curtin	Taber
LeCompte	Curtis, Mass.	Teague, Calif.
Lennon	Davis, Ga.	Teague, Tex.
Lipscomb	Davis, Tenn.	Tewes
Losier	Dawson, Utah	Thomas
McCormack	Dennison	Thompson, Ill.
McCulloch	Derounian	Thompson, Tex.
McDonough	Devereux	Thomson, Wyo.
McGregor	Dixon	Tollefson
McIntire	Dorn, N. Y.	Tuck
McMillan	Dorn, S. C.	Utt
McVey	Doyle	Van Pelt
Macdonald	Durham	Van Zandt
Mack, Wash.	Dwyer	Vinson
Magnuson	Elliott	Vorys
Mahon	Engle	Walter
Malliard	Everett	Watts
Marshall	Evins	Weaver
Martin	Fallon	Westland
Matthews	Fascell	Wharton
May	Feighan	Whitener
Meador	Fenton	Whitten
Merrrow	Fisher	Widnall
Metcalf		Wigglesworth

Williams, Miss. Winstead
Willis Withrow
Wilson, Ind. Wolverton

NAYS—79

Addonizio
Ashley
Barrett
Bass, N. H.
Boland
Bolling
Boyle
Brown, Mo.
Byrne, Pa.
Carnahan
Celler
Clark
Coffin
Curtis, Mo.
Dawson, Ill.
Delaney
Dellay
Dent
Denton
Diggs
Dingell
Dollinger
Donohue
Farbstein
Fino
Forand
Friedel

Wright
Young
Younger

Gordon
Granahan
Green, Oreg.
Green, Pa.
Griffiths
Hays, Ohio
Healey
Hollfield
Holland
Holtzman
Karsten
Keogh
King
Kluczynski
Lesinski
Libonati
McFall
McGovern
Machrowicz
Mack, Ill.
Madden
Miller, Calif.
Morgan
Moss
Multer
Nix
O'Brien, Ill.

NOT VOTING—57

Andersen,
H. Carl
Anfuso
Barden
Bass, Tenn.
Blatnik
Boggs
Brooks, La.
Brownson
Buckley
Burdick
Christopher
Colmer
Dague
Dies
Dooley
Eberharter
Edmondson
Frelinghuysen
Gray

Griffin
Gwinn
Halleck
Haskell
Hays, Ark.
Jenkins
Jones, Mo.
Kearney
Kearns
Kilburn
Kirwan
McIntosh
Mason
Miller, N. Y.
Montoya
Morris
Morrison
Pilcher
Powell
Radwan

Rains
Rhodes, Ariz.
Rivers
Robeson, Va.
Saund
Scott, Pa.
Shelley
Shuford
Sieminski
Steed
Talle
Taylor
Thornberry
Trimble
Vursell
Williams, N. Y.
Wilson, Calif.
Zablocki

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Halleck for, with Mr. Eberharter against.

Mr. Kirwan for, with Mr. Buckley against.
Mr. Taylor for, with Mr. Shelley against.
Mr. Rivers for, with Mr. Burdick against.
Mr. Colmer for, with Mr. Anfuso against.
Mr. Miller of New York for, with Mr. Powell against.

Mr. Barden for, with Mr. Radwan against.
Mr. Thornberry for, with Mr. Blatnik against.

Mr. Pilcher for, with Mr. Sieminski against.

Until further notice:

Mr. Brooks of Louisiana with Mr. Kilburn.
Mr. Zablocki with Mr. Wilson of California.
Mr. Trimble with Mr. Talle.
Mr. Hays of Arkansas with Mr. Scott of Pennsylvania.

Mr. Steed with Mr. Rhodes of Arizona.
Mr. Morrison with Mr. Brownson.
Mr. Dies with Mr. Mason.
Mr. Christopher with Mr. Dooley.
Mr. Bass of Tennessee with Mr. Frelinghuysen.

Mr. Jones of Missouri with Mr. H. Carl Andersen.

Mr. Morris with Mr. Dague.
Mr. Rains with Mr. Kearns.
Mr. Montoya with Mr. Haskell.
Mr. Gray with Mr. Vursell.
Mr. Edmondson with Mr. Griffin.
Mr. Saund with Mr. Kearney.
Mr. Robeson of Virginia with Mr. Jenkins.
Mr. Shuford with Mr. Williams of New York.

Mr. BOLAND changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

REREFERENCE OF S. 1985

Mr. ENGLE. Mr. Speaker, I ask unanimous consent that the bill S. 1985 be rereferred to the Committee on Public Works, it having been erroneously referred to the Committee on Interior and Insular Affairs.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERSONAL STATEMENT

Mr. BASS of New Hampshire. Mr. Speaker, on rollcalls Nos. 109, 111, and 112, I was unavoidably absent. Had I been present I would have voted "yea" in all three instances.

MUTUAL SECURITY APPROPRIATION BILL, 1959

Mr. PASSMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 13192) making appropriations for mutual security for the fiscal year ending June 30, 1959, and for other purposes.

Mr. MARTIN. Mr. Speaker, if the gentleman will yield, may I ask how much time remains for general debate?

The SPEAKER. The gentleman from New York [Mr. TABER] has used all his time. The gentleman from Louisiana [Mr. PASSMAN] has an hour remaining.

Mr. MARTIN. I thank the Chair.

The SPEAKER. The question is on the motion offered by the gentleman from Louisiana.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 13192, with Mr. MILLS in the chair.

The CHAIRMAN. When the committee rose on yesterday, the gentleman from Louisiana [Mr. PASSMAN] had 1 hour remaining. All the time of the gentleman from New York [Mr. TABER] had expired. The Chair recognizes the gentleman from Louisiana [Mr. PASSMAN].

Mr. PASSMAN. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from Alabama [Mr. ANDREWS].

Mr. ANDREWS. Mr. Chairman, yesterday was the first day of fiscal 1959 and the paper carried a very alarming news story, and I quote:

More and bigger deficit spending looms ahead for fiscal 1959, bringing with it new inflationary pressure and damaging the prospect for any tax relief next year or soon thereafter.

In a few days the administration will ask Congress to boost the Federal debt ceiling for the second time this session. Some officials indicated a new temporary ceiling of \$290 billion may be sought. The earlier \$5 billion boost brought it to \$280 billion.

The widening gap between income and outgo in the next fiscal year—now estimated by high officials at around \$11 billion, or possibly even \$12 billion—makes substantial new Treasury borrowings inevitable, after high administration officials estimated that a deficit of \$2¼ to \$3 billion will have been rolled up for fiscal 1958 when all the paid bills are counted.

There are 40,561 people engaged in the operation of the mutual security program. The program is operated at the level of approximately \$3.6 billion a year, which means there is an employee for each \$90,000 spent. Witnesses told our committee that this program would continue for at least 10 or 15 years.

We are giving military aid to 11 countries; economic and military aid combined to 30 countries; economic aid only to 22 countries. In addition there are 10 territories which are receiving economic aid. There are 86 nations in the world. We are giving aid to one kind or another to 73 countries and territories. There are 72 nations in the world that owe public debts. The total amount of all these public debts as of a recent date was \$236,490,000,000. As of the same recent date, the public debt of the United States was \$274,900,000,000.

The latest available figures of the national income of the countries of the world show that the total national income of 74 countries is \$515,730,000,000. As of the same date, the national income of the United States was \$358,500,000,000.

We seem to have some sort of an idea in this country that when any problem arises, the way to answer it is to appropriate money and hire a lot of people to travel throughout the world.

There is such a thing as, Can you afford a given program?

I am dubious of the longrange benefits of this worldwide program. I have opposed foreign aid bills and appropriations since 1950 partially because of their effect on our national economy; and it frightens me to think about what the repercussions will be in foreign countries when, through dire necessity, we are forced to discontinue such worldwide spending. I believe these programs will eventually wreck the economy of our country—we may never find a stopping place.

You will note that the amount allocated for the separate countries of the world is classified. The reason why given amounts to given countries is classified, according to testimony before our committee, is the fact that countries are jealous of each other about the amount of aid received. If X country gets more than Y country, then Y country is jealous.

During the past generations, the United States has given to foreign nations in grants, aids, subsidies, loans, gifts, and repudiated loans in excess of \$125 billion. Even though the recipients in foreign lands of this stupendous amount of money have already spent it, let us ever be mindful that the taxpayers of this Nation still owe this debt which must be paid by generations yet unborn.

In my considered judgment we are spreading ourselves too thin. We are

attempting to buy friendship and loyalty. If we continue dissipating the wealth of this country, then we may wind up in a worse condition than a great majority of those that we are now helping. If our present rate of grants and gifts continues for too long, there will not be enough ready money available to build a rowboat, let alone a flat-top. It frightens me to think that we have gone so far afield with this worldwide program of trying to buy friends and loyalty.

It has been stated that Russia's Lenin once said, "Just give the United States time and she will spend herself into destruction." I wonder if our arch enemy Khrushchev is thinking the same thing and maybe cooperating in bringing this about?

I want to ask the distinguished chairman of our subcommittee if he has heard from the President of the United States with reference to the program this year as to the amount in the bill.

Mr. PASSMAN. May I state to the distinguished gentleman from Alabama that I have not heard from our President this year, but I did hear from him last year.

I might state also for the purpose of informing the committee that every year since I have been chairman of the subcommittee, just before it is time to report the bill to the floor of the House, our distinguished President issues a statement to the effect that if we do not reinstate the cuts recommended we will wreck the program.

Last year in August, if I remember correctly, just before the bill reached the floor, the President called a meeting at the White House and invited me to attend. Many distinguished Members of the two bodies of the Congress attended the meeting. After they had spoken, it was finally suggested that I make a statement. Believing that our distinguished President would appreciate my sincere opinion, I spoke in a plain manner, just as I would speak to any other American. I indicated to him that his own people had either intentionally or unintentionally, evidently given him erroneous figures and other misinformation. I pointed out that in the military assistance phase of the program alone, \$538,800,000 which the Congress had appropriated for this item had lapsed. The President was obviously amazed to learn this fact and others, as I repeated the figures on item after item, that were verified, then and there, by one of the President's aides.

Then I assured the President that not a member of our subcommittee, including the distinguished former chairman, the gentleman from Virginia, Mr. VAUGHAN GARY, who had supported the foreign aid program from its inception, would deprive him of the funds necessary to carry out the foreign aid program. To my amazement, the President said that he could not ask for more.

This statement could be verified by our beloved former Speaker; our distinguished colleague from New York, Mr. TABER; our distinguished chairman, Mr. CANNON; our beloved Speaker, and by several of those from the other body.

I can, and do, assure the Members that I am just doing my part in trying to prevent the Congress from abdicating its duties in favor of the Executive, and ignoring the recommendations of a clear majority of a 50-member Appropriations Committee, many members of which have studied this particular program for many years, long before our President ever gave any thought to becoming our Chief Executive.

To ignore the findings and the recommendations of a majority of these Members in this particular case, in my opinion, could be interpreted only as an acceptance of the proposition that the House was willing to abdicate and let the Executive dictate to the Congress.

May I say again that the President was amazed to learn that he had been given such erroneous figures.

Last year, when we went to the White House, the committee had recommended only \$2,524,760,000. That is all. This year your committee is recommending in new appropriations a total of \$3,078,072,000, which will make available in funds for expenditure, with the carryovers, a total of \$8,278,080,500.

If the President fails to issue a statement this year about these cuts, it will be the first time he has not done so since I have been chairman of the committee.

Mr. ANDREWS. I thank the gentleman, and I yield back the balance of my time.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. PASSMAN. Mr. Chairman, I yield 13 minutes to the gentleman from North Carolina [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Chairman, I regret that it is necessary today for me to take issue with the majority of the members of my committee on the merits of the bill we have before us.

As a member of the Subcommittee on Foreign Operations of the House Appropriations Committee I have listened with an open mind to many hours of testimony from those who are for and to those who are opposed to our foreign-aid program. The members of my subcommittee have worked diligently to bring out a bill that would reflect their best judgment on the momentous question before us today.

Mr. Chairman, I can think of no other field more difficult in which to legislate than the area of financial assistance to foreign nations. I would like to take this opportunity to commend the distinguished chairman of our subcommittee on the outstanding manner in which he has conducted hearings on the bill we have under consideration. He has made every effort to develop the facts with respect to our far-flung economic aid operations. It has been his purpose and the aim of our subcommittee to bring out a bill that would best serve the interests of the United States during this critical period in the history of the world.

Mr. Chairman, I would like to state that I am not an isolationist. I realize that it is impossible for the United States to wall itself off from the rest of the world. For all practical purposes the age of isolationism ended for the United States

when the first American soldier landed in France in 1917. From that time forward, for better or for worse, this country became an integral part of the world community.

There is no way, Mr. Chairman, whereby our Nation can escape its destiny. Like it or not, the problems of the world concern us and tend to shape the course of our history.

I am not unmindful, however, of the tragic situation existing in the world. I am aware of the danger threatening the Free World and our cherished institutions. No one has a more sincere desire than I have to see the spread of Russian imperialism halted.

Mr. Chairman, the Free World is making a heroic stand against communism. I am not ungrateful for the part our non-Communist friends are playing to save the world from the tyranny of Russian enslavement. I realize the great economic problems confronting our allies and the neutral nations associated with us during this critical period.

I do not believe, however, that the way to overcome communism is by indiscriminate spending of American dollars. I cannot subscribe to the philosophy so widely held in this country that the solution to every problem, foreign, and domestic, is a raid on the United States Treasury.

International friendship does not have a price tag. The security of the United States and the Free World must never rest upon our ability to buy friends. Such a doctrine is dangerous and will lead this Nation to economic destruction and ultimately to a loss of our liberty.

Mr. Chairman, the American people were led in the beginning to believe that foreign economic aid would be a temporary policy of our Government. However, year after year they have observed this Nation appropriate ever increasing sums of money without any visible improvement in world conditions. They have watched the relentless march of Russian communism from country to country and have seen American prestige suffer in all parts of the world.

Mr. Chairman, the American people have observed the foreign policy of the United States degenerate into a worldwide WPA sustained by their tax money. They have seen their proud Nation intimidated and in some instances blackmailed in the name of a foreign policy based on a feeble attempt to buy international friendship.

The history of the world does not record an instance of any nation that has been as generous with its resources as has been the United States. Likewise the history of the world does not reveal a country that has squandered so much of its wealth and secured so little in return.

The United States has been a generous benefactor to the world. It is hard for us to comprehend the tremendous sums of money we have spent overseas. The amounts involved stagger the imagination.

From July 1, 1940, to June 30, 1945, this country expended over \$49,223,859,000. This was during the Second World War and it cannot be denied that the

defense and security of the United States was not benefited by this spending. Likewise, no one can deny that vast amounts of this money was spent to defend and give economic support to countries now behind the Iron Curtain and dedicated to the destruction of the United States.

Mr. Chairman, in 1945 the United States embarked on our present reckless course of foreign-aid spending. During the past 12 years we have operated without a sense of financial responsibility in international relations. The result has been a tremendous increase in the national debt of the United States and a dangerous increase in inflationary pressures here at home and abroad.

Since July 1, 1945, through June 30, 1957, we have disbursed overseas the staggering sum of \$68,517,296,000, in addition to the billions previously appropriated. My friends, \$60 billion represents more than twice the investment we have in all of the class I railroads in the United States. Class I railroads represent 96 percent of all our railroads and have a total investment of approximately \$30,124,000,000. We provided last year \$3.6 billion in foreign-aid funds for fiscal year 1958.

The bill we have before us will appropriate an additional \$3,078,092,500 in foreign-aid funds.

Mr. Chairman, it is hard for the average person to conceive of the tremendous sums of money we are appropriating for our economic-aid programs. The amounts involved are so great that they are not easily comprehended.

Let us make a few comparisons and by so doing it might be possible for us to realize the magnitude of the appropriation we have under consideration.

Do you know that the \$3 billion we have in this bill is nearly one-half assessed valuation of all real and personal property in North Carolina? The assessed valuation of North Carolina was \$6,479,213,000 in 1956. Do you realize that the \$3 billion in this measure is nearly one-third of the assessed valuation of the city of Chicago? Chicago had an assessed valuation of \$9,433,977,134 in 1956.

The \$3 billion contained in this bill is nearly one-seventh of the assessed valuation of New York City.

Irrespective of the amount if I thought it was being spent wisely and was accomplishing the purpose for which it was intended, then I could feel better about the program.

The American people have a right to know where this money has been spent and what it has accomplished. At a time when we are calling on our people to carry the heaviest burden of taxation in our history, the Congress has a solemn responsibility to justify foreign-aid expenditures. With the public debt in excess of \$275 billion and in the face of warnings by responsible leaders of this House that our National debt must be raised another \$5 billion or more by next year we should pause today and give serious consideration to the economic security of the United States.

It is no secret that the National debt of this country exceeds the combined na-

tional debts of the countries we are attempting to help with our dollars. The 72 principal nations of the world have a combined national debt of \$236,490,000,000 which is approximately \$38.5 billion less than the present public debt of this country.

Mr. Chairman, our foreign-aid spending has been geared through the years to international political expediency. Wherever there has been a problem we could not solve through sound diplomacy we have attempted to buy our way out of our difficulty.

We have failed in this respect and our present ineffective foreign policy is evidence of our failure. In spite of the billions of dollars we have scattered over the world we are without friends overseas and many areas present problems that may explode in armed conflict at any time. A glance at what is taking place in Lebanon and North Africa should be enough to convince us that our dollar diplomacy is not succeeding in those areas.

Our foreign-aid programs have been marked by mismanagement and a failure on our part to understand the social and economic conditions of the countries we have attempted to help.

The Committee on Government Operations, through its Subcommittee on International Operations has made a very fine study of our foreign-aid construction projects.

These projects are in progress all over the world and our dollars are being used to construct bridges, highways, port facilities, housing projects, hydroelectric dams, and countless other internal improvements in foreign countries.

Every Member of this House should study the excellent report issued by the committee. It points up some of the evils inherent in our attempt to solve the world's problems by spending money. Money, I might add, that we do not have in our Treasury, but must borrow from the American people.

The Committee on Government Operations found that the administration of major construction projects by the International Cooperation Administration has been inadequate, indifferent, and incompetent. The committee advises that ICA has let nearly \$1 billion in contracts without clearly formulating standards for their award and administration.

This is just one example of the waste and mismanagement that is characteristic of our foreign aid operations.

Mr. Chairman, not many of us are aware of the huge sums of money given the Communist bloc of countries since World War II. It is shocking to realize that we have given Albania, Czechoslovakia, East Germany, Hungary, Poland, Yugoslavia, and the Soviet Union \$2,252,112,000 in grants and credit since the Second World War. Outright grants or gifts to these nations total \$1,850,497,000 and loans to be repaid amount to \$401,615,000.

Of course none of us are naive enough to believe that all of these loans ever will be repaid.

We must face the harsh fact, however, that our millions have gone to strengthen the economy of these coun-

tries. Today they stand opposed to everything we believe in and dedicated to our ultimate destruction.

Mr. Chairman, the \$836 million we have extended to Russia is three times the amount of money we spent to fight the Spanish American War. And I might add that the \$687,920,000 we have given to Communist Yugoslavia is nearly double the amount expended by the United States in the construction of the Panama Canal. That great aid to the commerce of the world cost this country \$380 million.

It is almost unbelievable that the gross foreign aid disbursed and still available for the period July 1, 1940, to June 30, 1958, is almost one-half of all the taxes collected during the first 156 years of the history of our country, January 1, 1792, to January 1, 1948.

Mr. Chairman, I have used comparisons and illustrations throughout this discussion to impress upon my colleagues in this House the size of our foreign aid donations. It is my considered opinion that we have dealt with billions so long that we have lost sight of sound economic principles.

Mr. Chairman, our dollars have been spent all over the world to build plants and factories to compete with basic American industries. Today many Americans are unemployed by reasons of foreign imports manufactured in plants constructed with our foreign aid dollars.

Our textile industry presents a graphic example of an industry fighting for its very existence in the face of foreign competition. Under our foreign aid program millions of dollars have been spent to reconstruct the Japanese textile economy. We have purchased new machinery for their plants and we have made it possible for Japanese mills to buy American cotton cheaper than our own mills.

The result has been widespread unemployment in the American textile industry.

This threat has a very real meaning for the people of the great Congressional District I am privileged to represent in the Congress. The Ninth Congressional District of North Carolina is one of the largest textile manufacturing areas in the United States. Thousands of the people I represent depend for their livelihood on textile employment.

I cannot, therefore, support a program that will take tax dollars of the people I represent and construct plants in foreign countries that will deprive my people of their jobs.

Mr. Chairman, I believe the contents of a recent letter from Mr. Nathaniel Raifer of the International Cooperation Administration, Department of State, to the American Cotton Manufacturers Institute, will illustrate what the American textile industry can expect from foreign aid spending. Mr. Raifer states, and I quote:

Confirming my comments of this morning, I wish to reiterate that ICA is prepared to render many forms of assistance to any one or more of your members who may be interested in establishing textile plants in Indonesia. If any one of them are interested in

such an investment we believe it would be preferable for the investment to be in the form of a joint venture with Indonesians so far as the equity is concerned.

ICA would be prepared to make loans from its New Development Loan Fund. We would also be prepared to insure such investments against the political risks of expropriation, inconvertibility of currency, and war damage. Furthermore, we could furnish technical assistance by financing on-the-job training in Indonesia or training here in America for Indonesians in technical and managerial skills.

We might also be able to finance the installation of public facilities such as power, transportation, etc., if not otherwise available near desirable plant sites. These and other possible means of ICA assistance could be discussed in detail with any of your members who may be interested.

Mr. Rafter offers to Indonesians what no American could hope to secure in this country. Is it any wonder that the American textile industry is fighting for survival?

Mr. Chairman, the time has arrived when we should abandon our International WPA programs and adopt a system of assistance geared to the economic, social, and political realities of the present critical period in the history of the world. It does not make sense for the United States to continue to support governments unfriendly to our efforts in behalf of the Free World.

India is a prime example of a nation in this category. Under Nehru's socialistic leadership India has consistently opposed in the United Nations the efforts of the United States to lessen world tension. In spite of our efforts to isolate Red China from Free World trade India has entered into trade relations with the Chinese Communists. She has negotiated an economic loan with Soviet Russia for internal improvements amounting to approximately \$126 million. In addition, India has accepted financial assistance from Communist Rumania.

The United States on the other hand has extended to India over \$272,500,000 in outright gifts and other forms of assistance. Instead of winning India to the cause of the Free World, however, we have put new life into her socialistic economy.

Our efforts to assist Indonesia have met with stiff competition from the Soviet Union and the Communist bloc of countries. These countries have extended over \$110 million to the Indonesian Republic. The American taxpayer has contributed over \$128 million to Indonesia. Today the country is torn with civil strife and leaning heavily toward communism. The administration did not request any assistance for Indonesia this year. Even Secretary Dulles had to admit before the Appropriations Committee that the situation in Indonesia is somewhat "obscure."

Mr. Chairman, I submit that the situation is obscure, as Secretary Dulles calls it, in more countries than the Indonesian Republic. It is my considered opinion that the best interest of the United States has been obscured through our frantic efforts to win nations to the cause of freedom by way of the United States Treasury.

Money alone will not create international stability. Unless a nation has the will to survive no amount of American aid will guarantee its freedom. We need only to look at the tragic situation prevailing in France to realize that it takes something more than financial assistance for a nation to have peace and internal stability. Although she is one of the richest and most prosperous nations in Europe and has been the recipient of approximately 9 billion dollars in American aid since World War II, France is torn with civil and political strife and is dissipating her resources in a fruitless struggle in North Africa.

France will master her destiny when the French people develop a will to face the realities of life. No amount of American aid will help her cause. The same can be said for many other nations. We have encouraged inflation in many countries by our flood of American dollars. By giving more to one country than to another we have created rivalry and jealousy among our friends. Through an attempt to mold everything to our pattern we have upset the existing order in many nations; created tension and strife and made enemies instead of friends.

Our dollars have gone to support unpopular regimes abroad and in several instances to support dictatorships.

Mr. Chairman, we must have a reappraisal of our foreign aid policy. We cannot keep up our present program of appropriating huge sums of money year after year without seriously damaging the economic stability of the United States. I do not believe it is necessary for me to emphasize that. It is essential for the survival of the Free World for this country to remain strong and economically sound.

Our Communist enemies have predicted that we will spend ourselves to destruction. Let us not fulfill this prediction for them. Let us put some sense into our dollar spending.

Mr. PASSMAN. Mr. Chairman, I yield the remainder of the time to the distinguished former chairman of the subcommittee, the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Chairman, a few years ago I was requested to deliver a Community Chest speech. I forgot all about it until just about an hour or so before the time for the delivery. I called my secretary into the office frantically and said, "Will you please look back in the files and see if you can find the outline of the speech I made last year?" In a few minutes she came back and said, "Mr. GARY, I don't think you made any outline last year; I think you just talked out of your head." Now, I am not going to talk out of my head today, but I am going to talk to you for a few minutes out of my heart.

Mr. Chairman, I have had the matter of foreign aid on my heart for many years. I had the privilege of serving as the first chairman of the special committee set up to handle this program. I was very glad to pass those duties on to my distinguished friend from Louisiana a few years later when they made a permanent committee out of it, and I had to

make a selection between this committee and another committee, and I selected the chairmanship of the Committee on Post Office and Civil Service. But, I remained on the committee so that I have been a member of this committee since its inception.

Let me say that throughout the years this has been a highly controversial bill. It is highly controversial today. But, it is not a partisan bill. The controversy is not partisan. This program was inaugurated under a Democratic administration. It has been continued under a Republican administration. Nor are the differences of opinion partisan differences. They cross party lines. There are many people who think this program is absolutely useless, and among that number are both Republicans and Democrats. There are many who think we should spend many more billions of dollars on the program than we do.

Just let me read you an extract from the Washington Post of June 24th:

Eric A. Johnston, President Eisenhower's Middle East troubleshooter, called on the United States tonight to seize the cold-war initiative with a 5-year \$10 billion program of the TVA-type economic development projects in the Mid-East, Asia, Africa, and Latin America.

It so happens that Mr. Eric Johnston is a Republican. But, I remember when Mr. Chester Bowles was our Ambassador to India, he called for an expenditure of a billion dollars for India alone. And Mr. Bowles is a Democrat. So this is not a partisan political question.

I, for one, have been a champion of this program from the very beginning. I think it is a vital and an essential part of our national defense. I do not look upon it as a giveaway program in any sense of the word.

Every military expert whom I have ever heard testify has said that it is absolutely essential to the defense of this country for us to retain the periphery islands beginning with the Aleutians, Japan, Korea, Okinawa, Formosa, and the Philippines. It is essential to our own national defense because we have bases on those islands and if we ever have a military emergency we must have bases from which to attack the enemy. On the other hand, if the enemy seizes those islands they can use those bases with equal effectiveness to attack the mainland of the United States.

It is much cheaper and better in every respect for the Koreans to defend Korea than it is for us to have to send our own armies to Korea to defend it. It is better and cheaper for the Nationalist Chinese Army to defend Formosa than it is for us to send our forces there to defend it. And yet we know that neither the Korean Army nor the Nationalist Chinese Army can function effectively without our help. Without the aid of this country they would be absolutely impotent and would be unable to maintain those islands.

Moreover, the strongest position that this country has today from a military standpoint—and certainly I do not attempt to speak as a military expert; I am merely quoting what military experts have said—our strongest defense today

against communism is that we have a ring of bases completely surrounding the Soviet Union. Some of those bases are in Europe and Africa. Do you realize that at every conference that we have had with Russia in recent years to try to get them to agree to anything, the first thing they have said is, "We will agree if you withdraw your forces, your troops." Those bases are absolutely essential to our defense. We might have all of the atomic bombs or hydrogen bombs or any other kind of bombs in the world, but if we cannot drop them on the enemy they are no good to us. If any of them are exploded in this country they will do us more harm than they will the enemy.

So I realize that for the sake of maintaining our military bases we must have certain foreign aid in order to help support the countries in which those bases are located. Although that is true, there is another point on which people differ. There are those who believe that we should drastically cut the military aid and give more aid to the economic development of those countries.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Idaho.

Mr. BUDGE. There is one thing about the foreign-aid appropriations that has always puzzled me. I have checked the unexpended balances in this program each year since I have been a Member of the Congress. Each year I find that there is enough money in the program unexpended to operate it all the way from 18 up to as high as 26 months. I think this year's balance would operate the program at full speed for a period of approximately 19 months without any money's being appropriated.

For all of our domestic programs here in the United States, for the operation, for example, of our veterans' hospitals, for the construction of our own flood-control and irrigation projects, for the building of our roads, we appropriate on a 12-month basis. From the gentleman's broad experience in this field, has he ever heard a good explanation as to why for the foreign countries we should appropriate some 3 years in advance when in our own country for the same purpose we appropriate for only 1 year?

Mr. GARY. I think the answer to that is very simple. We do have large unexpended balances in our military program, and a large part of this money is military. We all know that in order to get the necessary military equipment, the necessary military installations, you do have to plan ahead. The Congress makes the appropriation but it takes time to advance a project to the point that expenditures are required.

Mr. BUDGE. That would be true as to the military portions, I assume, but as to the nonmilitary items such as the ones I have mentioned in connection with foreign countries, the building of roads and the building of dams, why should we appropriate funds 3 years in advance to be used in foreign countries when we appropriate only 1 year in

advance for the same purposes in our own country?

Mr. GARY. Frankly, that is one of the reasons this bill has been cut, because we think in some of these programs we are appropriating too far in advance.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Minnesota.

Mr. JUDD. May I give these facts for the gentleman from Idaho: The Department of Agriculture has an unexpended balance of \$4.5 billion as of June 30, and all the other agencies of our Government, excluding the Defense Department, the Agriculture Department, and mutual security, have \$27.2 billion in unexpended balances. So this same process does apply on a vast scale not only in connection with our defense and of others.

Mr. GARY. It does in some of the departments. Since the supplies, materials, and equipment have to be sent overseas, I think there is justification for a pipeline. I for one would not want to destroy that pipeline. But I think there is such a thing as extending it too far.

Mr. JUDD. The total of unexpended balances is more than \$60 million for all Government agencies, excluding MSA. Thirty-one billion dollars of it is in the Defense Department.

Mr. BUDGE. With respect to these appropriations for the military, I think it is interesting to remember that the Constitution of the United States, a document which each of us has sworn to uphold, specifically provides this among the powers of the Congress of the United States:

To raise and support armies, but no appropriation of money to that use shall be for a longer term than 2 years.

We are violating that in our appropriations for our own military. We have for some time. I have heard this pipeline argument on all of these expenditures such as I have here enumerated. My guess is that a quadruple amputee in a veterans' hospital in this country would kind of like to feel that he had a 3-year pipeline. Most of the domestic funds to which the gentleman from Minnesota has referred are revolving funds which are not covered by individual appropriation bills, which is entirely different from the situation which confronts the House today. My point is simply this. Even if we admit the entire foreign-aid program is good, we should certainly not favor the people in the other countries over the people of this country by appropriating for a lead period three times as long as the appropriations for people in our own country. I thank the gentleman for yielding.

Mr. GARY. I thank the gentleman. He is making my speech for me, and I think he is doing it very much better than I could have done it myself. But, that is the point I was going to bring out. I recognize the necessity for the program. I have called attention to the controversial questions involved. There are those who believe that we should not give anything to the military but that

we should help on the economic side. There are those who say we should not give anything for economic development, but that we should build up the military. It is my belief that the economic appropriations we make do contribute to the military strength of the countries to which this economic aid goes.

Personally, I do not subscribe to the view that it is a giveaway program. I think the United States is buying security with this program. I look upon this program as a mutual-security program rather than a foreign-aid program.

But, let me say to you that a very great amount of waste and inefficiency has crept into the program. I think some of that waste and inefficiency is unavoidable. I want to be perfectly fair about it. I know it is difficult at this time to get technicians. When you try to give technical aid to foreign countries you have to have technicians who want to go to those countries to work with the program. Any man who is a good technician can get a job in this country without any difficulty at all. Certainly, a man who is well employed in this country would hesitate to give up his job and take his family off to the far corners of the earth where they would not have the advantages that they have here, for the salaries we pay in this program. So what happens? We get two classes of technicians. We get the dedicated person who, like the preacher or the teacher, is not looking for financial gain, but who is trying to better the conditions of the world in which he lives. I have the greatest admiration and respect for that type of individual. God knows we would be in a bad fix if we did not have such people in the world. We do have a great many of them. Some of them have given up very profitable employment in this country and have gone into these foreign fields for the good that they think they can accomplish. But, the other group you get are the technicians who cannot make a living in this country for one reason or another. When you get dedicated men in this program in a particular country, you usually get a good program, but when you get the castoffs from our own industry here, then yet have a bad program. Under these circumstances some inefficiency and waste is unavoidable.

Mr. Chairman, this committee has been exceptionally fortunate because I want to say to you I have never seen a chairman as dedicated to his task as the chairman of our subcommittee. I have never seen a man who has labored as hard to arrive at the facts. He has brought out a great many of the defects of this program. I have never seen a chairman who has conducted a better set of hearings than he has conducted on this bill. We sat for 8 weeks, day after day, laboring throughout the day in an effort to learn about this program. I say to you, no chairman has ever brought a bill to the floor of this House who knew more about the details of it and knew more about the agencies which it covered than the chairman of our subcommittee, the gentleman from Louisiana [Mr. PASSMAN]. He has done a magnificent job and the entire Nation

is indebted to him. He has tried to point out to this body where the defects are.

We need this program, and yet when we consider the national defense there is one thing that we cannot overlook, and that is the fiscal strength of our Nation. No bankrupt nation can defend itself, and if we are going to be militarily strong we must be fiscally strong.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from West Virginia.

Mr. BAILEY. I would like to inquire of the distinguished gentleman if he thinks the Congress can justify authorizing appropriations from 3 to 5 years in advance to build school buildings abroad and still deny approving a single dollar for our outmoded school system.

Mr. GARY. That is a matter that Members will have to decide.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. CHELF. The gentleman is making a very interesting and informative argument, as always. The gentleman came here to the House about the same time that I did and we have long been supporters of this program. I supported it every year except last year, when I felt in my heart I had to vote a protest "no." This was done because the other body increased the House's figure by approximately \$200 million.

Let me ask the gentleman: It has been stated in the papers this morning and yesterday that there are those in the executive branch of the Government who say that if this \$600 million is cut America is going to be in real bad shape; that it will endanger our security. Does the gentleman feel that way about it?

Mr. GARY. I certainly do not. And if I felt that way about it I would not be standing here making this argument at this time.

Let me say this: I have been in both branches of Government. I served at one time in the administrative branch of my State government. I have always said that I do not criticize the head of a department who thinks he needs a lot of money for his department. In my opinion any man who is head of a department of the Government who does not feel that it is the most important department of the Government, does not feel that he can do a better job if they give him more money, ought to be fired, because he is a man who is just sitting and coasting. He is not an aggressive type. But they make their requests to the legislative branch, and that is the reason we have a legislative branch. It is our duty to take the money we have and disburse it among the departments so that it will do the most good. I have never seen a man in the administrative branch of the Government who did not have an exaggerated idea of the needs of his department. I do not criticize him for it. I praise him for it. But when it comes to us, we must be realistic.

Mr. CHELF. I know the gentleman's thinking is clear, sound, and logical. I

know and the House knows that it is sincere.

Mr. GARY. I thank the gentleman.

Mr. CHELF. If I may proceed further, the thing that concerns me about this particular bill today and the appropriation therefor is the fact that when we stop to consider it—there are 83 countries in the world that have some form of government, and of that number 73 either directly or indirectly are dependent on us—the United States of America, for sustenance and support. If we are going to be the good fellow, the good samaritan, and are going to help all our friends and neighbors on the block by inviting them into our house to the exclusion of our own family, we will wind up with our home filled with the neighbors and our own family out in the cold in the back yard.

Mr. GARY. They may eat us out of house and home.

Mr. CHELF. The time I think has come when all Europe and many other countries of the world plead that they are broke; they know it; they admit it; they are constantly asking for help. The United States of America is broke—does not know it; cannot therefore admit it—and we are spending money like a Bowery bum in his drunken dreams. We simply cannot continue to support the entire world under the cry of emergency. I am for these cuts. If they are supported by this committee I shall vote for the appropriation—otherwise—I shall not.

Mr. DENTON. Mr. Chairman, will the gentleman yield?

Mr. GARY. I gladly yield to my distinguished colleague who is a member of our subcommittee.

Mr. DENTON. The gentleman and I have served together 4 years on this committee and have been through these experiences with budget requests and authorizations. The request comes to the legislative committee and it makes an authorization. If it is below the budget request then the cry goes up that the security credit of the United States is in danger. Then it goes before the Committee on Appropriations and if there is any cut predictions of dire consequences are made. Then it goes to the Senate and probably the other body restores at least part of the funds and a compromise is made in consequence, but the following year we find they have not spent all the money that is appropriated. Does it not seem like a case of "Here we go again"?

Mr. GARY. Yes. I hold in my hands here a number of cards on which are written the statements of high government officials as to the dire consequences that would follow if the cuts we recommended in 1956 for fiscal 1957 were allowed to stand; yet at the end of 1957 there was a balance of \$560 million—odd which they could not even obligate.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. PASSMAN. Does the gentleman think that with a new appropriation and the unexpended balances there are sufficient funds in this bill to carry out the program adequately?

Mr. GARY. I most assuredly do and I am going to cover that in just a minute. My time is almost up, but I just want to call attention briefly to this fiscal situation.

We have a Federal debt of \$275 billion. Do not ask me to tell you how much that is, because I do not think the mind of man can conceive that amount of money; but let me say this to you, I will remember before World War II when our debt was about \$30 billion there was an argument among the economists as to how much debt this country could stand. Some bold economist said we could stand a debt of \$50 billion. All the rest jumped on him and said that a debt of \$50 billion would ruin this country.

Then the war broke out and we could not bother about the public debt; we began to make larger and larger expenditures, because we had to win the war.

Today instead of a \$50 billion debt, it is \$275 billion. Are we reducing it? Oh, no. The estimate is that at the end of the fiscal year, which ended yesterday, we had a deficit of at least \$3 billion; and the estimated deficit for this fiscal year is between \$10 billion and \$12 billion.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. ANDREWS. The gentleman is familiar with the matter. I wish he would tell us what the interest on the public debt amounts to at the present time.

Mr. GARY. The interest on the Federal debt is estimated at \$7,869,000,000 for the fiscal year 1959. This is more than was required to run the entire Government some 25 years ago.

Mr. ANDREWS. Is it not correct that that is the second biggest item of expense this Nation has, interest on the public debt?

Mr. GARY. It is.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Kentucky.

Mr. CHELF. In other words, our debt compared with the debt of all of the rest of the world combined exceeds the latter by \$39 billion?

Mr. GARY. Yes.

Mr. CHELF. Which makes it appear to me that we are spending money that we do not have—on people that we do not know—trying to impress people that hate our insides—such as Russia and her satellites. We have spent or given away since 1940 over \$135 billion and we are still at it. How long can we keep this up without spending ourselves into bankruptcy? We owe \$275 billion, more than all the rest of the world added together and yet we keep it up. Isn't that what Stalin predicted that we would do? Spend ourselves out and then he could take over without firing a single shot?

Mr. GROSS. We have received a marching order from the White House. I do not believe the gentleman has seen it yet. It is stated in this message in the nature of marching orders:

Needed financial reserves have sunk below the safe minimum. In spite of this danger signal, the House Appropriations Committee

has taken action that seriously endangers our security.

This is taking reckless risks with our safety.

Does the gentleman agree with that statement?

Mr. GARY. I certainly do not agree with that and I wish that the President instead of telling the Congress what it should do on this program would tell the Cuban gangster rebels that if they do not return the American captives they are holding within 24 hours they will suffer dire consequences.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Is it not true that the President has been issuing similar statements every year about the time this bill comes to the floor for consideration?

Mr. GARY. That is true.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. The gentleman was talking about the monumental size of the debt of \$270 billion and that he could not comprehend such an enormous figure. I merely want to call the gentleman's attention to the fact that a million dollars is a thousand thousand dollars and a billion dollars is a thousand million dollars. We owe \$275,000,000,000 that somebody by the sweat of their brow must produce the money to pay the taxes to pay the debt if it is ever paid. Even if we paid it at \$3 billion a year it would take 75 to 100 years to pay it off. So what a legacy we are leaving to the generations of Americans who follow.

Mr. GARY. I agree with the gentleman thoroughly.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Michigan.

Mr. JOHANSEN. This same statement by the President states that the reductions contemplated by the committee will encourage Communist imperialists. I wonder if the gentleman would comment on that statement?

Mr. GARY. Well, I would like to have an elaboration of it. I would like to know how it would encourage them. I know of no way we can encourage communism by reducing to a realistic figure the amounts in this program. No one is more opposed to communism than I am and if I thought for a minute we were encouraging communism by making these cuts, I would be here asking that they be restored.

Mr. JOHANSEN. Does the gentleman feel it contributes to the Congress meeting its responsibility to be put in the position of contributing to the Communists because we undertake to do that very thing?

Mr. GARY. I do not think so.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Ohio.

Mr. BOW. On the question of communism, it seems to me the statement made yesterday by the gentleman from Ohio [Mr. VORYS], on the question of the Development Fund business, where they attempt to get textile mills to go to Indonesia, is significant. The gentleman from Ohio said that the United States had suffered.

Well, I will tell you what happened. We are no longer in Indonesia. Indonesia has accepted the Chinese Communist offer.

That is after the United States had already spent \$73 million in economic aid in Indonesia. The first time they do not get what they have asked for they turn to the Communists. I do not think the \$73 million that we spent in Indonesia has prevented us from having some Communist infiltration.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Is it not almost unprecedented for a President to send a message such as this one to the floor of the House such a short time, in this case only about 5 minutes, before we begin reading the bill for amendment?

Mr. GARY. I have not seen the statement. I do not know what it is.

Mr. PASSMAN. The statement for all Members, from the President, just reached the floor of the House from the White House. Is that not almost a precedent?

Mr. GARY. So far as I know, it is.

Mr. MARTIN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Massachusetts.

Mr. MARTIN. I would just like to refresh the gentleman's memory. The President has sent up several messages which I have read to the House myself, so I know it is not a precedent.

Mr. GARY. It seems to me that I do recall that he sent one in 1956 and told us if we cut the program at that time, that we would wreck it. We cut it, and still they come back with a balance of five-hundred-and-sixty-some-odd-million dollars that they could not even obligate.

Now, just one final word. Let me say this. You would think from the arguments that we have had here on the floor that we have cut out this entire program. Nobody has stressed the appropriations that we are recommending. Do you know how much this bill carries? It carries new money—now this is entirely new funds—in the amount of \$3,078,092,500, and there is in the pipeline \$5,199,992,000, which makes a total of \$8,278,084,500 available for expenditure during the fiscal year 1959.

The CHAIRMAN. The time of the gentleman from Virginia has expired. All time has expired. The Clerk will read the bill for amendment.

Mr. TABER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. The rules of the House, as I understand, require that the bill be read word for word.

The CHAIRMAN. The gentleman is correct.

Mr. TABER. I ask that the Clerk be instructed to do so.

The CHAIRMAN. The Clerk will read the bill in accordance with the rules of the House.

The Clerk read as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1959, namely.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, during the debate this year on this bill there has been more emphasis than in any previous year on the serious fiscal condition of the United States, the size of our national debt, the dangers to the stability of our currency, the possibility, even probability, that if our expenditures and our debt continue to increase it will lead, as the gentleman from Louisiana said yesterday, to an eventual repudiation of our debt or of our grandchildren being required to pay our bills for us. Nobody agrees with that concern more than I do, and those of us who are supporting a larger appropriation for this program.

The implication is generally given that if we will just cut down these expenditures for mutual security we can cut down our total Government expenditures accordingly. This is the point where many of us find ourselves in disagreement with very good friends like the gentleman from Louisiana [Mr. PASSMAN], and the gentleman from Virginia [Mr. GARY]. Is the implication justified? Is it a fact that if we cut these expenditures below the point where they would achieve the objectives that the gentleman from Virginia has just so eloquently and so convincingly presented, it will permit a decrease in the total expenditures of the Federal Government and, therefore, a decrease in our national debt and a bettering of our fiscal situation?

I do not believe so. In fact, I am sure that to cut this program too severely will produce the opposite result. It will require us to increase our total defense expenditures, increase our national debt, and increase the danger of the very thing they have been holding up before us as the fearful specter that it is.

Because, what is the alternative to this program and would that alternative be cheaper?

When it is said that to continue spending so much may lead to these dire consequences, that is true; nobody denies it. But the big question is, Will we avoid those consequences by retaining these cuts in mutual security? Will it permit us to spend less in the end? Will we reduce our total expenditures by cutting these funds as deeply as the Committee on Appropriations has cut them in the bill that is before us? Many of us do not think so. On the contrary, we think that these cuts are too deep and that they will not save us money in the end. If these countries that we are helping are weakened so that they cannot defend themselves against Communist pressures from without and from within, or if they lose heart and their will to do their best

to defend themselves, then we will have to spend so much more for our own Defense Establishment that the supposed savings made by the cuts in this bill will prove insignificant indeed.

So, Mr. Chairman, when we support larger appropriations for certain portions of this program, it is not because we are indifferent to the fiscal problems of the United States Government; it is not because we are willing to be reckless and careless with the people's money and our Nation's economic strength; rather, it is just because we are deeply concerned about the fiscal solvency of our country, it is because we want to prevent repudiation of our national debt and depreciation of our currency and leaving our older people who are on fixed incomes inadequately provided for because their dollars have been so cheapened. It is precisely because we want our economy to be strong and to be sound and to get ourselves into a position where we can cut down these awful expenditures for our own defense, that we do not want to cut the appropriations for this program to a degree that we fear may endanger our security and endanger our fiscal solvency. We think that would be playing fast and loose with the Nation's safety and welfare.

We believe this program offers the way to get most security for the least cost—and therefore we urge full appropriations—not in disregard of the danger signals, but because of them.

If we appropriate more than is needed, what damage is done? The gentleman from Louisiana, the chairman of the subcommittee, dwelt at length yesterday on the fact that the agency came back 2 years ago with \$538 million that it had not obligated at the end of the year. He was greatly disturbed by that. I was greatly pleased by it. I thought that it showed that we were entitled to have more confidence, not less, in those who are managing this program.

Is it not better to have more money available to the President for this purpose, in case it should prove necessary? If it is not needed, they do not spend it, by the gentleman's own statement. What injury was done to the United States by appropriating more funds in fiscal 1956 than events proved necessary? The funds were not used or even drawn out of the Treasury. They came back at the end of the year and said:

What you gave us was more than we needed. It was not more than we thought we needed, but, as it turned out, there were no emergencies of the sort that we feared and that we have had in other years. We did not need it, and so we have \$538 million that we are turning back.

I do not see any injury to my country from that. I see great gain. And, therefore, I would rather err on the side of approving the amounts that have been authorized in the bill passed by this House and by the other House and I presume now signed by the President. I would rather go ahead with those amounts, confident that the gentleman's committee and our committee will ride herd on this program, will keep their feet to the fire and will do our best to prevent any greater waste and inefficiency

than is inescapable in a program of this sort, operating with all kinds of people, in all stages of development, in all parts of the world. If we go ahead that way, we will, in the long run, save money. The real way to save money is to help this program succeed. To let it fail is the way that will cost us the most money in the end.

It frightens me to think what may happen to the size of the United States Government's budget and to its fiscal strength if these supposed savings are kept in the final bill, and the funds provided prove inadequate for keeping the Free World free. It frightens me even more to think what may happen to our country's security.

The CHAIRMAN. The time of the gentleman from Minnesota has expired. The Clerk read as follows:

MUTUAL SECURITY

Funds appropriated to the President

For expenses necessary to enable the President to carry out the provisions of the Mutual Security Act of 1954, as amended, to remain available until June 30, 1959 unless otherwise specified herein, as follows.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I regret that I have to resort to this rather unusual method of getting a little time, but there have been a good many unusual things in this debate this year. Yesterday was the first time in my 16 years in the House that I have seen the time for general debate handled in such a way that it was not evenly used by the two sides.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield for a correction?

Mr. JUDD. I am glad to yield.

Mr. PASSMAN. Does the gentleman realize that the Chairman who is handling the time on this side yielded part of his own time to the minority Members, so that they would have more time?

Mr. JUDD. Yes. I realize that and I am grateful to the gentleman. I thought, however, it was a little unusual to have one side save up a whole hour of time for a second day of debate while the other side was using all of its time. Maybe that has happened before, but I think it is a precedent.

Mr. PASSMAN. That is the way the gentleman on the other side wanted it, and I was agreeable to it. They just kept on talking.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from New York.

Mr. TABER. We used our time after we had been told that they had no speakers available.

Mr. JUDD. And as I recall there were several occasions when the gentleman from New York [Mr. TABER] asked the chairman of the subcommittee if his side wanted to use any time, and my recollection is that he said that he did not care to use his time so we went ahead with all of our time.

Mr. PASSMAN. What I said was that the next speaker was not available. That is what I said. The gentlemen on the other side were using the delaying tactics all day, not the gentleman on this side.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from New York.

Mr. ROONEY. Mr. Chairman, I would suggest that the gentleman abandon this sort of debate and proceed with his remarks on the pending bill.

Mr. JUDD. Probably that is good advice. I did not make my comment in order to start a debate.

Mr. Chairman, I took this additional time in order to amplify my contention that to cut this program is more likely to increase than to decrease the total expenditures of our Government. One of the many awful dilemmas we face in the conduct of our foreign relations is this: On one hand, we know down deep that we cannot long stay solvent, free and secure here in America if the rest of the world is taken over piece by piece by an enemy dedicated to our destruction.

On the other hand, how can we help the rest of the world resist being taken over if we become weakened here at home? This is a question every Member of the House has to answer on the basis of his estimate of the nature and the seriousness of the threats to our country. What is the right amount that will give us most security for the money spent? If we give more than the right amount, we will weaken ourselves more than we will strengthen our allies. If we give less, then we will weaken them more than we strengthen ourselves by the money we seek to save. And it will cost us far more in the end.

I believe that we are at a crisis in this world struggle. I said almost 2 years ago that I thought the Communists would do their best to get a small war going somewhere, probably in the Middle East. At that time it looked as if they might get such a war between the Arab countries and Israel. Fortunately the United Nations Expeditionary Force went in, kept the forces apart, and that threat has diminished.

Now, the Communists are doing their best to get a war going in or involving Lebanon. They do not care who starts it or on what pretext. If they can get a brush-fire war going that ties us up there, then I shall be surprised if there are not some other wars—perhaps three—touched off fairly quickly. For instance, North Korea is ready under such circumstances to open up against South Korea. It now has the capacity. And Red China can open up against Taiwan. There was a hint or threat of that in a statement from Peiping as recently as 2 days ago. Then, there could well be North Vietnam against South Vietnam, or Laos. This would give us four separate wars on our hands at one time.

What would be our possible courses, and the cost of each alternative? Could we support each of those four wars at the same time? If not, which country shall we let go? Korea? Then what happens to Japan?

If we let Taiwan go, what happens to the Philippines and our whole western Pacific defense system.

If we let Vietnam go, with it will soon go all of southeast Asia, with its oil, rubber, tin, rice surpluses, and so on.

Shall we let Lebanon, Jordan, and Iraq go? Or Israel? How much will be left in the Free World of that absolutely vital Middle and Near East strategic area? Then we would really be over the barrel. What would our budget look like then?

Suppose we cannot support three or four such wars? Then do we resist by all-out war with the Soviet bloc, and cut loose with our Strategic Air Force? In that case, the bombs and missiles will not fall solely on Russia. Some of them will land in our country. What would that cost us in money—not to mention lives?

Surely this mutual security program is the better course to follow. We should do all we can to help threatened countries become strong enough so that their own forces can do most of the fighting for their survival, if they cannot deter the conflict. We should not, by cutting our aid too drastically, run the risk of weakening the will, the hopes, and the capacities of those peoples to defend themselves.

Again this year it has been said that we are trying to buy friendship and loyalty. No, we are not. It is not possible to buy friendship and loyalty, in international relations any more than in personal relations. We are trying to give to those countries that have the desire and the will to defend their independence, the capacity to defend their independence, that is all. If they do not have the capacity to defend their own independence, we are going to have to do it for them, in some cases, at infinitely greater expense to ourselves. Some of them are so important that we simply cannot afford to let them be taken over by the enemy. These are the considerations that force me to question the statement made so frequently that we cannot afford this program. In reality, we cannot afford not to have it, because any other alternative would be far more costly.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. HOFFMAN. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for 5 additional minutes.

The CHAIRMAN. Does the gentleman desire additional time?

Mr. JUDD. I will take some more time later.

The Clerk read as follows:

Defense support: For assistance authorized by section 131 (b), \$700,000,000.

Mr. FORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FORD: On page 2, line 10, strike out "\$700,000,000" and insert "\$775,000,000".

Mr. FORD. Mr. Chairman, this is the exact amendment offered in the full committee of the House Committee on Appropriations by the distinguished gentleman from New York [Mr. ROONEY]. It was defeated in the full committee by a vote of 26 to 20. I think it should be pointed out in the defense support part of this bill, and this amendment refers to the defense support portion, that there are no unobligated balances as of the end of June 30, 1958. This is the first

time that there have been no such unobligated balances, to my recollection.

It should be pointed out that in this account the unexpended balances have been considerably reduced in the last several years. In fact, in a 2-year period the unexpended balances have been reduced over \$330 million. This is a 30 percent cut in the unexpended balances in a 24-month period. It should be further stated that even with this amendment, which is an increase of \$75 million, the figure will be \$65 million less than what the President recommended in the first instance at the beginning of this session. If this amendment is approved, the total will be \$35 million less than the authorization figure contained in the bill or in the conference report which we approved several days ago.

The inference has been left with the committee in the last several days that the committee's recommendation of \$700 million was a carefully selected, highly scientific decision as to the amount of money that would carry on this program adequately for the next 12 months. The fact is that at no time in the markup of the bill in the subcommittee was there any breakdown showing precisely how the figure of \$700 million was justified. It was a figure selected, I am sure, in good faith, but it had no relationship to the facts and the figures, program by program, country by country. I am not criticising the selection of that figure on that basis.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. FORD. I am glad to yield to the gentleman.

Mr. GARY. Was there any breakdown and enumeration in the budget estimate as to how they were to spend the \$835 million that they requested?

Mr. FORD. I think, if the gentleman will look, as I am sure he has because he has been diligent and conscientious in his responsibility in these matters, that in the justification books there was a breakdown country by country and project by project.

Mr. GARY. Country by country but not project by project.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman yield?

Mr. FORD. I yield.

Mr. ROONEY. The country figures were classified; were they not? Therefore, they may not be discussed here on the floor. However, the list of countries, all of which are on the Sino-Soviet border, may be divulged.

Mr. FORD. That is correct. But, there was a country by country breakdown and there were breakdowns within countries as to the type of areas in which the money would be spent. I only say this, that this justification in the justification book was much more precise and scientific, if we wish to use the word, than the mere selection of \$700 million rather than \$835 million.

The point I want to make is, and I reemphasize it, the inference is that the figure of \$700 million was completely scientific and the implication is that anybody who disagreed with that figure was irresponsible. The facts are that it is a matter of judgment. It is a matter

of judgment on the part of the executive branch when they selected their figure and they had some carefully worked out justifications. It is a matter of judgment on the part of the subcommittee whether they use the \$700 million figure or something else. And I personally think it is unfair even by inference to accuse as irresponsible those who disagree with that figure as a fact their figure was not a carefully determined figure but in reality something pulled out of the hat.

It is a matter of judgment for each and every member of this committee to decide upon at this point.

Now, the crux of the thing is precisely this: It was well explained yesterday that the defense support program involves economic assistance to 12 countries, countries which are vitally important in our effort to contain Communist imperialism.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. FORD] has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I ask unanimous consent that the gentleman be granted 5 additional minutes.

The CHAIRMAN. Is there objection?

Mr. NICHOLSON. Reserving the right to object, I am not going to object until the gentleman is through. When he is through I am going to object.

The CHAIRMAN. Is there objection? There was no objection.

Mr. FORD. Let us take the four of the countries involved, these are the four which get the major share of these funds. Take Spain, for example. If the committee's recommendation prevails, it is very probable and highly likely that the funds programed for Spain will be cut \$10 million. What impact does that have on our own security? At the present time we have three United States military installations of vital significance in Spain. We have two strategic air force bases and one naval air force base. During this fiscal year over 10,000 American soldiers, sailors, and airmen will be stationed in that country, manning those facilities. Spain itself has 500,000 men under arms, aligned with the Free World. If economic conditions in Spain deteriorate, it will have an unsalutary effect on our own military facilities in Spain, and certainly will cause trouble in the maintenance of the Spanish military force itself.

Let us take another country, Turkey. If the figure contained in this bill stands, there probably will be a reduction of \$15 million in defense support funds for Turkey. What would be the impact on Turkey? We are all familiar with the fact that the Turkish military forces are approximately 550,000. We know that Turkey is aligned with us in the NATO organization. We know that Turkey is a part of the Baghdad Pact. Both of those organizations are closely aligned with our own military security.

We also know that the only means by which we can readily and accurately detect the missile and satellite development in the Soviet Union is by the continued operation of the United States military

installation in Turkey that tells us precisely and quickly how and when Soviet satellite and missile launchings are made. Do we want to jeopardize the economic conditions in Turkey which would have an immediate adverse impact on the military conditions in Turkey, which are closely aligned with our own? I do not want to lose the only place we can detect Soviet Union satellite developments. I do not want to lose the aid and assistance of Turkey for our own military security.

Let us take the situation in free China. If the cuts contained in this bill are sustained, it is probable that the funds allocated to free China will be reduced \$20 million in this current fiscal year. The Formosa forces are now approximately 600,000. They are an anchor for us, the Free World, against any further aggression by the Chinese Communists. If economic conditions in Formosa deteriorate, obviously the military potency of those forces will be drastically jeopardized. It seems foolhardy to me that for the sum of \$75 million we would gamble this military strength, from our own point of view.

Let us take the case of South Korea. I discussed it at some length yesterday, but if the committee figure in defense support remains as it is, it is highly likely that the defense support fund for South Korea will, of necessity, be cut \$35 million. South Korea has an army, navy, and air force of approximately 700,000. South Korean forces in the last 12 months have been reduced from 20 armed divisions to 17. If this reduction in this area is sustained, it is almost inevitable that the armed force of the South Korean Republic would be reduced from 17 to 14.

It seems to me that the committee figure is less than the finger-in-the-dike situation. It seems to me this amendment is absolutely essential for our own security.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that the distinguished gentleman from Michigan may proceed for 2 additional minutes.

Mr. MARTIN. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan be allowed to proceed for 5 minutes.

Mr. NICHOLSON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. NICHOLSON. What is the pending request?

The CHAIRMAN. The gentleman from Massachusetts [Mr. MARTIN] has asked unanimous consent that the gentleman from Michigan may proceed for 5 additional minutes.

Mr. MARTIN. The gentleman from Michigan is the author of the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. The gentleman from Michigan is recognized for 5 additional minutes.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman from Michigan yield briefly?

Mr. FORD. May I say just this: I am very appreciative of the consideration by the Committee. I think it is important. I did not ask for the additional time, I am just very grateful for your indulgence on a most important matter.

I will be glad to yield to the gentleman from New York.

Mr. ROONEY. Mr. Chairman, I should like to call the attention of the Committee of the Whole to the fact that a statement on the pending bill was issued this morning by President Eisenhower and it reads as follows:

STATEMENT BY THE PRESIDENT

I have a special statement to make on America's security and on waging peace.

The free nations of the world are under constant attack by international communism. This attack is planned on a broad front and carefully directed. Its ultimate goal is world domination.

Against the pressures of international communism, Free World security can be achieved only by a practical solidarity of opposition by the nations each, according to its ability, carrying its necessary portion of the entire burden.

This is what mutual security really means.

To support this program, started a decade ago, the American people have given needed assistance to others. As a direct consequence, during recent years the Free World has been able to deny any new territorial expansion to communism.

In spite of occasional human errors in administering the details of the program, the overall results speak for themselves. The aggressive purposes of the Kremlin have been foiled, and there has been gradually developed in the Free World a greater spiritual, economic and military strength as a foundation for efforts to win a just peace.

Now, needed financial reserves have sunk below the safe minimum. In spite of this danger signal, the House Appropriations Committee has taken action that seriously endangers our security. We need more ammunition to wage the peace.

A careful estimate of this year's needs was made after prolonged study. It fixed the necessary total at approximately \$3,900,000,000. The sum proposed by the Appropriations Committee is more than 20 percent lower than the estimates.

This is taking reckless risks with our safety.

The cut will dismay our friends in Latin America, in Asia, in Africa, and in the Middle East—every nation that is standing at our side in this worldwide effort.

It is my deep conviction that reductions of a size contemplated by the committee will have grave consequences in portions of the Free World, and to our Nation's security—and will encourage Communist imperialists. Our people must understand this.

Regardless of the many and mounting billions that we spend for our own military forces, those forces cannot alone achieve our security. Friendly nations must be ready and able to stand by our side to present a solid front in the defense of freedom.

We have this choice:

Stand up and be counted, live up to our ideals and purposes, and assume the responsibilities that are ours;

Or, shrug our shoulders, say that freedom for others has no significance for us, is therefore no responsibility of ours, and so let international communism gain the ultimate victory.

The choice is clear for me.

I stand for American security, to be attained and sustained by cooperation with

our friends of the Free World. I am certain the American people will demand nothing less.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. SPRINGER. Along the line the gentleman has just pointed out with reference to Spain, I want to call attention to the fact that in our bases in Spain we have in excess of \$400 million invested. Spain is the only country I know of, with the possible exception of Turkey, where, in case of attack by the Soviet Union, retaliation can be made. They have given permission for us to proceed without the consent of the Government in any retaliatory tactics we feel necessary to defend the Western World.

It would seem to me that is of some real importance. If we have this much money invested in this project in Spain are we now going to refuse to supply sufficient funds to keep their economy going or to enable them to keep up their own defenses and cooperate with us even in the defense of Spain itself?

Mr. FORD. Supplementing what the gentleman from Illinois has said, our Air Force bases and Navy installations in Spain are the only military installations available to us or our allies in Europe which are outside of the perimeter of the Soviet missiles which are in existence today.

It seems to me that it is of vital importance that we maintain the integrity of these installations, just as we should maintain the integrity of the military forces in Spain, just as we should maintain the integrity of the missile satellite-detecting installations that we have in Turkey, just as we must maintain for our own security the military strength in the geographical position of Formosa and just as we must maintain the maximum military strength possible in South Korea.

It seems to me that if we make any reductions below \$775 million in this particular defense-support program, we are taking a terrifically serious calculated risk against our own best interests.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Florida.

Mr. SIKES. I recall that it has not been but a few weeks since the gentleman spoke very strongly against providing additional military funds so that our own forces would be stronger throughout the world. Now we all want to strengthen our allies, and we want these to add to their own strength through their own efforts, but the facts are we have been called upon to use our own forces in every case where our allies and our policies have not met defeat. Is not the gentleman a little bit at cross purposes with his former stand?

Mr. FORD. I will say to the gentleman that I would rather provide the funds here to have the South Koreans help us and our allies do the job than to have additional American boys put into the United States Army and sent 8,000 miles overseas. For the same reason I think it is highly important that we help other countries because they are

willing to put their men in arms to work with us, to fight with us, to protect the Free World. For the same reason I think we should aid and assist Turkey because they are willing to put up a financial contribution as well as a manpower contribution to protect every country in the Free World, including ourselves.

It seems to me that we can do that job both as to dollars and as to United States manpower cheaper if we have staunch and steadfast allies rather than expect us to do the whole job. I deeply feel this amendment is essential to our United States national security.

The CHAIRMAN. The time of the gentleman from Michigan has expired. Mr. ARENDS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Michigan [Mr. FORD].

I should like to call the attention of the Members of the House, particularly my good friends on the other side of the aisle, to some words spoken in February this year by a man you have followed many, many years in this whole program calling for mutual aid in adequate amounts. I can make this statement in the utmost good faith for the very simple reason that I, a minority Member of the House, quite some years ago voted for the Marshall plan and the Greek-Turkish loan programs, when a President of the United States, not a member of my party, advocated this program for our security. I believed then in the program. I still believe the defense-support program to be vitally necessary.

I call your attention to this speech because it now becomes very apparent during the last 2 or 3 days, that the leadership on your side of the aisle has determined that they will stand by the committee position for cutting the money so essential to implement this needed program. You apparently have decided to vote against making the necessary funds available at a risk to our security.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman yield?

Mr. ARENDS. I yield to the gentleman from New York.

Mr. ROONEY. If that is a fact, why does the distinguished gentleman from Illinois and the leadership on his side of the aisle who favor this program, as does the present speaker, the gentleman from New York, persist in their plan to offer amendments which if rejected might very well amount to a direction to the committee when they get into conference with the other body to adamantly stay by the present House position?

Mr. ARENDS. I feel it is our duty to offer these amendments that the responsibility for whatever action is taken is clearly fixed.

Listen to these words uttered by the former President of the United States, Mr. Harry Truman, at a meeting which I attended in February of this year. I am especially addressing myself to the Members on the Democratic side of the aisle. This is what Mr. Truman said:

There are many people who say they don't like the foreign-aid program because they believe it is administered badly. I don't be-

lieve that. From where I sit it looks as if a lot of things are now being administered badly; but you can't abolish the Government on that account. You cannot abolish the entire Government of the United States just because it's being badly administered. Neither is that the way to correct mistakes in the mutual-security program. Examine it all you please, correct all the mistakes you can, improve it every year and every day, eliminate waste and increase efficiency; but don't scuttle the ship just to stop the leaks.

Then he went on to say:

And I want to say a word in a political vein to my Democratic brethren in Congress. There was a Democratic vote last year to cut a budget item which should not have been cut, and we are still having a hard time explaining it. Please don't put us on that kind of spot again. If the Democrats in Congress refuse to spend at least as much for foreign economic assistance as this administration recommends, we will never, never be able to explain it. People will forgive us for spending too much in search for peace; they will never forgive us for refusing to spend enough.

I call this to your attention in the hope that you will heed the advice of your party leader; that you will recognize the value of this program for our own security and for the maintenance of peace.

To be sure, mistakes have been made and there has been waste; but in recent years the program has been substantially improved, both in character and in the method of administration. It must surely be recognized that as a whole it has proven its worth. During recent years there has been no territorial expansion of communism, and the Free World today is stronger, both in an economic and military sense, to combat any aggression anywhere. The strength in our solidarity as free people has itself been a deterrent to war. This program is a part of our national defense.

The substantial cuts made by the committee materially weaken it. To accept the committee position is to take a great risk. I hope some of the money will be restored.

Mr. GARY. Mr. Chairman, I move to strike out the last word.

I do that simply to ask the gentleman if he agrees with the entire statement of former President Truman, particularly that portion of the statement which says that many departments of the Government are poorly administered.

Mr. ARENDS. Mr. Chairman, if the gentleman will yield, I do not necessarily endorse everything in the talk, but I think as far as this legislation being considered here today, Mr. Truman was right. If the mutual-aid program was good under Truman, it is still good now under President Eisenhower. It should be borne in mind that to the best of my knowledge, not a single country has gone back of the Iron Curtain in the last 5 or 6 years and certainly we have not since then been engaged in war with any American lives being lost. This should pinpoint and emphasize the importance of adequate military support.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to ask the gentleman from Illinois whether that Truman statement was issued from France or at Eric Johnstons' clambake earlier this year.

Mr. ARENDS. It was at a luncheon meeting that Eric Johnston had at the time he had those people in Washington.

Mr. GROSS. I am surprised that former President Truman is not over here now instead of at the French Riviera lobbying for this bill.

Now, this provision in the bill and the amendment to increase it gets right down to bedrock. This is the give-away section of the bill, defense support, which is economic aid, which is the give-away.

The gentleman from Michigan has made a great issue of Turkey. Are not the Turks interested in their own defense? Is not Spain interested in its own defense? Why should we load on the backs of the American taxpayers all of this giveaway program? I can understand Formosa and I can understand South Korea up to a point, but I do not think anybody in this House this afternoon thinks that if the chips were down in South Korea that we would not be on the way with a fleet and thousands of troops within a matter of hours. The South Koreans are not going to be able to defend South Korea alone if there is an attack made, and certainly the United Nations will not be there, because it was not there before, and has no intention of being there except in name. Is there any money in this development fund, this give away fund, that you are presently addressing yourself to, for France?

Mr. MORANO. Not the development fund.

Mr. GROSS. I am talking about defense support. That is what you are dealing with.

Mr. MORANO. You said the development fund.

Mr. GROSS. I stand corrected. Defense support, which is the give away.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. TABER. The gentleman asked if there was any money in here for France in this item. There is not.

Mr. GROSS. I hoped that would be the answer.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Connecticut.

Mr. MORANO. Would not the gentleman like to have a radar net in Turkey so that we can detect, as early as possible, if there is going to be a strike on the Western World? Would you not like to have that? That is one of the items in this bill.

Mr. GROSS. I would like to know why so much of this information is classified. Why should we not know what these programs are?

Mr. MORANO. Would the gentleman answer the question?

Mr. GROSS. What is that?

Mr. MORANO. Would the gentleman not like to have an early warning radar setup in Turkey or any place else, for that matter?

Mr. GROSS. We are spending money for that now in the military budget. That is not an expenditure in this bill.

Mr. MORANO. Yes, you are.

Mr. GARY. Mr. Chairman, if the gentleman will yield, would you ask the gentleman to point out where there is anything for radar control in this item?

Mr. GROSS. I do not know what is in the unspecified provisions of the entire bill.

Mr. GARY. His remarks are irrelevant at this point, because there is nothing of that kind in the defense support item.

Mr. GROSS. Certainly there is nothing under defense support for that purpose. This is a giveaway down to the last dime. I would like to inquire from the gentleman from Michigan why the Members of Congress and the public cannot be told what this giveaway program is for. Will the gentleman tell me why it is classified?

Mr. FORD. The reason why parts of it are classified is because it involves our own military strategy and planning. If the gentleman wants to look at some of the justification books he can see the classified portions. As far as I am concerned, every Member of Congress ought to have that opportunity.

Mr. GROSS. The gentleman knows the reason why, and it is not the reason the gentleman gave me. It has been stated on the floor of the House that we are not given this information because—and your hearings show it—because if nation X found out that nation Y was getting a little more money, there would be an unfriendly feeling toward us on the part of nation X. That is the reason given in your own hearings. That is the reason repeatedly stated on the floor of the House. And I am getting sick and tired of that kind of alibi or excuse.

Mr. FORD. Mr. Chairman, to a degree the gentleman's statement is correct. But in the substantial part of the appropriation request, there are requests for funds for certain military equipment predicated upon our own defense programs and policies, and it is not possible under those circumstances to divulge just where and what is requested.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. JUDD. There is a third reason why the information is classified. If, when the agency brings up its requests for individual countries, those requests are made public, and then the Congress decides to reduce the amounts, as is being done today—

Mr. GROSS. I cannot yield further. But I should like to ask a question. Why is it we cannot find out how many troops there are in Laos?

Mr. JUDD. I thought you wanted to pursue the original question you asked.

Mr. GROSS. They are getting defense support. Why can we not find out how many troops we are supporting in Laos?

The CHAIRMAN. The time of the gentleman from Iowa [Mr. GROSS] has expired.

Mr. MARTIN. Mr. Chairman, I rise in support of the amendment of the gentleman from Michigan. I rise in support of this very modest amount which it is sought to be restored to a most vital section of the bill. This

amendment deals directly with national defense. This is not a partisan question. It should not be one of political bickering, because this is a measure that has been endorsed not only by President Eisenhower, but by ex-President Truman; not only by Secretary Dulles, but by ex-Secretary Acheson. It is a measure to permit the United States to protect itself from the greatest menace that this country has ever been confronted with, and that is international communism. This fund is necessary if we are to be supported adequately by our allies in the Free World.

If this were offered to the regular military appropriation bill we would not hesitate a minute. We did not hesitate in boosting that bill beyond the administration requests. We gave \$800 million more for national defense than the administration did not ask for. As a matter of fact they stated they could not use it. We are asking in this amendment for \$75 million additional so that we can have these strong allies.

Mr. Chairman, I would like to ask the membership, if there is another war—and pray God there will not be another war, because it would mean disaster to all mankind—would we not want to have some allies? Would we not want the Turks, the Koreans, the Vietnamese, the Pakistanis, the Greeks, the Filipinos, the Formosans, and the Spaniards, and the people of 12 different countries that will get military aid from this fund. Or would we want our American boys to do the fighting all alone? Because, if such a war should break out—and as I said, I hope it never will break out—we in America will not abjectly surrender to the Communists who would dominate, if they could, the whole world. We shall not do that. We are not that weak. And so I ask of the Members to give this a sober second thought. It is true, I know, that there are many who say, Let the bill go to the other body and they will restore the necessary money. I think they will restore much. But we would not be discharging our responsibility here in the House. Our responsibility is to meet this question forthrightly. Our responsibility is to do what we think is the right thing for America. That is all there is to it. A vote for this amendment is a vote to give to the President of the United States what he says he needs to discharge his full responsibility in protecting our country.

Under the Constitution, it is designated that he shall protect the security of our country and conduct our foreign affairs. He is the Commander in Chief. We look to him to make sure we have that security. Do we want to take that responsibility away from him? Should we assume that responsibility? If not, we must not fail to give him what he says is essential. This amendment does not meet the situation adequately but it is a step in that direction.

I want to remind you that since this administration came into power the international Communists have been stopped. Let us bar further progress and keep them from assuming domination of millions of people now in the Free World.

This is a serious decision we are to make. I pray that decision will be in favor of our continuing successful struggle against communism.

Mr. PASSMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, may I state at the outset that when considering this bill last year the subcommittee accepted a motion to earmark a substantial amount of funds for Spain, over and above what the administration had requested. Subsequent to that action, the Executive transferred another large sum out of the defense item over to Spain.

I hope the Members will consider this matter upon the basis of fact, backed up by the record.

There were so many different types of economic aid in this bill that this House felt if we let them get too far afield on the defense support item there would be even more graft and corruption as a result of the program. I am sure that must have been the conclusion because when the Foreign Affairs Committee came to the House last year they asked for only \$500 million in this category. But an amendment to increase this to \$500 million was offered and adopted. The bill went over to the other body and, lo and behold, the item was raised there to \$800 million. In conference we had no alternative but to capitulate in this instance, in order to break what appeared to be a deadlock. Therefore, the bill was brought back to the floor of the House last year, for your consideration, with \$725 million for this category. We had moved up from \$500 million.

In the bill before you, continuing the unexpended balances, there is a total of \$3,403,582,500 provided in the several categories of economic aid. We have had the same item under different names in past years, appropriations that are several years old and have been under different names in prior years as being carried as obligated. But if you insist on limiting the discussion to defense support, permit me to note that my distinguished friend from Michigan only had 15 minutes' time, and he never did get around to naming the countries of Laos, Vietnam, Taiwan, and Cambodia, where in all probability there could be a lot of prosecutions as a result of malpractices in connection with the programs.

The particular figures are classified, but there have been hundreds of millions of dollars stolen. In some of those nations, where we are supporting the currencies, the official rate of exchange is 1 to 35 but the free market rate is about 1 to 100; so the connivers are making a 286 percent profit even before they finish the book transaction. Then when they move into the market place, with their import licenses, the overpricing in many instances has been as much as 1,000 percent. This is a phase of the program where you find blackmail, shakedowns and corruption.

The distinguished gentleman from New York [Mr. TABER], of whom I am very fond, supported my position in the committee a few weeks ago, to the effect that we should immediately send a dele-

gation to one of these far-eastern countries for the purpose of an investigation. Then, when they found out about the plan downtown, they said, in effect, "If you want to send a group down there, if you want to subpoena our records, we will come before your committee and make an honest confession." The gentleman surely remembers the understanding we had.

I say to you we should stick to the record here in considering this matter. We are not formulating policies this afternoon; we are considering the amount of funds required to continue the program, which is one of the most extravagant items in the entire bill.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. GARY. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 5 additional minutes.

Mr. NICHOLSON. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. PASSMAN. Mr. Chairman, I ask unanimous consent to proceed for 3 minutes.

Mr. NICHOLSON. Mr. Chairman, I object.

Mr. GARY. Mr. Chairman, I move to strike out the last word.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield to me?

Mr. GARY. I am glad to yield to the gentleman.

Mr. PASSMAN. Is it not true that this bill provides in the item called defense support a total of \$1,610,688,000 in new and carryover funds—a fantastic amount, \$1,610,688,000 in this one category—and that if you add to that sum the similar programs which were under different names in prior years, the total available is in excess of \$2 billion? That is what the record reveals. I thank the distinguished gentleman for yielding to me so that we may further enlighten the House on what this item represents.

Mr. GARY. Mr. Chairman, I would like to point out we have had so much talk about how much this committee has cut. Let us see what the committee actually did. Last year we appropriated \$689 million for defense support. Then there was an unobligated balance which we reappropriated because of a situation that is nonrecurring, but which we cannot discuss for security reasons. So that really the appropriation last year, which was \$725 million, had \$25 million for this particular purpose.

Mr. WIGGLESWORTH. How much was the total?

Mr. GARY. It was \$725 million, with \$25 million for this particular purpose. So that left approximately \$700 million that we appropriated last year. We have recommended identically the same amount this year. The President requested \$835 million. At a time when this program should be tapering off and should be reduced, it is going up every year. I think the gentleman from Michigan said there was no justification for the recommendation that we make. I think there is every justification. We are recommending practically the same amount that was appropriated last year.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. PASSMAN. Does it seem to be a fair action from the other side of the aisle that would deny to the Member who is responsible for presenting the bill, and who has studied it for weeks and weeks and weeks, the opportunity to explain the bill; especially so, as we permitted the sponsor on the other side of the aisle to speak for 15 minutes?

Mr. GARY. I think some of the gentlemen on the other side regret that the objection is raised. But nevertheless, Mr. Chairman, the facts in the situation are just these, that the committee is recommending substantially the same appropriation that was made last year, if you will eliminate this special item of \$25 million, for which appropriation was made, which was to cover a peculiar situation that does not recur this year.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. GARY] has expired.

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I just feel that this item is necessary. I would not be for it if it were not. I believe that the things that are available prove it. The amount allotted to Korea this year as compared with last year shows a cut from \$300 million to \$215 million. You have got to face that situation. Last year the budget estimate was \$750 million, according to the record that the committee has. I have just checked up the figures. They were given \$725 million. We need to take care of those situations in Turkey. We need to take care of the situation in Pakistan and Iran and Iraq and Greece. The budget estimate originally was \$835 million. It is down now to \$700 million. This attempt is to put it back to \$775 million. \$775 million will help to keep our allies in line, and enable them to carry on and do a job.

I want to see this thing handled in such shape that, as the gentleman from Michigan [Mr. Ford], said, we will not have to send more of our troops over into that territory around the periphery of Russia. Let us adopt this amendment and say that we mean to go along and do what is necessary.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. Ford].

The question was taken; and a division was demanded by Mr. MORANO.

Mr. FORD. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed Mr. PASSMAN and Mr. FORD as tellers.

The committee divided and the tellers reported that there were—ayes 97, noes 120.

So the amendment was rejected.

The Clerk read as follows:

Development Loan Fund: For advances to the Development Loan Fund as authorized by section 203, \$300 million, to remain available until expended.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as previously stated, I have read the voluminous hearings in connection with this 1958 edition of the foreign handout program and I am impressed with two things: First, the valiant effort of the chairman of the subcommittee, the gentleman from Louisiana [Mr. PASSMAN], and some of the members to obtain information, and, second, the reluctance or utter inability of those entrusted with policymaking and spending of billions of dollars of the taxpayers' money to give clear answers as to what has happened in the past or what is proposed for the future.

After shoveling out more than \$80 billion since the end of World War II, the Congress and American people are still asked to underwrite, all too often on a sight-unseen basis, the spending of more billions throughout the world.

All too often it is a variation of the old county fair shell game, and when attention is called to corruption and racketeering in this program the stock answer of those entrusted with its management is "we regret," and it is "unfortunate" such things have happened.

Last year, on the House floor, I called attention to the black market in the currencies of Laos and Vietnam which has added, unnecessarily, millions of dollars to the costs of the foreign handout program in those countries and enriched a few individuals. The hearings show that since that time the General Accounting Office and the Passman subcommittee has tried to put a stop to this corruption, but it is also apparent from the hearings that there was a definite lack of cooperation with the GAO and subcommittee on the part of those running this show.

During past weeks and months I have listened to an assortment of speakers, in and out of the Government, trying to defend this multi-billion-dollar annual raid on the United States Treasury which is running deeper and deeper into the red. What intrigues me is why, after spending more than \$80 billion, and having won so many alleged friends throughout the world, it should be necessary to carry on a nationwide propaganda campaign. Is this an admission that the American people are still unconvinced that dependable allies can be purchased out of the United States Treasury.

Incidentally, I am still curious to know some of the details of how two Members of the House of Representatives, Mr. CARNAHAN, of Missouri, and Mr. MERROW, of New Hampshire, carried on their nationwide speaking tour of the past several months in behalf of this foreign handout program and low-tariff foreign trade. I am informed that their expenses were not paid by the House Foreign Affairs Committee, and I wonder if either of the gentlemen would care to enlighten the House as to the source of their expense funds?

I do not know whether either of those gentleman are on the floor at the present time, but I would appreciate it if they are present, if they would tell where the expense funds came from to provide the wherewithal for them to travel with the greatest of ease from the Atlantic to the

Pacific and back again extolling the alleged virtues of these programs for foreigners.

Mr. Chairman, I can pinpoint the expenses of at least one man, Mr. Charles H. Shuff, Deputy Assistant Secretary of Defense for the Military Assistance Program, who addressed the export committee, Aircraft Industries Association, at Palm Springs, Calif., on December 3, 1957.

Let me read to you from a speech by this Assistant Secretary of Defense who has been out propagandizing the people of this country for support to keep this program going.

He says:

I feel very strongly that the greatest challenge we face at the moment is to publicize this program, and give it more sex appeal in the public eye. In my own small way, I have been trying to do just this ever since I took on my present job last May; and during the intervening months, I have stumped the country from Wisconsin to Texas, from Louisiana to California, preaching the principles of military assistance and mutual security to listeners ranging from local mayors to members of the Houston Chamber of Commerce. * * * The American people must be told and sold.

Then he goes on to tell the Associated Aircraft Industries how to sell the foreign handout program.

Now, how were the expenses of this gentleman paid when he was propagandizing the American people in this way? We find in the hearings on page 274 the following item:

December 3. Charles H. Shuff, Aircraft Industries Association, Palm Springs, Calif., \$3,992.94.

Now, here we have an Assistant Secretary of Defense traveling all over the country—

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GROSS. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Here is a speech before one group in California which apparently cost the taxpayers of this country almost \$4,000 to drum up support for this handout program.

Mr. LIPSCOMB. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am glad to yield to my friend from California who has labored long and hard in an attempt to get some facts on this propaganda campaign.

Mr. LIPSCOMB. Would the gentleman be able to tell us what account that money was expended from?

Mr. GROSS. I have only the hearings before me, and it shows this particular item for this particular purpose on that day. I do not know where the money came from other than it apparently came from out of the United States Treasury.

Mr. LIPSCOMB. Does the gentleman suppose any member of the Committee on Appropriations could enlighten us as to where the Department of Defense gets the money to pay for these expenses?

Mr. GROSS. I do not know. I believe there are provisions in law prohibiting the use of taxpayers' money for propaganda purposes.

Mr. LIPSCOMB. There is a section in this bill, section 102, that specifically states that. Does the gentleman know whether this has been considered or looked into as being propaganda or publicity?

Mr. GROSS. Well, I just read the gentleman at least one excerpt from this speech. Does not the gentleman consider it to be propaganda?

Mr. LIPSCOMB. I certainly do, and I believe, in my mind, that this would be illegal according to the law.

Mr. GROSS. I appreciate the gentleman's statement.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. TABER. I wonder, has the gentleman submitted this question to the General Accounting Office?

Mr. GROSS. No; I have not. I just came into possession of the information yesterday.

Mr. TABER. Do you not think that should be done?

Mr. GROSS. Well, I would say that probably the proper place to take it would be the Attorney General's Office, but I doubt I would get anywhere doing that.

In addition to the fact that this Assistant Secretary propagandized the Aircraft Industries Association, let me point out that the military phase of the aircraft industry of this country is on a practically 100 percent cost-plus-fixed-fee basis; so I assume they could get into this propaganda campaign and charge it into business expense.

I want to call attention to some more propaganda. This is from the Atlanta Constitution, Atlanta, Ga., Thursday, January 23, 1958, and it is headed "U. S. Seeking Southern Belles to Charm Our Friends Overseas."

Keep in mind that this recruiting propaganda is part of the expense that you help underwrite if you vote for this bill.

Let us see what this newspaper article says:

For the lucky 1 in 10—

That is, for a job with the ICA overseas.

For the lucky 1 in 10, there are jobs at salaries ranging from \$4,000 to \$5,000 a year with free housing in new, air-conditioned apartment buildings. The girls sign up for 2 years and may get a 6-week vacation at home before returning for a second 2-year period.

Though some of the girls are young widows seeking a chance to get away for a while, most of the girls sign up to get a free trip abroad.

After passing the tests, the 50 to 75 girls sought from the Atlanta area will report for orientation in Washington. There they will study the agency's program, find out their assigned country, learn of their country's protocol and politics, and view scenic movies.

A "post report" tells the girls everything, from what to bring to what they can do in the way of entertainment in each country.

On the top of the social agenda is each secretary's ex-officio role of hostess to visit-

ing dignitaries—such as Adlai Stevenson and Vice President Nixon on recent round-the-world tours—at parties given by the State Department overseas.

Yesterday I inquired about the representation fund, the liquor fund, that is in this bill. I found that it is a minimum of \$200,000 and probably \$300,000. A short time ago a girl came to my office, who was seeking a job with the ICA. Among other things she told me about the wearing apparel that is required for one of the Asian countries. She said that it included 12 cotton dresses and 8 cocktail dresses. That is the requirement, 12 cotton dresses and 8 cocktail dresses, among other things.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am happy to yield to the gentleman.

Mr. HOFFMAN. Are those dresses the latest style, called sack dresses, a sort of a Mother Hubbard?

Mr. GROSS. I do not know, but I think I know the reason for the requirement.

Mr. HOFFMAN. I think the gentleman ought to find out.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MILLER of Maryland. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I know that many Members of this body are opposed to this program in its entirety. I respect their sincerity if I do not fully respect the soundness of the judgment which brings them to that conclusion. Also, in this campaign year it requires pretty strong convictions to support expenditures overseas when there are so many things needed in our districts here at home, in our own country. It is much easier to explain a vote for less than for more to the average man on the street at home in a situation as complex as this is.

However, the policy that this bill is supposed to implement was adopted by both the past administration and the present administration and also reaffirmed only the other day by this Congress. And it is our duty here to impartially determine what money is needed to implement it. To do that we should be factual and dispassionate and not allow our emotions to get the better of us.

Some of the comments by the distinguished subcommittee chairman and other speakers on this bill would give the impression that the ICA officials and other witnesses who have appeared before our subcommittee have combined inefficiency, scheming and conniving to make a distorted and inaccurate presentation of justifications for some ulterior and vaguely sinister purpose.

The many details, necessarily classified, have been criticized and alluded to as containing hidden secrets that would make a patriotic citizen shudder and put a different complexion on this bill.

Let us be factual and fair about the whole situation. There are probably some selfish and undoubtedly some inefficient persons in an organization as

big as this. So large a group would never be 100 percent of anything, and it is a very big and a very complex program.

But if we are to be impartial and to view this correctly we must recognize the fact that the ICA and the Defense Department witnesses that have appeared before this subcommittee are highly competent, devoted, patriotic Americans. Whether we agree with their judgment or not, they are well informed on the facts they have presented and they are conscientious and high-grade people. Any inference to the contrary is most undeserved. The patriotic motives of these men should never be questioned by anyone. They should not be slurred by implication. If anyone thinks we are in the face of a dangerous conspiracy here, it is hard to understand on what it is based.

About this classified information that we have heard so much about, there is no excuse for breastbeating about such a situation. I can assure my colleagues that the overall classified information that has been presented to our committee, and which is available to any one of you, not to talk about in the open, but to come here and look at, contains many more reasons why we should support this program than pointing out inefficiencies in it.

I think the details that justify the program are many and those that discredit it rather few. But remember this: We are in a cold war. It is a cold-war program. Obviously it would be grossly foolhardy to announce all of our plans, to call our shots in advance, to allow our potential enemies to know what was going on and advertise all our future moves. It is just silly to say that these things ought to be made public to the benefit of those we are seeking to contain and to defeat the very policies for which we are spending so much.

Mr. JOHANSEN. Mr. Chairman, I move to strike out the last two words, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. JOHANSEN. Mr. Chairman, from time to time there are demands, recommendations, and proposals for a Congressional review and reappraisal of the mutual-security program and of the policies underlying that program.

I rise to suggest the need for a different and, I believe, even more fundamental review and reappraisal in connection with the mutual-security program—a review and reappraisal, in the light of a decade of experience and problems, of the legislative processes and procedures incident to mutual security.

It does not strike me as an exaggeration to say that there has been a very significant revolution—or evolution, if you please—in legislative processes and procedures in this House incident to the authorizations and appropriations for mutual security.

In saying this, I impute no improper motives, no sinister plot, no conspiracy to alter those legislative processes and procedures. Certainly I speak with no

disrespect toward the members of the House Committee on Foreign Affairs or the House Appropriations Subcommittee—the fruits of whose labors are brought before us in the pending mutual security appropriations bill. Indeed, I regard these committees and their members as victims rather than perpetrators of this situation which, it seems to me, calls for thorough, objective, dispassionate and constructive review and reappraisal.

The nub and essence of this revolution in legislative processes lies primarily in the unprecedented and unparalleled range and scope of varied and detailed and multispecialized types of legislative responsibilities and authority acquired by a single committee—the Committee on Foreign Affairs—of this House in conjunction with mutual security enabling legislation.

The nub and essence of justifiable concern by the House over this development seems to me to lie in the fact that the areas of responsibility and authority in which this committee must operate, pass crucial judgment and offer far-reaching, profoundly important and vastly costly recommendations to this House—under its ostensible and historic role of foreign affairs—are areas of activity, judgment and recommendation so vast, complex and specialized that comparable matters in the field of domestic legislation involve at least a half dozen separate, permanent committees of this House, each with clearly defined and scrupulously maintained jurisdiction. I am sure it will be agreed that the Foreign Affairs Committee is dealing with matters affecting some 50 to 70 countries which matters, if dealt with domestically, would involve the jurisdiction, responsibilities, authority and specialized experience, knowledge and skills of the Committees on Agriculture, Armed Services, Banking and Currency, Interior and Insular Affairs, Interstate and Foreign Commerce, and Public Works, as well as possibly of other committees. And I am sure that if these same matters were subject to legislative consideration in recipient countries with a legislative and committee structure similar to our own, they would likewise be subject to jurisdiction of corresponding committees in those countries.

The nub and essence of the analysis of this problem, it seems to me, is to determine whether this accretion of diversified responsibilities, authority and areas of specialization is in fact an unwitting and unwilling and unavoidable violation of the great principle of the committee system of our House; whether it places upon the Committee on Foreign Affairs a burden too grievous to be borne and one which a single committee ought, in any case, not to be permitted to bear; and whether it deprives the Committee on Foreign Affairs, the House and the Nation of the experience, skills and specialized know-how of the various other committees and their highly qualified staffs; and whether the situation is not a factor in the alarmingly steady transfer of discretionary power and authority to the executive.

Finally, the nub and essence of the resolution of this problem, it seems to

me, is for the House—by means of a special committee—to conduct an analysis of the problem along these lines and to determine whether there are means, not now available and not now utilized, whereby the values and safeguards of our historic and fundamental committee system may be extended to or drawn upon by either the Committee on Foreign Affairs or by the House itself in dealing with the complicated, diversified, highly specialized, and continuously costly features of mutual security.

I would be less than frank, Mr. Chairman, if I professed to have an unrestrained love for or confidence in the so-called mutual security program. I am skeptical of many of its premises and even more skeptical of many of its performances. I have no desire to contribute to the institutionalizing and indefinite perpetuation of a program of which a majority of the Hoover Commission members said in 1955 that “the time has come to apply some brakes.”

But I am also realistic. I see no prospect of total abolition of this program in the immediate future. I see disturbing evidences of continued propaganda and pressure tactics in support of the program from many sources—many of these tactics of the most deplorable type. I observe in this debate the mounting feeling and attitude of frustration on the part of those who seek to make some reasonable application of the brakes.

All of which prompts this concern that we look to the basic legislative processes and procedures, and particularly to the broader extension of the tried and proven committee system of this House to the legislative problems of mutual security, to the end that Congress will recapture and maintain the effective controls it should exercise over the program.

The Clerk read as follows:

Intergovernmental Committee for European Migration: For contributions authorized by section 405 (a), \$12,500,000: *Provided*, That no funds appropriated in this act shall be used to assist directly in the migration to any nation in the Western Hemisphere of any person not having a security clearance based on reasonable standards to insure against Communist infiltration in the Western Hemisphere.

Mr. WALTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I believe that I should avail myself of the opportunity offered by this debate and inform the House about the activities of the Intergovernmental Committee for European Migration.

This organization, actually created by the Congress of the United States, now comprises 27 nations of the Free World. Our aim in creating ICEM—outside of the United Nations, I might add, for the obvious purpose of eliminating Soviet Communist interference—was to establish an international instrumentality equipped to furnish migration services in order to increase the volume of European emigration to overseas countries whose economic development depends on the acquisition of manpower.

It was our desire to build an organization which would be able to insure smooth and humane accomplishment of

migratory movements and the settlement of the migrants under the most favorable conditions for their quick integration and assimilation into the economic and social life of their countries of adoption. We did not intend to create for ICEM a monopoly in the field of migration, and we have provided that migration services will be offered by ICEM only to those migrants who could not otherwise be moved. In that connection, I might add that at the present time 40 percent of all emigration from Europe proceeds through ICEM and the facilities which that organization is equipped to offer. Conversely, it should be recognized that the volume of emigration from Europe would be smaller to the extent of 40 percent if ICEM were not in existence.

It is not my desire to burden the House with an impressive story of facts and figures pertaining to ICEM's activities in the past as well as with the details of the steps—legislative and diplomatic—which led to the creation of that organization in the fall of 1951 at Brussels, Belgium. In that connection, I would prefer to refer the House to two extensive reports which I had the privilege of submitting in 1955—84th Congress, House Report No. 1570—and in 1957—85th Congress, House Report No. 203.

At this time, I wish, however, to submit to the attention of the House a short summary of ICEM's activities and a few remarks relating to its future.

THE COST

The cumulative total of ICEM's actual expenditures—administrative and operational since February 1, 1952, until December 31, 1957—is \$177,497,211, of which \$60,667,578 was contributed by the United States.

The total cumulative expenditures of ICEM plus estimated expenditures until December 31, 1958, are \$212,389,857, of which \$73,167,578 represents the United States' contribution. Thus, the United States is participating to the extent of 34.9 percent of all ICEM expenditures.

THE ACHIEVEMENTS

What did this money buy? In addition to a wealth of experience, which would permit ICEM to expand—it is hoped—its activities in the future, provided its course of action is properly redirected, and in addition to an imponderable, but easily detectable capital of international goodwill, ICEM has achieved this much in numbers: Since its creation, February 1, 1952, it has moved to new homes 786,969 immigrants, of which 672,736 are classified as people being moved under ICEM's normal program. This figure represents refugees as well as workers and other migrants for whom there was no room and no employment opportunities in Europe. The balance represents people moved to places of safe asylum and resettlement under emergency conditions, such as 84,589 Hungarian refugees from Austria; 10,710 Hungarian refugees from Yugoslavia; 11,141 European refugees who escaped from Communist China; and 7,793 refugees of European background moved from the disturbed areas of the Middle East, mainly from Egypt.

The emergency operation undertaken by ICEM in October 1956, in connection with the Hungarian revolution, and the ensuing exodus from Hungary has earned that organization recognition and praise of the entire Free World. Practically overnight ICEM's machinery sprang into action, and its helping hand was extended without delay and with the greatest degree of efficiency when and where such assistance was most desperately needed.

NEED FOR REASSESSMENT

With all the past achievements of ICEM recognized and made part of its record, it would be wrong to paint too rosy a picture as far as the organization's future is concerned. Those of us who—like myself—participate as United States delegates in the semiannual sessions of ICEM's governing bodies, watch with a considerable degree of anxiety the declining figures of migrants moved by ICEM from Europe.

In the last year, except for the emergency movements of Hungarian refugees, the numbers of migrants leaving Europe declined steadily. There are many factors involved in this occurrence.

Europe is still in the midst of an era of economic expansion which, provided that conditions of the world's economy remain stable, may be expected to continue although at a slower rate than in the past. European workers are able to find employment in the expanding industries of Europe more easily than 7, 5, or even 3 years ago and their desire to leave their native lands is diminishing as a consequence of better employment opportunities at home.

However, unemployment and underemployment still exist, mostly in the south of Europe. What is rather cruelly called surplus population is therefore likely to remain a factor in Europe for a considerable period of time. But such unemployed manpower will consist mainly of agricultural workers, unskilled or not sufficiently skilled urban workers and refugees. The scope of the problem will be further enlarged by the influx of a large number of Dutch people expelled from Indonesia.

On the other side of the picture, Australia, Canada, and several countries of Latin America, although still remaining a great resettlement potential, require now both agricultural and urban workers with a level of skill higher than that which they were able and willing to receive in the past.

QUANTITY AND QUALITY

A rather easy evaluation of these factors offers an explanation of the diminishing migratory movements from Europe. Plainly speaking, I believe that the quantity of migrants from Europe will continue to decline unless the quality of the migrant is improved. To realize the cold fact and to approach the current situation realistically, there is practically no demand in the immigrant-receiving countries for the unskilled worker. There is, however, and there will be for a long time to come, a demand for the worker prepared and trained to contribute to the developing economies of

several countries of the British Commonwealth and Latin America.

I might add that the deficiencies of the international migration programs are illustrated not only by the diminishing number of workers leaving Europe, but by the very unfortunate occurrence of a considerable number of migrants returning to Europe because they were unable to find desirable employment and happiness overseas.

Without trying at this time to pinpoint the deficiencies of the vocational training and other type of preparations for the resettlement and assimilation of an immigrant in the various countries of Latin America, Australia, Canada, and the British Commonwealth countries in Africa, it is not difficult to find distressing examples of the lack of preparation for the settlement and assimilation of immigrants coming to the United States.

As reported in the proceedings of the Lexington Conference on Immigration, held on November 9, 1957, at Lexington, Ky., the Reverend Maurice Shean, executive secretary of the Farm and Family Foundation, Charleston, S. C., related his experience in resettling European farmers in South Carolina.

Said Father Shean:

The European farmers sometimes arrived in the United States with exaggerated ideas of the living standard which would be theirs. They found it difficult to adapt to American farming methods. There was a sense of isolation in being many miles away from anyone who spoke their native language or understood their traditional customs and attitudes. If they were resettled on farms anywhere from 10 to 40 miles away from the nearest large city, they worried that their children would not have American schooling, meet American friends; then they wanted cars which would take them to the cities, and this was far beyond their incomes.

Father Shean emphasized that there were vast areas of untilled land in the United States which immigrants could work to good advantage.

With some adjustments on the part of American sponsors and the immigrants themselves, there could be matching of unused land and homeless people for the benefit of all concerned—

Said Father Shean.

Similarities of this situation occur all over the world. I submit that there is a remedy, a cure to the darkening world migration picture. The answer lies, I believe, in expanding services which will train the prospective migrant in a useful skill, prepare him for his new life in a new country, teach him the language spoken in the land of his destination, teach him the way of life of his new countrymen and precondition him for the adjustments which he will have to make. Undoubtedly, there would be demand overseas for such type of immigrant.

ICEM COULD DO IT

Is ICEM authorized to undertake such a task? My answer is "Yes."

The basic resolution establishing the Provisional Intergovernmental Committee for the Movement of Migrants From Europe—PICMME was the direct predecessor of ICEM—gave the new organization a rather limited mandate, circumscribing its scope of activities in ac-

cordance with a task which at that time dominated the minds of all of us who participated in the Brussels meeting.

In agreeing to constitute PICMME, the nations participating in the Brussels conference decided that the purpose of the new organization "will be to make arrangements for the transport of migrants, for whom existing facilities are inadequate and who could not otherwise be moved, from certain European countries having surplus population to countries overseas which offer opportunities for orderly immigration, consistent with the policies of the countries concerned." The resolution further limited the scope of PICMME's activities by providing in its paragraph (3) that the new organization will provide and arrange for land, sea and air transportation, assume responsibility for the charter of ships, work out a shipping program and "take only such actions as may be directly related to these ends."

Regarding services to migrants to be undertaken by PICMME, the terms of reference of the new organization were rather devoid of flexibility and that, I wish to stress, was not an oversight on our part. The new organization had an immediate task cut out for it—to move into a field deserted by the expiration of the International Refugee Organization and to continue the shipping activities of that organization without attempting to originate new and probably expensive programs of secondary importance at a time when there was crying need to attend immediately to the movements of migrants, refugees and displaced persons in the first place, for whose reception doors were open overseas.

Two years later when we charted ICEM's future course and wrote its constitution at the conference held in Venice, Italy, it was realized that the scope of ICEM must be broadened and that sufficient flexibility must be built in its organic act so as to permit the already well-established organization to move out of the restricted field of mere shipping activities and to undertake to stimulate migratory movements.

In the preamble of ICEM's constitution, we recognized "that the furnishing of special migration services is often needed in order to increase the volume of European emigration and to ensure the smooth accomplishment of migratory movements and, in particular, the settlement of the migrants under the most favorable conditions for their quick integration into the economic and social life of their countries of adoption." And in article 1 of the constitution, in stating the purpose and functions of ICEM, we said that they shall be "to promote the increase of the volume of migration from Europe by providing, at the request of and in agreement with the governments concerned, services in the processing, reception, first placement and settlement of migrants which other international organizations are not in a position to supply, and such other assistance to this purpose as is in accord with the aims of the committee."

SHIPPING PEOPLE—NOT THE SOLE PURPOSE

Clearly, the constitutional authority to do more than merely to buy space, char-

ter ships, and fly planes in which immigrants are moved to countries of resettlement—the authority to become a catalyst for a free but orderly and planned movement of manpower to countries where manpower is needed—that authority is right in ICEM's constitution.

I did not hesitate to point out to the governing body of ICEM the inadequacies of the organization's present activities. In my capacity as United States delegate to the eighth session of ICEM's Council, I addressed that body on May 27, 1958, in Geneva, Switzerland. I paid tribute to ICEM on the magnificent work it had accomplished during the Hungarian crisis. However, I pointed out that almost from its inception ICEM had been called upon to deal with emergencies, and, perhaps for that precise reason, sight had been lost of the primary purpose for which it had been created, namely, to find a permanent solution to the problem of surplus population in Europe and to the need of additional population in many countries of the overseas continents. Rather pointedly, I believe, I have expressed the hope that ICEM will not develop into a kind of a travel or shipping agency because, I said, if its activities were restricted merely to transport, its days were numbered. I suggested that ICEM should undertake with vigor the pursuit of its basic purpose of increasing the volume of migration from Europe to countries which require additional manpower in order to continue their economic development.

I was pleasantly surprised when the members of ICEM's Council loudly applauded—and that is a rather unusual thing there—my harsh words, obviously expressing general agreement with what I had to say. That agreement was further stressed in the general debate which followed my remarks, and it was reflected in the unanimous adoption of a resolution directing ICEM's administration to secure wider opportunities for migration from Europe to overseas countries and to place emphasis on increasing migrants' qualifications and to facilitate their vocational preparation and psychological adaptation, particularly through programs of vocational, and language training and by the improvement of reception and placement activities.

A more precise program of the activities envisaged in the resolution will be worked out in the course of the current year, and submitted to the ninth session of ICEM's Council, scheduled to convene on November 12, 1958.

Many of us hope that those plans will help ICEM to map a new course, as we believe that such a new course is absolutely essential if the member nations' interest in continuing ICEM's activities is to be maintained.

NO SELF-PERPETUATING BUREAUCRACY

The new course for ICEM must be charted very carefully, though. It would be fatal, I believe, if ICEM were to embark on a great international, educational scheme, under which an international bureaucracy, congenitally interested in self-perpetuation, would create never-ending training programs of the do-gooder type. No, I do not believe

that many nations, nor many taxpayers, would be inclined to pay for an international social worker's pipedream.

On the other hand, if ICEM could provide the immigrant-sending and the immigrant-receiving countries with a small, truly professional staff of instructors who would train not the migrants themselves but would teach instructors—paid by the interested governments—so as eventually to transfer the vocational and psychological adaptation training to national, rather than international authorities, if ICEM's administration under the direction of its Council and its Executive Committee could work in that direction and truly become a catalyst only and not an expensive agent, all of us who have gained experience in that field would approve of that solution.

In the course of the current year, ICEM was fortunate enough to acquire the services of a new Director, a prominent American, Mr. Marcus Daly of New Jersey, a businessman, corporation executive, lawyer, scholar, and civic leader. Having observed Mr. Daly's initial actions and having discussed with him very extensively ICEM's future and his plans and projects, I am more than confident that Mr. Daly is perfectly qualified to chart the new course for ICEM and to guide the organization with a firm hand.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I yield.

Mr. GARY. I would like to call to the attention of the gentleman that our committee is recommending the amount requested by the President for that item. In addition, I would like to call attention to the fact that we are recommending the full amount of the requests for the United Nations refugee fund, the escapee program, the United Nations children's fund, the United Nations Relief and Work Agency, the ocean freight, and the Control Act. There has usually been considerable controversy over some of these items, but we thought they merited the amounts requested. The committee did not cut them 1 dollar. Since we have been criticized so severely for some of the cuts we have made, I thought this should be pointed out for the RECORD.

Mr. WALTER. I think that is probably due to the fact, certainly in the case of the Intergovernmental Committee for European Migration, that they have proved their worth. I am sure that the committee was impressed by the testimony in support of this particular item.

Mr. GARY. I just wanted to point out to the gentleman that we did not make indiscriminate cuts; that the committee worked over this bill very hard, and recommended cuts only where we thought they were justified.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I yield.

Mr. FULTON. I want to compliment the gentleman from Pennsylvania [Mr. WALTER], as well as the gentleman from Virginia [Mr. GARY] and the committee, for recommending the keeping of these funds in the bill for the Intergovernmental Committee for European Migration, the refugee and escapee programs,

the United Nations Children's Emergency Fund which was first put in the original Marshall plan bill on my amendment in the Foreign Affairs Committee with bipartisan support. These programs have done wonderful work and the American people should be proud of their participation in these humanitarian activities of our United States foreign policy. I have seen these projects in operation on the spot, and have kept up with their activities to date.

I want especially to compliment my good friends Tad Walter and Walter Besterman, legislative officer of the Immigration and Nationality Subcommittee of the House Judiciary Committee, for their constant interest and excellent work in the refugee and escapee programs, and their giving of high-level leadership and United States representation with the Intergovernmental Committee for European Migration. They have not spared their time nor convenience in making the necessary travel to implement and plan for efficiency, in the month-to-month administration of these programs requiring tact, knowledge, and diplomacy.

In addition, I would like to comment favorably on the efficiency and human interest of Gen. Joseph M. Swing, United States Commissioner of Immigration and Naturalization, and compliment him and his organization, the Immigration and Naturalization Service, for their quiet efficiency in their difficult field where they give good service to the American people and our new entrants into the United States.

Mr. FORRESTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, at the end of this session I will have been a Member of this honorable body for 8 years. When I came to the House as a rookie, I understood that we were really going to wage an all-out fight on communism, and for some years I supported this mutual-security program thinking we were going to fight communism at home and abroad. But in these 8 years I have begun to think as the poet, when he said:

I'd rather see a sermon than hear one any day;
I'd rather have you walk with me than merely show the way.
The eye is a willing pupil, more observing than the ear;
Precept is confusing, but example is always clear.
The lectures you deliver may be very fine and true,
But I'd rather get my lesson by observing what you do.

I want to say that what I want to see you do is, instead of just waging a war across the seas, to show me some demonstration to the effect that these Communists in this country—and you know we are abounding with them—are not going to be treated so kindly and so tenderly from now on as they are being treated now, and we are going to knock them off their perch where at the present time they are almost Who's Who in this country. I want you to declare war on these American Communists. I want you to show me that you are going to prove to them that they are the boys "whose through" in this country. If

you will show me that, I am ready to put on my armor and fight across the seas with you. But I will tell you right now I am a little sick and tired, because this Congress has taken no steps whatsoever to undo the terrible decision of the United States Supreme Court to the effect that you cannot discharge a known Communist, working for your Government, drawing your taxpayers' money. You have got to fight communism at home before you can fight it successfully abroad. Those boys over in Europe are looking at you. They know about that horrible decision. They see the tenderness and kindness that Congress is exhibiting toward the Communist groups by inaction. How harsh and how cruel many are to the Senator, or Congressman, who come into the well and talk about good old American sentiments, and against the Communist vermin. Sometimes it apparently is a crime to talk for America in the minds of too many. I spurn the views of those who talk of fighting the Communists abroad with dollars but object to fighting Communists here with salutary laws.

I want to see that environment changed. I want to see you rise up in your wrath and say to the Supreme Court that you are going to correct the horrible decision where they told the Un-American Activities Committee that they were interlopers, that they were trespassers, and almost put a medal of honor upon those boys who have waxed fat from the fruits of our hand, and came before Congress dressed in the very finest of clothes, after sitting at our tables, partaking of all of our luxuries, without any shame whatsoever, but rather it looks like with pride, and refuse to say that they do not advocate the overturn of this country by force and violence.

Get our house in order. If you are really going to fight communism, fight it where it counts. Get it out of America. Prove to other nations you despise communism. Quit apologizing for standing for America.

I am not afraid of the Chinese Communists, but I am scared to death of the American Communists.

Mr. Chairman, you cannot solve this with money alone. It takes the heart also. Each and every one of us has got to put his hand to the plow, and we cannot afford to turn back until we have destroyed the enemy who says that God is a myth and that Christianity must disappear from the face of the earth.

I challenge you to do the thing that civilization is crying out should be done. Give us a little example for a change.

The Clerk read as follows:

Program of United Nations High Commissioner for Refugees: For contributions authorized by section 405 (c), \$1,200,000.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. GROSS. Mr. Chairman, I take this time to ask some member of the subcommittee a question or two concerning this item or program of the United Nations High Commissioner for Refugees, \$1,200,000. Is this the appropriation to take care of Arab refugees, or is that in the next item?

Mr. TABER. This has nothing to do with Arab refugees.

Mr. GROSS. To whom does it apply?

Mr. TABER. This applies to those who escape from Russia or some place like that. This allows them to be cared for.

Mr. GROSS. Then what is the escapee program, which is the next item?

Mr. TABER. It is about the same thing; in fact, all three are about the same. They really ought to be in one item.

Mr. GROSS. Apparently the whole bill is about the same thing. I would kind of like to get it broken down, if I could. Where is the provision for the so-called Arab refugees?

Mr. TABER. They come a little later on. The item for them is \$25 million. They do not come as cheap as the previous ones. Lines 13 to 17 of page 5 is where they come.

Mr. GROSS. Would someone like to answer the question or will that come later?

Mr. HOFFMAN. Mr. Chairman, I would like to ask the gentleman from Iowa to ask the gentleman from New York if we are talking about Arabs, where does the American taxpayer come in on this thing?

Mr. GROSS. His relief is coming later; he is going to be relieved of everything.

Mr. HOFFMAN. He is going through bankruptcy, is that it?

Mr. GROSS. That is right.

How many of these Arabs are there?

Mr. TABER. Between seven hundred thousand and nine hundred thousand.

Mr. GROSS. Who is contributing to their support?

Mr. TABER. The United States principally, but some contribution is made on the part of Great Britain and I think some on the part of 1 or 2 other countries, but it is small in amount.

Mr. GROSS. Who is responsible for these Arab refugees?

Mr. TABER. They were dumped out of their homes in Palestine when the State of Israel was created.

Mr. GROSS. Were we responsible for that?

Mr. TABER. No.

Mr. GROSS. Why are we paying the bulk of the bill then?

Mr. TABER. Because of the destitute and pitiful conditions that these people are in.

Mr. GROSS. How much do they get a day?

Mr. TABER. Well, you can figure it out as well as I can. Something like \$30 a year—8 or 9 cents a day.

Mr. GROSS. Why is it that the people who are responsible for dumping these people out of their homes are not taking care of them?

Mr. TABER. Well, they quit.

Mr. GROSS. Mr. Chairman, if that is all the information I can get, I guess I will have to quit, too.

The Clerk read as follows:

General administrative expenses: For expenses authorized by section 411 (b), \$33 million.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, both the Committee on Foreign Affairs and the Committee on Appropriations make a very diligent effort to find out all the things that are wrong in this program, the mistakes that are made, the waste, the miscalculations, the errors in judgment, and any instances of fraud or actual corruption. Our job is to expose and try to correct all such.

But surely there needs to be some balance in our presentation. Reasonable effort should be made to report some of the successes, also.

It should be pointed out that some of the most important and remarkable successes have been achieved in the very places where the program had the most things wrong with it, the most to be criticized in its administration. Because of the difficulties or the primitive conditions existing in a country, many things were wrong, there were undenied irregularities, and sometimes outright fraud, generally discovered and reported and corrected by the ICA itself. Certainly things were not in strict accord with General Accounting Office procedures. Yet the overall results achieved were strikingly successful.

May I use as an example the country that has been most discussed here, described as a skeleton in the closet—the country of Laos. How and why did we start a program in that country in the first place?

Laos was given its independence 3½ years ago yesterday. It had been 1 of the three component parts of French Indochina. On January 1, 1956, when it started out to run its own affairs, it did not have a bank. It did not have a currency of its own; the French had used their currency, and the unrealistic exchange rates had been set by them. It had no industry whatsoever. It did not have a graded road. There was only one doctor in the whole country. It had no education above the sixth grade. It had had no experience in import trade whatsoever. Everything had been handled by the French.

On top of those basic difficulties, it was in the midst of a civil war with two of its provinces occupied and controlled by Communist forces, being supplied right across the border from North Vietnam and from Communist China. Obviously the Communists intended to take it over—and were on the verge of doing so.

The French had developed an Army of approximately 30,000 men. Those soldiers were paid entirely by the French Government. There was no taxation system, the country had no military budget of its own, it had never paid a cent toward its own armed forces. And the French had established for these troops, as in Vietnam and Cambodia, about the highest pay scale in that part of the world. What were we to do with such a problem?

You will recall that the British for decades had supported the Arab Legion in Jordan without which that country would have succumbed to Communist subversion last year and the rest of the Middle East might have gone with it. When the British were kicked out 2 years

ago, we took over its support at 20 to 30 million dollars a year and it has paid off.

The problem in Laos was much more difficult. We would have to assume full support of the armed forces. How would we get the local currency to pay the bills? What American products would we import to sell for local currency as we do elsewhere? There were not many of our products that they needed, or could use, or that could be moved in. To sell dollars for local currency at the official exchange rate would lead to blackmarket operations of a scandalous sort—as it did. Yet for us to insist on our ways and will all at once, would appear to them and be portrayed everywhere, as our helping them get rid of French imperialism only to impose our own. And such external control would be rejected by them, no matter what the consequences. What was to be done with such an impossible situation? Throw up our hands, and let the Chinese Reds into the heart of southeast Asia—the same Chinese Reds against whom the committee properly inveigh in the latter part of this bill?

I want to report that, to the credit of the ICA and the State Department, they asked to talk it over with our Far East subcommittee. They told us frankly that they did not know whether to make the effort to save the country or not; it was a touch-and-go proposition. There just did not seem to be enough there on which we could build. And because we would have to take over the French practices and change them gradually, as the country developed, it was certain there would be plenty of criticism. But, when you look at the geography, you will see why we agreed that we ought to try. The alternative was too dangerous and would be far more costly.

Look at the location of Laos—600 miles long with Burma on its northwest, then Thailand and Cambodia on its west, South Vietnam on its south and east, and Communist North Vietnam and Communist China on its northeast and north. It is wedged down between them in such a way that if Laos goes to the Communists, it will be practically impossible to save any of the rest of southeast Asia. So, we thought this new country so important that we ought to make the effort even though the chances of success were certainly no better than 50-50.

Well, it has been tough going these 3 years. It took 2 years to get anything like an adequate staff. Who wanted to go to Laos? But, for my money, one of the most extraordinarily remarkable achievements of ICA anywhere is that this country is still today independent. It has cost a lot, but the integrity of the country has been preserved. The civil war has been brought to an end. The Communists have been rolled back. Two Communist battalions have been integrated with the regular forces and the other battalions disbanded, the government has not recognized Communist China. It has not recognized the Soviet Union. And, two of the greatest efforts the Communists made were to get recognition of either the Soviet Union or the Chinese Communists or both, so that

they would have consulates legally operating in the heart of that part of the world as ideal centers for carrying on subversion.

An election has been held and the forces resisting the Communists won it. So, when you consider the almost insuperable difficulties encountered and the results achieved thus far—and despite the irregularities and the corruption which I do not countenance for a moment—this is one of the greatest successes of the foreign aid program—hardly short of a miracle.

Mr. WILSON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Indiana.

Mr. WILSON of Indiana. Can you tell us how much money we have put into that country of Laos?

Mr. JUDD. My recollection is something over \$100 million.

Mr. WILSON of Indiana. How much is there in this bill for Laos?

Mr. JUDD. I cannot discuss that publicly. But, we have evidence that the French had been paying pretty nearly \$3 million a month to support the army alone. We had to support almost everything at first, just as in Jordan, but conditions are improving and the costs are decreasing. As of this moment what we have spent has been a good investment, and I think it ought to go on, while we work patiently and constantly to improve it.

The Clerk read as follows:

Atoms for peace: For assistance authorized by section 419, \$5,500,000.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to ask some member of the subcommittee if this appropriation provides for the building of any reactors in any foreign country.

Mr. TABER. There are some reactors for some foreign countries, yes, experimental jobs built on a small scale and not high-priced jobs.

Mr. GROSS. Is this \$5.5 million for administrative expenses?

Mr. TABER. No. Largely for the development of these outfits and for peaceful purposes. As I remember it, there is one in The Netherlands and one in Italy and one in the Far East somewhere.

Mr. GROSS. Have we set up this Atoms for Peace headquarters in Austria?

Mr. TABER. Yes.

Mr. GROSS. Does this provide for any buildings or any fancy trimmings for that setup?

Mr. TABER. No fancy trimmings; for a building, I think, but I do not know exactly about that.

Mr. GROSS. Can they put up a building out of counterpart funds?

Mr. TABER. Well, they use that as far as they can. However, it does not take any less appropriations to use counterpart funds, because they are required always to go to the Treasury and pick up these counterpart funds with American dollars. So, when they use counterpart funds there is a charge made against our appropriation just the

same as if they were using American dollars, only in that way the Treasury gets the money and we get rid of that much of counterpart funds.

Mr. GROSS. Then when you shake it all down, 85 cents does not come back out of every dollar that is spent on this giveaway program?

Mr. TABER. I do not know anything about that 85-cent business.

Mr. GROSS. All right, then, 75 cents.

Mr. TABER. I have never made that statement.

Mr. GROSS. But the gentleman has heard that statement made on the floor, has he not?

Mr. TABER. I have never made it.

Mr. GROSS. Some of them say 75 cents, some say 85 cents; take your pick. But it does not come back.

Mr. TABER. Some programs yield better than 100 percent, and others, perhaps, do not yield 5 percent or 1 percent.

Mr. GROSS. In terms of dollars and cents, which one yields better than 100 percent? That is the one I want to find out about.

Mr. TABER. They might be the two big items, military assistance and defense support. In many places they will yield a full 100 percent benefit in return; not in dollars, but in the dollars that we otherwise would have to spend for our own troops.

Mr. GROSS. That is what I thought, that this is all a bunch of hokum that we get back 100 percent in terms of dollars, or even 75 percent.

Mr. TABER. We get it back in dollars by reason of the fact that we do not have to spend so much on our own forces.

Mr. GROSS. Of course, if money is not spent we do not have to worry about getting it back under any circumstance.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes.

Mr. HOFFMAN. Yes, you do. Does not the gentleman see how that works?

Mr. GROSS. No; suppose the gentleman tell me.

Mr. HOFFMAN. You give it to them and you do not get it back, but you do.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. GROSS] has expired.

The Clerk read as follows:

President's Special Authority and Contingency Fund: For assistance authorized by section 451 (b), \$100 million.

Mr. MILLER of Maryland. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Maryland: On page 4, line 4, strike out "\$100 million" and insert "\$155 million."

Mr. MILLER of Maryland. Mr. Chairman, this amendment is rather simple in that it involves just one item. It is a very important item, although it is not one of the large items. The amendment raises the figure from \$100 million to \$155 million, which is the amount of the authorization. It is the President's Special Authority and Contingency Fund.

As I say, this is a quite important item. In my opinion, it is one of the

very critical items in this bill. The budget request was \$200 million. The amount provided in this bill is \$100 million, which is a 50 percent cut on what is one of the most sensitive items, in my opinion, in the whole measure. The amendment seeks to raise the amount to the figure in the authorization, which was considered rather fully the other day.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Maryland. Briefly.

Mr. GARY. Is not the amount that is in the bill at the present time the exact amount that the House approved in the authorization bill?

Mr. MILLER of Maryland. The amount that is in the bill now is the amount that was originally adopted by the House but, as a result of the conference, that item was fixed at \$155 million.

Mr. GARY. But it is the amount that the House originally adopted in the authorization bill?

Mr. MILLER of Maryland. That is correct. But the authorization now provides \$155 million and I think it is all needed, and I seek it because I think that a 50 percent reduction in this important item, from what was requested by the President, is dangerous.

If you will refer to page 65 of the record it says:

To meet the changing world situations, to maintain the initiative, to respond effectively wherever the interests of the Free World are in danger—these purposes require a contingency fund.

It goes on to say:

Natural disasters, economic, political, and military crises, new strategic requirements, new Communist moves—all may call for action in the security interests of the United States.

In the past we have implemented this purpose by various legislation providing sums in a larger amount. To give an example of some of the types of things it has been used for, when the Hungarian relief situation suddenly broke it was from funds of this character that the \$30 million that was needed immediately was forthcoming. In 1957 that was one of the items. In 1958 we had to call on these funds for Jordan, and for the United Nations expeditionary force in the Suez.

In 1957 it required \$215 million for this. This year already about \$165 million has been used. On page 1235 Mr. Barnes testified that the total possible new program needs for the fiscal year 1959 now foreseen apart from those arising from unexpected developments would require the entire \$200 million. This money will not be spent unless the needs are urgent and considered as in the best interests of the United States by the President of the United States. In some years these contingent funds are not used at all or only nominally, but as we are in a position of world uncertainty and frequent sudden emergency, it seems to me a most inopportune time to reduce the emergency contingency fund which we give to the President of the United States, who is

charged with meeting these needs as they develop under all circumstances.

Mr. WILSON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Maryland. I yield.

Mr. WILSON of Indiana. If this amendment is defeated and the original amount remains at \$100 million, the President, if he needs the money, can come in after the Congress meets next year and ask for a supplemental appropriation?

Mr. MILLER of Maryland. Certainly he can, but if a matter of great urgency and great secrecy and requiring great dispatch arises and the Congress is not in session, it might be too late to make a move that might be of the greatest importance to us. If we believe in our system, if we trust our President, I do not see how we can deny him these funds.

Mr. SIKES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I want to point out 1 or 2 things that I believe to be consistent in connection with my position on this amendment, and then I want to ask the chairman of the committee a question or two about the provisions of the bill to which the amendment is directed.

It appears to me that this is a new program which provides additional unbudgeted emergency funds for the President and which has been projected in addition to a similar program which contained a very large amount of money last year and which is repeated this year. A special assistance program of \$225 million was, as I understand it, appropriated last year to do the same work. This year that same fund carries \$185 million. There is in this new program which is now under discussion \$100 million more, making a total of \$285 million to do the job for which \$225 million was appropriated last year.

It would appear to me that since we already are giving more money than we appropriated last year for the purposes outlined, there would be little justification for an increase of \$55 million as recommended by my good friend from Maryland.

I should like to ask the distinguished chairman of the subcommittee, who is a dedicated and sincere public servant and who has done one of the very finest jobs on this bill that I have seen in all the years I have been in Congress, if there has been justification for this expenditure from the standpoint of actual anticipated needs or expenditures or of what might be expected could be accomplished by this additional expenditure. Please bear in mind this is an expenditure over and above the \$285 million already planned. Then tell us if there is complete justification for the \$285 million which the committee has recommended. What may we expect from this expenditure of money?

Mr. PASSMAN. I might state, Mr. Chairman, that the members of the subcommittee are just a bit embarrassed over this item because you have an unexpended balance of \$3,403,000,000 in the different categories of economic aid. The President can transfer up to 10 percent out of any one of these programs. Also, you have the former names

of many similar programs. You have defense support, development loans, development assistance, and special assistance. This is a brand new one, with a different name. Here is what they gave us to justify the money and I quote from the record of the statement of Hon. Robert G. Barnes, Special Assistant for Mutual Security Coordination, Department of State. He said:

Because the \$200 million appropriation for the contingency fund for the next fiscal year is designed to make it possible to respond to new, unforeseen, and contingent requirements, there are no illustrative programs to back up this request nor any means of making an exact estimate of the funds needed.

This is the quotation and we are just a little bit ashamed that this has been brought out, but we could not explain it otherwise.

Mr. SIKES. Is it not true there is language in the bill providing \$285 million to perform all the emergency requirements that \$225 million was considered adequate for a year ago? Certainly, there will be contingencies and there will be emergencies and the President should have adequate funds with which to meet them, but if we are now giving \$285 million to do the job that only required \$225 million last year; is there any justification for an increase now of another \$55 million?

Mr. PASSMAN. The gentleman's entire statement is correct. You have that money available.

Mr. MILLER of Maryland. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield.

Mr. MILLER of Maryland. May I say in answer to the gentleman's question and it is a very proper one, that the answer is fully set out in the record of the hearings at page 1233. This is a contingency fund and it is new in the budget handling, but not for the programs that were covered by the previous years. If the gentleman will read page 1233, he will see that this does not refer to any specific program that has been presented in the past.

Mr. SIKES. It is impossible to know what is going to be required in the way of emergency funds, but I submit that we already have in this bill \$60 million more than was provided a year ago to meet emergency requirements even though we do not know how or for what the money will be spent. This is simply a blank check.

Therefore, there is no justification to add \$55 million more onto the \$60 million that we have already provided over and above and in addition to last year's appropriation.

Mr. WIGGLESWORTH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I agree that the change in the accounting setup as between last year and this year is somewhat confusing as the gentleman from Florida points out. But, I have taken some pains to go into this thing and I do not think his premise is a correct premise.

Of the \$255 million which was appropriated last year—(a) for special assistance and (b) for contingencies \$78 million was allocated to special assistance

leaving \$147 million available for contingency purposes.

How much money has been spent against that \$147 million in the fiscal year 1958? The entire \$147 million has been utilized and over and above that we have gone in the red to the tune of \$40 million by borrowing from another fund which could ill afford to lose it.

In other words, in 1958 we utilized a total of \$187 million whereas in 1957 we required \$215 million and in 1956, \$265 million.

This amendment would call for an appropriation of \$155 million in 1959 which is substantially less than what was used in 1958, 1957, or 1956.

It seems to me that a contingency fund with real elasticity in it is absolutely vital under present world conditions.

We have Lebanon on our hands today. We may have some other country tomorrow. This Congress is going to adjourn shortly. The President must have a fund which he can utilize in the event of a vital emergency.

If you want to tie the President's hands, if you want to leave him without sufficient funds to meet such an emergency, if you want to fly in the face of experience, then, of course, you should vote down the amendment offered by the able gentleman from Maryland [Mr. MILLER].

For my part, I think it is of vital importance and I am more than happy to support it.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. TABER. Mr. Chairman, I want to compliment the gentleman from Massachusetts on his statement. I agree with him wholeheartedly. I feel that this amendment should be adopted.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have endeavored not to tax your patience today. But let me state, to guard against misunderstanding, this same item is also included under several other categories of the program. I think it is only fair to the membership that we should point out those items.

There is available under the President's Asian fund a total of \$88,677,000. A large portion of this fund is unobligated, and the committee recommended that any unappropriated funds be carried over. That action was not even requested, but the committee recommended it.

I think you should also take into account that there is a total of approximately \$600 million in the development loan fund that can be used for just about any purpose.

Then there is the development assistance fund, for which you have not made appropriation, but with \$168,211,000 on hand.

And moving to the special assistance fund, there is a total of \$311,288,000. That is for the same type of uses.

Now, they come up now with a brand-new fund. I can only use the statement that was presented to the committee to justify this amount.

I certainly hope the membership will listen to this: The Foreign Affairs Com-

mittee of the House asked only \$100 million for this item. It went to the other body and they increased the amount.

Because the \$200 million appropriation for the contingency fund for the next fiscal year is designed to make it possible to respond to new and unforeseen needs, there are no illustrative programs to back up the request, nor any means of making an exact estimate of funds needed.

It amounts to nothing less than a blank check.

Although we discussed this fund at length, and were critical of the procedure, we backed up the position of the Committee on Foreign Affairs.

Mr. MILLER of Maryland. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield.

Mr. MILLER of Maryland. On page 1235 the statement of the witness was:

However, an appropriation of less than \$200 million may mean the difference between meeting or failing to meet unpredicted challenges to our security in fiscal 1959.

And he goes on to specify why he says that. Now it is not fair to say that there is no testimony on this matter.

Mr. PASSMAN. I, myself, have just been reading, word for word, what the witness said when he came before the committee, which was, in substance, that there has been no program to back up the amount requested for new and unforeseen requirements.

Mr. GARY. Has not the House already voted on this very question in the authorization bill?

Mr. PASSMAN. That is true. This committee was reluctant to recommend any funds, but decided finally, after critical consideration, to go ahead and support our own Committee on Foreign Affairs, in the amount originally requested.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield.

Mr. WIGGLESWORTH. The gentleman has mentioned several other funds which he said could be utilized for unforeseen emergencies.

Mr. PASSMAN. That is correct.

Mr. WIGGLESWORTH. As far as I know, outside of the transfer provisions of the bill, there is not a dollar that can be drawn on outside of the requested contingency fund.

All of the funds which the gentleman has mentioned are fully obligated; or, in one case, lapsed.

It is true the House voted \$100 million in the authorization bill originally. But it also voted \$155 million in the conference report on that bill.

Mr. PASSMAN. Perhaps the gentleman can enlighten me. What is the purpose of the \$185 million under special assistance? For what is that money to be used?

Mr. WIGGLESWORTH. It is all programmed.

Mr. PASSMAN. I thank the gentleman.

There is \$185 million new money. We backed up the Foreign Affairs Committee. If the gentleman will refer to the table he will observe the amount of \$311,288,000.

Mr. WIGGLESWORTH. Is the gentleman referring to the funds for special assistance?

Mr. PASSMAN. There is \$185 million for special assistance.

Mr. WIGGLESWORTH. Is the gentleman referring to the old program.

Mr. PASSMAN. No; no; no; this is new money, in this year's bill.

Mr. WIGGLESWORTH. It is all allocated to definite program.

Mr. PASSMAN. Can it be used for some purpose for which the President might want to use it?

Mr. WIGGLESWORTH. No; except under the normal transfer provisions.

Mr. BUDGE. Mr. Chairman I rise in opposition to the pro forma amendment.

Mr. Chairman, I should first like to deal very briefly with the subject which was under discussion just prior to my taking the floor.

I think it is obvious from the facts in connection with this bill that the President has a great deal of latitude. It appears that he can transfer 10 percent of the funds available to him for mutual assistance to this contingency fund should he so desire.

I read from page 1235 of the committee hearings the following statement. I quote the Department witness:

In fiscal year 1956, \$100 million was available to meet contingencies; in fiscal year 1957, \$200 million was available; and in fiscal 1958, \$147 million was available for such purposes, an amount which we have been forced to supplement by the transfer of \$40 million from military assistance.

The thing that really disturbs me about this particular provision of the bill is that I think it is an abdication of the prerogative and duty of the Congress of the United States to specify the purposes for which funds are to be appropriated and used.

When we give the President of the United States the 10 percent transferability provision we are certainly giving him unusually wide latitude. But when we have a presentation such as this where the Department asks for \$200 million, the House Committee on Foreign Affairs and the House of Representatives working its will approved a figure of \$100 million, which is the amount carried in this appropriation bill. The ICA did not change that appropriation request for \$200 million either when the bill went through the House of Representatives or when it came back from conference. It came back from conference in the amount of \$155 million, and everyone knows that the Department request if it were included in the bill would be subject to a point of order, because it would not be authorized. But they did not come up here and revise the amount of the request to \$155 million which they should have done.

In another item where \$8 million more than they had requested was included in the authorization bill for training the ICA immediately came back to the Congress and included the \$8 million request in this bill, and it is in here. Why did they not do the same thing when the item was decreased?

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BUDGE. I yield.

Mr. HAYS of Ohio. I agree with the gentleman in what he is saying. I am not in disagreement as to what they should have done, but I would just like to point out that the \$8 million was put in by the members of the conference committee because we had had testimony to the effect that some of the people they were sending out were not doing the job they should have done because they did not know how to do it, had not been trained for it. They did not request the change. This was practically forced onto them. The gentleman is right. When it was pointed out to them they did request the item. I agree they should have changed this request for this other item.

Mr. BUDGE. It seems to me that comity with the Congress would indicate that they should accept the reductions along with the increases granted them by the Committee on Foreign Affairs and by the Congress.

Mr. Chairman, I further wish to call to the attention of the committee the fact that in this bill you have \$60 million more in this item than was granted for the year 1958. By adding the 2 figures, the 185 and the 100 million, you come up with the figure this year of \$285 million. Last year the total for both was \$225 million. When you look at the justification for this appropriation I do not see how we in good conscience can approve the amendment that has been offered.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

(By unanimous consent (at the request of Mr. BUDGE) he was allowed to proceed for 5 additional minutes.)

Mr. BUDGE. Mr. Chairman, under the testimony which was given to the Appropriations Committee how can we tell whether there is any need for this additional \$55 million in the face of the statement of the Department witnesses where they said in so many words:

There are no illustrative programs to back up this request nor any means of making an exact estimate of the funds needed.

Certainly when we have approved the 10 percent transferability in this program, we have given the President all the latitude which he could possibly use to put out 50 fires of the magnitude under consideration in this item and without putting another \$55 million in this item.

Mr. MILLER of Maryland. Mr. Chairman, will the gentleman yield?

Mr. BUDGE. I yield to the gentleman from Maryland.

Mr. MILLER of Maryland. My first point is this, and I am sure the gentleman means to be fair: He is criticizing the witnesses for asking for \$200 million when the authorization was for only \$155 million.

Mr. BUDGE. My criticism is not that if I might reply to the gentleman. My criticism is that when the authorization was reduced from \$200 million to \$155 million the Department should have come up and requested the reduced amount just as they did with the increased amounts.

Mr. MILLER of Maryland. I can understand that except for the fact the record from which I was quoting was made before there was any authoriza-

tion. The testimony of these witnesses was not bucking the decision of the Congress. They were testifying at the time for the request of \$200 million. Therefore, I do not think they should be criticized.

Mr. BUDGE. There is a very easy answer to that. They requested \$8 million dollars for training. That was given in the authorization bill and is exactly, except in reverse, the same thing as this item to which I referred. The answer is quite obvious.

Mr. MILLER of Maryland. Just to keep the record fair, as I tried to point out, these witnesses were not schemers or up to skulduggery. In this case the testimony was delivered before the Congress had acted on the authorization and I do not think there should be any criticism of them.

Mr. BUDGE. I would like to point out to the gentleman from Maryland that I am not criticizing the testimony of the witnesses as it appears in the hearings. I am simply quoting them.

Mr. MILLER of Maryland. Then we are in agreement.

Mr. BUDGE. I am criticizing the action of the ICA in coming up here and requesting the additional amount which was approved in the authorization bill and not requesting the lower amounts which appear in the authorization bill. By not doing so they make it appear that a figure of \$200 million is authorized by law.

Mr. MILLER of Maryland. I want to say one more thing to the gentleman. I do not understand how he feels that the Department could program any unforeseen emergencies. It is true that the \$55 million may not have to be spent, there may be no emergency; but past history has shown that every year there have been emergencies and I do not like the idea of having no money to meet them.

Mr. BUDGE. I think the answer to that is very easy, if I may say so to my friend from Maryland. The committee hearings on page 1233 say this, speaking of this contingency fund, that these funds could be used, for example, to provide "military assistance, defense support, special assistance, or technical cooperation." In other words, they can be used for any of the specified purposes which is in the bill. The amendment is simply adding another \$55 million to the express purposes which you have in the bill where there is already a 10-percent transferability within the discretion of the President of the United States.

Mr. MILLER of Maryland. That is true, but sometimes, when you take 10 percent off of a very important item, it does almost as much harm as if you took it all.

Mr. JUDD. Mr. Chairman, I move to strike out the last word in order to make two brief points.

The first is on this question of the amount authorized by the House for the contingency fund. It is true that the House Committee on Appropriations reported this bill out last Friday morning authorizing only \$100 million for this item. It is also true that a few hours later the House itself by a substantial majority adopted the conference report

authorizing \$155 million. The official vote of the whole House coming after the action of the committee should supersede the action of the committee and the figure it reported out.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. If you are going to cite the action of the House, the House also voted in the beginning to authorize \$100 million, and that was debated and argued and voted on, and the gentleman knows as well as I do that the House accepts conference reports at times with items in them that they are not fond of. But, that does not mean that they accepted this item lock, stock, and barrel.

Mr. JUDD. I said that the RECORD shows that the last action of the House was a big vote in favor of this larger figure.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Louisiana.

Mr. PASSMAN. The gentleman understands, of course, that there will be another conference between the conferees on this side and those on the other side on this very item.

Mr. JUDD. I am aware of that and will hope for the best.

Mr. DENTON. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Indiana.

Mr. DENTON. When this bill was originally in the House, the authorization bill, did you offer an amendment to have the sum increased from \$100 million to \$155 million?

Mr. JUDD. No; I did not. There were several other amendments I would have liked to put in also, but, as you well know, one does not like to go to conference with votes against his proposals.

Second, Mr. Chairman, I want to correct any impression that may have been given that the special assistance fund is more or less unobligated or unprogrammed, and that the President can reach into it for substantial amounts for contingency purposes. The administration asked for \$212 million for the special assistance fund. It has been cut in the appropriation bill to \$185 million, which I believe is too deep when one considers the countries that are to be taken care of out of the fund. Certainly there will be nothing left over for contingencies. The special assistance goes to, among others, the following: West Berlin, Iceland, Ethiopia, Libya, and Morocco, where we have some of our most important air bases in the world; Tunisia, Sudan, Afghanistan, Iraq, Israel, Jordan, Lebanon, Nepal, Burma, Bolivia, Guatemala, Haiti, the Hungarian refugees, the Algerian refugees, and the worldwide malaria eradication program. That is what the special assistance is programmed for. At the committee's figure, it is already, you might say, overdrawn.

Why is assistance to these important countries called special assistance? Because we could not properly put it under military assistance or under defense support which is economic assistance to

countries to which we are also giving military assistance, and for military purposes. We are not giving this special assistance to those countries or areas because they have substantial defense forces which we are trying to build up; but they are vitally important for other reasons, including their geographical location.

We are trying to give those countries a better chance to maintain their independence, or their internal stability, or their alinement with the Free World. They need economic more than military aid. It would seem to me that just reading the list of them and realizing their enormous strategic importance in various parts of the world, as well as other special considerations in some cases, would make clear why there are no extra funds in this category to be drawn upon for the President's contingency fund.

Mr. WILSON of Indiana. Mr. Chairman, I move to strike out the last word.

I am much opposed to this amendment, just as I am opposed to many other millions of dollars in this bill which may be used to bribe or pay off blackmail to some of these countries we have built up economically and militarily. I want to emphasize one point, and I want you to keep this in mind. If we continue on this course of building these countries up economically and militarily, one of these days the economic strength of our country will not be sufficient to pay off the bribes and the blackmail requirements of these countries we are thusly keeping friendly to us. Let us keep that in mind.

I repeat, we have already been guilty of paying off bribes in countries we have built up for Free World security. How much longer can we carry this burden? How long before they desert us or betray us after our money runs out?

I have heard the words "our friends" so often here this afternoon. I have been trying to think of an appropriate definition, and the best I can think of is, parasite.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. MILLER].

The question was taken; and on a division (demanded by Mr. MILLER of Maryland) there were—ayes 55, noes 114.

So the amendment was rejected.

Mr. O'HARA of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have asked for this time so that I may ask the chairman of the committee one or two questions. Does his bill reduce the contribution to Formosa?

Mr. PASSMAN. That is a very difficult question to answer, I may say, for this reason. Is the gentleman speaking of the defense support item only?

Mr. O'HARA of Illinois. Any contribution that we make to Formosa. And I might pinpoint my interest. In considering the contribution, did the gentleman's committee consider the attack upon our Embassy and the lack of policing at that time?

Mr. PASSMAN. I am afraid I should have to reply to the question this way, that our committee is not a policymaking

committee. We leave it up to the great Committee on Foreign Affairs and the other legislative committees to establish policy. We consider only the amount of money requested.

Mr. O'HARA of Illinois. Did the gentleman's committee receive any testimony on the lack of protection of our Embassy in Formosa?

Mr. PASSMAN. I am of the opinion that our committee would not have discussed that because, again, that is a matter of policy and the question would be up to the policymaking committee. We only look at the request for appropriations and try to decide on the amount needed and then make our recommendations. We try to stay out of the question of policy.

Mr. O'HARA of Illinois. I appreciate the gentleman's conscientious avoidance of anything which would have the appearance of trespassing in matters of policy. The gentleman, of course, does not attempt to determine questions of foreign policy, but nevertheless foreign policy in its administration is affected by the appropriations that are made for that administration. I happen to know how hard the gentleman from Louisiana has worked with his subcommittee because he and I live at the same hotel and always very early in the morning he is going to work and late in the evening has been coming in for a bite to eat and then going back to his office to work until the wee small hours. I assume that the gentleman has gone very thoroughly into every phase of the mutual assistance program. For instance, I notice on page 1056 of the hearings after Mr. GARY had asked the question concerning Chiang Kai-shek forces in Formosa that there is a notation to the effect that the discussion is off the record. I do not wish the gentleman to divulge any information that was contained in testimony that is off the record. The reason for my question was to ascertain if there had been any discussion that is not off the record that bore upon the attack upon our Embassy in Formosa at a time when the Generalissimo's son was charged with responsibility over the policing force. At the time I had read something in the newspapers about this circumstance, and I was very unhappy about it. I had wondered whether it had been discussed by the gentleman's subcommittee. As I have not had time to go over all the 1,566 pages in the hearings, I thought the gentleman would direct me to any printed testimony on the subject if there had indeed been such discussion. This incident, as I recall, occurred about the time, or perhaps shortly afterward of some mob disorders in Japan, and these might have been minimized in the popular mind by the passage of time had it not been for the mob attack upon our Vice President in Peru. There are too many of these mob attacks. We were told in the newspapers that the disturbance in Peru reached a high degree of frenzy largely because there was not adequate police protection. This lack of adequate police protection, we were told in the newspapers, was in large part responsible for the very

serious mob attack upon our Embassy in Formosa, and that unfortunately the Generalissimo's son was in charge of the police. That was something that came as a shock to the American people.

I do not think that anyone will contend, and certainly it is not the thought with which I wish to be associated, that the lack of adequate police protection in Formosa was intended. But good intentions are not a sufficient protection against mob violence on the dignity, the honor, the security and the possessions of the United States in lands for whose people we are doing so much and the Governments of which are bound to us by common aspirations and interests. It is always unfortunate when people become careless and too often inadvertence is responsible for the failure to perform a duty of friendship. I am confident that the unfortunate incident in Formosa, arising from lack of adequate police protection, came about from nothing more serious than carelessness or inadvertence, but I do think that it is proper to mention it here when we are discussing the mutual assistance program in order that our friends may know that we expect of them the utmost diligence in protecting as well as respecting our honor, our dignity and our possessions, especially when among those possessions are documents and papers classified in character. I do not know that the subcommittee has discussed the Formosa incident and if it had done so and the discussion was off the record, I would not wish my friend from Louisiana to make any comment that would be violative of confidences. I presume there are many matters that do come up in the executive sessions of the subcommittee that to a certain extent affect foreign policy and also have proper relation to appropriations.

Mr. PASSMAN. We do discuss those matters off the record sometimes.

Mr. O'HARA of Illinois. I am not passing now on the recommendations of the gentleman's subcommittee or the merits of the bill under discussion, but I think the gentleman from Louisiana has done a tremendous job according to his convictions. I have seen him day after day, week after week while he has been working with his committee. I do not think any Member in this Congress ever has put in more hours and harder work on a job assigned him than the gentleman from Louisiana. I do not always agree with him, and certainly we are not in agreement on the development loan fund, which I vision as an instrumentality which experience will prove as sound as the Export-Import Bank, but I do admire his industry, his perseverance, his sincerity and his dedication to the things in which he believes.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the distinguished gentleman from New York, the ranking minority member of the great Appropriations Committee.

Mr. TABER. The gentleman asked whether or not the amount for Taiwan, or Formosa, would be reduced. The figure upon which the original allotments were made was \$835 million. The figure

presented in the bill is \$700 million. This means that all of the countries that are going to receive benefits, including Taiwan, or Formosa, are going to be reduced.

Mr. O'HARA of Illinois. That is in a very vital area.

Mr. PASSMAN. We in our committee do not earmark these funds. The President can allocate all of them to one country or he can transfer them, like the transfer to Spain. They had some extra money, and they wanted to give it to—what is this little summer resort in the Pacific? Bermuda? They wanted to take money out of that and give it to Bermuda for a bridge. We did not do that. We do not earmark it to the President, and he handles it any way he wants.

Mr. FEIGHAN. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the gentleman from Ohio.

Mr. FEIGHAN. Just listening to the remarks of the distinguished chairman of the subcommittee, I think what he said gives ample proof that allocations of appropriations should be voted by the Congress on a country-by-country basis.

This would allow Members of Congress to vote the necessary and to reject the impractical. In this I know that the very able and well-informed gentleman from Illinois [Mr. O'HARA] has taken a firm position as a member of the Subcommittee on Foreign Affairs which made an intensive study of the question last year and so recommended to Congress in its report of inspection of the Middle East and Africa.

Mr. O'HARA of Illinois. I would say the gentleman from Ohio, for whom I hold a warm affection and whose analysis are keen and penetrating, is expressing the thought of many members of the Foreign Affairs Committee. Certainly I agree with him that appropriations for this program should be on a country-by-country basis and to that happy end we expect a great contribution to be made by the on-the-spot investigations and studies of the watch-dog subcommittee shortly to be named by the acting chairman of the Committee on Foreign Affairs.

Mr. PASSMAN. I should like to transfer the Bermuda Islands from the Pacific back to the Atlantic, if the gentleman will permit me to do that.

Mr. O'HARA of Illinois. I gladly would permit my good friend to do anything he wished, but I have only 5 seconds remaining, too short a period for the transfer he is suggesting.

Mr. VORYS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the place is passed in the bill where an amendment might have been offered to restore the \$625 million for the Development Loan Fund. That part of the bill came up right after the amendment on defense support was defeated, and while a discussion was going on as to the nature of the amendment to be offered, the time for offering it had passed. It may be just as well that no such amendment should be offered, in view of the strategic decisions taken by the Democratic leadership in the House.

I cannot let this bill go to the other body, however, without saying something about this fund. As of today, the Development Loan Fund has approved \$228,100,000 in loans. They have earmarked \$39,300,000. That is a total of \$267,400,000. That leaves \$32,600,000 available. Their staff has approved, subject to review by the Board of the Development Loan Fund, which went into effect under the new law yesterday, \$70 million more. So that the fund will be out of business, as far as having any further money to program, unless and until this bill goes through. If it goes through on the \$300-million basis, they will be out of business 6 months from now, for in the last 6 months they have committed \$300 million. They have \$1,601,000,000 in applications for loans.

Just a few minutes ago there was delivered to me a report entitled, "Sino-Soviet Economic Offensive in the Less Developed Countries," a booklet from the State Department, 111 pages long, describing the economic warfare carried on by the Soviets. It is pointed out that economic aid to the satellites in the last 2 years from the Soviets amounted to about \$1,200,000,000. That is minus Communist China. As has been mentioned here before, there has been a total of aid for \$1,947,000,000 outside the Iron Curtain, of which economic aid is \$1,569,000,000 and the rest is military.

Here are the countries receiving Soviet aid: Egypt, Syria, Turkey, Yemen, Afghanistan, Cambodia, Ceylon, India, Indonesia, Nepal, Iceland, Yugoslavia, and then some in Latin-America. In 1955 Nikita Khrushchev said to a group of United States Congressmen, and I am quoting Khrushchev:

We value trade least for economic reasons and most for political purposes.

This is the kind of warfare that is going to go on from now on. If we can arrange to carry on that warfare with loans instead of grants, we may be able to win in the struggle. The list of countries that I have mentioned shows you that the countries that receive aid from us also have some programs with the Soviets. We cannot be in the position of letting these countries bid for support from us or from the Soviets. We have to figure out ways, however, so that countries that want to remain independent and stable can do so, even though they may accept some aid from the Soviets. That is the function of this development loan fund. I hope before we wind up this session of the Congress that we will take action so that we will not have it going out of business for want of funds along about the first of the year.

Mr. McCARTHY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it was my understanding that a motion to restore the full \$625 million Development Loan Fund would be made during the course of this debate. The gentleman from Ohio has explained why that has not taken place. I suggest it might be included in the motion to recommit. If we really do accept as a fact that we are involved as a part of the cold war in an economic war with the Communists, then trade is not sufficient and aid is not sufficient, but we need a

three-pronged economic attack which includes what is proposed and what is sought through the economic development-loan program, namely, a program for strengthening the internal economies of the nations that are our friends. The Committee on Foreign Affairs has approved \$625 million for this program. We should at least appropriate that amount here today. We must realize that appropriations with reference to foreign and international programs are not of the same nature as appropriations for domestic programs. We can examine domestic programs carefully and we can review them, but in this case the appropriation is in the nature of an authorization and the authorization is in the nature of an appropriation and both of them relate to fundamental policies which cannot always be carefully programmed. A second consideration which I think is important is that which arises from the argument that we should leave some room for bargaining with the other body. This, it seems to me, is a strange argument to hear made in the House of Representatives because the House has the primary and constitutional responsibility to make appropriations. It is my opinion that the House should take a firm stand for what the House thinks is necessary. We should not accept the argument that we ought to go somewhat below a certain figure because the other body may force us to come somewhat higher. It seems to me these two things, really, the integrity of the House and its primary responsibility for appropriations and, second, the consideration of the very nature of our economic and political conflict with the Soviet Union are involved in this debate and this action.

Mr. MEADER. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I oppose amendments to increase the foreign aid appropriation.

Each year since the beginning of my four terms of service in this body I have voted for foreign aid authorization and appropriations bills. But just as consistently I have supported all reasonable proposals to reduce the amounts requested by the executive branch because I believe the budget requests, both under Democratic and Republican administrations, consistently have been excessive. That undoubtedly is due to the fact that the bureaucracy administering foreign aid which prepares the estimates has remained essentially the same under differing administrations, under a succession of administrators and under a variety of labels.

I have supported the foreign aid program in the belief that it is sound national policy to assist foreign countries in their efforts to resist military aggression and subversive infiltration of international Communist imperialism.

It is clear to me that this important objective can be achieved through helping free foreign countries which have the will to do so to achieve such economic and political stability that they will have the internal strength to resist, in alliance with others in the Free World, the onslaught of the Communist movement.

As I view it, the foreign aid program, if it is sound and if it is well administered, should work itself out of a job. As internal stability is achieved, expenditures should be reduced and ultimately eliminated. The program should taper off. To come in here year after year for essentially the same huge amounts is an admission of failure. To propose that the program be fastened on us permanently is to advance a completely new and different purpose.

The gentleman from Louisiana [Mr. PASSMAN] and the gentleman from Ohio [Mr. VORYS] yesterday engaged in a rather heated controversy. Both asked us to follow their leadership and to have faith in their expert knowledge of the subject based on their long and penetrating study. Both claimed to rest their position on fact and realities, implying, if not directly saying so, that the other's position was based on generalities and abstractions.

The truth of the matter is that neither the gentleman from Louisiana [Mr. PASSMAN] nor the gentleman from Ohio [Mr. VORYS] nor anyone else can base his position as to the correct amount for this program on fact or reality because the program is not presented in that fashion. The witnesses from the executive branch advocating these expenditures studiously avoid factual presentations.

As a member of the International Operations Subcommittee of the Committee on Government Operations for 6 years I have been trying to find out what the International Cooperation Administration bureaucracy actually does with the money after we appropriate it and how its expenditure is related to our national policy or to the presentation made to the Congress. It has not been easy, largely because the International Cooperation Administration consistently and successfully has operated in the clouds of abstractions, generalities, and imponderables. They present illustrative budget requests. They determine levels of defense support by means of occult guidance. Programs are evolved out of political urgency.

Small wonder the gentleman from Louisiana and the gentleman from Ohio cannot agree. They have no better chance of reaching a sound foundation of fact than the medieval theologians who hotly debated the number of angels which could stand on the point of a pin.

Mr. Chairman, our International Operations Subcommittee, under the able chairmanship of the gentleman from Virginia [Mr. HARBY], has repeatedly called attention to the loose and ambiguous phraseology employed by the ICA and State Department witnesses in telling the Congress what they plan to do to carry out the foreign-aid program.

This vagueness results not only in confusion and lack of clear understanding on the part of the Foreign Affairs and Appropriations Committees and the Congress itself, but also renders almost impossible an effective appraisal of performance by the International Operations Subcommittee in discharging its duty to study foreign-aid operations with a view to determining their economy and efficiency. Since no clear commitments

are made to the Congress, it is difficult to ascertain whether performance has fulfilled representations and promises made.

The Hardy committee, in its report on United States aid operations in Iran, filed with the House January 28, 1957, called the attention of the House to the deficiencies not only of administration, but in the planning of programs and presenting them to the Congress.

For example in conclusion No. 4 on page 3 of House Report No. 10, 85th Congress, 1st session, the committee said:

Amounts requested for United States aid to Iran seem to have been picked out of the air. There is no evidence that they were based on advance study of what the Iranian economy needed, the amount it could absorb, or programs which could be intelligently administered by the United States personnel available at the time to expend the funds.

On May 15, 1957, after extensive hearings, the committee filed House Report No. 449, 85th Congress, 1st session, entitled "Review of the Budget Formulation and Presentation Practices of the International Cooperation Administration," in which the committee discussed at length the inadequacy of ICA's budget presentation. Among the committee's conclusions found on pages 16, 17, and 18 of that report are the following:

1. The illustrative method of budget presentation does not bind ICA to carry out any of the activities proposed to the Congress. In fact, it permits the agency complete discretion in the use of funds, free of the restraints, checks, and balances generally imposed upon the executive branch. It does not provide the Congress with a full understanding of what the agency is doing, what it has done, and what it intends to do.

6. No clear and complete explanation can be found in the budget presentation, nor anywhere in the records of ICA, of the considerations that entered into the determination of the levels of aid proposed for particular countries. There is no practicable way to reconstruct this information.

8. Substantial dollar gaps exist between the amounts illustratively proposed for individual country programs and the amounts actually expended within the fiscal year for which appropriated; e. g., the total variance exceeded 30 percent for fiscal year 1956. This recurring situation raises a considerable question as to the validity of the levels of aid proposed.

9. The budget presentation does not include individual country data on stockpiled funds or on the pipeline of unshipped commodities. The Congress is not informed in the budget documents how long these funds have been available, nor the extent to which they have been carried over from 1 year's appropriation to another.

11. ICA consistently asks for and receives more money than it has ever been able to use in the year for which requested. This practice has invited the hasty, last-minute obligation of unused funds, which precludes their return to the Treasury.

On February 27, 1958, the committee specifically discussed defense support funds in House Report No. 1374, 85th Congress, 2d session, entitled "Use of Defense Support Funds for Economic

and Political Purposes." Among the committee's conclusions are the following:

1. The definition of "defense support," the largest single element in the mutual security program other than "military assistance," is interpreted so broadly by the executive branch that it is virtually impossible to determine whether or not an expenditure made under it is in accordance with legislative intent.

4. Although a pretense is made that the amount of aid funds programed for each country is determined by expert economic judgment, the subcommittee has found no evidence that this is the case. The annual Congressional presentation books for the mutual security budget contain no explanation, nor has any foreign aid administrator ever been willing or able to explain to this subcommittee how and why any particular level of aid has been determined.

The committee has just recently, on June 26, 1958, filed House Report No. 2012, 85th Congress, 2d session, on foreign aid construction projects where inadequacies of planning and administration were found to exist in specific highway construction projects in Cambodia and Thailand. The committee concluded:

The administration of major construction projects in the foreign aid program, by the International Cooperation Administration, has been inadequate, indifferent, and incompetent.

Deficiencies include—

1. Inadequate advance planning.
 2. Defective standards and procedures for the award and administration of contracts.
 3. Indifference to conflicts of interest.
 4. Incompetent supervision of the procurement of construction equipment.
 5. Poor coordination between field missions and Washington and among divisions in Washington having responsibility with respect to construction projects.
 6. Excessive reliance on political urgency to excuse deviations from sound procedures.
- As a consequence, achievement of the objectives of the foreign aid program has been impeded, the cost to United States taxpayers has been increased, and the dignity and prestige of the United States Government abroad have suffered.

The committee also called attention to the growing inclination of officials to justify expenditures on the grounds of political urgency, as follows:

6. Excessive reliance on "political urgency" to excuse deviations from sound procedures:

(a) The alleged justification for initiating projects without adequate prior planning is almost always "political urgency."

(b) The alleged justification for almost any deviation from sound procedure is "political urgency," as this subcommittee and the General Accounting Office have learned on numerous occasions.

(c) The ICA Deputy Director for Technical Services and his deputy exceeded their authority and acted with impropriety when they invaded the province of the Department of State and invited the Director of USOM/Thailand to develop a "political" basis for justifying the award of a contract to an engineering firm of the mission director's choice, whose proposal had been eliminated in the normal contractual process on the bases of high fees and overall costs.

Mr. Chairman, the road in Cambodia, in my judgment, not only was wastefully and incompetently administered by ICA, but I am satisfied that a careful preliminary study would have indicated

that there was no justification for the project in the first place. On this point I interrogated the ICA Mission Director in Cambodia, Alvin E. Roseman, during the subcommittee's hearings in Phnom Penh last November. Mr. Roseman testified:

The principal justification was a political justification. . . . I would not justify this project basically as an economic proposal. If you asked me if I would spend \$25 million of the taxpayers' money solely on this economic ground, I would say "No."

Mr. Chairman, apparently the only way effectively to compel the ICA bureaucracy to do a better job in spending money and in accomplishing the important objectives of the foreign-aid program is to cut down the amount of money they have to spend. As far as I can see from each successive inquiry of our subcommittee, the conclusions and recommendations in our reports, as well as the admonitions of other committees, Members of the Congress, and prominent citizens, are completely ignored by ICA administrators who blithely and in cavalier fashion continue their freewheeling squandering of public funds. Cutting down these funds might conceivably have these beneficial results:

First, ICA might, as they should, seek to promote economic development abroad through the investment of private capital rather than spending public funds. This, as I view it, would be the most effective way of accomplishing the worthwhile objectives of the program.

Second, ICA might require, as they should, better preliminary planning on the part of the recipient government and a larger contribution to the cost by the recipient government on projects and programs they themselves consider of such value as to justify sacrifices on their part to achieve them.

Third, ICA then might be in a much better position to present to the Congress tangible proposals, with the studies, the facts, and the arguments to justify them. The Congress could then act upon factual knowledge rather than upon the nebulous, vague generalities which are all that Congress has been given in the past in spite of repeated efforts of its committees to obtain facts upon which, alone, intelligent judgment can be based.

Fourth, Obviously, the solvency of our Government would benefit from eliminating the waste and extravagance resulting from excessive appropriations.

Mr. Chairman, I think it is time the Congress served notice on the ICA and State Department bureaucracies that it is the judgment of the Congress that this program has been in existence sufficiently long so that its objectives of helping other countries to achieve internal economic stability should come into fruition; that the program in the future will be radically reduced in successive years; and that funds will be authorized and appropriated only when those asserting the need therefor by clear and persuasive evidence sustain the burden of proof that the programs and expenditures they advocate are worthwhile and will demonstrably contribute to our security and foreign policy interests.

In my judgment, the \$3 billion of new money provided in this bill is ample. I am inclined to believe on the basis of inquiries made by our International Operations Subcommittee that an even smaller sum intelligently and efficiently administered would go further toward achieving the objectives of the mutual assistance program. Nevertheless, I intend to vote for the bill even if no further reductions are made and shall oppose efforts to increase the appropriations.

I yield back the remainder of my time.

Mr. PASSMAN. Mr. Chairman, I wonder if we cannot reach some agreement as to time for debate on this bill.

I ask unanimous consent, Mr. Chairman, that all debate on the bill and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana [Mr. PASSMAN].

Mr. HOFFMAN. Mr. Chairman, reserving the right to object, how much will that give each of us?

The CHAIRMAN. The Chair observes 6 Members standing.

Is there objection to the request?

There was no objection.

The CHAIRMAN. Permit the Chair to ask the gentleman from Louisiana if he suggests that the bill itself be read, or does he desire to request that the remainder of the bill be considered as read and open to amendment at any point?

Mr. PASSMAN. It was my understanding that the gentleman from New York [Mr. TABER] asked in the beginning that the bill be read, and I think we should read the bill.

The CHAIRMAN. The gentleman from West Virginia [Mr. STAGGERS] is recognized.

Mr. STAGGERS. Mr. Chairman, I have been listening to the debate with a great deal of interest, as we do each year. I am going to vote for the bill, but I would like to offer a suggestion. I am going to vote for the bill reluctantly, because of the unemployed people I have in my District. They just cannot see sending a great deal of money abroad when they do not have things to eat in their own homes, or money to buy things for their children.

The suggestion I would like to make is this, that in my District, at Morgantown, W. Va., we have a large plant called the Morgantown Ordnance Plant that normally employs about a thousand people. At the end of last month it closed down two sections of the plant. And by November the people who now have it leased will be gone. The plant will be closed down and abandoned. It belongs to the United States Government. It originally cost around \$75 million and it today would cost \$150 million.

This plant is located in a labor distress area. When it is closed down it is going to add insult to injury.

My suggestion is that the Government, which already owns the plant, convert the plant to produce some product that can be used abroad, that can be used to help strengthen our allies, and give our own people employment, at least a thousand people there; or even 500 or any amount would be helpful. We would

make our people happy and certainly would help other people abroad.

But no, we are going to tax those people who are unemployed and others to help send money abroad to spend so that people abroad can use our products.

They produce in this plant at the present time methanol, anhydrous ammonia, hexamine, and coke. Some of it could be used abroad. Right after the second world war the Heyden Chemical Company stepped in and kept the plant running after Du Pont moved out, they produced fertilizer which was shipped to Germany and Japan as part of our program of rehabilitation of those countries.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield.

Mr. HOFFMAN. The gentleman is surely to be commended for trying to take care of his own people, but does not the gentleman realize that he is way behind the times? We cannot do it until the gentleman from Minnesota and these other fellows get everybody else in the world taken care of. I commend the gentleman from West Virginia for trying.

Mr. STAGGERS. I thank the gentleman from Michigan.

I will say this, in practically every Congressional District in America we could find some way of utilizing existing industries for the production of things that could be used abroad.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, we have heard a great deal yesterday and today about the cold war. I wonder who is really interested in fighting the cold war. Why, if we are fighting a cold war against communism should we help in the construction in Russia of the biggest tire plant outside of the United States? Why should we help build it? Is there anything more strategic than rubber?

I ask again if we are fighting a cold war, why are we engaged with the British in building this big tire plant in Russia?

Now, with respect to funds for the Development Loan Corporation, I noticed two or three weeks ago that the Ford Motor Company bought 222,000 shares of capital stock in the Simca Motor Company in France. The same report states that the Ford Motor Company has been guaranteed by the State Department against expropriation of their investment in the Simca motor works in France up to \$3,500,000 or \$4,000,000. The Ford Motor Company is also guaranteed convertibility of French currency into dollars up to \$7 million. My question is, is this part of the Development Loan Fund program?

Can the chairman of the subcommittee tell me whether any of the fund is used or could be used for guarantees to such an allegedly free enterprise organization as the Ford Motor Company?

Mr. PASSMAN. I may state to the distinguished gentleman from Iowa that this program is rather liberal. It is too early to determine just what would be available for loan.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Alabama.

Mr. ANDREWS. The Congress is not consulted on those loans. The corporation is all powerful. It can make any loan it sees fit to make.

Mr. GROSS. Is the gentleman saying that these funds can be used to guarantee the Ford Motor Company's investment in France to manufacture a motor car they are going to ship in here, Ford being one of the great advocates of free trade?

Mr. PASSMAN. It is for undeveloped countries.

The Clerk read as follows:

Sec. 105. The Congress hereby reiterates its opposition to the seating in the United Nations of the Communist China regime as the representative of China, and it is hereby declared to be the continuing sense of the Congress that the Communist regime in China has not demonstrated its willingness to fulfill the obligations contained in the Charter of the United Nations and should not be recognized to represent China in the United Nations. In the event of the seating of representatives of the Chinese Communist regime in the Security Council or General Assembly of the United Nations, the President is requested to inform the Congress insofar as is compatible with the requirements of national security, of the implications of this action upon the foreign policy of the United States and our foreign relationships, including that created by membership in the United Nations, together with any recommendations which he may have with respect to the matter.

Mr. CANFIELD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CANFIELD: On page 7, after line 2, insert a new section as follows:

"SEC. 106. None of the funds provided in this act shall be used to establish textile processing plants in any foreign country."

Mr. CANFIELD. Mr. Chairman, it is my understanding that the distinguished gentleman from Louisiana [Mr. PASSMAN], and the distinguished gentleman from New York [Mr. TABER], are prepared to accept this amendment. I have a good speech to document the case, and am prepared to deliver it.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from New York.

Mr. TABER. I would say that as far as I am concerned, I would accept it.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Louisiana.

Mr. PASSMAN. I am not in a position to speak for each member of the subcommittee on this side of the aisle on this question; but so far as my personal position is concerned, I am agreeable to accepting the amendment.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Is there not a great deal of danger, if this amendment is adopted, that it will seriously interfere with the Reciprocal Trade Agreements

Act which we voted here to extend? I am sure the gentleman would not want to do anything to interfere with that.

Mr. CANFIELD. I cannot see that. I cannot agree with the gentleman. This is a wholesome, all-American amendment.

Mr. BURLESON. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Texas.

Mr. BURLESON. Mr. Chairman, let me assure the gentleman that I am most sympathetic to the purpose of his amendment.

On the other hand, I would feel that consideration should be given to numerous other industries suffering from foreign imports. For instance foreign oil and oil products are causing irreparable injury to the independent oil producer of this country. The domestic industry pays its share of the tax burden and no tax money from any source should go toward the development of any pipeline or refinery development in any foreign country.

Now, under these circumstances I would like positive assurance that no funds contained in this legislation would be used to further this damaging situation.

Mr. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Louisiana.

Mr. BOGGS. Maybe we can legislate by two members of the subcommittee adopting an amendment, although I do not quite understand this way of doing business. I would like to have an explanation of this amendment.

Mr. CANFIELD. All right. The gentleman will have it.

Mr. Chairman, yesterday, it will be recalled, the distinguished gentleman from Louisiana read excerpts from a letter written by the ICA, Department of State, to the American Cotton Manufacturers Institute. In that letter Mr. Nathaniel Rafier, speaking for the ICA, told the institute that the ICA was prepared to establish textile plants in Indonesia. Among other things he said that:

ICA was set to make loans from its new development loan fund and to insure such investments against the political risks of expropriation, inconvertibility of currency, war damage, etc.

Further he said and I quote:

We might also be able to finance the installation of public facilities such as power, transportation, etc. * * * These and other possible means of ICA assistance could be discussed in detail with any of your members who may be interested.

Now, Mr. Chairman, the American textile industry is sick. Many mills have been liquidated in recent months. Unemployment is rife. Adoption of my amendment will be therapeutic. It may help the patient to sit up and I relate it here only to textiles, because the ICA letter was addressed to this industry alone.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The amendment was again reported.

Mr. WHITENER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I commend the gentleman from New Jersey for having offered this amendment and the chairman of the subcommittee for having accepted it insofar as he was personally concerned.

As the gentleman from New Jersey has well said, the textile industry in this country is a sick industry. In my own particular Congressional District we have 154 textile concerns, some of which own as many as 14 plants. So, our people are gravely concerned about what is happening in the industry.

Let me give you briefly some figures on textile employment. According to the Bureau of Labor Statistics in February 1951 there were 1,359,000 people employed in the textile industry. In June of 1957 this had dropped to 1,004,000, or a total loss of 355,000 jobs. Just a few days ago one of the newspapers in my District carried the headline on the front page reporting that 30 percent of the employable textile people in that community, which has several textile plants, were out of work.

Now, in this country of ours between 1952 and 1957 we had a loss of 2 million spindles in place in textile plants, but during 1 year, from July 31, 1956, to July 31, 1957, in the total world spindleage we found an increase from 129 million spindles to 131 million spindles, according to the International Federation of Cotton and Allied Textile Industries.

Mr. Chairman, I am a little surprised at the reference to reciprocal trade which was made a few moments ago because it appears that there is some notion that true reciprocal trade is not accomplished unless we permit the free shipment of foreign-made products into this country, and go one step further and use the taxpayers' money of this country to build those plants in foreign countries in order that they may manufacture and ship their products into the United States and put our people out of work. This is the first time that there has been tangible proof that reciprocal trade is an adjunct of foreign aid.

This is a serious matter with the working people in textile-producing areas of this country.

I believe that my District is perhaps the leading textile district in this Nation. With 227,000 people who work in textile plants in North Carolina concerned about the future of their own positions, and the future of their own families economically. I think it is time for us to accept the sort of proposition which we have here in the form of this amendment. It is, as the gentleman from New Jersey has said, an all-American amendment.

Mr. FLYNT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. FLYNT. Mr. Chairman, I support the amendment offered by the gentleman from New Jersey and I wish to associate myself with the remarks of the author of the amendment and the remarks of the gentleman from North Carolina [Mr. WHITENER].

It is unbelievable to me that the principal agency operating with funds authorized by this appropriation bill not only would, but actually has sought to encourage the building of plants and industries abroad to compete directly with an American industry which is already suffering and suffering badly.

The amendment by the gentleman from New Jersey would prohibit the expenditure of any funds appropriated under this bill for the building, construction and establishment of any textile manufacturing plants with any of the funds made available under the provisions of this bill.

This amendment, and the prohibitions which it would include in the bill, are both sound and reasonable. It is foolish almost to the point of being suicidal from the standpoint of an overall national economy to permit the use of funds appropriated in a mutual security appropriation bill to establish competitive counterparts for any industry in the United States, especially an industry which is economically sick and one which is in a depressed condition.

The question has been raised and undoubtedly will be raised again, as to why the textile industry is being singled out in this amendment, or worded another way—opponents of this amendment might inquire, "why not include a prohibition against the establishment of any industry which would compete with American counterparts?"

In the first place, I would agree that none should be so established, but let me primarily answer why the textile industry is the only one included in the terms of this proposed amendment.

It has already been called to the attention of this committee that one Mr. Nathaniel Rafler, an official of the International Cooperation Administration, has extended open invitations to owners of textile mills and to any one interested in establishing a textile mill to apply for ICA funds for that purpose with a reasonable advance assurance that such an application would be favorably acted upon. I would like to quote from a letter signed by Mr. Rafler, which letter was addressed to the American Cotton Manufacturers Institute which reads as follows:

Confirming my comments of this morning, I wish to reiterate that ICA is prepared to render many forms of assistance to any one of more of your members who may be interested in establishing textile plants in Indonesia. If any one of them are interested in such an investment, we believe it would be preferable for the investment to be in the form of a joint venture with Indonesians so far as the equity is concerned.

ICA would be prepared to make loans from its new Development Loan Fund. We would also be prepared to insure such investments against the political risks of expropriation, inconvertibility of currency, and war damage. Furthermore, we could furnish technical assistance by financing on-the-job training in Indonesia or training

here in America for Indonesians in technical and managerial skills.

We might also be able to finance the installation of public facilities such as power, transportation, etc., if not otherwise available near desirable plant sites. These and other possible means of ICA assistance could be discussed in detail with any of your members who may be interested.

In view of that, is it any wonder that those of us who live in Districts where textile manufacturing plays an important role in the economy of our Districts and region should feel that this amendment is necessary.

Mr. Chairman, such an amendment is necessary, and it must be made crystal clear to those who administer the International Cooperation Administration and spend mutual security funds that the Congress of the United States will not tolerate such unwarranted abuse of administrative power.

Mr. Chairman, surely Mr. Rafler did not realize the full impact of what he said, because his statement amounts to an invitation to American textile mill owners to abandon their domestic operations, to force their employees on the rolls of the unemployed and immediately begin operations abroad under the most favorable conditions. Bear in mind, Mr. Chairman, that these most favorable conditions include favorable tax treatment, cheap labor inducements, insurance against naturalization by the government of the country in which such new plant would be located. In addition the International Cooperation promises to finance the installation of public facilities such as power, transportation and other facilities normally furnished by the community of which such a new plant would become a part. It is reasonable to assume that in order to induce owners of American industry to relocate abroad necessary housing for employees would be constructed. Streets, sidewalks and highways would be paved. Playgrounds and parks would be built. Possibly shopping centers would be constructed, as well as schools which the children of Indonesian employees might attend.

All of this, Mr. Chairman, while American employees in the abandoned American mills would go on unemployment compensation or on relief or seek to obtain lesser employment in an industry or trade different from that for which they are well trained and in which they are efficient employees. For every American displaced from his normal employment by such action, he, his wife and his children would suffer and suffer badly. And for what? For the further sacrifice of the jobs of American employees on the altar of one-world ideology.

Mr. Chairman, I have said before, I repeat now and I expect to repeat many times in the future that I believe that anything that is American is worth protecting and preserving. That applies to our form of government and our way of life, and, Mr. Chairman, it applies equally to American industry and to the continued employment of those men and women who are engaged in these critically situated industries.

I support the amendment offered by the gentleman from New Jersey, and I will support that and any similar amendment which will seek to protect American industry and the jobs of American men and women from the treacherous onslaughts of one-world dreamers whose final objective seems to be the destruction of everything that is American and its replacement by either a communistic or a one-world concept.

Mr. HENDERSON. Mr. Chairman, once again we have before us an appropriation bill to provide funds for mutual security, or foreign aid as it is more popularly called. I have listened to the debate this year and in the 3 years which preceded it in an effort to find some reason, some compelling reason, why I should support legislation of this magnitude and why I should recommend to my constituents in southeastern Ohio that this legislation should also receive their support. I have conscientiously endeavored to find a justification for increasing the debt obligation of the United States by an additional three or four billion dollars in order to provide funds for other nations—to provide funds to keep more than 40,000 people employed on the Government payroll—to provide funds for aid to some nations committed to the Communist cause—to provide funds to finance practices in some other nations which we would not permit in our own.

Mr. Chairman, the shocking thing to me is that so many of my colleagues are willing to provide this assistance in such a wholesale fashion in the face of clear and convincing proof of wasted, excessive, unnecessary, and unwanted programs. What is wrong with a little restraint? We are witnessing here on the floor of this House, hysterical insistence upon continuing on a broad scale a program which is not only costing us borrowed money upon which we, as taxpayers, will pay interest for years to come, but also, which is being administered in such a way as to destroy our own industries by providing financing for foreign entry into industrial fields in direct competition with industries in this Nation which are already depressed.

Much has been said concerning the invitation to establish textile plants abroad, to compete by use of underpaid labor with industries in this Nation which have had their backs to the wall for several years. The invitation to the textile industry is only one of several industries so threatened. We have recently passed an extension of the Reciprocal Trade Act in the House which, if concurred in by the Senate, will permit those same industries, once they have been established in foreign countries with American money, to ship the products back into this country with ever-reduced tariffs, thereby multiplying the damage being done to American industry.

Even though the foreign-aid program were doing all that its proponents claim in assisting downtrodden nations, in showing them the path to democratic government, and in assisting them to assist in defending us, we cannot escape the fact that its effect upon our own

Nation is something less than wholesome. A program such as this cannot hope to be one which sets an example of economy in operation since it has as its purpose the wholesale spreading of dollars and goods throughout the world. The more that is spent, according to the proponents, the more good is being done. There is a contagiousness about a program of this type. Its practices, its excesses, its very existence are being used by taxpayers, Members of Congress, and bureaucrats alike as an excuse for similar excesses in every walk of governmental life, in every phase of Federal activity. I receive so many letters from constituents back home whose preface to a request for a new or increased governmental program is the existence of a wasteful foreign-aid program. The letters, almost without exception, begin: "If you people down in Washington can throw away our taxpayers' money in lands that we never heard of, then surely you have a little bit of money to provide for ———." I have heard my colleagues in Congress rationalize their vote upon a new spending program by saying, "I cannot justify voting against this program for the people at home when I have sent so much money into foreign lands." The foreign-aid program is being used as a lever, as a foot in the door, for every type of wasteful, utopian, New Dealish program that can be conceived.

My colleagues, we cannot hope to improve the foreign-aid program by gallantly voting for it in its present form. I realize that we cannot defeat it. If some of the arguments which our colleagues who favor it have used are true, then, possibly, it would be unwise to defeat it. But, if enough of us who are highly critical of the program will express ourselves in words and votes enough to frighten the adherents and administrators of the program into believing that their gray train is in danger, possibly, some improvements, some self-auditing will be the result, although I am afraid this is a little bit too much to hope for.

Mr. BYRD. Mr. Chairman, this bill is before us at a time when approximately 5 million able-bodied Americans are idle and looking in vain for gainful employment. We are asked to appropriate another round of \$3 billion for globalism when we have just finished a fiscal year with a staggering deficit. As we in this body consider this proposal to splash American substance throughout the world in some 73 countries, our own fiscal authorities are getting ready to seek another increase in the national debt.

More than a dozen years ago, the United States launched our foreign-aid program with high hopes, lofty ideals, and the conviction that we would be able to secure peace in this way. Now, more than a dozen years later, when we have expended more than \$82 billion in this vast endeavor, we find that the Free World has shrunk, the Communist domain has been greatly extended, and peace is more precarious than at any time since the program was initiated.

In all quarters of the globe there are dangerous pockets of anti-Americanism;

our embassies are stoned, our information program offices sacked, our nationals imprisoned, our Vice President scorned and spat upon, our flag trampled in the dirt.

There are those who say that this program will win us friends, strengthen and extend the Free World, and make peace a certainty in our time. After years of pouring out our money we are confronted with a surging tide of resentment against America, attacks upon our motives and our integrity, and the insulting indictment that we are suckers. Any resemblance between these gigantic giveaways and foreign policy is purely coincidental. For more than a dozen years, America out of the generosity of her great heart poured out her bounty that men everywhere might live in peace, and it is being thrown back in our faces. The time has come to call a halt to this economic folly; the time has come to suspend this global handout so we can resurvey the arena, as it were, take stock of the situation and rechart our course in accordance with economic realism and in the real pursuit of our national interests.

Mr. Chairman, I want the record to show that for the last 5 years I have supported this foreign-aid program. I have wanted strong, capable allies for my country. I have wanted to see the democratic world shored up. I have wanted to strengthen the world alliance against communism. Unfortunately, the results are not fulfilling the ballyhooed claims. We have found that friendship cannot be bought, that people everywhere resent being paid for as allies, that the programs designed to implement the authorized aid are being mangled through maladministration, that great waste has crept in, and that considerable of the substance of the aid has been dissipated long before it even got down to the people for whom it was intended.

There is a whole litany of complaints against this program. It is equally true that there has been misinformation spread about it to the detriment of the program but, when a proper balance is struck, there is enough evidence to show that it has been regarded by all too many of its employees as an opportunity for empire building careerwise, rather than for dispensing aid to deserving friends. The program has fallen far short of its acclaimed goals, and the continued imposition of its costs on the American taxpayer is proving a crushing burden. For those who insist that this program buttresses the American defense posture, I would remind them that no military effort can be any stronger than the national economy that supports it.

The question is just how long can this Nation go on at the pace of financial outgo it has been maintaining without our economic machine smashing up? The press last week featured the statement of Defense Secretary McElroy that defense expenditures next year will have to be stepped up three or four billions of dollars. He then made the grim prophecy that within the next 10 years it is possible the United States will be spending for defense at the rate of 70 to 80 billions of dollars annually. Think what this will mean in increased tax burdens.

All of us have enough economic sense to know that a budget of this type will send the national debt soaring, will inflict punishing tax rates on the American taxpayer, and will impose on the national economy a burden that will be well-nigh insupportable.

What it will mean is that the business community will face high risks for the possibility of very little profit, venture capital will vanish, our economic system will stagnate, and the once great, flourishing American capitalistic economy, a machine that produced the weapons that beat down every enemy that attacked it, will be in danger of collapse. Then there will be millions more unemployed, a whole new generation of young Americans will face the bleak prospect of careers on the dole, morale will be diluted with defeatism, and the once proud American dream will have tarnished and ended.

Khrushchev has blatantly boasted that our children will live under socialism. The Soviet economists frankly state that the American economy cannot sustain the stresses placed upon it. It is an ironic development that through our own prodigality, through our reckless and unwise spending, we seem to be rushing to keep the rendezvous which the Kremlin has predicted for us—economic ruin.

It grieves me as I stand here discussing this costly legislative folly to realize that in my own State of West Virginia, a State with a brilliant record of economic achievement in the past, whose able manpower and mighty industries have contributed so much to the Nation's benefit, that at this very hour thousands of men and women are unemployed. West Virginia leads the States in unemployment. We have thousands of people who are able, willing, and ready for work—but there is no work to be had.

The Eisenhower administration, which is now pulling every political power trick out of the bag to get this multibillion-dollar mutual-aid bill passed, at the same time sits by and allows a flood of residual foreign oil to come in from abroad to provide cheap competition that is virtually ruining one of our major industries—coal. It is hard for me to understand or appreciate just what the administration is about, or up to. It will literally storm the ramparts for reciprocal trade, which has accounted for economic loss and ruin in West Virginia and elsewhere, it will march its minions up here to the Hill to deal and apply pressure for votes for foreign aid; yet, when it comes to economic rehabilitation on the homefront, it assumes an attitude of bland indifference.

Only recently the President was asked, among other things, at his press conference, how he felt about marshaling support in behalf of the legislation to aid distressed labor areas, and his answer was a masterpiece of ambiguity and indefiniteness; yes, nothingness. It has been shown that the chronically depressed areas of the nations are economic cancers in the body politic, that enlightened self-interest warrants dras-

tic, and immediate steps looking toward restoring them to economic health, and yet the administration has eyes only for those far-off places at the outer reaches of the world. I guess distress, economic want, and lack of work within our national borders are too prosaic a matter for our one-world dreamers. The fact that the recession costs the United States Treasury millions upon millions in unemployment compensation, in distribution of relief to the needy, and still greater millions upon millions in products unproduced and consumer buying power denied the jobless through lack of wages—all adding to a terrific economic deficit—all of this, I say, appears wasted on the planners who have their gaze riveted beyond the horizon. Their attitude seems to be: No taxpayers need apply; no Americans will be heard.

Those of us on the Foreign Affairs Committee whose responsibility it is to assess policies in terms of the impact on American interests know only too well that the management, or perhaps better, the mismanagement of this aid program, has caused us more harm than good. Right here on our doorstep, in Latin, South, and Central America we have seen how the American stock of goodwill is selling. The very regrettable incidents in connection with the ill-fated visit of the Vice President and Mrs. Nixon are testimony of how our aid policies have back-fired. These peoples south of the border are traditionally our friends. We have a common heritage, we are continental neighbors, we have stood together against threats and fought together against tyrants. They have a priority on our consideration. In the matter of allocation of aid, they should have a big share. Yet the fact is that they have been treated most shabbily, with the result that friendship has turned to resentment. In view of the way this aid has been flung literally to the winds it is understandable that the countries south of the border would feel that they are the forgotten people of the program. Discernment, intelligent planning, sound perspective, all of these requirements have been missing in this program. Our mistakes in country after country in Latin, Central, and South America have accounted for a climate of opinion that permits the Communists to sow anti-American sentiment.

Global do-gooding and bragging have only earned us a harvest of worldwide trouble. They have brought murderous and insulting attacks on Americans, wrecking of United States libraries in Algiers and Lebanon, imprisonment of our nationals in country after country, abuse, invective, and insults from the recipients of our aid.

A free purse is no substitute for a sound foreign policy. Pressuring gifts upon people does not promote the cause of friendship. Someone once asked India's Nehru what orders he gave his country's delegates when they went to an international meeting and he replied:

Our instructions to our delegates have always been, firstly, to consider each question in terms of India's interests, secondly, on its merits.

The patriots who won freedom for America and established this Nation wanted no part of tribute-paying or tribute-exacting. "Millions for defense but not one cent for tribute" has been a watchword in American history since our earliest days as a nation. Bribing our way to world popularity is a dangerous and foolish expedient; in the first place, it is ruinously costly; secondly, it will not work; and, thirdly, it will produce the directly opposite effect. Now is the time to put a check on this program—this is the season for review and appraisal—this is the time to weigh the results against the outgo and see which way the scale balances. The answer is plainly indicated. Our own public debt stands today at \$275 billion. The combined public debt of all other nations of the world amounts to only \$236 billion. In other words, our own public debt exceeds that of all other nations combined by \$39 billion. In a few days, we are told, the administration may ask the Congress to boost the Federal debt ceiling for the second time this session. Some say that a new temporary ceiling of \$290 billion may be sought. The administration now anticipates a deficit of \$3 billion for fiscal 1958 when all bills are paid and a deficit of from \$12 billion to \$15 billion is foreseen for the end of fiscal 1959. What is going to become of this Nation?

Under the Marshall plan, aid was extended to 14 countries. At that time, foreign aid had a clear, specific, and realistic part to play in helping to realize our foreign policy goals. Economic aid was designed as one instrument to help reconstruct the war-torn economies of Western Europe so that the democratic governments could resist the threat of Soviet domination from the outside and Communist subversion from within. Later, our military aid helped to speed European rearmament when it became apparent that there was danger that the Red army might march across Europe. Our foreign policy goal was to build the defenses of Europe against the spread of communism. Foreign aid was one of the means used to do this. But it was only one instrument and it was integrated into a total effort by the United States. We made clear commitments to go to the aid of Europe if she was attacked. The Berlin airlift was one example to show that we meant to back up our pledges. The Soviets backed down. We stood ready to back up Europe with our political, economic, and military strength. We today risk everything on the altar of dollar diplomacy, and what is the result? The headlines from day to day tell the sad story of the decline of American prestige. American airmen are made prisoners in East Germany, other American airmen are forcibly detained by the Soviets after their plane was forced down in Armenia, 30 American Navy men are kidnaped by Cuban rebels. The Vice President of the United States, the second highest of American officials, is spat upon and stoned, while the American flag is desecrated. And what does the administration prescribe as a solution? More dollars.

Mr. Chairman, the great tragedy of this whole thing is that we have no forthright and realistic foreign policy which can be used as a framework within which a well conceived and efficiently executed foreign aid program can operate. Our foreign policy has remained the policy of the Marshall plan era. What we need is a new policy of effective American leadership. If foreign aid can then be a useful instrument in the implementation of that policy, let it be planned and geared to fit the new policy requirements and the actual situations in these areas.

I am not against foreign aid if it is used where it will redound to the best interests of our own national security and if it is a program that is efficiently operated. I am not against foreign aid that is temporary in scope. I am not against foreign aid if it is given to countries and peoples who will stand with America when the chips are down. But I am against a foreign-aid program that is offered as a substitute for a foreign policy. I am against foreign aid that is handed out promiscuously to 73 countries and territories all over the world. I am against a foreign-aid program that rewards neutrals and potential enemies with greater handouts than we give to our friends. I am against the waste and inefficiency that have been found to exist in this program. When I was recently in Vietnam with other members of my subcommittee, we wanted to visit one of the projects being financed in that country with our American dollars. We started out with the American who had been sent to that country to oversee the operation of the project. To our utter amazement, he did not know how to find the project, and we went by it twice before we finally located it. In Madras, India, the same ignorance was displayed by our American officials in charge. In a certain other country the chairman of the subcommittee overheard one of our own Government representatives say to another such official, "We sold them a bill of goods." He meant that they had pulled the wool over our eyes, so to speak. In many countries it was evident to me that the Americans who were sent there to carry out the projects financed with American money thought only in terms of what new projects might be planned and what new schemes might be conceived for the expenditure of moneys, not what was best for America. Their planning and outlook did not seem to be geared to getting a good job done and getting out of the countries, but the idea seemed rather to be one of prolonging the job, concocting more grandiose projects, and digging in deeper. Of course, not all of our people in those countries gave such impressions. Many were capable, and their efforts are to be applauded. But I am against a foreign-aid program that is so loosely handled, so misguided, and one which grows ever larger and shows no signs of ever reaching an end. I am against a bill which combines military aid with economic aid and which forces us to accept all or nothing. The military portion should be included in the regular defense budget, where it belongs, and the economic aid could then rise or

fall on its own merit. I am against a foreign-aid program that is already overfunded. If we refused to appropriate a single dollar for this program, it has been estimated that there is enough money in the pipeline by which it could be operated for at least a year and a half. I am against a foreign-aid program which permits American arms to be used by the recipient governments for the subjection of local populations or for use against friendly neighboring countries. I say, Mr. Chairman, that it is time to take a new look at the program. We should refuse to pass this appropriation bill. The administration then will be forced to reevaluate the needs for foreign aid and come up with a firm foreign policy. The administration would then be forced to present a realistic foreign-aid program to meet the needs of the few real friends we have left around the world, one which is more temporary in nature and one which would not eventually leave our own Nation bankrupt. With the deadwood cut away and with the freeloaders removed, we would then have a foreign-aid program which we could all conscientiously support. It would be a program which, when integrated into a well-directed foreign policy, would win the hearts of those who are worthy to be our friends.

Mr. ALGER. Mr. Chairman, the views of those Members who wrote the minority report accompanying the House mutual security authorization were excellent. Yet now when the appropriation bill comes before us, there is no minority viewpoint so expressed. Rather, the minority now is comprised of Members who want to increase the amounts. I for one am still opposed to this huge United States effort to enrich the other nations of the world at the expense of the United States taxpayer, and call it mutual security. It is the reverse, mutual insecurity, when we, the leader of the Free World, jeopardize our fiscal soundness by self-imposed bankruptcy. Our national debt and present deficits proclaim the threat to our Nation's economy. Only the virility of the private enterprise system could shoulder such a load. But we can break the back of even this great economy if we go on like this.

There is need for mutual security, but not at the price of bankrupting the United States. Our national debt of \$275 billion is \$39 billion more than the debts of all other nations of the world, and yet we continue to pour out, via the taxpayers money, our national wealth, \$82 billion since 1945, which is equal to the value of the United States 17 largest cities.

Further, the unexpended balance of money already appropriated by Congress is \$5,194 million. The counterpart funds, our foreign currency in other nations now totals \$2,060 million. This is a total of \$7,254 million on hand for mutual security even before we appropriate more. Now we have before us \$3,078 million more. So the total of funds available if we pass this bill will be \$10,333 millions for foreign aid.

After study, I joined those Members who wrote the minority or dissenting views accompanying the mutual security authorization bill. The temperate but documented conclusion of their report states and bears repetition at this point:

Despite this extension of our interest and unwanted generosity, there has developed among recipient nations no adequate understanding of our fundamental American purpose; no sufficient comprehension that we have undertaken a mutual effort to help men live and govern themselves in terms of freedom, equality, human dignity, and peace. There has, in fact, been little or no mutuality to the program. Merely voting more dollars for the continuation of such a program is not enough. What is needed is more consistent policy, better programing, much better administration; and, what is more important, a complete review of the fundamental policy. To continue, without new direction or directives, a program that "has been tried and found wanting" is as dangerous as it is ineffective. This minority, which is second to none in its desire to maintain the security and peace of this country and of the world, has long held that the concept of mutual security, the implementation thereof, and the annual enabling legislation should be reviewed and revised. We again call for a review of the program and of the underlying policy.

In view of this, in view of the fact that Congress has failed to reassert its control over the mutual security program, in view of the failure of the justifications for the program to measure up to critical analysis, in view of administrative laxness in carrying out the program, and in view of the needless authorization of billions of dollars when the pipeline already contains billions, we cannot support the mutual security bill for 1958.

The continuation of our present hit or miss, hodgepodge subsidy of United States industry under the guise of charity to others, I have concluded, is wrong and self-defeating. Military or mutual security is lacking as we help neutrals and enemies more than friends. Charity it is not, as we claim, since we are manipulating others through military aid, economic help, and political diplomacy. First, we must decide what our policy is, then call it what it is. It should be hard-headed, self-interested looking after ourselves—charity is between people, not governments. A strong United States can attract military allies and command respect from enemies. Giving money away and deficit financing, resulting in higher taxes and inflation, cannot result in security, mutual or otherwise. Weakening ourselves through overspending cannot possibly strengthen the team of freedom-loving nations. Certainly there is some need for mutual military aid for allies, but only as a part of a clearly defined policy and within a balanced budget. United States fiscal suicide is Russia's goal. Finally, from many examples of the self-defeating nature of mutual security spending country by country can be selected the spectacle of our giving almost \$1,000 million to Yugoslavia, the ruthless Communist dictatorship, whose leader is our self-proclaiming dedicated enemy. Need more be said?

Mr. BOGGS. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. Boggs moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. BOGGS. Mr. Chairman, I regret having to offer this motion in order to get time. I will not support the motion, but time had been limited, and, of course, those of us who are not members of the subcommittee had no way of knowing what amendments might or might not be offered. Actually this is an amendment which is substantive and probably would be subject to a point of order. I think it so important that we talk about this matter before we legislate on it that I have adopted this method in order to do so.

It seems to me that if we are going to use this bill as a vehicle for the alleged difficulties of the textile industry, then we may as well abandon this whole program and go into a relief bill for various industries which allegedly have been hurt by imports.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from Ohio.

Mr. VORYS. This amendment is, of course, a ridiculous way of trying to operate on this bill. If we are going into any such limitation program it is wrong to confine it to textiles; but if we are going to do this sort of thing at all we should have some committee consideration given to it.

This amendment is obviously the result of the letter that was circulated by the ICA in an attempt to get any American textile company to go into Indonesia. Indonesia has been importing \$200 million worth of textiles every year, only \$5 million of which comes from the United States, special quality cloth. The rest of it our textile people cannot compete for. Indonesia gets its imports from Japan, India, Hong Kong, and Communist China. The Indonesian Government is anxious to set up a textile mill to save on foreign exchange. We wanted to have them set up an American private enterprise mill. We did not get any proposals that were satisfactory, so Indonesia accepted a Communist bid for a mill.

There was no question of competition with American textile plants involved, because that plant would not have taken any business from American plants.

If what ICA was trying to do is understood, instead of distorted, we should commend them for their efforts, instead of attempting to stop them by this kind of amendment.

Mr. BOGGS. I thank the gentleman for his contribution.

The fundamental proposition involved here is whether or not we are going to make special cases involving certain American industries. The textile industry has been before the proper committee of this Congress, the Ways and Means Committee. Many of the allegations which have been made here have not been borne out by the actual facts, the actual statistics. But if you were to take this basis for legislating, then you would take the pottery business, the

chemical business, the plywood business, the machine tool business, and others which also claim that they are being injured as the result of imports. This is not the way to pass this kind of legislation.

Our whole approach to these undeveloped nations has been, "We want you to develop your own economies so that you will not be dependent upon imports from the United States, England, or any other source. We want you to be self-respecting and independent people. We want you off the backs of the American taxpayers."

This means that if we encourage these people to develop their own resources, to develop their own textile mills, to develop their own heavy industries wherever it is practicable, then we are not only not doing a disservice to our own industries but we are helping these people and we are helping the taxpayers of our own country.

In my judgment, to adopt this amendment is to defeat the whole Development Loan Program. I hope that the amendment will be defeated.

Mr. TABER. Mr. Chairman, I rise in opposition to the preferential motion.

Mr. Chairman, I expect when the appropriate stage is reached, to offer a motion to recommit to restore \$75 million to the amount allocated to defense support. That will make the figure \$775 million. It will benefit and keep in shape the armed forces of Korea, Taiwan—or Formosa—Turkey, Greece, Iran, and a large number of other small countries that are not able to carry the full burden of their military establishment. It means 3 million armed men properly armed surrounding Russia.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Louisiana.

Mr. WHITTEN. Mr. Chairman, I rise in support of the motion.

The CHAIRMAN. The gentleman cannot be recognized. Only 10 minutes can be consumed on a preferential motion.

Mr. WHITTEN. Has the gentleman from New York used up all his time, or has he some time left?

The CHAIRMAN. Only two 5-minute speeches can be made on a preferential motion.

The question is on the preferential motion offered by the gentleman from Louisiana.

The question was taken; and on a division (demanded by Mr. Gross), there were—ayes 53, noes 139.

So the motion was rejected.

Mr. FEIGHAN. Mr. Chairman, I regret that the time limitation which has already been set does not permit full-scale debate on section 105 of this bill. Events of the last week have convinced me that Congress must be on the alert to any possible effort to tamper with this language or to water it down to the extent that it is meaningless.

The chairman of the subcommittee is to be complimented on the care that has been taken to prevent any damaging inroads being made on Congressional intent toward the admission of Communist Red China into the United Na-

tions. Section 105 was originally intended to keep the Department of State on notice that Congress would not weaken in its firm position on this great public issue. The language of section 105, beginning on line 17, page 6, reads as follows:

In the event of the seating of representatives of the Chinese Communist regime in the Security Council or General Assembly of the United Nations, the President is requested to inform the Congress insofar as is compatible with the requirements of national security, of the implications of this action upon the foreign policy of the United States and our foreign relationships, including that created by membership in the United Nations, together with any recommendations which he may have with respect to the matter.

Recently I have heard it said that this language lays itself open to interpretation, particularly by those who are seeking the admission of Communist Red China into the United Nations, as an expression by Congress that the Government of the United States has lost the necessary influence and prestige in international affairs to block the seating of Communist Red China in the United Nations. I do not believe this to be the case. In the first instance the United States can block the seating of Communist Red China in the Security Council by the exercise of its veto power. However, the veto power does not extend, generally speaking, to the General Assembly of the United Nations. The opinion is held that it is possible, under the Charter of the United Nations, to seat a new member state in the General Assembly by a two-thirds majority vote. Surely, the prestige and influence for good of the United States Government has not deteriorated to a point where it cannot secure more than one-third of the votes in the General Assembly to block admission of Communist Red China.

When Congress first enacted section 105 it set a precedent which now requires Congress to enact this provision each year in order to maintain a continuing sense of the Congress. If Congress should fail, at any time in the future, to include section 105 in any mutual security appropriation acts, this omission would be taken as a change in the attitude of Congress against admission of Communist Red China into the United Nations, as expressed by the concurrent resolution which was unanimously adopted. If the mutual security program is continued this means Congress has the duty each time to express its continuing sense in opposition to the seating of Communist Red China.

The strong possibility exists that interests at work in the Department of State will seek to manipulate the language of section 105 and water it down to an extent that Congress will have no position whatever with regard to the admission of Communist Red China into the United Nations. A case in point is provided by the recent action taken with regard to the authorization bill passed by the House with reference to this very appropriation. We unanimously adopted an amendment which required that before any additional aid could be

given to the Communist dictator Tito the President must make a public finding that, first, there has been no change in the Yugoslavian policies on the basis of which assistance under this act has been furnished to Yugoslavia in the past, and that Yugoslavia is independent of control by the Soviet Union; second, that Yugoslavia is not participating in any policy or program for the Communist conquest of the world; and third, that it is in the interest of the national security of the United States to continue the furnishing of assistance to Yugoslavia under this act.

When the authorization bill came out of conference this requirement placed upon the President was stricken and instead a weasel word amendment was substituted which requires the President only to keep himself assured on the wisdom of giving additional aid to Communist Tito instead of making a public finding and setting forth his reasons for such action so that the American people could judge whether or not his action was justified. By watering down the firm resolution expressed by the House a great public issue has been given a silent burial.

It would be a tragedy if the great public issue which attaches to the admission of Communist Red China into the United Nations were to suffer a similar burial ceremony through a manipulation of words, thus weakening the determination of Congress to make the United Nations into an effective instrument in the cause of world peace.

Mr. GRIFFIN. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. GRIFFIN to the amendment offered by Mr. CANFIELD: After the words "textile processing plants" insert the words "automobile manufacturing plants or any other manufacturing industry now established in the United States."

Mr. BOGGS. Mr. Chairman, I make a point of order against the amendment on the ground that it is legislation on an appropriation bill.

The CHAIRMAN (Mr. MILLS). This is a limitation on an appropriation bill and the point of order is overruled.

Mr. GRIFFIN. Mr. Chairman, of course I am opposed to the amendment offered by the gentleman from New Jersey [Mr. CANFIELD]. My amendment should make it obvious that, at this point in our consideration of the bill, we cannot single out just one industry for special treatment.

The CHAIRMAN. The question is on the amendment to the amendment.

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. CANFIELD].

The question was taken; and on a division (demanded by Mr. CANFIELD), there were—ayes 66, noes 133.

So the amendment was rejected.

The Clerk completed the reading of the bill.

LEGISLATIVE PROGRAM

Mr. ARENDS. Mr. Chairman, will the gentleman from Louisiana [Mr. PASSMAN] yield me 1 minute so that I

may inquire as to the legislative program?

Mr. PASSMAN. I am happy to yield to the distinguished gentleman.

Mr. ARENDS. I thank the gentleman from Louisiana.

Mr. Chairman, I would like to ask the majority leader if he can inform us as to any further legislative program for today and what we may expect for next week.

Mr. McCORMACK. Following the disposition of the pending bill, there is a conference report on the Yellowtail Dam. Then there is another conference report for today on building superliner passenger vessels for operation on the Atlantic and Pacific Oceans. There are also several unanimous consent matters which, of course, have been cleared. One of them is the bill ratifying a compact between the State of Massachusetts and the State of Connecticut. Of course, as the Members know, they have all been carefully screened and cleared.

Next week on Monday there is the Consent Calendar and the Private Calendar, with five suspensions: First, H. R. 67, Pension for Medal of Honor holders; second, S. 3420, extending Public Law 430; third, H. R. 12883, improvements, Capitol Power Plant; fourth, S. 495, acquire Senate property; fifth, S. 3975, construction of building, Government Printing Office.

Then there is S. 3506, loan of vessels to friendly nations. This is not under suspension.

If there are any rollcalls on Monday, Tuesday, or Wednesday, with the exception of the adoption of a rule, they will go over until Thursday. That is an agreement made between the leadership.

On Tuesday, Wednesday, Thursday, Friday, and Saturday there is S. 1832, for an additional Secretary of State; House Joint Resolution 424, crimes and offenses, sentencing procedures.

On Wednesday, H. R. 13015, authorization, military construction; S. 3651, Small Business Investment Act of 1958.

H. R. 4504, marketing facilities, perishable products.

The following bills may be called up, or any one of them, for consideration, if rules are reported out:

H. R. 13121, authorization, Atomic Energy Commission appropriation;

H. R. 12630, national defense education bill.

S. 3497, community facilities bill.

S. 3683, program to alleviate unemployment in depressed areas.

H. R. 11078, small boat safety bill.

Of course they cannot all be brought up next week, but if rules are reported out those bills may be called up. It is important to get important bills out of our way as quickly as possible. Otherwise you will be here well into September. If the chairmen of committees will report out bills that we have to act on this session, we have a good chance of getting through not later than August 16. We ought to do it by August 9, as I see it. I am no hero, but I am doing the best I can, perhaps making a nuisance out of myself with the chairmen of committees. I realize their problems.

My remarks are in no way in criticism of them. Bills like the community facilities, the education bill, and the scholarship bill, if they are reported out and we get rules, we can then let the House work its will. As a matter of fact, if we get the bills out we could get through by August 2, but as I see it now, unless those bills come out of committee, we will likely be here until Labor Day. I am doing my best to get through by August 9 or August 16, at the latest.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. ARENDS. Those bills the gentleman mentioned will not necessarily be taken up categorically, as listed?

Mr. McCORMACK. No.

Mr. ARENDS. I had expressed the hope to the chairman that a bill coming from the Armed Services Committee might be taken up on Wednesday.

Mr. McCORMACK. I specifically set that for Wednesday. Also the Small Business Investment Act for Wednesday.

Mr. WINSTEAD. Mr. Chairman, I appreciate the splendid efforts the gentleman from Louisiana has made in providing evidence in the hearings, in the report, and in the debate to justify the overall reduction which the Appropriations Committee has made in the request of the Bureau of the Budget for foreign aid.

I would go further and say that these cuts are absolutely essential if we are ever to bring order out of chaos, and is necessary if we are to prevent a recurrence of such actions as our country was subjected to at Taiwan or Formosa last year. I realize that the chairman cannot break down here in the public debate the amounts for each country, but in the item for the Far East it is evident that the gentleman has taken note and cut appropriations for those countries which have attacked our Embassies, slandered our flag, and endangered American lives—certainly with little effort by some in the local government to prevent such actions.

I would like to say, Mr. Chairman, that the evidence and the proof on this overall foreign-aid program really is an indictment of the whole program. Personally, while there are perhaps a few individual programs that may contribute to the United States, I have voted against the program for many years, believing—may I say, knowing—that if we defeated this appropriation the committee would go back and promptly bring out another bill limited solely to essential programs.

Mr. PASSMAN. Mr. Chairman, I yield back the remainder of my time.

Mr. Chairman, I move that the Committee do now rise and report the bill back to the House, with the recommendation that it do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MILLS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 13192) making appropriations for mutual security for the fiscal year

ending June 30, 1959, and for other purposes, directed him to report the same back to the House, with the recommendation that the bill do pass.

Mr. PASSMAN. Mr. Speaker, I move the previous question on the bill to final passage.

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

The SPEAKER. The question is on the passage of the bill.

Mr. TABER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. TABER. I am.

Mr. BUDGE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BUDGE. The gentleman from New York has previously announced that he would offer a motion to recommit the bill. I am unqualifiedly opposed to the bill. The question I wish to ask is whether the Chair will recognize me for the purpose of offering a motion to recommit the bill without instructions, a straight motion to recommit.

The SPEAKER. The gentleman cannot describe his motion. The gentleman from New York [Mr. TABER] has qualified. He has said he was opposed to the bill.

Mr. BUDGE. A further parliamentary inquiry, Mr. Speaker: Am I not entitled to prior recognition, being unqualifiedly opposed to the bill?

The SPEAKER. The gentleman from New York has qualified by his statement that he was opposed to the bill. What other thought the gentleman from New York may have had in his mind the Chair is unable to determine.

The Clerk will report the motion.

The Clerk read as follows:

Mr. TABER moves to recommit the bill to the Committee on Appropriations with instructions to report the same back forthwith together with the following amendment: Page 2, line 10, strike out "\$700,000,000" and insert in lieu thereof "\$775,000,000."

Mr. HOFFMAN. Mr. Speaker, I make a point of order against the motion to recommit on the ground that the motion itself shows that the gentleman is not qualified.

The SPEAKER. The Chair cannot entertain such a point of order after the statement made by the gentleman from New York.

Mr. BUDGE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BUDGE. The gentleman from New York has moved to recommit the bill with instructions. I have stated that I am unqualifiedly opposed to the bill. I have a straight motion to recommit the bill. Am I not entitled to recognition?

The SPEAKER. The Chair has already ruled and does not intend to change his position that the gentleman from New York [Mr. TABER] is qualified to offer the motion to recommit.

Mr. PASSMAN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. TABER. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 166, nays, 214, answering "present" 1, not voting 49, as follows:

[Roll No. 119]

YEAS—166

Addonizio	Garmatz	Multer
Allen, Calif.	Gavin	Nix
Arends	George	Norblad
Ashley	Glenn	O'Hara, Ill.
Auchincloss	Gordon	O'Hara, Minn.
Avery	Granahan	Osmers
Ayres	Green, Pa.	Ostertag
Baldwin	Griffin	Patterson
Barrett	Griffiths	Pelly
Bass, N. H.	Gubser	Price
Bates	Hagen	Prouty
Baumhart	Hale	Quie
Becker	Halleck	Ray
Boland	Harden	Reed
Bolling	Harvey	Reuss
Bolton	Haskell	Rhodes, Pa.
Boyle	Healey	Riehlman
Broomfield	Heselton	Robison, N. Y.
Broyhill	Hess	Rodino
Bush	Hill	Rogers, Colo.
Byrne, Pa.	Hoeven	Rogers, Mass.
Canfield	Holifield	Rooney
Carnahan	Holmes	Sadiak
Chamberlain	Holt	St. George
Chenoweth	Holtzman	Schenck
Chipperfield	Horan	Schwengel
Coffin	Hosmer	Scudder
Corbett	Hyde	Seely-Brown
Coudert	Judd	Simpson, Pa.
Cramer	Karsten	Sisk
Cretella	Kean	Springer
Cunningham,	Keating	Stauffer
Iowa	Kelly, N. Y.	Sullivan
Curtin	King	Taber
Curtis, Mass.	Kluczynski	Teague, Calif.
Dennison	Lafore	Teller
Derounian	Latham	Tewes
Devereux	LeCompte	Thompson, N. J.
Diggs	McCarthy	Tollefson
Dollinger	McCulloch	Udall
Dooley	McGregor	Van Zandt
Dorn, N. Y.	McIntosh	Vorys
Doyle	Macdonald	Vursell
Dwyer	Macdrowicz	Wainwright
Engle	Mailliard	Walter
Fallon	Marshall	Widnall
Farbstein	Martin	Wier
Fascell	May	Wigglesworth
Fino	Marrow	Wilson, Ind.
Flood	Metcalf	Wolverton
Fogarty	Miller, Calif.	Yates
Forand	Miller, Md.	Younger
Ford	Minshall	Zablocki
Frelinghuysen	Morgan	Zelenko
Friedel	Moss	
Fulton		

NAYS—214

Abbutt	Boykin	Davis, Ga.
Abernethy	Bray	Davis, Tenn.
Adair	Breeding	Dawson, Ill.
Albert	Brooks, Tex.	Dawson, Utah
Alexander	Brown, Ga.	Delaney
Alger	Brown, Mo.	Dellay
Allen, Ill.	Brown, Ohio	Dent
Anderson,	Brownson	Denton
Mont.	Budge	Dingell
Andrews	Burleson	Dixon
Ashmore	Byrd	Donohue
Aspinall	Byrne, Ill.	Dorn, S. C.
Balley	Byrnes, Wis.	Durham
Baker	Cannon	Elliott
Baring	Carrigg	Everett
Beamer	Cederberg	Evins
Beckworth	Celler	Felghan
Belcher	Chelf	Fenton
Bennett, Fla.	Christopher	Fisher
Bennett, Mich.	Church	Flynt
Bentley	Clark	Forrester
Berry	Clevenger	Fountain
Betts	Coad	Frazier
Bltch	Collier	Gary
Boggs	Cooley	Gathings
Bonner	Cunningham,	Grant
Bosch	Nebr.	Gray
Bow	Curtis, Mo.	Green, Oreg.

Gregory	McDonough	Riley
Gross	McFall	Roberts
Haley	McGovern	Robison, Ky.
Harris	McIntire	Rogers, Fla.
Harrison, Nebr.	McMillan	Rogers, Tex.
Harrison, Va.	McVey	Rutherford
Hays, Ohio	Mack, Ill.	Santangelo
Hébert	Mack, Wash.	Scherer
Hemphill	Madden	Scott, N. C.
Henderson	Magnuson	Scrivner
Herlong	Mahon	Selden
Hiestand	Matthews	Sheehan
Hillings	Meador	Sheppard
Hoffman	Michel	Sikes
Holland	Miller, Nebr.	Siler
Huddleston	Mills	Simpson, Ill.
Hull	Mitchell	Smith, Calif.
Ikard	Moore	Smith, Kans.
Jackson	Moulder	Smith, Miss.
Jarman	Mumma	Smith, Va.
Jennings	Murray	Spence
Jensen	Natcher	Staggers
Johansen	Neal	Thomas
Johnson	Nicholson	Thompson, La.
Jonas	Nimtz	Thompson, Tex.
Jones, Ala.	Norrell	Thomson, Wyo.
Kee	O'Brien, Ill.	Tuck
Keogh	O'Konski	Ullman
Kilday	O'Neill	Utt
Kilgore	Passman	Vanik
Kitchin	Patman	Van Pelt
Knox	Perkins	Vinson
Knutson	Pfost	Watts
Krueger	Philbin	Weaver
Laird	Pillion	Westland
Landrum	Poage	Wharton
Lane	Poff	Whitener
Lankford	Polk	Whitten
Lennon	Porter	Williams, Miss.
Lesinski	Preston	Willis
Libonati	Rabaut	Winstead
Lipscomb	Rains	Withrow
Loser	Reece, Tenn.	Wright
McCormack	Rees, Kans.	Young

ANSWERING "PRESENT"—1

Hardy

NOT VOTING—49

Andersen,	James	Rivers
H. Carl	Jenkins	Robeson, Va.
Anfuso	Jones, Mo.	Roosevelt
Barden	Kearney	Saund
Bass, Tenn.	Kearns	Scott, Pa.
Blatnik	Kilburn	Shelley
Brooks, La.	Kirwan	Shuford
Buckley	Mason	Sieminski
Burdick	Miller, N. Y.	Steed
Colmer	Montoya	Talle
Dague	Morris	Taylor
Dies	Morrison	Teague, Tex.
Dowdy	O'Brien, N. Y.	Thornberry
Eberharter	Pilcher	Trimble
Edmondson	Powell	Williams, N. Y.
Gwinn	Radwan	Wilson, Calif.
Hays, Ark.	Rhodes, Ariz.	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hays of Arkansas for, with Mr. Hardy against.

Until further notice:

Mr. Thornberry with Mr. Scott of Pennsylvania.

Mr. Sieminski with Mr. Gwinn.

Mr. Colmer with Mr. Dayue.

Mr. Morrison with Mr. Burdick.

Mr. Pilcher with Mr. Mason.

Mr. Montoya with Mr. Radwan.

Mr. Kirwan with Mr. James.

Mr. Barden with Mr. Kearney.

Mr. Anfuso with Mr. Kilburn.

Mr. Brooks of Louisiana with Mr. H. Carl Andersen.

Mr. Dowdy with Mr. Talle.

Mr. Steed with Mr. Taylor.

Mr. Shelley with Mr. Jenkins.

Mr. Roosevelt with Mr. Kearns.

Mr. Rivers with Mr. Williams of New York.

Mr. Blatnik with Mr. Wilson of California.

Mr. Trimble with Mr. Rhodes of Arizona.

Mr. Buckley with Mr. Miller of New York.

Mr. HARDY. Mr. Speaker, I have a live pair with the gentleman from Ar-

kansas, Mr. HAYS. If he were present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Mr. RHODES of Pennsylvania changed his vote from "nay" to "yea." The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. PASSMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 253, nays 126, not voting 51, as follows:

[Roll No. 120]

YEAS—253

Addonizio	Fenton	Mailliard
Albert	Fino	Marshall
Allen, Calif.	Flood	Martin
Anderson, Mont.	Fogarty	Matthews
Arends	Forand	May
Ashley	Ford	Meador
Aspinall	Fountain	Merrow
Auchincloss	Frazier	Metcalf
Avery	Frelinghuysen	Miller, Calif.
Ayres	Friedel	Miller, Md.
Baker	Fulton	Mills
Baldwin	Garmatz	Minshall
Barrett	Gary	Morano
Bass, N. H.	Gathings	Morgan
Bates	George	Moss
Baumhart	Glenn	Multer
Becker	Gordon	Mumma
Beckworth	Granahan	Natcher
Bennett, Fla.	Green, Oreg.	Nix
Boggs	Green, Pa.	Norblad
Boland	Gregory	O'Brien, Ill.
Bolling	Griffin	O'Hara, Ill.
Bolton	Griffiths	O'Neill
Boykin	Gubser	Osmers
Boyle	Hagen	Ostertag
Breeding	Hale	Passman
Brooks, Tex.	Halleck	Patman
Broomfield	Hardy	Patterson
Broyhill	Harris	Pelly
Bush	Haskell	Perkins
Byrne, Pa.	Healey	Philbin
Byrnes, Wis.	Hébert	Pillion
Canfield	Herlong	Poff
Cannon	Heselton	Porter
Carnahan	Hess	Price
Carrigg	Hill	Prouty
Celler	Hillings	Qule
Chamberlain	Holfield	Rabaut
Chelf	Holland	Rains
Chenoweth	Holmes	Ray
Chiperfield	Holt	Reuss
Christopher	Holtzman	Rhodes, Pa.
Clark	Horan	Riehlman
Coad	Hosmer	Roberts
Coffin	Huddleston	Robison, N. Y.
Cooley	Hyde	Robison, Ky.
Corbett	Ikard	Rodino
Coudert	Jackson	Rogers, Colo.
Cramer	Jarman	Rogers, Mass.
Cretella	Johnson	Rooney
Cunningham,	Jones, Ala.	Sadlak
Iowa	Judd	Santangelo
Curtin	Karsten	St. George
Curtis, Mass.	Kean	Schenck
Davis, Tenn.	Keating	Schwengel
Dawson, Utah	Kee	Scudder
Delaney	Kelly, N. Y.	Seely-Brown
Dellay	Keogh	Selden
Dennison	Kilday	Sheppard
Derounian	King	Simpson, Pa.
Devereux	Kluczynski	Sisk
Diggs	Knutson	Smith, Miss.
Dingell	Lafore	Spence
Dixon	Laird	Springer
Dollinger	Lane	Staggers
Donohue	Lankford	Stauffer
Dooley	Latham	Sullivan
Dorn, N. Y.	LeCompte	Teague, Calif.
Doyle	Lesinski	Teller
Durham	Libonati	Tewes
Dwyer	McCarthy	Thompson, N. J.
Elliott	McCormack	Thompson, Tex.
Engle	McFall	Tollefson
Evins	McGovern	Udall
Fallon	McIntosh	Ullman
Farbsteln	Macdonald	Vanik
Fascell	Machrowicz	Van Zandt
Feighan	Mack, Ill.	Vinson
	Madden	Vorvys
	Magnuson	Vursell
	Mahon	Wainwright

Walter
Watts
Westland
Widnall

Abblitt
Abernethy
Adair
Alexander
Alger
Allen, Ill.
Andrews
Ashmore
Bailey
Baring
Beamer
Belcher
Bennett, Mich.
Bentley
Berry
Betts
Blitch
Bonner
Bosch
Bow
Bray
Brown, Ga.
Brown, Mo.
Brown, Ohio
Brownson
Budge
Burleson
Byrd
Byrne, Ill.
Cederberg
Church
Clevenger
Collier
Cunningham,
Nebr.
Curtis, Mo.
Davis, Ga.
Dorn, S. C.
Everett
Fisher
Flynt
Forrester
Gavin

Andersen,
H. Carl
Anfuso
Barden
Bass, Tenn.
Blatnik
Brooks, La.
Buckley
Burdick
Colmer
Dague
Dawson, Ill.
Dies
Dowdy
Eberharter
Edmondson
Gwinn
Hays, Ark.

So the bill was passed.
The Clerk announced the following pairs:

On this vote:
Mr. Thornberry for, with Mr. Brooks of Louisiana against.
Mr. Montoya for, with Mr. Colmer against.
Mr. Anfuso for, with Mr. Morrison against.
Mr. Buckley for, with Mr. Barden against.
Mr. Scott of Pennsylvania for, with Mr. Mason against.
Mr. Kilburn for, with Mr. Burdick against.
Mr. Miller of New York for, with Mr. Jenkins against.
Mr. Taylor for, with Mr. Talle against.
Mr. Hays of Arkansas for, with Mr. Steed against.
Mr. Wilson of California for, with Mr. Van Pelt against.
Mr. Dague for, with Mr. Gwinn against.
Mr. Kirwan for, with Mr. Dowdy against.
Mr. O'Brien of New York for, with Mr. Filcher against.
Mr. Blatnik for, with Mr. Morris against.
Mr. Roosevelt for, with Mr. Dies against.
Mr. Shelley for, with Mr. Robeson of Virginia against.
Mr. Dawson of Illinois for, with Mr. Rhodes of Arizona against.
Mr. Trimble for, with Mr. H. Carl Andersen against.

Wier
Wigglesworth
Wolverton
Wright

NAYS—126

Grant
Gray
Gross
Haley
Harden
Harrison, Nebr.
Harrison, Va.
Harvey
Hemphill
Henderson
Hiestand
Hoeven
Hoffman
Hull
Jennings
Jensen
Johansen
Jonas
Kilgore
Kitchin
Knox
Krueger
Landrum
Lennon
Lipscomb
Loser
McCulloch
McDonough
McGregor
McIntire
McMillan
McVey
Mack, Wash.
Michel
Miller, Nebr.
Mitchell
Moore
Moulder
Murray
Neal
Nicholson
Nimtz
Norrell

NOT VOTING—51

Hays, Ohio
James
Jenkins
Jones, Mo.
Kearney
Kearns
Kilburn
Kirwan
Mason
Miller, N. Y.
Montoya
Morris
Morrison
O'Brien, N. Y.
Pilcher
Powell
Radwan
Rhodes, Ariz.

Yates
Younger
Zablocki
Zelenko

O'Hara, Minn.
O'Konski
Pfof
Poage
Polk
Preston
Reece, Tenn.
Reed
Rees, Kans.
Riley
Rogers, Fla.
Rogers, Tex.
Rutherford
Saylor
Scherer
Scott, N. C.
Scrivner
Sheehan
Sikes
Siler
Simpson, Ill.
Smith, Calif.
Smith, Kans.
Smith, Va.
Taber
Teague, Tex.
Thomas
Thompson, La.
Thomson, Wyo.
Tuck
Utt
Weaver
Wharton
Whitener
Whitten
Williams, Miss.
Willis
Wilson, Ind.
Winstead
Withrow
Young

Mr. Eberharter for, with Mr. Rivers against.
Mr. Hays of Ohio for, with Mr. Bass of Tennessee against.

Until further notice:

Mr. Edmondson with Mr. Radwan.
Mr. Jones of Missouri with Mr. Williams of New York.
Mr. Saund with Mr. Kearney.
Mr. Sieminski with Mr. Kearns.

Mr. GEORGE and Mr. BUSH changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks on the mutual security appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

SMALL BUSINESS ACT OF 1953

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7963) to amend the Small Business Act of 1953, as amended, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? The Chair hears none, and appoints the following conferees: Messrs. SPENCE, BROWN of Georgia, PATMAN, RAINS, McDONOUGH, WIDNALL, AND BETTS.

YELLOWTAIL DAM

Mr. HALEY. Mr. Speaker, I call up the conference report on the resolution (S. J. Res. 12) to provide for transfer of right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, and payment to Crow Indian Tribe in connection therewith, and for other purposes, and I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.
The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.
The Clerk read the statement.
The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 2010)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S. J. Res. 12) to provide for transfer of right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, and payment to Crow Indian Tribe in connection therewith, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House and

agree to the same with an amendment as follows:

Strike out section 1 of the House amendment and insert in lieu thereof: "That, from funds appropriated to the Department of the Interior, Bureau of Reclamation, for the Missouri River Basin project, there shall be transferred in the Treasury of the United States to the credit of the Crow Tribe of Indians, Montana, the sum of \$2,500,000. Said sum is intended to include both just compensation for the transfer to the United States as herein provided of all right, title, and interest of the Crow Tribe in and to the tribal lands described in section 2 of this resolution, except such as is reserved or excluded in said section 2, and a share of the special value to the United States of said lands for utilization in connection with its authorized Missouri River Basin project, in addition to other justifiable considerations. Nothing contained in this joint resolution shall be taken as an admission by the United States that it is under any legal obligation to pay more than just compensation to said Crow Tribe and, in any suit brought as provided in section 3 of this resolution, no amount in excess of the sum above stated shall be awarded unless the court finds that the whole of said sum is less than just compensation for all of the tribal right, title, and interest taken. No attorney fees shall be allowed out of the amount paid under authority of this section. Neither the initial transfer of such funds to the tribe, as provided herein, nor any subsequent per capita distribution thereof shall be subject to Federal income tax."

Strike out section 3 of the House amendment and insert in lieu thereof:

"SEC. 3. Unless suit is brought by the Crow Tribe in the United States District Court for the District of Montana or the Court of Claims within three years after the effective date of this joint resolution to determine whether an amount additional to that specified in section 1 hereof is due as just compensation, the sum provided by section 1 hereof shall be deemed to constitute full, complete, and final settlement of any and all claims by the tribe on account of the transfer to the United States as therein provided of the tribe's right, title, and interest in and to the lands referred to in section 2 hereof, including claims based on their power site and dam site values. In the event a suit to determine just compensation is so brought, either of said courts shall have jurisdiction as under section 1505, title 28, United States Code, and in determining just compensation shall take into account the rights reserved to the tribe by subsections (b), (c), and (d) of section 2 hereof and shall, if judgment be for the tribe, deduct from the amount thereof the sum specified in and paid under section 1 of this joint resolution. Review of the judgment shall be in the same manner, and subject to the same limitations, as govern in the case of other claims cognizable under the aforementioned section 1505. Nothing contained in this joint resolution shall be taken as an admission on the part of the United States that just compensation is required for any particular element of value, including power site and dam site value, now or hereafter claimed by the Crow Tribe, but the same shall be determined in accordance with the Constitution and laws of the United States."

And the House agree to the same.

JAMES A. HALEY,
WAYNE N. ASPINALL,
CLAIR ENGLE,

Managers on the Part of the House.

JAMES E. MURRAY,
CLINTON P. ANDERSON,
GEORGE W. MALONE,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (S. J. Res. 12) to provide for transfer of right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, and payment to Crow Indian Tribe in connection therewith, and for other purposes, submit the following statement in explanation of the effect of the language agreed upon and recommended in the accompanying conference report:

Senate Joint Resolution 12, as it came to the House, provided for the payment of \$5,000,000 to the Crow Tribe of Indians as just compensation for the transfer of the tribe's entire interest (except mineral rights) in lands required for the Yellowtail Dam and Reservoir of the Missouri River Basin project (act of December 22, 1944, sec. 9, 58 Stat. 887, as amended and supplemented) and in the light of special values related thereto for which such compensation is not required under the fifth amendment to the Constitution.

In the House this measure was amended to substitute \$2,500,000 as the amount to be paid the tribe. The amendment was accomplished by substituting the text of House Joint Resolution 2, as amended in committee, for the text of Senate Joint Resolution 12. Other changes also occurred as a result of this substitution, including the striking of the preamble to Senate Joint Resolution 12, the inclusion of a provision for distribution of the amount paid the tribe in accordance with the act of June 20, 1936 (49 Stat. 1543), the inclusion of a recital disclaiming any legal obligation on the part of the United States to pay more than just compensation to the Crow Tribe, a prohibition against payment of attorney fees from moneys paid under the resolution and the correction of minor errors in the land description.

The conference amendments adopt the House figure of \$2,500,000. They also provide that, if the tribe believes this to be less than the amount to which it is entitled as compensation, it may sue either in the Court of Claims or in the United States District Court for the District of Montana. The language of House Joint Resolution 2 disclaiming any legal liability for more than the compensation to which the tribe may be entitled under the Constitution is retained and provision is made requiring that the \$2,500,000 paid under section 1 be deducted from whatever judgment the tribe is awarded in such a suit. This will avoid any possibility of double compensation to the tribe. In view of claims made in pending litigation by the tribe, the conference amendment specifically adverts to power site and dam site value but provides that this reference shall not be taken as an admission by the Government that payment of just compensation therefor is required. This is designed to avoid prejudicing any independent judicial determination of this tribal claim that may be called for in the premises. The executive branch will be free, if it chooses to do so, to maintain the position that, to use the language of the President (S. Doc. No. 123, 84th Cong.) "General principles of constitutional law exclude power site values in determining 'just compensation' * * *."

The conference amendments conform to the House version of the bill in omitting the preamble and in the land description. They conform to the Senate version in omitting the provision for distribution of funds in accordance with the act of June 20, 1936. They adopt the House provision with respect to attorney fees in slightly modified form.

JAMES A. HALEY,
WAYNE N. ASPINALL,
CLAIR ENGLE,

Managers on the Part of the House.

Mr. SCHWENGEL. Mr. Speaker, will the gentleman yield?

Mr. HALEY. I yield to the gentleman.

Mr. SCHWENGEL. Mr. Speaker, I would like to ask the gentleman to explain this joint resolution. It seems to me that there were some serious objections to it earlier.

Mr. HALEY. This is a conference report. I might say to the gentleman that it follows substantially the joint resolution that was passed by the House. If the gentleman would like a further explanation of the resolution, I should be glad to yield to the gentleman from Montana, Mr. METCALF.

Mr. METCALF. Mr. Speaker, I thank the gentleman from Florida for yielding to me. As you have stated, this is substantially the House bill. It is the exact amount, \$2½ million, which was approved by the House when this legislation originally passed on February 19.

This bill does two things. It settles a longstanding controversy as to whether the United States can condemn Crow tribal land for the construction, operation and maintenance of Yellowtail Dam and fixes the compensation for the land taken at \$2½ million.

There is considerable doubt as to the right of the Federal Government to condemn Indian tribal lands. There is no question but that Congress by specific acts may authorize the condemnation of Indian lands despite prior treaty rights, statutes or agreements. Three recent decisions of United States district courts have not cleared up the doubts about whether or not there has been the specific grant of authority sufficient to give the United States the right to institute proceedings in eminent domain.

On March 10, the District Court for the Northern District of South Dakota in United States against 9005.22 acres of land, more or less, situate in Carson County, S. Dak., and Sioux Indians of Standing Rock reservation et al., analyzed the legislation authorizing and appropriating money for the construction of Oake Dam and came to the conclusion that the clear Congressional intention to grant power to condemn the Indian tribal land had not been manifested.

The South Dakota court summarized the legal principles applicable to the condemnation of Indian tribal lands as follows:

Certain principles of law are not disputed by either the tribe or the Government, but a recitation of these principles will assist in placing the issue here in its proper perspective. The right of eminent domain, which is the power to take private property for public use, is an inherent incident of sovereignty requiring no constitutional recognition, and the provision of the fifth amendment to the Federal Constitution that just compensation be paid for property taken is merely a limitation upon the use of that right. *United States v. Jones* (109 U. S. 513 (1883)); *United States v. Federal Land Bank of St. Paul* (8 Cir. 1942, 127 F. 2d 505, 508). The right to authorize the exercise of eminent domain lies only in the Congress, and an agency or officer of the United States may take property only to the extent of the Congressional authorization. *United States v. North American Transportation and Trading Co.* (253 U. S. 330 (1920)); *United States v. Welch* (327 U. S. 546 (1946)); *Youngstown*

Sheet & Tube Co. v. Sawyer (343 U. S. 579 (1952)). Congress has the power to authorize the taking of Indian tribal lands. *Cherokee Nation v. Southern Kansas Ry. Co.* (135 U. S. 641 (1890)). Where there is a treaty with Indians which would otherwise restrict the Congress, Congress can abrogate the treaty in order to exercise its sovereign right. *Thomas v. Gay* (169 U. S. 264 (1898)); *Choate v. Trapp* (224 U. S. 665 (1912)).

The court relied on the prevailing rule that "general legislation does not apply to Indians" as laid down in *Elk v. Wilkins*, one hundred and twelfth United States Reports, page 94, 1884, and cited with approval the following quotation from that case:

The Indian tribes, being within the territorial limits of the United States, were not, strictly speaking, foreign states; but they were alien nations, distinct political communities, with whom the United States might and habitually did deal, as they thought fit, either through treaties made by the President and the Senate, or through acts of Congress in the ordinary forms of legislation. The members of those tribes owed immediate allegiance to their several tribes, and were not part of the people of the United States. They were in a dependent condition, a state of pupillage, resembling that of a ward to his guardian. Indians and their property, exempt from taxation by treaty or statute of the United States, could not be taxed by any State. General acts of Congress did not apply to Indians, unless so expressed as to clearly manifest an intention to include them. (112 U. S. at pp. 99, 100).

In support of its contention that it had a right of condemnation over Indian tribal land the Government relied on five statutes. Two of them were title 33, United States Code Annotated, sections 591 and 701. These are the statutes empowering the Secretary of the Army to acquire by condemnation lands needed for rivers and harbors projects and flood-control projects. The third was the Flood Control Act of 1944, the fourth, the Public Works Appropriation Act of 1956 appropriating money for Oahe Dam and the fifth was title 40, United States Code Annotated, section 258a, the Declaration of Taking Act.

The court held that all these were general statutes and, therefore, did not indicate the specific intention of Congress to authorize the condemnation of Indian lands under the rules previously cited.

On March 24 the United States District Court for the District of Columbia in the case of the Seneca Nation of Indians against Wilber H. Brucker, Secretary of the Army, decided that "a review of the legislative history leading to and including the Appropriation Act of August 26, 1957, which appropriated and earmarked \$1 million for the construction of the Allegheny Reservoir project manifested a clear Congressional intention to authorize the construction of the project."

While the Seneca case was an application for an injunction and while the Standing Rock case was straight condemnation and while some of the statutes involved can be distinguished, it is hard to reconcile the two cases. In the Seneca case the court found that the general language of the Appropriation Act of

1957 appropriating money for the Allegheny project even though general legislation indicated clearly enough the intention of Congress to abrogate an Indian treaty. The Standing Rock case rejected the same contention on the part of the Government with respect to the Public Works Appropriation Act of 1956.

The two foregoing cases are here cited as indicating the conflict in these cases involving the power of the Federal Government to condemn Indian tribal lands for water resource projects. It will require a definitive appellate decision to resolve the question.

For the present, the right of entry and the power to condemn the tribal land needed for Yellowtail Dam has been determined pending appeal.

The Department of Interior instituted an action for the condemnation of the tribal lands of the Crow Tribe needed for Yellowtail Dam. Attorneys for the Crow Tribe moved to dismiss the action. On January 8, 1957, Hon. Charles N. Pray, district judge of United States District Court, Montana District, denied the motion to dismiss in an opinion reported in volume 152 Federal Supplements, page 861. Judge Pray held that the Flood Control Act of 1944, the General Condemnation Act and the appropriation acts indicated a Congressional intention to give the Department of Interior authority to such condemnation of the Crow tribal lands.

After the passage of Senate Joint Resolution 12 in the other body and its amendment and passage in this body another decision was handed down in the Crow condemnation case. In the intervening time, Judge Pray had retired and the presiding judge was Hon. W. J. Jameson. On May 15, 1958, Judge Jameson filed an opinion affirming Judge Pray's previous decision sustaining the right of the United States to condemn Crow tribal land.

Judge Jameson relied on the authorization act—Flood Control Act of 1944—the appropriation acts and language in the committee reports to find the expression of the specific Congressional intention necessary in these cases. This decision may be in conflict with the Standing Rock decision and was so treated in Judge Jameson's opinion. The court said "While the case is also distinguishable in some other respects—and was distinguished from Judge Pray's prior opinion by the court there—it does support defendant's position here." That is, the position of the Crow Tribe that the condemnation action should be dismissed.

Therefore, if the South Dakota court is sustained on appeal, the Montana decision would be questionable; at least in view of the conflicting decisions the question is open.

Senate Joint Resolution 12 transfers the land needed for Yellowtail Dam from the Crow Tribe to the United States so there is the specific manifestation of Congressional intention to take the land that a strict application of the rule seems to require. Whether the South Dakota court or the Montana and District of Columbia courts are sustained

on appeal the transfer under Senate Joint Resolution 12 would be approved.

The second part of the controversy has been the question of whether or not the power-site value should be considered in determining just compensation for the lands taken.

The Montana Congressional delegation has steadfastly contended that the waterpower value should be included in arriving at just compensation. Consideration of this value was the justification for arriving at the \$5 million figure which was passed by both Houses of the 84th Congress but vetoed by the President.

On the other hand, the Department of Interior and Justice has just as steadfastly contended that power-site value could not be considered in determining just compensation. In the departmental report, the Secretary of the Interior said—

Under the constitutional concept of just compensation an owner of land taken by the Government is ordinarily entitled to receive compensation measured by the fair market value of the land considering the uses of which that land is capable, or to which it reasonably may be expected to be adapted, by the owner or a purchaser other than the condemnor. It is the loss to the owner of such value, as well as severance damage, which is the loss, if any, occasioned by the taking in the value of the owner's remaining lands, that is encompassed within the term "just compensation." And, as recently as January 23 of this year in *United States v. Twin City Power Co.* (24 L. W. 4073) the Supreme Court reaffirmed the principle enunciated in *United States v. Chandler-Dunbar Water Power Co.* (229 U. S. 53 (1913)), that the adaptability of land as a site for a hydroelectric project, that is to say, power-site value, is not an element to be considered by the courts in determining just compensation in the constitutional sense when the United States is the condemnor of land bordering a navigable stream.

Nevertheless, the Secretary negotiated with the Crow Tribe and made an offer of \$1½ million.

In 1951 in an effort to arrive at an amicable agreement which could be recommended to the Congress for its approval, the Department proposed to the Crow Tribe a payment of \$1,500,000 for the tribal land required for the Yellowtail unit. As indicated earlier herein, at that time it was considered that the land required embraced a somewhat larger area than that presently contemplated. The proposal of \$1,500,000 was again presented to the tribe in December of 1953. In each instance, the proposal was rejected. (Department of Interior report on H. J. Res. 516, 84th Cong.)

In his veto message on the award of \$5 million, President Eisenhower rejected power-site value as an element of just compensation on the basis of the Twin City Power case cited above and after eliminating the waterpower value concluded that an award of \$5 million was "extravagant."

Since the passage of Senate Joint Resolution 12 in the House, we have had a judicial determination of the question of whether or not waterpower or power-site value is to be considered as a part of just compensation. This was the second part of Judge Jameson's decision in the

case of United States against 5,677.94 acres of land, more or less, of the Crow Reservation and other Civil No. 1825 above mentioned.

Judge Jameson distinguished the Twin City case and held it was not controlling in the instant litigation. It was held that the Twin City Power Co. case was limited to its application to a navigable stream. Then Judge Jameson ordered that the issue of whether or not the Big Horn River was navigable should be tried on July 8, 1958.

But, regardless of the issue of navigability, Judge Jameson held that the waterpower value must be considered as a part of just compensation because of section 10 of the Crow Allotment Act of 1920 that the lands "chiefly valuable for the development of waterpower shall be reserved from allotment or other disposition for the benefit of the Crow Tribe of Indians." The court further relied on the proviso of section 110e of the Federal Power Act, title 16, United States Code Annotated, section 803e:

Provided, That when licenses are issued involving the use of Government dams or other structures owned by the United States or tribal lands embraced within Indian reservations the Commission shall, subject to the approval of the Secretary of the Interior in the case of such tribal lands, subject to approval of the Indian tribe having jurisdiction of such lands as provided in section 476 of title 25, fix a reasonable annual charge for the use thereof.

Under this section, the Montana Power Co. rents a power site for Kerr Dam from the Flathead Indians on the Flathead Reservation. The comparison between Kerr Dam and Yellowtail was made when this bill was originally debated but it merits a brief mention here. Kerr Dam has a capacity of 180,000 kilowatts compared to the 200,000 at Yellowtail. The storage capacity of the two dams is approximately the same. Two thousand one hundred acres of tribal land was taken at Kerr Dam in comparison to the 7,000 acres to be taken for Yellowtail. Under the present agreement the Montana Power Co. pays the Flathead Tribe \$175,000 per year for rental for the Kerr site. This is subject to renegotiation after 20 years, which will be in 1959, and after 50 years the title to the dam reverts to the tribe under the present contract. Even if renegotiation does not result in an increased rental, the rental over the 50 years will total \$7,375,000.

On the basis of the formula for waterpower value in the Pelton Dam case in Oregon by the Interior Department's own figures the value at Yellowtail would be between \$3,710,000 and \$4,575,000.

So the waterpower value may be considerably more than \$2,500,000. This is not an open-ended thing, however. Any condemnation authorization would require that the Federal Government pay just compensation and the Federal court can be relied upon to protect the interests of both the Government and the tribe and equitably apply the rules of law.

The money provided for here would have to be appropriated because of language in the current appropriation bills

preventing the use of Missouri Basin account money for Yellowtail Dam.

In justification of the conference committees' decision to permit the Crow Tribe to sue for any additional amount believed to be justified I can do no better than to quote the recommendations of the Department of the Interior in the 1956 departmental report:

Whatever the amount provided by the Congress, in the absence of agreement by the tribe to accept such sum in full and final settlement of all tribal claims for the transfer to the United States of the tribe's interest in the lands in question, the tribe, in our judgment, would be entitled under section 1505 of title 28 of the United States Code to a judicial determination of whether any additional amount is required to constitute just compensation. The availability of judicial review would be made entirely clear by expressly providing for jurisdiction in the Court of Claims under section 1505. This section confers jurisdiction upon the Court of Claims to determine any Indian tribal claim accruing after August 13, 1946, if such claim is one "arising under the Constitution, laws or treaties of the United States * * * or is one which otherwise would be cognizable in the Court of Claims if the claimant were not an Indian tribe."

In that event, however, if the Congress is to provide a sum of \$1,500,000 or more, relatively early judicial review should be required and it should also be clear that the amount provided by the Congress, together with the rights reserved to the tribe in the legislation, is to be considered by the Court of Claims in arriving at a judicial conclusion as to just compensation.

I hope this conference report is adopted.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. HALEY. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. Mr. Speaker, I would like to ask the gentleman from Montana, does this permit the Indians to go into court if they are not satisfied with the \$2½ million?

Mr. METCALF. The language of the conference report permits the Indians to try to get more than the \$2½ million, if they are not satisfied.

Mr. MILLER of Nebraska. Has it been settled whether there are or not valuable minerals on this particular site?

Mr. METCALF. No one knows whether there are or not. But I know of no discovery of valuable minerals in this area.

Mr. MILLER of Nebraska. One more question, if I may. The \$2½ million, or any amount that might be recovered in court by a suit, does that come out of the funds of the Bureau of Reclamation?

Mr. METCALF. Originally it was to come from the Missouri Basin account but, under the conference report, it is to come from a direct appropriation for the construction of the dam.

Mr. MILLER of Nebraska. Suppose the amount is over \$2½ million, then where would the money come from?

Mr. HALEY. Then it would come from the General Treasury.

Mr. ASPINALL. Mr. Speaker, will the gentleman yield?

Mr. HALEY. I yield to the gentleman from Colorado.

Mr. ASPINALL. When this measure was on the floor of the House, the Members were advised that the committee, if

they went to conference, would come back with the House bill provisions in certain aspects. I can assure my colleagues that we came back with the House bill on its important provisions. We did not give an inch on the amount. We kept the amount approved by the House and also the procedure which permits the tribe to sue if they see fit. This was the intent of the committee as the bill was forwarded to the House for its disposition. But, whatever they get, it will have to be in addition to the \$2½ million that the legislation provides.

Mr. SAYLOR. Mr. Speaker, will the gentleman yield?

Mr. HALEY. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. I should like the Members of the House to know what is in this conference report. This is the first time I have ever known a conference report to come back to the House containing the equivalent of a blank check that is signed and delivered. As the gentleman from Colorado [Mr. ASPINALL] has stated, it is true that the conferees came back and have kept the House figure of \$2.5 million, but in addition they did this remarkable thing: They said:

We do not know what the value of this dam site is, we do not know what the value of this property is, but we will give you \$2.5 million and, in addition to a grant of \$2.5 million, we will give the Crow Indian Tribe the right to go into court and bring suit and prove any damages they can against the Federal Government. We guarantee to the Crow Indian Tribe that they cannot receive less than \$2.5 million and, if there is any mineral discovery, if there is any element of value which has not been considered by the conference, that can be considered by the court and the moneys will be paid to the Indian tribe.

There is absolutely no limit to what this conference report will authorize.

I should like to ask the gentleman from Florida whether or not that is a correct interpretation of this conference report.

Mr. HALEY. I think the Indians have the right to go into court, which is a right I think every American citizen has. The Bureau is on the side of the Indian tribe you might say. They sent up a report on this. As the gentleman knows, they said they would not oppose \$2.5 million. The gentleman is well aware of the fact that the Indians are very unhappy about this provision. They do not want to take the \$2.5 million. The other body thought it was worth \$5 million. If the gentleman wants to argue this joint resolution, we have merely brought back here a conference report which in sum and substance keeps the absolute dollar that the House wrote into the joint resolution.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. HALEY. I yield.

Mr. MILLER of Nebraska. It occurs to me that I got the wrong answer when I was asking a question a few moments ago. On the first page of the conference report it is stated:

Strike out section 1 of the House amendment and insert in lieu thereof: "That, from

funds appropriated to the Department of the Interior, Bureau of Reclamation, for the Missouri River Basin project, there shall be transferred in the Treasury of the United States to the credit of the Crow Tribe of Indians, Montana, the sum of \$2,500,000."

So the money does come out of the reclamation fund, and any money that might be given to them by suit also comes from the reclamation fund.

Mr. ASPINALL. Mr. Speaker, will the gentleman yield?

Mr. HALEY. I yield to the gentleman from Colorado.

Mr. ASPINALL. In this respect the conference report contains the identical language that was in the House joint resolution and the original joint resolution from the other body. We have not changed that language one whit. As far as the additional award is concerned, if any is made it will come from the General Treasury.

Mr. MILLER of Nebraska. Then I do not read the conference report right. The Senate recedes from its disagreement to the amendments of the House and agrees to the same with an amendment as follows: Strike out section 1 and do the very thing it says, take the money out of the reclamation fund. We struck out the House language and put in the language I have just read, which takes the \$2.5 million from the Department of the Interior, the Bureau of Reclamation, Missouri River Basin project funds, and transfers it to the Treasury of the United States.

Mr. ASPINALL. I wish to read from Senate Joint Resolution 12 the words immediately following the resolving clause:

That, from funds appropriated to the Department of the Interior, Bureau of Reclamation, for the Missouri River Basin project, there shall be transferred in the Treasury of the United States to the credit of the Crow Tribe of Indians, Montana, the sum of \$5 million.

Now I wish to read from House Joint Resolution No. 2, after the resolving clause:

From funds appropriated to the Department of the Interior, Bureau of Reclamation, Missouri River Basin project, there shall be transferred in the Treasury of the United States to the credit of the Crow Tribe of Indians the sum of \$5 million.

Now I wish to read from the conference report:

Strike out section 1 of the House amendment and insert in lieu thereof: "That from funds appropriated to the Department of Interior, Bureau of Reclamation, for the Missouri River Basin project, there shall be transferred in the Treasury of the United States to the credit of the Crow Tribe of Indians, Montana, the sum of \$2,500,000."

In other words, it is taking the funds from the Missouri River Basin fund in the Bureau of Reclamation and crediting it to the Indian Tribes. That is the same language and to me means the same thing in all three instances.

Mr. SAYLOR. Mr. Speaker, will the gentleman yield?

Mr. HALEY. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. I would just like to tell the Members there is evidence that

in this area which will be flooded there are rich uranium deposits. As to the amount, no one knows and an authority on that subject told me that no one would be in a position to state what their value was; whether they had any recoverable value or whether or not it was only an isolated instance where it is not possible to mine them and that that would not be determined until after another area was drilled and that that can be done within 3 years, and as I say, it would constitute writing a blank check if valuable deposits of minerals were discovered in that area.

Mr. HALEY. Mr. Speaker, may I say to the distinguished gentleman from Pennsylvania the people in Montana call their State the Treasure State and they think there are treasures everywhere. The gentleman from Florida does not know whether there is a gold mine out there or a copper mine or what might be out there. The gentleman from Florida does not know what deposits there might be there, but I understand that as of this time there are no known minerals in this immediate area.

Mr. METCALF. Mr. Speaker, will the gentleman yield?

Mr. HALEY. I yield to the gentleman from Montana [Mr. METCALF] to answer the gentleman's question.

Mr. METCALF. Mr. Speaker, I know of no place and I know of no one who has located a claim on this reservation. I know of no one who says that there are minerals or uranium or oil in this area except Mr. Yellowtail, who is opposed to this bill, and has been opposed to it and who is trying to use every device possible to defeat this legislation.

Mr. PILLION. Mr. Speaker, will the gentleman yield?

Mr. HALEY. I yield to the gentleman from New York.

Mr. PILLION. Is this not the project which the hearings in the Department of the Interior established the value of these approximately 7,000 acres to be somewhere between \$35,000 and \$70,000?

Mr. HALEY. I yield to the gentleman from Montana.

Mr. METCALF. The value of the actual land to be inundated is something less than \$50,000. But, the United States District Court for Montana has held that in addition to that by treaty and by legislation and by previous action of this Congress there is a power site value that the Department of the Interior witnesses said was worth an awful lot of money, and witnesses testified it was \$5 million, and the United States District Court for South Dakota in a recent opinion has sustained that position and has held that in the interest of the Indian tribes concerned, they must be paid for that power site.

Mr. PILLION. But similar land without the power site about to be built there would be of the value of similar land, and that would be roughly about \$50,000?

Mr. METCALF. That is correct.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. HALEY. I yield.

Mr. ARENDS. The only thing I am interested in about the conference report, not knowing in detail too much about it, is the fact that no minority member signed the conference report and I am wondering if there is some reason why they did not. It was not signed by any minority member. I thought someone might explain what the situation was, but I notice no minority member signed the conference report.

Mr. HALEY. Mr. Speaker, I yield to the gentleman from Illinois [Mr. COLLIER] to answer the gentleman's inquiry.

Mr. COLLIER. Mr. Speaker, permit me to explain my position which was undoubtedly the position of the other Republican member of the House conferees. We declined to sign the report because section 2 or section 3 of the bill, as the gentleman from Pennsylvania pointed out, was strictly open end and it invites suit while under the general law the Crow Tribe would have the right to sue anyway or to pursue litigation.

The fact remains that we could not repeal this type of claim by closing the door to that. In view of the increase in the number of Indian claims of late, we are going to be faced with the situation where we are going to have to close the open end in making agreements. I think this should be a case of either taking the 2½ million or going to court and see what the court awards. In consideration of the fact that the land was appraised at \$45,000, it seems like a tremendous act of generosity on the part of the House even if that were the final settlement. But I do not like to see legislation passed where you grant \$2½ million for a piece of property valued at \$45,000, and then have an invitation in the same legislation to sue for anything more that they feel they might be able to get. That was my reason for declining to sign the report. And that is probably the same reason why my colleague did not sign it.

Mr. HALEY. I thank the gentleman. I am sure that he feels as I do, that if there are any tremendous values there we would not want to cut off the Indians from having their day in court.

Mr. BERRY. Will the gentleman yield?

Mr. HALEY. I yield.

Mr. BERRY. Does not this bill simply do two things: First, it transfers title from the tribe to the United States Government, and that because of the treaty rights held by these Indians it is necessary, this being tribal land, that the Congress make this transfer.

Secondly, it pays the Indians what the Congress thought was a fair and reasonable price for the land and for the dam site. The courts have held that a reasonable value of the dam site should be included in this classification. It leaves open the fact that if the tribe is not satisfied and they believe there is more value there than the 2½ million, they may either go into the Federal court or the Court of Claims and ask for additional money, and if the courts decide that their land is worth more than the 2½ million they may then collect.

Mr. HALEY. The gentleman is absolutely correct. That same proposition

was argued here, and we went over that prior to the passage of the bill.

Mr. MILLER of Nebraska. Will the gentleman yield?

Mr. HALEY. I yield.

Mr. MILLER of Nebraska. I want to ask, Was the decision of the court recently for \$5 million or \$2,500,000?

Mr. HALEY. I yield to the gentleman from Montana.

Mr. METCALF. The court appointed commissioners to go down there and inspect the site, but the court held that the power site value, and the treaty rights, and all these other special rights which the Indian tribe had must be included in determining the value. The court has not set any price as yet.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. HALEY. Mr. Speaker, I ask unanimous consent that I may extend my remarks on the conference report at this point in the RECORD and that other Members may have the same privilege and that I may revise and extend the remarks I just made.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. HALEY. Mr. Speaker, Senate Joint Resolution 12 provides for the acquisition by the Federal Government of Indian tribal lands which it needs for construction of the Yellowtail dam and reservoir, a unit of the Missouri River Basin project. Argument over whether these lands can be taken and, if so, how much should be paid for them has been going on for more than 10 years. The matter has been before the Congress for at least 6 years. Adoption of the conference report on Senate Joint Resolution 12 will, I hope, furnish a sound and reasonable basis for settling the argument.

The principal difference between Senate Joint Resolution 12 as it passed the Senate and as it was amended in the House was the amount to be paid for the Yellowtail site. The Senate figure was \$5 million and the House figure \$2,500,000. The conferees recommend \$2,500,000.

In vetoing a similar measure in 1956—Senate Joint Resolution 135, 84th Congress—which provided for payment of \$5 million, the President said, among other things, that this amount was extravagant. Many Members of the House agreed with this, since when we considered that measure in the 84th Congress we wrote a limit of \$1,500,000 into it.

Because of this and because we believe \$2,500,000 to be a generous amount, the House conferees on the current bill stuck to it and the Senate conferees agreed. The report of the Interior Department dated March 29, 1957, which came to our committee without objection from the Bureau of the Budget, indicates that this figure will be acceptable to the executive branch.

In accepting the \$2,500,000 which the House had agreed to rather than the

Senate's \$5 million, however, the Senate conferees called for reinstatement of a provision permitting the Crow Tribe to sue for additional compensation if it believes that \$2,500,000 is less than it is entitled to as just compensation under the Constitution and laws of the United States. Such a provision was included in the joint resolution originally introduced in the House and was not objected to by the Interior Department or the Bureau of the Budget.

Even though we believe \$2,500,000 to be more than enough to compensate the Indians for their lands and to give them, as both House and Senate versions provided, a share of the special value which the Yellowtail dam site has to the Government, the House conferees could not well refuse to let the Indians have their day in court if they honestly believe that the Constitution entitles them to more than we are allowing them. Indeed, it would take affirmative legislation closing the courts to them to keep them out, for section 1505 of title 28, United States Code, is general legislation allowing them to come in.

Care has been taken in drafting the conference amendment to make three points clear:

First. That the Congress does not admit that the Government is legally obligated to pay more than just compensation to the tribe.

Second. That the Congress does not admit that power site value or dam site value is a proper element of just compensation under the Constitution and laws of the United States.

Third. That the joint resolution will not result in the tribe's being compensated twice for the same thing.

All of these are clearly spelled out in the conference language. This language insures that if the tribe decides to sue and if just compensation is judicially determined to be less than \$2,500,000 it will have gained nothing by its suit. Likewise, if it is judicially determined that just compensation is more than \$2,500,000, that amount will be subtracted from the judgment before it is paid.

Our language is also designed to avoid either aiding or prejudicing the tribe or the Government in their respective contentions with respect to the constitutional necessity of compensation for power site value. This is a point about which there is a dispute between, on the one hand, the Justice and Interior Departments and, on the other hand, the Crow Tribe. Our proposal is to leave it to the courts to determine whether this is an element of just compensation in the circumstances of this case and whether, if it is, it is adequately covered by the \$2,500,000 allowance.

Other points of difference between the House and Senate versions of Senate Joint Resolution 12 were minor and readily settled. It was agreed that the preamble which the Senate version contained should be stricken as the House proposed. Corrections to the land description which had been made by the House were accepted. A provision prohibiting the payment of attorney fees from the \$2,500,000 which the House had

adopted was accepted by the Senate but was modified to make it clear that the prohibition does not run to attorney fees earned in connection with litigation. And it was agreed that the bill should not contain a provision with respect to the distribution of funds which the House wished but which the Senate and the Crow Tribe objected to.

Mr. ANDERSON of Montana. Mr. Speaker, of course, I am disappointed that this legislation does not provide more than \$2½ million as an initial payment to the Crow Indians for this dam site. Two different engineers who appraised this site for the Government said it was worth more than \$4½ million. Mr. Barry Dibble, an engineer who appraised the site for the Crow Tribe, reported that it was worth \$5 million. I think we might well have accepted the Senate figure of \$5 million in full settlement, since the Crow Tribe has indicated that they regard this as a fair figure.

Nevertheless, this conference committee report does provide that eventually the Indians will receive the full value of the dam site. Nothing in this amended bill is intended to be construed as in any way limiting the final settlement figure to \$2½ million, or any other figure below its actual, full value. The Crow Tribe is authorized to start suit in either the district court or the Court of Claims for any additional values over and beyond the \$2½ million which are provided to be paid immediately. We are taking from the Indians none of the rights they now have, and we are providing for immediate transfer to their account of their \$2½ million which now becomes a floor figure, a guaranty that they will receive at least that much for their dam site.

At the same time, this bill provides an adequate title to the Government so that the long-delayed construction of this key dam on the Big Horn River can be gotten underway. I shall not impose on the time of my colleagues at this late hour, but a few of the values of this development should be pointed out. First in importance, of course, is the production of 200,000 kilowatts of power. In a State and a district that is primarily agricultural, we look forward to the development of industry as this low-cost power becomes available. Industry will broaden our economic base and broaden our tax base, helping to stabilize an economy which is now all too dependent on the vagaries of rainfall, crop conditions and farm prices.

This is a multipurpose dam and new acres will be brought under irrigation to stabilize the agricultural economy, providing hay, grain, and other products, even in years of drought.

The recreational value of this reservoir on the Big Horn will be fully exploited and enjoyed by people from all over the Midland Empire, which surrounds it. The benefits of flood control and silt control will extend downstream to benefit residents of neighboring States and others all the way down the great Missouri and Mississippi Valleys. Let us pass this conference report and get on with this sound and profitable investment in America's future.

CONSTRUCTION AND SALE OF SUPERLINER PASSENGER VESSELS

Mr. BONNER. Mr. Speaker, I call up the conference report on the bill (H. R. 11451) to authorize the construction and sale by the Federal Maritime Board of a superliner passenger vessel equivalent to the steamship *United States*, and a superliner passenger vessel for operation in the Pacific Ocean, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill. The Clerk read the conference report. The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 2100)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 11451) to authorize the construction and sale by the Federal Maritime Board of a superliner passenger vessel equivalent to the steamship *United States*, and a superliner passenger vessel for operation in the Pacific Ocean, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment.

HERBERT C. BONNER,
FRANK W. BOYKIN,
EDWARD A. GARMATZ,
THOR C. TOLLEFSON,
JOHN J. ALLEN, JR.,

Managers on the Part of the House.

WARREN G. MAGNUSON,
JOHN O. PASTORE,
JOHN M. BUTLER,
NORRIS COTTON,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 11451) to authorize the construction and sale by the Federal Maritime Board of a superliner passenger vessel equivalent to the steamship *United States*, and a superliner passenger vessel for operation in the Pacific Ocean, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

In the past several years the United States has been suffering from a serious deficiency in its mobilization base due to the lack of large, safe, modern passenger vessels for immediate conversion to troopships in time of emergency. There is also a great and growing demand for an increase in the passenger-carrying segment of the American merchant marine. H. R. 11451 is a bill to help meet these deficiencies in shipping services presently inadequately served by American-flag ships.

The Atlantic superliner will replace the aging *S. S. America* and provide additional capacity for the North Atlantic with a sister ship to the *S. S. United States*, and the Pacific ship will augment the trans-Pacific service rendered by the *S. S. President Wilson* and *Cleveland* in a trade which is rapidly growing. The bill was found necessary because the Merchant Marine Act of 1936 is not entirely adequate to assure the construction of vessels in the superliner category, involving highly complex questions of construction subsidy determination, differentiation between commercial and defense features, American versus foreign construction and safety standards, determination of special governmental assistance received by competing foreign passenger ships and other mat-

ters of opinion subject to a wide variation of viewpoints. Failure of the former Maritime Commission to recognize the inadequacy of existing law resulted in lengthy controversy over the contracts for the construction of the *S. S. United States* and two other superliners after World War II.

The 1936 act anticipated the probable need for superliners, but did not attempt to prescribe the precise legislative provisions necessary to assure their construction. Accordingly, after full study and lengthy hearings, it was found that in order to make it possible for an American operator to secure an economic return in accordance with the parity principle of the act, it was necessary that the imponderables and ambiguities encountered when the steamships *United States*, *Constitution*, and *Independence* were constructed be resolved through special legislation. This bill, by establishing special pricing provisions based upon the special characteristics of each of the ships authorized, clarifies those matters that were the source of the previous controversy, and at the same time fully protects the interest of the Government.

The paramount justification for superliners of the category covered by this bill is the national security. The testimony in both Houses was emphatic on this point. The special speed capability and the high standards of wartime safety and stability which have been built into the *S. S. United States*, including such features as watertight subdivision, aluminum deckhouse structure, lightweight piping, and the highest degree of fire resistance are well known and were important in the consideration of this bill. On the basis of fully qualified military testimony, it is understood that these features improve both the safety and speed of the vessel if put to use as a wartime troopship. Accordingly, it is the intent of this bill that the national defense features of each of the new superliners will incorporate the same high standards of design and construction as those of the *S. S. United States*, and that the speed built into the vessels will be as high above the commercial operating speeds established in the hearings as is practicable, considering the hull designs and types of vessels authorized. The importance of high defense construction standards must be emphasized.

As amended by the Senate, the bill would add a new section as follows:

"No common carrier by water subject to the Shipping Act of 1916, as amended; the Merchant Marine Act of 1936, as amended; or any other act; shall directly or indirectly issue any ticket or pass for the free or reduced-rate transportation to any official or employee of the United States Government (military or civilian) or to any member of their families, traveling as a passenger on any ship sailing under the American flag in foreign commerce or in commerce between the United States and its Territories and possessions; except that this restriction shall not apply to persons injured in accidents at sea and physicians and nurses attending such persons and persons rescued at sea. Nothing contained in this section shall prohibit any common carrier by water, under such terms and conditions as the Board may prescribe, from interchanging with any other common carrier by water free tickets, free passes, or free or reduced-rate transportation for their directors, officers, and employees and their immediate families, unless such individuals are also employees of the United States Government."

The conference managers on the part of the House disagreed with the Senate amendment for the following reasons:

1. There is no appropriate place for the amendment in the bill. The purpose of the bill is to authorize the construction and specify the method of financing the construction of two superliners for the Atlantic and Pacific Oceans in accordance with the

Merchant Marine Act of 1936, subject to the necessary modifications provided for by the bill. The amendment has nothing to do with the purpose of the bill and would apply to all common carriers by water subject to the Shipping Act of 1916, the Merchant Marine Act of 1936, or any other act. In the opinion of the managers on the part of the House the amendment is not germane.

2. There is already statutory prohibition against passenger carriage below tariff rates with respect to the coastwise and inter-coastal commerce of the United States. The amendment, covering a smaller part of this same field, would certainly confuse and might weaken the broader statute.

3. The amendment has implications far beyond those apparent on its face. For example, the Military Sea Transportation Service presently enters into contract arrangements with private American-flag carriers for transportation of civilian and military personnel of the Department of Defense and their dependents. The proposed amendment would upset these arrangements, which have been found to be very satisfactory from the Government's standpoint. It is estimated that if the amendment becomes law it will cost the Defense Department alone as much as \$1,250,000 to \$1,500,000 additional per year to move military and civilian personnel and their dependents overseas on existing carriers.

Postal employees must travel on some ships in connection with the movement of the mails. Existing law authorizes Post Office officials to travel free on American ships when on official business.

Similarly, departmental personnel such as Maritime and Coast Guard employees would, on occasion, have to travel on American ships in connection with their functions relative to the particular ships. There are undoubtedly many other legitimate occasions for free or reduced rate travel while on official business. A proposal such as that contained in the amendment should not proscribe these wholly legitimate activities.

4. The amendment can only be made applicable to American water carriers who for the most part are in competition with foreign steamship lines in international trade. These foreign lines (many of which are nationally owned or controlled) would not be affected by the amendment.

Matters concerning passenger rates, fares, and tariffs are controlled by the member companies of the international steamship passenger conferences. It is understood that the conference agreements contain provisions regulating these matters on a uniform basis to avoid unfair or discriminatory practices. The Committee on Merchant Marine and Fisheries has announced early commencement of a comprehensive study of the steamship conference system and intends to include consideration of the questions involved in the amendment.

5. There is no evidence of existing abuses.

6. The amendment would be administratively difficult to handle, and is not clear as to its meaning in all respects.

7. No hearings have been held in either House on the subject matter of the amendment.

8. A bill, S. 306, is presently pending before the Senate Interstate and Foreign Commerce Committee which is intended to cover the objectives of the amendment. If the objectives of the amendment are desirable, they should be appropriately considered in connection with the pending bill.

9. Only through appropriate hearings can the ramifications of the amendment be fully disclosed and effective legislation written if such is found to be necessary.

For the foregoing reasons the conference managers on the part of the House felt compelled to disagree to the Senate amendment, and the Senate receded therefrom. It is hoped, however, that the subject matter of

the amendment, in the form of S. 306 or otherwise, will be given full hearings to determine the need for corrective legislation.

In view of the foregoing agreement of the conferees the proposed conference substitute is identical with the House bill.

HERBERT C. BONNER,
FRANK W. BOYKIN,
EWARD A. GARMATZ,
THOR C. TOLLEFSON,
JOHN J. ALLEN, JR.,

Managers on the Part of the House.

Mr. PELLY. Mr. Speaker, will the gentleman yield?

Mr. BONNER. I yield.

Mr. PELLY. Mr. Speaker, I regret that the House-Senate conferees did not retain the Senate amendment which would have prohibited the private shipping lines from extending free or reduced travel rates to officials or employees of the Federal Government or their families. I do not believe that Members of Congress or anyone connected with the granting of subsidies should be allowed to accept or offer fares more favorable than is available to the general public.

In this instance, Congress has authorized the construction of 2 superliner passenger vessels at a total cost of something like \$210 million and then in turn has approved the sale of these 2 ships to private operators for about \$80 million. Any special favors to those who negotiated such arrangements obviously would be out of order. But let me make it clear I do not criticize invitations for excursions or trial runs of new or modernized vessels where education and publicity is the object and where all guests are on an equal basis. Historically for promotion purposes short voyages or nonscheduled shake down trips are made and public officials participate without any sense of obligation and I do not object to Members or their families taking such trips.

However, I would express the hope that in time an overall standard or set of rules of ethics for officials and employees of both branches of Government will be established so that the public confidence in our form of government will be strengthened. Meanwhile, I suggest that the Williams amendment which was not agreed to by the conferees should have been adopted because there is no reason that shipping lines should be on a different basis than railroads or airlines. Certainly public opinion supports an absolute prohibition against public officials being given special rates by the medium which they are under the responsibility of regulating.

The conference report was agreed to.

A motion to reconsider was laid on the table.

LAKE O' THE PINES

Mr. DAVIS of Tennessee. Mr. Speaker, I have two consent requests both of which have been cleared with the majority and ranking minority members of the Committee on Public Works, and also with the majority and minority leaders.

Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 633, to designate the lake formed by the Ferrells Bridge Dam across Cypress Creek in Texas as Lake O' the Pines.

The Clerk read the resolution, as follows:

Resolved, etc., That the reservoir formed by the Ferrells Bridge Dam across Cypress Creek in Texas, authorized to be constructed by section 11 of the Flood Control Act of 1946, is hereby designated as Lake O' the Pines. Any law, regulation, map, document, record, or other paper of the United States in which such reservoir is referred to shall be held to refer to such reservoir by the name of Lake O' the Pines.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

FLOOD CONTROL COMPACT BETWEEN STATES OF CONNECTICUT AND MASSACHUSETTS

Mr. DAVIS of Tennessee. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2964) granting the consent and approval of Congress to a compact between the State of Connecticut and the State of Massachusetts relating to flood control. This also has been cleared with both sides.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent and approval of Congress is given to the compact between the State of Connecticut and the State of Massachusetts relating to flood control. Such compact reads as follows:

"ARTICLE I

"The principal purposes of this compact are: (a) To promote interstate comity among and between the signatory states; (b) to assure adequate storage capacity for impounding the waters of the Thames River and its tributaries for the protection of life and property from floods; (c) to provide a joint or common agency through which the signatory States, while promoting, protecting, and preserving to each the local interest and sovereignty of the respective signatory States, may more effectively cooperate in accomplishing the object of flood control and water resources utilization in the basin of the Thames River and its tributaries.

"ARTICLE II

"There is hereby created 'The Thames River Valley Flood Control Commission', hereinafter referred to as the 'commission', which shall consist of 6 members, 3 of whom shall be residents of the Commonwealth of Massachusetts; 3 of whom shall be residents of the State of Connecticut.

"The members of the commission shall be chosen by their respective States in such manner and for such terms as may be fixed and determined from time to time by the law of each of said States respectively by which they are appointed. A member of

the commission may be removed or suspended from office as provided by the law of the State for which he shall be appointed, and any vacancy occurring in the commission shall be filled in accordance with the laws of the State wherein such vacancy exists.

"A majority of the members from each State shall constitute a quorum for the transaction of business, the exercise of any of its powers or the performance of any of its duties, but no action of the commission shall be binding unless at least two of the members from each State shall vote in favor thereof.

"The compensation of members of the commission shall be fixed, determined, and paid by the State which they respectively represent. All necessary expenses incurred in the performance of their duties shall be paid from the funds of the commission.

"The commission shall elect from its members a chairman, vice chairman, and a clerk-treasurer. Such clerk-treasurer shall furnish to the commission, at its expense, a bond with corporate surety, to be approved by the commission, in such amount as the commission may determine, conditioned for the faithful performance of his duties.

"The commission shall adopt suitable by-laws and shall make such rules and regulations as it may deem advisable not inconsistent with laws of the United States, of the signatory States or with any rules or regulations lawfully promulgated thereunder.

"The commission shall make an annual report to the governor and legislature of each of the signatory States, setting forth in detail the operations and the transactions conducted by it pursuant to this compact.

"The commission shall keep a record of all its meetings and proceedings, contracts and accounts, and shall maintain a suitable office, where its maps, plans, documents, records and accounts shall be kept, subject to public inspection at such times and under such regulations as the commission shall determine.

"ARTICLE III

"The commission shall constitute a body, both corporate and politic, with full power and authority: (1) to sue and be sued; (2) to have a seal and alter the same at pleasure; (3) to appoint and employ such agents and employees as may be required in the proper performance of the duties hereby committed to it and to fix and determine their qualifications, duties and compensation; (4) to enter into such contracts and agreements and to do and perform any and all other acts, matters and things as may be necessary and essential to the full and complete performance of the powers and duties hereby committed to and imposed upon it and as may be incidental thereto; (5) to have such additional powers and duties as may hereafter be delegated to or imposed upon it from time to time by the action of the legislature of either of said States, concurred in by the legislature of the other State and by the Congress of the United States.

"The commission shall make, or cause to be made, such studies as it may deem necessary, in cooperation with the Corps of Engineers, United States Army, and other Federal agencies, for the development of a comprehensive plan for flood control and for utilization of the water resources of the Thames River Valley.

"The commission shall not pledge the credit of the signatory States or either of them.

"ARTICLE IV

"The Commonwealth of Massachusetts wherein is located the site of each of the following dams and reservoirs agrees to the construction by the United States of each

such dam and reservoir in accordance with authorization by the Congress:

"(1) At East Brimfield on the Quinebaug River controlling a drainage area of approximately 67 square miles and providing flood control storage of approximately 8 inches of runoff from said drainage area.

"(2) At Buffumville on the Little River controlling a net drainage area of approximately 26 square miles and providing flood control storage of approximately 8 inches of runoff from said drainage area.

"(3) At Hodges Village on the French River controlling a drainage area of approximately 30 square miles and providing flood control storage for approximately 8 inches of runoff from said drainage area.

"(4) At Westville on the Quinebaug River controlling a drainage area of approximately 90 square miles and providing flood control storage for approximately 2.5 inches of runoff from said drainage area.

"ARTICLE V

"The State of Connecticut agrees to reimburse the Commonwealth of Massachusetts 40 percent of the amount of taxes lost to their political subdivisions by reason of acquisition and ownership by the United States of lands, rights, or other property therein for construction in the future of any flood control dam and reservoir specified in article IV and also for any other flood control dam and reservoir hereafter constructed by the United States in the Thames River Valley in Massachusetts.

"Annually, not later than November 1 of each year, the commission shall determine the loss of taxes resulting to political subdivisions of the Commonwealth of Massachusetts by reason of acquisition and ownership therein by the United States of lands, rights or other property in connection with each flood control dam and reservoir for which provision for tax reimbursement has been made in the paragraph next above. Such losses of taxes as determined by the commission shall be based on the tax rate then current in each such political subdivision and on the average assessed valuation for a period of 5 years prior to the acquisition by the United States of the site of the dam for such reservoir, provided that whenever a political subdivision wherein a flood control dam and reservoir or portion thereof is located shall have made a general revaluation of property subject to the annual municipal taxes of such subdivisions, the commission may use such revaluation for the purpose of determining the amount of taxes for which reimbursement shall be made. Using the percentage of payment agreed to in this article, the commission shall then compute the sum, if any, due from the State of Connecticut to the Commonwealth of Massachusetts and shall send a notice to the treasurer of each signatory State setting forth in detail the sum, if any, Connecticut is to pay and Massachusetts is to receive in reimbursement of tax losses.

"The State of Connecticut on receipt of formal notification from the commission of the sum which it is to pay in reimbursement for tax losses shall, not later than July 1 of the following year, make its payment for such tax losses to the Commonwealth of Massachusetts wherein such loss or losses occur, except that in case of the first annual payment for tax losses at any dam or reservoir such payment shall be made by the State of Connecticut not later than July 1 of the year in which the next regular session of its legislature is held.

"Payment by the State of Connecticut of its share of reimbursement for taxes in accordance with formal notification received from the commission shall be a complete and final discharge of all liability by the State to the Commonwealth of Massachu-

sets for each flood control dam and reservoir within that State for the time specified in such formal notification. The Commonwealth of Massachusetts shall have full responsibility for distributing or expending all such sums received, and no agency or political subdivision of the Commonwealth shall have any claim against the State of Connecticut or against the commission relative to tax losses covered by such payments.

"The two States may agree, through the commission, on a lump sum payment in lieu of annual payments and when such lump sum payment has been made and received, the requirement that the commission annually shall determine the tax losses, compute sums due and send notice thereof to the treasurer of each State shall no longer apply with respect to any flood control dam and reservoir for which lump sum payment has been made and received.

"On receipt of information from the Chief of Engineers, United States Army, that request is to be made for funds for the purpose of preparing detailed plans and specifications for any flood control dam and reservoir proposed to be constructed in the Thames River Valley in Massachusetts, including those specified in article IV, the commission shall make an estimate of the amount of taxes which would be lost to the political subdivisions of that State by reason of acquisition and ownership by the United States of lands, rights or other property for the construction and operation of such flood control dam and reservoir and shall decide whether the flood control benefits to be derived from such flood control dam and reservoir, both by itself and as a unit of a comprehensive flood control plan, justifies, in the opinion of the commission, the assumption by Connecticut of the obligation to make reimbursement for loss of taxes. Such estimate and decision shall thereafter be reviewed by the commission at 5-year intervals until such time as the United States shall have acquired title to the site of such flood control dam or plans for its construction are abandoned. The commission shall notify the Governor, the Members of the United States Senate and the Members of the United States House of Representatives from each signatory State and the Chief of Engineers as to the commission's decision and as to any change in such decision.

"On receipt of information from the Chief of Engineers, that any flood control dam and reservoir is to be constructed, reconstructed, altered, or used for any purpose in addition to flood control, including those flood control dams and reservoirs heretofore constructed and those specified in article IV, the commission shall make a separate estimate of the amount of taxes which would be lost to the political subdivisions of the Commonwealth of Massachusetts by reason of acquisition and ownership by the United States of lands, rights, or other property for construction and operation of such dam and reservoir in excess of the estimated amount of taxes which would be lost if the dam were constructed and operated for flood control only and the commission shall decide the extent to which, in its opinion, the State of Connecticut would be justified in making reimbursement for loss of taxes in addition to reimbursement for such dam and reservoir if constructed and used for flood control only. Such estimate and decision shall thereafter be reviewed by the commission at 5-year intervals until such time as such dam and reservoir shall be so constructed, reconstructed, altered, or used or plans for such construction, reconstruction, alteration or use are abandoned. The commission shall notify the governor, the Members of the United States Senate, and the Members of the United States House of Representatives

from each signatory State as to the commission's decision and as to any change in such decision.

"A signatory state may, in agreement with the commission and the Chief of Engineers, acquire title or option to acquire title to any or all lands, rights, or other property required for any flood control dam and reservoir within its boundaries and transfer such titles or options to the United States. Whenever the fair cost to said signatory State for such titles or options, as determined by the commission, is greater than the amount received therefor from the United States, the State of Connecticut shall pay its share of such excess cost to said signatory State, such share to be determined by the commission.

"Whenever the commission shall not agree, within a reasonable time or within 60 days after a formal request from the governor of any signatory State, concerning reimbursement for loss of taxes at any flood control dam and reservoir heretofore or hereafter constructed by the United States in the Thames River Valley in Massachusetts, or concerning the extent, if any, to which reimbursement shall be made for additional loss of taxes caused by construction, reconstruction, alteration, or use of any such dam for purposes other than flood control, the governor of each signatory State shall designate a person from his State as a member of a board of arbitration, hereinafter called the board, and the members so designated shall choose one additional member who shall be chairman of such board. Whenever the members appointed by the governors to such board shall not agree within 60 days on such additional member of the board, the governors of such signatory States shall jointly designate the additional member. The board shall by majority vote decide the question referred to it and shall do so in accordance with the provisions of this compact concerning such reimbursement. The decision of the board on each question referred to it concerning reimbursement for loss of taxes shall be binding on the commission and on each signatory State, notwithstanding any other provision of this compact.

"ARTICLE VI

"Nothing contained in this compact shall be construed as a limitation upon the authority of the United States.

"ARTICLE VII

"The signatory States agree to appropriate for compensation of agents and employees of the commission and for office, administration, travel, and other expenses on recommendation of the commission subject to limitations as follows: The Commonwealth of Massachusetts obligates itself to not more than \$7,000 in any 1 year and the State of Connecticut obligates itself to not more than \$5,000 in any 1 year.

"ARTICLE VIII

"Should any part of this compact be held to the contrary to the constitution of any signatory State or of the United States, all other parts thereof shall continue to be in full force and effect.

"ARTICLE IX

"This compact shall become operative and effective when ratified by the Commonwealth of Massachusetts and the State of Connecticut and approved by the Congress of the United States. Notice of ratification shall be given by the governor of each State to the governor of the other State and to the President of the United States, and the President of the United States is requested to give notice to the governors of each of the signatory States of approval by the Congress of the United States."

SEC. 2. The right to alter, amend, or repeal this act is expressly reserved.

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

A motion to reconsider and a similar House bill (H. R. 9924) were laid on the table.

EXTENDING AUTHORITY OF SECRETARY OF TREASURY TO TRANSFER CERTAIN DISTILLED SPIRITS

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 13130) to extend for 2 years the existing authority of the Secretary of the Treasury in respect of transfers of distilled spirits for purposes deemed necessary to meet the requirements of the national defense.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 5217 (c) of the Internal Revenue Code of 1954 is amended by striking out "July 11, 1958" and inserting in lieu thereof "July 11, 1960".

Mr. MILLS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MILLS. Mr. Speaker, section 5217 of the Internal Revenue Code of 1954 now authorizes the transfer of distilled spirits between various types of producing plants and warehousing facilities when the Secretary of the Treasury deems it necessary in the interest of national defense. The section also permits the Secretary to temporarily waive the application of any of the internal revenue laws relating to distilled spirits, except those imposing the tax, in order to meet the requirements of national defense. However, the authority contained in section 5217 expires on July 11, 1958.

H. R. 13130 would extend the authority to make emergency transfers and to waive application of the internal revenue laws relating to distilled spirits until July 11, 1960.

While the authority to waive application of the internal revenue laws relating to distilled spirits is not now being used, the need for it might arise on short notice. The authority to make transfers between producing plants and warehousing facilities is being used to great advantage at the present time. Therefore, it is desirable to extend the application of section 5217 for 2 years.

The bill was reported unanimously by the Committee on Ways and Means and I urge its approval by the House.

Mr. REED. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED. Mr. Speaker, I have joined in urging the favorable consideration of

this legislation that would provide for the extension for a period of 2 years of the existing authority vested in the Secretary of the Treasury to authorize the transfer of distilled spirits between certain types of installations where such transfer is desirable for national defense reasons. The existing authority is scheduled to expire as of July 11, 1958. The bill would extend the period to July 11, 1960. Legislation similar to this was first enacted in 1942.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

SPECIAL DESIGNATION OF JULY 4TH

The SPEAKER. The Chair recognizes the gentleman from New York [Mr. DEROUNIAN].

Mr. DEROUNIAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (S. J. Res. 159) to authorize and request the President to proclaim July 4, 1958, a day of rededication to the responsibilities of free citizenship.

The Clerk read the resolution, as follows:

Whereas, in the international crisis confronting the Nation, it is important that the American people, in a spirit of gratitude and rededication, review the foundations of human freedom, renew their faith in freedom and respond to the challenge of freedom: Therefore, be it

Resolved, etc., That the President of the United States be and hereby is authorized and requested to issue a proclamation, calling upon the people of the United States to make the observance of Independence Day, July 4, 1958, a day of rededication to the responsibilities of free citizenship, with appropriate nationwide ceremonies.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUPERVISION OF WELFARE AND PENSION PLANS

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that the gentleman from Oregon [Mrs. GREEN] may extend her remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, there are pending before the House Committee on Education and Labor several bills—including one passed by the Senate—which would require registration and reporting on welfare and pension plans. Rumors are rife as to which groups are or are not in favor of such legislation.

It is interesting, therefore, to read the results of a survey conducted by the members of the Industrial Relations Research Association by Dr. Julius Rezier

and Mr. Gerald J. Caraher. The results of this survey were recently published as a research publication by the Institute of Social and Industrial Relations of Loyola University.

In studying the results of this survey, it is well to bear in mind that the membership of the institute, based on its October 1954 membership directory, is composed as follows:

Occupational group	Number	Percent
University.....	614	37.3
Management.....	489	29.7
Government.....	196	11.9
Union.....	109	6.6
Miscellaneous.....	237	14.5
Total.....	1,645	100.0

Almost 90 percent of those queried were in favor of a bill along the lines of the one passed by the other body; 75.8 percent of persons with management affiliations were in favor of such legislation while only 13.7 were opposed. This is in sharp contrast to the wide division on other labor-management questions among those questioned having labor or management affiliations.

I include the report of this survey with respect to the regulation of welfare and pension plans at this point in the CONGRESSIONAL RECORD:

SUPERVISION OF WELFARE AND PENSION PLANS

The returns to the seventh question of the survey are analyzed in this chapter. It was asked: "Should the law require the full disclosure of welfare-fund finances whether these funds are administered by unions alone, by unions and employers together, or by employers alone (Douglas bill, S. 2888)?" This question was the only question of the survey which identified a specific bill.

Reference is made to Senate bill 2888 introduced by Senator PAUL H. DOUGLAS of Illinois on August 30, 1957, during the 1st session of the 85th Congress. The bill provides for the registration, the reporting, and the disclosure of all employee welfare and pension benefit plans if—

1. the plan provides benefits for employees employed in two or more States;
2. at least part of the benefits of the plan are provided by an organization whose principal office is outside of the State in which the principal office of the plan is located;
3. the plan is established or maintained by an employer engaged in commerce or by an employee organization whose members are engaged in commerce; or
4. the income from the plan is claimed to be exempt from taxation or the costs of such plans are claimed as allowable deduction in computing taxable income.

The bill is intended to cover all plans, regardless of their administration.

It should also be noted that of all the labor bills pending in the 85th Congress, only the Douglas bill has been endorsed by organized labor. On the other hand, some segments of management opposed the bill because it covered management controlled plans, too. They felt since the Senate investigations into these types of plans had indicated little or no wrongdoing, they should be exempt from the bill.

ANALYSIS OF ANSWERS

According to the tabulation in table 8, almost 90 percent of the sample members responding favored the Douglas bill described above. Six percent of the respondents were opposed to it, and the remainder, 4 percent, gave no definite answer.

TABLE 8.—A summary of the answers to question 7

Answer	University, number	Management, number	Union, number	Government, number	Miscellaneous, number	Total, number
Yes.....	142	94	29	39	48	352
No.....	4	17	1	1	1	24
No definite answer.....	2	13	1			16
Total.....	148	128	31	40	49	392
	Percent	Percent	Percent	Percent	Percent	Percent
Yes.....	95.9	75.8	93.5	97.5	98.0	89.8
No.....	2.7	13.7	3.2	2.5	2.0	6.1
No definite answer.....	1.4	10.5	3.2	2.2	2.2	4.1
Total.....	100.0	100.0	100.0	100.0	100.0	100.0

Considering some management groups' opposition to the bill, one would not expect the majority, 75 percent, of the survey's management group to answer "yes" to this question. Over 90 percent of the respondents in each of the other four groups, were in favor of this bill with 98 percent in miscellaneous, 97.5 percent in government, 94 percent in union and 96 percent in university so answering.

There were more in the management group, 10.5 percent, giving "no definite answer" to this question than in the other four groups. This is explained in part by their reluctance in having plans established and directed solely by management included in the coverage of the bill.

SUMMARY OF COMMENTS

Those respondents who answered "yes" to the seventh question most frequently stress the point that all 3 types of plans, regardless of who administers them—management, union, or both—should be included in the coverage of the law. A government respondent wrote:

"All welfare funds, whatever the source of administration, should be required by law to be fully disclosed per the Douglas bill. If they are not disclosed, then I favor regulation of all welfare funds much in the same manner as credit unions are regulated in States."

A management respondent gave this comment, "While this poses some problems to those in management who operate funds unilaterally, I believe our labor laws should apply with equal force to both parties."

Others of the respondents felt that this type of law would protect the beneficiaries of the fund. A university respondent pointed out, "This would protect the workers and all, the other parties concerned. It would encourage virtue." A management respondent stated, "As a matter within the area of collective bargaining, employees are entitled to know how their funds are applied."

It was pointed out by another group of respondents that these plans, with the tremendous amount of money involved, were a fertile field for abuse. Because of this, the maximum amount of protection is needed to safeguard the funds from misuse. A Government respondent hoped that, "Publicity of welfare fund finances would discourage racketeering in this area." In the opinion of a university respondent, it's "A good protection against corruption and graft which is so easily a fait accompli with welfare funds." And a management respondent felt, "There is plenty of opportunity for abuse if the funds go unregulated."

Others of the respondents mentioned the Douglas bill, S. 2888, and Senator PAUL DOUGLAS specifically in their comments. Some typical comments were:

"The Douglas bill represents a valid and useful exercise of public authority.

"The Douglas bill is an excellent means of preventing abuses of both unions and employers in this area.

"If such a bill is proposed by PAUL DOUGLAS, that's good enough for me."

It was pointed out by another group of respondents that pension and welfare funds are in a sense a public trust. As a university participant put it, "These funds are in effect, a public trust, and should be protected in the public interest."

It was felt by some of the respondents that secrecy wasn't necessary. The only ones who had anything to fear from disclosure were the racketeers and crooks. The truth wouldn't hurt those who operated their plans with a true sense of fiduciary responsibility.

In the comments of those respondents who answered "No" to this question, it was most frequently mentioned that plans operated solely by management should be exempted from the coverage of any pension and welfare disclosure laws. A union respondent wrote, "Unilaterally administered plans by the employer should be exempted in general. But the employer should not be allowed to divert welfare funds." A management respondent commented, "The law should not be made all-encompassing to make it more politically acceptable, where primary abuses are in 1 or 2 areas."

GERALD W. JOHNSON

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include a speech.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, certainly one of the great journalists of our time is Gerald W. Johnson. His illustrious career includes 11 years with the Greensboro Daily News, 2 years as professor of journalism at the University of North Carolina, and 17 years as editorial writer for the Baltimore (Md.) Sun newspapers.

The first of his 20 or more books, entitled "What Is News?" was published 31 years ago. His latest book is entitled "Peril and Promise: An Inquiry Into the Freedom of the Press." Mr. Johnson is a prolific writer and a frequent contributor to such outstanding periodicals as Harper's magazine, the Atlantic, the New Republic, Saturday Review, and the American Scholar.

Mr. Johnson is a fellow alumnus of mine, both of us having studied at Wake Forest College, Winston-Salem, N. C.,

though he preceded me by a number of years.

He is one of the few remaining giants of the great era of journalism created by such men as Bernard De Voto, H. L. Mencken, Thomas L. Stokes, Elmer Davis, and himself. We need their kind even more now in this time of peril, and the tradition they created will inspire young men and women to similar high endeavor now and in the decades to come. All of these great men of letters are proof that we need scholars as much as we need scientists. We must keep this basic truth in mind as the Congress considers the science-oriented scholarship legislation sponsored by this administration, legislation which, unfortunately, is proving so attractive to some of our colleagues that the humanities are forgotten.

I am pleased to include here the text of a highly significant speech delivered by Gerald W. Johnson at Wake Forest College recently:

THE SCHOLAR HERE AND NOW

(Phi Beta Kappa address by Gerald W. Johnson)

On an occasion similar to this, but at another place, I declared by belief that although colleges all over the land have held such celebrations for many years, and have listened to thousands of speakers, there has been only one original Phi Beta Kappa address. All the others have been glosses upon, or developments of the oration delivered by Ralph Waldo Emerson at Harvard in 1837, known to us as the great essay entitled "The American Scholar," and less formally as the American Declaration of Intellectual Independence.

Yet the subsequent addresses have not been vain repetition, or not necessarily so. Emerson himself assumed their utility in the first page of his speech. Describing the American Scholar as a living entity, he said, "year by year we come up hither to read one more chapter of his biography. Let us inquire what light new days and events have thrown on his character and his hopes." He expected that inquiry to be a continuing process, and so it has been for 121 years.

Thus to inquire what light new days and events have thrown on the character and hopes of the American Scholar is my warrant for appearing before you. As Jefferson's Declaration of Independence needs no rewriting, but does need, constantly, application to some new situation, so Emerson's theme needs no restatement, but does need, constantly, interpretation for each successive generation.

THE SCHOLAR—"MAN THINKING"

His famous definition of the scholar is Man Thinking, with the stress upon the first word, not upon the second. Indeed, said Emerson, when he becomes a mere thinker "man is metamorphosed into a thing * * * the priest becomes a form; the attorney, a statute-book; the mechanic, a machine; the sailor, a rope of a ship." It is only to the extent that he balances his mentality with his humanity that the thinker becomes a scholar. One is tempted to believe that the speaker of 1837 foresaw the coming of the electronic computer, a mechanism that performs operations hard to distinguish from thinking. One knows that he foresaw, for it was already beginning in his day, the development of a hard materialism that reduces men more and more to the level of mechanical contrivances.

In the light of new days and events it is evident that the machine becomes more human and the man more mechanized. Pessimists are inclined to stop with that and to lament that our so-called progress is actually retrogression, a drift backward toward the doomed land "where wealth accumulates and men decay." But the coalescence of thinker and machine does not affect the heart of Emerson's definition of the scholar—neither man nor thinker, but a tertium quid, a third party distinct from both, neither strictly man nor strictly thinker, but man thinking. The debate, therefore, is not closed until we have examined this third party, the scholar, in the light that new days and events have thrown on him, as well as on the thinker and the machine.

Following the old recipe for rabbit stew that began, "First catch your rabbit," let us first attempt to catch a scholar, not in a material trap, but in a net of definitions that will hold him long enough to be examined. Emerson extended the word as a generic term far beyond the limits usually assigned it. To him the scholar was not Doctor X, nor Professor Y, not a Ph. D., not necessarily a college man, but anyone who thinks beyond the immediate necessities of his job—the farmer who considers how his tillage will affect the land when it is owned by his grandson, the mechanic who thinks of the theories of distribution as well as production, the builder who sees his wall, not as so many thousand bricks, but as shielding and fostering life in generations to come—each of these is a man thinking, each in his own way shares in scholarship.

But for tonight let us be modest enough to disavow the comprehensive view of an Emerson, and narrow our fields to more manageable proportions; let us for the moment abandon the species and consider the specimen; not "the" scholar, but "a" scholar, here and now; and to eliminate the confusions of personality I propose as the type no individual, but Wake Forest College in its role as a scholar—a composite, certainly, but nevertheless a type.

For every rational man will agree that a college is not buildings and grounds, nor books and equipment. A college is a group of individuals differing in function, but bound together by a common purpose—man as students, man as teacher, man as administrator, but in every case man thinking, not so much about how to sustain life as how to live it.

What light have new days and events thrown on the character and hopes of this composite scholar who lives not in Massachusetts but in North Carolina, not in 1837 but in 1958? To essay a tentative answer to this question is not foolishly repeating the one great Phi Beta Kappa address, but making a legitimate and perhaps useful commentary on it. For that, Emerson would not expect or desire an apology.

MODERN WORLD CASTS LURID LIGHT ON THE SCHOLAR

To begin with, all concerned agree that the light itself is pretty lurid. There is said to be an old-fashioned Chinese curse, one that you laid only on a bitter enemy. It was, "May you live in interesting times." The events of the 20th century thus far have made interesting times. In its first 58 years more blood has been spilled, more cities destroyed, more empires overthrown, and ghastlier crimes committed than in any similar period in recorded history, not forgetting the Thirty Years' War in which Germany was reduced to cannibalism.

And that was not all of it or the worst of it. Robbery and murder, after all, are old, familiar evils. If, in our time, robbery has been raised from the pillage of a house to the pillage of continents, and if murder has been raised from homicide to genocide, from the killing of a man to the killing of a race,

still these are simply vast exaggerations of horrors we have always known. The toad is bloated to the size of an ox, but he is still the same old toad. If that were all that the 20th century has brought upon us, we might blame the trouble upon our sloth and carelessness in not checking the evils before they had attained such monstrous size, but we could hardly blame it on our basic concepts. We could say that we need to reform our habits, but not our basic modes of thought.

But even that cold comfort is denied us, for the 20th century has brought upon us far more than merely a cancerous growth of ancient villainies. It has also shaken our fundamental concepts of the universe around us, and in so doing has led us to suspect the usefulness of our intellectual tools. I do not refer to such spectacular phenomena as atomic fission and fusion and the invasion of outer space from the earth. They are byproducts, entirely neutral, equally capable of construction or destruction, according to the purpose of those who use them.

What I have in mind is something far more basic. The hydrogen bomb is, after all, simply another explosive, new in its composition, but in its effects just gunpowder raised to the nth power. It is what produced the bomb that is new and that has shaken not merely the physical earth under our feet, but the intellectual ground under philosophy itself.

We have witnessed a dissolution of categories that is by far much more frightening than the dissolution of the city of Hiroshima, or the Bikini atoll. We have learned that what we had regarded as the four pillars of the physical universe, mass, energy, space, and time, are not in fact monoliths, but are essentially fluid, merging into one another in such fashion that it is no longer possible to draw a sharp line of demarcation among them. If there are physical universals, we are not acquainted with them; to the utmost boundary of our knowledge, all things are relative.

This forces the modern scholar to reconsider his modes of thought. An analogy between the physical universe and the moral universe certainly exists, but at precisely what point does it break down—or does it ever break down? If such concepts as mass, energy, space, and time are valid only relatively, what about such concepts as justice, honor, courage, and truth? Do not dismiss the question as idle and flippant. We have always known that our view of any of these concepts, say justice, is mutable, changing from century to century, from place to place, even from man to man. We have, however, ascribed this mutability to the lack of precision of our own minds, which we know to be defective instruments. The philosophers who have challenged the concepts themselves we have dismissed as eccentrics.

But the Hegellians, and the Nietzscheans, and the new-fangled Existentialists have come back strong, reinforced by this reasoning from analogy. Traditional scholarship is hard put to it to maintain its position. Many of us still have faith to believe that the dissolution of the physical universals has no relation whatever to the moral universals; but that belief is an act of faith which we should like to have supported by reason. The first duty of the scholar as man thinking is to furnish this support if he can. Such work was presumably not necessary in 1837, but it is of prime importance in 1958. It is imposed upon every American scholar, including the scholar who resides in the South.

To be specific, it is the first duty of Wake Forest, along with other colleges of liberal arts. This is not clear to all southerners; there are some who quite honestly believe that the first duty of the college is not to answer the questions propounded by the

second half of the 20th century, but to insist upon the adequacy of the answers that were found in the 19th century and earlier. Unfortunately, those answers are not specific enough. Thomas Aquinas, John Calvin, R. W. Emerson were great men, possibly greater than any man living today; but they never heard of the problem of relativity, therefore they presented no solution of that problem. They did not, they could not, do our work for us. We must do it ourselves, and if we lack the genius of those men, that is our misfortune, but it does not release us from the obligation to do the best we can with such talents as God has given us.

We hear constantly repeated a formula that sounds impressive but that is actually as hollow as a bass drum. It is the assertion that Wake Forest should do nothing to shake the faith of Baptist youth. Granted; but that is equivalent to saying that Wake Forest should under no circumstances shave the heads of youth and paint them sea green. Certainly it should not; but when did the college ever try to do such an insane thing? No more has it ever made an effort to turn any student away from the faith of his fathers.

But neither has this college any right to rivet chains of error on the mind of a student merely because his father may have worn such chains contentedly, never suspecting that he was fettered. To this Baptist audience I commend strongly a recent statement of a Catholic priest, the Rev. Gustave Weigel, speaking to the Catholic University of Windsor and reported in a Catholic magazine, the *Commonweal*, on January 31 of this year. "A college," said Dr. Weigel, "does not exist only to prevent a young person from being infected by error; it exists positively to show him truth. Nor is truth something once and for all done in the past. It must be achieved anew in every generation."

It is unlikely that Father Weigel and I would ever agree on what is truth; but with the principle he proclaims I do most heartily agree. In fact, I consider it a fine statement of sound Baptist doctrine.

I count it my great good fortune that as a young man, like Saul of Tarsus I sat at the feet of Gamaliel. I was instructed by one of the greatest and best of all the great and good men who have served this college. Before I ever reached Wake Forest I had heard the chatter of foolish and shallow minds asserting that William Louis Poteat was certainly a Doubting Thomas, if not an out-and-out heretic. Great, then was my surprise to find that this was the man of all the faculty who did most to explode the half-baked skepticism I had developed as a high school boy, and to establish in my mind an intellectual respect for religion that has not been shaken by the experience of 50 years.

Why, then, was the man constantly under attack by persons who fancied themselves leaders of the denomination? I had no answer then, but I have one now. Those men lacked the cardinal virtue of humility. They had fallen into the error of Job's comforters, who assumed that they were the people, and that wisdom should die with them. They could not master the great truth that we who are of mature years and dominant in our generation, although we may do passably well for the present, are never good enough for the future. They could not realize that the business of Wake Forest was not to supply the denomination with men as good as they were, but with better men, wiser men, abler men, more competent men.

That is the business of Wake Forest today as it is of every liberal arts college. If it can do no more than supply leaders as good as those we have now, it is a failure, and fit for nothing except to be hauled off by the junk dealer. I will admit that it is

a severe test to call upon men of my generation to admit that we are not good enough for leadership of the denomination, the State, the Nation, 20 years hence. Yet if we are really scholars, that is, men thinking, we know that it is so.

Curiously enough, this kind of scholarship is often found among men who never think of themselves as scholars at all. Conscious that they know little of the lore of books, they are unaware that they are deeply versed in the lore of life, and preserve the humility that accompanies true learning. For when a man has gained some conception of the vast amount he does not know, he has taken the first long stride toward scholarship, since realization of his ignorance starts him thinking.

Among such men you seldom find much inclination to interfere with the efforts of the college to come to grips with the problems of modern life. They have grasped the significance of the promise that when he, the Spirit of truth, is come, he will guide you into all truth. They realize that it is a promise, stated in the future tense; they do not delude themselves that they are already in possession of all truth, and they are confident that the Spirit of truth will guide them aright.

WAKE FOREST AND CONTROVERSY

It is the arrogant of soul who are so certain of their own wisdom that they brand as heresy any contradiction of their dogma. Such men we have always with us, and against them a college that is true to its mission must always contend. Friends of mine, and friends of this college have said to me recently, "Wake Forest is engaged in controversy," shaking their heads. The news is interesting, but why should they shake their heads? So Wake Forest is in controversy—but where else, pray, should Wake Forest be? If it is a college, it should be an intellectual leader. If it leads, it must be in advance of the main body. If it is in advance of the main body some, especially those who do not know which way is forward, will denounce it.

The fact that the college is in controversy means nothing; the crux of the matter is what the controversy is about. If it is a quarrel over where a new building shall be placed, or how much shall be spent on it, there may be reason to be disturbed. But if it is a battle of ideas, then in the midst of the fight is right where the college ought to be. "Woe unto you when all men shall speak well of you! for so did their fathers to the false prophets."

The liberal arts college that is located in the South is doubly exposed because it faces not only the problems posed by modern science and technology, but also those inherited from an old catastrophe, one older than the Civil War. That war destroyed the economic and social systems of the South, but the war itself was the result of an earlier destruction of the political philosophy of the South. We cannot undo the effects of the war, but we can restore the philosophy if our intellectual leaders are minded to do so.

Under the Virginia dynasty—which really includes John Marshall, as well as Jefferson, Madison, and Monroe—southern political thinking was nothing if not realistic and, solidly based on reality, it was brilliant beyond all precedent. But later, under such leaders as Calhoun, Hayne, Toombs, and Davis, it was anything but realistic, and this divorce from reality precipitated the disastrous war. The issue on which romanticism won its victory over realism happened to be that of Negro slavery, but if it had been won on any other issue the result would have been the same.

The art of government cannot be practiced indefinitely on the basis of wishful thinking. It may work for a time, but unless government conforms to the facts as they

are, not as we wish they were and perhaps ought to be, it will end in a crash. The moral judgment of mankind had condemned slavery before the date of the Missouri Compromise, but the slaveholding interest of the South proceeded on the romantic theory that it had not been condemned and made that theory national policy from 1820 to 1861; but then came the crash.

Mussolini made the romantic lie of the Roman Empire good for 20 years, but then he ended hung up by his heels on a meat-rack. Hitler held to the romantic lie of the master race for 12 years, but then he ended as a suicide under the ruins of flaming Berlin. The most successful romancers of modern times are the Russians, who have upheld the delusion of dialectical materialism for forty-odd years, exceeding the record of the slave-holding interest. But if the thing is, as I believe, essentially a lie it will end in a crash and it is greatly to be feared that the crash by its very magnitude may involve the rest of us.

Every political leader worth his salt knows that the successful conduct of public affairs depends upon maintaining contact with reality, but the determination of what is real is often beyond him. Absorbed all day long in the management of details, he usually lacks the time, even when he has the intellectual endowment, to go behind appearances and find reality. He should be relieved of the necessity. Scholars who are not involved personally in politics should do it for him. Wake Forest, for instance, has no legitimate place in North Carolina politics; but it should be an arsenal of ideas open to governors, Senators, Representatives, judges, and all other public servants. Wake Forest has the time and the facilities to undertake the labor of distinguishing fact from wishful thinking, and when it fails to do so it is not serving the State.

But bear in mind that the fraudulent policy that leads to disaster is based on wishful thinking, and pay particular attention to the word "wishful." Calhoun insisted on seeing the world, not as it was, but as he and his followers wished it to be. When we ardently wish one thing, we dislike the man who tells us that it is not so, and the more often he proves to be right, the more we dislike him. If the chief aim of Wake Forest is to gain the admiration and applause of the State of North Carolina, then it should instantly renounce its allegiance to truth and go in for romanticism, for that way popularity lies. But that is not the way to greatness, that is not the way to usefulness, that is not the way to freedom, for "ye shall know the truth, and the truth shall make you free."

So much for the special problems that confront the scholar because he lives in North Carolina; what, then, of the special problems that confront him because he lives in 1958? That is to say, what of the temporal, rather than the geographical situation of our generation?

There, indeed, we enter an area where angels fear to tread, and to rush in with blind arrogance is assuredly the part of none but fools. Nevertheless venture we must, for it is all a part of our time, and to attempt to live outside of our own time would be to repeat the blunder that destroyed us in 1861. But in this case destruction would fall not merely on the southeastern quarter of the United States, but on all western civilization.

I referred earlier to the dissolution of categories, the crumbling of the very foundations of thought about the physical universe. On that topic I have nothing more to say, for I am not a scientist, and only a man deeply versed in the new learning has any right to an opinion on what the recent advances of mathematical physics signify. But I am a man and—at long intervals, perhaps, but occasionally—a man thinking; as

such, I have plenty to say, not as a scientist, but as a scholar in the Emersonian rather than the academic sense.

I have described as lurid the light in which new days and events have bathed us, but that is true only in part. The light is compound, derived from many sources—the red glow of hell-fire over Hiroshima and Hungary; the reflected light of the sun, that cold and neutral moon-glow from those small objects that we have lifted beyond the atmosphere and set to circling around the earth; and from the harnessing of the atomic power, a rosy gleam, a hint of the dawn of Aristotle's day when the shuttle shall move itself and earth's last slave shall be free.

Terror and wonder and awe, said the Greeks, are the components of high tragedy. They are all here, but with an addition that the definition of tragedy does not include, that last spirit to escape from Pandora's box, Hope with the iridescent wings. With this addition, we cannot assert without reservation that the drama we are witnessing is the tragedy of mankind, for we do not know that it is. We must find another word for it, and finding that word is the great task of scholarship.

The man who could tell us plainly how to approach this task would be the greatest sage of our time. But while I have no idea how to reach it, I do think I know in which direction the goal lies. I think the avenue of approach is through study of a question that the psalmist asked: "What is man, that thou art mindful of him?"

Not Christianity alone, but every great spiritual religion is based on faith that the Creator is mindful of his creature, man. The Christian explanation is that in man alone among the animals God implanted a spark of divine fire that under proper conditions can be fanned into flame; and the man flaming with the fire of God, like the burning bush that was not consumed, makes the place whereon he standeth holy ground. This is the tradition of the saints.

To search out and identify this spark of divinity is the first step toward learning how it may be nursed into flame, which is the goal of education. Something may be accomplished, no doubt, by homiletics based on dogma, but no much; far more effective is study of the attribute that we call greatness, wherever and whenever it has appeared among men. For I do not understand how a Christian can deny that any true greatness is a flash of the divine fire, whether it makes its appearance in a Father of the Church, or in a pagan, or even in a recusant who has formally denied the faith, not knowing what the true faith is.

To accomplish this, scientific education alone is not enough. To know the way of an electron in infinitesimal space is all very well, and so it is to know the way of the galaxies in infinite space, and to determine the relation between them, as Einstein tried to do. But none of that is as profound or as important as to know the way of a man in the realm of the spirit.

Proof of it is the triumph of this very physical science that has astounded and appalled us. The hydrogen bomb is the most tremendous expression of physical power that man has attained since recorded history began. Recently our engineers exploded underground a hydrogen bomb which they described as a rather small one; but it is said that 400,000 cubic yards of rock were reduced to amorphous powder, and at the detonation in New Mexico the earth quaked in Alaska. Yet, more powerful than the bomb is the mind that created it.

We have hurried into outer space artificial moons carrying instruments so cunningly devised that they are even now reporting to us things that "eye hath not seen, nor ear heard, neither have entered into the heart of man." Yet these wanderers through the

abyss between the planets are not as far-reaching as the mind that created them.

"We are equal," said Bertrand Russell, "to all that we can understand." Our understanding has been extended, in these portentous years, immeasurably upward beyond the stars, and immeasurably downward into the depths of the atom. But how far has it been extended on our own level? The answer to that question is much less glorious. Our penetration into the mysteries of the human heart has been so slight that it is doubtful that we know any more than Homer knew about what it is that makes God mindful of man. The old, blind poet realized that the spark of greatness is the answer, and so do we; but to define greatness we are as impotent as he was.

Homer did not know, however, that with the touch of a finger we can release the earthquake, and the hurricane of fire, and the mushroom cloud that casts the shadow of slow and dreadful death. It is the triumph of science that has revealed to us such majesty and might in the divine spark of reason as reduce Achilles to a children's toy, and make the Thunderer of Olympus himself no more than a shadow of real power.

It is the task of science to determine and explain the results that may follow the use of the mind, and science has worked at its task with a success that staggers and somewhat appalls us; but the brilliance of science has only revealed the dimensions of the task that still lies before philosophy—the task of tracing and understanding the source of this puissance that science has revealed. For it is as true today as it was when Elijah covered his face and trembled that the Lord is not in the hurricane, nor in the earthquake, nor in the fire. Now, as in the days of the prophet, they are no more than evidence that the Lord passed by. Direful as they are, they are less important than the still, small voice that persists when the terrors have passed away.

We must admit, then, that the light that new days and events have thrown on the character of the scholar reveals him as somewhat out of balance, amazing as a thinker, but as a man advancing with dragging feet; and he will not restore the balance until he bestirs himself to bring his philosophy abreast of his science. But the light thrown on his hopes is altogether different; for if the task before him is immeasurably great, so is the promised reward. That spark of divinity in man that makes God mindful of him is immensely more potent, immensely vaster, immensely more wide-ranging than the saints and sages of the past could ever guess.

We are equal to all that we can understand; and to the extent that we can begin to understand true greatness as it appears in men, and how and why it appears, we have the radiant hope of employing that force to carry us forward, not into a new world, but a new universe of power, and beauty, and truth.

ANNOUNCEMENT

Mr. ZABLOCKI. Mr. Speaker, on rollcall No. 118, on the bill H. R. 11477, I was paired. I was unavoidably absent from the House on official business. Had I been present I would have voted "yea."

THE HONORABLE GEORGE McGOVERN

Mr. MOULDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. MOULDER. Mr. Speaker, 2 years ago, during the 1956 campaign, our colleague, GEORGE McGOVERN, was the object of a smear campaign which was resented by the people of the First Congressional District of South Dakota, as demonstrated by the overwhelming majority received by GEORGE McGOVERN in the 1956 election.

It has come to my attention that there are indications that the same sort of tactics may be used against him in the campaign of this year. This threatened smear or unjust attack is based upon a report by the Committee on Un-American Activities, entitled "The Communist Peace Offensive." The report quotes the Daily Worker of March 15, 1951, wherein 166 names are published as sponsors of the American Peace Crusade.

It is well known and an established fact that this Communist-front organization forged and falsely published the names of many prominent Americans on the petitions as sponsors. As a member of the Committee on Un-American Activities, I know this to be true, and it is typical Communist trickery. Thus the name of a Dr. George McGovern appeared in the Daily Worker as one of the sponsors.

Congressman GEORGE S. McGOVERN, of South Dakota, never signed the petition referred to in the Daily Worker or in the committee report, and he never directly or indirectly authorized his name to be used in any way in this connection. We, the members of the Committee on Un-American Activities, know this to be true and we deeply regret that the committee report has served as an excuse or basis for the unfair attack upon the gentleman from South Dakota. The chairman of our committee, Mr. WALTER, of Pennsylvania, joins with me in this statement. We have the highest respect and admiration for GEORGE McGOVERN as one of the most loyal and patriotic Americans and as an able and outstanding Member of Congress. I sincerely hope his great service in Congress is known and recognized by his constituents, and most certainly they should resent such unfair smear attacks made upon him by his political opponents.

THE BOSTON-PORTSMOUTH NAVAL SHIPYARDS

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, the Boston, Mass., and the Portsmouth, N. H., naval shipyards are less than 60 miles apart.

Machinists at Boston currently receive \$2.50 per hour, while their counterparts at Portsmouth receive \$2.19 for the same type of work. This is a manifest injustice which is injurious to the morale

of the unclassified employees at Portsmouth.

Under the present law:

The Secretary of the Navy shall establish rates of wages for employees of each naval activity where the rates are not established by other provisions of law to conform, as nearly as is consistent with the public interest, with those of private establishments in the immediate vicinity.

This method of establishing separate labor market areas for Boston, and Portsmouth, by which wages are determined on the basis of surveys of wages paid by private industry in those areas, is fair as long as there are sufficient job samples from private industry covering the same skills. In the absence of such valid comparisons, or enough of them, the average is bound to suffer from a downgrading.

For instance, in the Portsmouth survey for 1957, a total of 316 job samples from private industry determined the wage rates for 5,351 employees in the shipyard. Of these 316 samples, only 179 represented skilled craft jobs. In contrast from the Boston wage survey for 1956, 5,955 samples from private industry determined the rates for 9,325 wage board employees. Of these 5,955 samples, 3,253 represented skilled craft jobs.

Furthermore, there is no other shipbuilding activity in the Portsmouth area, as there is in Boston, upon which to base a fair standard for the wages paid to the workers at the Portsmouth, N. H., naval shipyard.

Up until 1947, the 2 areas were considered as 1 for the purpose of wage determination.

Workers from greater Lawrence, Mass., and Essex County, for example, as well as from other communities in between, are employed at both yards. Even though they may do exactly the same type of work, some get higher pay than the others.

From time to time, workers are exchanged or transferred from one year to the other, as work slacks off in one, and picks up at the other.

As the yards are relatively close together, and as many of the workers live outside the immediate communities in which the yards are located, this policy on the part of the Navy in treating them as separate labor-market areas is unrealistic.

Appeals for administrative adjustments of the rates under the flexibility provided in existing law, have been ignored by the Navy.

Senator MARGARET CHASE SMITH, of Maine, is the author of S. 2266, which would require that the Secretary of the Navy establish the hourly rates of pay for all per diem employees of the Portsmouth, N. H., Naval Shipyard at the same hourly rates paid to employees of similar classification at the Boston, Mass., Naval Shipyard.

This bill has passed the Senate, and the House Committee on Armed Services recommended yesterday passage of this bill.

In view of its constructive nature that will remedy a longstanding inequity, I

believe that the interests of all concerned will benefit from the enactment of S. 2266.

AUTOMOBILE ACCIDENTS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I have introduced a bill which would provide that there shall be a speed limit of 50 miles an hour over the long holidays. It has not passed yet, but I am hoping that people all over the country will observe this limit.

Many lives have been lost through automobile accidents in the first 6 months of this year. I find that most of the causes of the accidents have been laid to speed because people lose control of their automobiles.

I noticed a bill just reported out of the Committee on Interstate and Foreign Commerce, but speed was not mentioned in it. As I read the reports, speed is the chief reason for accidents.

I only pray the people will observe this 50-mile-an-hour speed limit over the holidays.

ANNOUNCEMENT

Mr. DOOLEY. Mr. Speaker, on roll-call No. 118 this morning I was unavoidably absent. If present I would have voted "yea."

INDEPENDENCE DAY AND A CONCURRENT RESOLUTION ON CAPTIVE NATIONS' DAYS

Mr. SCHWENGEL. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. CRETELLA] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. CRETELLA. Mr. Speaker, on July 4, Americans throughout the land and abroad will be celebrating the Independence Day of our Nation. To all patriotic citizens this sacred day symbolizes, under God, our national freedom, the untampered will of a sovereign people and our firm determination to meet any enemy who would attempt to destroy our independence. It symbolizes, too, the spiritual and moral power of our great tradition, the liberal institutions of this country and the warm humanism of its laws. In short, our spirit of independence is at once our past, our present, and our future.

In the full perspective of the history of mankind, we as a united and peaceful people, have with all humility every reason to be proud of our unique development and rich tradition. Our society, to be sure, is not perfect. But by all

evidence it is unquestionably one that has given so much in so many ways to so many within a short span in the history of man. It is one which had made this Nation powerful, exemplary and respected everywhere. Contrary to some false notions, we do possess an ideology which abets our continued growth as a sturdy Nation and remarkably equips us for coping with present global unrest. This ideology is plainly and concretely written out in our Declaration of Independence and the Bill of Rights.

For this approaching Independence Day it is utterly important that we reflect upon the moral and political principles embodied in the Declaration of Independence. Even more important is the application of these perennial principles to other nations and peoples. For not only is the living application of these principles crucial to the further growth and development of our Nation, but it is also vital to the existence and survival of newly independent nations in the Free World. Fortunately, it is well recognized that their independent preservation in the face of a menacing Russian Communist imperialism and colonialism is dependent upon our own survival as a thriving independent Nation.

What a moving and powerful force was our Declaration of Independence as an influence on the various nations who were subjugated in the empires of the last 2 centuries. Nations in the Russian, Austro-Hungarian, and Ottoman Empires soon rose to declare their independence with a will to pursue a national existence similar to ours. But this was short-lived as the unchecked surge of Russian Communist imperialism since 1918 has once again reduced the many non-Russian nations of Eastern Europe and Asia to servility.

The murder of Imre Nagy and countless national patriots behind the Iron Curtain is a tragic byproduct of the destruction of a nation's independence. It is clearly just another attempt on the part of imperialist Moscow to break the will of its subjugated nations. Sanctified by the Declaration of Independence, our moral commitment to the captive nations in the Russian Communist Empire plainly impels us to sustain the will of these once free peoples at all costs.

Against this new onslaught by Moscow I strongly believe it is most fitting and proper for us as free men to express this commitment to the captive nations, on the eve of our own Independence Day. I therefore submit a concurrent resolution which calls for a Presidential proclamation observing the prime national days of these captive nations. These days symbolize the spirit of independence for these enslaved peoples as our Independence Day does for us. They are compelled to observe them in forced silence. We, in spiritual union with them, are free to break this silence by observing them here. It is my conviction, that this act would serve as a further tribute to the courage, tenacity, and faith of the national patriots in each of the captive lands of Europe and Asia. At this moment of revived Russian barbarity we could not do less.

The resolution which I submit is as follows:

CONCURRENT RESOLUTION ON CAPTIVE NATIONS' DAYS

Whereas the barbaric Russian Communist murder of Imre Nagy and many truly Hungarian patriots has once again aroused the conscience of the American people as to the tragic plight of the captive nations; and

Whereas since 1918 the continuous aggression of Russian Communist imperialism and colonialism has built up an unprecedented empire which, on the basis of the captive resources Moscow wantonly exploits, now mortally threatens the security of the United States and all of the Free World; and

Whereas the many captive nations in this empire look to the United States and the moral forces of its Declaration of Independence and the Bill of Rights for their eventual liberation and independence, and for the full recovery of individual liberties in the Christian, Jewish, Moslem, and other religious traditions of their peoples; and

Whereas the freedom-oriented loyalties and hopes of the captive nations in both eastern Europe and in Asia are fundamentally vital to United States national security, and thus basic to United States foreign policy; and

Whereas in the hopeful hearts and minds of all the captive peoples a silent observance is offered annually toward historic events in their histories which symbolize their present aspirations as well as their once-enjoyed national independence and freedom; and

Whereas it is clearly our moral obligation as free men to give through organized effort powerful voice to these silent but active prayers for national independence and freedom: Now, therefore, be it

Resolved, That it is the sense of the Congress of the United States that the President of the United States proclaim the following historic dates as days of observance by the people of the United States in their spiritual union with the victims of Russian Communist imperialism and colonialism: March 15 as Hungarian Day; May 3 as Polish Day; February 16 as Lithuanian Day; March 14 as Slovakian Day, January 22 as Ukrainian Day, November 18 as Latvian Day, October 10 as Chinese Day, March 25 as White Ruthenian Day, May 10 as Rumanian Day, February 24 as Estonian Day, December 13 as Turkestan Day, May 26 as Georgian Day, March 3 as Bulgarian Day, May 28 as Armenian and Azerbaijan Day, August 15 as Korean Day, October 28 as Czech Day, November 28 as Albanian Day, June 17 as East German Day, and October 26 as Vietnamese Day.

AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT, 1954

Mr. SCHWENGEL. Mr. Speaker, I ask unanimous consent that the gentleman from Colorado [Mr. HILL] may extend his remarks at this point in the RECORD, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. HILL. Mr. Speaker, at midnight last Monday one of the most important programs to assist agriculture that Congress has enacted expired. I refer to the Agricultural Trade Development and Assistance Act of 1954, commonly called Public Law 480.

Under the provisions of this act our agriculture export program has been greatly enlarged. It is one of the best

vehicles we have had to put our oversupply of food and fiber in the hands of people who can use them instead of keeping them in storage.

The daily summary issued by the Department of Agriculture on July 1, 1958, lists six different actions under the authority of Public Law 480 which will benefit agriculture by further reducing our surpluses. Without extending or renewing this important program similar shipments will not be continued.

As a part of my remarks I include the six excerpts from the daily summary as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE:
THE DAILY SUMMARY, JULY 1, 1958

1. USDA announces supplemental Public Law 480 agreement with Ceylon: Supplemental agreement provides for financing of sale of \$2.1 million worth (including certain ocean transportation costs) of wheat flour. Payment for flour will be in rupees (Ceylonese currency). Flour, about 20,000 metric tons, is valued at \$1.7 million. Ocean transportation is estimated at \$400,000. Purchase authorizations will be issued later.

2. USDA announces supplemental Public Law 480 agreement with Israel: Supplemental agreement provides for financing sale of \$6 million worth (including certain ocean transportation costs) of grain. Payment will be in Israeli pounds. Commodity composition is: Wheat (about 30,000 metric tons), \$1.9 million; corn and grain sorghums (about 70,000 metric tons), \$3.2 million; and ocean transportation (estimated), \$0.9 million. Agreement provides that 25 percent of Israeli pounds received as payment will be set aside for loans by Export-Import Bank of Washington to United States and Israeli private business firms.

3. Public Law 480 wheat or flour authorization issued to Peru: Authorization is to finance purchase of \$1,250,000 worth of wheat or wheat flour. USDA also extended terminal contracting date from January 31 to August 30, 1958, in authorization 13-06, which provides for purchase of \$1,520,767 worth, or about 23,500 metric tons, of wheat in bulk, grades U. S. No. 2 or better, or wheat flour. About 2,900 tons remain to be purchased. Authorization 13-11, issued June 30, provides for purchase of about 20,000 metric tons of wheat in bulk, grade U. S. No. 2 or better, or wheat flour. It was issued to reprogram funds obtained from reduction of authorization 13-08, and to provide for reimbursement method of financing purchase. Transactions will be financed through reimbursement directly to Government of Peru by USDA's Commodity Stabilization Service. Reimbursement will be made only for wheat or flour procured between July 7 and August 30, 1958, with shipment between July 7 and September 30, 1958.

4. Public Law 480 amended vegetable oil authorization issued to Spain: Amendment of soybean oil or cottonseed oil authorization 17-50 provides for purchase of an additional \$317,480 worth (about 900 metric tons) of oil from United States suppliers. Increase was obtained from unused funds provided for ocean transportation in purchase authorizations previously issued. Authorization 17-50, as amended, provides for purchase of \$1,025,267 worth, or about 2,900 metric tons, of soybean oil or cottonseed oil in drums or bulk (basis: refined soybean oil in drums). About 1,900 tons remain to be purchased.

5. USDA announces Public Law 480 agreements with Ecuador, France, and Iceland: Ecuador agreement provides for purchase of \$1.84 million worth (including certain ocean transportation costs) of commodities. Agreement composition is: Wheat (about

15,000 metric tons), \$1 million; soybean oil or cottonseed oil (about 1,400 metric tons), \$0.5 million; cotton (about 800 bales), \$0.14 million; and ocean transportation (estimated), \$0.2 million. Agreement with France provides for purchase of \$2,035,000 worth (including certain ocean transportation costs), or about 2,667,000 pounds, of tobacco. Ocean transportation is estimated at \$35,000. Agreement with Iceland supplements agreement of May 5, 1958, and provides for purchase of \$60,000 worth, or about 300 metric tons, of rice. Sales to all three will be paid for with currencies of those countries. In each case 25 percent of local currency will be set aside for loans by Export-Import Bank of Washington to private business firms of those countries and United States.

6. USDA asks offers to process 58.4 million pounds of flour and cornmeal: Offers have been requested to process Commodity Credit Corporation-owned wheat into 48,768,400 pounds of flour and CCC-owned corn into 9,646,600 pounds of cornmeal for USDA foreign donation program and an International Cooperation Administration program in Italy. Of this quantity, 24,517,800 pounds of flour and 9,646,600 of cornmeal will be for USDA donation to United States private welfare organizations for distribution to needy people abroad. Of flour, 3,876,800 pounds will be all-purpose flour, 10,585,400 bread flour, and 10,055,600 whole-wheat flour. Flour will be packed in 10- and 100-pound bags and 100-pound bags with 10 empty 10-pound bags enclosed. Cornmeal will be degermed and will be packed in 5- and 100-pound bags and 100-pound bags with 20 empty 5-pound bags. The 24,250,600 pounds of flour, to be procured under an ICA requisition (Public Law 480, title II) for export to Italy, will be bread flour. Offers are due not later than 4 p. m. (EDT) July 2, for acceptance not later than midnight (EDT) July 8. Flour and cornmeal are to be shipped from mills not later than August 8.

We must extend Public Law 480 without crippling amendments without delay.

WHEAT FARMERS OF EASTERN COLORADO

Mr. SCHWENDEL. Mr. Speaker, I ask unanimous consent that the gentleman from Colorado [Mr. HILL] may extend his remarks at this point in the Record, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. HILL. Mr. Speaker, for the first time in 7 years the wheat farmers of eastern Colorado have had sufficient moisture to grow a decent wheat crop—a crop that will in many cases mean the very economic existence of these farmers who have known nothing but drought and dust since 1952. This crop, valued at more than \$100 million has been in serious jeopardy from one of mankind's oldest enemies—the grasshopper.

More than 20 million acres of land have been in danger of ruin by the largest infestation of grasshoppers in the Great Plains area in many years, but I am happy to see that a program of eradication is winning the battle with a minimum of loss to the wheat crop. The area involved covers parts of five States, Colorado, Kansas, New Mexico, Oklahoma, and Texas.

A cooperative program of Federal, State, and local interests is moving ahead with extensive spraying of the areas most heavily infested and it appears to be succeeding.

As part of my remarks I include a news release by the Department of Agriculture on June 28, 1958, dealing with the grasshopper fight in the high plains area, as follows:

FEDERAL AID OF \$1 MILLION HELPS WEST FIGHT GRASSHOPPER PLAGUE

About \$1 million in Federal funds has been made available so far to help stop the outbreak of migratory grasshoppers in Colorado, Kansas, Oklahoma, New Mexico, and Texas, the United States Department of Agriculture announced today.

This represents USDA's one-third share of the cost of spraying some 5 million acres of the most heavily infested land in 46 counties in the 5-State outbreak area. Plans are being made now to bring additional counties into the program.

USDA's Agricultural Research Service has also provided 44 high-power ground spray machines for use in the area. These mist-blower machines, mounted on trucks, are doing much of the roadside spraying.

Trained USDA supervisory personnel, assisting State and county grasshopper-control workers in the area, now number 42. Twenty-five of these supervisors were moved in from other areas to help organize and conduct the control program.

About 80 percent of the total acreage now under treatment in this cooperative effort is rangeland. The rangeland work and the treatment of roadsides and idle and wasteland will protect millions of acres of cultivated crops.

A total of 50 specially equipped aircraft, operated by 4 main contractors, are spraying the ranges and some of the roadsides, idle and wasteland. These aircraft include single-, twin-, and four-engine types. They carry 180 to more than 2,000 gallons of insecticide spray mixture per flight. More aircraft are on the way to further step up the rate of spraying.

The spray program has been gaining speed rapidly during the past 10 days. So far, treatment of about 850,000 acres in 32 counties has been completed. This total has increased by nearly a quarter million acres during the past 2 days, the first in which weather conditions permitted a concerted effort by all personnel and aircraft throughout the infested area.

USDA grasshopper-control specialists now believe that extensive damage to crops and ranges from the present outbreak can be avoided. So far crop injury has been minor. Much of the wheat previously threatened in some areas has been harvested.

RAISE SOCIAL SECURITY BENEFITS AND LOWER THE AGE TO 60

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. BYRD] is recognized for 10 minutes.

Mr. BYRD. Mr. Speaker, when I first came to Congress in 1953, I introduced bills which would have lowered the eligibility age from 65 to 60 years for recipients of benefits under the old-age and survivors insurance system. I also introduced legislation to provide benefits to individuals who become totally and permanently disabled before reaching the normal retirement age. Action was not taken on these bills by the 83d Congress, and I, therefore, reintroduced the bills in 1955 at the convening of the 84th Con-

gress. During that Congress I supported H. R. 7225, a bill which became law and which provided payment of monthly benefits at or after age 50 to workers who are totally and permanently disabled. The bill also provided payment of monthly benefits at age 62 for women and it provided for a continuation of monthly benefits to children who become totally and permanently disabled before age 18. Moreover, the bill extended coverage to certain self-employed professional groups and farm owners previously excluded. I not only voted for this bill, but I also contacted the Ways and Means Committee members to urge action on such legislation and I spoke for the legislation during general debate on the House floor. While that bill represented some progress in the right direction, it did not go far enough because of opposition from the administration. I maintained at that time, and I am still of the opinion, that the eligibility age should be lowered to 60 years for everybody. I am also in favor of an increase in the amount of benefits. I have talked with thousands of persons in my State and they have been virtually unanimous in their agreement with my position. Many individuals in the employee category have gone so far as to state that they, as employees, would be willing, if necessary, to pay the entire additional withholding tax required to finance higher benefits and a lowering of the age. Such an attitude is indicative of the need for such legislation and indicative of the strong public support for such a program.

At the beginning of the 85th Congress, in January 1957, I again introduced bills to lower the eligibility age to 60 years and I have since discussed the matter upon several occasions with members of the Committee on Ways and Means, the committee which has jurisdiction over this type of legislation. The committee has been holding hearings on suggested amendments to the Social Security Act, and on Monday, June 23, I appeared before the committee to urge that social security benefits be increased and that the age of eligibility be reduced to 60. I hope that the committee will take favorable action upon these proposals and that it will report legislation to the House in time for consideration before adjournment.

Mr. Speaker, I often wonder how our senior citizens are managing to live on the benefits they are receiving at a time when each passing month marks a new record in the growing cost of living. A recent survey shows that 1 in 8 men, 1 in 6 women, and 1 in 4 aged widows had only their social security benefits for money income. Two-thirds of the men, seven-tenths of the women, and eight-tenths of the aged widows were unable to supplement their incomes by odd jobs because they were physically unfit to perform those jobs. Only 17 percent of all beneficiary groups had employer or union pensions in addition to their social security benefits, and of this group only 2 percent of the aged widows had such pensions. No increase has been made in the amount of social security benefits since 1954, but for the past 2 years the monthly headlines have

been reading, "Living Costs Reach New Peak." Sometimes we forget, I think, that the money paid out in social security benefits is not only a means of providing an assured income for our older people, but that it is also a very important means of increasing consumer purchasing power. We can be sure that any additional dollars given to our senior citizens in increased benefits will be spent and that an increase in sales and services will inevitably follow. What better way is there to stimulate the economy and attack the recession?

As to my proposal to lower the eligibility age to 60, may I say, Mr. Speaker, that we are coming to realize more and more that the traditional retirement age of 65 is an arbitrary figure which does not truly reflect the economic facts of life. It disregards the human factor that some people are forced to retire before that time for physical reasons. Moreover, job opportunities for older workers in industry are becoming more and more restricted. Recent studies show that employers may retain older workers already on their payrolls, in many instances, but strict age limits are often applied in hiring new workers. Even under the pressure of a wartime labor market, older workers were not hired until supplies of younger men were exhausted. Urban industrialism has shortened the worklife of most Americans, making age 60 a more realistic retirement age than age 65. As workers grow older they find themselves exposed to working conditions of heat, pace, intensity, noise, load, risk, and responsibility which are beyond their physical ability. Many persons who have worked all their lives at hard labor suffer injury and chronic ill health during their later years. They are in a twilight zone—being unable to qualify under the strictly administered definition of permanent and total disability, but so handicapped that they are unable to find a job which provides them with the necessary income with which to pay for everyday bare necessities to say nothing of medical bills which occur with increasing frequency with advancing age. What is the prospect facing these people? More than half of all job openings for salesmen are restricted to men under 35. Scores of companies will not consider a stenographer or filing clerk if she is over 35. What about the machine tool operator who, at age 60, is laid off because his plant has been retooled in this age of automation? What about the faithful bookkeeper who has worked for just one firm all her life and, for the first time in 25 years, finds herself looking for a job? What about the housewife, widowed at age 60 by the untimely death of her husband, a woman who has never had any experience in the job market and who now must seek some means to support herself until she reaches the present retirement age? These people may be too old to learn new skills, they are usually not physically able to work, and almost invariably it is impossible for them to secure new employment. What are they to do, once their unemployment insurance, if they can qualify for such, is exhausted? I am, of course, heartily in favor of efforts

to retrain and reemploy these men and women, because many of them would rather stay on the job than retire. But this is not the whole answer for many of these tragic cases. A more realistic social security retirement age must go hand in hand with efforts at reemployment if a real solution is to be found.

Mr. Speaker, the basic object of reducing the retirement age to 60 is to free the worker at that age so that he may make an independent decision, a decision based on his own situation, as to whether he can, with dignity, continue to work. He will not be forced into retirement, but in the case of many thousands of individuals who will voluntarily retire if given the opportunity, there will be thousands of new jobs available for younger persons who are entering the work force each year. In these times of recession I submit, Mr. Speaker, that a lower retirement age will serve to reduce unemployment in the country. I am convinced that legislation which reduces the retirement age to 60 is consistent with the economic realities of our times.

"LET'S GET THE PUBLIC BUILDINGS PROGRAM THROUGHOUT THE COUNTRY OFF THE GROUND"

Mr. SCHWENGEL. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. CRAMER] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. CRAMER. Mr. Speaker, I have introduced today a bill, H. R. 13263 to amend the Public Buildings Act of May 25, 1926, as amended, to set up procedures to facilitate construction of public buildings throughout the United States, its Territories and possessions, that are under the jurisdiction of General Services Administration and the Post Office Department, in order to provide a current and continuing, well planned, long range, nationwide program for such building construction.

The bill provides what I believe to be a workable substitute for the lease-purchase program that was permitted to die this year. It is essential, I believe, that the present helter-skelter program that existed prior to lease-purchase, and which is the only implement available now, will result in no construction at all, as has been the case prior to lease-purchase. Of course I am concerned primarily with the post office and multi-purpose Federal building projects which have been at a standstill since World War I, except for the lease-purchase program.

This session of Congress, after killing lease-purchase by permitting it to expire, saw fit to appropriate \$177,255,000 as direct appropriation in place of lease-purchase private financing to construct some 66 post office and Federal building projects that had been authorized by committee action under lease-purchase. There are only some 14 additional buildings that have been authorized available for such appropriation.

The 200 projects that were on the tentative and preliminary approved list of General Services Administration, but which had not been submitted to the Public Works Committee under lease purchase for authorization, together with some 71 additional projects which could be constructed on federally owned properties remain at a standstill, in that the Public Works Committee has no legislative power to authorize these additional projects, together with such other projects as are needed throughout the country. I am including at the conclusion of my remarks a list of those projects for the information of the Members.

My bill is intended to get the Congress and the Public Works Committees of the House and Senate to consider these 271 projects, together with others throughout the country that are needed for authorization by Congress, and also to empower the Public Works Committees of the House and Senate to authorize preliminary surveys for such public buildings, which power the committee does not now have.

In effect, my bill has the object of setting up a public buildings authorization program procedure similar to the procedure used for other public works projects, such as rivers and harbors and flood control. Under my bill the Public Works Committees of the House or the Senate would request a survey as to the need in specific areas "with due regard for the comparative urgency of need" and to "provide for the widest geographical and most equitable distribution" throughout the country of public buildings projects, and would request these surveys of the General Services Administration and the Post Office Department where the latter was involved.

The bill would further provide that said agency would submit a report on these surveys within "a reasonable time," and the bill further sets out what the survey report should include. The information to be included would be similar to that information which was required under the lease-purchase program. After the project or series of projects are approved by the Public Works Committees of the House or Senate, then such action would be reported to the House or Senate in the form of one or a series of public buildings authorization acts. It will be seen that this is the same procedure used in other public works projects today. Such projects would then be available for appropriations. They would also be available for such other program of financing as Congress might later see fit to enact.

I have felt consistently that it is inexcusable that local communities should be denied adequate facilities to house Federal agencies in which the people of this Nation have the closest contact with the Federal Government. I had been most disturbed over the lack of any building program prior to lease purchase and felt Congress made a serious mistake in killing that program, it being the first comprehensive and the most sensible nationwide program yet devised. I still feel that private financing is the most logical answer because it does not require substantial appropriations, but

rather long term amortization to accomplish substantially the needed building program throughout the country, but it is obvious the majority in Congress does not agree, and I am therefore hopeful that this alternative program will be enacted which will have the same objective as lease purchase but will result in different financing methods.

I think it is high time we got this essential building program off the ground and acknowledge local building needs back in the district, placing the program on a nationwide need basis and giving Congress the authority to proceed.

The following is a list taken from the minority report on S. 2261, Report No. 894, of the projects that would immediately be available along with other projects for such survey, which are projects that were being considered under the lease-purchase program but did not reach the stage of authorization. So far as Florida is concerned I call your attention to the following projects: Gainesville, Jacksonville, Tampa, and Monticello.

The following is a list of lease-purchase projects—GSA—which were being considered for submission to committees of Congress for approval if Public Law 519, 83d Congress, had been extended:

Alabama: Birmingham, Montgomery, and Tuscaloosa.

Alaska: Anchorage, Juneau, and Seward.

Arizona: Holbrook.

Arkansas: Camden, Fayetteville, Harrisburg, Jonesboro, and Pine Bluff.

California: Bakersfield; Eureka, Fresno, Los Angeles, FBI; Los Angeles, West; Los Angeles; Menlo Park, Geological Survey; Pomona; San Diego; San Francisco, FSS warehouse; San Francisco; San Luis Obispo; San Mateo; and Santa Rosa.

Connecticut: Greenwich, Meriden, Middletown, New Haven, and Willimantic.

Delaware: Wilmington.

Washington, D. C.: National Metropolitan Center, etc.

Florida: Gainesville, Jacksonville, and Tampa.

Georgia: Athens, Hazlehurst, and Thomasville.

Hawaii: Honolulu.

Idaho: Boise, Pocatello, and Twin Falls.

Illinois: Alton, Aurora, Belleville, Champaign, Chicago, East St. Louis, Mount Vernon, Springfield, and Urbana.

Indiana: Anderson, Indianapolis, and Muncie.

Iowa: Ames, Des Moines, Fort Madison, and Keosauqua.

Kansas: Great Bend and Topeka.

Kentucky: Benton, Frankfort, Henderson, and Lexington.

Louisiana: Baton Rouge, Houma, Natchitoches, and New Iberia.

Maine: Portland and Wiscasset.

Massachusetts: Amesbury, Lawrence, and New Bedford.

Michigan: Detroit, Grand Rapids, Lansing, Owosso, and Saginaw.

Minnesota: Roseau and Virginia.

Mississippi: Jackson, Natchez, Quitman, and Tupelo.

Missouri: Independence.

Montana: Billings, Bozeman, Butte, and Great Falls.

Nebraska: Lincoln, Nebraska City, and North Platte.

Nevada: Reno.

New Hampshire: Concord, Nashua, and Portsmouth.

New Jersey: Camden, Morristown, and Newark.

New Mexico: Carlsbad, Roswell, Santa Fe, and Socorro.

New York: Buffalo, Rochester, and Syracuse.

North Carolina: Bryson City, Fayetteville, Lexington, Raleigh, and Winston-Salem.

North Dakota: Bismarck, Fargo, Mandan, Minot, and Williston.

Ohio: Canton, Cleveland, Columbus, Dayton, McArthur, and Youngstown.

Oklahoma: Altus, Durant, Guthrie, Lawton, Wagoner, and Tulsa.

Oregon: Medford and Portland.

Pennsylvania: Harrisburg and Philadelphia.

Rhode Island: Bristol, Providence, Westerly, and Woonsocket.

South Carolina: Charleston.

South Dakota: Huron, Mitchell, Pierre, and Rapid City.

Tennessee: Bristol and Oak Ridge.

Texas: Austin, Corpus Christi, Dublin, El Paso, Fort Worth, Levelland, Mineral Wells, San Antonio, San Augustine, Sherman, Texas City, and Tyler.

Utah: Ogden.

Vermont: Montpelier.

Virginia: Roanoke and Suffolk.

Washington: Aberdeen, Dayton, Everett, Olympia, Pasco, Richland, Seattle, Tacoma, and Vancouver.

Wisconsin: Madison and Milwaukee.

Wyoming: Casper, Cheyenne, Cody, Rock Springs, and Worland.

None of these 110 projects may under present law be submitted to the Committees on Public Works since the time for securing approval under the lease-purchase law—Public Law 519, 83d Congress—has now expired.

The following is a list of 71 Government-owned sites which may be used for new public buildings projects if my bill is enacted:

Alabama: Florala, Livingston and Moulton.

Arkansas: Ashdown, Augusta, and Harrisburg.

California: Bakersfield and Los Angeles—terminal annex.

Florida: Monticello.

Georgia: Hogansville, Metter, Thomasville, Vienna, and Warm Springs.

Illinois: Casey, Eureka, and Fairbury.

Indiana: Bicknell.

Iowa: Ames—College station.

Louisiana: Coushatta.

Maine: Wilston.

Michigan: Dearborn, Monroe Boulevard station; Milan; and Tecumseh.

Minnesota: Roseau.

Mississippi: Quitman and Tupelo.

Missouri: Cape Girardeau, Independence, Moberly, and St. Louis—Richmond Heights Branch.

Montana: Whitefish.

New Jersey: Carteret, Garwood, and Newton.

New York: Dannemora, East Syracuse, Mohawk, and Montour Falls.

North Carolina: Scotland Neck.

Ohio: Akron, McArthur, and Oak Hill.

Oklahoma: Mountain View and Wagoner.

Pennsylvania: Beaver, Branckenridge, Clifton Heights, Downingtown, Emmaus, Greencastle, Jersey Shore, Newport, and Reynoldsville.

South Carolina: Charleston and Lyman.

Tennessee: Etowah, Hartsville, and Sharon.

Texas: Dublin, Levelland, Madisonville, New Boston, Orange, and San Augustine.

Virginia: Waynesboro.

Wisconsin: Evansville, New London, and Tomahawk.

Hawaii: Wailuku.

PERSONAL ANNOUNCEMENT

Mr. GRIFFIN. Mr. Speaker, during rollcall No. 118 today, on the so-called Mallory bill, my colleague, Mr. McINTOSH, and I were in conference with the President, and missed the vote. If I had been present I would have voted "aye." Mr. McINTOSH has authorized me to say that if he had been present he would have voted "aye."

SMALL BUSINESS INVESTMENT ACT OF 1958

Mr. MADDEN (at the request of Mr. McCORMACK) from the Committee on Rules, reported the following privileged resolution (H. Res. 618, Rept. No. 2115), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 3651) to make equity capital and long-term credit more readily available for small-business concerns, and for other purposes. After general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business

in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SCOTT of Pennsylvania (at the request of Mr. MARTIN), indefinitely, on account of death in family.

Mr. DAGUE (at the request of Mr. MARTIN), for an indefinite period, on account of death in his family.

Mr. ANDERSON of Montana, for the week of July 7 and the week of July 14, on account of attendance under orders at field training of the 96th Infantry Division, United States Army Reserve.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to Mr. REUSS, for 30 minutes, on Monday and to revise and extend the remarks he will then make.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. ROONEY, to revise and extend his remarks and include a statement by the President.

Mr. METCALF, the remarks he made on the conference report on Senate Joint Resolution 12 and to include excerpts from three court decisions.

Mr. ANDERSON of Montana, on Senate Joint Resolution 12 and to include extraneous matter.

Mr. PHILBIN and to include extraneous matter.

Mr. MAY and to include extraneous matter.

Mr. LANKFORD and to include extraneous matter.

Mr. KEATING (at the request of Mr. SCHWENGL) in three instances and to include extraneous matter.

Mr. MULTER (at the request of Mr. McCORMACK) in two instances and to include extraneous matter.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2117. An act directing the Secretary of the Army to transfer certain buildings to the Crow Creek Sioux Indian Tribe; to the Committee on Interior and Insular Affairs.

S. 3177. An act authorizing the modification of the Crisfield Harbor, Md., project in the interest of navigation; to the Committee on Public Works.

S. 3203. An act relating to minerals on the Wind River Indian Reservation in Wyoming, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 3437. An act authorizing the Department of Highways of the State of Minnesota

to construct, maintain, and operate a free highway bridge between International Falls, Minn., and Fort Frances, Ontario, Canada; to the Committee on Foreign Affairs.

S. 3499. An act to amend the vessel admeasurement laws relating to water ballast spaces; to the Committee on Merchant Marine and Fisheries.

S. 3608. An act to revive and reenact the act authorizing the State Highway Commission of the State of Maine to construct, maintain, and operate a free highway bridge between Lubec, Maine, and Campobello Island, New Brunswick, Canada; to the Committee on Foreign Affairs.

S. 3728. An act to incorporate the Big Brothers of America; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 982. An act to amend section 77 (c) (6) of the Bankruptcy Act;

H. R. 10154. An act to empower the Judicial Conference to study and recommend changes in and additions to the rules of practice and procedure in the Federal courts;

H. R. 11424. An act to extend the authority of the Secretary of Agriculture to extend special livestock loans, and for other purposes;

H. R. 11861. An act authorizing the city of Chester, Ill., to construct new approaches to and to reconstruct, repair, or improve the existing approaches to a toll bridge across the Mississippi River at or near Chester, Ill.;

H. R. 11936. An act to extend the time for the collection of tolls to amortize the cost, including reasonable interest and financing cost, of the construction of a bridge across the Missouri River at Brownville, Nebr.;

H. R. 12311. An act to amend the act of September 7, 1950 (relating to the construction of a public airport in or near the District of Columbia), to remove the limitation on the amount authorized to be appropriated for construction;

H. R. 12739. An act to amend section 1105 (b) of title XI (Federal Ship Mortgage Insurance) of the Merchant Marine Act, 1936, as amended, to implement the pledge of faith clause; and

H. R. 12827. An act to amend the provisions of title III of the Federal Civil Defense Act of 1950, as amended.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 86. An act to amend the National Science Foundation Act of 1950, to provide for a program of study, research, and evaluation in the field of weather modification; and

S. 2007. An act to amend the United States Grain Standards Act, 1916, as amended, to permit the Secretary of Agriculture to charge and collect for certain services performed, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 12716. An act to amend the Atomic Energy Act of 1954, as amended.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 18 minutes p. m.) the House adjourned until tomorrow, Thursday, July 3, 1958, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS,
ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2088. A letter from the Comptroller General of the United States, transmitting a report on the review of activities of naval ammunition depots and similar type installations managed by the Bureau of Ordnance, Department of the Navy, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

2089. A letter from the Chairman, United States Atomic Energy Commission, relative to a message that was transmitted by the President to the Congress on June 23, 1958, relating to a proposed international agreement between the United States of America and the European Atomic Energy Community for approval pursuant to sections 11 (1) and 124 of the Atomic Energy Act of 1954, as amended, and also stating that legislation has been transmitted by our letter of June 23, 1958, to the Chairman, Joint Committee on Atomic Energy; to the Joint Committee on Atomic Energy.

2090. A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation entitled "A bill to amend the act of June 10, 1938, relating to participation by the United States in the International Criminal Police Organization"; to the Committee on the Judiciary.

2091. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting in alphabetical order, 452 reports concerning individuals admitted to the United States notwithstanding affliction with tuberculosis, pursuant to section 6 of the act of September 11, 1957; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DAVIS of Tennessee: Committee on Public Works. H. R. 9924. A bill granting the consent and approval of Congress to a compact between the State of Connecticut and the State of Massachusetts relating to flood control; without amendment (Rept. No. 2105). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee on Public Works. S. 495. An act to authorize the acquisition of the remaining property in square 725 in the District of Columbia for the purpose of extension of the site of the additional office building for the United States Senate or for the purpose of addition to the United States Capitol Grounds; without amendment (Rept. No. 2106). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAVIS of Tennessee: Committee on Public Works. House Joint Resolution 633. Joint resolution to designate the lake formed

by the Ferrells Bridge Dam across Cypress Creek in Texas as Lake O' the Pines; without amendment (Rept. No. 2107). Referred to the House Calendar.

Mr. DURHAM: Joint Committee on Atomic Energy. H. R. 13121. A bill to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; without amendment (Rept. No. 2108). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee on Public Works. H. R. 12883. A bill to provide for certain improvements relating to the Capitol Power Plant and its distribution systems; with amendment (Rept. No. 2109). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAVIS of Tennessee: Committee on Public Works. S. 1785. An act designating the reservoir located above Heart-Butte Dam in Grant County, N. Dak., as Lake Tschida, and for other purposes; without amendment (Rept. No. 2110). Referred to the House Calendar.

Mr. JONES of Alabama: Committee on Public Works. S. 3975. An act to provide for the construction of a fireproof annex building for use of the Government Printing Office, and for other purposes; without amendment (Rept. No. 2111). Referred to the House Calendar.

Mrs. GREEN of Oregon: Joint Committee on the Disposition of Executive Papers. House Report No. 2112. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mrs. GREEN of Oregon: Joint Committee on the Disposition of Executive Papers. House Report No. 2113. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mrs. GREEN of Oregon: Joint Committee on the Disposition of Executive Papers. House Report No. 2114. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. MADDEN: Committee on Rules. House Resolution 618. Resolution for consideration of S. 3651. An act to make equity capital and long-term credit more readily available for small-business concerns, and for other purposes; without amendment (Rept. No. 2115). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABERNETHY:

H. R. 13262. A bill to amend the Federal Crop Insurance Act; to the Committee on Agriculture.

By Mr. CRAMER:

H. R. 13263. A bill to amend the act of May 25, 1926, as amended, to require certain distribution and approval of new public building projects, and for other purposes; to the Committee on Public Works.

By Mr. DENT:

H. R. 13264. A bill to exclude from taxable income taxes imposed upon employees under the social security, railroad retirement, and civil service retirement systems; to the Committee on Ways and Means.

By Mr. DEVEREUX:

H. R. 3265. A bill to authorize the appropriation to the Corregidor-Bataan Memorial Commission of an amount equal to amounts, not in excess of \$7,500,000, which may be received by the Secretary of the Navy from the sale of vessels stricken from the Naval Vessel Register, to be expended for the purpose of carrying out the provisions of the act of

August 5, 1953; to the Committee on Foreign Affairs.

By Mr. DIXON:

H. R. 13266. A bill to stabilize production of copper, lead, zinc, acid-grade fluorspar, and tungsten from domestic mines; to the Committee on Interior and Insular Affairs.

By Mr. HOFFMAN:

H. R. 13267. A bill to amend the Internal Revenue Code of 1954 to provide that the manufacturers excise tax on phonograph records shall not apply to records which play the contents of books or are otherwise intended particularly for use by the blind; to the Committee on Ways and Means.

By Mr. JENNINGS:

H. R. 13268. A bill authorizing Commodity Credit Corporation to purchase flour and cornmeal and donating same for certain domestic and foreign purposes; to the Committee on Agriculture.

By Mr. METCALF:

H. R. 13271. A bill to stabilize production of copper, lead, zinc, acid-grade fluorspar, and tungsten from domestic mines; to the Committee on Interior and Insular Affairs.

By Mr. MILLER of Nebraska:

H. R. 13270. A bill providing for payments as incentives for the production of certain minerals, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. UDALL:

H. R. 13271. A bill to stabilize production of copper, lead, zinc, acid-grade fluorspar, and tungsten from domestic mines; to the Committee on Interior and Insular Affairs.

By Mr. WALTER:

H. R. 13272. A bill to amend section 2385, title 18, United States Code, to define the term "organize" as used in that section; to the Committee on the Judiciary.

By Mr. CHENOWETH:

H. R. 13273. A bill to stabilize production of copper, lead, zinc, acid-grade fluorspar, and tungsten from domestic mines; to the Committee on Interior and Insular Affairs.

By Mr. DENT:

H. R. 13274. A bill to amend the Railroad Retirement Act of 1937, the Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act, so as to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LIBONATI:

H. R. 13275. A bill to exclude from taxable income taxes imposed upon employees under the social security, railroad retirement, and civil service retirement systems; to the Committee on Ways and Means.

H. R. 13276. A bill to amend the Railroad Retirement Act of 1937, the Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act, so as to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. McDONOUGH:

H. R. 13277. A bill to amend section 218 of the Social Security Act to provide that coverage by referendum for State and local employees shall be decided by a majority of those actually voting rather than by a majority of those eligible to vote; to the Committee on Ways and Means.

By Mr. NIMTZ:

H. R. 13278. A bill to amend section 552 of title 28 of the United States Code, as amended, relating to the salaries of United States marshals; to the Committee on the Judiciary.

By Mr. SAYLOR:

H. R. 13279. A bill to promote the conservation of migratory fish and game by requiring certain approval by the Secretary of the Interior of licenses issued under the Federal Power Act; to the Committee on Interstate and Foreign Commerce.

By Mr. ENGLE:

H. R. 13280. A bill to encourage the discovery, exploration, and development of the

mineral resources of the United States, its Territories and possessions and to maintain and stabilize the production of essential minerals and metals from domestic mines, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HARDY:

H. R. 13281. A bill to amend the Budget and Accounting Act, 1921, so as to provide a penalty for the refusal of an official or employee of any department and agency to furnish information to the Comptroller General of the United States; to the Committee on Government Operations.

By Mr. CRETELLA:

H. Con. Res. 347. Concurrent resolution relative to Captive Nations' Days; to the Committee on the Judiciary.

By Mr. CELLER:

H. Res. 619. Resolution to provide funds for the Committee on the Judiciary; to the Committee on House Administration.

By Mr. THOMPSON of New Jersey:

H. Res. 620. Resolution to authorize the Committee on Ways and Means to conduct an investigation and study of the effect on domestic industries and employment of the importation of sound recordings at existing applicable duty rates; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. KELLY of New York:

H. R. 13282. A bill for the relief of Herbert E. Potter, Enelda Potter, and Herbert Alfredo Potter; to the Committee on the Judiciary.

By Mr. LIPSCOMB:

H. R. 13283. A bill for the relief of Gerard De Haan; to the Committee on the Judiciary.

By Mr. PRICE:

H. R. 13284. A bill to provide for the advancement of Maj. Gen. Leif J. Sverdrup, United States Army Reserve (retired), to the grade of lieutenant general on the retired list; to the Committee on the Armed Services.

By Mr. SANTANGELO:

H. R. 13285. A bill for the relief of Normando Berovides; to the Committee on the Judiciary.

By Mr. LANE:

H. Res. 621. Resolution providing for sending the bill H. R. 1357 and accompanying papers to the United States Court of Claims; to the Committee on the Judiciary.

PETITIONS, ETC.

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

695. By Mr. REUSS: Petition of Vaughn M. Bennett, of Milwaukee, Wis., petitioning Congress to relieve the teacher shortage by taking the following steps: (1) adding teaching to the list of critical civilian occupations and thus deferring teachers from military obligation; (2) transferring all teachers now in Active Reserve programs to Standby Reserve status; (3) in lieu of (2), exempt teachers in Active Reserve status from military correspondence courses, and from the necessity of attending summer training duty when enrolled in summer school; to the Committee on Armed Services.

696. By the SPEAKER: Petition of Lyle H. Munson, New York, N. Y., requesting that he be issued and granted a letter of marque and reprisal, as provided in article 1, section 8, paragraph 11, the Constitution of the United States of America; to the Committee on Armed Services.

EXTENSIONS OF REMARKS

American League Veto of Washington Senators' Move Proves House-Passed Sports Bill Is Sound

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 2, 1958

Mr. KEATING. Mr. Speaker, I fully share the concern expressed by many about the miscalculated threats of some of the Washington Senators' owners to move the team's franchise out of this city. However, the suggestion that the sports bill recently approved by this body, H. R. 10378, would somehow abet such a move is unwarranted and completely misconceived.

I hope no one will be misled by some of the baseball baiting double-talk which plagues consideration of the merits of this measure during its early stages in this body. At that time baseball's eastern monopolists were being blamed for preventing expansion to the west coast. After the Dodgers and Giants left New York in partial response to this persistent brow-beating, these same critics attacked the greedy club-owners for abandoning Gotham. The fact is that there could be no league control of any club's shifts if baseball were subject to the antitrust laws. This means that the sports bill, which continues the present exemption of baseball's organizational and playing practices, gives the league the only power they have to prevent any such misguided moves.

Does anyone suppose that ordinary business competitors can force their rivals to stay put? Why, if such action were taken by any industrial group, the

Department of Justice would immediately be investigating for antitrust violations. The antitrust laws if applied to baseball would prohibit the very same efforts by the league to keep some clubs where they best serve the whole league's interests regardless of the selfish objectives of a particular club owner.

On any fair analysis, it is apparent that the reaction to the Nats' frustrated transfer gestures is really another illustration of why professional team sports could not properly operate under the antitrust laws. I do not suggest that professional baseball is not a business. But I do most definitely say that it is a unique kind of business and that it would be foolhardy to attempt to apply ordinary restraints on business activity to the solution of its problems.

Thank goodness more responsible baseball spokesmen operating under the authority of baseball's present rules have effectively, and I hope finally, squelched this effort to deprive the National Capitol of representation in our national pastime. Perhaps the league's decisive response to this threat will also squelch further misguided antitrust assaults upon our national team sports.

the Small Business Administration from a temporary agency to a permanent agency of the Government.

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

STATEMENT BY SENATOR YARBOROUGH

I am gratified that the Senate voted by nearly 2 to 1 to change the status of the Small Business Administration from a temporary agency to a permanent agency of the Government. In this period of merger and monopoly, the small-business man needs the aid of the Small Business Administration and we need permanent assurance to the small businesses of America that this agency will be here to serve them come what may in the future.

I have supported measures to try to assure the small-business man of America of his fair share of the market and his right to survive, and the action by the Senate is a step forward to give the small-business man of America assurances that there will be credit resources available which would be denied them if there were no Small Business Administration. I think the Small Business Administration is doing one of the best jobs of any governmental agency. I am proud to have supported this measure.

Even a President Has a Right To Change His Mind

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 2, 1958

Mr. MULTER. Mr. Speaker, the following quotation from President Eisenhower's news conference of May 4, 1956, is worthy of attention:

If anyone ever comes to any part of this Government and claiming some privilege for

Small Business Administration

EXTENSION OF REMARKS

OF

HON. RALPH W. YARBOROUGH

OF TEXAS

IN THE SENATE OF THE UNITED STATES

Wednesday, July 2, 1958

Mr. YARBOROUGH. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement I have prepared regarding the bill recently passed to change the status of