

hats of a nonunion manufacturer. The Sherman Act was held to apply and the Hat Co. was able to recover treble damages from the members of the Danbury local of the union.

As a result of this decision and the growing use of court injunctions to interfere with union activities, organized labor turned to Congress for relief from what it regarded as judicial oppression.

Congress first responded in 1914 by enacting section 6 of the Clayton Act. This section stated that "nothing contained in the antitrust laws shall be construed to forbid the existence and operation of labor * * * organizations * * * or to forbid or restrain individual members of such organizations from lawfully carrying out the legitimate objects thereof * * *."

Labor leaders hailed this section thinking that it exempted them completely from the antitrust laws. However, the Supreme Court in a series of decisions made it clear that the Clayton Act did not give labor the relief it expected. In the Duplex Printing Press case, for example, the Supreme Court held that the antitrust laws still prohibited secondary boycotts by labor unions. In the Coronado Coal case, the Court held that the antitrust laws applied to an attempt by a coalworkers' union to prevent the shipment of nonunion coal to other States where it would compete with union-mined coal.

As a result of these cases, Congress in 1932 enacted the Norris-La Guardia Act which specifically barred court injunction of enumerated union organizational and economic activities. In the case of *United States v. Hutcheson*, which involved a strike by one union against an employer who had assigned work to a competing union's members (a jurisdictional strike) the Supreme Court held finally that such labor activities were exempt from the antitrust laws. While there are still some disputed questions as to the scope of this exemption where labor and management jointly accomplish some direct market restraint, the general exemption of labor from the antitrust laws is not well settled.

The exemption of agricultural cooperatives is contained in several statutes. The

so-called Capper-Volstead Act provides that agricultural producers may "act together in associations, corporate or otherwise, with or without capital stock" for the purpose of "collectively processing, * * * handling, and marketing [their] products." Under the Cooperative Marketing Act of 1926, agricultural producers and their associations may acquire and exchange "past, present, and prospective" pricing, production and marketing data. And the Robinson-Patman Act provides that limitations on price discriminations shall not prevent "a cooperative association from returning to its members * * * net earnings on surplus * * * in proportion to their purchases or sales from, to, or through the association."

These exemptions from the antitrust laws demonstrate two facts about legislation in this field. The first is that economic theory and public policy do not always coincide; the second is that the antitrust laws while vital are not the sole means of preserving our democratic society.

From the point of view of economic purists, such considerations are irrelevant. They argue that the public interest is jeopardized no less by monopoly power in the hands of organized labor or restrictive practices by small farmers than it is by such powers and practices on the part of business. In their view, the interference with the workings of a free competitive economy is the same.

But legislation is never framed within such narrow and coldly logical limits. As Congressmen we frankly are concerned with more than just economic theory. We are also concerned with the social value, the popular sentiment, and similar factors, in determining the wisdom and utility of any particular enactment.

This is well illustrated by the agricultural and labor exemptions. In the case of agriculture, the exemption is based on a desire to preserve the family farm as the primary unit of agricultural production. We know that without the right to join together small farmers would be at the mercy of the large purchasers and processors with whom they must deal. The cooperative movement, whatever its antitrust implications to the theorist, is a matter of survival to the farm-

er. And because Congress wants the small farm to survive as a part of the American way of life, it sanctions this departure from the antitrust laws.

The situation with respect to labor is more complex but is based on similar assumptions. The attitude here is not so much that organized labor should be outside the antitrust laws as it is that labor-management relations should be considered in tailor-made legislation. And in framing such legislation Congress has given greater weight to the value of collective bargaining in preventing labor disputes than it has to the harm to unfettered competition which may result from concerted employee activities.

Apart from these direct exemptions, other policies of the Government obviously have an important bearing on the competitive system. The monetary and fiscal policies of the Government are an example. Violent changes in the general price level and in the level of national income such as occur in periods of inflation or depression are incompatible with the orderly functioning of a competitive economy. The success of the Government in checking these ruinous phenomena, therefore, directly affects the vitality of private enterprise.

The Government's trade policy is another example. Competition thrives in an environment characterized by widening markets, advancing technology, and increasing investment. An economy whose growth is retarded by various trade barriers generally is inhospitable to competition. Sales and investments abroad and a reciprocal flow of imports give strength to the competitive forces of the whole world.

These and similar indirect influences on the economic order do not deal directly with restrictive business practices. They really are measures to promote a political and economic climate in which competition is fostered. In a sense, they are the preventive medicine for warding off economic ills.

The antitrust laws are always in readiness, however, to strike down maladies threatening free competition. I hope that you will take back to your countries our faith in the general utility of and necessity for these statutes.

SENATE

THURSDAY, FEBRUARY 6, 1958

Rev. Robert W. Olewiler, minister, Grace Reformed Church, Washington, D. C., offered the following prayer:

Most gracious God, in whom we live and move and have our being, we thank Thee for life and love, for the mystery and majesty of existence, and for the miracle of our conscious life by which we behold the wonders of the universe.

We confess that we are not worthy of all Thy goodness to us, and ask Thy mercy, so that we may prove our repentance by lives dedicated more fully to Thee and to the common good.

We beseech Thee, our Father, to bestow Thy spirit upon all the nations of the earth. We pray Thee especially to bless our land, its people, and all who are in authority. May Thy presence always abide with the Members of this, our Senate of the United States. Grant that they may serve to the end that mercy and truth, righteousness and peace will everywhere prevail; and may all that we are and all that we do reflect Thy holy will, now and forever. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, February 5, 1958, was dispensed with.

MESSAGES FROM THE PRESIDENT

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

FINAL REPORT OF ADVISORY COMMITTEE ON WEATHER CONTROL—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:
Pursuant to the provisions of section 10 of the act of August 13, 1953 (Public Law 256, 83d Cong.), as amended, I here-

by transmit the Final Report of the Advisory Committee on Weather Control.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, February 6, 1958.

REPORT OF ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 326)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was referred to the Committee on Public Works:

To the Congress of the United States:

Pursuant to the provisions of section 10 of Public Law 358, 83d Congress, I transmit herewith for the information of the Congress the report of the St. Lawrence Seaway Development Corporation, covering its activities for the year ended December 31, 1957.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, February 6, 1958.

(NOTE.—Actual report transmitted to the House of Representatives.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the joint resolution (S. J. Res. 39) to authorize the construction of certain water conservation projects to provide for a more adequate supply of water for irrigation purposes in the Pecos River Basin, N. Mex. and Tex., with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed 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. 9739) to authorize the Secretary of the Air Force to establish and develop certain installations for the national security, and to confer certain authority on the Secretary of Defense, and for other purposes.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 10146) making supplemental appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes.

The message also announced that the House had passed a bill (H. R. 4215) amending sections 22 and 24 of the Organic Act of Guam, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1908. An act to amend the District of Columbia Hospital Center Act in order to extend the time and increase the authorization for appropriations for the purposes of such act, and to provide that grants under such act may be made to certain organizations organized to construct and operate hospital facilities in the District of Columbia; and

H. R. 10146. An act making supplemental appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes.

HOUSE BILL REFERRED

The bill (H. R. 4215) amending sections 22 and 24 of the Organic Act of Guam was read twice by its title and referred to the Committee on Interior and Insular Affairs.

CALL OF THE ROLL

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

ESTABLISHMENT OF SPECIAL COMMITTEE ON ASTRONAUTICAL AND SPACE EXPLORATION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1297, Senate Resolution 256.

The motion was agreed to; and the Senate proceeded to consider the resolution (S. 256) establishing a Special Committee on Astronautical and Space Exploration, which had been reported from the Committee on Rules and Administration with an amendment, on page 2, line 1, after the word "thereafter", to insert "but not later than January 31, 1959", so as to make the resolution read:

Resolved, That there is hereby established a special committee which is authorized and directed to conduct a thorough and complete study and investigation with respect to all aspects and problems relating to the exploration of outer space and the control, development, and use of astronautical resources, personnel, equipment, and facilities. All bills and resolutions introduced in the Senate, and all bills and resolutions from the House of Representatives, proposing legislation in the field of astronautics and space exploration shall be referred, and if necessary rereferred, to the special committee. The special committee is authorized and directed to report to the Senate by June 1, 1958, or the earliest practical date thereafter, but not later than January 31, 1959, by bill or otherwise, with recommendations upon any matters covered by this resolution.

SEC. 2. (a) The special committee shall consist of 13 members, 7 from the majority and 6 from the minority Members of the Senate, to be appointed by the Vice President from the Committees on Appropriations, Foreign Relations, Armed Services, Interstate and Foreign Commerce, Government Operations, and the Joint Committee on Atomic Energy. At its first meeting, to be called by the Vice President, the special committee shall select a chairman.

(b) Any vacancies shall be filled in the same manner as the original appointments.

SEC. 3. For the purposes of this resolution the special committee is authorized as it may deem necessary and appropriate to (1) make such expenditures from the contingent fund of the Senate; (2) hold such hearings; (3) sit and act at such times and places during the sessions, recesses, and adjournment periods of the Senate; (4) require by subpoena or otherwise the attendance of such witnesses and production of such correspondence, books, papers, and documents; (5) administer such oaths; (6) take such testimony, either orally or by deposition; (7) employ on a temporary basis such technical, clerical, and other assistants and consultants; and (8) with the prior consent of the executive department or agency concerned and the Committee on Rules and Administration, employ on a reimbursable basis such executive branch personnel as it deems advisable; and further with the consent of other committees or subcommittees, to work in conjunction with and utilize their staffs, as it shall be deemed necessary and appropriate in the judgment of the chairman of the special committee.

SEC. 4. Upon the filing of its final report, the special committee shall cease to exist.

SEC. 5. The expenditures authorized by this resolution shall not exceed \$50,000 and shall be paid upon vouchers signed by the chairman of the special committee.

Mr. JOHNSON of Texas. Mr. President, I have asked for the immediate consideration of Senate Resolution 256, a resolution to establish a special com-

mittee for the consideration of a national policy toward the age of space.

As a nation, we are presented with an unusual opportunity. We have some time to lay plans for the best approach to a revolutionary new age which is advancing rapidly upon us, but which is not yet here.

At the present moment, we are in a transition stage. We have a few fingers probing the area that lies beyond the earth's atmosphere. But our knowledge is still very slight.

We can be certain only of the fact that science advances at an ever-increasing rate of speed, and that the physical presence of men in outer space is only a matter of time.

We have been pushed into outer space by a combination of two forces—the curiosity of scientists and the drive for new weapons. But it is apparent to thoughtful men that there is much more before us than scientific tomes and military hardware.

The exploration of outer space will dominate the affairs of mankind, just as the exploration of the Western Hemisphere dominated the affairs of mankind in the 16th and 17th centuries.

This resolution has been presented on behalf of the entire membership of the Senate Preparedness Subcommittee. It is a natural outgrowth of the hearings, which we have concluded on the Nation's satellite and ballistic missiles program.

In the course of those hearings, it quickly became apparent that we were being led into fields beyond our proper jurisdiction. It also became apparent that there could be no real answers to the Nation's security problems unless those fields were explored.

The ballistic missile is merely the rear guard of the age in which earth-bound men throw weapons at each other. The satellite is merely the advance guard of the space age.

They cannot be considered adequately unless they are put into the context of America's national policy.

Mr. President, we must have the views of men skilled in our foreign policy. We must have the views of men skilled in military policy. We must have the views of men skilled in commercial policy. We must have the views of men skilled in the new sources of atomic power. And all of these views must be tied into the structure of our present Government and our present society.

This need is apparent already. It is reflected in views which have been advanced by thoughtful men and in bills which have been introduced in this Congress.

The resolution before the Senate does not seek to advance any of those views, to reject any of those views, or to supplant any of those views. It is simply an effort to provide an adequate forum where they can be considered fairly, prudently, and adequately, in the Nation's interest, without regard to parties.

It is my hope that during this session we can resolve some of the basic issues. To resolve those issues, however, we must have a committee with sufficient

jurisdiction to consider the proposals together and to weigh their merits.

Bills on this subject have been introduced already. The President has indicated his intention to send Congress his recommendations. We must be ready to consider them promptly, if we are to discharge our obligations.

For the time being, our efforts to explore outer space can remain where they are—in the Defense Department. But I believe all of us are aware that this is not a policy, but is merely an expediency while we determine a policy.

I have no hard and firm conclusions as to the policy that should be adopted. But I do know there is an urgent need to lodge specific responsibility somewhere, and that the decision must be faced up to, and should not be postponed.

Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks on the joint resolution a very excellent editorial entitled "Responsibility for Space," published in the Washington Daily News of today.

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

RESPONSIBILITY FOR SPACE

Nothing could be worse for the United States than a prolonged cat-and-dog fight over who is to run the American space program. We are far behind in this field. We have no well-defined program—not even a decision yet on how and by whom such a program will be created.

The pulling and hauling for control has started—among the three branches of the armed services and agencies of Government, among the committees of Congress, between the advocates of military and civilian control. This should stop, pending a Presidential recommendation on how to proceed.

Senate Democratic Leader LYNDON JOHNSON, on behalf of Democrats and Republicans on his Preparedness Committee, took the first step to this end. He proposed creation of a special Senate committee to consider the President's space proposals, when ready, and to help establish a national policy. The Senate Rules Committee unanimously approved, and the Senate should follow through quickly.

"The task is far too big to be left to scattered efforts," Mr. JOHNSON said. "Somewhere there must be lodged specific responsibility for America's effort in outer space."

The moves by the President and Senate should—but probably won't—stop the efforts of many vested interests to carve out for themselves a space empire.

This controversy over a space program—when we get one—is another indication of failure to cope with first things first. Only a few of our officials and legislators seem to realize that the real answers to today's problems are complex and difficult—not just appropriation of billions and grabbing blindly for jurisdiction in a new field.

The top problem that confronts us in space is how, whatever we do, our efforts are going to be organized and directed. A wrong or timid decision on how to proceed could be disastrous.

Our failure to keep abreast of the Soviets in space comes not from lack of money, lack of ability or lack of resources. Allen W. Dulles, Director of the Central Intelligence Agency, put his finger on the causes when he said:

"Achievements (such as Soviet sputniks) depend on the goals and priorities set, the promptness and correctness of the decisions reached, and the energy applied in terms of

man-hours with the proper tools and equipment."

So far in space projects our goals and priorities have been too low, our decisions have been bad and too late, and too much of our energy has been diverted to areas unimportant for survival.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. KNOWLAND. Mr. President, I support the resolution. As I mentioned when it was submitted, I think it is a constructive approach to the problem confronting us. The resolution comes to the Senate with the approval of a bipartisan group of the Preparedness Investigating Subcommittee and under their sponsorship. Its purpose is to prevent needless duplication of effort, and perhaps even jurisdictional controversies which might arise among the several standing committees of the Senate, which otherwise might properly handle legislation dealing with this very important subject matter.

It is a resolution which is timely. The special committee will be in being not only to consider proposed legislation which has been or which may be introduced in this body, and any future proposed legislation which may come to the Senate from the House of Representatives, but also will be able to accept recommendations which may come from the President of the United States during this session, after studies which are under way have been completed by the President and the executive branch of the Government.

Mr. President, for these reasons I shall support the resolution.

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

Mr. KNOWLAND. I yield to the Senator from New York.

Mr. JAVITS. I was not present yesterday when the Committee on Rules and Administration acted on the resolution of the Senator from Texas. Throughout the country much has been made of the question whether we in the Congress are looking forward and taking account of the new concepts which our times are thrusting upon us. I think the presentation of this resolution is evidence to the contrary that, under good leadership, Congress wants from every echelon of the Government, from the executive as well as the legislative, constructive advice. I say to the Senator from Texas that many people do not understand that leadership can come from a body like this. I am glad my committee approved the resolution.

I should like to record myself as joining in approval of the resolution. It stamps this body as one which is able, in an epochal stage, of providing the leadership that is required, and demonstrating that we in this body, which is composed of a substantial number of persons, can take events into account and act promptly when the times so require.

I thank my leader, the Senator from California, for yielding to me.

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

The VICE PRESIDENT. The clerk will call the roll.

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

Aiken	Hickenlooper	Murray
Allott	Hill	Neuberger
Anderson	Holland	O'Mahoney
Barrett	Hruska	Pastore
Beall	Humphrey	Payne
Bible	Ives	Potter
Bridges	Jackson	Proxmire
Bush	Javits	Purtell
Byrd	Jenner	Revercomb
Carrall	Johnson, Tex.	Robertson
Case, N. J.	Johnson, S. C.	Russell
Case, S. Dak.	Kefauver	Schoeppl
Chavez	Kennedy	Scott
Clark	Kerr	Smathers
Cotton	Knowland	Smith, Maine
Dirksen	Kuchel	Smith, N. J.
Douglas	Langer	Sparkman
Dworshak	Long	Stennis
Eastland	Malone	Symington
Ellender	Mansfield	Talmadge
Ervin	Martin, Iowa	Thurmond
Frear	Martin, Pa.	Watkins
Fulbright	McClellan	Wiley
Gore	McNamara	Yarborough
Green	Monroney	Young
Hayden	Morton	
Hennings	Mundt	

Mr. MANSFIELD. I announce that the Senator from Idaho [Mr. CHURCH], the Senator from Ohio [Mr. LAUSCHE], the Senator from Washington [Mr. MAGNUSON], and the Senator from Oregon [Mr. MORSE] are absent on official business.

Mr. DIRKSEN. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Ohio [Mr. BRICKER], the Senator from Maryland [Mr. BUTLER], the Senator from Kansas [Mr. CARLSON], the Senator from Nebraska [Mr. CURTIS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from West Virginia [Mr. HOBLITZELL] are detained on official business.

The Senator from Indiana [Mr. CAPEHART], the Senator from Kentucky [Mr. COOPER], and the Senator from Minnesota [Mr. THYE] are absent on official business.

The Senator from Vermont [Mr. FLANDERS], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Delaware [Mr. WILLIAMS] are necessarily absent.

The VICE PRESIDENT. A quorum is present.

The question is on agreeing to Senate Resolution 256, as amended.

Mr. JOHNSON of Texas. Mr. President, may we have the yeas and nays on the resolution?

The yeas and nays were ordered.

The VICE PRESIDENT. The question is on agreeing to the resolution, as amended. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Idaho [Mr. CHURCH], the Senator from Idaho [Mr. LAUSCHE], the Senator from Washington [Mr. MAGNUSON], and the Senator from Oregon [Mr. MORSE] are absent on official business.

I further announce that if present and voting, the Senator from Idaho [Mr. CHURCH], the Senator from Ohio [Mr. LAUSCHE], the Senator from Washington [Mr. MAGNUSON], and the Senator from

Oregon [Mr. MORSE] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Ohio [Mr. BRICKER], the Senator from Maryland [Mr. BUTLER], the Senator from Kansas [Mr. CARLSON], the Senator from Nebraska [Mr. CURTIS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from West Virginia [Mr. HOBLITZELL], are detained on official business.

The Senator from Indiana [Mr. CAPEHART], the Senator from Kentucky [Mr. COOPER], and the Senator from Minnesota [Mr. THYE], are absent on official business.

The Senator from Vermont [Mr. FLANDERS], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Delaware [Mr. WILLIAMS], are necessarily absent.

If present and voting, the Senator from Utah [Mr. BENNETT], the Senator from Ohio [Mr. BRICKER], the Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], the Senator from Kansas [Mr. CARLSON], the Senator from Kentucky [Mr. COOPER], the Senator from Nebraska [Mr. CURTIS], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], the Senator from West Virginia [Mr. HOBLITZELL], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Minnesota [Mr. THYE], and the Senator from Delaware [Mr. WILLIAMS], would each vote "yea."

The result was announced—yeas 78, nays 1, as follows:

YEAS—78

Alken	Hickenlooper	Mundt
Ailott	Hill	Murray
Anderson	Holland	Neuberger
Barrett	Hruska	O'Mahoney
Beall	Humphrey	Pastore
Bible	Ives	Payne
Bridges	Jackson	Potter
Bush	Javits	Proxmire
Byrd	Jenner	Purtell
Carroll	Johnson, Tex.	Revercomb
Case, N. J.	Johnson, S. C.	Robertson
Case, S. Dak.	Kefauver	Russell
Chavez	Kennedy	Schoeppel
Clark	Kerr	Scott
Cotton	Knowland	Smathers
Dirksen	Kuchel	Smith, Maine
Douglas	Langer	Smith, N. J.
Dworshak	Long	Sparkman
Eastland	Malone	Stennis
Ervin	Mansfield	Symington
Frear	Martin, Iowa	Talmadge
Fulbright	Martin, Pa.	Thurmond
Gore	McClellan	Watkins
Green	McNamara	Wiley
Hayden	Monroney	Yarborough
Hennings	Morton	Young

NAYS—1

Ellender

NOT VOTING—17

Bennett	Cooper	Magnuson
Bricker	Curtis	Morse
Butler	Flanders	Saltonstall
Capehart	Goldwater	Thye
Carlson	Hoblitzell	Williams
Church	Lausche	

So Senate Resolution 256, as amended, was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the resolution was agreed to.

Mr. KNOWLAND. Mr. President, I move to lay that motion on the table.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from California.

The motion to lay on the table was agreed to.

COMMITTEE SERVICE

Mr. JOHNSON of Texas. Mr. President, I send an order to the desk and ask for its present consideration.

The VICE PRESIDENT. The order will be read.

The order was read, as follows:

Ordered, That Mr. BIBLE be, and he is hereby, appointed chairman of the Committee on the District of Columbia to fill the existing vacancy.

And that the Senator from Wisconsin (Mr. PROXMIRE) be assigned to service on the Committee on the District of Columbia.

The VICE PRESIDENT. Without objection, the order is entered.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that, under the rule, there be the usual morning hour, with statements limited to 3 minutes.

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

EXECUTIVE COMMUNICATIONS, ETC.

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

AUTHORIZATION FOR CERTAIN CIVILIAN PERSONNEL TO CARRY FIREARMS

A letter from the Secretary of Defense, transmitting a draft of proposed legislation to authorize civilian personnel of the Department of Defense and certain personnel of the National Advisory Committee for Aeronautics to carry firearms (with an accompanying paper); to the Committee on Armed Services.

REPORT ON AVAILABILITY OF CERTAIN PERSONAL AND REAL PROPERTY

A letter from the Secretary, Department of Health, Education, and Welfare, transmitting, pursuant to law, a report covering personal property made available for distribution to public health and educational institutions and civil defense organizations, and all real property disposed of to public health and educational institutions, during the period October 1 through December 31, 1957 (with an accompanying report); to the Committee on Government Operations.

REPORT ON FOREIGN EXCESS PERSONAL PROPERTY DISPOSALS

A letter from the Director for Supply Management Policy, Department of Defense, transmitting, pursuant to law, a report relative to the disposition of foreign excess personal property located in areas outside the continental United States, Alaska, Hawaii, Puerto Rico, and the Virgin Islands, for the fiscal year 1957 (with an accompanying report); to the Committee on Government Operations.

GRANTING ADMISSION INTO THE UNITED STATES OF CERTAIN DEFECTOR ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting admission into the United States of certain defector aliens (with accompanying papers); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

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

By the VICE PRESIDENT:

A resolution adopted by the Board of Commissioners of the City of Covington, Ky., protesting against the enactment of House bill 8525, to relieve the producers of natural gases of any regulation at the wellhead or source; to the Committee on Interstate and Foreign Commerce.

A resolution adopted by the Knights of Columbus of the 45th District of Orange County, Calif., protesting against the extradition of Dr. Andrija Artukovic to Yugoslavia; to the Committee on the Judiciary.

PROPOSED ESTABLISHMENT OF A PORT OF ENTRY AT CARIBOU, MINN.

Mr. HUMPHREY. Mr. President, a number of northern Minnesota residents have called my attention to the need for the establishment of a port of entry to be located at Caribou, Minn.

There is indeed a great need for additional port facilities between ourselves and our great neighbors to the north, along the Minnesota border, and I have asked the Customs and Immigration Services to give careful consideration to this proposal.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, and appropriately referred, the petition signed by more than 200 northern Minnesota residents, urging the construction of an additional facility at Caribou, Minn.

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

To the Honorable Members of the House of Representatives and the United States Senate:

It is our belief that there is a definite need for the establishment of a port of entry to be located at Caribou, Minn. Our friends in Canada have for many years recognized this fact and the Canadian Government has recently constructed a connecting highway down to the border at Caribou. It has also agreed to effect a customs and immigration port at this point.

We, the undersigned residents of northern Minnesota, urge your consideration and co-operation in providing facilities at Caribou, so that a port of entry may be established for the mutual benefit of Canadian and American citizens of this area.

I, Donald Wicklund, president of the Association of Commerce of Greenbush, Minn., wish to state that the above is a copy of the petition held in our files.

(Signed) DON WICKLUND.

Subscribed and sworn to before me a notary public in and for Rosseau County, State of Minnesota, this 29th day of January 1958.

K. B. TRANGSRUD.

RESOLUTIONS FROM NEW YORK STATE

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, certain resolutions and petitions coming out of the State of New York, from civic, community, and specialized organizations.

There being no objection, the resolutions were appropriately referred, and ordered to be printed in the RECORD, as follows:

To the Committee on Agriculture and Forestry:

"Whereas we believe that increased industrial use of agricultural products offers a long-range solution to agricultural surpluses; and

"Whereas this grange has long urged that more money be spent on research: Therefore be it

Resolved, That we, the members of Red Creek Valley Grange, Cooperstown, N. Y., request our Senators and Congressman to support S. 2306, a bill to carry out the recommendations of the Commission on Increased Industrial Uses of Agricultural Products."

To the Committee on Finance:

"Whereas payments made under the Social Security Act are inadequate to meet the needs of retired persons, especially during failing health: Therefore be it

Resolved, That we, the members of the Red Creek Valley Grange, Cooperstown, N. Y., urge our Senators and Congressman to support H. R. 7141, a bill to amend the Social Security Act to remove the limitations upon the amount of outside income which an individual may earn while receiving benefits thereunder."

"Whereas much ado has been made over the necessity to increase taxes to provide adequate defense and to overtake the lead Russia has achieved over the United States in some fields; and

"Whereas, while we are willing to support all necessary defense spending, we are definitely opposed to the present waste and inefficiency in Government spending: Therefore be it

Resolved, That we, the members of Red Creek Valley Grange, Cooperstown, N. Y., ask our Senators and Congressman to work for the adoption of the savings pointed out in the Hoover Commission report and for elimination of flagrant waste in foreign-aid programs; and be it further

Resolved, That we oppose bringing new acres into production by irrigation and paying out money to retire other land from production."

To the Committee on Foreign Relations:

"Resolution passed by the board of directors of the Rochester Association for the United Nations at a regular meeting held on January 13, 1958, at the chamber of commerce:

"In this time of searching inquiry in regard to our national security, we would like to remind our fellow citizens of the importance of the United Nations in the appraisal of our situation.

"While the U. N. cannot help us in our immediate problems of defense against nuclear and missile attack, there are very clear areas in which it can help in the long-range effort for a lasting peace. Such a peace is, of course, our greatest security.

"First, the moderating and conciliating influence of a world meeting and a speaking place should not be underestimated. The constant reiteration of the world's hope for peace does have influence and effect.

"Second, the United Nations offers a mechanism whereby a common police force can be established to guard troubled areas. Such a force was hurriedly put together in the Suez crisis and the idea could be extended for use in other areas. As a nation the United States has the agonizing problem of preparedness for both massive attack and so-called local wars. A United Nations police force might greatly reduce the hazard of local wars and, if they did break out, help to keep them local.

"Third, the United Nations offers a mechanism for economic aid and development which can keep us out of a contest in this field with the Russians. The betterment of living conditions in poor countries is a help in preventing Communist infiltration and assumption of power. It is a help in keeping countries free and independent. Our Nation recognized this some years ago when we realized we had a third kind of attack to fear—that of the obscure or concealed war which was manifested by the internal takeover. Recently the Russians have used economic aid to help them in luring nations into their orbit. Small nations have found they can play one of us against the other. The more we use the United Nations to give technical and economic aid, the more do we demonstrate our constructive and peaceful intentions and the less do we fall into the trap of seeming to think we can buy favor.

"We commend President Eisenhower for his consistent support of the U. N. in the fields of disarmament, atomic energy, and other programs for peace.

"Our country's concern at this time over the dangers ahead should not make us lose sight of the necessity for constructive action through the United Nations to help solve some of our problems. Because our security is inseparably bound up in the security of the world as well as that of the world in ours."

To the Committee on Government Operations:

"Motion made, seconded, and unanimously carried by members of Red Creek Valley Grange, Cooperstown, N. Y., the following:

"Protesting the seizure of the National Grange Building by the General Services Administration.

"Requesting their support of legislation requiring the title to the property be restored to the National Grange."

To the Committee on Labor and Public Welfare:

"Whereas the provisions of the United States Servicemen's Readjustment Act of 1944, by its terms, expires on July 1, 1958; and

"Whereas a large number of servicemen entitled to secure for themselves the benefits thereof, have not heretofore made application for such benefits, and may or will require such assistance in the future; and

"Whereas such servicemen may desire to purchase homes for themselves after the expiration of such act, and to facilitate their ability to do so, and to secure such benefits: Be it

Resolved, That the Elmer E. Bennett, Jr., Post, No. 725, for and on behalf of such servicemen, does hereby request the Congress of the United States of America, at its forthcoming session in the year of 1958, to further extend the provision of such act for a further period of 2 years from July 1, 1958, or a longer term, if deemed advisable by such Congress, as it may determine.

"Respectfully submitted.

"ELMER E. BENNETT, JR., POST.
"OAKLEY JOYNER, *Adjutant.*"

BILLS INTRODUCED

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

By Mr. YOUNG:

S. 3241. A bill for the relief of Lottie Skovgaard; to the Committee on the Judiciary.

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

S. 3242. A bill to change the name of the reservoir above Garrison Dam and known as Garrison Reservoir or Garrison Lake to Lake Sakakawea; to the Committee on Public Works.

By Mr. CLARK:

S. 3243. A bill to permit certain foreign students to attend the District of Columbia Teachers College on the same basis as a resident of the District of Columbia; to the Committee on the District of Columbia.

By Mr. KENNEDY (for himself, Mr. CLARK, Mr. McNAMARA, Mr. MANSFIELD, Mr. MURRAY, Mr. PROXMIER, Mr. DOUGLAS, Mr. GREEN, Mr. NEUBERGER, Mr. HUMPHREY, Mr. MORSE, Mr. JACKSON, Mr. CHAVEZ, Mr. PAYNE, Mr. PASTORE, and Mr. KEFAUVER):

S. 3244. A bill to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment insurance program, and for other purposes; to the Committee on Finance.

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

By Mr. JAVITS:

S. 3245. A bill to amend the Bankruptcy Act with respect to the priority of debts owed by a bankrupt to workmen, servants, clerks, and certain salesmen; to the Committee on the Judiciary.

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

By Mr. MORTON:

S. 3246. A bill to provide for the disposal of federally owned property at an obsolescent canalized waterway, and for other purposes; to the Committee on Government Operations.

By Mr. NEUBERGER (for himself, Mrs. SMITH of Maine, Mr. MORSE, Mr. MANSFIELD, Mr. HUMPHREY, Mr. CARROLL, Mr. DOUGLAS, Mr. CLARK, and Mr. PROXMIER):

S. 3247. A bill relating to mining claims on lands within the national forests; to the Committee on Interior and Insular Affairs.

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

By Mr. WATKINS:

S. 3248. A bill to authorize the Secretary of Agriculture to exchange lands comprising the Pleasant Grove Administrative Site, Uinta National Forest, Utah, and for other purposes; and

S. 3249. A bill to better adapt the price support program to the needs of farmers by providing more latitude for increasing acreage allotments, establishing price supports, continuing authority for the disposition of surpluses, and for other purposes; to the Committee on Agriculture and Forestry.

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

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

S. 3250. A bill to provide for the use of the same base period in computing parity prices for agricultural commodities as is used by the Bureau of Labor Statistics in computing the consumer price index; to the Committee on Agriculture and Forestry.

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

By Mr. BEALL:

S. 3251. A bill to preserve rates of compensation of wage board employees whose positions are reduced in grade; to the Committee on Post Office and Civil Service.

By Mr. MUNDT (for himself, Mr. YOUNG, Mr. CARLSON, Mr. CURTIS, Mr. HRUSKA, Mr. CASE of South Dakota, Mr. THYE, Mr. SCHOEPEL, and Mr. DWORSHAK):

S. 3252. A bill to provide a support level for the 1958 crop of wheat of not less than \$2 per bushel; to the Committee on Agriculture and Forestry.

By Mr. CURTIS (for himself, Mr. McCLELLAN, Mr. MUNDT, Mr. GOLDWATER, and Mr. ALLOTT):

S. 3253. A bill to amend title 18 of the United States Code so as to prohibit certain interference with Federal construction projects; to the Committee on the Judiciary.

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

ACTIVITIES OF THE INTERNATIONAL CIVIL AVIATION ORGANIZATION IN THE FIELD OF AIRPORT ECONOMICS

Mr. HUMPHREY. Mr. President, on behalf of the Senator from California [Mr. KNOWLAND], the Senator from Massachusetts [Mr. KENNEDY], and myself, I submit, for appropriate reference, a resolution expressing the grave concern of the United States Senate as to the activities of the International Civil Aviation Organization in the field of airport economics and airport-use charges.

This is a matter of the utmost importance to the operators of the airports in the United States and its possessions.

American airports, with the exception of Washington National Airport, are owned and operated by the States, Commonwealths, and Territories, or their municipal and other agencies. All necessary capital and operating funds for these airports, other than Federal-aid funds for capital improvements, must be obtained as revenues derived from charges for the use of the airport or from the local taxpayers. Our American airport operators have been striving to operate these airports on a self-sustaining basis, without imposing unnecessary burdens on the taxpayers. They are now faced with a very real threat to their ability to continue toward the goal of ultimate self-support, because their right to establish such charges as they deem necessary to achieve that end has been placed in jeopardy.

This basic right has been placed in jeopardy by the activities of an international organization which, although it has never been granted any power to fix or regulate airport-use charges at American airports, has nonetheless undertaken to promulgate and distribute throughout the world a statement purporting to establish principles governing all aspects of airport economics.

The organization to which I refer, the International Civil Aviation Organization, was created by the treaty known as the Convention on International Civil Aviation, popularly referred to as the Chicago Convention. This treaty was opened for signature by the nations of the world in 1944, and was ratified by the United States in August 1946, the consent of this body to such ratification having been granted late in July, after full and complete hearings before the Foreign Relations Committee, and after extensive debate.

The powers of the international organization created by it are fully set forth in the treaty. There is only one provision which specifically grants any power as to airport-use charges. That provision is article 15, which requires that airport-use charges imposed or permitted

to be imposed by a contracting state be nondiscriminatory as between its national aircraft and the aircraft of other contracting states engaged in similar service. By way of implementation of this international pledge of nondiscrimination, the article then provides that upon representation by an interested contracting state, airport-use charges shall be subject to review by the organization's council, and that in such cases the council shall report and make recommendations thereon for the consideration of the states concerned. Other than that one provision, the treaty is silent as to regulatory powers in the field of airport economics or airport-use charges.

In the record made before the Foreign Relations Committee or in the debate here in the Senate, prior to our consent to ratification, there is not the slightest suggestion that any provision of the treaty was intended to, or would, authorize recommendations or pronouncements by this international organization in the field of charges for the use of American airports, or that the treaty authorized it to establish uniform principles governing airport charges. If it had even been suggested that any such activities in the field of our American airport charges and revenues were to be engaged in under the treaty, a proposal of such grievous significance to the states and municipalities, which had billions of state and local tax moneys invested in airport development, would have been very carefully examined, I am sure, and the record would show that examination.

Yet, on June 18, 1957, the International Civil Aviation Organization, acting through its council, adopted, for worldwide distribution to member nations, a statement on airport charges which purports to establish principles governing the making and collection of such charges. The establishment of such international principles, portending, as it does, further actions to require uniform application of the principles at the airports of all nations which are parties to the treaty, could have most serious repercussions on the public financing of American airports and would jeopardize their continued progress toward self-support. Discussions I have had with persons directly responsible for airport financing have led me to the conclusion that continued unchallenged attempts to require world acceptance of principles governing airport economics, revenues, and charges will tend to create substantial doubt as to the right of American airport operators to impose such charges as are necessary to meet the costs of their operations and their financial commitments, and thus would result in still further burdens on the taxpayers of the cities and States. They have created the American airport system, at a cost of approximately \$4 billion. The establishment of such limitations or principles would be a setback to the continued efforts of the cities and the States to maintain our American airports with the revenues earned through self-supporting charges.

The resolution I now submit expresses the concern of the Senate with regard to this situation which now confronts our

airport operations. The resolution requests the President to initiate a reevaluation of the United States participation in these activities, which our airport operators believe will undermine their credit, and to cause that reevaluation to be conducted in the light of the provisions of the Convention on International Civil Aviation, which is the source of such powers as the International Civil Aviation Organization may have. The resolution requests that the President direct each of the executive departments and agencies concerned to reconsider its own actions and decisions relating to United States participation in these activities, having in mind the potential adverse effects of the activities on the financing of airports by the States, Territories, and Commonwealths of the United States and their agencies.

Mr. President, I ask unanimous consent that the resolution be printed in the RECORD, and I send the resolution to the desk and ask that it be held there until the close of Senate business on Wednesday, February 12, so that additional Senators may cosponsor it if they so desire. I do this because of the interest which has been expressed by a number of Senators in the resolution.

The VICE PRESIDENT. The resolution will be received and appropriately referred, and, under the rule, will be printed in the RECORD; and without objection, the resolution will be held at the desk until February 12, as the Senator from Minnesota has requested.

The resolution (S. Res. 258), submitted by Mr. HUMPHREY (for himself, Mr. KNOWLAND, and Mr. KENNEDY), was referred to the Committee on Interstate and Foreign Commerce, as follows:

Whereas the airports in the United States and its possessions, with the exception of Washington National Airport, are owned, operated and controlled by the States, Commonwealths, or Territories and their municipal and other agencies, and have been developed and financed by them out of their own revenues, and by extension of their own credit; and

Whereas the States, Commonwealths, and Territories and their municipal and other agencies are endeavoring to operate and develop the American airport system on a self-supporting basis through the imposition of such charges and collection of such revenues as they as airport operators deem necessary; and

Whereas in addition to an estimated \$1 billion already invested in the development of our American airport system, the States, Commonwealths, and Territories, and their municipal and other agencies, with such Federal assistance as can be afforded them, are now being called upon to make further extensive investments in expanded and improved facilities at said airports to meet the requirements of the forthcoming jet planes: Now, therefore, it is

Resolved, That the Senate—

(a) Expresses its concern over United States' participation in the activities of the International Civil Aviation Organization in the field of airport economics, use charges (other than discriminatory use charges) and revenues which culminated in the recently promulgated "Statement by the Council to Contracting States on Airport Charges" (ICAO Doc. 7806-C/899) by reason of the potential adverse effect of these activities on the ability of the States, Territories, and Commonwealths of the United States and their municipal and other agencies to con-

tinue to finance and develop their airports on a self-supporting basis.

(b) Requests the President to initiate reevaluations in appropriate executive departments and agencies, to determine whether or not United States participation in the activities of the International Civil Aviation Organization in this field constitutes participation in activities not within the scope of the authority delegated to that Organization by the Convention on International Civil Aviation dated December 7, 1944, and ratified by the United States on August 9, 1946.

(c) Requests the President, upon completion of the reevaluation hereinabove requested and in view of the potential adverse effect of the activities of the International Civil Aviation Organization in this field in impairing the credit of the States, Territories, and Commonwealths and their agencies in airport financing, to direct each of the executive departments and agencies concerned to review and reconsider its decisions and actions in connection with United States participation in the activities of the International Civil Aviation Organization in the field of airport economics, use charges, and revenues.

IMPROVEMENT OF FEDERAL-STATE UNEMPLOYMENT INSURANCE PROGRAM

Mr. KENNEDY. Mr. President, I introduce, for appropriate reference, a bill to improve and strengthen our Federal-State unemployment insurance program, and to establish nationwide standards for benefit amounts—50 percent of a worker's lost earnings, up to a maximum of two-thirds of the State's average earnings—duration of the benefit period—39 weeks' coverage—employers of one or more—and other necessary improvements. This bill is co-sponsored by my colleagues, Senators CLARK, McNAMARA, MANSFIELD, MURRAY, PROXMIER, DOUGLAS, GREEN, NEUBERGER, HUMPHREY, MORSE, JACKSON, CARROLL, CHAVEZ, PAYNE, PASTORE, KEFAUVER, and MAGNUSON.

Five years ago, President Eisenhower urged the States to enact promptly the minimum standards necessary to bolster this program, which he called a valuable first line of defense against economic recession. The President has repeated that plea each year, in messages addressed to the States. In 1956 I offered amendments which would have brought about the changes recommended by the President. But the States have failed to act—though a major effort has been made in such States as Michigan—in part because no State wishes to take action that may make its competitive tax position more difficult, without some guaranty that all other States will follow suit. Not one State legislature has met the standards requested by the President. Congress must act now.

UNEMPLOYMENT AND PURCHASING POWER TODAY

Today the economic dangers this program was originally intended to alleviate are upon us. Unemployment has passed the 4 million mark and may well reach 5 million in the near future. One-third of the Nation's major industrial centers are officially classified as areas of substantial labor surplus, signifying that unemployment in those areas is already over 6 percent and rising. There are increasing numbers of unemployed auto workers in Michigan, steel workers in

Ohio, aircraft workers in California, textile workers in Massachusetts, apparel workers in the Carolinas, coal miners in West Virginia, oil workers in Texas, farm equipment workers in Illinois, machinery workers everywhere—in every kind of industry in every part of the country, wage payments are declining by several billion dollars a year.

The Federal-State jobless insurance program was designed to meet this loss of purchasing power by providing benefits to workers sufficient in amount and duration to enable them to maintain decent living standards and pay their necessary bills until new work could be found. This protected not only the worker but his grocer, his landlord and the other merchants dependent upon him for their own livelihood. Today this restoration of purchasing power in the local business community is a key to meeting effectively the recession that threatens our economy. Since last September, the number of jobless insurance checks paid to unemployed workers each week has more than doubled. Nearly 3 million workers—more than 1 of every 15 covered by this program—are now drawing benefits.

But the tragic fact of the matter is that those benefits are wholly inadequate to offset more than a small fraction of the current loss in wage payments. The jobless insurance program, it is estimated, replaces less than 20 percent of the wages lost to the workers and their communities—in some hard-hit areas, where benefit rights have been exhausted, as little as 10 percent. Benefits to those nearly 3 million able to receive them average only one-third of the workers' previous earnings.

Hundreds of thousands of other workers now without employment are drawing no benefits at all—either they have been disqualified by the patchwork of harsh and inconsistent State eligibility requirements, or they have never been covered by the program, or they have exhausted their benefit rights.

As the direct result of these shocking inadequacies in the program, relief rolls will grow still larger at the taxpayers' expense; living standards will decline in our depressed cities; more layoffs and shutdowns will follow. We are constantly reassured that there will never be another depression in this country because of the antidepression weapons passed in the 1930's—but that is an empty reassurance when our chief defense against the drop in purchasing power caused by mass unemployment is too weak and outmoded to be useful.

BENEFIT STANDARDS

As the President has pointed out, the original intent of this program was to provide payments equal to at least 50 percent of the worker's lost earnings. In 1939, the maximum weekly benefit in every single State was 50 percent of the worker's average weekly wages or higher, with the great majority being over two-thirds. But these benefit levels have not kept pace with the rising level of the American economy, as a result of Congressional and State inaction. Today, with most workers limited by these now outmoded maximums, benefits average

only one-third of lost wages, and the ratio of that maximum to the average wage has declined in every State, in some States to as low as 31 percent. Administration spokesmen have pointed out that the maximum must be raised to a level equal to two-thirds of the State's average weekly wage in order to enable most unemployed workers to draw a benefit equal to at least 50 percent of their own regular earnings. This is what the law originally intended and once provided—this is what the President requested the States to do—this is what they have been unwilling or unable to do—and this is what our bill now provides.

OTHER STANDARD: COVERAGE, DURATION, ELIGIBILITY

An even more serious problem than inadequate benefits are those without work who are not drawing any benefits at all. Some of these workers are not covered by the program because their State legislatures have not adopted the President's request to cover all employers of one or more, in keeping with other social-insurance programs. Others have been unemployed since last fall—particularly in the areas of substantial labor surplus—and have exhausted their rights to draw benefits, inasmuch as their States have not adopted the President's request for a uniform 26-week benefit period. Still others, as I have indicated, have been disqualified or declared ineligible, not because they are not genuinely unemployed and seeking suitable work, but because of some tax-saving device written into the State law without regard to the original Congressional objective, or the administration's request that these provisions be liberalized. These hundreds of thousands of unemployed receive no benefits today whatsoever to enable them—and their families and communities—to get by until jobs are available. They must exhaust their inflation-eaten savings, depend upon their relatives, or turn to private charity and public assistance.

THE BILL

The bill introduced today carries out the President's recommendations and the program's original objective in each of these areas, recognizing that a nationwide problem must be met with nationwide standards. In one major departure from the President's request, the bill provides for a benefit period of 39 weeks instead of 26. The President originally suggested the latter figure as being adequate for only a minor down-turn; and subsequent experience in those States presently providing a 26-week duration demonstrated that this period is not long enough to meet the President's desire that most workers would remain protected by the program until they could find other jobs.

Other provisions of the bill introduced today would establish a reinsurance fund and contingency administrative expense fund to aid those States most hard hit, authority for supplemental unemployment benefit plans established by private employers, and certain other technical amendments relating to the veterans program and existing Federal

standards regarding suitability of employment and disqualifications. No increase in the present unemployment tax maximum would be required in order to finance these improvements.

The standards provided in the bill are to be effective July 1, 1959, allowing a sufficient period for all State legislatures to meet and enact necessary amendments to State laws. In order to meet the immediate unemployment situation, however, benefits will be paid, for the period from 60 days after passage to July 1, 1959, at levels up to the benefit standards with the Federal Government bearing the cost of such excess benefits.

I am hopeful, Mr. President, that the Congress will take prompt action on this measure. We cannot expect those nearly 3 million unemployed fortunate enough to be at least drawing some compensation to get by on benefits averaging less than \$33 a week—and we cannot expect more than a million others to get by without any insurance benefits at all. We cannot prevent a serious recession with a program that replaces less than 20 percent of lost wages, that in some hard-hit areas will soon be putting less than 10 percent of the wage loss back into the community. We can no longer permit the original intent of the Congress, and the more recent request of the President, to be frustrated by State inaction. Some revisions may be necessary in the bill introduced today—some may prefer even more extensive changes—but whatever the final result, Congress can no longer ignore the crying need to strengthen our vital unemployment-insurance program.

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

The bill (S. 3244) to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment insurance program, and for other purposes, introduced by Mr. KENNEDY (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Finance.

AMENDMENT OF BANKRUPTCY ACT, RELATING TO PRIORITY OF CERTAIN DEBTS

Mr. JAVITS. Mr. President, I introduce, for appropriate reference, a bill to amend the Bankruptcy Act with respect to the priority of debts owed by a bankrupt to workmen, servants, clerks, and certain salesmen.

I have developed the bill at the request of the National Salesmen's Association. Let me point out that our rules in bankruptcy for priority to wage earners are completely archaic. My bill proposes to raise the figure to \$1,500 to each claimant and bring it more in line with current needs and current economic conditions.

Mr. President, I ask unanimous consent that the bill may lie upon the desk for a day, so that other Members who wish to join in sponsorship of it may do so.

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

on the desk, as requested by the Senator from New York.

The bill (S. 3245) to amend the Bankruptcy Act with respect to the priority of debts owed by a bankrupt to workmen, servants, clerks, and certain salesmen, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on the Judiciary.

CLOSING OF LOOPHOLES WHICH THREATEN FEDERAL TIMBER GROWING ON MINING CLAIMS AND PATENTS

Mr. NEUBERGER. Mr. President, in 1955, soon after I first came to the Senate, Congress enacted Public Law 167, which initiated certain reforms in the management for multiple use of the surface resources of public lands on which mining claims are pending. Worked out over a considerable period of consultation among the parties concerned, including the executive agencies and industry groups, this legislation was a step in the right direction, so far as it went.

It did not, however, go far enough. It left unchanged the longstanding law which gives to a successful locator of minerals on Federal public lands a fee-simple patent to the land in question—irrespective of its surface resources which may have nothing to do with minerals or mining, irrespective of its significance for the watershed, for wildlife, for recreation, or for conservation values which may be intimately dependent on continued management of that land as part of the larger area in which it is located. As a member of the Committee on Interior and Insular Affairs, I supported this legislation, but I expressed in concurrent individual views in the committee report my own opinion that further legislation was needed. Let me read this concurring report of 1955:

INDIVIDUAL VIEWS OF SENATOR RICHARD L. NEUBERGER, OF OREGON

I have joined in the committee's report on S. 1713, which I believe makes some long-needed improvements in public-land administration in areas where prospecting is prevalent. I want to make it clear, however, that in my own view the bill fails to go far enough and should not be mistaken for a permanent solution to the problems of the multiple use of the surface and subsurface of the public lands.

This bill fails to correct one glaring defect in the mining laws. It will still be legal, by proving a mining patent to public land, to convert to commercial gain the timber growing on that land—even though the timber has no relation to the mineral deposits, the discovery and development of which are the justification of the patent.

The committee report recognizes that this practice is against the public interest and deters sound conservation practices, and that in a number of national forests the separation of surface rights from mineral rights has by law been extended to mining patents as well as mining claims. I believe this loophole should be closed by general legislation for all federally owned timberlands.

Mr. President, the situation which I think calls for legislative change is particularly important within the national forests of the United States. More than may be the case on other public lands,

the surface resources of the national forests need to be held and managed as a unit for all their multiple beneficial purposes. Their timber stands are of immense worth and must be held together for sustained-yield management; they are the greatest recreational resource of our Nation; in many areas they are the watersheds of large cities; in short, many of our most important national conservation policies center around the national forests.

The significance of these facts for our national policies toward mining patents has been recognized in a series of acts passed over the past 25 years, by which half a dozen national forests have one by one been taken out of the scope of the laws under which mining patents convey title to surface as well as minerals. These special acts of Congress now apply to the Prescott, Mount Hood, Lincoln, Coronado, Coconino, and Kaibab National Forests, and I believe there are others under similar laws. Today, I introduce for appropriate reference, a bill which would make applicable to all national forests the protective provisions which are already in effect for these individual national forests. This bill is cosponsored by the senior Senator from Maine [Mrs. SMITH]; my senior colleague from Oregon [Mr. MORSE]; the junior Senator from Montana [Mr. MANSFIELD]; the junior Senator from Minnesota [Mr. HUMPHREY]; the junior Senator from Colorado [Mr. CARROLL]; the senior Senator from Illinois [Mr. DOUGLAS]; the junior Senator from Pennsylvania [Mr. CLARK], and the junior Senator from Wisconsin [Mr. PROXMIER]. I ask unanimous consent that the text of the bill may be printed in the RECORD at this point.

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

The bill (S. 3247) relating to mining claims on lands within the national forests, introduced by Mr. NEUBERGER (for himself and other Senators), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That mining locations made after January 1, 1959, under the mining laws of the United States within the national forests shall confer on the locator the right to occupy and use so much of the surface of the land covered by the location as may be reasonably necessary to carry on prospecting, mining, and beneficiation of ores, including the taking of mineral deposits and timber required by or in the mining and ore-reducing operations, and no permit shall be required or charge made for such use or occupancy. Except where clearing is necessary in connection with mining operations or to provide space for buildings or structures used in connection with mining operations, the cutting and removal of timber from the surface of the claim shall be conducted in accordance with the rules for timber cutting on adjoining national-forest land. The use of such surface or the resources therefrom, when not reasonably required for carrying on mining and prospecting, shall not be allowed except under the national-forest rules and regulations, and the locator shall not prevent or obstruct other occupancy of the surface or use of sur-

face resources under authority of national-forest regulations, or permits issued thereunder, if such occupancy or use is not in conflict with mineral development.

SEC. 2. All patents issued after January 1, 1959, under the mining laws of the United States affecting lands within the national forests shall convey title to the mineral deposits within the claim, together with the right to cut and remove so much of the mature timber therefrom as may be needed in the extraction, removal, and beneficiation of the mineral deposits, if the timber is cut under sound principles of forest management as defined by the national-forest rules and regulations. Each such patent shall reserve to the United States all title in or to the surface of the lands and products thereof, and no use of the surface of the claim or the resources therefrom not reasonably required for carrying on mining or prospecting shall be allowed except under the rules and regulations of the Department of Agriculture.

SEC. 3. Any valid mining claim existing on January 1, 1959, within a national forest and maintained thereafter in compliance with the laws under which it was initiated and the laws of the State in which such claim is located, may be perfected under this act, or under the laws under which it was initiated, as the claimant may desire.

SEC. 4. Nothing in this act shall affect existing provisions of law which relate to mining locations made under the mining laws of the United States on lands within particular national forests, or designated parts thereof, to patents issued under such laws affecting such lands, or to the perfection of mining claims existing on such lands.

Mr. NEUBERGER. Mr. President, the provisions of this bill—which, as I have said, have been in effect in various national forests for many years—leave ample opportunity for all legitimate mining operations. Persons who locate mineral deposits on national-forest land may occupy and use the surface to the extent necessary to carry on prospecting and developmental work. Timber may be cut and used for actual mining operations. If a claim is patentable under the mining laws, a patent will still issue. But it conveys only title to the mineral deposits within the claim and the right to use the surface and timber to the extent essential to actual mining. Title to the surface remains with the United States. The timber belongs to our Government.

Thus, Mr. President, subject to the full privileges necessary for actual mining operations, the United States Forest Service would retain control over surface resources and surface management for all the other multiple purposes of the national forests. Yet it would be difficult to claim that mining activities were not fully protected and given every opportunity to succeed. And, provided that legitimate mining operations are given all the rights and privileges necessary for carrying on actual mining operations, I do not see how any direct defense can be offered for giving to mineral patentees, along with the minerals they have located, valuable timber stands and other important resources and surface rights necessary for conservation and multiple-use policies in our national forests.

Mr. President, it is bad enough that, under present law, the United States has to convey with a mining patent a fee-

simple title that goes beyond the actual needs of even a sound, legitimate mining operation, and conveys timber, other resources, and control permanently beyond the policies of the Forest Service. But implicit in this situation is, of course, the much more outrageous result that such a complete title to national-forest land may be conveyed—land and trees worth many thousands of dollars, and perhaps very important to some Forest Service objective or policy—and then no mining may actually be carried on for years, or even ever. These patents, once legally granted, are not accompanied by any condition subsequent which would cause the land to revert to the United States unless mining is carried on. If the patentee, or someone to whom he sells the patented former national-forest acres, wants to cut off all the trees, or build a lodge, or a whole subdivision, I suppose it is then his business. It is private land.

This outrageous result has recently been illustrated by the well-known Al Sarena case, which was investigated by two committees of the 84th Congress. As those committees found, the Al Sarena patents in Oregon's Rogue River National Forest need not even have been issued under existing law; so I shall not refer to the particular details of that case except to illustrate the effect of the present full-title-or-nothing approach to patents on national forest land.

Next week, February 15, will mark the 4th anniversary of the granting of 23 mining patents to 475 acres of the Rogue River National Forest to Al Sarena Mines, Inc. This was timberland, and with these patents went title to standing timber adding up to a total of many millions of board-feet of lumber. In those 4 years since 1954, when the patents were granted, Mr. President, no mining has been carried on within that former national forest land, which was patented to these claimants for mining purposes. But last autumn, when I was at home in Oregon, I requested information from the Forest Service on activities on the Al Sarena claims. On October 30, 1957, I received a report which stated, in effect, that the total volume of timber which was then logged off these so-called mining claims now stands at almost 3 million board-feet. I ask unanimous consent, Mr. President, to have printed in the RECORD the entire letter which I received from the Forest Service.

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

UNITED STATES
DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,

Portland, Oreg., October 30, 1957.

HON. RICHARD L. NEUBERGER,
United States Senator,
Portland, Oreg.

DEAR SENATOR NEUBERGER: In response to your letter of October 10 to Forest Supervisor Carroll Brown, we submit the following information on the Al Sarena mining claims:

1. Total volume logged off the claims since patent issued amounts to about 2,961,000 board-feet through October 1957.

2. No attempt has been made to determine stumpage values for the removed timber through a current analytical appraisal. At the end of 1955 it was estimated that some 1,658,000 board-feet had been removed. An

appraisal was made in July 1956, covering the 1,658,000 board-feet cut. The appraisal was based on ocular observations made in 1950 which indicated the composition of the stand to be about 85 percent Douglas-fir and 15 percent sugar pine and associated species. Average selling prices and costs for the 1954-55 period were used. This appraisal indicated a stumpage value of \$26.70 per thousand for Douglas fir and \$66.18 per thousand for sugar pine and associated species.

3. To our knowledge there has been no appreciable mining activity since 1955.

Please let us know if we can be of further service.

Very truly yours,

J. HERBERT STONE,
Regional Forester.

By EARL D. SANDVIG.

Mr. NEUBERGER. Mr. President, in passing, I might point out that the statement in the letter that "there has been no appreciable mining activity since 1955" merely brings up to date earlier information that there had been no appreciable mining activity in preceding years, either.

Mr. President, as I have said, the Al Sarena case has been only a particularly horrible example. It seems especially contrary to sound public policy to give a full title to land, timber, and surface resources to a mining patentee who then exploits these instead of the minerals which occasioned this grant of national property to him. But the same policy reasons cover also the grant of unneeded and often extremely valuable surface rights to mining patentees who do engage in legitimate mining operations. Because I think the policy is particularly important for the national forests, and there are precedents for it there, I am introducing this bill today. I have asked the Forest Service for information on the effect which these precedents have had on mining activity on the individual national forests where the restrictions of this bill already apply. I ask unanimous consent that the reply I have just received be printed in the RECORD at this point.

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

UNITED STATES DEPARTMENT
OF AGRICULTURE,
FOREST SERVICE,

Washington, D. C., February 3, 1953.
HON. RICHARD L. NEUBERGER,
United States Senator.

DEAR SENATOR NEUBERGER: This is in further reply to Mr. Linde's letter of December 10, 1957, requesting information on our experience with mining claims and patents on national-forest lands subject to the special mining acts specified in title 16, United States Code, sections 482a-482q.

We have received reports from the regional foresters on the areas covered by these acts and the similar acts of May 26, 1934 (48 Stat. 808) and June 24, 1948 (62 Stat. 580). Summarized information is shown on the attached tabulation.

The figures showing numbers and areas of mining locations are necessarily rough estimates, because of the numerous abandonments, relocations, and overlaps. Information on patents is quite reliable.

You will note that mining locations made under the provisions of the various acts, while fewer than prior to passage of the acts, were still numerous. The extent to which locations made under these acts are

maintained seems to depend primarily upon the extent of mineralization. The only patents issued under any of these acts were on the Salt Lake watershed area, subject to the act of May 26, 1934. However, the large ma-

ajority of the patents issued on locations made prior to these acts were issued in the early 1900's and the number of mining patents has decreased generally in most national-forest areas during the last 20 or 30 years.

If you desire further information please call on us.

Very truly yours,
RICHARD E. MCARDLE, Chief.
By EDWARD P. CLIFF.

Act and national forest	Area covered by act	Mining locations prior to act		Claims patented prior to act		Mining locations made under the act		Patents made under the act	
		Number	Area	Number	Area	Number	Area	Number	Area
June 24, 1943 (62 Stat. 580), Oct. 6, 1949 (63 Stat. 708), Harney	37,730	200	4,000	40	1,366	350	7,000		
Jan. 19, 1933 (16 U. S. C. 482a), Prescott	3,600	500	2,000	12	259	50	300		
June 13, 1939 (16 U. S. C. 482e-g), Lincoln	23,620	1,000	1,200	16	528	20	400		
Mar. 15, 1940 (16 U. S. C. 482h), Coronado	2,416	100	500			10	100		
June 11, 1946 (16 U. S. C. 482h-1-3), Coronado	14,880	1,000	1,000	3	149	20	300		
June 10, 1949 (16 U. S. C. 482j-1), Santa Fe	10,103	400	1,500			20	200		
May 24, 1949 (16 U. S. C. 482j-2), Coconino	21,250	200	2,000			20	1,250		
May 19, 1955 (16 U. S. C. 482j-3), Coconino	76,451	500	4,500			20	1,250		
July 12, 1951 (16 U. S. C. 482k-q), Kaibab	28,480	100	1,920			10	800		
May 26, 1934 (48 Stat. 803), Wasatch	74,170	2,100	30,000	757	11,640	100	1,500	5	94
May 11, 1934 (16 U. S. C. 482b-d), Mount Hood	1,075,989	200	4,100			225	4,640		
Total	1,368,719	6,300	52,720	828	13,942	845	17,800	5	94

Mr. NEUBERGER. Mr. President, in conclusion, I also ask unanimous consent to have printed in the RECORD a pertinent editorial from the Sunday Oregonian, of Portland, of December 22, 1957, entitled "Plug for Loophole"; and an article on this theme from the Medford Mail-Tribune of the same date.

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

[From the Portland Oregonian of December 22, 1957]

PLUG FOR LOOPHOLE

Legislation to protect the public interest in timber on mining properties, such as that which will be introduced in Congress by Senator RICHARD L. NEUBERGER, is long overdue. A part of the job was done in 1955, when Federal law was amended to make available to the Government marketable timber on mining claims, but that legislation has no application to land passing into private hands by the patent process.

The traditional right of the exploiters of mineral resources to the timber stands on their public land claims was not in serious conflict with the public interest as long as timber prices were at relatively low levels. But with the boom in stumpage values, there can be no doubt that in some instances mining claimants have been more interested in trees than in ore.

The celebrated Al Sarena case, stripped of all its political camouflage, is a good case in point. Despite several announcements of intent to conduct mining operations on its block of claims in the Rogue River National Forest, the Al Sarena Co. has done no appreciable mining there since obtaining the controversial patents in 1954. But it has been busy above ground. A Forest Service report indicates that nearly 3 million board-feet of timber have been removed from the claims. Stumpage values ranged from \$26.70 per thousand (Douglas fir) to \$66.18 per thousand (sugar pine).

The mining company has done only what comes naturally. But the precedent is not an admirable one from the viewpoint of the public interest. As was observed in these columns in March 1954, a few weeks after granting of the Al Sarena patent, a repetition can be prevented only by a change in the mining laws reserving to the Government the timber resources of patented land except for the limited amount used in mining. This, as we understand it, is the intent of the Neuberger bill.

[From the Medford (Oreg.) Mail Tribune of December 22, 1957]

STILL MINING TIMBER AT AL SARENA, BUT NO MINERALS BEING TAKEN

(By Senator RICHARD NEUBERGER)

PORTLAND.—Just before the 1956 election, a political gold rush was reported in south-

ern Oregon. Men with hard hats, drills, and picks were allegedly swarming over the Al Sarena claims—the 475 wooded acres in the Rogue River National Forest patented by the Interior Department for mining under a special, unprecedented procedure which had become a cause celebre of irresponsible handling of national resources. More than 13 months have passed, but apparently no colors are showing yet in the pan.

"Core drilling, a preliminary step to mining operations, began this week on the controversial Al Sarena mining property," the press reported on October 26, 1956. Visual evidence was offered, 2 days later, in press photos over the caption: "Robert MacCorkle, left, and H. P. MacDonald, Jr., handle a drilling machine as a preliminary step to block out bodies of ore on the Al Sarena mine area in southern Oregon."

PRESS WAS PLANTED

These stories, planted in the press by the Al Sarena operators and their political allies just prior to the 1956 elections, went on to speak of blocking out vast masses of ore on Elk Creek, estimated at as much as 190 million tons of ore, and spoke of good mineralization of gold and valuable base metals.

It is more than 13 months since these representations were made, with great hullabaloo, by the Al Sarena interests, and used by the political defenders of the 1954 Al Sarena patents to offset the Congressional committee findings that National Forest timber, rather than minerals, had been the real object of the Interior Department's unusual and special Al Sarena patenting procedures. I think it is significant that in more than a year since the 1956 election we have heard no more of mining on the Al Sarena patents. We have, however, additional evidence concerning logging.

I have received a letter from the Regional Forester of the United States Forest Service which declares: "To our knowledge there has been no appreciable mining activity since 1955."

The Forest Service letter also reports: "Total volume logged off the claims since patent issued amounts to about 2,961,000 board feet through October 1957."

SOMETHING NEW

The Congressional committee report established that what had happened in the case of the Al Sarena patents, as it was handled by the then heads of the Department of Interior, was certainly not required by existing law. This was clearly shown also by the fact that no such case has been known to happen before or since Al Sarena, under the identical mining laws.

Beyond the specific problem of maladministration in the Al Sarena instance, however, there has always been the overall question of the policy of granting fee-simple patents to timber-covered mining claims in

our national forests—a question which Al Sarena brought to wide public attention.

In 1955, when Congress adopted Public Law 167 to clarify surface rights on mining claims, I stated in my individual views appended to the Interior Committee report that this statute still left untouched the issue of granting surface rights with mining patents. I wrote:

"The committee report recognizes that this practice is against the public interest and deters sound conservation practices, and that in a number of national forests the separation of surface rights from mineral rights has by law been extended to mining patents as well as mining claims. I believe this loophole should be closed by general legislation for all federally owned timberlands."

NEW LAW OFFERED

In the coming session, I intend to introduce a bill to carry out this view. This will provide that mining patents within the national forests will convey title only to the mineral deposits on which the patent is based, along with adequate rights to use the surface and timber located on the patent so far as needed for mining operations themselves. However, the United States will retain title to the surface and to all surface resources, such as timber, beyond the actual reasonable needs of the mining operation.

My proposal is patterned on legislation which has long been in effect for specific individual national forests. For example, such legislation has applied to the Mount Hood National Forest since 1934.

Nevertheless, I fully expect that the proposal to limit mining patents on national forests to subsurface rights will meet much opposition, and that its enactment will involve a long, hard effort. I would invite, of course the support both of the Department of Agriculture, which has responsibility for the national forests and the Forest Service, and of Secretary of the Interior Seaton, who on the occasion of the Al Sarena case expressed the view that Congressional legislation was appropriate for solving the problems of protecting national timber resources which grow above subsoil mineral deposits.

THE ADMINISTRATION FARM PROGRAM

Mr. WATKINS. Mr. President, I intend to take a few minutes today for the purpose of explaining why I am supporting the administration's new agricultural policy proposals. In so doing, I do not intend to argue details with anyone. For that reason, I prefer to continue uninterrupted until I have completed my remarks.

Since coming to the Senate in 1947, I have listened to many agricultural policy debates, involving some of the best informed men in the Senate. The following observations I am about to make are based upon facts and impressions I have gleaned from those debates, experience gained as a farmer in my own right, and the study of the laws of economics.

Personally, I believe passage of the Agricultural Act of 1954, with its provision for a support range of 75 to 90 percent on the so-called basic commodities, has been good for the long-run best interests of agriculture, as well as the country in general. There is no doubt but what lowered supports initiated under this authority on some of these commodities has resulted in some economic hardships for some people. However, I am certain of one thing and that is: If we had not begun at that time to shift our price-support programs to a direction that is more consistent with the laws of economics, the day would not have been far off when the economic consequences involved would have been much more severe for these people, and a great number of other farmers as well.

Our experience with price-support legislation since pre-World War II convinces me that it is now time to take another legislative step toward conformity with sound economic principles. This is why I favor the proposal to provide for price supports within a range of 60 to 90 percent of parity on the so-called basic commodities, although I never could see what was so basic to agriculture's welfare about peanuts, since they provide less than 1 percent of farm income. If we are ever to bring about adjustments on the production side which will bring supplies of several of these crops—wheat, cotton, and corn especially—into balance with demand, then inducements in the form of price supports higher than those necessary to prevent violent seasonal declines in prices received by farmers, must be discontinued.

Consider these facts. The parity ratio stood at only 77 percent in 1939. However, with the expansion of the war in most places in Europe by 1940 and our entry into the war in 1941, the demand for agricultural commodities rose at a great rate, so that by 1942, the parity ratio stood at 105. During the war years—1941-45—there was an insatiable worldwide demand for agricultural commodities among our allies. As a result, the Commodity Credit Corporation was able to dispose of the surpluses which it had acquired during the 1930's at a profit. For example, in 1942 it realized net earnings of \$69 million, followed by \$49 million in 1943 and \$5 million in 1944 on its nonrecourse loan, purchase, and payment programs. During this period the parity ratio rose from 105 to 113. So as to assist farmers to adjust production downward once the war demand subsided, Congress in 1942 guaranteed 90 percent price support for a 2-year period after the end of the war. It is obvious, however, since the parity ratio was well above 100 during the entire war period, that the 90 percent program was not responsible for the tremendous increase

in production and the high prices which farmers received during World War II.

In 1946, the year I was elected to the United States Senate, farmers received 113 percent of parity, and the net income of persons on farms from agricultural sources amounted to \$16.7 billion, a new record up to that time. That same year the Commodity Credit Corporation, through disposal of commodities it had acquired under price-support operations, made a net profit of over \$30 million on its loan and purchase operations.

Once again, however, it was not a rigid 90-percent price program which maintained farm prices above parity and incomes at new record levels, but rather the tremendous demand our European allies, and former enemies as well, had for food after the war. It took 2 or 3 years for their agricultural economy to even begin to get back into production again. During this period we, by and large, supplied them with food. However, as their agricultural output increased, and with a 90-percent rigid price-support program in operation to encourage production in excess of demand, the Commodity Credit Corporation began to accumulate and to sustain losses on its price-support operations. The period 1947 through 1949 saw the parity ratio decline from 115 to 100 as farmers continued production in response to 90-percent price supports. The Government was again in the food marketing business.

My first opportunity to help return our support program to one of flexibility as to the support range, came with the Republican 80th Congress. I voted at that time for the Agricultural Act of 1948 which would have enacted a flexible price-support program, beginning in 1950. Before this legislation could become effective, however, the 81st Congress in enacting the Agricultural Act of 1949 nullified this legislation and again provided for 90 percent supports on the basic commodities. Shortly thereafter, we were plunged into the Korean war, and again American agriculture responded productionwise, as it always does to increasing prices to meet a greater wartime demand for food.

In 1951, as a result of another wartime demand, the parity ratio increased to 107 percent and net income of persons on farms from agricultural sources at \$18 billion was the second greatest ever recorded. Prices received by farmers once again rose in response to an abnormal wartime demand for food and fiber products. They were not the result of the rigid 90 percent price support program then in effect.

In spite of the election of a Republican administration in 1952, flexible price supports were not enacted until 1954, and the 90 percent price-support program remained in effect for most crops through 1954. With the end of the Korean War in 1952, the parity ratio tumbled from 100 that year to 89 by the end of 1954. Because I believe that 90 percent supports in part were responsible for this decline, I voted that year for the Agricultural Act of 1954, with its system of flexible supports on the basic commodities.

During the past 4 years, the present administration has used every tool at its command to dispose of the growing price depressing surpluses, which in part must be attributed initially to a 90 percent support program, and in part also to the fact that the present law does not give the Secretary of Agriculture sufficient leeway so that he may use price supports to encourage needed production adjustments. It must be noted in all fairness, however, that near ideal weather conditions, for the most part, over the past few years have enabled farmers to obtain higher yields than otherwise would have been the case under both the 90 percent support and flexible support programs.

Since 1953, surplus commodities—mainly wheat, cotton, and corn—with a cost value of \$11.6 billion have been moved out of CCC inventory. CCC realized losses in connection with all its programs for stabilizing farm prices and incomes increased from \$122.8 million in 1953 to \$1.7 billion in fiscal 1957. All told, during this period CCC realized losses amounting to \$4.6 billion. In spite of this tremendous disposal program, however, it is expected that by June 30, 1958, CCC's investment in loans and commodities owned will total \$6.8 billion.

Is this not evidence enough that price supports set at too high a level present badly needed production adjustments in agriculture? On the other hand, is there any evidence to support the thesis that lower supports can improve prices received by farmers? I submit that such evidence does exist. In 1957, prices received by farmers were up 3 percent over those which prevailed in 1956.

So that I will not be misunderstood, let me say that although I consider this to be marked progress, it has not come fast enough to be very effective.

Although farm prices were up 3 percent last year, why was there a slight decline in farm income in 1957? Simply because costs paid by farmers rose faster than the prices they received. Although many people seem prone to blame the Secretary of Agriculture for this, I am sure a little reflection will make it clear that such cannot possibly be construed to be the case.

Simply stated, farm income fell as a result of a combination of policies pursued by individuals in the nonfarm sectors of the economy. For one thing, the rate of nonagricultural productivity did not keep up with the rate of increase in wage rates. Also, in part, many price increases represented efforts by some businessmen to reclaim their investment outlays over too short a period of time. The inflation which resulted, from these and other actions, robbed farmers of an increase in income during 1957—not the actions of the Secretary of Agriculture.

Even if 1958 is an election year, Mr. President, we must begin, as I stated at the outset, to shift our price-support programs to a direction that is more consistent with the economic law of supply and demand. Now what does that law say? Namely this: That consumers will take larger amounts of a commodity only at lower price schedules, and that producers will supply more of a commodity only at higher price schedules.

High rigid price supports, therefore, as CCC surpluses indicate, have seemed to price commodities out of the market, with the result that they end up in Government warehouses. It is costly to farmers to produce them, it is costly to the taxpayer to acquire and dispose of them through the Commodity Credit Corporation.

For these reasons, Mr. President, I intend to support the new price support proposals of the administration, and I send to the desk for proper referral a bill which embodies these recommendations.

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

The bill (S. 3249) to better adapt the price support program to the needs of farmers by providing more latitude for increasing acreage allotments, establishing price supports, continuing authority for the disposition of surpluses, and for other purposes, introduced by Mr. WATKINS, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

BASE PERIOD FOR COMPUTING PARITY PRICES FOR AGRICULTURAL COMMODITIES

Mr. YOUNG. Mr. President, on behalf of myself, and the Senator from South Dakota [Mr. MUNDT], I introduce, for appropriate reference, a bill to provide for the use of the same base period in computing parity prices for agricultural commodities as is used by the Bureau of Labor Statistics in computing the Consumer Price Index.

I ask unanimous consent that the bill, together with a statement showing the changes which the bill would bring about in our present method of determining parity for farm commodities be printed in their entirety as a part of my remarks. Under the present system of determining parity we use a 10-year moving average. The only change this bill would make would be to use the 1947-49 base period, the same as that now being used by industry and labor in their indexes.

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

The bill (S. 3250) to provide for the use of the same base period in computing parity prices for agricultural commodities as is used by the Bureau of Labor Statistics in computing the Consumer Price Index, introduced by Mr. YOUNG (for himself and Mr. MUNDT), was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That, in order to provide for use of the same base period in computing parity prices for agricultural commodities as is used in computing the Consumer Price Index, section 301 (a) (1) (B) and (C) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301 (a) (1) (B) and (C)), is amended by deleting "January 1910 to December 1914, inclusive" wherever it appears and inserting in lieu thereof "January 1947 to December 1949, inclusive."

The table presented by Mr. YOUNG is as follows:

TABLE 1.—Alternative parity prices for selected farm products, United States, Jan. 15, 1957, under specified formulas

Commodity	Unit	Old formula	Parity prices, 1910-14 base period ¹		New parity prices, 1947-49	New parity prices, 1947-56 base period ²	New parity prices (seed, feed, and livestock omitted), 1947-56 base period
			Effective	New			
Basic commodities:							
Cotton, American upland, per pound.....	Cent.....	0.3670	36.56	36.56	39.40	35.82	37.48
Wheat, per bushel.....	Dollar.....	2.62	² 2.49	2.30	2.49	2.26	2.38
Rice, per hundredweight.....	do.....	5.36	5.69	5.09	6.14	5.58	5.84
Corn, per bushel.....	do.....	1.90	¹ 1.80	1.70	1.83	1.66	1.74
Peanuts, per pound.....	Cent.....	.142	³ 13.5	12.1	13.1	11.9	12.4
Tobacco, per pound.....	do.....						
Flue-cured, types 11-14.....	do.....	.545	55.8	55.8	60.1	54.6	57.2
Burley, type 31.....	do.....	.528	56.6	56.6	61.2	55.6	58.2
Maryland, type 32.....	do.....	.547	52.6	52.6	56.5	51.4	53.8
Dark air-cured, types 35-36.....	do.....	.203	32.7	32.7	35.2	32.0	33.4
Designated nonbasic commodities:							
Tung nuts, per ton.....	Dollar.....		79.10	79.10	85.14	77.40	81.00
Butterfat, in crates, per pound.....	Cent.....		73.0	73.0	78.8	71.6	74.9
All milk, wholesale, per hundredweight.....	Dollar.....		4.76	4.76	5.15	4.68	4.89
Honey, wholesale, comb, per pound.....	Cent.....		33.3	33.3	35.9	32.6	34.1
Wool and mohair:							
Wool, per pound.....	do.....		64.5	64.5	69.6	63.3	66.2
Mohair, per pound.....	do.....		84.1	84.1	90.5	82.3	86.1
Other nonbasic commodities:							
Barley, per bushel.....	Dollar.....		1.34	1.34	1.45	1.32	1.38
Beans, dry-edible, per hundredweight.....	do.....		9.29	9.29	10.00	9.09	9.51
Cottonseed, per ton.....	do.....		71.00	71.00	76.67	69.70	72.90
Flaxseed, per bushel.....	do.....		4.50	4.50	4.84	4.40	4.60
Oats, per bushel.....	do.....		.864	.864	.933	.848	.887
Potatoes, per hundredweight.....	do.....		2.42	2.42	2.62	2.38	2.49
Rye, per bushel.....	do.....		1.65	1.65	1.78	1.62	1.70
Sorghum, grain, per hundredweight.....	do.....		2.62	2.62	2.83	2.57	2.69
Soybeans, per bushel.....	do.....		2.98	2.98	3.21	2.92	3.05
Sweetpotatoes, per hundredweight.....	do.....		5.17	5.17	5.59	5.08	5.31
Grapefruit, per box ⁴	do.....	2.32	³ 1.39	.847	.912	.829	.868
Lemons, per box ⁴	do.....		2.73	2.95	3.6	2.68	2.80
Limes, per box.....	do.....		6.02	6.02	6.48	5.89	6.16
Oranges, per box ⁴	do.....	4.26	³ 2.56	1.70	1.83	1.66	1.74
Apples, for fresh use, per bushel.....	do.....		2.85	2.85	3.08	2.80	2.93
Beef cattle, per hundredweight.....	do.....		22.10	22.10	23.87	21.70	22.70
Calves, per hundredweight.....	do.....		24.40	24.40	26.29	23.90	25.00
All chickens, live, per pound.....	Cent.....		28.2	28.2	30.4	27.6	28.9
Eggs, per dozen.....	do.....		47.3	47.3	50.8	46.2	48.4
Hogs, per hundredweight.....	Dollar.....		21.60	21.60	23.32	21.20	22.10
Lambs, per hundredweight.....	do.....		24.60	24.60	26.51	24.10	25.20
Sheep, per hundredweight.....	do.....		9.99	9.99	10.76	9.78	10.20
Turkeys live, per pound.....	Cent.....		36.8	36.8	39.7	36.1	37.7

¹ Parity prices computed by multiplying adjusted base prices 1910-14 by the parity index (292), except as otherwise noted.
² Parity prices computed by multiplying adjusted base prices 1947-56 by the index of prices paid, including interest, taxes, and farm wage rates, 1947-56=100 (108).

³ Transitional parity, basic commodities 95 percent and nonbasic commodities 60 percent of parity price computed under formula in use prior to Jan. 1, 1950.
⁴ Equivalent on-tree returns for all methods of sale.

AMENDMENT OF CODE RELATING TO PROHIBITION OF CERTAIN INTERFERENCE WITH FEDERAL CONSTRUCTION PROJECTS

Mr. CURTIS. Mr. President, I introduce, for appropriate reference, a bill to amend title 18 of the United States Code so as to prohibit certain interference with Federal construction projects.

In the introduction of this bill, I am joined by the distinguished and able Senator from Arkansas [Mr. McCLELLAN], the Senator from South Dakota [Mr. MUNDT], and the Senator from Arizona [Mr. GOLDWATER].

The bill is short, Mr. President, and I ask unanimous consent that it be printed in the RECORD.

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

The bill (S. 3253) to amend title 18 of the United States Code so as to prohibit certain interference with Federal construction projects, introduced by Mr. CURTIS (for himself and other Senators), was received, read twice by its title, re-

ferred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) chapter 95 of title 18 of the United States Code, as amended, is amended by adding to the analysis at the beginning of such chapter the following item:

"1952. Interference with Federal construction projects."

(b) Such chapter is further amended by adding at the end thereof a new section as follows:

"Sec. 1952. Interference with Federal construction projects.

"(a) Whoever knowingly and willfully damages or destroys (1) any property of the United States or of any State which is used in connection with, or is a part of, any Federal construction project, or (2) any machinery, equipment, or other property of a contractor under a contract for the construction of any Federal construction project, which is used or intended for use in connection with such project, or (3) any materials, supplies, or parts used or intended for use on or in connection with such project, including work completed or in progress, shall be fined not more than \$10,000 or be imprisoned not more than 20 years, or both.

"(b) As used in this section—

"(1) The term 'Federal construction project' means a project for the construction of a building, bridge, highway, dam, canal, airfield, or other public works project, and includes the preparation or landscaping of a site for any such project, if at least 50 percent of the costs of such project are paid from funds made available by or pursuant to a Federal statute.

"(2) The term 'contractor' includes a subcontractor."

USE OF HUMANE METHODS IN THE SLAUGHTER OF LIVESTOCK AND POULTRY—AMENDMENT

Mr. HUMPHREY submitted an amendment, intended to be proposed by him, to the bill (S. 1497) to require the use of humane methods in the slaughter of livestock and poultry in interstate or foreign commerce, and for other purposes, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

FEDERAL ASSISTANCE IN EXPANDED SCHOOL CONSTRUCTION PROGRAM—ADDITIONAL COSPONSOR OF BILL

Mr. JAVITS. Mr. President, I ask unanimous consent that the name of the Senator from Illinois [Mr. DOUGLAS] may be added as a cosponsor of the bill (S. 3216) to authorize Federal assistance to the States and local communities in financing an expanded program of school construction so as to eliminate the national shortage of classrooms, introduced by me on February 3, 1958.

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

Mr. JAVITS. Mr. President, I point out in this regard that the Senator from Illinois is pursuing the same course which he has heretofore pursued with respect to the elementary rights of our people to equality of opportunity and education and with respect to the integrity of an education itself.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, February 6, 1958, he presented to the President of the United States the enrolled bill (S. 1908) to amend the District of Columbia Hospital Center Act in order to extend the time and increase the authorization for appropriations for the purposes of such act, and to provide that grants under such act may be made to certain organizations organized to construct and operate hospital facilities in the District of Columbia.

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

William B. Butler, of Texas, to be United States attorney for the southern district of Texas for a term of 4 years.

George M. Yeager, of Alaska, to be United States attorney for the term of 4 years for division No. 4, district of Alaska, vice Theodore F. Stevens, resigned.

Herbert Barnes, of Delaware, to be United States marshal for the district of Delaware for the term of 4 years, vice Clarence H. Spence, term expired.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Thursday, February 13, 1958, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

NOTICE OF HEARING ON NOMINATION OF AXEL T. BECK, TO BE UNITED STATES DISTRICT JUDGE, DISTRICT OF SOUTH DAKOTA

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, February 20, 1958, at 10:30 a. m., in room 424 Senate Office Building, upon the nomination of Axel T. Beck, of South Dakota, to be United States district judge for the district of South Dakota.

At the indicated time and place persons interested in the above nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Indiana [Mr. JENNER], and myself, chairman.

CONSTRUCTION OF CERTAIN WATER CONSERVATION PROJECTS IN PECOS RIVER BASIN, N. MEX. AND TEX.

The PRESIDING OFFICER (Mr. PROXMIER in the chair) laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 39) entitled "Joint resolution to authorize the construction of certain water conservation projects to

provide for a more adequate supply of water for irrigation purposes in the Pecos River Basin, N. Mex. and Tex.," which were, on page 3, lines 3 and 4, strike out all after "construct" down through and including "basis," in line 4; on page 4, line 14, strike out "and"; and on page 4, line 19, after "section" insert "; and (3) he has adequate assurance in the form of contracts with the Carlsbad Irrigation District, New Mexico, and the Red Bluff Water Power Control District, Texas, that they will return to the United States each year during a 50-year period from the date of completion of the works authorized by this section, under terms and conditions satisfactory to the Secretary, such portion of the cost of constructing those works as is within their repayment ability to be determined by the Secretary from time to time, but not more often than every 5 years, after consultation with said districts."

Mr. JOHNSON of Texas. Mr. President, the House of Representatives has passed, with amendments and without a dissenting vote, Senate Joint Resolution 39, authorizing the construction of certain water conservation projects to provide for a more adequate supply of water for irrigation purposes in the Pecos River Basin, N. Mex., and Tex.

I am advised by both the Carlsbad Irrigation District of New Mexico, and the Red Bluff Irrigation District of Texas, that they do not object to the House amendments. I find no objection to these amendments, and move that the Senate accept the amendments of the House, thus clearing the bill for the President.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to.

PROPOSED INTERNATIONAL ASSEMBLY OF CULTURE

Mr. WILEY. Mr. President, man does not live by bread alone. He does not live alone for the dollar or the ruble or the pound sterling. He does not live by or for machines, or physical comforts, and conveniences alone.

Man lives by things of the spirit. He lives by appreciation of the good and the beautiful and the enduring in life; by interest in great music, great art, great sculpture, great dance, great writing.

These are facts which it has been my pleasure to point out in many occasions on the floor of the Senate.

This is why I contacted last year most of the Ambassadors accredited here in our Nation's Capital—to help cement the bonds of culture between our friends and ourselves. My correspondence with them may be found within the pages of the CONGRESSIONAL RECORD.

This, too, is why this past week, I welcomed the signature of the United States-U. S. S. R. agreement on cultural exchange.

GOVERNOR ADAMS' WORTHY SUGGESTION

I was most pleased to read, therefore, of the significant address delivered last night by the Assistant to the President the Honorable Sherman Adams, at a dinner of the national alumni of Dartmouth

College. The dinner honored the president emeritus of that great institution, Dr. Ernest Martin Hopkins.

In the course of his comments last night, the Assistant to the President made this very worthy comment:

In a reference to international tensions and the arms race with Russia, Governor Adams suggested that it should be the duty of scholars to conduct a "race to win the trust, respect, confidence, and regard of the people of the rest of the world, no matter where they live."

Who can say—

He asked—

that a convocation in this country of scholars, historians, artisans, theologians, educators, sociologists, philosophers, artists, and musicians could not suggest new and better ways for human beings to exist peaceably together and to reap the greatest rewards from man's scientific discoveries? To use them he will have to survive them.

Mr. President, I believe that there are tremendous possibilities for good in this suggestion. I am delighted that consideration is being given to it by President Eisenhower and his staff in the White House.

Of course, as everyone realizes, this idea, like any other ideas of great proportions, will require a great deal of additional thought and preparation.

PREFERABLY INDEPENDENT AUSPICES

A principle is the matter of the appropriate auspices—preferably independent auspices—for such a conference, such as the universities of our country, as hosts.

I feel sure that the University of Wisconsin would be among the first eagerly to contribute to such an assembly.

The United Nations Educational, Scientific, and Cultural Organization—UNESCO—has already done very important work in the cultural field. Naturally, its expert services should be called upon.

But, naturally, too, we, of the United States, want to exercise the initiative.

We are proud of American culture, and we are proud of our cultural ties with the peoples of the world. We want the world to know much more about our heritage, and we want to know more about the world's cultural heritage.

TWO PAINTERS: CHURCHILL AND EISENHOWER

It is no mere coincidence that two great statesmen of peace, Messrs. Winston Spencer Churchill and Dwight D. Eisenhower both enjoy the easel and the brush. Both men far prefer those instruments to the instruments of war.

Looking abroad, we recall, "Music hath charms to quell the savage beast." Let us hear symphonies of peace rather than the terrible roar of nuclear war.

Let the great energies of the Russian people express themselves, for example, in cultural interchange, and never in angry exchange of missiles.

Let us create and not destroy.

But let us remember, too, that we must "build bridges," so to speak between not only ourselves and Russia, but ourselves and the peoples of the East—of Asia and the Middle East. Their cultures are ancient, but relatively too little known by us. And in too many of their eyes, we are thought and misinterpreted as "materialists," living by the dollar sign alone.

So, let work on such a conference proceed.

Many specific questions still confront us on the assembly.

SHOULD SCIENCE AND CULTURE BE SEPARATED

There is the question as to time and place, as to how large a conference, with what representation. There is a question as to whether scientific fields should have their own independent conference; separate and apart from culture, the exact sciences, so to speak, separated from the field of esthetics.

At this early stage, we cannot hazard any final judgment on any of these important phases and details.

Suffice it to say that a very important, indeed a most historic, recommendation has been made. It has been made, appropriately enough, under the auspices of a university, a center of truth. We hope that it will bear great fruit.

Whatever can help relax international tensions, whatever can increase understanding and good will, whatever can eliminate misconceptions and distortions, whatever can tie people closer to one another as human beings interested in common pursuits; whatever can accomplish this—is more than worthy of our intense thought and effort.

Let us hope, therefore, that Governor Adams' comment, like Adm. Lewis Strauss' previous comment on a proposed conference of humanists, is but a prelude to good things to come.

Mr. President, I now desire to refer to another subject.

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

THE NEED FOR CONTINUED CHECKS AND BALANCES IN THE UNITED STATES CONSTITUTION

Mr. WILEY. Mr. President, on many occasions I have spoken on the floor of the Senate on what I regard as the central principle in the United States Constitution. I refer to the principle of checks and balances.

In no country of the world is this system so highly and so well developed—not simply in our legal affairs, but in our economic system, our politics, and in virtually every walk of life.

Why is it so important? Because liberty may be endangered from almost any quarter at some time or another.

Time after time, we have seen the pendulum of history swing back and forth. We have seen passions run high in one direction or another.

We have seen the pendulum swing from the right to the left. We have seen a time when the executive branch has become all-powerful, and there have been times when the legislative branch has become all-powerful.

No one knows from what source the forces of tyranny may, in the future, spring. No one knows what group may some day become so powerful as to endanger the rights of ordinary people; a group within industry, or within labor, or within the executive branch of government, or, yes, even within the Congress.

None of us is perfect or infallible. None of us can presume to be all-wise.

And none of us should be allowed to be all-powerful.

In my judgment, one of the great cornerstones of the check-and-balance system is the process of judicial review.

In my judgment, the Supreme Court must continue to have that power intact. I do not want the system which has developed so well since September 1787 to be chipped away, or to be altered, or to be undermined—intentionally or unintentionally.

I do not want Congressional committees to be denied their rights, nor do I want them ever to deny the rights of any ordinary citizen.

I do not want a Congressional law misinterpreted, nor do I want a Supreme Court decision misinterpreted.

I believe in the forces of reason and logic. I believe in the Congress perfecting its own laws, so that they will be sustained and validated by the courts. I do not believe in undermining the prestige of the courts or the authority of the courts.

Like everyone else, I have differed on many occasions with particular decisions of the highest tribunal. But I respect the highest tribunal of this land.

I want it to help maintain this country as the Union, one and indivisible, with liberty and justice for all.

Ours is a Federal Government. We are a Union of 48 States. I do not want this country to disintegrate or to have the different appellate courts of the United States attempting to offer different so-called final interpretations, as to the law.

Let us go extremely slow in any legislation which would impair the constitutional process.

Let there be the most thorough and exhaustive hearings on the variety of bills now pending before the Senate Judiciary Committee. Let the greatest legal scholars and constitutional minds of this Nation be called upon. Let them be asked to present their comprehensive briefs as to any bill which would chip away at the rights of the Supreme Court. Let us not proceed with ill-considered haste, because of the passions of the moment, and because the pendulum has temporarily swung one way or another.

I send to the desk now a most interesting column by Mr. Arthur Krock, as published in this morning's New York Times. He comments upon the worthy efforts of my colleague, the junior Senator from Missouri [Mr. HENNING], and upon a most significant address by Judge Learned Hand.

Men may disagree with Judge Hand's interpretations, but there should be no one who would deny to him, or to his views, the great respect which this outstanding jurist so well merits.

I ask unanimous consent that the text of the column be printed in the body of the RECORD at this point, and that it be preceded by an editorial from the September 28, 1957, Christian Science Monitor. This editorial was entitled "Don't Shoot the Empire," meaning do not deny the highest tribunal its right to prepare its decisions in its own way on all matters rightfully in its preview—I emphasize—all matters.

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

[From the Christian Science Monitor of September 28, 1957]

DON'T SHOOT THE UMPIRE

A familiar phenomenon of American life is the shout that goes up when a baseball crowd becomes dissatisfied with the ruling of an umpire: "Kill the ump." No one takes this really seriously, for underneath nearly everyone realizes that decisions cannot be left to the passions of players or to the decibel production of partisan spectators.

Most Americans are similarly aware that the Supreme Court plays an equally indispensable role in their system of government. This awareness was strongly expressed 20 years ago to halt the famous Court-packing plan. In the previous 3 years the Court had thrown out 12 major pieces of legislation desired by Congress and the President. Popular annoyance with the umpire was sharp. But wise counsel rejected a plan that would not have killed the ump but would have allowed the executive and legislative departments to curtail his independence.

We trust that similar considerations will bring rejection of the spate of bills recently offered by various Congressmen to curtail the Court's authority. Some of these would limit the Justices' terms to 4 years; others would restrict the Court's jurisdiction to certain types of cases; others would set up new qualifications for judges; and others would require adherence to the legal principle of prior decisions.

The authors of most of these proposals know they have no chance of becoming law; they are taking this way of letting off steam or satisfying constituents. (Like the baseball fan shouting at the umpire.) These new attacks on the Court arise out of a series of decisions, beginning with the school desegregation ruling and including recent decisions touching the FBI files and setting up other safeguards for individuals against reckless methods used by some officials in Communist hunting.

Congress has already taken action to modify the Court's ruling on FBI files. * * * This record upsets the charge too often heard these days that the Supreme Court is a dictatorship, irresponsible and uncontrollable by the people. Jefferson is quoted in support of this view. The great author of the Declaration (who, incidentally, would have had each generation write a new Constitution for itself) may at the time have been irked with the federalizing work of his famous cousin, Chief Justice Marshall. But history has belied his concern.

For it discloses that the Court has never for long thwarted the will of the people when this has been clearly determined and expressed. Indeed there is greater danger that the Court will be too quick to "read the election returns" as Mr. Dooley put it. If it responded to every wind of popular feeling its basic function would be destroyed. Constitutionalism means restraint on public passion and official oppression. In the Reconstruction period the Supreme Court stood as a barrier to those who sought vengeance on the South.

The Court is not above criticism and should have help in improving itself. We believe it could win respect by fewer reversals and less indulgence in split opinions, split not merely 2 ways but sometimes 4 or 5. Disagreement with specific decisions is definitely in the democratic tradition and may be clarifying and corrective. But attempts to destroy respect for the Court, personal attacks on Justices, reckless suggestions that communism rules them, attribution of partisan motives, and moves to curb the Court's independence—these if successful would "shoot the umpire," the indispensable arbiter and guardian of the Constitution.

[From the New York Times of February 6, 1958]

EFFORT TO LIMIT IMPORTED JUDICIAL POWER (By Arthur Krock)

WASHINGTON, February 5.—When Senator HENNING, of Missouri, moved this week to defer action by the Judiciary Committee on the bill to eliminate five legal areas from those in which the Supreme Court has the last word, he could not have known that almost simultaneously one of the most respected of judicial voices would be raised in his support. But it happened that Judge Learned Hand did this last night in the first of three Oliver Wendell Holmes lectures at the Harvard Law School.

After only one day of hearings, a Judiciary subcommittee had favorably reported to the full Senator JENNER's committee S. 2646 which would forbid the High Court to pass on the validity of any Congressional committee activity, any Executive security measures, any State or educational body's antisubversive regulation, and any State regulation of admissions to the bar. In addition to making (and winning) his point that the gravity of the proposal requires much more study before action of any kind should even be considered by the parent committee group, HENNING submitted to his colleagues the reasons for his view that its ultimate action should be unfavorable. Among these reasons, he said, was that, if the lower courts are given final jurisdiction in the five areas, "the Constitution would mean one thing in one part of the country and something else in another."

This was the point strongly made by Judge Hand in justifying as necessary the final power of the Supreme Court to exercise what lawyers prefer to call judicial review but what, with few exceptions, is actually judicial supremacy over the other two Federal departments. With the candor usual in him but rare among other members of the judiciary, Judge Hand conceded that this power was imported into the Constitution and is neither granted nor implied in the text.

TO AVOID COLLAPSE

"When the Constitution emerged from the Convention in September 1787," he told his Harvard Law School audience, "the structure of the proposed Government, if one looked to the text, gave no ground for inferring that the decisions of the Supreme Court * * * were to be authoritative upon the executive and the legislature. Each of the three departments was an agency of a sovereign, the people of the United States. Each was responsible to that sovereign, but not to one another; indeed, their separation was still regarded as a condition of free government, whatever we may think of that notion now."

Had judicial supremacy been proposed to the Convention, he said, there is no telling what the vote would have been. And the arguments deducting the [Supreme] Court's authority from the structure of the new Government, or from the implications of any Government, were not valid in spite of the deservedly revered names of their authors (John Marshall in particular). But, he continued:

* * * it was probable, if indeed it was not certain, that without some arbiter whose decision should be final the whole system would have collapsed, for it was extremely unlikely that the executive or the legislature, having once decided, would yield to the contrary holding of another department, even of the courts. * * * By the independence of their tenure [the courts] were least likely to be influenced by diverting pressure. It was not a lawless act to import into the Constitution such a grant of power.

That contention invites the reply that the lawful method of importing the power was to acquire it by the consent of the people as an amendment to the Constitution. But

in a period when denunciation is the lot of those who have attacked certain Supreme Court decisions as invasions of the explicit constitutional provinces assigned to Congress and the Executive, it is at any rate refreshing to have the concession of an eminent jurist that judicial supremacy was engrafted upon the text of the charter and has no direct warrant there.

Some of these decisions—and not only the one which declared that enforced racial segregation in the public school system, which the same Court long upheld as valid, violates the 14th amendment—provided the impetus for S. 2646. As Senator HENNING pointed out, this measure would not per se affect these decisions, but it would create great temptations for the lower courts to disregard them by denying to the Supreme Court future jurisdiction in the legal areas the decisions occupy.

The right of Congress to alter or reduce the High Court's jurisdiction is well established in law and legislative action, though with some of the findings of the current Supreme Court in mind no one can be sure this also would not be subject to adverse review. HENNING gave the committee the history of legislative efforts in this respect, but effectively noted that only once has Congress approved such a measure (in 1867, amid the emotions of Reconstruction and over President Johnson's veto). This took from the Supreme Court its jurisdiction to pass on denials of writs of habeas corpus by lower tribunals.

SALARY INCREASES AND RELATED IMPROVEMENTS FOR FOREIGN SERVICE PERSONNEL

Mr. SMITH of New Jersey. Mr. President, on January 27, 1958, the distinguished senior Senator from Rhode Island [Mr. GREEN], chairman of the Foreign Relations Committee, introduced S. 3134, a bill to amend the Foreign Service Act of 1946, as amended, to provide salary increases and certain related improvements for Foreign Service personnel. I regret that I was absent from the Senate on official business that day and was unable to be present when the Senator made his remarks.

The bill not only provides salary increases comparable with those recommended for other Federal Government employees, but it also effects changes in the pay classification scales for Foreign Service personnel and staff. The ever-growing duties of our diplomatic personnel make it imperative that we give careful consideration to their needs, and I congratulate the able Senator on his effort in this respect.

Today I wish to refer to another aspect in the carrying out of our international relations, the matter of representation allowances.

Despite the fact that our international responsibilities have increased enormously in the past 10 years and our ambassadorial and Foreign Service Officer Corps have likewise expanded, there has not been a significant proportional increase in representational allowances.

Too often we learn with shock that our Foreign Service officers, as well as our ambassadors, are forced to resort to salaries and savings in order to be able to carry out their duties capably and well. We have insisted, and wisely so, in broadening the membership of our Foreign Service, and then we have refused to provide our representatives with sufficient entertainment allowances to enable

them to serve their Nation to the best of their abilities. Instead, we force them, out of feelings of duty for their country, to resort to private funds, or to curtail their necessary entertaining.

Mr. President, failing to provide our diplomatic representatives, our first line of defense, with adequate representation allowances, is the same as sending out our highly trained soldiers armed with slingshots.

Mr. C. L. Sulzberger has written a very illuminating article on this problem which appeared in the New York Times of February 3, 1958. I ask unanimous consent that it be printed in the body of the RECORD as a part of my remarks.

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

CAVIAR TO THE STRIPED-PANTS BOYS
(By C. L. Sulzberger)

CHANTILLY, FRANCE, February 2.—The usual row about care and feeding of ambassadors has started between Congress and the State Department. State wants \$1 million, or, 0.00135 percent, of the total annual budget to pay representation expenses of its envoys. Since diplomatists are less complicated machines than guided missiles, this request provokes legislative sarcasms about the sybaritic tastes of the gentlemen in striped pants.

There are two species of envoy, career and political. The former is selected on the basis of survival capacities of brain and liver. The latter is chosen on the basis of bank account—and how much of it is made available to the administration currently in office.

Robert McClintock, our new chief of mission in Beirut, and a veteran Foreign Service officer, has made an earnest investigation of both categories. He observes: What makes ambassadors? is the question heard almost as frequently as Who makes ambassadors? Why are ambassadors made? is a question to which each chargé d'affaires ad interim thinks he has the answer.

"It will suffice for the purpose of this general study to say that by and large professional ambassadors get that way after a much longer period of gestation (accompanied at times by violent prenatal movements and kicks) than political ambassadors, who occasionally step full-fledged from the forehead of the President. During this period the former are usually handled with less care than the latter but need less care later."

However, one respect in which careerists certainly need more care is that of expense accounts. A well-heeled individual whose ambitious wife has induced him to finance his party's national committee and thereby qualify as a diplomatist is likely to feel generous enough to accept with pleasure that occupation's entertainment obligations. Such, unfortunately, is not always the case with the professional, who has no money of his own. Congress is stingy in making up the deficit.

The United States is the world's wealthiest country. Its citizens are proud of their reputation for generous hospitality. Business executives and even lesser employees are encouraged to charge on expense accounts all manner of representation on the name of better contacts. And the United States Treasury permits this.

The State Department would like to be equally generous. After all, as long ago as 1713, François de Callières, private secretary to France's Louis XIV, wrote in a handbook on diplomacy:

A GREAT CONCILIATOR

"It is in the nature of things that good cheer is a great conciliator, that it fosters

familiarity and promotes freedom of exchange between the guests, while the warmth of wine will often lead to the discovery of important secrets."

But not, alas, in many of the Embassies, Legations, and Consulates of Uncle Sam. The last Congress approved only \$600,000 for diplomatic entertaining this fiscal year. Dulles wants to boost that now to \$1 million. Surely, considering the amount of whisky consumed by junketing Congressmen in the home of all diplomatists, the request is not unreasonable.

Our professional, as distinct from political envoys, are no longer a prosperous group. This is a result of the democratization of our Foreign Service. Rich politicians are necessary because the American Ambassador in Paris, for example, pays half his household maintenance and two-thirds of his hospitality costs from his own pocket.

From all over the globe American career diplomats complain they are going broke while colleagues from poorer lands outdo them in splendid entertainment. Allowances, carefully rationed by the State Department after the Congressional hatchet has descended, usually vanish after a few months. Then our agent must choose between personal destitution or temporary disappearance from the social scene.

It is thus not infrequent that some envoys devise penny-pinching means regarded as odd by colleagues. McClintock has studied one of these methods. He says: "Cases of precocious aridity, or ambassadorial siccation, have been described which have shown what painful effects can be associated with this phenomenon.

"Usually the eyeballs of guests at the table become covered with a glaucous glaze, and an anhydrous effect is present, conversation wanes and an acute attack of spoonfoggles is diagnosed."

(Spoonfoggles is an early Mississippi word characterizing intense desire for drink.)

"On one occasion in one of the larger Embassies where the Ambassador served only ice water, an Italian diplomat whispered while the Ambassador was saying grace: 'I hope he is praying for the miracle of turning water into wine.'"

A more practical prayer could have been addressed to the United States Legislature.

It is time Congress awakened to the need for our social self-respect. The State Department is frequently kicked by Capitol Hill. But there is no sense starving it—or at least its foreign guests.

PROPOSED COTTON ACREAGE LEGISLATION

Mr. STENNIS. Mr. President, I have a deep interest in and concern for our entire agricultural program. But I speak today regarding the urgent need for legislation for cotton, the principal agricultural commodity of my area of the Nation, and the phase of our agricultural program about which I know the most.

Any sound, long-range cotton program must provide for meeting competition, and at the same time protect farm income. Such a program cannot be worked out quickly or overnight. But there is one phase of the problem, a most serious phase indeed, which can be promptly met with legislation within the next 2 or 3 weeks. This is the acreage problem, and it is the problem of cotton acreage for the year 1958 and for the year 1959 to which I shall address myself today, a problem affecting more than 13 million people who earn their livelihood, directly or indirectly, from the growing, handling, and processing of cotton.

Legislation on cotton acreage for the year 1959 is imperative. We are now considering and have before us the subject of cotton acreage for 1958. I feel the 2 years should be considered together, with one bill covering these two subjects.

In 1956 there were three acreage amendments included in the general farm bill applicable only to the crop years 1957 and 1958. These amendments held the national cotton acreage allotment to at least the 1956 level, provided additional acres for small farmers of 4 acres or less, and prevented any one State from losing more than 1 percent of its allotment in any 1 year.

I ask unanimous consent to have printed at this place in the RECORD a table which shows the benefits derived by each State from the operation of these three amendments.

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

1958 benefits from 3 acreage allotment amendments included in 1956 Agricultural Adjustment Act

State	Total 1958 allotment for cotton	Effect of Stennis amendments, acreage saved or gained			Number of farms affected by 3d amendment
		1st amendment	2d amendment	3d amendment	
Alabama	1,035,463	164,741		13,146	44,159
Arizona	367,572	59,199		206	408
Arkansas	1,411,984	226,602		5,786	13,724
California	812,487	130,853		468	1,215
Florida	38,662	6,028		1,257	4,339
Georgia	905,387	144,303		9,904	25,851
Louisiana	609,922	97,542		4,619	14,597
Mississippi	1,660,110	265,437		12,914	41,200
Missouri	377,819	60,706		1,104	3,286
New Mexico	184,247	29,658		202	669
North Carolina	494,083	77,312		14,316	51,036
Oklahoma	827,162	128,705	23,300	5,162	
South Carolina	739,957	117,870		8,503	29,715
Tennessee	582,523	92,781		6,761	24,551
Texas	7,474,061	1,195,909	39,844	13,497	27,430
Virginia	18,161	2,802		777	4,991

NOTES

- 1st amendment—Holds 1958 allotment for United States same as 1956 national allotment.
- 2d amendment—Provides for about 63,224 additional acres for 1958 to be distributed among the States to prevent losses resulting from shifts in history between States. In effect, this amendment prevents any State from losing more than 1 percent of its allotment from the previous year.
- 3d amendment—Adds 100,000 acres to the national allotment to be used exclusively to give each cotton farm the smaller of 4 acres or the highest planted in the 3 previous years.

Mr. STENNIS. Mr. President, these provisions do not apply beyond the 1958 crop year. If there is no new cotton acreage legislation and if marketing quotas are reduced to the 10-million-bale minimum, the national allotment will most probably drop to as low as 13.5 million to 14 million acres for the year 1959, as compared with 17.5 million acres in 1958.

Our cotton farmers—small, medium or large—cannot stand such a severe and drastic acreage reduction. Our 1956 allotment reflected a reduction of 37 percent from 1953. It was agreed in 1956 that we could not stand further acreage reduction, and it was for this reason acreage was pegged at the 1956 level, with the special provision protecting the very small farmer and the provision preventing any State's losing over 1 percent of its acreage.

Acreage and price reductions, plus increased costs, have driven many, many thousands of our people from the farm, forcing many landowners from their land. These conditions have had a severely adverse effect on our local economy. Our cotton producers and processors represent a major part of our economy. Let me repeat, more than 13 million people earn their livelihood, directly or indirectly, from the growing, handling, and processing of this commodity.

Our farmers cannot stand further acreage cuts in 1959 or in future years. We must have affirmative legislation during this session of the Congress to prevent further reductions. Last year I introduced Senate bill 267, which would provide permanent legislation necessary to avoid further acreage cuts in 1959 and future years. Again I urge the Senate Committee on Agriculture to favorably consider this urgent measure.

There is also a special problem confronting us for the 1958 crop year. Continued heavy rainfall during 1957 reduced cotton production drastically, with heavy deterioration in grade and staple. The soil bank acreage reserve is in effect for the 1958 crop, and many growers have already acquired contractual rights therein. Informed and competent sources predict there will not be enough quality cotton to meet domestic and export demands for 1958 and 1959. Estimates are that 11 million bales of strict low-middling grade or better will be required, with the further indication that we will have a carryover of only 1.7 million bales of the types needed at the end of the current market season. If these figures are correct, it is estimated we will fall short of fulfilling requirements in 1958 by 4.4 million bales.

This question of supply is of national import, not a problem confined merely to the cotton area or the cotton producer. It is a national problem.

This problem can be met by giving an across-the-board increase in acreage for the year 1958. But under present law this method would force on all farmers a reduction in support price. The best chance to get more acres for 1958 appears to be the proposal to give each individual farmer a choice of first planting within his 1958 acreage allotment and receiving the price support announced by the Secretary under present law; or, second, exceeding his allot-

ment by as much as 30 percent, being eligible for a price support of only 75 percent of parity, and surrendering his rights to participate in the acreage reserve. Under this latter proposal, increased acreage would not be considered historically in fixing future allotments. Another practical advantage of this latter proposal would be the surrender of soil bank funds, for reallocation to other farms. At the same time, the additional acres would stimulate the local economy which has been so hard pressed by continued acreage reductions.

My preference would be the across-the-board acreage increase for 1958, but I will certainly support the latter proposal, as this is perhaps the only proposal for 1958 that can be enacted within the time limit.

The facts in support of acreage adjustment for 1959 are so clear cut and compelling that this proposal should certainly be considered along with any proposal for acreage for 1958, with the two problems disposed of in the same bill. The facts are simple and easily understood. Action with reasonable dispatch is certainly possible.

Then, with more deliberate study, we can legislate for a sound, long-range

program that will permit the cotton industry to survive in competition with synthetics at home and foreign production abroad. Such a program is already long overdue.

We can possibly obtain a consistent annual domestic market of 13 or 14 million bales, with a 6 or 7 million bale foreign market annually, by fully meeting competition. This would permit a national allotment in the neighborhood of 27 million acres. Such a strong demand for cotton would take care of the surplus problem.

One additional special word about our small farmers. Recent figures published by the Department of Agriculture show that in 1956, 73 percent of the cotton farms in the United States had allotments of less than 15 acres. In Mississippi, over 84.6 percent of the total cotton farms had allotments of less than 15 acres, and over 93 percent had allotments of less than 30 acres. I ask unanimous consent to have printed at this point in the RECORD a table which gives data on this subject for other Cotton Belt States.

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

TABLE 2.—Upland cotton: Estimated percent of total farms with allotments according to size groups, 1956¹

State	Total number of farms	Percent of farms receiving allotments of—							
		0 to 4.9 acres	5.0 to 14.9 acres	15.0 to 29.9 acres	30.0 to 49.9 acres	50.0 to 99.9 acres	100.0 to 499.9 acres	500.0 to 999.9 acres ²	1,000 acres and over ²
Alabama.....	117,726	46.4	42.5	7.4	2.1	1.2	0.4	0	.....
Arizona.....	3,634	4.6	18.1	17.8	15.1	18.1	24.5	1.6	0.2
Arkansas.....	61,830	23.6	44.5	16.9	6.1	4.8	3.7	4	.....
California.....	14,416	6.5	31.4	32.7	9.0	10.4	8.8	.9	.....
Florida.....	8,324	72.9	24.6	1.6	.8	.1	.....	.....	.....
Georgia.....	85,203	41.5	42.1	10.5	3.3	1.9	.....	.....	.....
Illinois.....	457	63.0	30.4	4.4	2.2	.....	.....	.....	.....
Kansas.....	4	50.0	50.0	.....	.....	.....	.....	.....	.....
Kentucky.....	1,078	81.6	11.9	2.8	3.7	.....	.....	.....	.....
Louisiana.....	46,626	39.2	44.4	9.7	3.0	2.0	1.6	.1	.....
Maryland.....	1	.....	.....	100.0	.....	.....	.....	.....	.....
Mississippi.....	112,128	47.8	36.8	8.5	2.6	2.0	2.2	.1	0
Missouri.....	16,222	24.4	36.1	21.5	8.2	6.7	2.9	.1	.1
Nevada.....	17	.....	.....	50.0	.....	.....	.....	50.0	.....
New Mexico.....	5,617	14.6	32.3	21.8	12.9	13.6	4.8	.....	.....
North Carolina.....	87,110	70.6	23.2	4.4	1.2	.5	.1	.....	.....
Oklahoma.....	45,107	15.2	46.3	21.1	10.6	6.0	.8	.....	.....
South Carolina.....	72,787	51.5	34.4	8.6	3.0	1.8	.7	.....	.....
Tennessee.....	64,252	51.9	34.1	9.0	2.8	1.5	.7	.....	.....
Texas.....	198,887	10.1	29.4	24.6	14.4	14.2	7.1	.2	0
Virginia.....	6,637	90.7	8.2	1.1	.....	.....	.....	.....	.....
United States total.....	948,063	37.4	35.6	13.4	5.9	5.0	2.6	.1	0

¹ Estimated number of farms in each size group based on a tabulation of a 10-percent sample of old cotton farms for which 1956 allotments were originally established prepared in accordance with specific instructions issued by the Cotton Division, CSS (Notice CN-108). The sample does not take into account subsequent changes in farm allotments due to corrections, reconstitution of farms, etc.

² Because of the small number of farms in these size groups, a 10-percent sample of farms may not provide a basis for determining a reliable estimate for the State of the number of farms in these 2 groups.

Mr. STENNIS. Mr. President, it was primarily the small farmer our original agricultural act was designed to help. Any program which fails to recognize this group and assist them is doomed to failure.

Mr. President, I have before me a factual statement made by a competent authority, and I ask that it be printed at this point in the RECORD, as a part of my remarks.

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

SUPPLY AND DISTRIBUTION OF QUALITIES OF UNITED STATES COTTON GRADING STRICT LOW MIDDLING AND BETTER

The United States production of cotton grading Strict Low Middling (SLM) and bet-

ter has accounted for about three-fourths of the total production in most years since the war. In the large crop of 1955-56, however, SLM and above dropped to 66 percent. Last year it climbed back to 73 percent, which was about the average. This year the USDA report on the classification of ginnings through January 16, just released January 23, indicates SLM and better will be only 56 percent of the small crop now estimated at 10¼ million running bales of upland cotton.

The demand of our customers both at home and abroad for cottons of higher quality has been rising steadily during recent years. The percentage of SLM and better in the annual offtake has risen from about 71 percent 5 years ago to 86 percent last year and for the last 5 years has averaged 77 percent, or 4 percent above the portion of these qualities in the crop.

This shift to the higher quality cottons by both the domestic and foreign mills is the result of an increase in consumer demand for better quality textiles all over the world and a loss of markets in coarse cotton goods to paper, jute, and synthetics.

The physical offtake of SLM and better cotton exceeded production of these qualities by 4.6 million bales in 1956-57, resulting in cutting the carryover of these same qualities practically in half, from 10 million bales on August 1, 1956, to 5.4 million bales on August 1, 1957.

In the current season, it is estimated offtake will again exceed production by at least 3.7 million bales, which will reduce the carryover of these qualities to 1.7 million bales.

If the qualities were available and premiums were normal, in all probability the total sales of SLM and better grades to domestic and foreign mills for this year would be much higher than is being estimated. Applying last year's disappearance factor of 86 percent to the current estimated offtake would indicate a demand for 11.9 million bales, some 2.1 million bales higher than the current estimate. Mills at home and abroad are being forced to reduce their purchases of these better qualities because they cannot get them or because the scarcity has run the price so high.

The offtake of SLM and better qualities this year will be limited by the scarcity. The lowest percentage disappearance of these qualities in the past 18 years (except 1 year immediately after World War II when we shipped large quantities of very low grades overseas under the aid programs) was 71 percent. If the SLM drops again to 71 percent this would be 17 percent below last year's offtake of these qualities and 7 percent below the 5-year average. A 71-percent offtake would require the substitution of 2.1 million bales of low grade cotton for cottons grading SLM and better over and above what was used last year. Actually this is further than many people in the industry think substitution can conceivably go. Even this is expected to result in mills turning away from cotton to other materials, particularly to rayon, which does not present the problems in manufacturing that low-grade cotton presents.

In 1958 the United States crop is expected to yield only 11.5 million bales. This assumes that the allotment, participation in the soil bank, abandonment, and underplanting will be the same as last year, and assumes the yield will equal the average of the past 3 years (405 pounds).

If the 1958 crop of 11.5 million bales is average in grade, 73 percent or 8.4 million bales would be SLM and better. Adding the 1.7 million bale carryover expected on August 1, 1958, the supply for the 1958-59 season would be 10.1 million bales.

The offtake in 1958-59 will depend very greatly on the availability of the qualities of cotton the customers want. With only the indicated supply of qualities SLM and better of 10.1 million bales and the high prices that will inevitably result from such a scarcity, offtake will likely be curtailed to only 13 million bales and certainly not more than 13.5 million bales.

If the needed qualities are available and hence the premiums on them not excessive, the expected total offtake would be 14.5 million bales in 1958-59.

However, a total offtake of 14.5 million bales that followed the 5-year average quality pattern would require 11.2 million bales grading SLM and better. This is 1.1 million bales more than the anticipated supply of 10.1 million bales of this kind of cotton.

But this makes no allowance for any carryover of cotton grading SLM and better on August 1, 1959.

The normal carryover as defined by law is 30 percent of offtake. Applying this to SLM and better on the basis of the average

percentage disappearance indicates the need for 3.4 million bales of this quality for carryover. Most people in the industry feel this 30-percent carryover allowance is much too low in consideration of the fact that the United States is the principal stockholder for the world.

The total deficit in the amount needed next season for offtake is 1.1 million bales and for stocks is 3.4 million bales, or a total deficit of 4.5 million bales in SLM and better grades.

To make up this deficit of SLM and better cotton, the 1958 crop would have to be increased at least 50 percent, or about 6 million bales above the 11.5 million bales presently indicated.

United States supply and distribution of qualities of United States cotton grading Strict Low Middling and better

	Million bales
1956-57:	
Aug. 1 carryover.....	10.0
Crop.....	9.5
Supply.....	19.5
Offtake.....	14.1
1957-58: ¹	
Aug. 1 carryover.....	5.4
Crop.....	6.1
Supply.....	11.5
Offtake.....	9.8
1958-59: ¹	
Aug. 1 carryover.....	1.7
Crop.....	8.4
Supply.....	10.1
Offtake.....	11.2
1959-60: ¹	
Aug. 1 carryover.....	-1.1
Needed carryover at 30 percent of offtake.....	-3.4
Deficit.....	-4.5

¹ Estimated.

ROOSEVELT DAY ADDRESS BY GOV. G. MENNEN WILLIAMS

Mr. HUMPHREY. Mr. President, last Saturday night, February 1, 1958, the Roosevelt Day dinner in Washington, D. C., sponsored by the Americans for Democratic Action, heard the Governor of Michigan, the Honorable G. Mennen Williams.

Governor Williams addressed himself to the subject of international affairs and to the meaning of peace. I ask unanimous consent that the text of his remarks be printed at this point in the RECORD.

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

ADDRESS BY GOV. G. MENNEN WILLIAMS AT THE AMERICANS FOR DEMOCRATIC ACTION DINNER, WASHINGTON, D. C., FEBRUARY 1, 1958

It is a privilege indeed to be with this group that has so clearly recognized the great challenges of our times, and has had the dedication and zeal as well as the wisdom to formulate and fight for policies and programs which provide us the opportunity of achieving America's vast promise. You have had warm hearts for the aspirations of men. You have recognized man as a creature of dignity, worthy of freedom. You have had the courage of your convictions. With a fixed beacon of humanity, justice, and freedom, and, necessarily sometimes with trial and error, you have fought the good fight.

It is not without a real degree of awe that I am mindful of those who have occupied this rostrum in the past, and I see about me those who are not only dearly known to me but held in respect throughout this great Nation. To be asked to exchange some thoughts in this company is not only an agreeable honor but a provocative experience.

What I shall speak on is the greatest challenge we, the people, have ever faced—the challenge to wage peace with the same skill, determination, and daring that we, as a nation in times past, waged military war against tyranny, and economic war against a great depression. We must fully mobilize our spiritual and physical resources for total peace as we did for total war.

It is certainly appropriate that we honor Franklin D. Roosevelt here tonight. We know his goal was a world community, free and at peace, a world in which every human being could develop his talents in freedom, and fulfill the God-given dignity of his nature through the expression of his unalienable rights—without fear and without prejudice. President Roosevelt considered his primary mission to be a just and lasting peace. It must also be ours.

Tonight, therefore, I propose to tell you what I think peace is not, and then to suggest what should be some elements of a positive content for peace, and also, to compare, as I go along, what should be, and can be, with what is, in the sterile, unimaginative Republican leadership of the administration now in power in Washington.

The Eisenhower administration tells time by the clocks in the Budget Bureau. It doesn't know what time it really is by the clock of history. Worse than that, it has tried to conceal the clock of history from the American people by covering the face of events with slogans and pretty phrases, and fraudulent claims.

If peace were merely the temporary absence of military war, then the claim of the Eisenhower administration that it had achieved peace might by interpretation largely be true. But peace is not merely the absence of military war. So long as nations and peoples live in fear of war, and are forced by that fear to devote huge quantities of their material wealth to armaments and the preparations against war, it is a twisting of facts to claim—as this Republican national administration tries to claim—that it has achieved a real peace.

Lester Pearson, winner of the Nobel peace prize, describes our present condition as a peace "balanced uneasily on terror." And he continues: "Peace, however, must surely be more than this trembling rejection of universal suicide," and he then concludes: " * * * the best defense of peace is not power, but the removal of the causes of war, and international agreements which will put peace on a stronger foundation than the terror of destruction."

Peace must be more than a stalemate between two gigantic powers, each possessing the means of utter destruction of each other, and of the nations between in the process.

Yet the Eisenhower policy of massive retaliation is nothing but a policy of stalemate. And under this policy, we developed a rigid and uncreative diplomacy which allowed the Soviet Union to penetrate world opinion by peace propaganda, against which we have moved feebly, carrying the heavy weight of indecision and inertia.

The Soviet sputnik jarred the military balance of stalemate, and brought a justified fear that the national administration's laxity on missile developments was endangering our security as a nation.

As do all Americans, I recognize that we must move rapidly on missile programs. The American people want no price put on security. But the present spurt of emphasis on a missiles budget by this administration is

merely an attempt to restore the stalemate. Beyond that, in the remainder of the budget proposals, there is a shameful bankruptcy of understanding of the peril and the promise of the events of our time.

Nor is peace found in servility or servitude in the relationship of nations. The nations behind the Iron Curtain are in servitude, but they do not dwell in peace. The emergent nations in the uncommitted areas of the world have not found peace because they have not yet developed the ways and means to move from the old order into the new in concord with their neighbors, or their previous rulers.

Peace, therefore, is not merely the negative absence of war, nor the sterility of stalemate, nor the impotence of servitude under the heel of a tyrant.

The structure of peace—as that after the Congress of Vienna—as Dean Acheson has so ably pointed out, is based upon a common or mutually tolerable concept and philosophy of life and order, whether it be *laissez-faire* and empire, or any other.

Today our world, on the contrary, is a ferment of conflicting ideologies, of revolting nationalism and anticolonialism, and of demands to be free of want, of aspirations for the good things in life enjoyed by others.

The American mission of peace must have a positive content if we are to awaken the people of this Nation and the world to the sense of a great calling, and inflame their hearts and minds and spirits with single-purposed dedication to the achievement of peace for all mankind.

Franklin D. Roosevelt understood the appeal peace can have. In 1944 he said: "Peace, peace no less than war, must offer a spirit of comradeship, a spirit of achievement, a spirit of unselfishness, and indomitable will to victory." And earlier he envisaged a world "founded upon four essential human freedoms"—freedom of speech, freedom of worship, freedom from want, and freedom from fear.

A positive, affirmative content for peace, which would give real meaning to the concept of waging peace, must, I believe, begin with a fervent belief in the dignity of man, in his unalienable rights, and a firm resolve to eliminate the evil and ugly sin of discrimination, first at home and then in nothing less than the whole world.

Were the Eisenhower administration imbued with such motives, the events of Little Rock would have been prevented. The responsibility of the White House began when the Supreme Court decision was handed down, many months before events in Little Rock forced a reluctant administration to act to uphold the law.

We should be determined—in concert with our allies—to be preeminent in military strength, not as a shield or a containment behind which free people dwell in apathy and complacency, but as an umbrella under which free people vigorously develop their economies and their social order.

By this process, I believe we could achieve a subtle and significant change in the political climate of the Free World. Our allies and the uncommitted nations could emerge from fear of being crushed between two giants into a sense of security under which they advance their individual economies, social orders, and national cultures.

Of course we must have power and we must have it preeminently for a long time to come. We must have it in all aspects—for thermonuclear war and for brush fighting. But the purpose of our power should be made clear to the world. It is power for peace, and we will always use it so.

In this area we could begin—now—unilaterally, without prior agreement or even request, by saying clearly to the world a simple thing. It's something which every American knows—which Soviet intelligence knows—but which we have not said clearly to the world.

We need to say—unmistakably—that we will never drop or launch an atomic or hydrogen bomb except in retaliation for one dropped on or launched against our soil, or a soil we have pledged ourselves to protect.

In the battle of ideas, the first to make such a clear statement can gain enormously in penetration of worldwide public opinion. With such a unilateral pledge on record, we should then urge the Soviets to do likewise, and thereby put them on the defensive in the eyes of the world.

Underlying all our activities, it seems to me, should be the development of order in the economic, social, and legal areas, and I would like tonight to speak briefly on these concepts.

First the economic order. We should have as our purpose the elimination of want—freedom from want—everywhere in the world and the advancement of internal prosperity in every nation. We should strive to help other peoples achieve economies of stability and satisfaction.

Our purpose would be the development of economic order as a basis of peace. We would be mindful that economically stable countries offer little opportunity for Communist exploitation. Our motive should be good neighborliness, as well as realization of real security through peace. We should certainly have no idea that we were buying friends. We can afford and should be warmhearted but not softheaded.

In this great area of activity, we need a vast increase in technical aid programs, in private and public development loans, in TVA-like projects throughout the world similar in potential to the Jordan River development proposal—I saw with my own eyes the promise of this idea.

All-out efforts to develop both fission and fusion reactors should be given high priority in order to provide this tool and this symbol to the power-starved nations of the world.

Our reciprocal trade programs should be extended and enlarged—indeed we should seek a world free of artificial barriers as rapidly as can be done. Free nations cannot develop with unfree trade. What's more this is as good an example as any that foreign affairs like charity, begin right at home.

At the same time that we pursue power for peace, we should seek to develop our economy at home for the purpose of helping the world to peace. Were we so motivated, we would be seeking a vastly expanded domestic economy not merely to raise our own material standard of living. We would be expanding at home in order to create a prodigious abundance of food, and fibre, and skills, and capital, and machinery, and power to export to any place ready to use them to advance the welfare of their people.

We have barely touched the potentials for economic growth of this Nation in the second half of the 20th century. Through automation to raise production to inconceivable quantities of goods, and through basic research to find undreamed of uses of raw materials, we can expand our gross national product many, many times over—if we have a compelling reason to do so.

This compelling reason, I submit, is found in the concept that economic order is one basis of a just and lasting peace.

The second major area of activities leading to an ordered world at peace can be found in social order, a respect, if you please, for people as people—a concern for their individual human dignity and the rights that flow from that dignity.

We cannot have real peace if we do not develop a knowledge of—and a deep respect for—the culture, language, religious and social traditions of other nations.

We have been told by Chester Bowles, and countless others, of the dedication and training which Kremlin agents bring to their tasks in foreign fields. They are trained to become as nearly native to the country as it is possible for them to be.

In many instances, Americans must work through interpreters. There is a tendency to colonize in quarters separate from the local citizens, quarters whose appointments are beyond the dreams of the average inhabitant of the foreign land.

We should be training the thousands of Americans, who, I know, would welcome the opportunity to dedicate their knowledge and skills to the works of peace. These individuals would have to be provided with the support necessary to permit them to lay down their present duties and to prepare for these assignments. I suggest a continuous, well-financed Federal recruitment program to find these individuals and to train them to a comprehensive knowledge of language and social customs of other lands.

Seemingly small devices like student exchange programs have deep and long-lasting effects in building the sense of friendship between the people of our Nation and the peoples of foreign lands.

In Michigan, as one example of many, we invite all the foreign students in our colleges and universities to our State capital to be the guest of our State government and its citizens. We not only go into all the governmental phases but tell them of our agriculture, industry, and our social patterns as well.

How far this relatively small pebble of action casts its ripple in a new understanding between diverse cultures no one can say. It will probably not of itself, of course, transform the world. But it does show one of the many ways we can be about the work of friendship and social understanding. Surely, business and labor can do much in this field. In South America, I saw how much good American businessmen can do, and how much harm if they are arrogant and overbearing. I would like particularly to report the tremendously fine reaction to George Meany's trip in all quarters, American and local, high and low. I am sure that labor unions, which have done a tremendous work in helping foreign unions understand the American democratic labor movement, can and will continue this work for the common benefit of free labor at home and abroad.

Our good neighbor policy today needs reinvigoration because the Eisenhower administration has so sadly neglected this great force for world peace. Official representatives unworthy of America have been sent to good neighbor countries to our detriment in their eyes. What's more South Americans feel we're soft on dictators.

And thirdly, we need to work toward a sense of legal order in international affairs. Freedom under law can be as meaningful among nations in their relationships as it is to individual relationships.

This is an old, old dream of men. We have made only a feeble beginning in these days. But an international rule of law must have a place in the positive content for peace, and we should never cease to explore ways and means to make it a reality.

As we look back to history to gain guidance for today, it seems to me that we find in the Pax Romana a lesson for our times. I do not propose that sense of order—backed by Roman legions—as a thing to be copied. But it is significant that one of the underlying factors that gave the Pax Romana a stability now lacking in the world was the development of common juridical processes. This was a kind of cement which gave the structure its durability.

Certainly in our times, this means that we give full and effective support to the United Nations. This organization has already a distinguished record of service to the cause of peace. There is no more hopeful sign that world peace is a possibility than that shining tower on Manhattan Island—where representatives of all nations live and work in freedom and exchange ideas without fear.

The procedures for judicial action provided for in the United Nations Charter have been too little used. They at least are a starting point to bring the rule of reason and of law into international disputes.

NATO may offer a pathway to a common legal framework. But unless we are minded to explore any such possible path, it will always be covered with an underbrush of doubt as to whether a pathway is really there, and to what it might lead.

While we seek to advance the cause of peace by bold and vigorous action in the economic, social, and legal order or relationships, let us concurrently press for disarmament—and for negotiations of areas of tension with the U. S. S. R.

Disarmament is not of itself a magic touchstone to peace. The peace between the United States and Canada is not a consequence of an unarmed border. It is the consequence of historical developments which make armaments unnecessary.

But disarmament must be in our policies in order to make an accidental conflagration less likely, and to remove the heavy cost-burden of armaments from the backs of people everywhere.

We will never get disarmament by the Dullesian flavor that nothing good can come from talking to the Kremlin leaders at any time on any subject. This is a bankruptcy of diplomacy. Of course we should negotiate with the Soviet Union.

From the days of the Yankee traders to the present hard collective bargaining of labor and industry, we have always been a Nation of tough, shrewd and thorough negotiators. These talents have not died in our people, but the initiative to use them seems to have died in the approach of this Republican national administration to our foreign policy.

Why don't we have a steady stream of proposals for negotiations bombarding the Kremlin, and world opinion at the same time? Are the Soviet negotiators supermen that we fear a negotiating table between us?

Surely we can send negotiators as tough minded as the Communists. If twelve such conferences fail, let's have the endurance for a 13th, or a 14th, or a 50th, or a 60th. They understand endurance and toughness and strength. I am sure that we have this in our character too.

Somewhere along the line, gains will be made in easing the tensions of the world, tensions which harass the Communist orbit as well as the Free World.

We fall short of a grand purpose in America today because our national administration is narrow in outlook, shallow in substance, and thinks more of hard money than of hard negotiations for peace, and of budgets than of bold thinking in domestic and foreign programs and policies.

It seems at times that these Republicans have become America's "hollow men," fitting in each detail T. S. Eliot's description:

"Shape without form, shade without color, Paralyzed force, gesture without motion."

But we must face the fact that this administration will be with us for 3 more years. It is our task then to supply the direction which we do not get from these men.

It is my hope that every group in America will raise its collective voice for new programs for peace, for budgets adequate to the challenge before us, for expansions of our economy at home and our activities abroad, for preeminent strength and the use of that strength in good deeds.

Out of our great labor unions and our assemblies of businessmen, out of our social and civic clubs, out of our political parties, out of our farm organizations, out of our churches and synagogues, out of our educators and scientists and artists—let there arise a concert of voices saying the American dream of equality and justice and free-

dom under law is not dead * * * it is alive, and vibrant, and willing to roll up its sleeves and go to work.

Then I think we can find again the freshness of spirit which this administration dulled by its Madison Avenue slogans and its "chins up" talks to the Nation.

Then, I believe, we would see the meaning of Little Rock in perspective as a burden we could not afford to carry, because it violates American principles and undermines the confidence in our moral integrity abroad. Unemployment would be seen both as an unnecessary personal and family tragedy, and as a blow at the prestige of competitive capitalism throughout the world. We would see that the way to absolve the censure of Hiroshima is to develop a fusion reactor and make it available to power-starved nations.

When Franklin D. Roosevelt died, eulogies from all parts of a saddened world poured into Washington. All praised his great courage and his great dedication to victory in war and victory in peace. Among the tributes was one from a Senator from Michigan, Arthur Vandenberg, who concluded with this sentence:

"A successful peace must be his monument."

This is the challenge still before us. Truly we can say as he did that this Nation has a rendezvous with destiny. Let us keep that rendezvous and emerge from it with the dream of all mankind securely realized—a just and lasting peace for all men and women everywhere on earth. This is the mission of America, and America is equal to the task.

PLANNED RECESSION TAKES HEAVY TOLL OUT OF WORKERS

Mr. HUMPHREY. Mr. President, a recent issue of the excellent weekly paper Labor, published by the railroad brotherhoods, contains a lead article which I recommend as must reading to anyone concerned over the present economic decline and mounting unemployment.

The article, which is headed "Planned Recession Takes Heavy Toll Out of Workers," points out that the current recession is a direct result of the tight-money policies which the administration has so vigorously encouraged.

The only answer which the administration has come up with, to curb rising prices, is greater unemployment. The fact that such a policy is directly contrary to the will of the Congress, as expressed in the Employment Act of 1946, does not seem to bother administration leaders. I call attention to the language contained in that act:

It is the continuing policy and responsibility of the Federal Government to use all practical means * * * for the purpose of creating and maintaining, in a manner calculated to foster and promote free competitive enterprise and the general welfare, conditions under which there will be afforded useful employment opportunities, including self-employment, for those able, willing, and seeking to work, and to promote maximum employment, production, and purchasing power.

The tragic aspect, Mr. President, of the current recession is that it came about as a result of the sterile and unimaginative policies of the administration. If the best solution the administration can offer is more unemployment and declining production, I say, most emphatically, that the American people are being led down a dangerous and rocky road.

I ask unanimous consent that the article from Labor be printed at this point in the RECORD.

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

PLANNED RECESSION TAKES HEAVY TOLL OUT OF WORKERS—BUSINESS SEES VIRTUE IN EMPLOYMENT SLASH—HALT SLUMP, MEANY URGES—RAILS ORDER MORE LAYOFFS—SLICHTER SEES PERIL TO SECURITY

(By Michael Marsh)

Alarmed warnings about the Nation's economic slide multiplied this week as one industry after another reported new layoffs of workers. AFL-CIO Chief George Meany declared: "The combination of a faltering domestic economy and Russian scientific advances poses for the United States in 1958 a situation as crucial, in its own way, as Pearl Harbor."

Business leaders also, in their New Year forecasts, were notably less optimistic than in previous years. However, as Time magazine reported, "Many businessmen received the dip at year's end without alarm because they regarded it as a 'recession as planned.'"

The planned recession, Time indicated, grew out of the "tight money" policies of the Federal Reserve Board which "worked with grim determination to keep the economy from growing too big, too fast."

"Thoughtful businessmen," said Time's probusiness editors, support this policy as a curb on inflation. And the news magazine added: "Though no one wants unemployment, coldly statistical economists can find some virtue in it, expect the United States to benefit through increased productivity. * * * Moreover, as jobs grow scarcer, wages will flatten out."

JEOPARDY TO SECURITY

A far different view came from one of the Nation's leading economists, Prof. Sumner Slichter of Harvard University. The administration, through its tight money policy, Slichter said, actually showed a "willingness * * * to jeopardize the security of the country."

Assailing the blunders in basic defense and economic policy, Slichter declared: "Had the administration been willing to place more emphasis on production and less emphasis on attempts to bring creeping inflation completely to a halt, the danger of future bottlenecks in (defense) production would have been avoided."

As far back as last summer, both the AFL-CIO executive council and news stories in Labor were warning of these administration-big business plans to hasten a planned recession, with all its human toll. That planned cutback is now backfiring. Meanwhile, here are the latest developments:

1. Heavy furloughs continued to spread through the railroad industry, the latest announced one being the Baltimore & Ohio's indefinite layoff of 2,800 employees on Wednesday. This follows an earlier B. & O. layoff of 2,500 on November 1.

BIG AUTO LAYOFFS

Many other industries such as steel, machine tools, and autos were hard hit also by lower orders. Ford and Chrysler laid off scores of thousands of workers over the 2 holidays weeks.

An unemployment roundup by Business Week magazine showed this picture: "New England—Unemployment claims are running 63 percent above last year. New York—Insured unemployment is 50 percent higher than last year. Pennsylvania—Insured joblessness is up about 40 percent from last year. Ohio—New unemployment claims are running almost double the year-ago rate. Michigan—Unemployment was the highest for any November since 1949. Illinois—Insured unemployment is about 40 percent higher than in 1956. Utah—About 40 percent more workers

are drawing unemployment benefits this year. Washington—Unemployment now running 52 percent ahead of a year ago. California—About 66 percent more workers are drawing jobless benefits than in 1956."

2. Harlow Curtice, president of General Motors, predicted lower car sales in 1958 and denounced the idea of higher wages. Other business spokesmen generally conceded also, like Curtice, that the first half of 1958 is apt to see a further downturn. But they suggested the latter part of the year may bring a reversal, spurred by higher defense spending.

3. George Meany, warning that "the American economy is not healthy," declared: "Increased governmental defense expenditures can relieve the situation temporarily. But the basic solution will not come until the administration recognizes that the long-run good health of our economy depends upon consumer spending and consumer buying power.

"Only improvements in wages and progress in building a better standard of living for all Americans can provide our economic system with the broad base that it must have for widespread prosperity," the AFL-CIO chief emphasized.

FEW PRICE CUTS

There was little doubt, however, that this labor view will be sharply opposed both by big-business men like Curtice and by conservatives in Congress in the months ahead.

4. If America's economy were truly competitive, according to economists, companies hit by falling business would lower their prices and thereby stimulate more buying, thus reviving production and employment. Actually, *Time* magazine reported, "Few industries, as demand eased, were talking of price cuts. Instead, they were hastily chopping production * * * while they waited for business to improve."

ANNUAL PAYMENTS ON THE FEDERAL DEBT

Mr. HUMPHREY. Mr. President, a recent column by Sylvia Porter called attention to the fact that 11 percent of our Federal taxes are being used to pay interest on the national debt. Such payments this year come to the staggering total of almost \$8 billion.

It has always amused me to note that the critics of Federal spending and unbalanced budgets so seldom call attention to the mounting interest payments on the national debt. Yet such debt payments take a slice of the budget second only to national defense.

It should be noted, Mr. President, that annual-debt payments have risen by \$1.6 billion since 1952. The cause of this tremendous increase is the higher interest rates brought about by the tight-money policy of the Republican administration.

I ask unanimous consent that the article, which is entitled "National Debt Burden," be printed at this point in the RECORD.

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

[From the Washington Star of February 2, 1958]

YOUR MONEY'S WORTH (By Sylvia Porter) NATIONAL DEBT BURDEN

Of every dollar you will pay in Federal taxes this year, 11 cents will go to pay interest to the owners of United States Government securities.

From the money the Treasury will collect in taxes in 1958, it will take almost \$8 billion and use it just to meet the interest the Government owes on the public debt during this 1 year.

Of all the staggering spending estimates in the budget, this interest estimate is one of the most staggering—and it is astounding that it has received so little attention. For consider it:

Debt interest takes a slice of our budget billions second only to national defense. In the 1958-59 year, the Treasury will shell out in interest \$2.9 billion more than the President proposes to spend on all veterans' services and benefits, \$4.3 billion more than the President proposes to spend on all farm programs. The interest bite is more than double the total for all labor and welfare programs. It dwarfs into insignificance the amounts the President proposes to spend on international affairs and finance, or on general Government, or on commerce and housing, or on conservation of natural resources.

COST DRAMATIZED

It is truly a massive chunk of the budget, dramatizing the cost of carrying a national debt nudging \$275 billion.

It is a heavy load on all taxpayers, and the only direct beneficiaries are the owners of Government securities—financial institutions, corporations, pension funds and the individuals who own savings bonds or other types of Treasury obligations.

And it is an absolutely rigid part of the budget which Congress cannot touch. Once the United States Treasury pledges to pay a specific amount of interest on a Government security, the burden is fixed. It is unthinkable that the Treasury would default on an IOU, break its word in any way.

Yet, staggering as the interest load already is, I'm positive it will become even greater as the years roll on, for two basic reasons.

First, after a fairly prolonged period of stability, the debt of our Federal Government is on the rise again.

The \$275 billion debt ceiling has been pierced and Congress is letting the Treasury temporarily increase the debt.

REDUCTION UNLIKELY

But it is increasingly improbable that the Treasury will be able to slash the debt back to the \$275 billion ceiling by the mid-1959 deadline—no matter what officials promise and say publicly.

As you are fully aware, the trend of spending for defense and for nondefense programs too is strongly upward. When Congress gets finished with the President's 1958-59 budget, it'll be billions bigger than his recent estimates. The chance that the Government will collect enough in taxes to cover its expenses is shrinking by the day.

This means we may not soon see a \$275 billion debt ceiling again. Maybe we'll never see it again.

In his budget message, the President admitted that "the only sound long-run method of reducing this (interest) cost is to balance the budget, economic conditions permitting, and apply the surplus revenues to reducing the debt."

He is so right. But reduction of the debt and its cost is not what is on the horizon. Increase of the debt and its costs is what's ahead.

THE PROPOSED REDUCTION OF STRENGTH OF THE NATIONAL GUARD

Mr. TALMADGE. Mr. President, the disclosure by the Assistant Secretary of the Army for Personnel of plans to cut the strength of the National Guard by 44,000 men during the fiscal year 1959

is alarming to those concerned with the state of our Nation's defenses.

At a time when our military superiority hangs in the balance and when Congress is laboring to buttress our lagging military position, such a proposal is incomprehensible. Facts and circumstances dictate the urgent need of strengthening, not reducing, our National Guard and Ready Reserve.

It is both inconsistent and unrealistic for Pentagon planners to undertake at this crucial time to amputate a vital portion of the backbone of our Defense Establishment.

One of my constituents, J. B. Duncan, Jr., of Augusta, Ga., well expressed the situation to me in a recent letter:

Our Founding Fathers established the excellent arrangement of a small standing Army and a large well-trained reserve force. This setup has proved itself time and again in national emergencies; but, if the National Guard is continually reduced, this basic principle will be destroyed.

Two excellent summations of the grave threat to our national military posture posed by the proposed reduction in the strength of the National Guard have been received by me from Hon. Marvin Griffin, Governor of Georgia, and Brig. Gen. Charles L. Davis, of the National Guard, at Savannah, Ga. I ask unanimous consent, Mr. President, that the telegram from Governor Griffin and the letter from General Davis be printed in the RECORD as a portion of my remarks.

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

ATLANTA, Ga., February 4, 1958.

HON. HERMAN E. TALMADGE,
United States Senate,
Senate Office Building,
Washington, D. C.

DEAR SENATOR TALMADGE: I am gravely concerned over reports which have reached me on the efforts being made by the President and the Department of Defense to reduce the Army National Guard both in strength and units. The President's budget provides funds to support a strength of only 300,000. If this reduced funding is imposed it will cause the loss of 40,000 trained and ready guardsmen, and ultimately approximately 1,200 equipped, trained, and operational units. This loss together with previous losses due to lack of funds will mean a loss of approximately 75,000 officers and men since March 1957, who have been recruited, equipped, and trained at great expense to the States and Federal Government. This attack on our largest trained Reserve component has serious implication on the States, the communities which support these units, and the Nation. I urgently solicit your support in defeating any measure to reduce National Guard appropriation. During these crucial times our defense must be strengthened, not reduced.

MARVIN GRIFFIN,
Governor.

SAVANNAH, Ga., January 31, 1958.

HON. HERMAN TALMADGE,
United States Senate,
Washington, D. C.

DEAR SENATOR TALMADGE: I am sure that you have seen during the past several weeks articles in the press concerning proposed reductions in strength and expenditures for the Reserves of the Armed Forces. This, of course, includes the National Guard.

The president of the National Guard Association, Maj. Gen. William H. Harrison, of Massachusetts, has recently informed me

that the recent budget submitted by the President of the United States includes only sufficient funds to support an Army National Guard strength of 360,000 for fiscal year 1959. Fiscal year 1958 was started with an Army National Guard strength of 435,000 and this number was to be reduced to 400,000 by June 30, 1958. If the President's budget is accepted as recommended, this will have the effect of reducing the Army National Guard an additional 40,000 or a total of 75,000 over that strength authorized in the fiscal year 1958 budget.

In addition to the above, there is a movement underway to completely revise the Army National Guard troop basis, which if put into effect, certainly will have an unfavorable effect on not only our Georgia National Guard, but that of the entire United States. We have not yet been advised of the mechanics of these reductions, but if the policies of the Department of the Air Force recently used in dealing with the Air National Guard are any criteria, the results will be disastrous.

As a former governor, whom I have always felt understood our problems, I am urgently requesting your help in this matter. Our Georgia National Guard units are among the oldest in the country. Here in Savannah our Chatham Artillery dates its history from 1786 and the Savannah Volunteer Guard from 1802. The same is true of the Atlanta and Macon units, and they have always had an outstanding record in every war in which our country has been involved.

While I am well aware that changing times require changes in methods and organization for warfare, it would seem that the emphasis should be on a stronger National Guard and other Reserve Forces, rather than reducing them, considering world affairs.

In view of the above, I urgently request you to do everything in your power to see that the following policy in regards to the Army National Guard is adhered to:

1. The present strength of 400,000 is kept as a goal and not reduced to 360,000.
2. The existing 27 divisions in the National Guard be retained.
3. If modifications within the troop structure are deemed necessary, this be accomplished by reorganization, redesignation or conversion of existing divisional and non-divisional units.

Sincerely,

CHARLES L. DAVIS,
Brigadier General, National Guard.

Mr. TALMADGE. Mr. President, technological advances and the changing concept of warfare make it all the more essential that the compact striking forces of the pentomic Army be backed by thoroughly trained, fully equipped, and combat-ready National Guard and Ready Reserve units. Only in that way can the United States hope to be prepared to cope immediately with any emergency, small or large, which may arise to threaten our national security.

To this compelling reason for maintaining the strength of the National Guard and Ready Reserve units be added the practical reason that in no other way can we make our defense dollars go as far. As many as 8 soldiers can be trained in the guard or Reserve for the same amount required to train 1 man in the Regular Army.

A further factor to be considered is that through an energetic and well-supported National Guard and Ready Reserve program, the bulk of the young men of the Nation can discharge their

military obligation with the least possible disruption to their personal lives, their education and careers, and the economy of their communities.

The citizen soldier is the bulwark of our national defense; and to attempt to economize at his expense would be disastrously shortsighted, and would constitute the most false of false economies.

Mr. President, I hope with all my being that Congress will not countenance this ill-conceived scheme to weaken our National Guard and Ready Reserve.

Mr. President, the security of our homes and firesides demands that Congress not only not countenance it, but, rather, act quickly and decisively to reverse it.

THE INTERIM REPORT OF THE SENATE ARMED SERVICES PREPAREDNESS INVESTIGATING SUBCOMMITTEE

Mr. MANSFIELD. Mr. President, the interim report of the Senate Armed Services Preparedness Investigating Subcommittee issued at the conclusion of its recent series of hearings on this country's satellite and missile programs has been hailed by newspaper editorialists throughout the country.

In the words of an editorial writer for the Wichita Falls, Tex., Daily Times:

Senator JOHNSON, personally, and his committee, individually and collectively, have earned the gratitude of fellow Americans for their integrity and their patriotism, their devotion to the task which has been displayed and their able handling of it.

Mr. President, I know the distinguished chairman of the subcommittee has felt particular gratification regarding the commendation voiced by many newspapers in his own State of Texas.

I ask unanimous consent that editorials from the Austin Statesman, the Bryan Daily Eagle, the Corpus Christi Caller-Times, the Houston Post, the Houston Press, the Marshall News Messenger, and the Wichita Falls Daily Times be printed in the RECORD.

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

[From the Austin Statesman of January 11, 1958]

JOHNSON'S FIVE POINTS

Senator LYNDON B. JOHNSON, Senate majority leader and chairman of the Preparedness Subcommittee investigating progress or lack of it in the missile and satellite fields, has outlined a five-point program to speed the United States into accomplishments required by the space age.

While Soviet scientific achievements in recent years cannot be underrated, JOHNSON said they are not depressing. He regards them as a challenge spurring the Nation on to achievement.

With the secret information his committee has adduced from civilian and military chiefs of the Armed Forces some degree of optimism seems well based. His program, which partially parallels proposals made by the President in his addresses to the Nation on science and survival, looks beyond to American leadership in space. JOHNSON, however, has expressed himself repeatedly as believing the President and his administration still has not reflected a strong sense of urgency.

JOHNSON'S five-point program would:

1. Step up the development of weapons which will insure our survival.

2. Revise our methods of teaching and our curriculum so that science and technology will be given a higher rating.

3. Mobilize our population to face the challenge—tapping the unused reservoirs of talent and ability among those who are retired.

4. Step up research into the physical and biological problems of outer space, perhaps through a space academy.

5. Place specific responsibility for the physical, economic and legal problems of exploring outer space either in a new or existing agency.

The problem will not be met if our only reaction is the construction of weapons. There must be a wide public understanding that the United States has been outstripped in a field in which we thought we were supreme, and by a nation we thought was lagging far behind—that of adequate numbers of engineers, scientists and mathematicians.

[From the Marshall News Messenger of January 23, 1958]

KNOCKING HEADS

Senate Democratic Leader LYNDON JOHNSON has come to the seemingly practical conclusion that this Nation might get more missiles faster if a few heads were knocked together at the Pentagon than if a new reorganization of the Defense Department is undertaken. The Texan made this observation after his preparedness subcommittee had received testimony on why the United States is trailing the Soviet Union in the development of certain weapons.

JOHNSON, a practical politician, probably is taking note of opposition to streamlining the United States military such as declared by Representative CARL VINSON, chairman of the House Armed Services Committee. VINSON has made it clear that a military reorganization plan, whether inspired by the Republican administration or the Democratic Senate leadership, will have rough going in the House.

"There is considerable evidence to indicate that organizational forms have been stumbling blocks to achievement (or interservice cooperation)," JOHNSON said. "On the other hand, it may be that what is needed, is a determined effort to knock some heads together rather than new organizational charts."

With VINSON'S House Committee just getting started with its investigation of American defense deficiencies, it would seem that the Johnson "knock heads" suggestion is about the only way the President can get quick action on his state of the Union pledge to remedy whatever is causing the major delays in the Pentagon.

[From the Houston Post of January 25, 1958]
JOHNSON SUBCOMMITTEE REPORT ASKS ACTION TO MEET RED THREAT

The unanimous report of the Senate Preparedness Subcommittee on its investigation of the United States satellite and missile programs is a blueprint for action with which it would be difficult to disagree.

It called for speedy modernization of our defense establishment up and down the line. It lists 17 recommendations designed to achieve this end which were made to the subcommittee during its hearings and said decisive action must be taken on them.

Senator LYNDON B. JOHNSON, Democrat of Texas, subcommittee chairman, read the report on the Senate floor Thursday. This country, he said, "is entering a new period of history in which the total resources of America must be brought to their greatest development. * * * A full national effort is required and this can be achieved only by people working together."

The report itself was thoroughly nonpartisan. It conceded that things might have been different, if things had been done differently in the past, but it did not look back and it pointed no finger of blame. It talked only of the future and what must be done to preserve American freedom.

Recent technological progress of the Soviet Union, it said, "do not give cause for comfort. But we do not consider them a cause for despair or hopelessness. We regard them as a challenge to all America. There is nothing in the record to indicate that America has lost its vitality or its capacity to produce in time whatever we need to retain our present power to strike devastating blows—blows of almost total destruction—at any aggressor."

The subcommittee investigation, which produced some 7,000 pages of testimony, was a result of the successful Russian launching of the sputniks. Their chief implications, the report said, were that they demonstrated the Soviet Union's ability to hurl a missile from one continent to another and they enabled the Soviet Union to gather basic information about outer space.

The report listed various recent actions of the Defense Department to meet the Soviet challenge, but added "they are only a beginning."

The 17 recommendations listed in the report, a number of which tie in with projects already underway, will receive careful, prudent, and thorough study, the report continued. It ended on a lofty, almost poetic, note.

"The immediate objective is to defend ourselves. But the equally important objective is to reach the hearts and minds of men everywhere so that the day will come when the ballistic missile will be merely a dusty relic in the museums of mankind and men everywhere will work together in understanding."

The Preparedness Subcommittee has done the nation a fine service. The objective it sets forth are well worth the effort needed to achieve them.

[From the Bryan Daily Eagle of Jan. 26, 1958]

STATEMENT ON PREPAREDNESS NOT PRETTY

One of the most important and chilling statements to come out of Washington in a long time is the one just made—by the Senate Preparedness Subcommittee—on our defense position as compared with the Soviet Union.

It is not pretty. It says the Russians are ahead in missiles and submarines; are catching up in airpower, and, at the rate they're going, will forge ahead; can develop new weapons faster; and are producing scientists and engineers at a greater rate.

This statement, presented to the Senate late yesterday, puts the picture in focus. It is as informed, impartial, authoritative, and non-political as such a document can be hoped to be. It's significant for three reasons:

1. The subcommittee drew its conclusions after 101 days of investigation in which it heard 70 witnesses, interviewed over 200 experts, and took more than 7,000 pages of testimony.

2. The subcommittee is made up of Democrats and Republicans. All agreed on what the statement contained. This unanimity makes it impartial and nonpolitical. The members were talking as Senators and not as Democrats or Republicans.

3. Because of the impartial nature of the statement it will be the background for judging what President Eisenhower proposes, and Congress does, in the days ahead to catch up with and get in front of the Russians.

The statement was grim. It showed beyond question this country has been dragging its feet and has been asleep although it did not attempt to blame either the Truman or Eisenhower administration.

It deliberately avoided blame. It had to. Otherwise, there would have been no unanimity on this statement which limited itself to saying where we've lost and what we need to do.

But Senator LYNDON JOHNSON, of Texas, Senate Democratic leader and chairman of the subcommittee, in reading the statement to the Senate, did not paint an entirely black picture. He said about Soviet superiority: "These facts do not give cause for comfort.

But we do not consider them a cause for despair or hopefulness. We regard them as a challenge. * * *

"There is nothing in the record to indicate that America has lost its vitality or its capacity to produce in time whatever we need to retain our present power to strike devastating blows * * * at any aggressor.

"While the future is very close—extremely close—it is still under our control."

[From the Corpus Christi Caller-Times of January 26, 1958]

JOHNSON'S REPORT

True to the original purpose stated by its chairman, Senator LYNDON B. JOHNSON, the Senate Preparedness Subcommittee made no attempt to fix partisan blame for the United States missiles lag in its report released Thursday. Looking to the future rather than the past the subcommittee made 17 broad recommendations in the defense field.

The recommendations ranged from modernizing and strengthening the strategic air arm, ground forces, and Navy to accelerated missile and antimissile programs and reorganization of the Defense Department. The subcommittee's proposals for improving the defense posture of the country did not vary greatly from those already advanced or initiated by the administration in recent weeks.

Democrats who expected the subcommittee to supply them with an almost ready-made campaign plan probably will be disappointed. Many of them hoped that some good old-fashioned name calling would improve their chances in an election year.

Those who expected a stinging indictment of Republican ineptness in defense matters overlooked two vital points: (1) That the defense of this Nation cuts across all party lines, and (2) that the Senate Preparedness Subcommittee has for a number of years been dominated by Democrats. The two became inseparable. Democrats could hardly throw the first stone when they could be charged with failure to anticipate the very crisis that now faces us. Neither the Democratic Party nor the people of the United States can profit from partisanship on such a vital issue as the security of the Nation.

[From the Wichita Falls Times of January 26, 1958]

JOHNSON REPORT MEETS CHALLENGE

Last November 25 Chairman LYNDON B. JOHNSON of the Senate Preparedness Investigating Subcommittee opened the hearings on this country's satellite and missile programs with a statement which outlined these objectives: "A clear definition of the present threat to our security * * * and what is to be done, without traveling up the blind alleys of partisanship."

Two months later the Senate majority leader's subcommittee report is completed. The series of hearings is over. And the results are a blueprint of indicated weaknesses of the Nation's defenses, where the Soviet Union is showing strength, and a blueprint of action which the United States must follow if it is to retain and regain defensive might.

The threat of the Soviet Union is defined in a six-point area. What to do is outlined in 17 recommendations. These are two of the goals which the Texan leader in Congress had

set for his committee. The third and remaining objective was to work in a bipartisan manner, to avoid pinpointing blame for deficiencies, to develop accord and unanimity.

Here, too, success has crowned the magnificent efforts of Senator JOHNSON. The report of the subcommittee is submitted unanimously by all seven members. It goes even further in this regard by bringing out that on at least 10 points of the 17-point program of action the Government has already made a start—a bipartisan admission in the loftiest realm—and specifically commends Secretary of Defense Neil McElroy for the steps he has taken to strengthen the military position of the United States.

Senator JOHNSON, personally, and his committee, individually and collectively, have earned the gratitude of fellow Americans for their integrity and their patriotism, their devotion to the task which has been displayed, and their able handling of it.

The committee's report is broader in scope than anything yet compiled. It ranges beyond the Rockefeller report; it is public, whereas the Gaither report reposes in confidential files of the executive department beyond reach even of Members of Congress; and it offers in one package what has not been available from any other source or combination of sources.

We can confidently predict that in the future, when any attempt is made to evaluate the progress that is being made to meet the challenges of the space age, it will be the Johnson report which provides the checklist against which advances can be measured.

Congress can be expected to follow the recommendations, not only because they are valid and worthy, but because the committee leader, Senator JOHNSON, is also in the powerful position of Congressional leadership as head of majority party in the Senate.

Circumstance has again placed Senator JOHNSON in a role at a time of great challenge, and he is again measuring up to time, place, and circumstance.

[From the Houston Press of January 28, 1958]

GET ON WITH THE JOB

White House Assistant Sherman Adams, addressing a Republican rally recently, petulantly charged that Democrats were politicking with defense.

It's true some minor Democratic politicians have tried to make political capital out of the Eisenhower administration's failure to put a satellite into space ahead of Russia's sputnik, just as some small-bore Republicans have been caterwauling that the blame dates back to the Truman regime.

An effective and heartening answer to such picayunish charges is found in the unanimous report of the Senate Preparedness Subcommittee submitted by Chairman LYNDON JOHNSON.

The unanimity and composition of this subcommittee are as impressive as the substance of this remarkable report.

For the Democrats: Senate party leader JOHNSON; Senator SYMINGTON, former Air Force Secretary; Senator KEFAUVER, the party's former vice presidential nominee, and that respected Southern Democrat, Senator STENNIS.

For the Republicans: Senator BRIDGES, chairman of his party's policy committee; Senator SALTONSTALL, chairman of the Republican conference; and Senator FLANDERS of rock-ribbed Vermont.

And they speak in one voice. It is not a voice of petty politics, nor of alarm and despair, nor of wishful thinking. It is a voice of patriotism and challenge.

These responsible elective officials, after 110 days of grubbing inquiry into America's defense posture, submit realistic findings that the Soviet Union has a threatening lead

in many aspects of science and military power.

They list the imposing accomplishments of our Defense Establishment in straightening out missile and satellite programs since the sputnik crisis highlighted our military disarray. For what has been done, they give credit to the Defense Department—although obviously many of the steps taken have been at the subcommittee's prodding.

And last, they enumerate important things that yet must be done to put our defenses in order—in our striking airpower, in missile and antimissile development, in building antisubmarine strength, in education, discipline and unity of purpose. And they vote their confidence that the new Defense Secretary, Neil McElroy, will do his part in meeting those challenges.

Here is bipartisan American leadership of the highest order. The country owes the subcommittee a vote of thanks. And more than that—a resolve to follow their lead, put aside shameful bickering, and get on with the job.

DOMESTIC AND FOREIGN MERCURY INDUSTRIES

Mr. BIBLE. Mr. President, I have today forwarded a letter to my good friend and colleague, the Senator from Virginia [Mr. BYRD], chairman of the Senate Finance Committee, relative to the state of the domestic mercury industry. The letter is signed jointly by Senators KUCHEL, MURRAY, WATKINS, BARRETT, CHURCH, NEUBERGER, MALONE, Senate Minority Leader WILLIAM KNOWLAND, and myself, all of us from mercury-producing States or interested in the welfare of the domestic mining industry.

The letter asks specifically that the Senate Finance Committee adopt a resolution, instructing the United States Tariff Commission to make a comparative study of the domestic and foreign mercury industries. It asks further that special attention be paid to the factors of competition and the effect of the present Government purchase program authorized under title III of the Defense Production Act of 1950 on the overall mercury picture.

As I have pointed out before to the Members of the Senate, the domestic mining industry is in a perilous state. During the past year, mines all over the country, producing minerals and metals essential to our defense efforts and national welfare, have been forced to close or seriously curtail their operations. These closings have not been brought about by a decrease in demand for the metal or mineral produced, nor have they been forced to close because they have run out of paying ore bodies. These mines have been forced to close because of violent drops in world prices of minerals and metals. The prices they can obtain for their product will no longer pay the cost of labor and materials used to produce the product. In other words, these mines necessary to our national well-being have been forced to close because they cannot compete with low-cost foreign-produced minerals and metals.

Mercury prices have followed the pattern set by other metals, and have suffered steady declines in value. From an average price of \$295 per 70-pound flask in 1955, the price slipped to an average of \$266 in 1956. In 1957 the price

dropped from \$255 to \$225 in December, and during the past month the price has leveled off at \$220-\$225 per flask. The mercury industry, however, is more fortunate than the other segments of the mining industry in that the support price of \$225 per flask, established by the Government purchase program, has prevented the price from dropping any further. This price of \$225 per flask is just about the break-even point for domestic producers, and they fear the day the Government purchase program is scheduled to terminate, December 31 of this year. There seems to be little doubt that once the Government purchase program is terminated, the world market price will drop to such a level that domestic producers will be forced out of business.

It is with this eventuality in mind that my colleagues and I ask that an investigation of the mercury industry be made by the United States Tariff Commission.

Mr. President, I ask unanimous consent that the body of the letter and resolution addressed to Chairman Byrd of the Senate Finance Committee, be included in the RECORD at this point in my remarks.

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

HON. HARRY F. BYRD,
Chairman, Senate Committee on Finance,
United States Senate.

DEAR CHAIRMAN BYRD: During the past year the domestic mining industry of our country has suffered a series of reverses that seriously threaten the very existence of that industry, and indirectly the well-being of our country. Among the mining industries that suffered these reverses is the domestic mercury (quicksilver) industry.

During 1957 prices dropped from \$255 to \$257 per flask to \$225 to \$230 per flask. During that same period, domestic mines produced and estimated 31,500 flasks, while imports from foreign countries amounted to an estimated 45,000 flasks. Domestic producers feel strongly that the only reason the price has remained at the \$225 level is because of a Government purchase program authorized under title III of the Defense Production Act of 1950. The program, established in July 1954, set a floor price of \$225 per flask of domestically produced mercury. This purchase program is scheduled to terminate on December 31, 1958.

It has long been alleged that world mercury prices are controlled by an international cartel of which United States producers are not members. Cheap labor and substandard working conditions, coupled with the existence of high-grade deposits, in these foreign countries, enable the members of the cartel to fix world prices far below the break-even point for domestic producers.

Domestic producers point out that the present price of \$225 per flask is very close to the break-even point for most of the domestic operations. They feel, and understandably so, that with the expiration of the present purchase program, the world price will fall rapidly to such a level that none of the domestic producers can stay in business.

To prepare for such an eventuality, the undersigned Senators from mercury-producing areas feel that an investigation by the United States Tariff Commission, pursuant to section 332 of the Tariff Act of 1930, into the conditions of competition between domestic and foreign producers of mercury, is advisable at this time. The investigation should pay particular heed to the impact of the present purchase program on world and domestic prices, and the probable effect

of the termination of the program on the competitive position of domestic producers.

We have, therefore, attached hereto a resolution asking for such an investigation, which we hope your committee will find possible to adopt.

Sincerely,
ALAN BIBLE, THOMAS H. KUCHEL, JAMES E. MURRAY, FRANK BARRETT, ARTHUR V. WATKINS, FRANK CHURCH, DICK NEUBERGER, WILLIAM F. KNOWLAND, GEORGE W. MALONE.

Resolved, That the United States Tariff Commission is hereby directed, pursuant to section 332 of the Tariff Act of 1930, to make an investigation of the conditions of competition in the United States between mercury (quicksilver) produced in the United States and in foreign countries, and to report to the Senate Finance Committee the results of the investigation on or before December 1, 1958.

The report of the Commission shall set forth a summary of the facts obtained in the investigation, including a description of the domestic industry, domestic production, foreign production, comparative costs of domestic and foreign production including labor costs, imports, consumption, channels and methods of distribution, prices including comparative London and New York prices quoted by foreign producers, United States exports, United States customs treatment since 1930, the impact of the Government purchase program authorized under title III of the Defense Production Act of 1950 on domestic production and the possible effect of the termination of that program on world prices and domestic production, and other factors affecting the competition between domestic and imported mercury. In the course of the investigation the Commission shall hold hearings, giving adequate opportunity to interested parties to appear and be heard.

CONSTRUCTION OF BRIDGES ACROSS THE POTOMAC RIVER

Mr. BIBLE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives pertaining to H. R. 6306, to amend the act entitled "An act authorizing and directing the Commissioners of the District of Columbia to construct two four-lane bridges to replace the existing 14th Street or Highway Bridge across the Potomac River, and for other purposes."

Mr. PAYNE. Mr. President, reserving the right to object, and I may not object, I should like to inquire whether or not this matter has been cleared.

Mr. BIBLE. I will advise my good friend and colleague from the State of Maine this matter has been cleared with both the minority and majority leaders.

Mr. PAYNE. I thank the Senator. I have no objection.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 6306) to amend the act entitled "An act authorizing and directing the Commissioners of the District of Columbia to construct two 4-lane bridges to replace the existing 14th Street or Highway Bridge across the Potomac River, and for other purposes," and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BIBLE. I move that the Senate insist upon its amendment, agree to the

request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

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

LABOR LAW PROPOSALS

Mr. PURTELL. Mr. President, the President's program for legislation to curb union abuses and protect the rights of individuals in labor-management relations deserves the highest praise. It calls for effective, thorough, and equitable legislation, which, I believe, should get the immediate attention of Congress and be enacted as quickly as possible.

I ask unanimous consent to have printed in the RECORD at this point an editorial from the New York Times of January 25, which is an excellent analysis of the President's proposals.

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

LABOR LAW PROPOSALS

The proposals of Secretary of Labor Mitchell for Federal legislation in the labor-management field—made those of the entire administration by President Eisenhower in his message to Congress—add up to a statesman-like program that must command respect, if not agreement, from labor, management and the public. It is especially notable that, at a time when unions are on the defensive owing largely to the exposures of the McClellan committee, the program gives no comfort to the enemies of organized labor.

On the contrary, most of the proposals would strengthen democratic and responsible trade unionism by making far more hazardous than now the corrupt practices which have weakened it and by making more difficult the domination of would-be union dictators. All this, of course, serves the public interest because, as the President has said, the "effective right to organize and bargain collectively is an essential part of this Nation's free and democratic society."

Sound also is the political philosophy that animates the whole administration program. It avoids direct Government control, or even supervision, of the affairs of labor unions—something that would be violently opposed by labor and would also be repugnant to American ideals. The program calls for no army of inspectors invading labor union meetings or thumbing through union books. It would be largely self-enforcing. It sets up clear standards of operation and relies mainly on full disclosure to assure their being lived up to—but with severe penalties for their violation. Such reporting, would not, of course, wipe out wrongdoing, but it would certainly be a most powerful deterrent.

These general principles would be applied, through the Department of Labor, to all health and other welfare funds, as provided in bills already before Congress, and also—even more importantly—to the financial operations of the unions themselves. They would also have to give evidence that their officers were democratically elected and at not more than 4-year intervals. Both unions and employer representatives would have to report all financial dealings with each other, with specific prohibitions against those that impair free collective bargaining.

Two other features of the program are, of course, essential: the administrative setup and the punitive sanctions. A Commissioner of Labor Reports, appointed by the President and responsible to the Secretary of Labor, would be in charge of the full disclosure activities. He would have wide powers of in-

vestigation, subpoena and the seeking of injunctions against those who violate the laws. Not only would failure to report properly bring revocation of a union's collective bargaining certification, as now under more limited reporting, but forfeiture of its privilege of tax exemption under the Internal Revenue Act. In addition, misuse of union funds, false entries and the destruction of records would be made felonies under Federal law, lesser offenses such as doctoring reports would be misdemeanors, and payments by either side to influence labor-management relations would become bribery under the Criminal Code.

Officials of the AFL-CIO have raised doubts as to the need for more legislation, beyond that proposed in the administration program for welfare funds—especially in view of the federation's vigorous efforts to root out corruption in its ranks. There is also strong opposition to some of the proposals to amend the Taft-Hartley law so as to limit certain boycott activities and some forms of organizational picketing. President Meany has publicly voiced his fear that the powers proposed for the Labor Department would go too deep into the internal affairs of unions and that they might even lead to licensing laws which would be anathema.

Organized labor might have good grounds to oppose any greater Government intervention than the administration has proposed—at least until its program has been given a fair trial. But the AFL-CIO would do well not to fight the full disclosure of those union operations which the Government has indicated, and severe penalties for improper activities. Both are clearly in the public interest and, we believe, in the interest of labor as well.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, is the morning business concluded?

The PRESIDING OFFICER (Mr. CLARK in the chair). Is there further morning business? If not, morning business is closed.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. What is the pending business?

The PRESIDING OFFICER. The pending business is a call of the calendar.

Mr. McNAMARA. Mr. President—

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Michigan?

Mr. MANSFIELD. I yield.

Mr. PAYNE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PAYNE. It is my understanding that under the unanimous-consent agreement which was obtained by the majority leader, following the morning hour a call of the calendar was to be had.

The PRESIDING OFFICER. Yes.

Mr. PAYNE. Has the morning hour been declared closed?

The PRESIDING OFFICER. Morning business has been concluded.

Mr. PAYNE. Is it proper that the Senate proceed to the call of the calendar, under the order?

The PRESIDING OFFICER. That is the regular order.

Mr. MANSFIELD. Mr. President, I yield to the Senator from Michigan. How much time does the Senator desire?

Mr. McNAMARA. About 30 minutes.

Mr. PURTELL. Is that the regular order?

Mr. MANSFIELD. Mr. President, I ask unanimous consent that despite the unanimous consent agreement previously entered into, the Senator from Michigan [Mr. McNAMARA] be allowed to proceed for 40 minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? Without objection, it is so ordered, and the Senator from Michigan is recognized for not in excess of 40 minutes.

FULL EMPLOYMENT AND PROSPERITY

Mr. McNAMARA. Mr. President, a few days ago, America gave its answer to the latest challenge facing it. From a Florida beach this Nation's first earth satellite, the Explorer, rose successfully into outer space—announcing to the world that while sometimes we are a little slow, we are persistent.

Meeting new challenges forthrightly is a characteristic of this great country. It has been so since we grew from a collection of rebellious colonies nearly 2 centuries ago. But America is only as strong as its economy. And today, through no fault of their own, the people of this country are in serious economic trouble.

It is generally accepted that the condition in which we find ourselves today can be called a recession.

We do not hear the word used by the Eisenhower administration, however. To the President, it is a "period of consolidating the gains of recent years." Or, he says, the "economy is catching its breath for a new advance."

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

Mr. McNAMARA. I am glad to yield to my colleague and good friend, the Senator from Oregon.

Mr. NEUBERGER. I wish to express my appreciation to the Senator from Michigan for bringing this matter to the attention of the Senate. The Senator from Michigan and I entered the Senate together. It has been my impression that few Members of the Senate, if any, have been so diligent in bringing up pertinent problems which affect employment and payrolls and the general economic well-being of our people. The Senator from Michigan is alert to such questions.

I want to emphasize to the Senator why I particularly, as one of the Senators from Oregon, feel a sense of gratitude that the Senator is raising this issue. If I am not mistaken, the State of Oregon today has the highest unemployment rate in the Nation, with respect to insured employment coverage. I have just seen the latest figures, and the three States in the Union which have the highest unemployment ratio in this country are those of the Pacific Northwest.

The highest in this tragic and unenviable category is the State of Oregon, where I was born and raised. The figure for that State is 12.8 percent. The next

highest is the State of Montana, with 12.3 percent, and the third State in this category is the State of Washington, with 11.4 percent.

These States are three major lumber-producing States. All of them have been affected by the tight money policy which has so diminished housing construction in this country. As interest rates went up, housing starts were discouraged.

I know that the Senator from Michigan is particularly well informed, because, if I am not mistaken, he himself, was engaged in the construction industry, and he has many personal contacts with the building-trades unions and with the operators of construction companies which build houses. The Senator from Michigan is personally acquainted with what is taking place.

I should like to ask him one question, and then I shall not interrupt his speech further. Does the able Senator from Michigan, in light of his observations as to unemployment in his own State and other areas nearby, believe that the situation is now so serious and so grave and has reached such proportions that we need emergency measures, such as the proposed public works program, and similar undertakings?

Mr. McNAMARA. I certainly do; and later in my address I shall make reference to that question.

Mr. NEUBERGER. I notice that the Senator from Tennessee [Mr. GORE], who is now present in the Chamber, introduced specific legislation to this end yesterday; and I shall certainly support it to the best of my ability. I think both the Senator from Michigan and I, as members of the Public Works Committee, will have an opportunity to assist the able Senator from Tennessee in advancing the purposes of his bill.

Mr. McNAMARA. I am sure of it.

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

Mr. McNAMARA. I yield.

The PRESIDING OFFICER. The chair points out that the time consumed in yielding will be charged against the 40 minutes of the Senator from Michigan.

Mr. GORE. Mr. President, I express gratitude to my distinguished friends, the junior Senator from Oregon and the senior Senator from Michigan for their generous references.

Some people may close their eyes and turn a deaf ear and a cold heart to the millions of people who are unemployed, and the many more millions who are partially employed, and who are in distress.

The distinguished junior Senator from Michigan will never be found among that group. He has a big heart, open eyes, and clear hearing.

In the exercise of his own powers of perception he has just stated that the country is in serious economic trouble. I hope it will not develop into a serious depression; and I am sure the able Senator from Michigan joins me in that hope.

As I stated yesterday, the Nation has powers, resources, programs, and experience which it can use to avert such a tragedy. But "a stitch in time saves nine." When we see these danger sig-

nals, some of which the Senator has already pointed out, does not the Senator believe it is time for the Government of the United States to act?

Mr. McNAMARA. I certainly think it is time to act. I believe that acting now will save a much greater disaster later than we now face.

I thank the Senator from Tennessee, who has never failed to recognize the things which he gives me credit for recognizing.

In his state of the Union message, the President sought to explain the economic distress with the fatuous statement that "growth typically moves forward unevenly."

Such phrases are nothing but economic doubletalk. They are an insult to the intelligence of the American people.

This administration has many faults—and one of them is the refusal to call this situation exactly what it is—a recession rapidly growing into a full-fledged depression.

To acknowledge this, I admit, the administration would be forced to confess failure of its domestic economic policies.

But everyone now knows that these policies have brought us into a recession—so the administration might now have the courage to attack the monster it has created.

Perhaps I do the President an injustice. Perhaps he really doesn't know of the serious danger that faces this country today.

His economic report expresses a certain childish and naive amazement that everything isn't going well. It does so in such statements as this:

Developments in 1957 illustrate how rapidly changes can occur in the problem of maintaining growth with reasonable stability of prices in a dynamic, free enterprise economy.

More economic doubletalk.

Whether he knows of the danger or not, there are indications that the recession may not be too unwelcome in some business circles.

A few weeks ago a national magazine, noted for its guardianship of the Eisenhower administration and big business interests, made this revealing statement:

Many businessmen received the dip at year's end without alarm—because they regarded it as a "recession as planned."

If this is a "recession as planned," then someone is guilty of treason.

That someone is guilty of literally taking the food out of the mouths of millions of American working people who are helpless pawns in this economic chess game.

In my State of Michigan today there are 320,000 persons out of work. This is 11.2 percent of our work force.

Is Michigan somehow standing alone in this economic plight?

Hardly. I understand that—high as it is—Michigan's unemployment puts the State 10th or 11th on the list.

And according to recent figures, 26 of the 48 States have unemployment of over 6.9 percent.

And more than 30 have unemployment of over 6 percent—the level at which an area, by definition, is supposed to have a labor surplus.

This labor surplus designation is another matter that I must sharply criticize.

Mr. CLARK. Mr. President—

The PRESIDING OFFICER (Mr. Scott in the chair). Does the Senator from Michigan yield to the Senator from Pennsylvania?

Mr. McNAMARA. I am glad to yield to my distinguished colleague from Pennsylvania.

Mr. CLARK. I should like to commend my friend from Michigan for calling this critically important problem of unemployment to the attention of the Senate. I noticed with great interest the figures which he has just given for unemployment in the State of Michigan. In my Commonwealth of Pennsylvania there were on January 15, 435,000 unemployed, 9.4 percent of the entire labor force.

According to the Bureau of Labor Statistics, there are 14 areas in Pennsylvania in which chronic and current unemployment exists, and where the rate is in excess of 6 percent, including the three largest cities in the Commonwealth, namely, Pittsburgh, Philadelphia, and Erie.

Many of the other areas in my State have unfortunately been surplus-labor areas for a long time. It occurs to me that some action, at both the executive and legislative levels, is clearly indicated to deal with this problem quickly, before it gets out of hand.

For that reason, I was happy to see the Senator from Michigan cosponsor with me and a number of other Senators the bill introduced today by the distinguished Senator from Massachusetts [Mr. KENNEDY], which would place our unemployment compensation laws on the kind of decent and reasonable basis upon which they should have been placed long ago. I am happy that the Senator from Michigan has joined the Senator from Illinois, myself, and other Senators, in an effort to get, out of committee and on the floor of the Senate, a bill for area redevelopment programs which will bring some new industries into areas of chronic unemployment.

I thank my friend for yielding to me. I know that his time is limited. I commend him for his valuable public service in bringing this critical problem to the attention of the Senate.

Mr. McNAMARA. I thank the Senator from Pennsylvania for his assistance in this connection.

Mr. GORE. Mr. President, will the Senator yield in order that I may ask the junior Senator from Pennsylvania a question?

Mr. McNAMARA. I am happy to yield for that purpose.

Mr. GORE. I have listened to the eloquent remarks of the junior Senator from Pennsylvania. I am grateful for his interest, activity, and able advocacy in this field.

I am sure the able Senator from Pennsylvania has heard many pleas for the "right to work." Some people have adopted that phrase as a slogan, and have misapplied it, in my opinion. Does not the able Senator from Pennsylvania believe that in this society of freemen, every man should have the right to earn

his living by the sweat of his brow and the toil of his hands?

Mr. CLARK. It is my understanding that that is our national policy, as set forth in the Employment Act of 1946, which the present administration does not seem to be taking particularly serious.

Mr. GORE. When there are millions of people unemployed, and millions more partially employed, does not the Senator think it is time to bring into play and effectiveness the full Employment Act?

Mr. CLARK. I agree completely with my friend from Tennessee.

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

Mr. McNAMARA. I yield.

Mr. MORSE. I wish to say that I am very glad the Senator from Michigan is making his speech. I have already scanned his manuscript, and I have been listening to the Senator's remarks with great interest. I share the view of the Senator from Pennsylvania [Mr. CLARK] and of the Senator from Tennessee [Mr. GORE], as well as that of the Senator from Michigan, that we ought to put into application the Employment Act of 1946. I was one of the cosponsors of that act, along with the great Senator from Montana [Mr. MURRAY], who put up the historic fight to get that bill passed in the Senate.

It is very interesting to review the debate on that bill in the Senate, as I did the other evening. Many of us in those speeches forewarned of the conditions which exist in the States at the present time.

We made very clear that our purpose and intent was to pass an act which could go into immediate operation when such conditions as the Senator from Michigan is pointing out today arose in connection with the employment problem. The Senator has pointed out the position of the State of Michigan on the unemployment ladder, and of course it is a very sad one.

However, I rise to say that the greatest unemployment, percentage-wise, in America today is in the State of Oregon, because of the inexcusable and unconscionable policy of the President of the United States—and I always put the responsibility where it rests, and it squarely rests on his shoulders—which he has followed in the economic field since he came into office, when, within a few days after he was inaugurated, his administration announced the hard money, tight credit policy.

I was sitting in a meeting of the Small Business Committee at the time, when my administrative assistant brought me the ticker announcement of that policy. The RECORD shows that I left the committee meeting immediately and came to the floor of the Senate, and that I was the first in the Senate to speak out against that policy and forewarn then what that policy, which was a banker's policy and a big-business man's policy, would do to the so-called little people, the common people, the working people of America. I predicted in that speech that great unemployment would result.

We are greatly indebted to the Senator from Michigan for the forewarnings he

is giving the American people today. I share his view that time for action has come. I will be very much interested in watching how many Senators on the other side of the aisle will stand up and be counted this time for greater protection of the employment rights of the workers of this country.

Mr. McNAMARA. I appreciate the contribution of the Senator from Oregon, and his persistence in this matter. I am speaking on limited time, and I must now ask that I be allowed to continue uninterrupted to the end of my prepared speech.

Under Defense Department policy, areas which are designated by the Labor Department as having greater than 6 percent unemployment supposedly receive preferential treatment in the placement of defense contracts.

In discussions of this policy with Defense Department officials, I have come to the conclusion that it is almost totally unworkable.

Department officials admit that, for all practical purposes, the contract will go to the low bidder, whether or not he is in a labor surplus area.

I have had officials of Michigan cities write me—almost begging to be put on the labor surplus list of the Labor Department.

Once this is done—they expect the defense work to appear like magic.

The preferential treatment policy is only a cruel joke on the cities, their unemployed workers, and their business people.

It need not be, however. I have asked the Defense Department to discuss ways of better integrating the defense dollar into the entire economy.

This is essential, especially in an economy where defense spending accounts for more than half the entire annual budget.

The administration spokesmen treat unemployment simply as a matter of statistics.

We are told that the national figure will rise to 4½ million next month—which I believe is a very low estimate.

But these are people—not statistics. Statistics do not have to eat. Statistics do not have to buy shoes for their children.

But these human problems are not considered by the economic pawnbrokers who trade on other peoples' misery.

We are told that the economy will recover by midyear, or some such arbitrary point obtained from a crystal ball.

How consoling that is. And how reminiscent of the battletory of a past era: "Prosperity is just around the corner."

In 1953, when Harry Truman left the White House, the Republican administration inherited a sound and expanding economy.

Five years of crude manipulation by this administration has severely damaged this proud inheritance.

Instead of a genuinely progressive economy, we have today a one-step-forward-and-two-steps-back policy by the Eisenhower administration.

Today we do not have real government by the President and the Congress, as called for by our Constitution.

We have government by the Budget Bureau and the Federal Reserve System.

Both these organizations may be helpful in running an orderly and efficient economy, but I fear they have taken over far more control of this Government than was ever intended.

They tell the President what to do, and they tell us, too.

I think it is time that both the President and the Congress retrieve and utilize the powers they have to correct this recession, and restore economic confidence.

We in Congress have the means to do this.

Nearly 12 years ago the Congress adopted a law entitled the "Employment Act of 1946."

This act set the goals of the national economic policy, and it described the role of the Federal Government in achieving these goals.

The Employment Act of 1946 firmly made economic security the responsibility of the Government in these words:

It is the continuing policy and responsibility of the Federal Government to use all practicable means * * * to coordinate and utilize all its plans, functions and resources for the purpose of creating and maintaining * * * conditions under which there will be afforded useful employment opportunities * * * for those able, willing and seeking to work, and to promote maximum employment, production, and purchasing power.

I do not believe that the responsibility of the Federal Government in promoting full employment and a prosperous economy could be made any plainer than that.

And never was there a better time to implement the Employment Act of 1946 than right now.

I have mentioned the widespread unemployment, truly the most wicked product of any economic downturn.

This downturn took its greatest strides during the final quarter of 1957, when the gross national product fell 1.5 percent below the preceding quarter. But the signs of the recession were evident long before that.

I remember, in 1956, calling attention to the unemployment in Michigan and elsewhere. But these indicators were scorned by the administration. They were brushed off as "pockets" of unemployment and "soft spots" in the economy.

According to the President's own figures, the annual rate of economic growth during all of 1957 was only eight-tenths percent, compared with the average yearly growth of 3.5 percent since 1946.

In terms of 1947 dollars, from 1955 to 1956 the gross national product rose \$9 billion.

From 1956 to 1957, it rose only \$2.5 billion.

The President's economic advisers say, with fantastic understatement, that a continuation of the "low current rate would clearly be unsatisfactory."

Further, we have seen a continuous decline in total personal income since August, a decline in the annual rate of at least \$4 billion.

Farm income between 1952 and 1957 dropped nearly \$4 billion—or 33 percent.

But the administration was more interested in inflation than these basic

signs of a weakening economy. The administration sought to deal with inflation as if this were the 19th century, instead of the 20th century.

Its efforts, through the tight money policy, actually made matters worse, thus increasing the economic stranglehold on the public.

The ineffectiveness of high interest rates in fighting inflation should by now need no further proof. High interest rates are no handicap to those who need money the least—the giant corporations. They can afford it, and charge the excess interest off on their taxes.

But the independent businessman, the farmer, the prospective homebuyer—all of these can find no money, even if they could afford the exorbitant interest rates.

By the end of 1957, the rate of business failures reached the highest rates since the depression of the thirties.

Housing starts, plunging rapidly since 1955, went down to less than a million in 1957, a drop of 10 percent in 1 year.

Wages and salaries rose approximately 30 percent between 1952 and 1957.

But those who deal in money certainly suffered no hardship. During this period personal interest income and dividends rose more than \$10 billion, or 49.5 percent. And between April 1956 and November 1957, the cost of living went up 6 percent.

Obviously, the administration's fight against inflation was a total failure. And, as I suggested earlier, there is good reason to believe that it did more harm than good.

Meanwhile, the Federal Reserve System came along with its solutions to the recession. As does the administration, this agency attacks the problems from the top, instead of at the roots. On two occasions it lowered the discount rates, which helps no one but the money lenders. In a major effort to come to grips with the recession it cut the margin requirements for stock-market investors.

I am sure that the more than 3,500,000 unemployed in this country were overjoyed at this tender concern being shown for them. I imagine they all rushed right down to their brokers' offices to buy stock.

This problem will not be beaten on the bond market or on the stock market. It will not be beaten until we get to the very root of the problem—and that is the purchasing power of the millions of American men and women who are the backbone of the economy.

I do not really blame the Federal Reserve System for its approach. Perhaps, in the never-never land of high finance, cutting the discount rate and the margin requirements may seem proper.

But it does not give jobs to our unemployed. It does not give them the purchasing power to buy food and clothes, much less another share of A. T. & T.

The Federal Reserve System may not feel the responsibility for living up to the Employment Act of 1946.

But the administration has that responsibility. And so do we in Congress. It is not only our responsibility; it is our duty under the law. Therefore, I suggest that Congress initiate immediate

steps to implement the Employment Act of 1946.

There are 11 steps I believe we must take as soon as possible as a minimum attack on the recession.

First. The most important move is to increase the purchasing power of the American people, so that the consumer capacity can catch up with productive capacity.

The best way to accomplish this quickly is to give income-tax relief to the lower- and middle-income groups. I believe the most equitable method of reducing the income-tax burden on these citizens would be to increase the personal exemption from \$600 to \$800.

This move, of course, would initially reduce tax revenues. But that loss of income could be compensated for by closing the loopholes; by cutting into the tax laws for the benefit of the wealthy.

Second. We must halt the alarming growth in small-business failures.

Corporate tax relief for the independent businessman is essential. Further, the Small Business Administration must relax its restrictions, which keep loans from those who need them most.

Third. A program of Federal aid to school construction would serve two valuable purposes. It would assist the Nation in overcoming the serious shortage of classrooms, while at the same time providing needed stimulus in the building industry.

Fourth. The Nation is spending billions of dollars each year on defense measures, and the amount is increasing because of the new emphasis on missiles and space.

It is imperative that the administration and the Defense Department take a realistic view of the need for integrating these billions more evenly in the economy.

The program of allegedly giving preferential contract treatment to areas of so-called labor surplus is a failure. It falsely raises the hopes of our unemployed, and stigmatizes areas with the labor surplus designation.

The Defense Department may soon undergo a reorganization. In such an overhaul, I suggest that a policy of defense spending integration be included, with the responsibility for administering the policy firmly fixed.

Fifth. A program of public works is essential to provide employment, put money into circulation, and to construct many needed public buildings, dams, and other facilities.

Sixth. The area-redevelopment bill, known as the depressed-areas bill, must be passed quickly by Congress. This bill has been pending far too long. Had it been enacted, perhaps the aid it provides to depressed areas might already have had beneficial effects on the recession.

Seventh. Our farmers are receiving only about 80 percent of parity. We cannot permit this unjust treatment to continue or to become worse, as the Secretary of Agriculture proposes. We must restore at least 90 percent of parity to the farmer.

Eighth. The discriminatory high-interest policy of the administration must be rescinded. This policy was of little,

if any, help in preventing inflation. It is very harmful to recovery from the recession.

Ninth. Housing starts have dropped dangerously. Direct GI home loans and lower FHA interest rates would do much to bolster this important segment of the economy.

Further, public housing, which has lagged during the Eisenhower administration, must be pushed forward.

Tenth. Unemployment insurance adopted by the States has had two major benefits.

First, it provides the unemployed worker with certain benefits, however small and however short the period, which he otherwise would not have to support himself and his family.

Second, the millions of dollars this insurance has introduced into the economy has acted as a major brake on the recession's becoming a depression.

The Federal Government should adopt minimum standards of unemployment insurance, so that unemployed workers in backward States will have more adequate protection.

Eleventh. Extension of the \$1 an hour minimum wage to millions of American workers not now covered will do much to bolster the economy by providing increased purchasing power. Such a bill is pending in Congress. It must be passed as soon as possible.

As I say, this is but a minimum program that we can use as a basis for returning prosperity to the Nation.

Until now, the administration has taken just the opposite approach from what is necessary to pump new blood into the economy.

In his budget message, the President made his desire plain to cut back drastically on domestic programs that, in their way, are as vital to a strong America as are missiles.

The New Republic magazine aptly summarized the President's budget with the title: "Something for Nobody."

The economy of America is basically sound, but it is not immune to mal-treatment such as it has been receiving.

With the proper leadership from the administration and from Congress, this Nation can continue to pay the price of survival and still make the necessary progress on the domestic front.

It is no good thinking only of building better bombs and better missiles for our defense.

Without a high standard of living, full employment, more-than-adequate education, and proper concern for the ill and elderly, perhaps we will have nothing worth defending.

Mr. MORSE. Mr. President, will the Senator from Michigan yield?

The PRESIDING OFFICER (Mr. SCOTT in the chair). Does the Senator from Michigan yield to the Senator from Oregon?

Mr. McNAMARA. I am glad to yield.

Mr. MORSE. Again, I wish to commend the Senator from Michigan for his very able speech. I should like to have the RECORD show that I associate myself with the observations he has made. I believe that one of the greatest defense needs of America in this hour of crisis is a strong domestic economy, and I be-

lieve the Eisenhower domestic program has greatly weakened that defense need of this country.

I hope that somehow, in some way, enlightenment will penetrate the White House, and that the President will take enough time at least to find out what are the facts in regard to the terrible economic slump into which this country has fallen.

In behalf of the people of my State, I wish to say today, from the floor of the Senate, I warned you in 1952, and I have warned you ever since this administration has been in power, that it will not follow a program which will seek to strengthen the economic interests of the great mass of the people of the country, but that it will play constantly into the hands of the big boys—as, for example, in the case of its fiscal policy that permits the bankers to make more money, but results in having the great mass of the people make less.

So, Mr. President, the Senator from Michigan has done well to point out the great injury that the President and his associates have done to the domestic economy.

Mr. McNAMARA. I thank the Senator from Oregon.

Mr. MANSFIELD. Mr. President, will the Senator from Michigan yield to me?

Mr. McNAMARA. I shall be glad to yield in just a moment. First, I ask unanimous consent to have printed at this point in the RECORD a news item entitled "Recession Warning Given United States," which was published in the Detroit Times on February 3. It is a report on a speech which was made before the Detroit Economic Club by Elliott V. Bell, publisher of Business Week magazine, and a former economic adviser to President Eisenhower. I assure my colleagues that this news article indicates that that former economic adviser of the President agrees with the things I have said today in the Senate.

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

RECESSION WARNING GIVEN UNITED STATES

Washington must be ready to provide immediate and forceful action if the current recession is to be kept within bounds, Elliott V. Bell, publisher of Business Week magazine and chairman of the executive committee of McGraw-Hill Publishing Co., said in Detroit today.

Bell, Dewey-appointed superintendent of New York State banks in 1943-44 and an economic adviser to Dwight D. Eisenhower when the President ran for the first time, told the Economic Club of Detroit that the United States "cannot afford, especially in the present state of the world, to let this recession pursue its 'normal' course into a downward spiral of deflation."

Developing his subject, The 1948 Recession—How Wide and How Deep? The New York publisher said it presents "all symptoms of a classical downtrend," which is also enveloping our allies.

The important thing, according to Bell, who sits on the boards of Chase Manhattan Bank, New York Telephone Co., New York Life Insurance Co., and other big corporate enterprises, "is not to permit the contraction to gather force and cumulate.

"Once a spiral of deflation gets momentum it is well-nigh impossible to halt, even with measures far more extreme than anyone is presently contemplating.

"It would be better to run the risk of doing more than is needed than to take the chance of being too little and too late."

Eisenhower's one-time adviser found encouragement in "the philosophy revealed in recent statements of the President and Secretary of the Treasury Anderson" but none in the Eisenhower budget.

Bell, however, added that he "was hoping the administration will at once perfect plans for reduced taxes and stepped-up spending so as to be ready for fast action not later than next April—unless the signs improve by then."

But the new Eisenhower budget showing a projected increase of only \$1.1 billion certainly falls short of what seems to be called for in the light of the two Soviet sputniks.

As matters stand, the modest projected increase in the Federal budget will not begin to offset the aggregate cutback in reduced business inventories, reduced business capital spending, reduced consumer spending, and reduced exports.

"A time of recession," Bell added, "could be the God-given moment for getting started" on a program of fallout shelters.

The Gaither report, among other things, suggests that a program of fallout shelters, costing a good many billions of dollars, deserves most serious consideration.

The Rockefeller reports says such shelters are essential.

Large as this project is, it could represent very modest per capita cost in terms of number of lives that could be saved in the event of thermonuclear war.

Why spend countless billions for massive retaliation if only a handful are going to survive to know the retaliation has occurred.

"Another positive program in the fight against recession could be public-works construction," Bell declared.

"We all know of the Nation's desperate need for new schools and new roads. Now may be the time to press ahead with aid and encouragement for these needed works."

Mr. MANSFIELD. Mr. President, will the Senator from Michigan yield to me?

Mr. McNAMARA. I am glad to yield.

Mr. MANSFIELD. I wish to commend the distinguished Senator from Michigan, and to agree with him when he states that it is not to the advantage of our country to emphasize the military or the defense end of the economy at the expense of our domestic well-being. If we do not treat both alike, the result will be, of course, that both will fail, because we cannot sacrifice either one or the other and expect both to survive.

I wish to compliment the distinguished Senator from Michigan for the speech he has made this afternoon, in laying the facts on the table.

Mr. McNAMARA. I thank the Senator from Montana.

Mr. President, I yield the floor.

ADDRESS ON FOREIGN POLICY BY ADLAI E. STEVENSON

Mr. HUMPHREY. Mr. President, I understand that Monday last the distinguished Senator from Wisconsin [Mr. PROXMIER] submitted for printing in the RECORD an address delivered last Friday night, January 31, in New York City, by the distinguished former Governor of Illinois, Adlai Stevenson, when he proposed a new kind of United Nations effort to end the East-West deadlock over disarmament.

Inasmuch as the Senator from Wisconsin has already had Governor Steven-

son's address printed in the RECORD, at this time I merely wish to state that in that major address, which was delivered at the National Roosevelt Day dinner, sponsored by the Americans for Democratic Action, Mr. Stevenson suggested that the Secretary General of the United Nations select a worldwide group of private citizens to evaluate the present disarmament recommendations. The group would be composed of private citizens, top men of affairs and science, acceptable to the nuclear powers. It would work in private, and would render an advisory report.

I agree with Mr. Stevenson, Mr. President, when he said that such a commission effort would help take the great life-or-death issue of our age out of the realm of competing propaganda. It would also provide the means of giving countries not possessing nuclear weapons some degree of responsibility for breaking the vicious circle.

VOTING RECORD OF SENATOR MORSE

Mr. MORSE. Mr. President, I wish to discuss two matters.

In my last campaign, my opposition tried the smear technique of misrepresenting my attendance record in the Senate. Last year, I said that whenever I was absent or missed a vote, I would help my opposition in 1962 get its facts straight by keeping the record straight.

Mr. President, last Monday I missed a vote, because many months ago I had accepted an invitation to go to Denver, Colo., and, before a convention of the farmers' union, discuss the betrayal of the duty this administration owes to the farmers of America. So let the RECORD show that the reason for my absence last Monday and my missing that rollcall vote was that I was discussing the very sorry farm record of the Eisenhower administration before the farmers' union convention in Denver, Colo.

Mr. President, I missed the rollcall early this afternoon because I had no previous notice that there was any intention to bring up a matter that would call for a yea-and-nay vote so early in the day, and I happened to be a guest of honor at a luncheon in the Supreme Court Building given by the Supreme Court clerks.

Let the RECORD show the reason for those two absences.

THE GREATEST KILLER OF AMERICAN CHILDREN

Mr. MORSE. Mr. President, in my judgment, my colleague the junior Senator from Oregon [Mr. NEUBERGER] is one of the most able writers in America today. In the last issue of the Progressive magazine, he has written one of the most moving articles I have read for some time entitled "The Greatest Killer of Kids."

I ask unanimous consent that there be published at the appropriate place in the body of the RECORD, associated with the remarks I am now making, this brilliant and able article by the junior Senator from Oregon. Every Senator ought to read it. In the article the

junior Senator from Oregon speaks about cancer. He points out what I am sure at least some Senators do not know, and what the American people do not know, that the greatest killer of American children, so far as disease is concerned, is cancer. The greatest killer outside of disease is accidents; and next to accidents, the greatest killer is cancer.

This is a moving article. A reading bit will make clear to every Senator the great obligation we have in this session of Congress to see that much more money is appropriated for cancer research, so that at some future date we may bring to an end the scourge which is the greatest killer of children, as my colleague has pointed out in the article.

The PRESIDING OFFICER (Mr. JAVITS in the chair). Is there objection to the unanimous-consent request of the Senator from Oregon?

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

THE GREATEST KILLER OF KIDS
(By RICHARD L. NEUBERGER)

My wife and I have trudged up lofty mountains together, but the walk we shall never forget lasted for only a few paces. It was along the corridor of a modern brick building in Boston. Children played in the corridor—some with blocks and scooters, some with dolls. Other children read books in a little library, and we could see through the doorway that Mickey Mouse and Paul Bunyan of the north woods had been painted decoratively on the walls. In another room, small boys were fascinated by a miniature electric train with signals and bridges. Off the hall, in little cubicles, adults with grim faces sat in comfortable leather chairs and watched the children at play. Some of the children were gaunt and pale, while others had cheeks which seemed abnormally swollen.

The reason this episode will endure forever in our memories can be explained with terrible terseness. All the children had some form of cancer. Comparatively few of them had long to live. Probably none was destined to grow to manhood or womanhood. The adults in the waiting room were their fathers and mothers, braced for the news which would confirm the dreaded diagnosis.

This was the Jimmy Fund Building of Boston's famous Children's Hospital, where more youngsters are under treatment for cancer than at any other place in the world. It originally was dedicated to a little boy named "Jimmy" whose luck ran out on him early in life. Now there are many bedrooms donated by parents or grandparents and which bear bronze plaques perpetuating remembrance of some adored boy or girl whose career was cut short by cancer.

I always had thought of cancer as a disease of the elderly. This did not make its ravages any less frightful, but at least its victims, so I thought, had experienced a fair share of life's bounty and enjoyments. But on the day my wife and I spent at the Jimmy Fund Building, I was shocked to learn that more children die of cancer than of any other single cause except accidents. Dr. Sidney Farber, the gentle and soft-spoken director of the Children's Cancer Research Foundation, had observed that cancer as exclusively an affliction of old age was a misconception. And then Dr. Farber showed us statistics revealing that, while 579 American children died of polio in the last year before development of the Salk vaccine, more than six times this number had succumbed to cancer: 3,761.

Suddenly, all that I could think of was the \$44 billion which our Government invests annually in various weapons of war. Why, I wondered, were we not likewise investing practically unlimited sums in an all-out, unrelenting war against the terrible disease that was about to claim the life of the winsome 5-year-old girl with dark braids, whose face was puffy from the effects of injections she was receiving in a desperate effort to stem the lethal onslaught of leukemia? The injections had produced some remission, but only temporarily. Science, thus far, had failed to find a lasting remedy. Soon the breakdown of blood and bone marrow would snuff out her little life.

Yet, I thought, what if there had been spent during past years as much on the compound being thrust into her veins as on aircraft carriers or jet fighter planes? Was it possible that then the conquest of the sinister cancer of the blood called leukemia might be not fleetingly transient, but perhaps enduring enough to enable the 5-year-old girl at the Jimmy Fund Building to live out her normal span? And if such a possibility could be even remotely within grasp, dare we deny any resource or any dollar to its attainment?

This is why I am sponsoring in the United States Senate a bill to provide for a crash program in cancer research. It would have about it the same urgency which characterized the prodigious Manhattan project during World War II, after Dr. Albert Einstein had told President Roosevelt that vast experimentation with the ore known as pitchblende might produce a chain reaction resulting in a mighty new source of explosive energy. The outcome, of course, was the first atomic bomb—developed through initial expenditures of \$2 billion. Cancer, I believe, must be fought with the same unrestrained feeling of emergency and crisis.

My bill calls for \$500 million for special projects in cancer research, to be spent under the direction of the National Cancer Institute at Bethesda, Md. This is half a billion dollars, which means it amounts to one-fourth of what the country spent to manufacture the original atomic bomb and only one eighty-eighth of what the Treasury will spend in the present fiscal year for armaments and military projects of all kinds.

Yet can any war compare in importance with the war against cancer? Almost 2½ times as many Americans died of cancer during World War II as were killed in action on all our worldwide battlefronts. In 1 year cancer claimed nearly 10 times the number of Americans who perished in 3 years of the fighting in Korea. Unless some new cures or preventive measures are discovered through research, 26 million people now alive in the United States are doomed to die from cancer.

The legislation I have introduced is no reckless giveaway scheme. Advisory panels of the National Cancer Institute, consisting of the country's leading cancer specialists, would not have to disburse the total sum within a single year unless promising avenues of research seemed open. Some of us in the Senate plan a special enabling act to authorize this procedure. At present, funds appropriated by Congress must be allocated by the end of the fiscal year, which is June 30. We believe the perils of cancer involve such extraordinary circumstances that funds should always be on hand for its study and analysis. After all, the rampant growth of human cells commonly described as cancer never waits for the end of either fiscal or calendar years.

No partisan politics is involved in the proposal for half a billion dollars to be spent on cancer research, because this withering disease does not respect party lines, either. Two of the most active advocates of more generous Federal disbursements for medical research are Senator LISTER HILL, Alabama

Democrat, and Senator MARGARET CHASE SMITH, Maine Republican. Senator SMITH has often emphasized America's large expenditures for frivolities and amusements, as contrasted with the relatively puny sums spent for probing into the causes of cancer and other grim maladies. Senator HILL frequently has warned that ample Federal funds must constantly be available so that the most skilled medical researchers will not be lured away into private practice.

Under the leadership of Senator HILL and Senator SMITH, some of us have succeeded during recent years in nearly tripling the appropriations for the National Cancer Institute. The allotment for the Institute in fiscal 1955 was \$21.7 million. But for fiscal 1958 it will total \$56.4 million, and not one dissenting voice was raised when this sum gained Senate approval.

The instrument for achieving progress in medical research is a stately red-brick building of modern design in the green Maryland countryside, surrounded by clusters of smaller structures. This is the scene of the National Institutes of Health, which form the stronghold of the United States Public Health Service.

Its National Cancer Institute is attacking the problem of cancer on many fronts. It has inaugurated, for example, a national cancer chemotherapy program, which seeks to discover compounds and drugs that may enable human cells to resist the depredations of cancer. Is this too faint a hope? Eminent doctors do not think so. Dr. G. P. Rhoads, director of the Sloan-Kettering Institute of Cancer Research in New York City, has declared:

"We have far more information now about how to restrict selectively the growth of cancer by drugs than we had in 1936 about restraint of bacteria. At that time streptococcus blood poisoning was often fatal. I had a streptococcus infection in that year and almost died when my best friend was on his way back from England with the first sulfonilamide in his pocket. * * * If medical history repeats itself, a chemical may suddenly show up that will, for no explainable reason, be a 'magic bullet' that destroys cancer."

But this cannot be left to legerdemain or magic. Mankind must mobilize all its resources of wealth and ingenuity to assist in the struggle. Many great doctors believe that the principal chance for conquering cancer lies in chemicals and compounds—in chemotherapy. One of these men is Dr. Isidor S. Ravdin, chairman of the board of regents of the American College of Surgeons and a member of the team which operated on President Eisenhower for ileitis in June of 1956. Although Dr. Ravdin is, himself, a skilled surgeon, he candidly told Senator HILL's Committee on Health Appropriations last May that surgery had reached its ceiling in the treatment of cancer. He confessed to skepticism over any further appreciable gain which may be expected from surgery or X-rays alone.

Dr. Ravdin spoke hopefully of a wide variety of chemical agents, now available, which retard the growth of malignant tumors in animals and, in certain instances, lead to the complete disappearance of these tumors. And he discussed an untold number of compounds that hold some promise of even greater discoveries in this realm. It is toward such a goal that I believe the National Cancer Institute should have an opportunity to spend practically unrestricted sums of money. Somewhere, perhaps just beyond the horizon of present medical knowledge, lurks a chemical or combination of chemicals which could mean a longer and happier life to 26 million Americans—to say nothing of even more millions in the other nations of the globe.

Some may wonder why private contributions cannot accomplish the job. The vol-

untary agencies perform magnificently in this field. Yet, of approximately \$25 million collected by the American Cancer Relief Society, only about 40 percent of the total has been assigned to research and study. The rest has gone for treatment of agonizing cases of cancer in households lacking the ability to pay for proper medical care. In addition, doctors like Ravdin and Farber believe this is only a tiny fraction of the amount really needed to isolate some property which will successfully eliminate cancerous growths in human beings. After all, no city ever would risk trying to maintain its municipal fire department with voluntary donations. Yet, which do you regard as the greater menace to you and your family—fire or cancer?

Furthermore, it is essential to emphasize that a major share of the allotments for research made by the National Cancer Institute go to private organizations of one kind or another, such as medical schools, clinics, hospitals, and the laboratories operated by the drug manufacturers.

When Dr. Farber signed his personal note for \$54,000 to found the Jimmy fund section of Children's Hospital in 1947, children stricken with leukemia survived only from 4 weeks to 2 months after they came under treatment. There were virtually no exceptions to this. Today, 50 percent of the children are alive after 14 months and 10 percent are alive after 2 years. One boy is playing softball after 8 years of care for leukemia and does not know the true nature of his affliction. Yet tests of the marrow in his chestbone indicate that he still has leukemia. Eventually it may kill him. But such agents as nitrogen mustard and antimetabolites like amethopterin have produced temporary retreat of the disease. This is the practical application of chemotherapy.

So near and yet so far—the fearful malady has been repulsed, but it will strike again and this time probably with lethal consequences. It is the proximity to success which makes doctors like Ravdin and Farber feel that an all-out effort is imperative. Dr. Ravdin told Senator HILL's committee that "we do need a large sum of money, which can be looked upon as venture money that can be used rapidly to implement contracts with industry when breakthroughs are made." And then this surgeon who is one of the President's doctors went on to emphasize that the money should not be budgeted for a year, but should be available for these purposes until it is expended.

Sidney Farber has said that "there are many, many people with advanced cancer who have had better lives, relief of pain, and prolongation of life, in some cases up to 7 or 8 years, because of discoveries in the last decade in the chemotherapy of cancer." Nearly all of this traces back to the program begun by the National Cancer Institute. It has meant only relief so far, and not a permanent cure. But what if the program during the past decade had been multiplied many times in dimensions and in scope? What if not 30,000 but 300,000 anticancer properties and compounds had been screened and tested annually? Such tests, of course, require immense sums of money.

We look back now with pity upon the era when people perished in huge numbers from smallpox, scarlet fever, and diphtheria. In the western State where I was born and raised, smallpox once ravaged Indians and whites alike on the old frontier. We shake our heads dolefully that mass production of Dr. Edward Jenner's serum came too late to have these unfortunates. Yet the destructive fury of cancer dwarfs even such plagues. Cancer kills 1 man, woman, or child every 2 minutes in the United States. Cancer eventually strikes 2 out of 3 American families. Unless some cure is found, 16 people in every 100 born are destined to perish of cancer.

As a Member of the Senate, I help to vote billions of dollars in appropriations for all kinds of purposes—for armaments, for support of six basic farm crops, for public works projects, for courts and prisons, for roads and highways. But I would rather vote half a billion dollars to the National Cancer Institute than for any other undertaking of which I know. And, as these words are written, a letter arrives in the mail which confirms my feelings. Although I am a Democratic Senator, it comes from a prominent Republican on the campus of Oregon State College, who describes the agony of standing by helplessly while his 18-year-old son died of cancer. And the letter from Prof. Fred M. Shideler, head of the department of journalism, closes with this plea: "Anything less than the maximum effort to stamp out cancer, as the great killer it is, should be considered as inexcusable."

When Maurine and I were at the Jimmy Fund Building, we saw a little boy of about 8 being led into one of the small surgeries where his bone marrow would be tapped under anesthesia for suspected leukemia. As I stared at him I wondered if I, as a United States Senator, had done all that I could and should. Had I placed in the hands of medical researchers and other scientists all the tools with which to combat this awful disease? Had my timidity and penuriousness and that of my colleagues, perhaps cost this 8-year-old his faint chance for life?

I looked at the little boy in fear and awe and some sense of shame. But he looked at us with the characteristic courage of youth, and I remember that his shock of tawny hair stood up like a plume.

THE CALENDAR

The PRESIDING OFFICER. The call of the calendar is now in order.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PAYNE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

The call of the calendar is now in order.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the call of the calendar begin with Calendar 1230, House Joint Resolution 417, on page 8 of the calendar, and that all the bills and other measures prior thereto be passed over.

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

The clerk will proceed with the call of the calendar.

MRS. SABASTIANO POLETTO, HIDEO KONYA, EDWARD H. TURRI, AND MARIO GUIFFRE

The Senate proceeded to consider the joint resolution (H. J. Res. 417) for the relief of Mrs. Sabastiano Poletto, Hideo Konya, Edward H. Turri, and Mario Guiffre, which had been reported from the Committee on the Judiciary, with amendments, on page 1, after the enacting clause, to strike out "That Mrs. Sabastiano Poletto, who lost United States citizenship under the provisions

of section 401 (e) of the Nationality Act of 1940, may be naturalized by taking, prior to 1 year after the date of the enactment of this act before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer abroad, the oaths prescribed by section 337 of the Immigration and Nationality Act. From and after naturalization under this act, the said Mrs. Sabastiano Poletto shall have the same citizenship status as that which existed immediately prior to its loss.

"Sec. 2. Hideo Konya, who lost his United States citizenship under the provisions of section 401 (e) of the Nationality Act of 1940, may be naturalized by taking, prior to 1 year after the effective date of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said act. From and after naturalization under this act, the said Hideo Konya shall have the same citizenship status as that which existed immediately prior to its loss.

"Sec. 3. Notwithstanding" and insert "That notwithstanding," and, on page 2, at the beginning of line 22, to change the section number from "4" to "2."

The amendments were agreed to. The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

The title was amended, so as to read: "Joint resolution for the relief of Edward H. Turri and Mario Guiffre."

ADMISSION OF CERTAIN ALIENS

The Senate proceeded to consider the joint resolution (H. J. Res. 429) to facilitate the admission into the United States of certain aliens, which had been reported from the Committee on the Judiciary, with amendments, on page 2, line 16, after the word "act", to strike out "the minor child," and, in line 18, after the word "natural-born", to insert "minor".

The amendments were agreed to. The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

RELIEF OF CERTAIN ALIENS

The Senate proceeded to consider joint resolution (H. J. Res. 435) for the relief of certain aliens, which had been reported from the Committee on the Judiciary with amendments, on page 1, at the beginning of line 12, to strike out:

Sec. 2. The Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bonds, which may have issued in the cases of Joseph (Josip) Torbar, Ludmilla Jungbauer, and Albert Charles Jolly. From and after the date of the enactment of this act, the said persons shall not again be subject to deportation by reason of the

same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued: *Provided*, That unless Ludmilla Jungbauer is entitled to care under the Dependents' Medical Care Act, a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act, and the provisions of this section of this act shall be applicable in her case upon compliance with such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose.

And insert:

SEC. 2. The Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrant of arrest, and bonds, which may have issued in the case of Joseph (Josip) Torbar. From and after the date of the enactment of this act, the said Joseph (Josip) Torbar shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued.

On page 3, line 5, after the word "act", to insert "Ludmilla Jungbauer"; and, in line 16, after the word "available", to insert a colon and:

Provided, That unless Ludmilla Jungbauer is entitled to care under the Dependents' Medical Care Act, a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act, and the provisions of this section of this act shall be applicable in her case upon compliance with such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose.

The amendments were agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

ADMISSION OF CERTAIN ALIENS INTO THE UNITED STATES

The Senate proceeded to consider the joint resolution (H. J. Res. 436) to facilitate the admission into the United States of certain aliens, which had been reported from the Committee on the Judiciary, with amendments, on page 2, at the beginning of line 1, to strike out:

SEC. 3. Notwithstanding the provision of section 202 (c) of the Immigration and Nationality Act, Carolyn Foster shall be held to be chargeable to the quota of Great Britain: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

And insert:

SEC. 3. In the administration of the Immigration and Nationality Act, section 202 (c) (1) shall not be applicable in connection with the application for an immigrant visa by Carolyn Foster: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

After line 17, to strike out:

SEC. 5. For the purposes of the Immigration and Nationality Act, Mrs. Toy Shee Moy

(Choy Sen Yuct) shall be deemed to be a nonquota immigrant.

At the beginning of line 21, to change the section number from "6" to "5"; on page 3, at the beginning of line 1, to strike out:

SEC. 7. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Javier Rojo Barcena, shall be held and considered to be the natural born alien child of William Bruce Sutherland, a citizen of the United States.

At the beginning of line 6, to change the section number from "8" to "6"; at the beginning of line 11, to change the section number from "9" to "7"; and, after line 15, to strike out:

SEC. 10. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Lillian Magdalena Morris, shall be held and considered to be the natural-born alien child of Robert W. Morris, a citizen of the United States.

The amendments were agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

WAIVER OF CERTAIN PROVISIONS OF THE IMMIGRATION AND NATIONALITY ACT FOR CERTAIN ALIENS

The Senate proceeded to consider the joint resolution (H. J. Res. 437) to waive certain provisions of sec. 212 (a) of the Immigration and Nationality Act in behalf of certain aliens, which had been reported from the Committee on the Judiciary, with amendments, on page 1, after the enacting clause, to strike out:

That, notwithstanding the provisions of section 212 (a) (9) and (19) of the Immigration and Nationality Act, Mrs. Maria Concepcion Delgado Mendez, Pedro Diaz (Ramirez) and Adolphe C. Verheyen may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.

SEC. 2. Notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Filippo Vitale, Joseph Juda Teuchberg, Eleonore Maria Elizabeth Rambo, Rosario Pollina, Mirca Bruna Gesiotto Gordon, and Francesco DeMarco, may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.

SEC. 3. Notwithstanding the provision of section 212 (a) (19) of the Immigration and Nationality Act, Manuel Sanchez Miranda may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

SEC. 4. Notwithstanding the provisions of section 212 (a) (19) and (17) of the Immigration and Nationality Act, Ciro (Jerry) Barile may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

SEC. 5. Notwithstanding the provisions of section 212 (a) (9) and (12) of the Immigration and Nationality Act, Marie Fratoni Zimmerman may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act.

SEC. 6. Notwithstanding the provision of section 212 (a) (6) of the Immigration and

Nationality Act, Maria Domenica D'Angelo Padovani may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare may deem necessary to impose: *Provided*, That, unless the beneficiary is entitled to care under the Dependents' Medical Care Act, a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.

And insert:

That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Joseph Juda Teuchberg may be issued a visa and be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

On page 3, at the beginning of line 16, to change the section number from "7" to "2"; at the beginning of line 24, to change the section number from "8" to "3"; and, in the same line, after the word "the", to strike out "provisions" and insert "provision"; in line 25, after the numeral "(4)", to strike out "and (9)"; on page 4, at the beginning of line 7, to change the section number from "9" to "4"; at the beginning of line 15, to change the section number from "10" to "5"; on page 5, after line 16, to strike out:

SEC. 11. Notwithstanding the provision of section 212 (a) (10) of the Immigration and Nationality Act, Colin Noyes Clinch Jones may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

And, at the beginning of line 22, to change the section number from "12" to "6."

The amendments were agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

MARTHA A. CALVERT

The bill (S. 1249) for the relief of Martha A. Calvert was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That Martha A. Calvert, who lost United States citizenship under the provisions of section 401 (e) of the Nationality Act of 1940, may be naturalized by taking, prior to 1 year after the date of the enactment of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, an oath as prescribed by section 337 of such act. From and after naturalization under this act, the said Martha A. Calvert shall have the same citizenship status as that which existed immediately prior to its loss.

BELA KIRALY—BILL RECOMMITTED

The bill (S. 1942) for the relief of Bela Kiraly was announced as next in order.

The **PRESIDING OFFICER**. Is there objection to the present consideration of the bill?

Mr. **EASTLAND**. Mr. President, on January 27, 1958, the bill, S. 1942, was reported favorably by the Committee on the Judiciary and was placed on the Senate Calendar. Subsequent to that action, information was received which requires further investigation by the committee.

I ask unanimous consent that the bill, S. 1942, be recommitted to the Committee on the Judiciary.

The **PRESIDING OFFICER**. Is there objection? The Chair hears none, and the bill will be recommitted to the Committee on the Judiciary.

NORMA JOSEPHINE HODGES DOWD

The bill (S. 1943) for the relief of Norma Josephine Hodges Dowd was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Norma Josephine Hodges Dowd shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MARIA VAN ARENDONK

The bill (S. 1961) for the relief of Maria Van Arendonk was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Maria Van Arendonk shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ELIZABETH BIRO

The bill (S. 2060) for the relief of Elizabeth Biro was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Elizabeth Biro, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Mancill E. Clayton, citizens of the United States.

MARIE ETHEL PAVLOVITCH AND HER DAUGHTER, DOLLY HESTER PAVLOVITCH

The bill (S. 2064) for the relief of Marie Ethel Pavlovitch and her daughter, Dolly Hester Pavlovitch, was con-

sidered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Marie Ethel Pavlovitch and her daughter, Dolly Hester Pavlovitch, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

CHONG SOOK RHEE

The bill (S. 2147) for the relief of Chong Sook Rhee was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Chong Sook Rhee, shall be held and considered to be the natural-born alien child of Stanley F. Wilson, a citizen of the United States.

GENEVIEVE M. SCOTT BELL

The bill (S. 2301) for the relief of Genevieve M. Scott Bell was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of section 301 (a) (7) of the Immigration and Nationality Act (66 Stat. 236), Genevieve M. Scott Bell, daughter of Albert W. Scott, a retired member of the Foreign Service of the United States, and Mrs. Scott, shall be held and considered to have been residing in the United States during all the time she was residing abroad with her parents when her father was serving on active duty in the Foreign Service of the United States.

HOVHANNES H. HAIDOSTIAN

The Senate proceeded to consider the bill (S. 1578) for the relief of Hovhannes H. Haidostian, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Hovhannes H. Haidostian shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such is available.

The amendment was agreed to. The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EVA LICHTFUSS

The Senate proceeded to consider the bill (S. 2087) for the relief of Eva Lichtfuss, which had been reported from the Committee on the Judiciary, with an

amendment to strike out all after the enacting clause and insert:

That, for the purposes of sections 203 (a) (3) and 205 of the Immigration and Nationality Act, and section 5 of Public Law 316, 85th Congress, Eva Lichtfuss shall be held and considered to be the minor alien child of Mr. and Mrs. Johann Lichtfuss, lawful permanent residents of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LUZ POBLETE AND ROBERT POBLETE BROADDUS, JR.

The Senate proceeded to consider the bill (S. 2256) for the relief of Luz Poblete and Robert Poblete Broaddus, Jr., which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 3, after the word "occur", to strike out "within 3 months after the entry of the said Luz Poblete, the said Luz Poblete and her minor child, Robert Poblete Broaddus, Jr., shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Luz Poblete, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Luz Poblete as of the date of the payment by her of the required visa fee" and insert "within 3 months after the entry of the said Luz Poblete and her minor child, Robert Poblete Broaddus, Jr., they shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Luz Poblete and her minor child, Robert Poblete Broaddus, Jr., the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Luz Poblete and her minor child, Robert Poblete Broaddus, Jr., as of the date of the payment by them of the required visa fees," so as to make the bill read:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Luz Poblete, the fiancée of Robert L. Broaddus, a citizen of the United States, and her minor child, Robert Poblete Broaddus, Jr., shall be eligible for visas as nonimmigrant temporary visitors for a period of 3 months, if the administrative authorities find (1) that the said Luz Poblete is coming to the United States with a bona fide intention of being married to the said Robert L. Broaddus and (2) that they are otherwise admissible under the Immigration and Nationality Act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Luz Poblete and her minor child, Robert Poblete Broaddus, Jr., they shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Luz

Poblete and her minor child, Robert Poblete Broadus, Jr., the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Luz Poblete and her minor child, Robert Poblete Broadus, Jr., as of the date of the payment by them of the required visa fees.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LUCY HEDWIG SCHULTZ

The Senate proceeded to consider the bill (S. 2346) for the relief of Lucy Hedwig Schultz, which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause and insert:

That, for the purposes of section 203 (a) (3) and 205 of the Immigration and Nationality Act, Lucy Hedwig Schultz shall be held and considered to be the minor alien child of Artur Schultz, a lawful permanent resident of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BARBARA HOLLINGER

The Senate proceeded to consider the bill (S. 1979) for the relief of Barbara Hollinger, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 7, after the word "residence", to insert "if she is found to be otherwise admissible under the provisions of that act", and, on page 2, line 4, after the word "act", to insert a colon and "And provided further, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (6) of the Immigration and Nationality Act, Barbara Hollinger may, if found to be otherwise admissible under the provisions of that act, be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act under such conditions and controls as the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That suitable and proper bond or undertakings, approved by the Attorney General, be deposited as prescribed by section 213 of the said act: *And provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOSEF WINTER

The Senate proceeded to consider the bill (S. 2187) for the relief of Josef Winter, which had been reported from the Committee on the Judiciary, with amendments on page 1, line 6, after the word "act", to insert "be issued a visa

and", and, in line 10, after the word "States", to insert "Public Health Service, Department of Health, Education, and Welfare", so as to make the bill read:

Be it enacted, etc., That notwithstanding the provisions of paragraph (6) of section 212 (a) of the Immigration and Nationality Act, Josef Winter may, if he is found to be otherwise admissible under the provisions of such act, be issued a visa and be admitted to the United States for permanent residence, under such conditions and controls as the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, deems necessary to impose. A suitable or proper bond or undertaking, approved by the Attorney General, shall be given by or on behalf of the said Josef Winter in the same manner and subject to the same conditions as bonds or undertakings given under section 213 of such act. This act shall apply only to grounds for exclusion under paragraph (6) of section 212 (a) of such act known to the Secretary of State or the Attorney General prior to the date of the enactment of this act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ANNADORE E. D. HAUBOLD

The Senate proceeded to consider the bill (S. 2196) for the relief of Annadore E. D. Haubold, which had been reported from the Committee on the Judiciary, with amendments, to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, Annadore E. D. Haubold and Cynthia Edna Haubold, the fiancée and minor child of Sfc. George H. Posey, a citizen of the United States, shall be eligible for visas as nonimmigrant temporary visitors for a period of 3 months: *Provided*, That the administrative authorities find that the said Annadore E. D. Haubold is coming to the United States with a bona fide intention of being married to the said Sfc. George H. Posey and that they are found otherwise admissible under the provisions of that act, except that section 212 (a) (9) of that act shall not be applicable in the case of the said Annadore E. D. Haubold: *And provided further*, That this exemption shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Annadore E. D. Haubold and their minor child, Cynthia Edna Haubold, they shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Annadore E. D. Haubold and her minor child, Cynthia Edna Haubold, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Annadore E. D. Haubold and her minor child, Cynthia Edna Haubold, as of the payment by them of the required visa fees.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Annadore E. D. Haubold and Cynthia Edna Haubold."

COMMEMORATION OF THE FIRST FLIGHT OF AN AIRPLANE ON AN ARMY INSTALLATION

The bill (H. R. 6078) to provide for the erection of suitable markers at Fort Myer, Va., to commemorate the first flight of an airplane on an Army installation, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. The Chair understands the bill just announced is the unfinished business. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

BILL AND RESOLUTION PASSED OVER

The bill (H. R. 5809) to authorize construction of a U. S. S. *Arizona* memorial at Pearl Harbor, was announced as next in order.

Mr. TALMADGE. Over, Mr. President, by request.

The PRESIDING OFFICER. The bill will be passed over.

The resolution (S. Res. 253) authorizing the Committee on Labor and Public Welfare to employ certain temporary staff members and assistants, was announced as next in order.

Mr. CLARK. Over, Mr. President.

The PRESIDING OFFICER. The resolution will be passed over.

JOHN J. GRIFFIN

The bill (S. 2166) for the relief of John J. Griffin was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of Labor is authorized and directed (1) to consider any claim filed within 60 days after the date of enactment of this act by John J. Griffin, of Charlestown, Mass., for compensation under section 5 (a) (21) of the Federal Employees' Compensation Act for facial disfigurement resulting from an injury sustained by him on August 15, 1941, while he was employed by the Department of the Navy as a laborer in the Boston Navy Yard, Boston, Mass.; and (2) to award to the said John J. Griffin any compensation to which he would have been entitled had he elected to make application for such compensation within the time provided therefor in section 303 (d) (1) of the Federal Employees' Compensation Act Amendments of 1949.

LEONARD C. FINK

The bill (S. 2132) for the relief of Leonard C. Fink was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the provisions of the act entitled "An act providing for the barring of claims against the United States," approved October 9, 1940 (54 Stat. 1061), the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Leonard C. Fink, of Kenmare, N. Dak., the sum of \$125, representing

the amount the United States Army failed to withhold from his Army pay for class E family allotment payments made to his parents from January 1944 through May 1944, which amount the said Leonard C. Fink paid on September 29, 1944, after such amount had previously been collected from his parents by the Department of the Army: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

KARL L. LARSON

The bill (H. R. 1392) for the relief of Karl L. Larson was considered, ordered to a third reading, read the third time, and passed.

ALFRED HANZAL

The bill (H. R. 1495) for the relief of Alfred Hanzal was considered, ordered to a third reading, read the third time, and passed.

LT. PERCY HAMILTON HEBERT

The bill (H. R. 1638) for the relief of Lt. Percy Hamilton Hebert was considered, ordered to a third reading, read the third time, and passed.

DR. ROYAL W. WILLIAMS

The bill (H. R. 1792) for the relief of Dr. Royal W. Williams was considered, ordered to a third reading, read the third time, and passed.

WILLIAM F. KEMPE

The bill (H. R. 2705) for the relief of William F. Kempe was considered, ordered to a third reading, read the third time, and passed.

MADELEINE A. WORK

The bill (H. R. 5161) for the relief of Madeleine A. Work was considered, ordered to a third reading, read the third time, and passed.

COL. JACK C. JEFFREY

The bill (H. R. 6069) for the relief of Col. Jack C. Jeffrey was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF ISA HAJIME

The bill (H. R. 7200) for the relief of the estate of Isa Hajime was considered, ordered to a third reading, read the third time, and passed.

ANTON NYERGES

The bill (H. R. 7591) for the relief of Anton Nyerges was considered, ordered to a third reading, read the third time, and passed.

MARGIE C. STEWART

The bill (H. R. 8038) for the relief of Margie C. Stewart was considered, ordered to a third reading, read the third time, and passed.

HENRY M. LEDNICKY

The bill (H. R. 8618) for the relief of Henry M. Lednický was considered, ordered to a third reading, read the third time, and passed.

LLOYD C. KING

The Senate proceeded to consider the bill (S. 1657) for the relief of Lloyd C. King, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 6, after the word "of," where it appears the first time, to strike out "\$2,788" and insert "\$1,000", so as to make the bill read:

Be it enacted etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lloyd C. King, of East Braintree, Mass., the sum of \$1,000. The payment of such sum shall be in full satisfaction of all claims of the said Lloyd C. King against the United States for compensation for personal injuries and loss of earnings sustained by him, and reimbursement of hospital, medical, and other expenses incurred by him, as a result of his being struck by a United States Navy vehicle in Boston, Mass., on March 18, 1949: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. MARGOT M. DRAUGHON

The Senate proceeded to consider the bill (H. R. 1692) for the relief of Mrs. Margot M. Draughon, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 3, after the name "Draughon", to insert "of Denver, Colorado."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

RALPH H. WEEKS

The Senate proceeded to consider the bill (H. R. 2901) for the relief of Ralph H. Weeks, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 2, after the word "Act", to strike out "in excess of 10 per centum thereof".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

LESLIE A. BATDORF

The Senate proceeded to consider the bill (H. R. 4541) for the relief of Leslie A. Batdorf, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 10, after the word "act," to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

FOREST H. BYROADE

The Senate proceeded to consider the bill (H. R. 5163) for the relief of Forest H. Byroade, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 5, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

CHAMBERLAIN WATER CO.

The Senate proceeded to consider the bill (S. 228) for the relief of the Chamberlain Water Co., Chamberlain, S. Dak., which had been reported from the Committee on the Judiciary with amendments on page 1, line 8, after the word "of," to strike out "\$4,066.40" and insert "\$3,116.40," and, on page 2, line 2, after the word "project," to insert a colon and "Provided, That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.", so as to make the bill read:

Be it enacted etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Chamberlain Water Co., of Chamberlain, S. Dak. (doing business as the Pepsi-Cola Bottling Co., of Chamberlain, S. Dak.), the sum of \$3,116.40, representing expenses necessarily incurred by such company in moving to a new location after the acquisition on May 15, 1952, of the land and buildings formerly occupied by such company, by the United States for use in connection with the Fort Randall Dam and Reservoir project: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GEORGE AND EMMA CLIFFORD

The Senate proceeded to consider the bill (S. 2004) for the relief of George and Emma Clifford, which had been reported from the Committee on the Judiciary with amendments on page 1, line 5, after the word "of", to strike out "\$3,500" and insert "\$2,350", and, on page 2, line 3, after the word "act", to strike out "in excess of 10 per centum thereof", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$2,350 to George and Emma Clifford, of Pine Ridge, S. Dak. The payment of such sum shall be in full satisfaction of the claims of the said George and Emma Clifford for damages suffered by them in 1942 when they were forced to move from their home and forced to move their place of business as a result of the taking by the United States Army, for use as an aerial gunnery range, the land upon which their home and business were located: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TRADE-IN OF OLD VESSELS

The bill (H. R. 3210) to amend section 510 (a) (1) of the Merchant Marine Act, 1936, as amended, to accelerate the trade-in of old vessels with replacement by modern vessels was announced as next in order.

Mr. HRUSKA. Mr. President, may we have an explanation of the bill, please?

Mr. CLARK. Mr. President, it is my understanding that the distinguished Senator from Washington [Mr. MAGNUSON] is prepared to give an explanation of the bill.

Mr. MAGNUSON. Mr. President, this is a bill which would extend the authority which is currently in the hands of the Maritime Administration, which would expire June 30, to accept as a trade-in vessels considered technically obsolete if they are 12 years old or older.

If the bill is not passed, all vessels will have to be in service for 20 years in order to be considered obsolete for the purposes of trade-in for new construction.

The real reason behind the bill is that there will not be much involved with regard to the 12-year obsolescence, but most of our shipping was built during a 5-year period and we are running into what we call block obsolescence of the fleet. Passage of the bill would give the Maritime Administration an opportunity to phase in the new construction over a period of years, which would provide a better and more sensible way to keep the fleet in shape, coincident with the shipbuilding program. There is not

much activity in the shipbuilding program now.

The bill would merely extend the authority which the Maritime Administration has had, because most of our merchant marine fleet was built, as I stated, during a 5-year period. This would allow, within the discretion granted, the vessel to be declared technically obsolete—which many of the vessels really are—in the period between the 12 years and 20 years.

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

Mr. MAGNUSON. I yield.

Mr. HRUSKA. It is the understanding of the Senator from Nebraska that the bill provides for an extension of similar legislation. Is that understanding correct?

Mr. MAGNUSON. Yes; that is correct.

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

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

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill (H. R. 3210) was ordered to a third reading, read the third time, and passed.

APPOINTMENT OF CADETS IN THE MERCHANT MARINE

The bill (H. R. 7352) to amend section 216 (b) of the Merchant Marine Act, 1936, as amended, to provide for appointments of cadets from the District of Columbia, Guam, American Samoa, Virgin Islands, and the Canal Zone was considered, ordered to a third reading, read the third time, and passed.

MAUD CLAER WAHL

The bill (S. 1062) for the relief of Maud Claer Wahl was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Maud Claer Wahl shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

CONSTANTINOS N. ALIVANTISTOS

The bill (S. 1999) for the relief of Constantinos N. Alivantistos was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Constantinos N. Alivantistos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such

alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MANLEY FRANCIS BURTON

The bill (S. 2251) for the relief of Manley Francis Burton was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Manley Francis Burton, shall be held and considered to be the natural-born alien child of Edwin P. Burton and Esther Philpotts Burton, citizens of the United States.

MARIO LAZZAROTTO

The bill (S. 2274) for the relief of Mario Lazzarotto was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mario Lazzarotto shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MARIA H. AGUAS AND BUENA M. CASTRO

The bill (S. 2503) for the relief of Maria H. Aguas and Buena M. Castro, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Maria H. Aguas and Buena M. Castro shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

MOY TONG POY

The Senate proceeded to consider the bill (S. 2245) for the relief of Moy Tong Poy, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, Moy Tong Poy shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CARLOS OLMOS CHANG AND HIS WIFE

The Senate proceeded to consider the bill (S. 2430) for the relief of Carlos Olmos Chang and his wife, Maria Luisa Chin de Chang, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, sections 201 (a) and 202 (b) shall be held not to be applicable in the cases of Carlos Olmos Chang and his wife, Maria Luisa Chin de Chang.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ARMAS EDWIN JANSSON

The Senate proceeded to consider the bill (S. 2168) for the relief of Armas Edwin Jansson, which had been reported from the Committee on the Judiciary with an amendment in line 4, after the word "Act", to strike out "Armas Edwin Jansson" and insert "Armas Edwin Jansson-Viik", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Armas Edwin Jansson-Viik shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read "A bill for the relief of Armas Edwin Jansson-Viik."

INCREASE IN LENDING AUTHORITY OF THE EXPORT-IMPORT BANK OF WASHINGTON—BILL PASSED OVER

The bill (S. 3149) to increase the lending authority of the Export-Import Bank of Washington, and for other purposes, was announced as next in order.

Mr. CLARK. Over, Mr. President. The PRESIDING OFFICER. The bill will be passed over.

RENAMING OF STRAWN DAM AND RESERVOIR PROJECT, KANSAS

The bill (H. R. 3770) to rename the Strawn Dam and Reservoir project, Kansas, was considered, ordered to a third reading, read the third time, and passed.

RENAMING OF TUSCALOOSA LOCK AND DAM, ALABAMA

The bill (H. R. 6660) to provide that the lock and dam referred to as the Tuscaloosa lock and dam on the Black Warrior River, Ala., shall hereafter be known and designated as the William Bacon Oliver lock and dam, was con-

sidered, ordered to a third reading, read the third time, and passed.

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

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

ORDER FOR ADJOURNMENT TO MONDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in adjournment until 12 o'clock noon on Monday next.

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

ADDITIONAL STAFF MEMBERS FOR COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Resolution 253.

The PRESIDING OFFICER. The resolution will be stated by title.

The CHIEF CLERK. A resolution (S. Res. 253) authorizing the Committee on Labor and Public Welfare to employ certain temporary staff members and assistants.

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

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration with an amendment, in line 2, after the word "from", to strike out "March 1" and insert "February 1", so as to make the resolution read:

Resolved, That the Committee on Labor and Public Welfare is authorized, from February 1, 1958, through January 31, 1959, to employ four additional professional staff members and two additional clerical assistants, to be paid from the contingent fund of the Senate at rates of compensation to be fixed by the chairman in accordance with section 202 (e), as amended, of the Legislative Reorganization Act of 1946, and the provisions of Public Law 4, 80th Congress, approved February 19, 1947, as amended.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

SUPPLEMENTARY MILITARY CONSTRUCTION AUTHORIZATION ACT—CONFERENCE REPORT

Mr. STENNIS. Mr. President, I move that the Senate proceed to the consideration of the conference report on H. R. 9739, to authorize the Secretary of the Air Force to establish and develop certain installations for the national security, and to confer certain authority on the Secretary of Defense, and for other purposes.

The papers and report are now at the desk.

The PRESIDING OFFICER (Mr. PROXMIER in the chair). The question is on agreeing to the motion of the Senator from Mississippi.

The motion was agreed to and the Senate proceeded to consider the conference report.

(For conference report, see House proceedings of February 6, 1958, pp. 1853-1855, CONGRESSIONAL RECORD.)

Mr. STENNIS. I assume that the matter has been cleared with the leadership on both sides.

Mr. KNOWLAND. We have no objection to taking up the conference report. The Senator from South Dakota [Mr. CASE], who is on the floor, wished to be present when the report was taken up.

Mr. STENNIS. Mr. President, at page 1728 of the RECORD for yesterday I made a brief report on the substantive changes agreed to by the Senate conferees, which are reflected in the present form of the bill and the present form of the report. I do not believe it is necessary for me to repeat those remarks now. I see the Senator from South Dakota [Mr. CASE] in the Chamber. He is one of the conferees on the part of the Senate.

Mr. CASE of South Dakota. Mr. President, so far as I know, there is no controversy on the conference report. The statement which the distinguished Senator from Mississippi placed in the RECORD yesterday makes it clear, I believe, that in the compromise language adopted by the conferees a basis was established under which the Secretary of Defense could proceed with the responsibilities he has within the Department for the development of missile systems and weapons systems, and, for a period of 1 year, to carry on such projects as might be assigned to him by the President of the United States for research in outer space.

The action which the Senate took earlier this afternoon in passing a joint resolution to create a special committee which would have jurisdiction over bills which either will be introduced in the Senate or will come over to the Senate from the House of Representatives, when they deal with matters of this sort, indicates, I think, the concurrence of the Senate in the spirit of the action of the conferees.

We have passed no permanent legislation dealing with space projects. We have, however, provided a method of operation under which the Secretary of Defense can meet his responsibilities, and he can go forward to meet whatever challenges present themselves in the mind of the President at this time.

Mr. STENNIS. There was absolute unanimity among all the conferees. No interpretation of the language agreed upon could mean that we were agreeing to establish any additional agency having power over space projects or space developments.

As the Senator from South Dakota has pointed out, this is a temporary matter. It will not interrupt anything which is in progress. Certain powers were granted for a period of 1 year.

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

Mr. STENNIS. I yield.

Mr. KNOWLAND. Because of the importance of this matter, I have joined with the distinguished majority leader and with other Senators on both sides of the aisle in sponsoring and approving the joint resolution which was passed, with one dissenting vote, today. The resolution would set up a special committee to study permanent legislation relating to outer space questions, and to prevent a problem from arising whereby jurisdictional disputes might arise between committees and thus impair, ultimately, the passage of legislation on this subject.

None of us at this time can tell what the ultimate judgment of Congress may be or what legislation finally will be enacted and signed into law. As I understand, however, there is no question that at the present time the work will be carried on in the Department of Defense, so that there will not be a hiatus and a stoppage of work, development, and progress in this field.

There is nothing in the CONGRESSIONAL RECORD or in Congressional intent which would in any way impair the progress of this country in that field. Am I correct?

Mr. STENNIS. The Senator from California is eminently correct. What he says applies to all military weapons. In addition to the authority granted in the field of what might be called military weapons, express authority is granted under the various terms of the act in the following words:

For a period of 1 year from the effective date of this act, the Secretary of Defense or his designee is further authorized to engage in such advanced space projects as may be designated by the President.

This leaves the field wide open for the President and the Secretary of Defense or their designees.

Mr. KNOWLAND. The Senator from Mississippi may recall that the development of the atomic program was on a crash basis during the period of World War II, and was placed in the hands of the Army, under the direct supervision of the Army engineers. Gen. Leslie Groves was in charge of the Manhattan project. When the war ended, Congress considered the matter and appointed a committee to study it further.

I do not believe the Senator was here at the beginning of that discussion, but he may recall, from his reading of the newspapers, what occurred at that time. I am sure other Senators will recall that discussion.

In the judgment of Congress, the matter of atomic energy was placed in a civilian agency, the Atomic Energy Commission. But even when that was done, the defense aspects of atomic energy were coordinated, of necessity, very closely with the Department of Defense; and, of necessity, the Department of Defense always will be interested in this problem because of the impact which atomic energy has on the defense of our Nation.

I assume that even though the civilian aspects of outer space may properly be placed elsewhere, the Department of Defense will not be foreclosed from a con-

sideration of those matters which relate to the defense needs of the Nation.

Mr. STENNIS. I agree with the sentiments expressed by the Senator from California and with his conclusions relative to the development of the subject matter under consideration.

Mr. President, after the conference report shall be agreed to, I will have an additional observation to make about the title.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. STENNIS. Mr. President, the agreement made by the Senate conferees did not make it necessary further to amend the title as the House bill was passed. Therefore, I move that the Senate now recede from its amendment to the title.

The motion was agreed to.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

DEPARTMENT OF THE INTERIOR

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

The legislative clerk read the nomination of Royce Aller Hardy, Jr., of Nevada, to be an Assistant Secretary of the Interior.

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

Mr. MANSFIELD. I ask that the President be immediately notified of the confirmation of the nomination.

The PRESIDING OFFICER. The President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PROXMIER in the chair). Without objection, it is so ordered.

THE VITAL ROLE OF SECRETARY OF STATE DULLES IN PRESERVING WORLD PEACE

Mr. BRIDGES. Mr. President, there is rising in this country and in the world a clamor for a summit conference. This situation today is very like

that of the spring and summer of 1955, which culminated in a heads of government meeting in Geneva.

In those days, President Eisenhower repeatedly cautioned against the pitfalls inherent in meetings with the Communists. Time and again he emphasized that what was needed was not more conversations but Soviet demonstrations of their professed desire for peace.

Nevertheless, the hue and cry for a summit meeting, aided by Communist propaganda, continued to mount. President Eisenhower agreed to meet, so as to leave no stone unturned in the effort to settle international disputes.

Those too impatient to wait for Soviet demonstrations of peaceful intent were loudest in their demands for a summit meeting.

The meeting was held. Understandings were arrived at—which the Russians did not honor. And those who urged most strongly for the meeting were the first to paint a label of failure on the Geneva conference.

Today, pressures are building up in an identical manner for a summit meeting—without waiting for the preliminary steps which President Eisenhower, Secretary of State Dulles, and our allies have agreed upon.

The Russians are engaged in another intensive campaign to have us once again abandon our prerequisites. The Soviets refuse to permit a meeting of foreign ministers, because they dislike dealing with Mr. Dulles—the man who was appointed by the President, with the concurrence of the Senate, to represent the United States in international affairs.

Mr. President, I am unwilling to surrender the selection of our Secretary of State to Bulganin and Khrushchev.

Likewise, I am unwilling to bypass the procedures laying the proper groundwork for a summit meeting. I strongly support Mr. Eisenhower and Mr. Dulles in their insistence on adequate preparation and agreement at working diplomatic levels before the heads of government meet in conference.

For this firm resolve, however, this administration is called inflexible and unimaginative. From all sides there are assaults from those who demand an immediate meeting at the summit.

Mr. President, the word appeasement went out of favor with Munich. Today, instead of appeasement, the cry is for flexibility and imagination. Our Secretary of State is accused of inflexibility, because he insists upon peace with honor, rather than peace at any price; because he insists upon workable agreements, rather than meaningless scraps of paper.

Our Secretary of State is accused of lack of imagination, because he insists on safeguards that will protect this Nation's survival, and because he refuses to be caught in any Russian beartraps.

The critics of our foreign policy who cry most loudly for imagination and flexibility on our part, make no such demands on the Russians. It does not trouble them that Bulganin continues writing the same tedious letters, proposing the same stale plans, and reiterating

the same terms and conditions—all of which, if we agreed to them, would spell the surrender of the Free World.

Mr. Khrushchev is calling for another Teheran, another Yalta, another Potsdam, another Geneva. What a dreary round of memories those names evoke. I think it is fair to say that United States interests have been advanced very little in any negotiation with the Soviet Union—whether at the summit or in the valleys. Mr. Khrushchev has chosen to be inflexible and rigid about his desire for a meeting with President Eisenhower. We may ask why his persistence? Does he need a diplomatic victory for purposes of domestic consumption? Is the situation in the satellites growing more difficult? Does he need the reassurance of a friendly meeting with the President of the United States in his own troubled domain? We know that Khrushchev made good propaganda use of the photographs showing him in smiling conversation with the President at Geneva. He made good use of these in the uncommitted countries of Asia and Africa. Is this all that he seeks to gain, or are there more sinister motivations?

If Mr. Khrushchev seriously wishes to allay tension and to arrive at accommodation with the Western Powers, no lack of diplomatic machinery stands in his way. Never before in human history has communication been so easy between governments. The resources of diplomacy are various.

If Khrushchev were in good faith, he could carry on serious exploratory conversations at the ambassadorial level and through a foreign ministers conference, to the end that when the supreme statesmen foregather, they have at least some solid ground upon which they agree. But no. Mr. Khrushchev is quite arbitrary. The letter of his current Prime Minister, dated February 3, rejected the proposal for a foreign ministers conference in terms little short of insulting. Seldom, if ever, has a chief of government dared so to reflect upon the foreign minister of the government he is addressing.

Bulganin's references to Mr. Dulles suggest a certain impatience on Mr. Khrushchev's part. Perhaps he wishes he could summon his Presidium and banish Mr. Dulles to Outer Mongolia, as he did his own foreign minister. It must be a source of considerable annoyance that the ruthless Mr. Khrushchev cannot dispose of his opponents in America as readily as he can in his own country. And all this is not merely bad manners, nor is Bulganin's resentment of Dulles merely a matter of pique. The Kremlin's intent is much more devious. Mr. Khrushchev was supplying the leftwing parties of our allies and certain partisans in our own country with new ammunition to weaken the authority and determination of Mr. Dulles. The purpose was again to present Mr. Dulles as the obstacle to peace.

There is no mystery about Mr. Dulles' reluctance to deal with the Kremlin's rulers. It is a common principle of human relations that men are wary of those who prove unreliable.

Time and time again we have found that we cannot rely upon any promises

by the Communists which depend merely upon future good faith. It took 2 years and 575 meetings to negotiate the agreement which ended the Korean fighting. Then the Communists soon violated many of the armistice provisions. They kept only the provisions which served their interest.

We had a similar experience in negotiating for the Austrian treaty. That took some 400 meetings and 8 years to negotiate. Three years were required to get an agreement for the International Atomic Energy Agency. Our recent cultural treaty with Russia required talks extending over 2½ years. Our efforts to get the release of American captives in China have been going on for over 2 years, and the agreement we had is not yet completely honored.

In the past quarter century, the Soviet Union has violated 50 out of 52 agreements with nations of the world.

Our own Nation's experience bears out the same dismal story. According to the January 17, 1958, issue of the U. S. News & World Report, three American Presidents traveled 40,454 miles and spent 36 days talking with Soviet Premiers. Six American Secretaries of State have traveled 113,268 miles and spent 426 days talking with Soviet Foreign Ministers.

The sum total result of these efforts is that after 19 top-level conferences, 40 agreements were made, and only 3 agreements were kept by the Soviet Government.

In the light of this experience, Mr. Dulles, in my judgment, is well advised to use care before entering upon new negotiations. If he did not learn from this experience, we would have real cause to doubt his intelligence.

I have not always agreed with Mr. Dulles in the past, and I may not always agree with him in the future. But I believe he has represented American interest with distinction and conviction. He is the chief protagonist of the West against Khrushchev and the Russian imperialism. His defeat would be considered a signal victory by world communism. In striking at Mr. Dulles, Khrushchev seeks to remove the most principled and resolved statesman of the West. This would be an unthinkable calamity.

President Eisenhower and Mr. Dulles, as spokesmen for the United States, are the principal voices upholding human freedom and liberty against Soviet leadership that is the literal embodiment of human slavery.

Other free governments have joined us in collective alliances to resist Communist encroachment. It is a cardinal plank in the Communist program to dissolve these alliances and divide the Free World.

If the free states are not to be undone by the skilled maneuverings of Moscow, they must exhibit the same unity of purpose and action in the cause of freedom that the Soviets show in their drive to dominate the world. This requires responsible leadership by the parties in control of each of the free governments. It requires responsible action on the part of the political parties out of office. No matter how tempting it may be, from a partisan viewpoint, for the opposition to

try to discredit the party in the seat of government, it should be apparent that, in international affairs, the only real gainer is Moscow.

A case in point is the recent NATO meeting. The Allied leaders agreed upon procedures leading up to a summit conference. Thereupon, the leftwing elements and partisan attackers brought pressures upon their government leadership to force easier terms. Only the Soviets can benefit by such tactics.

To disparage Mr. Dulles weakens our ability to deal with Communist diplomatic maneuvering. The Communists are shrewd at probing out weak spots. They are experts at divisive tactics. If the Russians can discredit Mr. Dulles, their most effective adversary, and cause his political downfall, that would be another cold-war victory.

I do not preclude, and do not wish to preclude, the necessity for intelligent and responsible debate. This is the essence of democracy. But honest debate is different from irresponsible carping.

What is this inflexibility with which the Secretary is charged? In what way is he rigid? He is rigid in matters of principle. He is inflexible concerning the interests of the United States. To him the question of a meeting at the summit is far more than a procedural question. Mr. Dulles takes a deeply moral view of the struggle between East and West, because the struggle is at bottom a moral problem.

Mr. Dulles has observed as we all have, the great conflicts of the 20th century. What are those conflicts but assaults upon our deepest values, freedom under God to realize ourselves? These are assaults on the very essence of our culture. Mr. Dulles saw that challenge come in the 1920's and 1930's from Mussolini and Hitler and now sees it pressed by an even vaster aggregation of power. In Mr. Dulles' view there can be no real security in the West until this challenge is met. In my view and, as I understand Mr. Dulles' position in his view also, the real values of the West cannot be preserved by compromise, weak evasion, and yielding to Soviet insistence.

For years we have acted on the principle that we must negotiate from strength—the strength that comes from moral and spiritual unity backed by utmost military power. This principle still holds good today, and we must not yield to any moments of intellectual weakness or moral flabbiness in the name of flexibility and imagination.

The use of those words has been initiated, may I say, by certain persons in this country and abroad who cringe at the use of the word "appeasement." This label has been so correctly applied that we see, not only in our country, but in other key sections of the world, where certain persons have had to invent the use of a term which would do away with the word "appeasement." They do not like to be labeled "appeasers." As we read the press, listen to the radio, watch television, we learn that they are adopting this new technique. They say that Mr. Dulles and this administration are not flexible enough; they are too inflexible; they have no imagination; and so

on. That is the line that these people are following. We see it in the way that these terms have been applied time after time in recent weeks.

The world knows the United States will not engage in military expansion. The world—and particularly the Soviet—should also know that we are prepared to defend our honor and our vital interests against any encroachment whenever the need arises.

Mr. Dulles made this amply clear at a news conference October 16, 1957, when he warned that a Russian attack on Turkey would bring an American retaliation against the territory of the Soviet Union. With the Korean war in mind, he said, this "would not mean a purely defensive operation by the United States, with the Soviet Union a privileged sanctuary from which to attack Turkey."

Is there anything wrong with this kind of inflexibility?

Why do Mr. Dulles' detractors fail to accuse Khrushchev of inflexibility? Why must all the concessions come from the Free World, our side? Certainly the Russians have never withdrawn from a single fixed position.

What essentially are their proposals? They have insisted from the beginning that we abandon nuclear weapons tests without inspection. They have insisted that any conversations must not involve the political questions of East and West Germany and of Eastern Europe. Their basic position is that they will not negotiate about anything that is already theirs. They will negotiate only when they cannot lose.

We understand the hard realism of Mr. Khrushchev. There can be no doubt, and he leaves us with no doubt, about what he interprets as Russia's real interests. But the opponents of Mr. Dulles seem to be terribly confused and vague about what our interests are. In effect, these critics of Mr. Dulles deny us the right vigorously to pursue and defend our own interests.

Actually what Mr. Khrushchev is demanding of us is that we confirm the Soviet Union's post-World War II conquest of Eastern Europe. He insists that we recognize the status quo, which means endorsing his domination of the satellite people. In return for that confirmation of title to his slave empire in Eastern Europe he is willing to negotiate with us over our withdrawal from Western Europe. To do what he asks would be a denial of our consistent policy. It would be a betrayal of our moral commitments to the victims of Communist aggression. We would be participants in extinguishing the last hope for liberation to which these people passionately cling.

Make no mistake about it, the fear that their captive peoples will some day seek liberation is the real nightmare to their Communist masters. The Kremlin rulers know it would bring about the collapse of their slave empire. They can never rest in peace as long as they fear that another Hungarian revolt and another Polish disaffection are not only possible but probable. For us now to accede to Khrushchev would be to remove his fears and underwrite the brutal Communist conquest of Eastern Europe.

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

Mr. BRIDGES. I am glad to yield to the distinguished minority leader.

Mr. KNOWLAND. The remarks the distinguished Senator from New Hampshire is making are very important. In fact, by the effort of the Soviets to get us to recognize the status quo are they not seeking to get from the United States and the people of the Free World both a legal and a moral approval of their enslavement of the people of Czechoslovakia, Poland, Hungary, Rumania, Bulgaria, and Eastern Germany? Is that not substantially what the Soviet Union is seeking in its inflexibility?

Mr. BRIDGES. As one analyzes their moves, that is clearly one of the major objectives which they seek. I want the American people and the people of the other nations which are supposedly our allies in the Free World to realize that.

A close examination of the most recent Bulganin letter reveals that it is a tedious reiteration of Russia's demands since the first ill-fated attempt to agree on outlawing atomic weapons.

First, the theory of a buffer zone in Europe from which both armies would withdraw. Clearly this requirement is designed for the advantage of Russia. This is the policy which Mr. Kennan, Ambassador to Russia under the Truman administration, calls by the persuasive title of disengagement. It involves the creation of a vast neutral cordon in central Europe. The proposal is that we withdraw our Army from West Germany, we abandon our bases, and, in effect, dissolve NATO.

In simple language, we go back home across the Atlantic for good and all. We are asked to give up our alliance with Western Europe which was forged by the necessity to resist Communist aggression. We are asked to give up bases painstakingly established to defend the West. We are asked to open Western Europe to any military adventure which the Russians may decide is to their interest.

In return for that the Russians will take their armies out of central Europe and retire to their adjacent frontiers. I can conceive of no policy more disastrous to the west, the Free World and the United States. At best it is difficult for me to see how a sensible man could be persuaded to give up our armies and our bases even if we had no experience with the disaster which such an action could provoke.

But we did try just this tactic in Korea and China. In Korea we actually disengaged. We tried what Mr. Kennan now proposes as a new solution. What was the result? We suffered a cruel and disastrous war with 140,000 casualties, a war which is still not really terminated. It is very interesting that where we withdrew and disengaged in Korea and China, the Communists immediately moved in. In Europe where we stood guard with armed forces, we have at least accomplished armed peace.

If we were to give in to this demand for withdrawal, we would completely disillusion the oppressed people of Russia and the satellite countries. We would frighten and neutralize our west-

ern allies, France, Belgium, Holland, Spain, Norway, Denmark, West Germany. West Germany would be open to any Soviet advance and would be forced to come to terms with triumphant Soviet imperialism.

I want to make this abundantly clear. Disengagement means our withdrawal, the liquidation of everything we have built to defend Western Europe. To the Russians it means a short withdrawal. On Russia's borders are satellite countries dominated by Communist parties which in themselves have the power of aggression. These satellite regimes are instruments of Russian foreign policy. Russia would be making no sacrifice by withdrawing. But we could be eliminated as a world power. Even Mr. Acheson recognizes this and has repudiated his former colleague, Mr. Kennan.

But the case should be made more clear. The Russians demand that we not only dissolve NATO and withdraw from our bases in Europe, they also demand that we withdraw from our bases everywhere—from Japan, from Formosa, the Middle East. What they are asking is a retreat from all of our forward positions in the Free World. They want us to go home. They want to force isolation upon us.

In the second major area in which they are willing to negotiate, they are also willing to negotiate only to their advantage and to our obvious disadvantage. The second demand is for an agreement to cease the testing of new atomic weapons. Up to now they have resisted any attempt to place a serious curb on the manufacture of atomic weapons. Since the very beginning they have rejected all proposals for inspection and control. From the very outset the Soviet Union has frustrated all endeavors to eliminate this fearful danger to mankind, while the United States has stood ready at all times to make reasonable and sincere agreements.

In the immediate postwar months when the United States had a monopoly of atomic weapons, we made a gesture of generosity that is unequalled in all previous history. Under the terms of the Baruch formula we offered to surrender our monopoly and to internationalize the manufacture and control of atomic weapons. We pressed this matter to the utmost. Mr. Baruch made an eloquent and impassioned appeal at Lake Success. Every nation except the Soviet Union accepted this great venture in international good will and security.

We have never ceased attempting to find a solution. At Geneva the President came forth with his open-skies proposal.

The Soviet Union, whether under Stalin, the collective dictatorship, or Khrushchev, has resisted every attempt to solve this problem. We are again told that they are willing to negotiate but as usual only on their terms.

I repeat it is significant that the Russian proposal to negotiate on nuclear weapons involves testing and not manufacture. Why are they so insistent that the agreement concern itself largely with testing?

The answer is they object to fool-proof inspection and adequate safeguards.

When we have firm assurance that a ban on atomic testing will extend to inspection and safeguards, we will sit down and talk with the Russians. We have had enough of propaganda games.

The plain fact is that continued testing of nuclear processes is to the general benefit of mankind, not to its harm. Our Eniwetok tests of 1956 demonstrated that the radio-active peril could be virtually eliminated. That is very important. That is a significant forward move. It means that in the dread event of a hydrogen attack the damage could be limited to the target area and not spread wholesale through the air currents. We have reason to believe that this year's tests will greatly advance the development of an antimissile nuclear weapon.

What a happy day for mankind if we found the means for frustrating and neutralizing the holocaust incident to hydrogen attack by way of guided missiles. Yet, the Soviet Union has been able to influence large sections of our population toward the belief that testing in itself is immoral.

We are driven to the conclusion that the Soviet insists on limiting nuclear agreement to the question of testing only because they are convinced that we have the lead in this area and they would like to freeze the nuclear capacities at this level so that our advantage might not become continuously more pronounced.

As we have seen, the Soviet Union consistently refuses to debate its own positions of strength and its illegal possession of its satellite empire. It is willing to negotiate only about those positions which we have of necessity taken to defend the Free World.

Stripped of all verbiage, this is the situation with which Mr. Dulles is confronted. He is an experienced, determined, resolved man who realizes that negotiation based on these premises and limited to these areas can only result in frustration, disappointment, nullity, or disaster.

Let us be equally blunt with the adversaries of the Dulles policies. What do they hope to accomplish by driving Mr. Dulles or the administration into negotiation with the Russians under terms which the Russians impose?

There are those critics who are not adverse to assisting the Soviet Union in imposing a great defeat on the West. But many, many more are motivated by partisanship and short-range advantage. There are others driven by fear that unless we come to an accommodation with Moscow on any terms we may be ravaged by war.

To these people I say it would be fatal on our part to be blackmailed into any negotiation by the fear of war. That is the dismal road to appeasement. We know now that appeasement does not avoid war or guarantee survival.

We should be willing to negotiate at any time whenever there is a real promise of making progress on the road to peace. As Mr. Dulles said in his recent Press Club speech:

President Eisenhower's letter to Chairman Bulganin should dissipate once and for all any impression that the United States does not want to negotiate, or is afraid to negotiate with the Soviet rulers.

But we do not want another summit meeting as another episode in the cold war. There are too many dangers to the Free World in that kind of negotiation.

From past experience, we learn that the real basis for negotiation is, first, preparation through normal diplomatic channels; second, meetings at the foreign-minister level; and third, if the occasion is important, a meeting of the heads of states to make final decisions.

By those methods we may get many agreements at several levels which will be honored because quiet negotiation has made certain that they serve the mutual interests of all parties. By such methods we will avoid spectacular meetings and agreements which too often result in tragic disillusionment for the Free World.

If the Kremlin rulers are sincere in their desire to relieve the tensions of mankind, as they repeatedly say they are, let them join us in negotiations that have a fair chance to guarantee fruitful results.

This is the stand Mr. Dulles has taken. It is sensible, calm, and firm. He does not propose to sacrifice our security for a mess of propaganda. He is entitled to the full support of our people and of those abroad with whom we are allied in common cause. We may have to wait for the Kremlin to catch up with us on this road to genuine peace. Meanwhile, let us double rivet our defensive shield and improve our striking power so that any enemy will hold the price too high to try to conquer us.

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

Mr. BRIDGES. I yield to the distinguished minority leader.

Mr. KNOWLAND. I wish to commend the distinguished Senator from New Hampshire, who is our ranking member on the Committee on Appropriations, and is the senior Senator on this side of the aisle.

Long before I came to this body the distinguished Senator, on occasion after occasion, raised his voice in warning of the dangers of appeasement, and what it would lead to.

The Senator from New Hampshire has always sought to find grounds and areas of agreement among the nations of the world, and has been willing, as is our Government, including the President and the Secretary of State, to open and carry on honorable negotiations with honorable nations who will live up to their agreements.

Prior to the Nazi action in Europe, the Senator from New Hampshire was raising his voice on the floor of the United States Senate emphasizing the importance of our Nation keeping itself strong.

Before the attacks which took place in the Pacific, his was one of the few voices raised in this Chamber to point out the importance of keeping America strong, so that we might acquit ourselves with honor and reputation in the field of international affairs.

The Senator from New Hampshire has rendered a great service to the Senate and to the country in the address he has made today, and in pointing out a very thinly veiled paragraph in the Soviet note. When the Soviets say that there is no need for carrying on a foreign min-

isters' meeting, when they know that there has been a very strong feeling on the part of the Government of the United States in support of such a conference, that is a very thinly veiled way of saying, "You had better get rid of your Secretary of State."

That is what I believe the background of the Soviet notes was. It should be very clear to the men in the Kremlin, as well as to the people around the world, that the American people and the American Government will make their own selection of their Secretary of State and will not be guided by advice from abroad, least of all from out of the walls of the Kremlin.

Mr. BUTLER, Mr. MANSFIELD, and Mr. MARTIN of Pennsylvania addressed the Chair.

Mr. BRIDGES. I yield first to the distinguished Senator from Maryland.

Mr. BUTLER. Mr. President, I, too, wish to congratulate the distinguished Senator from New Hampshire for his excellent remarks this afternoon. I believe if we look into the record we will find that we have had 3,400 meetings with the masters of the Kremlin, that as a result of those 3,400 meetings we have arrived at but 52 agreements, and that of the 52 agreements arrived at, the Soviets have violated, absolutely, 50 of those agreements, and, in part, the other 2 agreements also.

I should also like to point out that we must, as a Nation, take a firm stand insofar as the satellite nations are concerned, wherever we can do it. We should do everything within the power of our Government to undermine the Soviet oppressors of the free people, and we must do it economically, politically, and in every other way in which we can do it.

It is also my unqualified opinion that we must, as a Nation, constantly keep in mind that the policy of the Kremlin is unchanging and unchangeable, and that policy is the total destruction of the free world; and that if we lose sight of that one cardinal principle, we, as a people, will not long exist and enjoy the freedoms that we now enjoy.

Mr. BRIDGES. I thank the Senator. I now yield to the distinguished Senator from Montana.

Mr. MANSFIELD. Mr. President, I wish to commend the distinguished Senator from New Hampshire on his position in relation to meetings held at the summit. I believe he is absolutely right. We should have learned something from the Geneva meeting in 1955, which was a good publicity show and which exposed our statesmen in a goldfish bowl and did not give them a chance to accomplish much. It is not that they did not try to accomplish a great deal, but the fact is that there was no preparation and no groundwork, and, therefore, no possibility of success on that high plateau, that summit basis.

The Senator from New Hampshire is correct when he says that we must work through the lower echelons, such as the Ambassadors who are accredited to those countries, who will have to do the hard work, the silent work, and the work behind the scenes.

As a matter of fact, I believe that the letters that are being sent in such great number by Premier Bulganin in a certain sense are becoming quite ridiculous. I do not know whether he is putting them out with a mimeograph machine. Perhaps, as someone has said, he is trying to develop a set of pen pals. It is really hard to tell what he has in mind.

On the question of the Secretary of State, I have disagreed with him as has the Senator from New Hampshire, but I hope we can always do so on a constructive basis. I certainly agree with the minority leader when he says that no one will tell us who is to represent us in any meeting. We will make that decision for ourselves.

I should also like to point out that Mr. Dulles is not a Republican Secretary of State; he is the Secretary of State of the United States of America. We must keep that in mind.

Again I wish to commend the distinguished senior Senator from New Hampshire for making known without any doubt at all his position, and I believe, the position of this country with respect to summit meetings at this time.

Mr. BUTLER. Mr. President, will the Senator yield on a point which occurs to me at this time?

Mr. BRIDGES. I yield to the distinguished senior Senator from Maryland.

Mr. BUTLER. Secretary of State Dulles has been in the service of this Nation for a period of more than 50 years. I believe as long as 50 years ago he served in the Embassy at Paris. As a result, he has had wide experience in the diplomatic field. He is a man whom the country can trust and whom the world can trust.

Mr. BRIDGES. I thank the Senator from Maryland. I now yield to the distinguished senior Senator from New Jersey.

Mr. SMITH of New Jersey. Mr. President, I wish to commend the distinguished Senator from New Hampshire on his remarks this afternoon. I am sorry that I did not hear all of them. When I heard he was speaking, I came to the Chamber as quickly as I could.

With reference to summit meetings, we have found that we cannot deal with the Russian leaders until we have gone through careful preparations at the lower echelons to define the subjects for constructive negotiation. We should also keep in mind the inadvisability of rushing into any further top-level meetings with the Soviets until they begin to live up to the promises they made at previous summit meetings. We have not yet seen any plebiscite held in East Germany on the question of uniting with West Germany. Neither have we seen the Russians keep other agreements.

I join the Senator from New Hampshire in his defense of Secretary Dulles. Possibly I have been one of his strongest supporters in the Senate, although I have not always agreed with him. Fundamentally, however, Secretary Dulles is a great leader of American foreign policy, and it is certainly right for us to stand solidly behind him at a time when certain elements are sniping at him.

I am so glad that the Senator from Montana [Mr. MANSFIELD] has joined in

commending the Senator from New Hampshire, even though he admits that he has differed with Mr. Dulles at times. I again thank the Senator from New Hampshire for what he has said.

Mr. BRIDGES. I thank the Senator from New Jersey for his comments.

I now yield to the Senator from Pennsylvania.

Mr. MARTIN of Pennsylvania. Mr. President, I wish to commend the distinguished Senator from New Hampshire for his very able defense of a man whom I consider to be a great Secretary of State. I, too, have disagreed with Secretary Dulles on many occasions. He was in the Senate with us, and we disagreed with him on many occasions at that time, particularly on questions relating to foreign policy.

However, I feel that Foster Dulles is a dedicated man. As the distinguished Senator from Maryland [Mr. BUTLER] has said, he has been in the diplomatic work of our country for more than a half century, and he probably knows more people in foreign countries than any other American, with the possible exception of the President of the United States.

I ask the Senator from New Hampshire whether it is not true that it is absolutely necessary for us to keep in close contact with our allies in Europe, not only in a diplomatic way, but also in a military way. I am asking that question of the Senator from New Hampshire particularly because he is the ranking minority member of the Committee on Armed Services.

Mr. BRIDGES. The distinguished Senator is absolutely correct.

Mr. MARTIN. If we lose that contact, we lose a great moral force. It must be remembered that morale in military matters is worth more, probably, than the greatest missiles or bombs that can be invented.

Mr. BRIDGES. The Senator is completely right. We must maintain our moral position, and we must not deviate from that position.

Mr. MARTIN. If we do, we are the loser. It is absolutely necessary that we not lose that position.

I wish to commend also the able Senator from Montana [Mr. MANSFIELD]. We must be united here in the United States. I vote for many things, as the Senator does, I say to the Senator from New Hampshire, and personally I would rather not do it in some cases. However, we must show unanimity.

The freedom of the individual in the world is at stake right now. We are very fortunate in having a man like Foster Dulles to lead us on the diplomatic side. As far as the military side is concerned, I have every confidence in him. I hope the people of the United States will not be stampeded into doing certain things relative to criticism of our Secretary of State and the position our country is taking.

Again I wish to commend the distinguished Senator.

Mr. BRIDGES. I now yield to the distinguished Senator from Connecticut.

Mr. PURTELL. Mr. President, I wish to add my commendation to the commendations expressed by other Senators

for the heart-stirring and most important speech of the distinguished Senator from New Hampshire. It is a marvelous thing that we have been able to hear the Senator's defense of the Secretary of State. More important than that is the fact that the Senator took the time in such an able way to alert the American people to what might be a very easy victory for Russia and communism in general unless we are alert to what is going on.

I can think of nothing which will make more victories in their cause than to have the American people lose their confidence in the administrators of this country, particularly our Secretary of State. I can think of nothing today which is more important, as the Senator from Pennsylvania has said, than that we have unity. The speech by the Senator from New Hampshire has added much to the unity which we need very badly.

Mr. BRIDGES. I thank the Senator from Connecticut.

I yield to my colleague, the distinguished junior Senator from New Hampshire.

Mr. COTTON. Mr. President, as the junior Senator from New Hampshire, I take particular pleasure and special pride in expressing my admiration for the speech which the senior Senator from New Hampshire has delivered this afternoon in his review of the work of our Secretary of State.

No one could have delivered this speech more fittingly than Senator BRIDGES because of the years that he has stood as a firm, forceful, fearless, and, at the same time, fair exponent for a strong policy of not allowing the United States to be deceived or duped by our adversaries.

The other evening I read a new attack on Secretary Dulles by a columnist. The same columnist had attacked Secretary Dulles when he was preparing for the 1955 Geneva Conference. At that time the columnist accused Secretary Dulles of being an appeaser, and compared him with Chamberlain, even suggesting that Secretary Dulles should carry an umbrella because he was seeking, in a spirit of complete sincerity, to deal in the summit conference with the Soviet Union in the interests of world order and world peace.

Today Secretary Dulles stands firm, as he always has stood. Today he points out the insincerity and the weakness of the invitations which are being extended.

I think the distinguished Senator will agree that if Secretary Dulles were not taking this firm position, some of the people who criticize him now would be the first to brand him as a weakling and his policies as being weak kneed.

Mr. BRIDGES. I agree with my colleague.

Mr. COTTON. As a citizen of New Hampshire, and as his colleague, I am proud of the speech the Senator has delivered this afternoon.

Mr. BRIDGES. I thank my distinguished colleague. I now yield to the distinguished Senator from New York.

Mr. JAVITS. Mr. President, I join with my colleagues from so many States and with the deputy majority leader in

commending the senior Senator from New Hampshire for his speech today.

I am greatly impressed with two points which, very interestingly, are almost the same as the points at least implied by our colleague from Minnesota [Mr. HUMPHREY], who made quite a speech on the same subject earlier in the week, and who in many ways stands on another side of the political spectrum from the distinguished Senator who has just spoken. I think this is especially impressive.

I think the Senator from New Hampshire has put the country in his debt for two reasons. First, he has shown very clearly that when we have divisions of opinion in our country about a Government official or a policy of Government, this is not our weakness; it is our strength. For when any effort is made to exploit that difference of opinion by those who would use it against us, we rally as one man to the side of the person in authority and say, "He is our man." We can argue about it; no one else can. That is tremendously impressive, especially coming from the Senator from New Hampshire.

Second, as the Senator has pointed out in his great wisdom and wide experience, this is a long, hard pull, and involves many elements which will take the very best thought the country has. No quick solutions are possible. Pains-taking, difficult work, and sacrifice over a very long period of time will be needed. A quick solution could lead to world war III. It is the slow solution we want, because we want a peaceful solution.

The Senator from New Hampshire has made an outstanding contribution to the discussion of this question, and I thank him.

Mr. BRIDGES. I thank the distinguished Senator from New York.

I yield to the distinguished Senator from Connecticut.

Mr. MORTON. Mr. President, I join with my colleagues in commending and congratulating the distinguished senior Senator from New Hampshire for his very able speech. As he knows, I feel particularly grateful to him for this statement since I, for 3 years in this administration, was very closely associated with John Foster Dulles, our Secretary of State.

I think the reluctance or antipathy of Mr. Bulganin and Mr. Khrushchev to sit down in a conference at which Mr. Dulles is the chairman of the United States delegation deserves a little further analysis.

The world recognizes Mr. Dulles, among other things, as a tough, hard-boiled, sophisticated diplomat having a half century experience at the conference table. But I do not think this would cause the Russians to have any concern about sitting down with him as the chief negotiator for the United States. After all, Molotov was a pretty tough customer at the conference table. Other able diplomats have represented Russia at conferences, including those who represent Russia today, now that Molotov has gone.

The real thing that concerns the Russians is that Mr. Dulles, more than any other Western statesman, is not going to

be taken in by their wiles. Mr. Dulles recognizes the facts of life as they are, and he will stand up and point out to the Western World what is the right way, even though it be the hard way.

Much has been made of the fact that Mr. Dulles ought to resign because he is unpopular. I have talked to hundreds of persons, as I am sure all other Senators have, who say, "Regardless of what you think of him, I think Mr. Dulles ought to resign. He is too unpopular in the world."

Obviously he is unpopular behind the Iron Curtain. It is a fact that he is unpopular among our allies. Why? The United States is a leader. It is up to our Secretary of State to point out the hard, right way. It is not easy. It is not the way they want to follow. They are tired of carrying this burden. Already Western Europe has much of the spirit it had when Chamberlain visited Munich. That visit was not decried by most people; it was hailed, "Peace in our time." The people rejoiced. Yet Western Europe was in the very shadow of war. The same spirit pervades the world today.

Somebody—and it has to be the representative of the leading country of the free world—has to take the unpopular position. He must constantly remind the world that the only way open is the hard way, not the cheap or expedient way. The only way open is the hard way of sacrifice. Secretary Dulles does that, but it does not win him popularity.

Again I commend the Senator from New Hampshire.

Mr. BRIDGES. I thank the distinguished Senator from Kentucky.

I now yield to the distinguished Senator from Connecticut.

Mr. BUSH. Mr. President, I am very sorry I did not hear all the Senator's speech, but I join with my other colleagues in commending him for the stand he has taken concerning John Foster Dulles.

I have known John Foster Dulles personally for more than 25 years. I was one of his clients in private life. I thought even then that he was one of the wisest and finest men I had ever seen. I have watched his public career with admiration and great satisfaction, especially in the last 5 years since I have been a Member of the Senate, and he has been the Secretary of State.

Critics have criticized John Foster Dulles a great many times in recent years, but almost without exception their criticisms have been general and not specific. No one who has analyzed the record of his foreign policy in the last 5 years, or who has made an appraisal of the whole record of the past 5 years, would suggest that it has not been a very satisfactory one from the standpoint of the people of the United States.

The purpose of foreign policy, as the Senator from New Hampshire knows better than I, is to serve the people of the country, and not someone else. That is the basic purpose of foreign policy. I believe that any objective review of the foreign policy of the past 5 years will show that it has been designed for that purpose and has actually served that purpose.

A few weeks ago the President, at a press conference, made a very stirring defense of John Foster Dulles. I happened to hear it played back over an amplifier. It was a very stirring defense.

I believe it is very significant to us of the Republican Party that our leader in the Senate, the chairman of the Republican policy committee, now has taken the floor to do the same thing. It makes me proud of the Republican Party today that the Senator from New Hampshire [Mr. BRIDGES] has taken the floor to applaud and defend the great Secretary of State, of whom I think all of us should be very proud. I congratulate the Senator from New Hampshire.

Mr. BRIDGES. I thank the distinguished Senator from Connecticut.

Mr. HICKENLOOPER. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield to the distinguished Senator from Iowa.

Mr. HICKENLOOPER. In the first place, I wish to say to the Senator from New Hampshire that I am sorry I missed the first part of his speech. I was attending a meeting which was called for 2 o'clock. I arrived in the Chamber some time after the Senator from New Hampshire began his speech.

I desire to compliment the Senator from New Hampshire on his splendid and timely remarks, which contain strong elements of truth, in a period of great confusion in our foreign policy, especially confusion in regard to the great role that John Foster Dulles has played during the last few years in maintaining stability in a troubled world.

There may be some who will disagree with me; but I have had some occasion—especially in the last few months—to visit a great many foreign countries. The loudest chorus of allegation that John Foster Dulles is disliked abroad comes from Washington, D. C. I did not find it in foreign fields. In most foreign countries, I find great respect for John Foster Dulles; I find there no foundation in fact—at least, not in broad degree—for the alleged dislike and hatred of John Foster Dulles that we read about so often in publications in this particular area.

It is true that in some foreign countries there are those who have been unable to wheedle the United States into positions of specialized assistance for them—positions which they want selfishly—and who raise their voices in criticism of our foreign policy.

But fundamentally, by and large, when we sit down and talk to persons of prominence in foreign countries, aside from the few in one or two countries which in the past have seemed to have had more influence with our foreign policies than they have had during the time when John Foster Dulles has been our Secretary of State, I find, in private conversations, off the record, with the large majority of those who are responsible for the governments abroad, that they have great respect for the integrity which they know John Foster Dulles has, and for his evident determination to walk a road of peace and equality as between all nations. So many of them realize that.

At this time I wish to state for the record that although in this particular area I have heard many statements to the effect that John Foster Dulles is disliked by the nations abroad—in fact, I have seen statements to the effect that he is the most hated man in the world—yet I have probably been in as many foreign countries as have any of the authors of those statements, both within comparatively recent times and at other times, and I have not found that sentiment sustained as a general rule.

As I said a moment ago, I can find, and I have found, a few occasions when selfish politicians in a few countries have been unable to hoodwink Mr. Dulles into doing something that would be detrimental to the United States, although perhaps beneficial to those other countries. I find a few who complain a little; but I find a great many more who, fundamentally, know that Mr. Dulles is doing one of the best jobs, as Secretary of State of the United States, that has ever been done for our country; and John Foster Dulles has served in one of the most troublous times.

I congratulate the Senator from New Hampshire on his magnificent speech, and on putting the record straight, and on putting things in the order in which they should be.

At a later date, I shall have more to say about this matter.

Mr. BRIDGES. I thank the distinguished Senator from Iowa.

Mr. HRUSKA. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. HRUSKA. Mr. President, a good speech is its own best commendation; but I should like to join my colleagues in congratulating the Senator from New Hampshire on the splendid speech he has made.

Ever since last fall, when the many letters began to pass between Bulganin and other Russian authorities and the heads of our own Government, there have, of course, been a great many criticisms of our State Department and our national policies, and particularly of our Secretary of State. Even if we have great faith in the levelheadedness of our officials and their ability to analyze those criticisms and to put them into proper perspective, unfortunately if those criticisms are repeated with sufficient frequency, sometimes they are regarded as factual, and sometimes they prevail by default.

Many of the things the Senator from New Hampshire has called to our attention occur to us and, I am sure, to most of the rest of the American people, by way of answer to the critics.

However, to gather them, in the way the Senator from New Hampshire has done, into one logical and fine collection, and to do so in the concise fashion in which he has done it, is a very splendid thing.

Therefore, Mr. President, I desire to congratulate the Senator from New Hampshire for having done so, and for having served so well, in that connection, the cause of our national policy in the conduct of foreign affairs.

Mr. BRIDGES. I thank the distinguished Senator from Nebraska.

Mr. CURTIS. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. CURTIS. I commend the Senator from New Hampshire for his statement; and in it I concur.

Mr. BRIDGES. I thank the distinguished Senator from Nebraska.

Mr. JENNER. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. JENNER. I am sorry I did not have the opportunity to hear the speech which has been made today by the senior Senator from New Hampshire. However, from the tenor of the remarks I have heard since I entered the Chamber, I take it that in his speech he defended our Secretary of State, Mr. John Foster Dulles, in the position he is taking now in regard to a proposed summit conference between this country and Russia.

Mr. BRIDGES. That is correct.

Mr. JENNER. Let me add that I shall read with great interest the remarks of the Senator from New Hampshire, as they will appear in the CONGRESSIONAL RECORD.

At this time, let me state that I believe that our great Secretary of State, while serving in that position, not only has done this country a great service, but also has done the world a great service.

However, he is paying the price that every man in public life—he be either in the executive branch or in the legislative branch—has to pay when he stands up against communism and the Communist governments. Every man I have ever known who took a firm stand against them—as Mr. Dulles has done, in the position he occupies—has had to pay a terrific price because of the vilification, the smears, the innuendos, and slanders. However, all that Mr. Dulles or anyone else who finds himself in such a position has to do is read the history books, and thus he will know that it is impossible to sit down and do business with gangsters, thieves, liars, and murderers.

Mr. Dulles realizes that. Until something more tangible comes out, his position is 100 percent right.

Mr. BRIDGES. I thank the distinguished Senator from Indiana.

Mr. KNOWLAND. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. KNOWLAND. Mr. President, following the magnificent speech which has been made by the distinguished Senator from New Hampshire [Mr. BRIDGES]—and let me say that a few minutes ago I commented on it, before I had to leave the floor temporarily—and following the comments which have been made on it by a number of his colleagues, on both sides of the aisle, I think it will be well for some of our friends abroad, who have been advocating such discussions with the Soviet Union and who have proposed reliance on the agreements of the Soviet

Union without adequate safeguards and without preliminaries, to recall the counsel to be found in II Corinthians, wherein it is said:

Be ye not unequally yoked together with unbelievers: for what fellowship hath righteousness with unrighteousness? And what communion hath light with darkness?

Mr. BRIDGES. Mr. President, I think that is a very apt conclusion of these remarks. I thank the distinguished Senator from California.

AUTHORIZATION FOR THE SECRETARY TO RECEIVE MESSAGES AND FOR THE VICE PRESIDENT OR PRESIDENT PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, during the adjournment following the session of the Senate today, the Secretary of the Senate be authorized to receive messages from the House of Representatives, and the Vice President or the President pro tempore be authorized to sign enrolled bills and joint resolutions passed by the two Houses and found to be truly enrolled.

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

NEBRASKA'S OPPOSITION TO FEDERAL AID TO EDUCATION

Mr. HRUSKA. Mr. President, at this session the Congress has before it a different type of Federal aid to education proposal than it did last year.

The new approach is supposed to be based on an emergency situation created by the launching of the earth satellites by Russia, last October.

To some people, this event brought to realization for the first time that the Russians were not a backward nation, but, on the contrary, were quite advanced in the development and application of science for military objectives.

To other people, it meant a confirmation of a grim fact of which they were conscious for a long time: That the Russians are a capable, resourceful, and formidable enemy, and that they are against the Free World and against our country all the time.

To a third class of people, the sputniks came as a godsend. Such folks as these saw in the launching thereof, the rocketry whereby there could also be generated and launched a hysteria and a panic which would serve admirably to advance the cause of further centralization, nationalization, and socialization of this country on many fronts. In other words, here was a readymade and fancy version of another emergency, the like of which has been used for similar roles so often—and I am sorry to observe, only too successfully—in the past quarter century.

So was the situation appraised by many advocates of Federal aid to education. They are off to the races in a big way, and at what they hope is a fast speed.

Now, Mr. President, separate and apart from earth satellites, it has been

realized for some time by all citizens who accorded the subject serious thought that the American educational system is in need of a reevaluation, a revision, and a rebuilding. That system did not collapse overnight. Its present deficiencies were a long time in the making. They have been as evident for many years to those who advocate Federal management of schools as they have been to those who oppose Federal management.

Let me say most emphatically also that, propaganda to the contrary notwithstanding, proponents of Federal management of schools do not have a monopoly of concern for education; they are not necessarily the chosen and only people to advance its cause.

Those who oppose Federal management are as fully dedicated to the wholesome, proper, and effective advancement and improvement of schools and education as any Americans have ever been.

The pertinent question is: How should America go about rebuilding educational processes to serve the expanding needs and new demands of the day and of the future?

There are those who seek to go about this by enlisting heavy and direct participation of the Federal Government in money, in manpower, and in management.

Inherent in their current proposals of Federal aid to education are all of the dangers and evils of previous ones, plus some new ones.

First, there is still the fallacious talk about a temporary emergency program. It is neither.

It is not an emergency program. An emergency is defined in the dictionary as a sudden condition calling for immediate action.

What is that sudden condition in the present picture? It cannot be the Sputniks, because if it were the success of the Explorer erases that condition. That sudden condition cannot be the realization that deficiencies exist in our schools and schooling. They have not arisen overnight, nor has their advent escaped notice as it has occurred. All of thoughtful America, proponents and foes of Federal aid alike, have known for a considerable time about this condition and its implications.

Some have done more about it than others. Some have gone into a concerted effort at bawling loudly for Federal aid and Federal management of schools. Others have done yeoman service, on the contrary, by actually engaging in renovation of soft spots in curricula, in buildings and equipment, in teaching staffs, and elsewhere in their schools.

Dr. Harry Burke, superintendent of Omaha Schools, recently commented on this. He stated that schools find themselves "literally engulfed in a flood of unverified statements by individuals who suddenly have become experts on public education; and by those who see in the present situation an opportunity to promote their special projects, many of which bear little relation to education."

I ask unanimous consent that an account of this report by Dr. Burke, as it appears in the Hastings (Nebr.) Trib-

une for January 17, 1958, be printed in the CONGRESSIONAL RECORD, at this point in my remarks.

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

[From the Hastings (Nebr.) Tribune of January 17, 1958]

OVERNIGHT EXPERTS ON EDUCATION HIT

OMAHA.—Omaha Superintendent of Schools Dr. Harry Burke said Monday night that "overnight experts" who charge the schools with being the "scapegoat" in alleged scientific shortcomings of the Nation cannot back up their charges.

Dr. Burke took his stand in a report given to the Omaha Board of Education.

Dr. Burke said the schools "find themselves literally engulfed in a flood of unverified statements by individuals who suddenly have become experts on public education; and by those who see in the present situation an opportunity to promote their special projects, many of which bear little relation to education."

In 1946, he said a complete renovation of the Omaha science and mathematics program was started with the result that Omaha's elementary-school children "test well above the national norms in basic science understanding."

Dr. Burke said that at Central High a class of "superior students" is being taught the application of calculus to physics, usually a college mathematics course.

He concluded that the basic situation "is not the fault of the schools, but the refusal on the part of the country to face the situation in which an autocratic country challenges the world."

Mr. HRUSKA. Second, the present proposals would not be temporary if they were approved. Those who propose and advocate them will not flatly say that the program will terminate in the 4 designated years. The long-time advocates of Federal management of schools have already created a loud din about the pending proposals being "too little, too late, and too short." They contend for more ambitious, more elaborate, and more permanent plans.

Third, hand in hand with talk of a temporary program is the avowal that the law would not bring Federal control. "The Federal role is to assist, not to control," it is said.

An old, old story indeed. And a discredited one. Appropriate disposal of it was tersely stated in a recent—January 29, 1958—Omaha World-Herald article, which stated that such a claim would be bolstered somewhat by citation, first, of a single instance of a temporary Federal grant-in-aid, and second, of a single instance of a Federal hand-out which was not federally controlled.

I ask unanimous consent that the editorial in its entirety be set out at this point in my remarks.

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

[From the Omaha (Nebr.) World-Herald of January 29, 1958]

AID WITHOUT CONTROL

In a recent article in Christian Economics, publication of the Christian Freedom Foundation, C. R. Petticrew, vice president of the College Life Insurance Company of America, noted that Congress passed the Smith-Hughes Act in 1916 to the accompaniment of assurances that the law would never bring Federal controls. The Smith-

Hughes Act provides Federal financial aid to local vocational educational systems.

Today, Mr. Petticrew observed, Federal regulations pertinent to this one law fill a 108-page book, Administration of Vocational Education. And the core of Federal control is a single sentence:

"Each State is required to submit a plan which must meet with the approval of the Federal Office of Education."

On Monday, when President Eisenhower sent to Congress the Folsom \$1.6 billion plan for Federal aid to education, he emphasized that (1) this would be a temporary measure, and (2) the Federal role would be to assist—not control.

The President might have bolstered that part of his case if he had cited: (1) An example of a temporary Federal grant-in-aid, and (2) an example of a Federal handout which was not federally controlled.

Mr. HRUSKA. Fourth, it really is Federal management, not control, which would come about. We recall the former defense against the charge that Federal aid to classroom construction would lead to Federal control. This charge was denied on the ground that Federal participation was for bricks and mortar only, and that these would be in place and Federal agencies withdrawn from the scene long before the school doors opened to admit teachers and pupils. Hence, it was said, there could be no trace of Federal interference with the teaching, the curriculums, the methods, the content, and so forth.

Such defense is completely swept aside now. It stands for naught. Under pending proposals, the materials and areas with which Federal agencies would work, actually start with the teacher, with the type of courses, the contents of the courses of study, and the fashion in which moneys allotted for same would be spent. They start on a State plan, only if that plan contains certain specified provisions, and only if that plan is approved by the Federal Commissioner of Education.

In short, aid to build classrooms was referred to as an entering wedge for total, all-encompassing Federal management of schools and schooling the Nation over.

The current bills go far beyond that. They are a full development and a high realization of such management idea in solid bone and flesh, and its moving bodily into educational activities. It is proposed that this idea go into the heart of those things which were so strongly denied in debates which were heard during previous Congressional sessions.

Fifth, Federal management to many folks is terrifying. Why should it not be? An arrangement which can command emphasis on mathematics, physics, and chemistry today on a nation-wide, school-to-school basis, can tomorrow or in future years compel even more stringent emphasis on any subject. What will it be: One-world government, nationalizing industries, abolishing the capitalistic system, outlawing profits and private ownership?

Whatever the subject, the fountain-head of compulsion and of inexorable command will be found in the Nation's Capital, and in the corps of administrators of the Federal school management system.

Sixth, Financing is still a nightmare. Present talk ranges from a 4-year program of \$1 billion to a 6-year program of \$3 billion. On the outside of Congress—thank goodness they are outside—we hear frantic, shrill, and insistent voices demanding financing as high as \$10 to \$12 billions a year.

This at a time when armaments and military needs will assert themselves to even more than their present two-thirds of our current budget. This at a time when we are already faced with deficit financing, and the grim specter of runaway inflation and fiscal disaster.

Seventh, The amounts just cited are only the Federal portion, which citizens of the several States will be called upon to raise by foregoing decreases in present burdensome taxes, and very likely incurring even higher Federal taxes than those which now exist.

But over and above such amounts, the States and localities will be called upon to raise their own taxes in order to produce the matching portion of allotments made for these proposed federally managed schools.

The foregoing are only general considerations. As the hearings on proposed pending Federal aid to school bills progress, we should bear them in mind, however, in order to fully appraise the situation. There should be constantly borne in mind also the recognition that the burden of proof is on the proponents of federally managed schools. It is they who must demonstrate that their proposals will result in more qualified students attending schools than are now attending; and that in general the declared objectives will be attained.

The primary purpose of my addressing the Senate at this time, however, Mr. President, is to call its attention to the reaction and response of a vast, and I think predominant, part of Nebraskans to this entire proposition.

It is clear they are strongly opposed to Federal management of schools. They have consistently and for a long time expressed fear and opposition to it.

They have not been negative about it. They know that education is a dynamic field, not only in need for facilities, but as to curricula, teaching methods, substance, emphasis, and totally new areas and vistas of learning.

They have shown and are showing an understanding and willingness and ability to cope with these things.

In the last 2 years for which I have been able to get complete figures they have authorized about 45 school building bond issues totalling \$46.5 million. This means an addition of about 1,600 classrooms. They have made rapid and substantial progress in reducing the number of school districts in recent years, a cut of over 2,200 in the past 7 years.

Nebraska school districts are aware that this is good progress, even though the battle is a constant one and must be continued at all times, on all fronts. They are acting accordingly. They are determined to keep up the necessary fight, but are as equally determined to do it their own way.

This is graphically borne out by their response to the current drive to improve and firm up our educational standards.

They are not sitting by, wailing at the mistakes made in the past, and waiting impatiently for the Great White Father to dip once more into their own pockets for money to redistribute to them for the declared purpose of getting the job done.

On the contrary, they are doing the job themselves, and much better. In addition to the money they put up, they also furnish incentive and encouragement of a kind which money by itself is incapable of producing. There is no better recognition and inspiration for students than the personal interest and approbation of their neighbors and friends. It is true on the athletic fields. It can be as effectively applied in scholastic fields.

Here are only two examples which have come to my attention:

The Cozad plan: The people of Cozad, Dawson County, Nebr.—about 3,000 of them—have decided that the job of improving educational standards in their school is their own problem, they have organized the Cozad Scholastic Association, which will be financed by memberships sold to Cozad citizens. The revenue will be devoted to improving incentives for students gifted in science and mathematics. Awards, to help pay later college expenses, will be made to top students in science and mathematics classes. A loan fund, also to further college education, is planned.

The University of Nebraska will cooperate with the association in giving special examinations to determine the winners of the awards.

Dr. Milo Bail, president of the University of Omaha, called my attention to this feat of the Cozad folks in a letter. He wrote:

It occurs to me that the enclosed clipping is a significant one. If this can be done in Cozad, is there any reason why it can't be done in hundreds of towns and cities all over the United States?

Isn't it possible that this might trigger a chain reaction in local communities for the improvement of mathematics and science learning and teaching, so that the high schools might not need Federal aid to this area?

One of the finest of many letters which have come to me on this subject is from my good and loyal friend, Harvey A. Collins, of Sarpy County, Nebr. For 41 years he has been a general practitioner in the law, for long years a judge; and is affectionately referred to by many of his friends as "Mr. Sarpy County." He wrote me a letter in forwarding to me a news account of the Cozad plan. I ask unanimous consent, Mr. President, that the text of this letter and the news article be set out at this point in my remarks.

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

COLLINS & COLLINS,

Omaha, Nebr., January 16, 1958.

HON. ROMAN HRUSKA,

United States Senate,

Washington, D. C.

DEAR SENATOR: I am enclosing an article from the Herald that shows the independent spirit of Americans as free patriots when a call is made by the head of the Nation.

Ike should know that he does not need to hire Americans to do a job for the protection of their country. We are not like the foreign allies, and his acts are a reflection upon the independence of our people, their patriotism, and their honor.

The teachers of Bellevue have organized and are following a course in the sciences. Schools are arranging their courses to meet the needs of the times. States are preparing courses to submit to high schools. This, because it is a patriotic duty.

State universities, like our own, will meet the requirements of the times without being hired to do it.

When we socialize our educational system, we have killed the initiative and enthusiasm of a free and independent people. Why teach the American youth that they have to be hired. All they need is a call to duty. They have had it and are responding. Those who freely enter upon this course, will make able scientists. Leave out the drones that have to be hired. They will be a burden.

I still think there are too many Communists woven into the fabric of the Government at Washington. If they can supervise the education of our youth, their job has been fully accomplished.

Yours very truly,

H. A. COLLINS.

[From the Omaha (Nebr.) World-Herald of January 16, 1958]

COZAD TO GIVE CASH PRIZES FOR SCIENCES—TEN IN EACH GRADE IN HIGH TO GET HONOR

COZAD, NEBR.—A program to encourage Cozad High School students to work harder in mathematics and science by offering cash prizes and other recognition for their achievements was announced Wednesday.

The program will be the primary function of a group to be known as the Cozad Scholastic Association.

The organization has been assured cooperation of the school board, Superintendent of Schools L. L. Patterson, Principal Clifford Bosely, the University of Nebraska, and a large group of civic leaders who have fostered the idea.

FORTY TO GET AWARDS

A spokesman said the project will encompass virtually every resident of the community.

The program is designed to assist and encourage all students. Recognition will be given to more than just the top student in each department.

Actually, the spokesman said, the top 10 freshmen, sophomores, juniors, and seniors will get awards at a special ceremony each year.

The activities will be financed through two classes of memberships sold to residents of the area: a voting membership costing \$10 and a general membership costing \$5.

TO HAVE EXAMS

Those with voting memberships will have a voice in establishing the scholarship fund.

Under tentative plans, mathematics and science students in all high-school grades will be given a special examination by Dr. James Rutledge, associate professor of secondary education at the University of Nebraska, and his assisting staff.

Students will be eligible for awards on the basis of this exam and other special tests. The winners, their parents, and teachers will be honored at an awards ceremony. The awards for the most part will be cash to help students in higher education.

PRaise FROM GENERAL ELECTRIC

Nell B. Reynolds, General Electric official at Schenectady, N. Y., gave this praise to the Cozad group:

"At a time when everybody is exhorting everyone else to do something to encourage young people to prepare themselves for the age of science, you are taking action."

The program has received the endorsement of other national industrial leaders, the spokesman said.

Most important, he added, is the fact that it will be another community project.

The field may be enlarged later to cover other students, he said.

FORT KEARNEY CONFERENCE PLAN

Mr. HRUSKA. Mr. President, another project to improve student incentive has been established on an interschool basis in Nebraska recently. This is the Fort Kearney Conference plan, which is similar to the plan I have described in the case of the Cozad plan. Nine member schools of the Fort Kearney, Nebr., Conference have voted to sponsor scholastic competition among the schools. Individual and school awards will be presented for scholastic achievement on the basis of examinations to be given by Kearney State Teachers College on March 21.

Participant schools in this fine program are Hildreth, Axtell, Amherst, Sumner, Loomis, Wilcox, Pleasanton, Overton, and Elm Creek.

Mr. President, I ask unanimous consent that three newspaper articles concerning these two programs be printed at this point in my remarks.

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

[From the Grand Island (Nebr.) Independent of January 17, 1958]

CITY SCHOLARSHIP PLAN—COZAD TAKES SCIENCE STUDY INITIATIVE

COZAD, NEBR.—Cozad has developed its own plan for engaging high-school students to work harder on mathematics and science.

"Lots of recognition has been given athletes," one of the sponsors of this new program said, "but we felt it was about time to do something for somebody who had the potential for being a scholar."

A civic group known as the Cozad Scholastic Association is being formed to give recognition to these potentially strong students.

One phase of this recognition will be the presentation of cash awards to the top 20 students in each of the 4 high-school classes—the 10 top science students and the top 10 mathematics students.

TRUST FUND

This money probably will be held in trust to help defray expenses of their college educations, and it will be possible for such students to win more than one award. Beyond that plans call for a bonus award for these students during each of their college years provided they continue to progress.

Under tentative plans mathematics and science students in all high-school grades will be given a special examination and their progress evaluated by Dr. James Rutledge, associate professor of secondary education at the University of Nebraska, and his staff.

The plan has received the cooperation of the board of education, Supt. L. L. Patterson, Principal Clifford Bosely, and the University of Nebraska. Mrs. Dave Stevens, Jr., a former instructor at the University of Denver, has been working on the tentative plan for more than 2 years. She has been tutoring students in science and mathematics and has devoted considerable time to development of the plan for recognition of scholars.

SEPARATE LOAN FUND

In addition to the cash awards, tentative plans call for establishment of a loan fund which would be entirely separate from scholarships. Dave Stevens, Jr., who also has been

interested in the plan, said many details remain to be worked out and the amounts of cash awards cannot be determined until the fund raising progresses further. The communitywide association will be financed through membership fees of \$5 and \$10. The \$10 membership is to be a voting membership and will give the holder a voice in the establishment of the scholarship fund.

Neil B. Reynolds, General Electric official at Schenectady, N. Y., praised this effort saying: "At a time when everybody is exhorting everybody else to do something to encourage these young people to prepare themselves for the age of science, you are taking action."

Stevens said the program has received endorsement of other national industrial leaders.

[From the Omaha (Nebr.) World-Herald of January 17, 1958]

COZAD'S FINE EXAMPLE

One of the brightest pieces of news in the paper recently was the story from Cozad, Nebr., detailing the plans of that outstanding community's citizens to provide special rewards for their top students in mathematics and science.

What the Cozad people are doing is really very simple. They've formed the Cozad Scholastic Association, and they're selling memberships. The money raised will be used to supply cash awards to the 10 top mathematics and science students in each of the four high-school grades. The awards, it is expected, will help the winning students finish their education after high school.

Here, certainly, is effective rebuttal to the argument that the people in local communities lack interest in education.

Here, also, is the answer to the contention that the Federal Government must step in and help local communities run their schools.

Cozad is exceptionally progressive. So is the rural community which surrounds it. But we imagine there's scarcely a community in Nebraska or Iowa or in the whole Nation that couldn't do the same sort of thing, if it set its mind to it.

[From the Kearney (Nebr.) Hub of January 18, 1958]

SCHOLASTIC CONTEST IS PLANNED

Members of the Fort Kearney Conference have voted to sponsor a scholastic contest between member schools.

Purpose of the contest is to give more recognition to students for scholastic achievement; stimulate good students to greater effort; improve quality of instruction; round out Fort Kearney Conference program, and focus more attention on academic programs in the member schools.

Winners in each of the test subjects will be determined by the results of the Kearney State Teachers College inter-high-school contest, to be held on March 21.

Subjects to be included are: Elementary algebra, biology, bookkeeping, clothing and textiles, chemistry, driver education, English usage, standard food test, geometry, general science, world history, American history, literature, music, general mathematics, physics, novice shorthand, beginning typewriting, novice woodworking, and world geography.

Individual ribbons will be given the first five places in each contest. Plaques will be awarded to the winner and runner-up schools which have the highest team averages.

Members of the conference include Hildreth, Axtell, Amherst, Sumner, Loomis, Wilcox, Pleasanton, Overton, and Elm Creek. Members of the contest committee are Howard Glenn, Hildreth; Ronald Landstrom, Axtell; Alex Johnson, Amherst; Carl Aten, Sumner; Lyle Whitesel, Loomis; John Hen-

drix, Wilcox; Melvin Wattle, Pleasanton; Jack Rueger, Overton; and Floyd Peterson, Elm Creek.

Mr. HRUSKA. Mr. President, during my travels in Nebraska this past fall following adjournment of Congress, and in my mail since my return to Washington, I have noted a confirmation by people of my State of their opposition to Federal interference with their school systems.

Professional educators, farm organization leaders, business and civic leaders, labor leaders, and newspaper editors have been forthright in expressing their opposition to the currently proposed measures. I am confident that this opposition exists as strongly or more so in many other States.

But in order to set out what I believe is a typical cross section of opinion from my State, and which reflects the thinking of the greater majority of Nebraska folks, I ask unanimous consent to have printed in the RECORD at this point in my remarks the Nebraska newspaper reports and editorials from the Omaha World-Herald, January 1, 1958; Scottsbluff Star Herald, January 2, 1958; Omaha World-Herald, January 8, 1958; Sidney Telegraph, January 8, 1958; Alliance Times Herald, January 8, 1958; York News Times, January 9, 1958; Blair Pilot Tribune, January 11, 1958; Omaha World-Herald, January 13, 1958; Columbus Daily Telegram, January 17, 1958; and Nebraska City News-Press, January 28, 1958.

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

[From the Omaha (Nebr.) World-Herald of January 1, 1958]

A TWO-WORD PROGRAM

The President's aid-to-education program can be summed up in two words—"Federal money."

Federal grants-in-aid to the States to be matched on a 50-50 basis.

Federal scholarships to 10,000 college students annually.

The program is planned to last 4 years and to cost approximately \$1 billion, four-fifths of it in grants to the States.

This is the whole of the answer as seen by Mr. Eisenhower and his Cabinet adviser on educational matters, Mr. Folsom. They would spend the Nation into an education.

What kind of education?

Scientific, says Mr. Eisenhower. But not too scientific, says Mr. Folsom.

What about the quality of the education? The administration spokesmen do not even discuss the point. It is taken for granted that more money will provide better education. Learning is regarded as a purchasable commodity to be stuffed by currently fashionable educational methods into young American heads at so much per head.

But if money is the answer, why isn't the United States already far out ahead in education? According to a United Nations survey, America now spends far more on education than does any other country.

The word "Federal" sounds an alarm in the minds of many Americans when they think of their school systems. By long experience they know that where the Federal dollar goes, the controlling hand of the Federal Government eventually goes also.

The immediate response of Omaha's superintendent of schools, Dr. Harry Burke, gave a warning on this point. "The President's program," said he, "definitely introduces the

factor of Federal interest in our public-school systems." And so it does, all the disclaimers of Secretary Folsom to the contrary notwithstanding.

Once Washington starts funneling tax dollars back to the States, for any purpose—highways, old-age benefits, or education—it acquires an interest in how those dollars are used. Right now the Federal bureaucratic interest is chiefly in the field of science and science instruction. Tomorrow it may be in the field of socialist economics or one-world politics. Dr. Burke is not the only one who sees the danger of school systems revolving around the Federal scholarship program, with the Federal tail wagging the local dog.

What the matching arrangement might do to local school systems is an even more appalling prospect.

In Nebraska the principle of major State-aid for the schools has never been accepted. Under the President's program the State would suddenly become a full partner in dispensing aid, and the pressures for new and heavier taxes to match the Federal dollars would become irresistible. The breakdown of local school district financial responsibility and control would be likely to follow.

Not only would such a program be tremendously costly for Nebraska—and other States as well—but no benefits are discernible that could justify the destruction of the State's local school systems.

All in all, the President's proposal would substitute more spending for the needed reforms in educational methods and would plant the Federal foot squarely in the doorway of the local schools. It does not point the way to the higher standards of education the country needs.

[From the Scottsbluff (Nebr.) Star-Herald of January 2, 1958]

FOUR-YEAR EDUCATION PLAN WILL BECOME PERMANENT, EXPANDING FEDERAL PROGRAM

"This responsibility can't be passed on by the people to Washington."

That was Vice President NIXON speaking about 6 weeks ago in New York. He was commenting on the country's educational problems, the need to improve scientific education and to provide more facilities and teachers for the Nation's youth.

Monday, Washington decided to assume the responsibility which the Vice President rightly declared was not and should not become the Federal Government's.

The bureaucrats who came to the farmer's rescue, who masterminded the missile program, who laid out the Interstate Highway System, and whose record is blotched with similar accomplishments are now going to come to the aid of education.

As the old saying goes, when you have friends like those, you don't need enemies.

The administration plan for education was described as a 4-year, billion-dollar "shot in the arm" for scientific education. But even as the announcement was being made officials were pointing out that the program wouldn't be limited to science, that it didn't call for school construction but might later be expanded and that the main support of schools would continue to come from State and local governments.

This is the same pitch used to launch every other grant-in-aid program.

What it means is that those who believe in a federally directed, controlled, and administered school system from kindergarten on figure this is the opening wedge they need.

Even as the proposal was made, some Congressmen and educators were complaining that it wasn't nearly enough.

Make no mistake. If this 4-year plan is approved as submitted, it will become a permanent, constantly expanding program

just as every other grant-in-aid project has.

This newspaper has consistently opposed Federal school aid for two major reasons.

First, Government assistance means Government control. Money from Washington is accompanied by orders on how, when, and where to spend it.

Second, in the long run Federal aid costs too much. A community may gain temporary relief, but what is provided for it must also be provided for other cities. Scottsbluff, for example, might receive cash to improve its science department but local taxpayers also would help foot the bill for departments in every high school in the Nation. Long before everyone is satisfied, Scottsbluff would need more and the circle would begin again.

[From the Omaha (Nebr.) World-Herald of January 8, 1958]

AN OASIS

Dr. Harry Burke, the superintendent of the Omaha public schools, is somewhat put out by those who blame the schools for the Nation's scientific shortcomings.

He is particularly displeased, and we think with reason, at those who include the Omaha school system in the general indictment.

Dr. Burke cites facts to show that the local schools have not been blighted by the influences which have lowered standards elsewhere. Omaha grade-school children, he says, test "well above the national norm in basic science understanding." And he is proud of the fact that Omaha high-school students have won the highest places in competition for the best science and math scholarships offered in the United States.

There is no question about the general excellence of the Omaha school system. Dr. Burke and the Omaha teachers have every right to be proud of their high standards and of the fact that they have maintained them in the face of pressures to travel the easier road. This newspaper has said that in the past and hopes to have many occasions to say it in the future.

But to except the Omaha school system does not affect the comments which have been made in these columns and elsewhere concerning the general quality of America's schools.

The oases in the educational desert are few and far between. The watered-down curricula, tens of thousands of college freshmen who have to take noncredit courses in English and math to learn what they should have learned in high school, give evidence of that truth. The need for remedial reading courses at almost all levels, and the general decline of the art of spelling, provide further evidence.

That these shortcomings either do not apply to graduates of the Omaha school system or apply in lesser degree than elsewhere, is a comforting thought for the people of this community. If standards were as high throughout the country as in Omaha, the American people would not be so greatly concerned about their schools.

The truth is that national educational standards have been lowered. In pulling them down, in promoting almost all students regardless of effort or achievement, in adjusting the curriculum to the lowest level of ability, America has made a mistake of which only now it is becoming aware.

Some schoolmen have replied that they have been providing the kind of education the people wanted in this age of ease, and there may be considerable truth in that statement. But these schoolmen erred in assuring the people that a softer curriculum would still produce well-educated youngsters. This was manifestly not true.

[From the Sidney (Nebr.) Telegraph of January 8, 1958]

THERE'S STILL TIME

President Eisenhower, having failed to push through Federal aid to education during past Congressional sessions, now is seizing on Russia's sputnik success to attack the problem from another angle.

The President and his advisers think that Federal Government should get into the education subsidy business, at least to the extent of paying the freight for outstanding students and instructors in the various fields of science. This, of course, is what is known as getting their foot in the door. Once the Federal planners enforce this wedge, there will be no stopping them until Uncle Sam is running the schools, just as he controls everything else where he is the main Santa Claus.

This newspaper has held out irrevocably against Federal aid to education. We are encouraged in this stand by the knowledge many of the men and women whom we respect most in the field of education take the very same stand. Education is a local responsibility and should not be turned over to the bureaucrats.

The contrary argument, of course, is that Russia has proven that to get things done the state must take over the control of all essential industries, all schools, and the private lives of all citizens. This, say the Federal aid enthusiasts, is why Russia sent a sputnik into outer space while America is still floundering.

Maybe so. But we like it our way. Those who think Russia is going to take over the world still have time to book passage and crawl behind the Iron Curtain before it is too late.

[From the Alliance (Nebr.) Times-Herald of January 8, 1958]

MORRISON VIEW DIM OF UNITED STATES AID TO EDUCATION

"When local schools get Federal aid, they're likely to lose the basic American ideal of initiative and imaginative action."

That's the opinion expressed by Public School Superintendent L. E. Morrison, when he spoke to the Kiwanis Club Tuesday night.

"I am a great believer in local control of schools," he said. "I've always been afraid of Federal control with Federal aid to education."

Morrison drew this conclusion after devoting most of this talk to describing the Russian education system which recently has achieved world attention—thanks to sputniks.

RED QUALITY DOUBTED

Russia is turning out some impressive quantities of students, said Morrison, but the quality remains in doubt. He noted that of Russia's 900 higher schools of all types, only 30 are classed as universities. The rest are technical institutes. There are no liberal arts colleges.

Starting at the elementary levels, there is only one curriculum—the state prescribes it—and Russian students have few choices of subjects. Not many of them go far in school, and if they can't "cut the mustard," as the Yankee slang goes, they are sent to trade schools or state farms—or maybe Siberia, who knows?

Students who survive Russian colleges, have a job guaranteed. In fact, they go where the state sends them, like it or not, and they get various privileges denied the common folk.

Top students get Government subsidies, but it's for one purpose—so the student will serve the Soviet motherland.

"Our American educational purpose," said Morrison, "is to give every child equal opportunity."

SALK VERSUS SPUTNIKS

"If we had thought in the years from 1945 to 1957 that putting a satellite into space was most important, I'm convinced America could have done it first. Instead, we developed Salk vaccine and a lot of other wonder drugs."

He said there is cause for concern in the fact Russia spends twice as much of its national income for education than America does.

But Morrison still put his faith in the American system of education—without Federal aid or controls.

[From the York (Nebr.) News-Times of January 9, 1958]

AID TO EDUCATION

The year 1958 will not see a tiresome rerun of the old battles over Federal aid to education. The Eisenhower administration this time has come up with a different proposal which attempts to cover a much wider area.

Russia's lead into science leadership is responsible. It shocked many Americans into sudden awareness of our shortcomings in the field of science.

Some educators, of course, will not be satisfied with the President's \$1-billion program, which also calls for \$600 million from the States. These will undoubtedly feel that the program is not large enough in scope and does not provide a sufficient amount of money.

The proposal to provide money for some 10,000 scholarships is intended to strike at what many term one of our most pressing dilemmas, the failure of thousands of well-qualified young men and women to go on to college to complete such training. They say that lack of funds appears to be the prime reason.

What they don't seem to understand is that today more people are attending a college or university than at any time in the history of the United States. From one end of the Nation to the other, our universities are bulging at the seams, unable to construct new buildings fast enough to adequately provide the necessary space for these increasing numbers.

It has always been our contention that any student can attend a college or university if he or she sincerely has the desire to further his education. If this is the case, then money is of secondary importance. Many young people today are attending colleges without receiving one cent of help from their parents back home.

True, they are forced to hold jobs during the afternoons, evenings, and on weekends, but it has been our experience that those people who must work to provide the expenses for their education most times take their studies in a more serious light and are more responsible citizens when they receive their diploma.

Charles Marshall, president of the Nebraska Farm Bureau, says he has always favored strong, locally controlled schools. "Federal aid disguised under wholesale scholarships will eventually destroy this control of education. Acceptance of this idea is another gain for centralized government."

"While this proposal is supposedly temporary and involves a minimum of Federal control, experience with such programs would indicate that it would do neither. This country cannot afford to let its educational problems get in the position of being solved by political expediency or indoctrination by a centralized government."

Marshall suggested that if additional Federal money is necessary to achieve the level of intellectual ability required in this country, the relationship of the Government to a recipient of Federal money should be one of business. "Maintenance of the principle

that the Government and the recipient are separate free entities is essential."

The Nebraska Farm Bureau president says that a self-help program in which those who need and desire assistance could borrow money and later repay the loan with interest provides a far better arrangement than an outright gift of Federal funds. Under such an arrangement, the money used would be returned to the Government but, more than that, it would strengthen rather than weaken the character of the recipients.

The Nation's foreign-aid program has proved that money alone cannot buy friendship abroad. The same theory is true in this country also. The Government cannot give a youngster a pocketful of money for his education and expect a fully qualified scientist in the end. Money can never solve all the Government's problems.

[From the Blair (Nebr.) Pilot-Tribune of January 11, 1958]

BLAIRITES EXPRESS OPINION—GOVERNMENT PLAN TO SPEND BILLION DOLLARS IN 4 YEARS OPPOSED—KEEP GOVERNMENT OUT OF EDUCATION

Blairites recently surveyed on the matter, have expressed disfavor to the Government's plan calling for a billion-dollar Federal expenditure over 4 years to strengthen education, mainly in the fields of science and mathematics.

The Pilot-Tribune, upon questioning 25 Blairites, including businessmen, day laborers, clerks, and professional men and others on their views, found that—24 opposed and 1 favored the plan.

One part of the program provides for 910,000 college scholarships each year, to be paid entirely by the Federal Government.

The other part, for which the bulk of the money would be spent, would be to improve education on the high-school level. Federal money spent on this project would be matched by the States.

Here are some of the statements made by those interviewed: "Very much opposed," "against anything that goes to Washington and comes back," "absolutely no," "lousy with a capital L."

Another one stated, "The Red sputnik caused a lot of comment. Immediately someone started finding fault with this and that. I think there are many outstanding scientists in America, and many employed by the Government. We have heard very little about the seemingly poor organization within the Government in the handling of our outstanding scientists."

Many expressed the opinion that the States and local school officials could handle the educational problems at a lower cost and much more efficiently.

Many Blair High School graduates, who have attended colleges and universities, have obtained good grades in science and mathematics. One college instructor voiced the opinion that "many Blair graduates are well drilled in the fundamentals of science and mathematics."

Last spring the members of the 1957 Blair graduating class had an outstanding record in tests taken, including the Nebraska Regents test.

[From the Omaha (Nebr.) World-Herald of January 13, 1958]

AN UNCONVINCING CASE

Those who prescribe a billion Federal dollars to remedy the science deficiencies of the Nation's schools are getting less than enthusiastic support from most American taxpayers.

And in spite of the whoops and hurrahs from the National Education Association, a good many teachers and school administrators are outspoken in their doubts and their opposition.

Let's look at the \$200 million which under the administration program would be used for Federal scholarships for bright young people, mostly of scientific bent, who supposedly can't get a college education now.

Many educators say this contention is demonstrably false, that there are scholarships and aid programs in abundance to take care of the 10,000 who would qualify for Federal scholarships. Other educators argue that support of the colleges in the traditional way, by industry, foundations, and private individuals is much to be preferred. And that once the people realize the need, these private funds will be forthcoming and in the needed quantity.

And what about Federal grants-in-aid to school systems, which is the bigger part of Secretary Folsom's proposal?

Two chief objections have been raised.

First, it's foolish to believe the ills of America's school system can be cured by taxing the people, sending the money to Washington, removing part of it for administrative expenses, and then sending it back to the communities from which the money came. And, second, it's dangerous to believe that Washington will keep its hands off local systems, once it begins to send money their way. Experience and logic point in the opposite direction.

These are some of the objections to Federal aid to education. And we have not even touched here upon the serious question of whether another billion should be added to the Federal budget at a time when America's military costs are on a rising curve, the end of which no man can see.

[From the Columbus (Nebr.) Daily Telegram of January 17, 1958]

COMMENTS

(By Mrs. Svea C. Loomis)

Federal aid to education? No, we for one, want to go on record as being opposed to Federal aid to education as proposed by President Eisenhower.

The President has asked Congress to appropriate \$145½ million in the year starting July 1 as an aid to education. He has said that because of existing conditions, he now is substituting the aid program, largely for science education, instead of for school construction that he advocated a year ago.

Part of the program already disclosed provides for 10,000 scholarships a year, and 1,000 or more graduate fellowships a year and an extensive program of matching grants to States to select, guide and train outstanding students, to improve the teaching facilities of science and mathematics and of promoting foreign languages.

We certainly believe in education and more education, but it takes more than money to make an educated boy or girl. In the first place they must have a bent for science or math, as has been proven by some of these young scholars in high schools and in the lower grades, who have had very little training up to date in either subject, and who are building and launching rockets and missiles of their own making.

Just recently, a 15-year-old boy with two of his classmates launched four different missiles in Wyoming. His "master," or biggest rocket, climbed to a height of 5,776 feet; the others were fired to heights of 1,254 feet and 1,294 feet. Evidently the missiles were figments of his own imagination—he may have had some help from a laboratory supervisor, but it shows he was interested in science and would make good along that line. Even some of our outstanding older men who have had little or no formal education along scientific lines seem to be successful scientists.

Yes, we feel scholarships should be given to outstanding students, but they should come from individuals, businesses, and by

big manufacturing concerns and not by Government. The trend now is for banks, businessmen and manufacturers to give scholarships to worthy students in their hometowns. We are sure the Service clubs would get behind a project like this, as well as others.

Let's try out this system first, then if we fall behind, or it doesn't go over, then, and only then, in our opinion, should we call on our Uncle Samuel to help out.

[From the Nebraska City (Nebr.) News-Press of January 28, 1958]

AS TO EDUCATION

"Taking things easy has become part of the American philosophy of life," says Bishop Fulton J. Sheen in one of his recent columns. "But such apathy does not make for greatness. Sixteen out of nineteen civilizations which have disappeared from history have decayed from within. Our country is not in danger only from the active barbarism of the Soviet's ICBM; it is also in danger from the passivity of America's apathy to discipline."

In a recent newspaper column, Dorothy Thompson made this disturbing but probably truthful assertion: "Most American parents do not want their children to be educated. They want them trained for a specific function. They despise 'useless knowledge.' So our high schools are forced to teach everything under the sun, typing, home economics, mechanics, parenthood, and many other things young people once learned at home, in specialized schools, or as apprentices. But a real educational institution is not a job factory."

Cozad, Nebr., has embarked on a useful and unique plan of encouraging young people in mathematics, a subject which even some high school teachers have discouraged. Some of the people of the town have formed an association of citizens and are selling memberships. The money raised will be used to give cash awards to the top 10 mathematics and science students in each of the four high school grades. The money is expected to help the winning students finish their education after high school.

It is pretty good proof that in at least one Nebraska community people are interested in their schools and its students and that it isn't necessary for the Federal Government to do that which is purely a local responsibility and duty.—J. H. S.

Mr. CURTIS. Mr. President, will the distinguished Senator yield?

Mr. HRUSKA. I yield to my colleague.

Mr. CURTIS. I wish to congratulate and commend my distinguished colleague, the senior Senator from Nebraska, for a viewpoint well spoken and certainly one which is sound. The distinguished Senator has rendered a fine service to this body and to our State.

ADJOURNMENT TO MONDAY

Mr. MANSFIELD. Mr. President, pursuant to the order previously entered, I move that the Senate adjourn until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 4 o'clock and 22 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Monday, February 10, 1958, at 12 o'clock meridian.

CONFIRMATION

Executive nomination confirmed by the Senate February 6, 1958:

DEPARTMENT OF THE INTERIOR

Royce Aller Hardy, Jr., of Nevada, to be an Assistant Secretary of the Interior.

HOUSE OF REPRESENTATIVES

THURSDAY, FEBRUARY 6, 1958

The House met at 12 o'clock noon.

Rev. W. J. Spicer, Charleston Methodist Church, Charleston, Ark., offered the following prayer:

O God, our Heavenly Father, who art the creator of all things, the ruler of all life, we give thanks to Thee for all Thy blessings. We are thankful for the rich heritage that is ours.

We pray that Thy blessings will continue to be upon us and our great country because of its peculiar position among nations, that the influence of our Government may be for peace and righteousness among the governments of the world.

We ask divine guidance and direction for those who make our laws, that they may be just and give opportunities to all people.

Grant that each according to his ability and faithfulness may be a coworker with Thee in the building of a fuller and richer life for everyone. Free each one from selfishness and pride that would hinder the leadership of Thy spirit.

Hear us, we pray, in the name of our Master, Teacher, and Lord. Amen.

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

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Ratchford, one of his secretaries.

TWO HUNDRED AND TWENTY-FIFTH ANNIVERSARY OF THE PERMANENT SETTLEMENT OF GEORGIA

The SPEAKER. The Chair recognizes the gentleman from Georgia [Mr. PRESTON].

Mr. PRESTON. Mr. Speaker, I rise to invite the attention of this body to a great event in American history which took place just 225 years ago.

On February 12, 1733, Gen. James Edward Oglethorpe and a band of 120 courageous followers landed at Yamacraw Bluff on the Savannah River to establish a permanent settlement which marked the beginning of the great State of Georgia and the thriving port city of Savannah.

Georgia, you will recall, prospered under God's divine hand to become the youngest of the Thirteen Original Colonies and has since developed into truly the Empire State of the South.

Time does not permit a detailed recital of the great contributions that Georgia has made to this Union but everyone who has read American history knows that from the time of Oglethorpe, Georgia's sons and daughters have contributed mightily to the development and growth of our country.

Gen. Lachlan McIntosh served with Washington at Valley Forge and among the signers of the Declaration of Inde-

pendence were three Georgia delegates: Button Gwinnett, Lyman Hall, and George Walton. William H. Crawford of Georgia served in the early Congresses and was Secretary of the Treasury under both President Madison and President Monroe.

Alexander H. Stephens, who incidentally was a close personal friend of Abraham Lincoln whose birthday is this month, was an outstanding Member of this body for many years, and became Vice President of the Confederacy when war breached the Union in 1861.

Benjamin Harvey Hill distinguished himself by service in both the House and Senate in the troubled times that followed the War Between the States. James Moore Wayne, a native of Savannah, once represented in this House the same district which it is my honor to serve, and later achieved distinction as a member of the Supreme Court of the United States.

Indeed, the list of Georgia statesmen is too lengthy to recall at this time. But all of you remember the gifted pen and golden voice of Henry W. Grady, who was called the spokesman for the new South in the years following the War Between the States.

A Georgia physician, Dr. Crawford W. Long, was the discoverer of the anesthesia that has eased the suffering of so many millions of mankind.

Georgia was the first State to charter a State university, and my State gave to the world in Wesleyan College the first institution of higher learning for women.

It was from the port of Savannah that the first steamship, appropriately named *Savannah*, sailed the Atlantic Ocean and in that city was founded by Juliette Gordon Low the Girl Scouts of America which organization has left its blessed imprint on the lives of millions of young American women.

Mr. Speaker, I will not trespass further upon the valued time of this body, but I did want to recall to you a few brief highlights of my State on this, the 225th anniversary of the day that Oglethorpe and his brave followers landed on the bank of the Savannah River to establish the settlement which was destined to become the Sovereign State of Georgia.

FINAL REPORT OF THE ADVISORY COMMITTEE ON WEATHER CONTROL—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

Pursuant to the provisions of section 10 of the act of August 13, 1953 (Public Law 256, 83d Cong.), as amended, I hereby transmit the final report of the Advisory Committee on Weather Control.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, February 6, 1958.

REPORT OF ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION FOR 1957—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 326)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Public Works and ordered to be printed, with illustrations:

To the Congress of the United States:

Pursuant to the provisions of section 10 of Public Law 358, 83d Congress, I transmit herewith for the information of the Congress the report of the St. Lawrence Seaway Development Corporation, covering its activities for the year ended December 31, 1957.

DWIGHT D. EISENHOWER.
THE WHITE HOUSE, February 6, 1958.

SUPPLEMENTAL MILITARY CONSTRUCTION AUTHORIZATION ACT

Mr. VINSON. Mr. Speaker, I call up the conference report on the bill (H. R. 9739) to authorize the Secretary of the Air Force to establish and develop certain installations for the national security, and to confer certain authority on the Secretary of Defense, and for other purposes, and 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 Georgia?

Mr. GROSS. Mr. Speaker, reserving the right to object, the gentleman will take some time to explain the conference report?

Mr. VINSON. I shall, with pleasure.

Mr. GROSS. Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. VINSON. Mr. Speaker, I ask unanimous consent that we may dispense with the reading of the statement.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1329)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9739) to authorize the Secretary of the Air Force to establish and develop certain installations for the national security, and to confer certain authority on the Secretary of Defense, 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 House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That the Secretary of the Air Force may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or in-

stalling permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment, for the following projects: *Provided*, That with respect to the authorizations pertaining to the dispersal of the Strategic Air Command Forces, no authorization for any individual location shall be utilized unless the Secretary of the Air Force or his designee has first obtained, from the Secretary of Defense and the Joint Chiefs of Staff, approval of such location for dispersal purposes.

"SEMI-AUTOMATIC GROUND ENVIRONMENT SYSTEM (SAGE)

"Grand Forks Air Force Base, Grand Forks, North Dakota: Administrative facilities, \$270,000.

"K. I. Sawyer Airport, Marquette, Michigan: Administrative facilities, \$277,000.

"Larson Air Force Base, Moses Lake, Washington: Utilities, \$50,000.

"Luke Air Force Base, Phoenix, Arizona: Operational and training facilities, and utilities, \$11,582,000.

"Malmstrom Air Force Base, Great Falls, Montana: Operational and training facilities, and utilities, \$6,901,000.

"Minot Air Force Base, Minot, North Dakota: Operational and training facilities, and utilities, \$10,338,000.

"Norton Air Force Base, San Bernardino, California: Utilities, \$172,000.

"Syracuse Air Force Station, Syracuse, New York: Troop housing facilities, \$80,000.

"BALLISTIC MISSILE DETECTION SYSTEM

"Various locations: Operational and training facilities, maintenance and production facilities, research, development, and test facilities, supply facilities, hospital and medical facilities, administrative facilities, housing and community facilities, utilities, land acquisition, and ground improvements, \$189,000,000.

"BALLISTIC MISSILES

"Various locations: Operational and training facilities, maintenance and production facilities, research, development, and test facilities, supply facilities, hospital and medical facilities, administrative facilities, housing and community facilities, utilities, land acquisition, and ground improvements, \$112,400,000.

"ALERT AND DISPERSAL OF STRATEGIC AIR COMMAND FORCES

"Ellsworth Air Force Base, Rapid City, South Dakota: Operational and training facilities, \$3,194,000.

"Fairchild Air Force Base, Spokane, Washington: Operational and training facilities, \$1,461,000.

"Grand Forks Air Force Base, Grand Forks, North Dakota: Operational and training facilities, and utilities, \$895,000.

"Griffiss Air Force Base, Rome, New York: Operational and training facilities, and utilities, \$664,000.

"Larson Air Force Base, Moses Lake, Washington: Operational and training facilities, \$2,603,000.

"Lockbourne Air Force Base, Columbus, Ohio: Operational and training facilities, and utilities, \$1,089,000.

"Loring Air Force Base, Limestone, Maine: Operational and training facilities, \$1,524,000.

"Malmstrom Air Force Base, Great Falls, Montana: Operational and training facilities, \$872,000.

"Minot Air Force Base, Minot, North Dakota: Operational and training facilities, and utilities, \$867,000.

"Mountain Home Air Force Base, Mountain Home, Idaho: Operational and training facilities, and utilities, \$4,380,000.

"Offutt Air Force Base, Omaha, Nebraska: Operational and training facilities, and utilities, \$690,000.

"Peace Air Force Base, Portsmouth, New Hampshire: Operational and training facilities, and utilities, \$1,668,000.

"Plattsburg Air Force Base, Plattsburg, New York: Operational and training facilities, and utilities, \$1,116,000.

"Westover Air Force Base, Chicopee Falls, Massachusetts: Operational and training facilities, and utilities, \$2,368,000.

"Eglin Air Force Base, Valparaiso, Florida: Operational and training facilities, maintenance and production facilities, supply facilities, and utilities and ground improvements, \$8,958,000.

"Glasgow Air Force Base, Glasgow, Montana: Operational and training facilities, maintenance and production facilities, supply facilities, housing and community facilities, and utilities, \$29,644,000.

"Kinross Air Force Base, Sault Sainte Marie, Michigan: Operational and training facilities, supply facilities, housing and community facilities, and utilities, \$23,762,000.

"K. I. Sawyer Airport, Marquette, Michigan: Operational and training facilities, supply facilities, housing and community facilities, and utilities, \$27,233,000.

"Robins Air Force Base, Macon, Georgia: Operational and training facilities, maintenance and production facilities, supply facilities, and utilities, \$3,667,000.

"Wright-Patterson Air Force Base, Dayton, Ohio: Operational and training facilities, maintenance and production facilities, supply facilities, utilities, and ground improvements, \$22,632,000.

"Wurtsmith Air Force Base, Oscoda, Michigan: Operational and training facilities, maintenance and production facilities, supply facilities, housing and community facilities, and utilities, \$22,349,000.

"Clinton County Air Force Base, Wilmington, Ohio: Operational and training facilities, maintenance and production facilities, supply facilities, housing and community facilities, and utilities, \$8,776,000.

"Dover Air Force Base, Dover, Delaware: Operational and training facilities, maintenance and production facilities, supply facilities, and utilities, \$4,715,000.

"Ernest Harmon Air Force Base, Stephenville, Newfoundland: Operational and training facilities, and maintenance and production facilities, \$2,217,000.

"Goose Air Base, Labrador: Operational and training facilities, and maintenance and production facilities, \$2,007,000.

"McChord Air Force Base, Tacoma, Washington: Operational and training facilities, supply facilities, and utilities, \$4,995,000.

"McGuire Air Force Base, Wrightstown, New Jersey: Operational and training facilities, maintenance and production facilities, supply facilities, housing and community facilities, and utilities, \$6,979,000.

"Otis Air Force Base, Falmouth, Massachusetts: Operational and training facilities, maintenance and production facilities, and utilities, \$7,079,000.

"Selfridge Air Force Base, Mount Clemens, Michigan: Operational and training facilities, maintenance and production facilities, supply facilities, and utilities, \$17,487,000.

"Various locations: Land acquisition as required for the stations listed above, \$2,709,000.

"Sec. 2. The Secretary of the Air Force may proceed to establish or develop installations and facilities under this Act without regard to sections 3648 and 3734 of the Revised Statutes, as amended, and sections 4774 (d) and 9774 (d) of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended, and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

"Sec. 3. There are authorized to be appropriated such sums as may be necessary for the purposes of sections 1 and 2 of this Act but appropriations for public works projects authorized by those sections may not exceed \$549,670,000.

"Sec. 4. Whenever—

"(1) the President determines that compliance with section 2313 (b) of title 10, United States Code, for contracts made under this Act for the establishment or development of military installations and facilities in foreign countries would interfere with the carrying out of this Act; and

"(2) the Secretary of Defense and the Comptroller General have agreed upon alternative methods for adequately auditing those contracts; the President may exempt those contracts from the requirements of that section.

"Sec. 5. Contracts made by the United States under this Act shall be awarded, insofar as practicable, on a competitive basis to the lowest responsible bidder, if the national security will not be impaired and the award is consistent with chapter 137 of title 10, United States Code, and section 15 of the Act of August 9, 1955 (69 Stat. 547, 551). The Secretary of the Air Force shall report semi-annually to the President of the Senate and the Speaker of the House of Representatives with respect to all contracts awarded on other than a competitive basis to the lowest responsible bidder.

"Sec. 6. Any of the amounts named in section 1 of this Act may, in the discretion of the Secretary of the Air Force, be increased by 15 per centum. However, the total cost of all projects may not be more than the total amount authorized to be appropriated by section 3 of this Act.

"Sec. 7. The Secretary of Defense or his designee is authorized to engage in such advanced projects essential to the Defense Department's responsibilities in the field of basic and applied research and development which pertain to weapons systems and military requirements as the Secretary of Defense may determine after consultation with the Joint Chiefs of Staff; and for a period of one year from the effective date of this act, the Secretary of Defense or his designee is further authorized to engage in such advanced space projects as may be designated by the President.

"Nothing in this provision of law shall preclude the Secretary of Defense from assigning to the military departments the duty of engaging in research and development of weapons systems necessary to fulfill the combatant functions assigned by law to such military departments.

"The Secretary or his designee is authorized to perform assigned research and development projects: by contract with private business entities, educational or research institutions, or other agencies of the Government, through one or more of the military departments, or by utilizing employees and consultants of the Department of Defense.

"The Secretary of Defense shall assign any weapons systems developed to such military department or departments for production and operational control as he may determine."

And the Senate agree to the same.

CARL VINSON,
OVERTON BROOKS,
PAUL J. KILDAY,
CARL T. DURHAM,
LESLIE C. ARENDS,
L. H. GAVIN,

Managers on the Part of the House.

RICHARD B. RUSSELL,
JOHN STENNIS,
HENRY M. JACKSON,
LEVERETT SALTONSTALL,
FRANCIS CASE,

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. 9739) to authorize certain construction at military installations, 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:

On January 15, 1958, the House of Representatives passed H. R. 9739, which was a supplement to the fiscal year 1958 military construction and authorization for the Department of the Air Force. On January 30, 1958, the Senate passed H. R. 9739, amended.

The differences and the action agreed upon by the conferees are as follows:

ACTION BY THE SENATE

The Senate Armed Services Committee struck all language after the enacting clause of the House bill and substituted its own language.

This action by the Senate did not affect any of the line items of the House bill; they remain in identical form. The Senate did, however, vary in important respects the language introductory to the line items. As the bill passed the House, the introductory language in section 1 was similar to language contained in each of the first three titles of the military construction bill each year. This language always has application to all of the line items which follow it.

The change made by the Senate to the House language was made applicable to all of the line items following it excepting those relating to "the dispersal of the Strategic Air Command forces." With respect to these particular line items, the Senate language required that, prior to the use of the authorization granted for these items, the Secretary of the Air Force or his designee should first obtain from the Secretary of Defense and the Joint Chiefs of Staff approval of the locations which would be used for such dispersal. The language further provided that if such approval were not forthcoming, the Secretary of the Air Force with the approval of the Secretary of Defense and the Joint Chiefs of Staff might utilize any "heretofore authorized base or location" and should have "the authority to reprogram available authorizations" to these other bases.

PRIOR STUDY

During the conference, the House conferees argued that since the selection of the dispersal bases had been made only after extended study, these bases, and only these, should be the ones utilized for dispersal. The House conferees in support of this position stated that any other course, that is a restudy of the dispersal bases, would remove from the legislation the high element of emergency which had been stressed by the Department of Defense from the time the bill was submitted to the Congress. The House conferees further felt that the use of any bases other than currently active ones would involve very large additional expenditures in order to place them in a condition adequate to support the heavy bombers to be placed on these bases. The House position, therefore, was based on these two important elements: Speed and economy.

The conferees agreed that only the first of the two steps contemplated by the Senate amendment should be taken. That is to say, that latitude should be provided for a review of the bases selected for SAC (bomber) dispersal. The conferees, however, also agreed that should the approval of the Secretary of Defense and the Joint Chiefs of Staff not be obtained with respect to one or more of these bases, the authorities granted in the bill could not be utilized at

any other base, whether "heretofore authorized" or not.

The action taken to effect this change was to strike from the bill the following language:

"In the event dispersal locations other than those indicated in this act are considered to be in the best interest of the Nation's overall strategic dispersal plan, the Secretary of the Air Force with the approval of the Secretary of Defense and the Joint Chiefs of Staff may utilize any heretofore authorized base or location and shall have the authority to reprogram available authorizations and acquire such adjoining lands as are required to establish the essential facilities."

The paragraph immediately preceding the above-quoted portion also was modified in such fashion as to clarify the intent of the Senate amendment.

SECTION 7

The bill as it passed the House contained a section 7 which authorized the Secretary of Defense to establish within the Department of Defense the Advanced Research Projects Agency. The Senate version of the bill contains no reference whatsoever to the Advanced Research Projects Agency.

It should be pointed out that the House committee had no knowledge of the intention of the Secretary of Defense to establish the Advanced Research Projects Agency until he appeared before the committee in connection with a defense investigation which the House committee has been carrying on but which does not relate directly to H. R. 9739. During Mr. McElroy's appearance before the committee, he presented a statement, a portion of which read as follows:

"Such long-range programs as the anti-missile-missile and the military-satellite programs are in the research and exploratory development stages. They are important and must be pursued, but they must not distract us from the speedy development of our other missile systems. To handle them, I am establishing within the Department of Defense an Advanced Research Projects Agency, which will be responsible to the Secretary of Defense for the unified direction and management of the anti-missile-missile program and for outer-space projects. I would expect to assign other special projects of this nature to this Agency from time to time in the future."

The statement went on to indicate in general terms the manner in which the Agency would function. The House committee expressed the doubt that the Secretary of Defense had authority for the establishment of this Agency. The House committee felt, however, that an agency such as that described by the Secretary could perform an important function and, therefore, the committee proceeded to write into the bill language which would grant specific authority to the Secretary of Defense to establish the Agency.

The importance of providing such authority was rendered even more evident by the fact that the House version of the appropriation bill (H. R. 10146) provided for the granting of funds to this Agency on the apparent supposition that the House authorizing language would remain in the construction bill (H. R. 9739).

The differences between the House and Senate versions were resolved through the insertion of language which would grant the authorities needed by the Secretary of Defense to perform the important research and development functions relating to antimissile-missile, satellite, and outer-space projects without, however, and the committee wishes to render this entirely clear, establishing an agency within the Department of

Defense or in the Office of the Secretary of Defense.

The language agreed upon at the conference is as follows:

"The Secretary of Defense or his designee is authorized to engage in such advanced projects essential to the Defense Department's responsibilities in the field of basic and applied research and development which pertain to weapons systems and military requirements as the Secretary of Defense may determine after consultation with the Joint Chiefs of Staff; and for a period of 1 year from the effective date of this act, the Secretary of Defense or his designee is further authorized to engage in such advanced space projects as may be designated by the President.

"Nothing in this provision of law shall preclude the Secretary of Defense from assigning to the military departments the duty of engaging in research and development of weapons systems necessary to fulfill the combatant functions assigned by law to such military departments.

"The Secretary or his designee is authorized to perform assigned research and development projects: by contract with private business entities educational or research institutions, or other agencies of the Government, through one or more of the military departments, or by utilizing employees and consultants of the Department of Defense.

"The Secretary of Defense shall assign any weapons systems developed to such military department or departments for production and operational control as he may determine."

In this connection, the conferees also felt that the position taken by the General Counsel of the Department of Defense that the Secretary of Defense had authority to establish the Advanced Research Projects Agency was subject to question, as were some of the collateral views which he expressed in this same general connection. It should be understood, of course, that, were it the desire of the Congress, such an agency could be created within the Department by enactment of appropriate legislation.

It is pointed out that the foregoing references to antimissile missile, satellite, and outer-space projects refer to, and are intended to be restricted to, weapons systems and military requirements generally considered essential to the overall mission of the Department of Defense. It is pointed out also that there is an exception to the requirement that the activities of the Secretary of Defense in this respect be restricted to weapons systems and military requirements, and that is that portion of the agreed language which reads as follows: "and for a period of 1 year from the effective date of this act, the Secretary of Defense or his designee is further authorized to engage in such advanced space projects as may be designated by the President."

This added temporary authorization is included in order to insure that such projects as the Vanguard may continue uninterrupted for the time being.

COMPETITIVE BIDS

While not a matter of disagreement between the House and Senate versions of the bill, the House conferees want to give their wholehearted endorsement to that portion of the Senate report which in referring to the competitive bid procedure for contracting reads as follows:

"It is the intent of the committee that unless the national security will be impaired, the award of contracts for construction of ballistic missile detection sites on the North American Continent shall be made on a competitive bid basis to the lowest responsible bidder."

Both the House and Senate conferees feel that the competitive-bid procedure cannot be

too strictly adhered to notwithstanding the fact that in the field of military construction, generally, there is less cause for complaint than in any of the other procurement fields.

CARL VINSON,
OVERTON BROOKS,
PAUL J. KILDAY,
CARL T. DURHAM,
LESLIE C. ARENDS,
L. H. GAVIN,

Managers on the Part of the House.

Mr. VINSON. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, the House passed H. R. 9739, the supplementary construction bill for the Air Force, on January 15. The Senate passed this bill on January 30.

There were two major areas of difference between the two bills and I would like to describe these and the results of the conference held between the House and the Senate.

The first area of difference related to the dispersal of the heavy bombers of the Strategic Air Command. In the House version of the bill, the particular bases—seven of them—were specifically named. I would like to point out that these bases were not pinpointed when the bill was first presented to the committee, but we made the Air Force rewrite the bill so as to show the exact bases at which the construction was to be performed.

In the Senate version of the bill, the bases were also specifically named. But the Senate language provided that these particular seven bases should receive another review by the Secretary of Defense and the Joint Chiefs of Staff. If the Secretary of Defense and the Joint Chiefs did not agree that these were the proper bases on which to disperse our B-52's, then the Air Force, with the approval of the Secretary and the Joint Chiefs, could disperse these bombers to any other base in the United States.

The Armed Services Committee knew that these bases had been selected only after an extended study by the Air Force and felt that any further study was not only unnecessary but would remove from the legislation the overriding element of emergency which the Department of Defense and the Air Force stressed so strongly when the bill was presented.

In the conference, the House conferees adhered most strongly to the House position and removed the language which would have permitted the selection of bases other than the named ones. The House conferees did allow language to remain in the bill which will require the Secretary of Defense and the Joint Chiefs to take another look at the bases chosen, but there is no authority in the agreed language which will permit any base other than the named ones to be used.

I would like to read the language agreed upon at this point:

That the Secretary of the Air Force may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment, for the following projects: *Provided*, That with respect to the authorizations pertaining to the dispersal of the Strategic Air Command forces, no authorization

for any individual location shall be utilized unless the Secretary of the Air Force or his designee has first obtained, from the Secretary of Defense and the Joint Chiefs of Staff, approval of such location for dispersal purposes.

The other area of disagreement related to the establishment of the Advanced Research Projects Agency by the Secretary of Defense.

A little background on this portion of the bill is necessary, I think. When Secretary McElroy appeared before the Armed Services Committee in connection with the investigation which the committee is now carrying on, he said that he intended to set up an Advanced Research Projects Agency which would deal with research in the field of advanced space projects and other related matters.

At that time, the House version of the appropriations bill contained language which appropriated money to that Agency.

The Armed Services Committee expressed some doubt as to whether the Secretary of Defense could establish an agency within his office which would have the authority to make contracts and engage generally in procurement. The Secretary was relying on the opinion of his General Counsel that he did have the authority to establish this Agency with such powers.

The House committee felt that the idea of such an agency was a sound one notwithstanding its doubt as to whether proper authority existed for the Secretary to set it up with the powers I have described. On this basis, the committee wrote in language authorizing the Secretary to establish the Agency and defining the powers which could be exercised by the Secretary in connection with it. The Senate version of the bill deleted all reference to the Agency.

The language agreed to by the conferees grants the Secretary of Defense all the authority he requires to carry on functions relating to basic and applied research and development pertaining to weapons systems and military requirements in this area. The language of this section of the bill is printed in the RECORD for today. You will find it as section 7 at the end of the bill printed in the RECORD.

Let me read section 7:

The Secretary of Defense or his designee is authorized to engage in such advanced projects essential to the Defense Department's responsibilities in the field of basic and applied research and development which pertain to weapons systems and military requirements as the Secretary of Defense may determine after consultation with the Joint Chiefs of Staff; and for a period of 1 year from the effective date of this act, the Secretary of Defense or his designee is further authorized to engage in such advanced space projects as may be designated by the President.

Nothing in this provision of law shall preclude the Secretary of Defense from assigning to the military departments the duty of engaging in research and development of weapons systems necessary to fulfill the combatant functions assigned by law to such military departments.

The Secretary or his designee is authorized to perform assigned research and development projects: By contract with private business entities, educational or research institutions, or other agencies of the Government, through one or more of the military departments, or by utilizing employees and consultants of the Department of Defense.

The Secretary of Defense shall assign any weapons systems developed to such military department or departments for production and operational control as he may determine.

Now, it is clear from the reading of this section that the principle of the House language has been maintained. It is equally clear that the language in section 7 does not create a statutory office. It merely gives the Secretary of Defense certain powers. If he wants to exercise these powers within the framework of an Advanced Research Projects Agency or any other agency, he has the administrative authority to do it, now that we, by law, have given him the authority to contract "with private business entities, educational or research institutions," and so forth.

His establishment of an agency would not increase his powers one bit. The powers are the picture, and an agency is merely the frame. In fact, the Secretary told me yesterday that he proposed to set up an agency, and I think this is an efficient way to get the job done.

The following is a letter dated February 4, 1958, from the Secretary of Defense and its attachment, a directive proposed to be issued by him:

THE SECRETARY OF DEFENSE,
Washington, February 4, 1958.

HON. CARL VINSON,
Chairman, House Armed Services Committee, Washington, D. C.

DEAR MR. CHAIRMAN: Pursuant to section 202 (c) (5) of the National Security Act of 1947, as amended, I report the proposed issuance of a directive, attached as tab A, relating to the organization of the Department of Defense.

The directive establishes the Advanced Research Projects Agency within the Department of Defense, with responsibility for the unified direction and management of certain advanced research and development projects. Upon the appointment of the Director, it is proposed to transfer to the Agency the direction of the antimissile missile project and certain outer space projects. It is expected that in the future other special projects of this nature would be assigned to this Agency.

The Agency will not be expected to take over research and development of weapons systems which fall clearly within the mission of any one of the military departments. It is contemplated that programs assigned to the Agency will be developed in full coordination with the military departments to the point where they are approaching operational capability so that they may be phased into the operation of one or more of the military services with no loss of time or interruption of development and production.

Sincerely,

NEIL H. McELROY.

DEPARTMENT OF DEFENSE DIRECTIVE—DEPARTMENT OF DEFENSE ADVANCED RESEARCH PROJECTS AGENCY

I. PURPOSE

The purpose of this directive is to provide within the Department of Defense an agency for the direction and performance of certain advanced research and development projects.

II. RESPONSIBILITY AND AUTHORITY

A. Establishment: In accordance with the provisions of the National Security Act of 1947, as amended, and Reorganization Plan No. 6 of 1953, there is established in the Office of the Secretary of Defense the Department of Defense Advanced Research Projects Agency. The Agency will be under the direction of the Director of Advanced Research Projects.

B. Responsibility: The Agency shall be responsible for the direction or performance of such advanced projects in the field of research and development as the Secretary of Defense shall, from time to time, designate by individual project or by category.

C. Authority: Subject to the direction and control of the Director:

1. The Agency is authorized to direct such research and development projects being performed within the Department of Defense as the Secretary of Defense may designate.

2. The Agency is authorized to arrange for the performance of research and development work by other agencies of Government, including the military departments, as may be necessary to accomplish its mission in relation to projects assigned.

3. The Agency is authorized to enter into contracts and agreements with individuals, private business entities, educational, research, or scientific institutions including Federal or State institutions.

4. The Agency is authorized to acquire or construct such research, development and test facilities and equipment as may be approved by the Secretary of Defense, in accordance with applicable statutes. However, existing facilities of the Department of Defense shall be utilized to the maximum extent practicable.

III. ORGANIZATION

A. The Director of Advance Research Projects shall report to the Secretary of Defense.

B. The Department of Defense Advanced Research Projects Agency shall be provided such personnel and administrative support as may be approved by the Secretary of Defense.

C. Other officers and agencies of the Office of the Secretary of Defense within their respective areas of responsibility shall provide support to the Director of the Advanced Research Projects Agency as may be necessary for him to carry out his assigned functions.

IV. EFFECTIVE DATE

This directive is effective immediately.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman with pleasure.

Mr. GROSS. I want to commend the gentleman from Georgia and the conferees on the part of the House and the other body for not creating a new statutory agency at this time.

Mr. VINSON. I thank the gentleman.

Mr. GROSS. If the reorganization at the Pentagon, about which we hear so much, means anything, it should bring about the abolition of some agencies. I hope the gentleman's committee will give close attention to that.

Mr. VINSON. I want to say to the gentleman and to the House that, as you know, the Committee on Armed Services now is conducting an investigation of the entire Department of Defense under authority granted House Resolution 67.

The full committee has been broken down into six subcommittees and I have designated one subcommittee to be known as the Subcommittee on Reorganization. I have selected our distinguished colleague from Texas [Mr. KILDAY] as

chairman of that subcommittee, and I think when we make our report to the House, everyone will conclude that we have done an outstanding job in trying to eliminate bottlenecks and to streamline the Department for efficient management.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. VINSON. With pleasure.

Mr. GROSS. I think the gentleman will agree with me that we are being overridden with agencies, advisory boards, advisory committees, advisory commissions and so on and so forth. I hope the gentleman's committee will do what it can to eliminate some of them in the Defense Establishment.

Mr. HARDY. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. HARDY. Mr. Speaker, I wish our distinguished chairman would comment whether there is any construction of this language in the conference report which might give to the Secretary of Defense authority to contract with reference to any matter which is not specifically spelled out.

Mr. VINSON. The contracting authority, as I interpret the language, has relation to basic and applied research and development that fall within the provisions of section 7.

Mr. HARDY. We specifically give him authority in this language to enter into contracts for these purposes and these purposes only; is that not correct?

Mr. VINSON. If I may repeat this statement, which I have prepared with great care because I want the record to be clear on it:

It is equally clear that the language in section 7 does not create a statutory office. It merely gives the Secretary of Defense certain powers. If he wants to exercise these powers within the framework of an Advanced Research Projects Agency or any other agency, he has the administrative authority to do it, that we, by law, have given him the authority to contract with private business entities, education, or research institutions.

Mr. HARDY. Mr. Speaker, then there is only this specific authority and there is no authority elsewhere for the Secretary of Defense to enter into contracts for other purposes; is that not correct?

Mr. VINSON. That is the construction I put upon section 7.

Mr. HARDY. I did want that to be clearly understood that that was the intent of the committee, and I hope the intent of the Congress. I thank the distinguished chairman.

Mr. VINSON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to. A motion to reconsider was laid on the table.

Mr. VINSON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a letter.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

**EXTENSION OF PUBLIC LAW 480—
REINSTATEMENT OF THE BARTER
PROGRAM**

Mr. COOLEY. 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 North Carolina?

There was no objection.

Mr. COOLEY. Mr. Speaker, I take this occasion to call to the attention of the House a bill (H. R. 10487) extending and expanding the operations under Public Law 480, which I introduced on Tuesday last and which is now available either from the document room or from the Committee on Agriculture. Section 1 of this bill extends title I and title II of Public Law 480 for an additional year. It also authorizes the sale of an additional \$1,500,000,000 worth of surpluses under the provisions of title I. These provisions are the same as the recommendations made by the administration and are also the same as the bill introduced at the opening of this session of Congress by the gentleman from Mississippi, Congressman ABERNETHY, a member of the Committee on Agriculture.

Section 2 of the bill is the part to which I specifically invite the attention of the House. This section would direct the Secretary of Agriculture to reinstate the barter program for surplus commodities on substantially the basis that Congress had in mind when the augmented authority and directive for this barter program was enacted as part of Public Law 480 in 1954.

As a result of that legislation, the Department of Agriculture has exported almost \$880 million worth of agricultural surplus in the period between July 1, 1954, and May of 1957. This compares to an average of only about \$20 million worth of commodities a year which had been bartered in the 5 years previous to the enactment of this provision in the 1954 law.

It is important to remember that these \$880 millions worth of agricultural commodities have not been given away. They have not been sold for foreign currency. They have not been sold at bargain prices nor on credit. These commodities have been disposed of at the going world market price for agricultural commodities and in return for them we have received not credit nor foreign currencies but materials such as chrome, manganese, industrial diamonds, and other materials which are not only of strategic importance to this country but which will retain or even increase their value as they are kept in our national stockpile.

In May of 1957 the Department of Agriculture revised its barter program and policies. The effect of that revision was to put an end to this highly successful barter program and it was intended for that purpose. This change in policy has effectively killed the barter program. Since the revision of policy in May 1957 the total amount of barter contracts entered into is only about \$3 million.

The only reason given by the Department of Agriculture for the arbitrary decision to terminate a highly successful program directed by the Congress was that it felt that it was interfering with cash sales of agricultural surpluses. The Department has persisted in this attitude in spite of the fact that in the course of rather extensive hearings conducted by the committee on this subject and in the course of discussions with members of the committee and the committee staff since that time, Department officials have not been able to point to one single instance anywhere in the world where they can say that a barter sale has displaced cash sales of these surplus commodities.

FOREIGN AID

Mr. PASSMAN. 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 Louisiana?

There was no objection.

Mr. PASSMAN. Mr. Speaker, there is going to be an unusual program in Washington on February 25. There will be representatives of 300 different organizations here, lobbying for foreign aid. It will be the day of brotherly love. President Dwight Eisenhower, former President Harry Truman, the Honorable Dean Acheson, the Honorable Adlai Stevenson, Secretary John Foster Dulles, and other distinguished public figures will speak on the program and, no doubt, will be sipping from the same cup. I regret that I do not have about 10 minutes in which to talk on that program. If the foreign-aid program has deteriorated to the point where it is necessary to lobby to such an extent and to bring in representatives of 300 different organizations to attempt to justify it, then in all probability it would be better to suspend it entirely for a year and permit more Members of Congress to make investigations similar to the one I made last year. I have no doubt that the majority of the Members' conclusions, following such investigations, would closely correspond to those which I have reached. In my remarks on the foreign-aid program from the floor of the House next Tuesday, I shall ask the question as to who is underwriting the expenses for the appearance here of these lobbyists from some 300 organizations, most of whom are not nearly so well informed concerning the subject for discussion as are the majority of my listeners here today.

**SUPPLEMENTAL APPROPRIATION
FOR THE DEPARTMENT OF DE-
FENSE**

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10146) making supplemental appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill. The Clerk read the Senate amendments, as follows:

Page 2, strike out line 3.

Page 2, strike out all after line 3 down to and including "Defense" in line 10, and insert:

"SALARIES AND EXPENSES

"The Secretary of Defense is authorized to transfer not exceeding \$10 million, to remain available until expended from any appropriation available to the Department of Defense for the current fiscal year for such advanced research projects as he may designate and determine."

Page 2, line 19, strike out "this Agency" and insert "advanced research."

Page 5, lines 5 and 6, strike out "within the Advanced Research Projects Agency."

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. MAHON]?

Mr. WIGGLESWORTH. Mr. Speaker, reserving the right to object, and I shall not object, will the gentleman explain briefly just what these amendments do?

Mr. MAHON. Mr. Speaker, in agreeing to the Senate amendments on this bill, the Committee on Appropriations is following the action of the House in agreeing to the conference report on the authorization bill that has just been presented by the gentleman from Georgia, chairman of the Committee on Armed Services.

The Senate language relating to the so-called advanced projects research activities is in keeping with the language in the conference report just adopted. The language recommended and carried in the House version of this bill (H. R. 10146), was based upon the language for the Advanced Research Project Agency wording in H. R. 9739 as it passed the House. Since this language has been changed, the Committee on Appropriations has no alternative but to follow the lead of the House in agreeing to the language in the authorization act as now approved.

A further word. It must be clearly understood by the Department of Defense, however, that in agreeing to the Senate language as contained in H. R. 10146 the Committee on Appropriations will insist that the so-called supergrades and professional personnel authorized by this act be placed in positions directly concerned with the advanced research and space program activities authorized by H. R. 9739. The committee will expect the Secretary of Defense to submit a report in connection with the assignment of these super grades and positions in connection with the hearings on the 1959 budget estimate for the advanced research projects activities.

Mr. Speaker, to go further with reference to this problem of the conquest of space I should say it appears that there is considerable confusion in the Government as to just who is going to handle our growing and urgent programs for the conquest of space. The supplemental budget estimate submitted by the President on January 7, 1958, was based on the Department of Defense being responsible for these programs, specifically those programs having to do with defense. Now we find that the President

is having a special study made to determine "the type of structure we may need to set up in the field of outer space—as to where it will be in the overall structure of the Government."

This seems to be contradictory to the programs that were in operation at the time the supplemental appropriation bill was approved by the House. Never have the words of the House committee report accompanying the bill and submitted on January 21, 1958, been more appropriate.

The need for clear-cut and coordinated programs in the research and development phases of advanced science programs has been obvious for some time. The lack of effective direction and coordination has undoubtedly contributed to the inability of the Department to go forward as rapidly as necessary in these important areas. These same deficiencies have contributed to the inefficient use of funds.

Clear-cut and coordinated programs in this field must be formulated and implemented at once if slowdowns in vital areas of defense are to be averted.

This is no time for slowdowns in the contest for the weapons of the future, particularly in view of the fact that we are behind in these areas. As has been stated many times in the past this committee offers its fullest cooperation.

I hope that somewhere, somebody in the Government will decide what is needed so that we can cut out the red-tape and confusion and get on with the work.

I also hope that we will not attempt to so divorce space projects from our necessary military efforts that we will lag behind as we did in the space satellite program.

I do not underestimate the magnitude of the decisions that are required or the difficulties involved. Our weakness in the past has often been a result of lack of decisions. Now is the time to watch our step if we are to avoid a repetition of recent mistakes.

Mr. WIGGLESWORTH. Mr. Speaker, all that is before the House at this time is a change in language between the two versions of this appropriation bill. I am not going to discuss any other aspect at this time, except to state that I am confident that every effort will be made to alleviate the programs referred to as rapidly as possible and to avoid the repetition of mistakes made shortly after World War II. I withdraw my reservation of objection.

Mr. GROSS. Mr. Speaker, if the gentleman from Texas will yield, with respect to the additional professional and super grades in the bill; they were provided, did the gentleman say, for the purpose of staffing an agency which has now been eliminated?

Mr. MAHON. They would be used only for this new effort in this field of research and new weapons.

Mr. GROSS. But they were originally provided for for the purpose of staffing a brand new agency, were they not?

Mr. MAHON. Yes; but the language of the Senate bill and the language in the conference report on the authoriz-

ing legislation, previously adopted, has changed that picture somewhat.

Mr. GROSS. That is exactly right, but they are still carried in this legislation.

Mr. MAHON. They are still carried in there for the purpose of carrying out these programs.

Mr. GROSS. So we only eliminated the statutory agency in name; the personnel continues to grow and grow.

Mr. MAHON. The gentleman is correct.

Mr. GROSS. Yes.

Mr. MAHON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

CAN WE LEARN ANYTHING FROM "OLD" EUROPE?

Mr. DAVIS of Georgia. 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 Georgia?

There was no objection.

Mr. DAVIS of Georgia. Mr. Speaker, this morning's papers carry a news story which has a lesson for this country. The West German Government has offered Great Britain what amounts to a loan of \$280 million. The Bonn government offers to place on deposit in the Bank of Great Britain 100 million pounds sterling which the British Government can draw against for armaments to be supplied by Germany. Britain has recently been forced to cut down her military commitments under NATO for the defense of western Europe because of her precarious financial condition.

This is a paradox almost without precedent in history. In the summer of 1945 Germany lay prostrate in ruins and total defeat. Great Britain, allied with the United States and other countries was the victor. Her troops strutted proudly through occupied Germany as conquerors. The Germans were cowed, abject, and bewildered by the enormity of their defeat. Their country was cut up into uneconomic wedges between four allied nations. Russia carted off most of the industrial machinery which had miraculously escaped our saturation bombing. Most of Germany's great cities and industrial areas were heaps of rubble as far as the eye could see.

Twelve short years later West Germany is in a financial position to offer a \$280 million loan to her erstwhile conqueror. There is—of course—an answer to this amazing reversal of fortunes. Great Britain ousted her Conservative government and decided to try socialism. Germany, ruined and hopeless, decided to stick by old-fashioned and much-maligned capitalism. England nationalized and socialized as far as she dared or was able and went broke in the process. The defeated Germans rolled up their sleeves and with bare hands first cleared away the rubble. Even women

and old men worked at the rebuilding of their country. They worked, worked, and worked.

Their financial structure was the most conservative in socialistic or near socialistic Europe. True that Western Germany received roughly \$3,890,000,000 of aid or loans from the United States. Great Britain during the same period had received twice as much. According to the Office of Business Economics of the Department of Commerce Great Britain has received a total of grants amounting to \$3,798,179,000 and loans totaling \$4,412,033,000 in loans or roughly \$8,210,000,000.

One country, totally bankrupt and ruined tried capitalism and today is in excellent economic shape. The other tried the booze of socialism and today is not doing so good. Let this be a dire warning to those secret Socialists in our own country who have been steadily and insidiously trying to steer us down the same road as Great Britain.

FEDERAL UNEMPLOYMENT COMPENSATION STANDARDS BILL

Mr. McCARTHY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. McCARTHY. Mr. Speaker, the Federal unemployment compensation standards bill which I have introduced is not meant to replace the present Federal-State unemployment compensation system, but rather to supplement it and to strengthen it.

There is growing evidence that the unemployment compensation systems now existing and administered throughout several States are failing to make any real progress towards the stabilization of employment and the achievement of greater security against unemployment, the principal objective of the Social Security Act when passed in 1935.

There remain today many workers and employees who, although they need the protection afforded by unemployment compensation, are not included in the program. Over 1 out of 4 employed today are not covered by unemployment compensation. The amounts of unemployment compensation payable to unemployed people who are included in the program are, in most cases, inadequate to provide the worker and his family with the basic necessities of life. Less than one-fifth of the total wage loss is being replaced through unemployment compensation.

In some States unreasonable terms and conditions are imposed in determining eligibility for unemployment compensation. Many unemployed workers and their families are consequently deprived of the benefits of unemployment compensation. There are wide differences among the States with respect to the terms and conditions under which workers may become eligible for compensation and differences also with respect to the

amount of compensation and the length of time for which it is paid.

Today only 18 States provide coverage in establishments of one or more employees. Only 7 States have a 26-week duration period for benefit payments. Maximum benefit levels relative to average weekly wages have declined in 28 States during the last 2 years and in every State since 1939. In some States there have been excessive tax reductions and excessive benefit curtailments. In attempting to attract industries, differential treatment has been offered and granted in some States.

My bill proposes to correct the inadequacies and to remove inequities by establishing additional standards to be met by States, by establishing a system of reinsurance to aid depleted State reserves. The bill includes the following principal provisions:

First. That the maximum primary benefit payable under State law shall be not less than 66 $\frac{2}{3}$ percent of the State's average weekly wage. Subject to this maximum, each individual's primary benefit shall be not less than 50 percent of his weekly wages.

Second. Benefits shall be payable to all unemployed insured individuals for a period of not less than 39 weeks.

Third. The basis upon which an individual can be disqualified for unemployment compensation are restated and clarified and liberalized.

Fourth. The bill provides for coverage virtually coextensive with the coverage of the old-age and survivors insurance program.

Fifth. The bill provides that in the financing of the program, States will be permitted to provide for uniform rate reductions to all employers as well as individual experience rate reductions and further, that the proceeds of the Federal Unemployment Tax Act will be earmarked in a Federal unemployment account in the Federal Treasury. Such account will be used for paying the Federal-State administrative expenses including the establishment of a contingency fund and be reinsurance credit to those States who are in financial difficulty because of the high rates of unemployment.

It is my opinion that the adoption of a program similar to that which is proposed in this bill would have many desirable effects.

It would, of course, give a greater measure of security to the workingman and to his family.

It would provide incentives to management to better schedule its workload so as to provide year-around, or nearly year-around, employment to its workers.

It would help to sustain the national income in periods of recession by providing for uniform standards and higher payments over a longer period of time.

It would help to discourage the growing practice of shifting industry from one region to another, or from one State to another, in order to take advantage of differences in State laws affecting labor unemployment compensation, taxes, and other considerations affecting the cost of conducting business.

I am including a list of Members who wish to be listed as supporters of this bill. This is not intended to be a complete list: HUGH J. ADDONIZIO, THOMAS L. ASHLEY, WAYNE N. ASPINALL, CLEVELAND M. BAILEY, WILLIAM A. BARRETT, JOHN BLATNIK, EDWARD B. BOLAND, ROBERT C. BYRD, JAMES A. BYRNE, EMANUEL CELLER, FRANK CLARK, JOHN J. DEMPSEY, JOHN H. DENT, ISIDORE DOLLINGER, HAROLD D. DONOHUE, HERMAN P. EBERHARTER, MICHAEL A. FEIGHAN, JOHN FOGARTY, SAMUEL N. FRIEDEL, EDWARD A. GARMATZ, THOMAS S. GORDON, WILLIAM J. GREEN, LESTER HOLTZMAN, LESTER JOHNSON, FRANK KARSTEN, ELIZABETH KEE, EUGENE J. KEOGH, CECIL R. KING, COYA KNUTSON, THOMAS J. LANE, JOHN LESINSKI, JR., GEORGE S. LONG, TORBERT MACDONALD, THADDEUS M. MACHROWICZ, PETER F. MACK, JR., RAY J. MADDEN, DON MAGNUSON, LEE METCALF, GEORGE P. MILLER, KATHRYN E. GRANAHAN, THOMAS E. MORGAN, ABRAHAM J. MULTER, THOMAS P. O'NEILL, JAMES G. POLK, ADAM CLAYTON POWELL, MELVIN PRICE, LOUIS C. RABAUT, GEORGE M. RHODES, PETER W. RODINO, JAMES ROOSEVELT, ALFRED E. SANTANGELO, LEONOR K. SULLIVAN, ROY WIER, CLEMENT ZABLOCKI.

FEDERAL UNEMPLOYMENT COMPENSATION BILL

Mr. ASHLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? There was no objection.

Mr. ASHLEY. Mr. Speaker, I am pleased today to join with my eminent colleague from Minnesota [Mr. McCARTHY], in presenting a Federal unemployment compensation bill. The measure which I have just introduced in most respects is similar to that of the gentleman from Minnesota—certainly our purposes are identical.

The necessity of this legislation is to be found in the clear inadequacies of State unemployment compensation laws. The bill which I have introduced seeks to correct these inadequacies by establishing additional standards to be met by States as a condition of employers getting credit against the Federal unemployment tax and by establishing a system of reinsurance to aid depleted State reserves.

Of principal import in these days of growing unemployment and continued high prices are the provisions relating to amount and duration of benefits.

My bill provides that an individual's primary benefit shall be at least 50 percent of his weekly wages and not less than two-thirds of the State's average weekly wage.

With respect to duration, my bill provides that benefits shall be payable to all unemployed insured individuals for 39 weeks.

Because the ugly consequences of unemployment beset all jobless persons alike—regardless of previous employment—coverage under this bill is made virtually coextensive with the coverage of the old-age and survivors' insurance

program. It will include employers having one or more individuals in their employ at any time during the taxable year, and it will apply to employees of the Federal Government, including Armed Forces personnel.

The act sets up a Federal unemployment account in the Federal Treasury and proceeds from the Federal Unemployment Tax Act are earmarked for this account. The account will be used for paying Federal and State administrative expenses and for reinsurance grants to States in financial difficulty because of high rates of unemployment.

Mr. Speaker, I realize full well that this measure will be highly controversial. I call it to the attention of my colleagues because I believe that the difficult economic times in which we find ourselves cry aloud for an honest and thorough reappraisal of the present Federal-State unemployment compensation system and the extent to which this system is meeting today's demands. I wish to make it clear that my purpose is no different than the purpose behind the original legislation establishing the Federal-State unemployment compensation set-up. It was to provide a safeguard and buffer against unemployment and the economic calamity which accompanies it.

I am sure we all agree, Mr. Speaker, that this purpose is still valid. It remains the responsibility of this body to see that it is met by timely revision of the law to meet changing economic and social facts of life.

SOIL BANK PROGRAM

Mr. JONES of Missouri. 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. JONES of Missouri. Mr. Speaker, the soil bank program is really in a mess, and it is time that the Department of Agriculture takes some steps to correct the policy which it has announced. I do not know how it is in other States, but in my State of Missouri we have a situation where the soil bank was over-subscribed, in some counties many times.

I want to read just one brief excerpt to show the inequity of the policy which has been announced by the State committee that the funds will be administered on a first-come-first-served basis. This farmer says:

On the first day the farmers were permitted to sign their soil bank contracts here in Dunklin County, our ASC office manager had the local radio station broadcast a plea to farmers "not to come in, the office was swamped," that there would be "plenty of funds." Now, the more polite men are out in the cold. I was in the office early that day. Each of the several girls who was helping in signing of the contracts by the farmers, were given forms numbered, say from 1 to 50, 51 to 100, etc. My neighbor and I who walked in together were given numbers and told to return on a certain date to complete the contract. There was a difference of over a 100 in our numbers. With such a variance, which all depended on the

table you happened to go to, you can see how some will be eligible and others not, who came into the office at the same time.

It just shows that we cannot administer this program equitably if we follow a policy of first come first served. Furthermore, there is considerable question in the minds of many that the Secretary of Agriculture is not administering the program according to the law which states among other things that it should be administered on a basis that would provide a fair and equitable opportunity to all farmers to participate in the acreage reserve program.

Despite the fact that the Department of Agriculture states it has instructed each State ASC committee to determine the policy to be followed, it would appear that the policy should not be approved if it violates either the law or intent of Congress; and certainly the policy should be based on equity.

STATEMENT OF DEPUTY CHIEF OF NAVAL OPERATIONS FOR LOGISTICS BEFORE HOUSE COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. BONNER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include a statement made before the Committee on Merchant Marine and Fisheries by Admiral Wilson, Chief of Naval Operations for Logistics.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BONNER. Mr. Speaker, the following is a statement made by the Deputy Chief of Naval Operations for Logistics, Adm. Ralph E. Wilson, before the Committee on Merchant Marine and Fisheries:

Mr. Chairman, I am Vice Adm. Ralph E. Wilson, Deputy Chief of Naval Operations for Logistics. I appear today as a witness for both the Navy Department and the Department of Defense.

I welcome this opportunity to discuss the emergency passenger ship requirements of the Department of Defense. Our interest in passenger ship construction is based on the need for modern, high-speed ships capable of being used as troop transports in times of national emergency.

Bills H. R. 9342 and H. R. 9432, introduced by the Chairman, and similar bills authorize the construction of a superliner to replace the steamship *America* and the construction of a passenger vessel for operation in the Pacific. Both of these new ships will significantly reduce our qualitative deficiency in troop transport potential. Their earliest completion will, therefore, make an important contribution to improving our national defense posture.

In the event of a national emergency, the military would have an immediate need for a number of troop transports. Depending on the gravity of the situation and the time factors involved, this need might not be met by ships now available to us. It is easy to visualize situations, even short of general war, where demands for the rapid mass movement of people would exceed our present military capability. This could well become a race against time to evacuate nationals, to redeploy forces, or to augment existing forces overseas. For such purposes a significant increase in our limited reserve capability in high-speed passenger ships under the American flag will be of great value.

There will be an urgent need for merchant shipping even in the event of an initial devastating nuclear exchange. Shipping active on the high seas would stand a good chance of surviving the initial onslaught. Many vitally important tasks will remain to be done. These may include military occupation of enemy territory, continued support of allies, and transportation for our own economic rehabilitation. Heavy damage to our industry and lack of time would prevent the construction of sorely needed shipping. We would have to carry on with what we have on hand.

The question may arise as to whether our calculations of shipping needs for general war have taken into consideration the capabilities of our allies and the magnitude of multilateral commitments to the NATO pooling concept. The answer is a qualified "yes." The United States has entered in all sincerity into NATO planning for the pooling of merchant shipping. We intend to abide by our commitments in the event of a NATO war. It appears most probable that the national requirements of other NATO nations would exceed their combined shipping capabilities. Additionally, many foreign flag passenger ships have marginal endurance under heavy loading conditions. It must be pointed out, too, that the NATO Defense Shipping Authority is not expected to become fully operational until 2 or 3 months after the outbreak of war. Meanwhile, our immediate need for efficient transports must be filled from United States flag shipping.

Of utmost significance in this connection is that the United States must be prepared for emergencies other than all-out war and a NATO war. We have interests in many areas of the world that fall outside the NATO sphere of planning. We must also recognize that under various circumstances which might arise, the policies and views of the United States would not necessarily coincide with those of our many allies in each and every crisis. The lessons of history have taught us that, as a matter of fundamental policy, our primary reliance must continue to be placed on capabilities under our direct control.

Present planning indicates that by a combination of employing active passenger-type vessels and activating additional ships from the national defense Reserve fleet, we could meet our minimum needs for troop transport in the event of general war. We have enough ship space to provide the required initial lift. This determination is valid, however, only on a quantitative basis. Unfortunately, the majority of our ships are old. Most of them are deficient in speed and lacking in other features that are important in minimizing the hazards of moving troops by sea. The use of many of them under modern war conditions would involve a high degree of risk which can be significantly reduced by the construction of modern, high-speed ships.

America's active and Reserve inventories of passenger-type vessels add up to a total of 156 actual ships, ranging in age from 5 to 30 years. Of these, 56 ships are limited to a top-speed range of 15½ to 16½ knots, have an average age of 14 years, and represent a combined emergency capacity for about 56,000 troops. Sixty-one ships have a top-speed range of 17 to 17½ knots, average age of 15 years, and a combined emergency capacity for about 163,000 troops. There are 3 ships of 18 knots that are 30 years old and have a combined emergency capacity for about 4,000 troops. We have 24 ships in the 19-knot bracket, including 16 MSTs transports which can do 20 knots in a pinch. However, to call them 20-knot ships would be stretching a point. They have an average age of 13 years and a combined emergency capacity for about 81,000 troops.

Deduction leaves 12 actual passenger-type ships that are capable of 20 knots or more.

They represent a combined emergency capacity for about 33,000 troops, but 5 of these ships are over 25 years old and are lacking in several defense features. In fact, our existent, fully modern trooplift potential amounts to only 6 ships—3 converted 20-knot Mariners, the 25-knot *Constitution* and *Independence*, and the 33-knot *United States*, which add up to a total emergency capacity for about 14,000 troops—enough for 1 streamlined division.

Ships under construction include two passenger vessels for Grace Lines and two for Moore-McCormack Lines. As with the converted mariners, they meet the minimum-speed requirements for modern-troop transport. The four ships will provide a total emergency capacity for about 5,000 troops. These ships do include many improved-designed features, and they will contribute appreciably to the quality of our total-troop lift potential.

World Wars I and II proved that the submarine is a deadly enemy of merchant-type ships. The Soviet submarine force has reached a strength of over 450 submarines, which is greater than the rest of the world navies combined, and the largest submarine force in world history in peace or war. Because of a concentrated building program commencing in about 1950, the greater percentage of these are new, long-range units of modern design. By contrast, the Germans had only 57 submarines in operation at the beginning of World War II. The impact of this numerical comparison is ominous. With a few notable exceptions, a steadily growing submarine menace is compounded by a relative stagnation in merchant-ship development and the consequent increase in the vulnerability of our shipping.

The vulnerability of merchant ships to submarine attack can be reduced in some measure by certain built-in national defense features. The more important of these are:

- (a) Speed.
- (b) Compartmentation for damage control.
- (c) Increased fire- and shock-resistance.
- (d) Extra endurance and cruising range.
- (e) Defensive armament and equipment.

Each of these defense features is valuable. The importance of speed cannot be over-emphasized. Speed is the best passive defense that merchant-type ships can employ against hostile submarines. The faster the target, the more difficult it is to hit with submarine torpedoes, and the more difficult it is for a submarine to get into position for launching a torpedo attack. These are simple derivations from the laws of probability.

An added advantage of high speed is the flexibility in routing. Fast ships can be operated independently over more devious routes than is possible in convoy operations. This permits them to avoid known concentrations of submarines without undue loss of voyage time.

In the past war it was standard doctrine among naval shipping control authorities that a ship capable of 18 knots or more should normally be employed as an independent, rather than in convoy. This speed criterion is no longer valid, due to developments in submarine performance and the over-all magnitude of the submarine menace. Today it is not considered prudent to permit independent routing of any ship not capable of a sustained speed of at least 20 knots. Even at this minimum speed there is considerable risk involved.

Detailed studies indicate that ships capable of speeds up to 24 knots are, in certain situations, as susceptible to attack by submarines capable of sustained high speed submerged as was a 13-knot ship during World War II. There is no magic speed figure that guarantees complete immunity to submarine attack. In transiting known or probable focal points of submarine menace,

even the fastest ships would require additional protection, but this does not reduce the value of high speed as an effective passive means of protection.

Our studies show that with increases in speed above 25 knots the proportionate reduction in vulnerability definitely pays off. High speed design is expensive, but it will prove of great value in time of war. The importance of speed will increase as submarine development advances.

In emphasizing the value of speed, the importance and value of other built-in national defense features should not be obscured. Many of them also serve to improve the commercial quality of a vessel, especially as regards safety and reliability. High standards of compartmentation reduce the vulnerability to enemy hazards by localizing damage; the spread of flooding into undamaged compartments is prevented, and a substantial margin of buoyancy is thus assured. Special preservative coatings, minimum use of wood, and other preventative measures increase a ship's resistance to fire damage. Carefully designed shock mountings reduce the possibility of breakdown of essential machinery under enemy attack. Certain preparatory structural work is accomplished, such as foundations and adaptations, with a view to wartime installation of armament and other defensive equipment.

Endurance adequate to fulfill a ship's primary mission is a vital factor in wartime. Maximum endurance is required in ships whose mission entails long extended periods of steaming at sea. All types of major warships and submarines fall in this category. Transports and those logistic support-type ships whose mission involves point-to-point transportation should possess sufficient endurance to make round-trip voyages at maximum sustained speed. Many of our available transports do not possess sufficient endurance to fulfill their mission.

The requirements of endurance include the additional fuel capacity requisite to extended cruising range at high speed. The size of distilling plants, the storage space for dry and refrigerated provisions, the capacity of electrical distribution systems, and many other features are also important considerations in regard to endurance.

The development of nuclear power represents a great advance in ship propulsion, particularly because of unlimited endurance. Nuclear propulsion in a man-of-war is of inestimable value as it insures a comparatively unlimited cruising range and enables a major warship or submarine to remain in its operating area for extremely protracted periods of time. As you know, the Navy has undertaken a long-range program for the application of nuclear power to surface ships, as well as submarines. To date, 19 nuclear-powered submarines and 2 nuclear-powered surface ships have been approved and funds appropriated for their construction.

Not only is nuclear propulsion presently very expensive to construct; it is also costly to operate. Navy experience and estimates show that the operating fuel cost of nuclear-powered ships is considerably greater than that of similar ships fitted with conventional propulsion.

It is noted that bill H. R. 9654 would incorporate nuclear propulsion in the replacement for the steamship *America*. We do not believe that this action would improve either the commercial or defense utility value of this vessel by sufficient margin to warrant the disproportionate increase in the initial cost and the operating costs.

A passenger ship, even when used as a transport, is essentially a point-to-point carrier. For such employment, adequate endurance can be achieved without resort to the high premium cost of nuclear power. For example, the cruising range of the steamship *United States* is fully adequate for emergency purposes. The high pressure, high

temperature steam powerplants originally proposed represent the most efficient and most modern design of steam propulsion, and can be installed in the minimum of construction time. The incorporation of nuclear propulsion would most likely necessitate considerable extensions in the design and building periods. Until further developments make nuclear-powerplant costs competitive with oil, we do not recommend the application of nuclear propulsion to ships of this type.

I have given you only a brief résumé of national defense features. Basically these are improvements and refinements in design, above normal commercial standards, that make a ship more sturdy, more capable, and more reliable, particularly under wartime conditions. These features not only improve a ship's performance and her ability to evade attack; they also enhance a ship's capacity to absorb an enemy attack and survive. They reduce her requirements for logistic support.

The replacement for the steamship *America* and the passenger vessel for the Pacific will have designed speeds of about 33 knots and 28 knots respectively. As in the case of the steamship *United States*, the design of both ships will include speed above commercial requirements built in for defense purposes. These new ships will incorporate the maximum in safety and reflect the most modern national defense features. Their comfortable cabin spaces, designed for approximately 2,000 and 1,500 passengers respectively, will be convertible to troop accommodations with utmost ease and a minimum of delay.

Even without any conversion, these new ships could respond quickly and effectively to an urgent demand in the event of emergency. Under such conditions the two ships would have the capability to evacuate a combined total of 7,000 mixed civilians and dependents or to redeploy a combined total of 9,500 troops. By relatively rapid conversion, their capacities could be increased to ultimate totals of 14,000 and 10,000 troops respectively.

The prosecution of war utilizes all the resources of our Nation. Our entire industrial potential is intermeshed into our overall national defense posture. To project our military power overseas and support sustained combat operations, our Armed Forces would rely heavily upon American industry—and the maritime industry, as in the past, would play a key role.

We are fortunate that we have laws and policies that are designed to both encourage and develop a strong maritime industry. It is most opportune for national defense that these two superior ships are proposed for construction under the logical policies of existing law for the primary purpose of furthering our maritime commerce and maintaining the prestige of our American merchant marine.

While I have stressed the need for these ships in emergencies, there is an advantage in having additional United States flag passenger capability to provide for peacetime military requirements. Many of the transports operated by the Military Sea Transportation Service are poorly appointed for peacetime troop movements. Additional commercial passenger capability would make it possible for MSTs to utilize its better transports more effectively and inactivate the less desirable ships. Such action would effect a more economical operation and, at the same time, provide additional support for the privately owned merchant marine. At present, United States commercial lines can only make an appreciable amount of space available to MSTs in the so-called off season. Because of this, MSTs is compelled to operate a greater number of ships than would otherwise be necessary.

In summary, for reasons set forth above, the Department of Defense desires to em-

phasize the urgent need for the construction of modern passenger ships. These two ships have been under discussion for about 2 years and will require about another 3 years to build, once approved. The financial and contractual details of the various proposed bills are matters of Department of Commerce cognizance. While deferring to the Department of Commerce in regards to such business aspects, the Department of Defense fully endorses the enactment of legislation which will authorize the prompt construction of these modern passenger ships.

PAYMENTS IN KIND UNDER THE SOIL BANK ACT

Mr. COAD. 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 Iowa?

There was no objection.

Mr. COAD. Mr. Speaker, I have today introduced a bill which would amend the Soil Bank Act to direct the Secretary of Agriculture to make payments in kind to producers who agree to take basic commodity acres out of production under the provisions of the act.

I should like to point out that soil-bank funds in many areas have been completely depleted and that this program will be stopped from further expansion if this condition continues to exist.

The purpose of the bill that I have offered is to make two provisions possible for the 1958 crop year. First of all it would offer a further incentive to the farmers to reduce the production on the basic grains and, secondly, it would help reduce the stocks of these commodities presently held by the Government in storage.

The present provision in the Soil Bank Act, authorizing payment in kind for grains, is extremely vague and couched in such evasive language that it is difficult to understand, let alone administer.

This amendment which I have proposed would clarify the formula under which payment in kind could be made and would make the program effective immediately and attractive to the farmers. Passage of this bill would allow the Secretary of Agriculture to contract for more acreage than at present, as the payment in kind would not be limited to the dollar restrictions under existing law.

NATION APPLAUDS THE BOY SCOUTS OF AMERICA

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, we have much to learn from the Boy Scouts of America in self-reliance; in healthy, wholesome living; in helpfulness to others.

These youngsters have a sense of community spirit far greater than many of their elders.

Their many acts of kindness and their unfailing courtesy are a constant surprise to us and a reminder of the consideration that we should show to others less fortunate than ourselves.

The Boy Scouts of America provide a constructive outlet for the energies and the idealism of youth, and in the process they prepare our boys for the responsibilities of manhood.

It is more than coincidence that Boy Scout troops are often associated with and supported by the churches of all denominations. For the character of a growing boy is strengthened by his devotion to the truths of his religion.

Home and school and church and country and wonderful adventures in the outdoors where they learn the secrets of nature—all these good influences bring out the best in a boy.

They teach him self-respect and respect for others.

There would be no juvenile delinquency in our country if all of our youngsters had the benefit of scout training.

That is why, during Boy Scout Anniversary Week, we urge them to join this fine organization. As Boy Scouts they will experience wholesome fun and genuine fulfillment in the healthy atmosphere of a real boy's world, where they learn the pride and satisfaction that comes with unselfish service.

We congratulate the Boy Scouts of America for their spirit and their accomplishments.

WHO ARE MR. STASSEN'S SPONSORS?

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GAVIN. Mr. Speaker, from newspaper reports we read that Mr. Harold Stassen has many admirable traits that qualify him to become a candidate for Governor of Pennsylvania.

I suppose these traits would qualify him for the candidacy in his home State of Minnesota equally as well.

Why he selects Pennsylvania instead of Minnesota I am unable to understand as we have many potential candidates in Pennsylvania with equally admirable traits—potential candidates eminently qualified to serve as Governor of Pennsylvania and who are Pennsylvanians with a vast knowledge of our industrial and economic life.

I might say that because of the contradictory position he has taken on some matters pertaining to the Republican Party, he has outlived his usefulness in the party.

Evidently he is on the way out of the White House and he knows it. I can see no reason why he should adopt Pennsylvania to further his political ambitions.

I understand he claims to have a number of Pennsylvania sponsors. If so, why does he not name them? If he

does have any, I have never heard of them.

It is about time Mr. Stassen speaks out and says who his sponsors are as we who represent the great State of Pennsylvania would like to know who they are.

ACTION TO REPEAL FEDERAL EXCISE TAX ON AUTOMOTIVE VEHICLES

Mr. CHAMBERLAIN. 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 Michigan?

There was no objection.

Mr. CHAMBERLAIN. Mr. Speaker, I think it is significant to note that yesterday the President, at his regular news conference, indicated that a tax cut could be a reserve weapon in fighting a more prolonged recession if, in his opinion, it becomes necessary. The same view has been expressed earlier by Secretary of the Treasury Anderson. If such a principle has merit, it should be put into practice now, before the symptoms of economic illness become more acute. An ounce of prevention is worth a pound of cure!

One of the most critical spots today in our economy is the automotive industry. Why not help this industry now, before it has a greater adverse effect on our general economy? To me, an effective remedy is readily at hand.

Yesterday, I wrote to the Chairman of the House Committee on Ways and Means to request that early hearings be scheduled on a bill I introduced last year to repeal the Federal excise tax on automotive vehicles.

Repeal of this tax would provide an immediate impetus to a vital segment of our economy and meet the growing unemployment in the automotive and many related industries. Now, Mr. Speaker, it is true that the drop in automobile production affects Michigan more acutely than anywhere else—and especially in my District because we have more automobile workers than in any other single Congressional District.

But the bellwether effect of the automotive industry on the rest of the national economy has been demonstrated time and time again. When the economic weather in Michigan turns cold, the entire Nation shivers. It should be remembered that one out of every seven employed persons in the United States works in the manufacture, distribution, service or commercial use of motor vehicles.

We cannot afford to wait until the entire economy feels the full effect of the automotive slump. We should take action immediately to grant such tax relief. To me, the automotive worker up my way would rather have a job than an increase in his personal exemption which would be meaningless if he had no job at all.

I want the record to be clear that I am not advocating a general tax cut at the present time—but that I am simply

urging that the principle of tax relief to stimulate our economy be put to use on a selective basis in one of our most important industries, before it is too late.

Mr. Speaker, it is interesting to examine the history of the automotive excise tax. In 1932, rates of 2 percent were imposed on trucks and on parts and accessories, and 3 percent on passenger cars and buses—all being, in theory, temporary taxes prompted by the depths of the depression in which the Nation then found itself. World War II first added one-half of 1 percent to each of these rates in 1940, and then in 1941 boosted passenger car rates to 7 percent and others to 5 percent. It imposed the new 5 percent on truck trailers too, for the first time. It is well remembered that the Federal Government took various steps in World War II to help divert raw materials to the stream of defense production and away from use of civilian products.

Following outbreak of the Korean affair in 1951, the automotive excise taxes were boosted once again from the previous high plateau on which they had been placed by World War II increases. All categories were increased to 8 percent with the exception of passenger cars, which were assigned a new excise tax rate of 10 percent.

With the advent of the Federal Aid Highway Act of 1956, the excise tax rate became 10 percent across the board, except for retention of the 8 percent rate on parts and accessories.

Thus, we see a continual progression upward in automotive excise taxes. Although these rates were temporary in theory each time they were imposed, in practice they tend to become more and more built into our Federal tax structure.

But the unfairness of this series of taxes is shown by the fact that, of all forms of transportation, only the automotive industry must shoulder the burden of excise taxes of this magnitude. There is no doubt but that this places that industry at a competitive disadvantage due wholly to taxes. It is estimated that \$146 in Federal excise tax must be paid on an automobile sold to the ultimate user for about \$2,000. Altogether, over \$500 of that purchase price consists of taxes. Exclusive of Federal excises, motor vehicles bear more than 40 different taxes. According to 1955 statistics, owners and operators of motor vehicles paid Federal, State and local automotive taxes of more than \$7 billion. So it is apparent that the automobile carries a tax load heavy in comparative rates and total amounts.

The impact of the automotive industry on our national economy must be considered. Until recently, it had been employing directly nearly 1 million workers; and 9 million more employed in highway transportation depend for their livelihood on an economically healthy automotive industry. Makers of motor vehicles and parts purchase 72 percent of all upholstery leather, 69 percent of all plate glass, 41 percent of all lead, 29 percent of all zinc, 23 percent of all steel, and 10 percent of all copper sold in the United States. Retrenchment within the auto industry on purchases and employment

therefore has an adverse effect on our whole national economy, resulting in an accompanying decrease in tax take for the Government. It is this widespread effect of a decline in the automotive industry that should be kept in mind in considering the need for repeal of excise rates. The net effect of any such repeal on tax income cannot be simply stated to be a loss of the amount previously raised from automotive excises. Keeping the wartime rates in effect may cause a loss of tax revenue from other sources. Conversely, reducing the excise rates may encourage the production of taxable income elsewhere, with a corresponding increase in tax income from those sources.

We have already noted that these taxes discriminate against the automotive industry as compared with other forms of transportation. The same type of discrimination appears upon comparing automotive excises with the tax status of other consumer goods competing with automotive vehicles for the customer's dollar. Following the end of hostilities in Korea, nearly all excise rates were lowered. Golf clubs and other sporting goods enjoyed reduced tax rates of 10 percent instead of 15 percent. The excise tax rate on cameras declined from 20 percent to 10 percent, as did also the rate on perfumes, cosmetics, and toilet preparations. The excise rate on such luxury items as fur coats and jewelry was halved. Motorcycle taxes dropped from 10 percent to zero.

I am certain it will be conceded that the automobile and the truck are far more essential than many of the items listed above. Yet, the automotive excise rates have been maintained at their high wartime levels.

Traffic surveys have shown that over 90 percent of the automobiles in the United States are used either wholly or in part for essential purposes each week. Surveys also show over half of all passenger car mileage is in the category of necessary, and 65 percent of all auto trips are directly connected with earning a livelihood or with other basic, vital activity. Especially in these days of suburban living, the automobile becomes an essential item of transportation.

Farmers constitute the largest class of truck owners, operating almost one-third of all trucks in existence in the United States.

These automotive excises bear heaviest on lower-income groups. According to late 1956 statistics, it is indicated that nearly 44 percent of the owners of passenger cars in the United States earn less than \$4,000 a year. Representing about 15½ million families, these owners feel the pinch of automotive excise taxes even when they purchase used cars having a residual of excises in the sales price, as well as whenever they buy new cars. In either event, they are also hit hard by the excise on automotive replacement parts and accessories.

To summarize, we should have an early look at legislation to reduce automotive excise rates for the following reasons. Most importantly, it will provide an immediate method of helping to restore vitality to our lagging economy. Repeal of these taxes would help to in-

crease employment in the automotive and related industries. It would stimulate purchases of materials by the automotive manufacturing industry. It would induce the creation of other sources of taxable income, thereby offsetting to a considerable degree, the attendant reduction in Federal revenues.

I believe this is an immediate, justifiable method of aiding in turning the tide of a national economic downtrend. For that reason, I urge that early and favorable consideration be given to H. R. 3022, a bill I introduced last year, that is now pending in the House Ways and Means Committee.

DEPARTMENT OF DEFENSE

Mr. TEAGUE of California. 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 California?

There was no objection.

Mr. TEAGUE of California. Mr. Speaker, I call to the attention of the Members of the House a bill I introduced earlier this week. Today we are dealing again with military appropriations, so this is a particularly appropriate time, I think, to speak of it. The bill would provide authorization for the Secretary of Defense to pay cash awards to members of the military who come forward with practical inventions or suggestions which will result in a more efficient and a more economical operation of our Defense Department. This program would be similar to the one now in effect for civilian employees of the Government. Certainly, our military people should have an equal opportunity to earn monetary rewards. I invite the support of the Members of the House on this very meritorious legislation.

THE LATE BERTRAND H. SNELL

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 cannot let this time go by without expressing my deep sorrow at the passing of a former colleague of ours, the late Bertrand H. Snell. He and his lovely wife Sara were in Washington when I first came to Congress. My late husband, John Jacob Rogers, and I were happy to count them great friends. I never shall forget his patience and his helpfulness at that time. An able and brilliant legislator, he was a great power in the House, and chairman of the Committee on Rules at one time. But he was never too busy to take over our responsibility in government. I have seen the House in operation for a good many years from the gallery and had talked over with my husband the legislative processes, but it was a very different

thing to come to the floor of the House and as one of the new and untried Members have the responsibility for the passing of legislation.

Bertrand Snell was a great American, a great statesman, a great Republican. He believed in the two-party system, but he had complete faith in the Republican Party, and all that he dealt with and stood for was in the Republican way of doing in our democracy, with freedom for everything that he believed right. I have never seen a more courageous or devoted public servant than Bertrand Snell. He will long be remembered in this country and I believe in other countries.

UNITED STATES ARMY BUDGET

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, I hear that the distinguished gentleman from Georgia [Mr. VINSON] declares that he will oppose cuts in the United States Army as asked for in the President's budget this year. As a member of the Committee on Appropriations Subcommittee for the Department of Defense I have been opposing all cuts in the Armed Forces, and especially the Army for the past several years. I will introduce amendments this year in the committee, and in the subcommittee, and if I do not prevail there, then I will introduce them on the floor, to restore the cuts asked for in the budget this year in the National Guard Reserve components and the United States Army with additional amendments to make the Department of Defense meet the needs of the peace and security of this Nation and the world. They are now woefully inadequate.

LEGISLATIVE PROGRAM

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, I asked for this time in order to interrogate the majority leader as to what he may advise us concerning the legislative program.

Mr. McCORMACK. Mr. Speaker, on Monday there will be the general Government matters appropriation bill for 1959 and the urgent deficiency appropriation bill for 1958. You will remember the chairman of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON], stated yesterday there were two items relating to unemployment compensation for veterans and also for unemployment compensation in other categories.

On Monday, District Day business will be considered. There are four bills: H. R. 9271, a bill relating to the National

Society of the Sons of the American Revolution; S. 1040, revising the Life Insurance Act; H. R. 7300, amending the Alcoholic Beverage Control Act; H. R. 9304, relating to the Policemen's and Firemen's Retirement and Disability Act.

There is no other business scheduled for the rest of the week, unless some emergency matter arises which, of course, is not expected. If any such matter should arise, it would be one of those matters that would not compel the Members to come back. I can promise the membership that since they will be away in connection with the activities next week, the Members can be assured of complete protection in that respect except for the business programed for Monday, of course. I have been asked by various Members whether there will be a rollcall on Monday. The leadership is not going to ask for a rollcall, and the gentleman from Missouri [Mr. CANNON], I believe, yesterday said that it was not his intention to ask for a rollcall. But, of course, Members realize that the leadership on either side of the aisle cannot speak for each and every Member on their respective sides, but I would think the chances are overwhelmingly in favor of acting on these matters on Monday without a rollcall vote. I cannot guarantee that, but am only guaranteeing my own action.

Mr. ARENDS. I thank the gentleman for that information.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield.

Mr. GROSS. Somehow I have lost track of the famous freedom wall. I wonder where it went. It was supposed to come up yesterday.

Mr. McCORMACK. It was taken off the program yesterday. I frankly advised the gentleman from Virginia [Mr. SMITH] of the situation—that was after consultation with the gentleman from Colorado [Mr. ASPINALL].

Mr. GROSS. Would there be any possibility of that bill coming up next week?

Mr. McCORMACK. There is no possibility in the world that that bill might come up next week and that, of course, is not said in derogation of the bill and, of course, is not a reflection on the merits of the bill. But, it is not going to come up next week and the gentleman knows that I would never under any circumstances pull a surprise on the Members of this body.

Mr. Speaker, as I have previously stated, after Monday there is no further legislation programed unless it is something of an emergency nature, and further of a nature where there will be no necessity to call the Members back.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I will yield for a question.

Mrs. ROGERS of Massachusetts. My understanding is that there was no opposition at all to the money in this deficiency bill for the Veterans' Unemployment Insurance. Is that correct?

Mr. McCORMACK. That is my understanding.

Mrs. ROGERS of Massachusetts. So there is no controversy about the bill in any way?

Mr. McCORMACK. That is my understanding.

Mrs. ROGERS of Massachusetts. I rejoice in that.

AUTHORIZING THE SPEAKER TO SIGN ENROLLED BILLS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Monday next the Clerk be authorized to receive messages from the Senate, and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection?

There was no objection.

ADJOURNMENT UNTIL MONDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection?

There was no objection.

SEVENTEEN MUSTS FOR SURVIVAL

The SPEAKER. Under previous order of the House, the gentleman from Florida [Mr. MATTHEWS] is recognized for 45 minutes.

Mr. MATTHEWS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. MATTHEWS. Mr. Speaker, for the past several months the newspapers of America have been filled with suggestions by our citizens as to what we must do if we are to survive. In more recent days, a very distinguished committee from the other body suggested that there are 17 musts for the Nation's defense. These musts were what we might consider defense points and were listed as follows:

First. Modernize and strengthen the Strategic Air Force.

Second. Step up the dispersal of SAC bases.

Third. Put more effort into developing antimissile missiles.

Fourth. Improve our early warning system for manned aircraft and accelerate the development of an early warning detection system for ballistic missiles.

Fifth. Modernize and strengthen ground and naval forces.

Sixth. Provide an adequate airlift for ground troops.

Seventh. Pour more effort into our antisubmarine programs.

Eighth. Step up production schedules of Atlas, Thor, Jupiter, and accelerate the development of Titan.

Ninth. Reduce lead time in the development of weapon systems by cutting down on decision time and by simplifying procurement procedures.

Tenth. Provide for a freer exchange of scientific and technical information between the nations of the Free World.

Eleventh. Start work at once on the development of a rocket motor with a million pounds thrust.

Twelfth. Give serious attention to the question of shelters and stockpiles for civil defense.

Thirteenth. Reorganize the structure of the Defense Establishment.

Fourteenth. Provide increased incentives for the retention of trained personnel in the military services.

Fifteenth. Accelerate and expand research and development programs, provide funding on a long-term basis, and improve control and administration within the Department of Defense or through the establishment of an independent agency.

Sixteenth. Put more effort in the development of manned missiles.

Seventeenth. Accelerate the development of the Polaris missile system.

Now, Mr. Speaker, I certainly agree with the findings of this distinguished committee and what I have to say is certainly not intended to be a criticism of these important musts. However, I am going to suggest seven musts for the survival of our Nation and not a single one of them will cost any money. I think upon reflection we shall discover that most of the 17 musts that I have enumerated and which were so well evaluated by the distinguished committee from the other body will cost money—a tremendous amount of money. It is interesting, then, to note that the seven musts that I propose to the American people for our survival will not cost the expenditure of an extra thin dime.

The first must that I would suggest is this: We must realize that money cannot solve all of our problems.

I have been somewhat fearful since we began the present session of Congress to note a feeling that I think is too general that all we have to do now to win this fight for survival, and that is what it is, Mr. Speaker, is just to spend more money. We have different techniques offered to us as, for example, that employed in the appropriations bill that we passed several days ago amounting to approximately \$1.4 billion when we were told that this is really an advance appropriation for spending money in next year's budget. Then we increased the debt ceiling from \$275 billion to \$280 billion so that we could spend more money and not have to raise taxes or ask any sacrifices from the American people to meet this extra obligation. I voted against raising the debt limit. I am conscious of the fact that one reason we have had to increase the debt limit is not because of sputnik but because of the increased interest rates that we are paying on the national debt, which now amount to approximately a billion dollars more a year than they did when I first came to Congress 5 years ago. I voted against raising the debt limit because I thought it was not giving all the facts to the American people. I was fearful that our people would think that we can now go ahead and spend more money for defense preparations, and not have it cost us anything. I have become

tremendously discouraged during the past few days to realize that it seems as though we are convinced now that whether we have war or peace we must always have a tremendous national debt and that we can never pay it off, but must continue paying nearly \$8 billion a year interest on this debt, and, of course, within a very short time that amount will be compounded.

Again and again throughout this beloved Republic of ours, I have seen evidences of the fact that too many of our citizens feel that the answer to all of our problems is money, and tragically enough, so many of us seem to think that it is not our money, but it is the money of someone else more fortunate than we are. Certainly any thinking citizen must realize that to have an adequate defense we must spend money. But the must upon which I am insisting again is the realization that money cannot solve all of our problems.

As an amateur student in the field of history, I remember one tragic fact about the decline of all the great civilizations of the past. They have all fallen because among other things they have put greater faith in the material things of life than they have in the spiritual things. Now there are many people in America today who feel that we ought not to teach the Bible or any kind of religion in our public schools. Many of these same people would be driven out of America, would be imprisoned and would be treated with the utmost of contempt if it were not for the teachings of the Old and New Testaments in the Bible. In the Old Testament the emphasis in the whole instruction is on the necessity of a people if they are to survive of following the principles of the spiritual rather than the principles of the material. Several days ago we all received an interesting magazine published by Doubleday & Co., Inc., and entitled "The Challenge of the Sputniks." Immediately after receiving this interesting publication I read it and I quote now from page 96 of this publication an article written by Bertrand Russell. In speaking of a possibility of unparalleled happiness for the human race if it decides to pursue its collective welfare rather than damage to some hated group, Russell says, "This demands a morality which will be new only in the sense of being acted upon. As an ideal, it is not new, but very old. It has been preached for countless centuries by sages and religious leaders, who have been highly honored after being put to death. I hope, though not with complete confidence, that men may learn to permit themselves to be happy, even at the cost of enduring the happiness of those whom they have hitherto hated. If this lesson can be learnt in time, science can lay the foundation of a new golden age. If it cannot be learnt, every increase of knowledge will be only a step toward ultimate and complete disaster."

The plea here is for the acceptance of all members of the human race to lean on a morality of love. Surely, we in America would do well to abide by that philosophy and the interesting fact about it is that it does not cost a dime of money.

The second must I want to suggest if we expect to survive is the fact that: The words "our responsibilities" must assume equal status in our thinking as do the words "our rights."

One of the most outstanding facts, of course, about the Constitution of the United States is the first 10 amendments to the Constitution which are the so-called Bill of Rights. Let us enumerate these rights:

First. Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.

Second. A well regulated militia, being necessary to the security of a free state, the right of the people to keep and bear arms, shall not be infringed.

Third. No soldier shall, in time of peace be quartered in any house, without the consent of the owner, nor in time of war, but in a manner to be prescribed by law.

Fourth. The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

Fifth. No person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment or indictment of a grand jury, except in cases arising in the land or naval forces, or in the militia, when in actual service in time of war or public danger; nor shall any person be subject for the same offense to be twice put in jeopardy of life or limb; nor shall be compelled in any criminal case to be a witness against himself, nor be deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use, without just compensation.

In passing, it should be noted that in this particular right we have the guaranty that no person shall be compelled in any criminal case to be a witness against himself. It is interesting to note that traitors, crooks, and other infamous people have hidden behind this guaranty which is so precious for the preservation of a free America.

Sixth. In all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed, which district shall have been previously ascertained by law, and to be informed of the nature and cause of the accusation; to be confronted with the witnesses against him; to have compulsory process for obtaining witnesses in his favor, and to have the assistance of counsel for his defense.

Seventh. In suits at common law, where the value in controversy shall exceed \$20, the right of trial by jury shall be preserved, and no fact tried by a jury, shall be otherwise reexamined in any court of the United States, than according to the rules of the common law.

Eighth. Excessive bail shall not be required, nor excessive fines imposed, nor cruel and unusual punishments inflicted.

Ninth. The enumeration in the Constitution of certain rights, shall not be construed to deny or disparage others retained by the people.

Tenth. The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

These glorious rights have long been a part of the fabric of our constitutional government. Many thinking citizens today feel that in upholding these rights, the Supreme Court of the land has gone to the extreme. These citizens hold that many times there is a conflict between the so-called rights of the individual and the rights of a sovereign nation, and that if great care is not taken, we give the individual such extreme rights that the Nation cannot survive. I am not a lawyer and I do not pretend to have any great knowledge of constitutional government. I do know, however, that the whole judicial system of our country is in a very strained position. Too often we find the crook, the murderer, the rapist, released—and we must constantly be on our safeguard to realize the maximum of justice for all of our people.

Just several days ago I heard one of our colleagues—and I do not mean to be critical—comment to the effect that in Russia young people were taught to serve the state, whereas in America the purpose of our Government is to liberate the individual. I do not believe we can survive as a Nation if that is the only thought we have about our Government. If, in other words, we think about nothing but our privileges and our rights and our opportunities for material fund and happiness, and we are not willing to accept the responsibilities that go with American citizenship, our form of government is doomed.

Look about you, if you will, in the well of the House. Here are words that are carved on this woodwork, and surely they are immortal aspirations of our people. They ought to be. They have a place here. Here are the words "union, justice, tolerance, liberty, peace." I think it is tragic that we do not have the word "responsibility." We have a responsibility to vote, we have a responsibility to vote intelligently, we have a responsibility to consider our neighbor, we have the responsibility to practice the Golden Rule—it cannot be enforced, it is not perhaps what we might call a fundamental legal requirement of American citizenship, but it is a moral obligation that we must assume if our democracy is to survive. Communism can survive without the practice of the Golden Rule, but our democracy cannot. I repeat again, then, that the second must for survival is the words "our responsibilities" must assume equal status in our thinking with the words "our rights."

Next, and the third must is: We must evaluate properly the statement "All men are created equal," which thought is so foremost in so many of our political orations of the day and in many addresses that are made by citizens in

varying walks of life. In the immortal Declaration of Independence, which was largely the handiwork of Thomas Jefferson, we read this powerful statement:

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness.

Now, so often political orators do not say that all men are created equal, but they will use the words "All men are equal."

They use that statement as a great fact of our democracy. Jefferson of course, certainly did not intend that interpretation of his statement. Mind you, after the phrase "That all men are created equal," we have this restrictive thought, "That they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness." In other words, I hold that Jefferson meant by the phrase that all men are created equal that they are created equally in the love of God, and that God gives them the right of life, liberty, and the pursuit of their happiness. I am inclined to believe along with many scholars of Jefferson that the great author of the Declaration of Independence was deeply indebted to the Honorable George Mason of Virginia, although Jefferson would never admit his indebtedness. On May 25, 1776, George Mason sent his famous declaration of rights to the Virginia Delegation in the Continental Congress. A few days after the receipt of these rights, Jefferson began writing his famous Declaration of Independence. Now in Mason's Declaration of Rights, we find these great statements:

That all men are born equally free and independent and have certain inherent natural rights—among which are the enjoyment of life and liberty with the means of acquiring and possessing property and pursuing and obtaining happiness and safety.

To prove, I think, Jefferson's indebtedness to Mason, it is well to note that in Jefferson's first draft of the Declaration of Independence we find this statement:

That all men are created equal and independent, that from that equal creation they derive rights inherent, and unalienable, among which are the preservation of life, liberty, and the pursuit of happiness.

In other words, Jefferson most probably derived not only his inspiration from John Locke, who was such an excellent expositor of the natural rights of man, but also from George Mason. And the whole idea of this phrase "all men are created equal" is the fact that men are born equally free and independent and that as a result of that free and independent birth, they have rights including the enjoyment of life, liberty, and the pursuit of happiness.

I am shocked, however, to note the number of times that we find this phrase distorted and the orator uses the words "all men are equal." You see, to distort the thought means, then, that all of us have the same ability. I would certainly grant that every citizen has a right to rise as high in life as his ability or her ability enables him or her to rise. But

to accept the fallacious thought that all of our citizens are equal is, I think, to promote the end of the Republic. The acceptance of this thought of equal ability has, I think, much to do with the problem we have in the classrooms. Too many times the slow student holds back the student of more ability because the people demand that all children be taught the same subjects. A course of study, in other words, must be prescribed to take care of the slow child. And if it is too slow for the fast learner, too often nothing is done to correct the problem.

This great country of ours ought to give every citizen a right to earn his proper place in life. But that place in life must be earned. Whatever place he occupies will have to depend upon his natural ability. If we depart from that standard, and I fear we have departed from it, in many instances, we cannot hope to match the threat of Soviet Russia.

Much criticism has been directed of late toward the curriculum in our public schools. I think some of this criticism is well founded, but I think we must never overlook the fact that the community itself is responsible for the curriculum. We have been told that in Russia students of outstanding ability have been separated at an early stage in their educational career from those of lesser abilities. The children of lesser abilities are thus stratified in a state or class that keeps them from attaining the dignity and community stature of those students who are more gifted. We are told, further, that in the public schools of Russia, students go to school 6 days a week and sometimes there are 3 shifts a day in each classroom. We are told further that students in the higher grades of the elementary schools must take science and mathematics, and if they are not able to accept the mental disciplines of these subjects, why then they are relegated down the educational ladder. One great mistake that we must not make in America is to copy the Russian system of education. That does not mean to say, however, that we ought not earnestly to analyze our curriculum to see how we can improve it. I surely think we can stand tremendous improvement without a single extra expenditure of money to make it possible within our educational system to give greater opportunities to students of greater abilities, to recognize the fact that these gifted students ought to be treated with at least as much special attention and concern as those students who are less gifted. I find the use of the word "exceptional" very repugnant to me as it applies to educational philosophy. We use that word to designate the student of potential genius, as well as the student of low ability. Surely without being cruel and unconcerned about human personality, we can devise some other means of classifying students so as to avoid at least the inherent suggestion that in our democracy we value inferior ability as much as we do exceptional ability. I wish it were possible in this talk to explore further possibilities of improving the educational opportunities of our students. I want to stress again that I think great im-

provement can be made without the expenditure of a single dime. I do not deny the fact that we need to spend more money, but I think enough emphasis has been given to that aspect of the problem. I would suggest, for example, that we use television and other modern media of communication to a far greater advantage in the classroom. I would suggest that we check very thoroughly the programs of counseling and guidance and admit the fact that this problem is a family problem, and that there is a limitation of the ability of the schools to accept responsibilities for guidance. We need to explore subjects in the classroom that are offered merely for the sake of getting credits to get a high school diploma. We should evaluate the opportunities for mental discipline in our classrooms and make these opportunities for mental discipline more available. At this point I would like to insert a timely article by Felix Morley which appeared in the January 1958 issue of *Nations' Business*:

[From *Nations' Business* for January 1958]

THE STATE OF THE NATION

(By Felix Morley)

SCIENTIFIC TRIUMPH OF RUSSIA SHOWS A PARADOX IN EDUCATION

A disturbing paradox in comparative education is revealed by Russia's triumph with the sputniks. How is it that the Communists, who decry competition, emphasize it so strongly in their schools while we, claiming to believe in free enterprise, have gone so far to eliminate the competitive spirit from the classrooms?

Of the facts involved there is, unfortunately, no longer any question. Official publications belatedly tell us that in the Soviet schools there is no promotion until the pupil has passed examinations specifically designed to weed out the unfit. The Secretary of Health, Education, and Welfare, Mr. Marion B. Folsom, says that our entire public school curriculum must be reexamined, "if we are to hold our own with Russia." It is now freely admitted that in Russian elementary education there is "a pace of schoolwork far more rigorous than any encountered in the United States," to quote a warning that went ignored when made by a competent American observer nearly 20 years ago.

By contrast, thoughtful parents in this country are well aware that in many of our public schools annual promotion is now all but automatic, with no relation to individual effort. The basic subjects, even those as fundamental as the three R's, are subordinated to social activities agreeably labeled "life adjustment" or "group awareness." Intellectual competition is viewed with mistrust and anything more than perfunctory discipline is frowned upon as frustrating. The net result, shattering to our national self-esteem, is that the Russians have forged ahead of us in those resources of scientific manpower where we once thought ourselves particularly competent.

The redeeming feature of our scholastic deficiency is that Americans are clearly in revolt against the system that produced it. In November a Gallup poll disclosed that 89 percent of those interviewed favor making mathematics a required subject throughout high school, as do the Russians. About the same time the headmaster of a hard-driving and expensive Washington private school revealed that applications there have soared to 1,000 for every 75 boys the school can take. The other day a small college with national reputation announced that it will henceforth admit no student who cannot

pass a test in algebra, "which should have been accomplished in secondary school." There is no lack of demand for competitive education in the United States. The failure is in the supply.

Several factors have combined to create this anomalous situation. Perhaps the most influential is the extreme to which the plausible theory of progressive education has been carried. Starting from the reasonable thesis that schooling should be enjoyable, the trend in public education has gone on to eliminate all coercion, all taskwork and almost all sharply competitive training. Unfortunately this misguided kindness has altogether failed to make the lives of teachers, pupils, or parents happier. We do not need psychologists to tell us that the child whose will is never crossed is the one who makes himself and others miserable.

Extreme progressivism has done much to make the high school diploma virtually meaningless as a measure of individual achievement. But material prosperity has also played an important part in the subtle degradation of the public schools. When even elementary education was a privilege, obtainable by few, real sacrifices were made to attain it and value rose accordingly. As a right, available and even compulsory for all, there is no such appreciation. Although we have long outgrown the little red schoolhouse it is no mere nostalgia to say that those who trudged there in all sorts of weather gained values not provided by door-to-door bus delivery. Nor is there any architect skillful enough to build a love of learning into the country club accommodations currently deemed desirable as an educational setting.

Still a third source of depreciation is found in the current philosophy of teacher training. The emphasis has shifted from knowledge of subject matter to deftness in presentation. The whole public school system is topheavy with educationists who know how but not what to teach. Talent is no longer as important as the mere number of credits which teachers achieve in mandatory courses concerned with procedures rather than with content. Undoubtedly techniques are useful, but they do not of themselves make teachers any more than typing ability of itself creates authors. In the assembly line production of mechanically qualified educationists is found one of the primary reasons for the malaise in our public schools.

The American educational deterioration, now painfully focused by Russia's scientific achievement, is thus in no major respect due to any lack of funds. Some of the decline in standards, on the contrary, is probably a result of too lavish, or at least too careless, expenditure. It follows that the problem will not be solved, and could even be intensified, by merely pouring more money into public education.

Yet the naive belief that money alone can cure what is wrong with our schools is widespread, and is contently promoted by a powerful and well organized lobby. Undoubtedly there will be concerted effort to obtain more Federal aid for education from the session of Congress now convening. At the grassroots there is a healthy skepticism about the educational frills which money can provide. Many a local bond issue, for more luxurious school facilities, has been turned down by community plebiscites in recent months. But this revolt in the localities has merely strengthened the demand that Washington take over financing which voters see no need to impose directly upon themselves.

Federal aid in this field, of course, runs counter to that faith in local self-government on which our Federal system is based. Nevertheless, intervention by Washington must be expected if the incompetence of our public education, by contrast with that of Soviet Russia, is as pronounced as evidence

indicates. For this means that the problem is no longer local, but is becoming one of national defense.

There is, however, a procedure—wholly consistent with American traditions—whereby Washington could do much to improve the schools without any additional budgetary charge. And it is a method which would be welcomed by parents and teachers alike.

All that is necessary is for the Department of Health, Education, and Welfare first to define, and then promote, the minimum curriculum deemed necessary for schooling worthy of that name. Secretary Folsom points out that every Russian schoolchild must take 5 years of mathematics beyond arithmetic, and is relegated to a vocational school if he cannot make the grade. But he stops short of advocating any method for restoring the competitive spirit for American youngsters. Yet it is really a duty, rather than merely proper, for the presumably expert Office of Education to do just this.

Once a standard, hard-hitting curriculum is recommended it would be up to the localities to decide how much of it, if any, they would adopt. But they would at least have an index for guidance. They would have a basis for constructive reform more substantial than the wholly fallacious idea that good education can be built into expensive buildings. And public attention would be focused on methods, which are the heart of the problem.

To get results in this field the incoming Congress need only ask two simple questions, but should insist that schoolmen now on the Federal payroll provide unequivocal answers: Why is it that the spirit of competition has been so sharply and disastrously curtailed in an institution as fundamental as the American public school? Why is it that the better colleges and universities, instead of welcoming graduates of the public schools, are coming to regard them, by and large, as inferior material for every type of professional training?

Both questions need to be asked—and answered.

The President has suggested a program of Federal aid to education involving the granting of scholarships to gifted students. Now, I have an open mind on this problem, but as I recall, even during the depression days when I was graduated from college, I do not know of a single gifted student of genuine ability who wanted to go to college who was not able to get to college. My alma mater, the University of Florida, is still an institution that boasts of the fact that many hundreds of its students are able to obtain part-time jobs and actually pay all of their expenses in college. Now there may be gifted students who have the genuine will for more education and who cannot obtain it because of their lack of financial ability. I know in certain special fields, such as in the field of medicine, that this may be true. But I want to repeat again that in my experience as a former university student, as a director of student activities, and as a director of alumni affairs, all at the University of Florida, I do not know of one single instance of a gifted student, irrespective of his financial condition, who wanted to get a higher education who was not able to get this education. One thing we must surely do in our public schools is to avoid the use of Federal troops to enforce integration, and to insist on a discipline in schools where the little gangs and adolescent criminals make a mockery of the wholesome environment so necessary for education. Little Rock and the New York

City public schools have emphasized to the Nation that money is no substitute for constitutional government or the insistence of moral standards in the classrooms.

Again, the third must that I have in mind is the fact that we must evaluate properly the statement "all men are created equal" and we must, I think, come to the conclusion that by this phrase we mean that no citizen in America has a right to expect anything except that which he earns, that we are not equal as far as ability is concerned, but we are equal in the divine creation of God and in the love of providence, and we are equal insofar as we ought to have the right to rise just as high in life in our democratic society as our abilities enable us to rise.

The fourth must that is essential if we are to survive is the simple fact that: We must be honest with ourselves and the world.

I do not think we in America are more dishonest than the people in any other nation, but I do know that we need to stress first of all just the simple word "honesty." The crook in labor, in business, or in public life must be ferreted out. The community must not take the position, no matter how crooked the individual is if he serves selfish aims, he is entitled to friendship and loyalty. Whether or not we can survive will depend on whether or not there are enough people who put the interest of the Republic before they place their own selfish interest. Surely the interest of the Republic is to demand strict honesty on the part of our leaders in all fields of endeavor. I am shocked to think that despite overwhelming evidence on the part of the dishonesty of a labor leader, that he can still command enough allegiance and respect on the part of the overwhelming rank and file of the labor organization so that he can thumb his nose at decency and be elected president of a powerful labor union that has, in turn, the power of life and death over many hundreds of independent and honest businessmen and likewise has the power of life and death over hundreds and thousands of honest men and women in organized labor. I am appalled to note the increase in embezzlements in the respectable business circles of America, where men and women steal literally hundreds of millions of dollars each year in America, and this tragic trace of corruption is on the increase. In fact, one of our colleagues several days ago in a very interesting talk, pointed out that, in his opinion, there were about \$20 billion in income each year that the American people did not even report. There does not take much logic, I think, to deduce the fact that with all of the greatness of America that fundamentally when we have such a great problem of dishonesty, that the time has come to realize that we cannot, with the almighty dollar, buy this moral virtue of honesty. It is an aspiration that should be a national aspiration. It is a goal that does not cost a dime of Federal expenditure.

I think this idea of being honest with the world is of paramount importance. For example, I think the time has come

when we must say very frankly that America does not have the resources to solve all of the problems of the world. What we can do is to help other nations to help themselves. I am proud of the idealism of America, which has made possible a tremendous amount of help to nations all over the world. Critics of America would say that this help has been given largely because of the self-interest of America. I do not deny the fact that, in my opinion, much of the aid we have given has been because of self-interest, but I am also convinced that we have been prompted to an equal extent by the spirit of idealism and by the feeling that we have a responsibility to help men and women of good will throughout the whole world. For example, tell me, if you will, of the history of any other great nation that has been largely responsible for winning two world wars, and yet as a result of these wars, has not demanded one extra foot of territory. Tell me, if you please, the example of another nation that fought a war such as the Korean conflict, and poured forth the precious blood of our youth and the material resources of our Nation to stop the onroad of the fatal philosophy of communism. Then, after the struggle ceased, mind you, once again we did not ask for any material compensation. I do not believe the remainder of the world has been told eloquently enough of this sincere expression of American idealism. But again and again we must be honest and realize that we cannot solve all of the problems of another nation. Each nation's problems must be largely solved by the people of that nation.

A fifth must is the fact that: We must solve our fiscal problems.

How tragic it is that in this period of high income we have still not made any progress at all toward reducing the huge national debt that faces us seemingly now forever in the future. The interest on this national debt is closely approximating \$8 billion a year. If the people of the sovereign States did not have to pour this vast amount of money into the Federal coffers, think, if you please, how many schools they could build. Consider the better salaries they could pay school teachers. Ponder the new hospitals and new public buildings that could dot the landscape of almost every county in the Union. Yet, I think, because we are afraid to suggest that there must be some sacrifice, we go on postponing the inevitable day when in my opinion we shall collapse in economic ruin. Now, I think we can make great progress in reducing this debt by not spending more money but by doing such simple things as demanding that we get more defense out of each dollar that we already spend. Consider, if you please, how much money we are spending now for defense. Spending for military functions of the Department of Defense—what we might call direct expenditures—has amounted to about \$45 billion for the last 2 years and that amount will be increased by about another billion this year. Then in addition to that, let's consider the billions for military assistance and defense support of our allies, let us consider the expenditure of billions under Public Law 480, and particularly let us keep in mind

the program through which we trade our agricultural surplus for foreign currencies. Let us consider many other expenditures for the defense of this Nation, such as the cultural exchange of students, the Voice of America, and I am compelled to believe that we have appropriated adequate sums. I am not convinced that we are getting a dollar's worth of defense out of each dollar spent. The President in his annual state of the Union message told us of his firm resolve to do something immediately about conflicting authorities within the Department of Defense. The lack of cooperation among the departments, the rivalry, the tremendous paperwork which is so unessential, have come almost to the point of a national scandal. When are we going to have real unity in the Defense Department? When are we going to have a better method of procurement which year after year we are told would save billions of dollars a year? When are we going to realize that if we should ever have another world war—and God forbid—we cannot fight it on the same basis that we fought World War II? When are we going to do these things that don't cost the money, that admittedly are not dramatic, and that admittedly will cause a lot of heartache and a lot of difficulty? When are we going to do these things that are essential if we are to survive? Let me stress that I shall certainly vote for every appropriation for defense that I believe is necessary. I am suggesting here a must, however, that is supplemental and will not cost a dime, but would rather save money. And that must again is the fact that we must solve our fiscal problems. We must get a dollar's worth of defense out of each dollar we spend.

Now, a sixth must is: We must preserve our form of government.

When our forefathers came to these pilgrim shores they had the advantages of the mistakes of the great civilizations of the past. They devised a form of government that is indigenous, I think, to the United States of America. This form of government embodied a separation of the powers of the Federal Government into three great branches—the executive, the legislative and the judicial. I have seen the development just during the few years I have been in Congress of a type of government that I think is entirely different from what our forefathers envisioned. I have heard those who seemingly think that the only way in the world to get things done is to have the Federal Government at Washington to do it. They have forgotten the fact that with the divisions of the Federal Government our forefathers devised a powerful State government system, and specifically set forth in the 10th amendment to the Constitution that the rights not given to the Federal Government are reserved to the States or to the people. Every dollar of taxation we get comes from the sovereign citizens of America. The philosophy that the States are incapable of solving their problems to me is one of the most dangerous philosophies prevalent in America today. On the Federal level we find the Supreme Court in many decisions taking away from the States certain respon-

sibilities and privileges which should belong to the States. I do not intend to dwell upon this tremendous problem at length, but in my humble opinion, we must realize that our form of government is different, that it is indigenous to our own beloved country, and for our form of government to continue we must have on the Federal level a clear division of powers as among the executive, the legislative and judicial, and then insofar as the relations between the Federal Government and the States are concerned, we must never fail to realize that this is a sovereign Nation composed of sovereign States. The only powers given to the Nation are those powers that the States, themselves, delegated to the Federal Government.

The seventh must is that: Each of us must sacrifice.

Plato said that when the citizens of a Republic had rather serve the Republic with their money than with themselves, the Republic is not far from its fall. We need to have in America today more than ever before a sense of service to the people of this Nation. I think the American people will respond to the challenge of sacrifice. They do not want sacrifice to be a one-way street on the part of some of our people and not on others. Surely the man with a small income cannot be expected to sacrifice as much materially as the man of larger income. Once we are given the goals, I am sure that the American people will respond to the challenge. We need to be told, however, I think, that we cannot expect to have our cake and eat it too. To be specific, we cannot expect to have the same number of televisions, automobiles and other luxuries of life that demand the talents and energies of most of our creative thought and produce the new pioneers in science to match the achievements of Russia. One tragic fact as far as scientists in Russia are concerned is that their efforts have been directed entirely toward a war potential. Someone has said that if we had as much engineering effort toward the development of the sputnik in America as we have had in the development of the new fins on automobiles, that we could long since have launched our sputnik. I realize these are generalities. These statements do not hand out a bill of particulars. What I am pleading for is for the clear establishment of goals, and then the calm statement of the facts to the American people. And I repeat once again that I believe our American people will meet the challenge.

Bernard Baruch, in the Doubleday publication to which I referred before, states the problem, I think, eloquently:

The basic problems confronting us today are not new—they only appear in new guises to each generation. And as I see these problems arise again and again in my lifetime, I feel like a battered old veteran coming back from the wars who, if he cannot point out the road to victory, can at least show how to avoid the path which leads to defeat.

Sometimes, it seems to me, this path is widening into a superhighway, along which we speed, apparently unconcerned with our destination as long as we get there on foam-rubber seats and pushbutton drive. If America ever crashes, it will be in a two-tone convertible.

While we devote our industrial and technological power to producing new model automobiles and more gadgets, the Soviet Union is conquering space. While America grumbles over taxes and cuts the cloak of its defense to the cloth of its budget, Russia is launching intercontinental missiles. Suddenly, rudely, we are awakened to the fact that the Russians have outdistanced us in a race which we thought we were winning. It is Russia, not the United States, who has had the imagination to hitch its wagon to the stars and the skill to reach for the moon and all but grasp it.

America is worried. It should be. We have been set back severely, not only in matters of defense and security but in the contest for the support and confidence of peoples throughout the world.

Still there is no reason to panic. What human folly commits, human ingenuity can overcome. We can overcome our mistakes, our delays, our incompetence, but this requires hard work and sacrifices and putting first things first.

I have no patience with those who claim that our economy cannot stand the strain of meeting the Soviet challenge and complain that taxes are too burdensome. There are worse burdens than taxes. The cost of preserving the peace is infinitely less than the cost of fighting a war. I, for one, will never concede that we cannot do as much in the defense of our freedoms as any potential enemy may be doing to destroy those freedoms.

Sputnik is more than a satellite hurtling through space, more than a warning of leadership jeopardized and security imperiled. Sputnik represents the test of democracy. Do we meet this challenge—regain our leadership, assure our security? Do we discipline ourselves to protect our freedoms? If we do not, we will bear the far harsher disciplines which our enemies will impose on us.

Those are simple, sobering facts. I realize in all humility that there are many other musts that one might contemplate as we think of this struggle for survival. But I repeat once again, Mr. Speaker, that the seven musts which I have enumerated are important and of special significance. I do not believe that these musts will cost a dime of extra money. They will cost sacrifice. They will cost a renewed dedication to country. They will cause a reorientation of effort. They will challenge each of us to do our particular part in the best manner possible to make our contribution—however great or small—in the race for survival that confronts us.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. MATTHEWS. I yield to the distinguished gentleman from Texas.

Mr. PATMAN. I believe the budget figures show that it is \$2 billion more than 1952. In fact, I am confident of that.

Mr. MATTHEWS. I appreciate the gentleman from Texas giving me these more accurate figures. Is that not tragic to contemplate that in just a little over 5 years, it is nearly \$2 billion more a year just to pay the interest on the national debt. Will the gentleman not say that is correct?

Mr. PATMAN. That is correct and further remember that is the amount of the increase in the interest charge on the national debt. In other words, we are paying \$2 billion more for approximately the same amount of money as we paid 5 years ago in 1952.

Mr. MATTHEWS. I thank the gentleman. In fact, I think this year the total interest payment on the national debt would be about \$7.9 billion or nearly \$8 billion.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. MATTHEWS. I yield.
Mr. PATMAN. Mr. William Tyler Page was the author of the American Creed which has been adopted by the Congress. In that creed is a phrase which I think is a beautiful one and expresses the kind of Government we have: "A democracy in a republic."

Mr. MATTHEWS. I thank the gentleman for that statement. I understand that Mr. Page before he wrote that wonderful creed examined all the great documents of American history. He put in that creed the most precious thought to me that could be found in any of those memorable documents.

Mr. BASS of New Hampshire. Mr. Speaker, will the gentleman yield?

Mr. MATTHEWS. I yield to the gentleman from New Hampshire.

Mr. BASS of New Hampshire. I have listened with a great deal of interest to the statement of my friend and distinguished colleague from Florida. I want to congratulate him on his thoughtful remarks.

There were two points he made that I felt were particularly well taken—first, that the mere expenditure of money alone is not going to solve the present crisis in which we in the Free World find ourselves. How true that is.

Second, he touched a point on which I feel most strongly when he pointed out the urgent necessity for reorganization in our Defense Department. This interservice rivalry just does not make sense to me. If I run a business, for instance, I do not have three research departments. I have one. It seems to me that the waste and duplication, the difficulty of getting any clear decisions and the lack of clear authority among the many commissions, boards, and the 50 or more assistant secretaries in the Department, all this is so apparent that something must be done and done quickly. The gentleman is so right when he says we are not getting the most out of our tax dollar for defense purposes.

Mr. MATTHEWS. I thank the gentleman very much. I appreciate the gentleman's comment.

ECONOMY IN GOVERNMENT

Mr. BASS of New Hampshire. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. Wilson] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. WILSON of Indiana. Mr. Speaker, the greatest practitioner of false economy the world has ever known is the United States Government itself. One need only reflect briefly on existing conditions to see the truth of that indictment. It is shameful. If a householder conducted his family affairs and handled his family budget in the same manner,

he would be hustled off to a booby hatch faster than he could say Jack Robinson.

As I see our Federal budget makers unquestionably showing astronomical billions into the bottomless pit of the so-called defense effort and simultaneously squeezing the domestic economy to death, I am dismayed. It brings to mind the Biblical quotation: "Ye blind guides, which strain at a gnat, and swallow a camel."

The Federal budget for fiscal 1959 proposes \$45.8 billion for "major national security" and \$27.5 billion for everything else, including \$7.9 billion as interest on the national debt. Any saving that is to be made, we are told, must come from the lesser items—the defense colossus to remain inviolate and supreme.

Mr. Speaker, no one in this Chamber or in this country wants a strong and invulnerable America more than I want it. But I submit, Mr. Speaker, that we need not spend ourselves into bankruptcy to be invulnerable. Such is precisely what the Kremlin wants us to do. I am sure we can reshuffle the billions presently going into the defense effort—reshuffle them in a way to allow all the money needed for rocketry and nuclear development, research and education. No one can convince me that billions cannot be saved by cutting out frills and deadwood in the present defense setup—these billions to be diverted to the nuclear effort.

I get letters every day from businessmen, small industries and individuals who are being forced to their knees by the intolerable imbalance of the Federal spending and taxing structure. I am sure every other Member of this body receives similar complaints. We all have heard of ailing businesses calling in efficiency experts to reshape, streamline, and retool their organizations so as to put them back on the right track. If ever any business needed an efficiency expert, it is the United States Government.

I am impelled to this outburst today, Mr. Speaker, by a Federal "penny wise and pound foolish" situation which is worse than I thought. It is false economy of the first order, degrading to the prestige of America, discouraging to our own people, and very costly, in the long run.

Throughout our country's history a source of great national pride has been the beauty, the dignity, the impressiveness, and the permanency of United States Government buildings, monuments, parks, and other properties. Our National Capital is among the most beautiful and inspiring cities in the world. The architecture of Washington's public buildings, the materials and the workmanship in these buildings seem to symbolize the courage and the virility of America.

Throughout the land, in most towns and cities, our Federal Government has erected thousands of post offices and other public buildings. Into these buildings have gone thoughtful and beautiful architecture and materials of the finest quality. These buildings have served as symbols of strength and stability of the Nation. Local communities point with pride to these structures. The high standards of Federal construction have

been an incentive to owners and builders of private property.

Any foreign visitor traveling through America cannot but be impressed by these symbolic and beautiful buildings, atop of which the American flag so proudly flies.

These things, Mr. Speaker, have become an integral part of the American tradition. They have been honored, admired, and respected by the entire world. Our prideful people never tire of sending out postcard pictures of their local national structures which show how wonderful it is to live in America.

Suddenly, now, we have stopped all this—except in Washington itself. And even here we find a downgrading of quality in public buildings, a tendency to substitute inferior materials where they will not be noticed.

As our rapidly expanding communities outgrow their old post offices and public buildings, we find these structures are being replaced by shoddy and flimsy structures of a standard design and resembling warehouses. The Government's General Services Administration has a public-buildings branch which has charge of these projects. It seems to be the current attitude of GSA that Federal buildings are basically workshops and should look the part—that the values which previously guided design, construction, and the selection of materials are no longer to prevail.

Today's plan of public buildings is obviously a complete reversal of the American tradition under which we have operated for more than 100 years.

Except in Washington, Federal buildings are constructed under regulations of the Lease Purchase Act whereby a private builder produces a building and then leases it to the Government for, usually, a 20-year period during which time he would amortize his original outlay.

Life of the Lease Purchase Act extended only to July 1, 1957, because the Congress felt that the scheme was not doing the job expected of it. However, the cost limitations set up by GSA and the Bureau of the Budget still prevail and public structures are still going up under private financing.

Architects and engineers who have been granted design allocations from the Government under the Lease Purchase Act find restrictions are so severe that the use of quality materials or originality in design is impossible.

It is my conviction, Mr. Speaker, that this policy will ultimately cost the taxpayers more, rather than less. These makeshift buildings, of inferior materials and so hastily constructed, will be falling to pieces in a few years, and by the time the Government's 20-year lease has expired they will be rubbish.

This is false economy of the first order.

And let us not forget that construction of these warehouse-type buildings is a terrific letdown for the local people who always have felt pride in Federal properties of their communities. You can imagine a citizen taking a visitor past a flimsy stuccoed structure and pointing with pride to his town's new post office.

Our granite, marble and limestone quarries and manufacturers of pressed brick have been hard hit. Their products, no matter how long in use, have withstood the ravages of weather throughout the years. They have proven that quality in materials is sound economy and much cheaper in the long run. Because of GSA, these natural stone and brick industries are having bitter times and thousands of workers in the industries have seen their jobs disappear.

Many producers of quality materials and a number of architects have protested the GSA policy. They point out that quality materials dominate the better class of private construction throughout the country. They find it is far easier to sell privately than it is to sell to Government buildings.

Now we witness the odd spectacle of private industry, rather than the Government, advocating the use of materials with proven long and useful life in lieu of unproven materials and materials known to be inferior, of slight longevity and high maintenance cost. Certainly if a private builder who has to put out his own dollars, finds quality material to be the cheapest, then it must be a sound procedure. Private builders are not likely to be throwing money away.

It is my hope, Mr. Speaker, that this matter will be investigated. I want economy in Government—but I simply do not think our present public buildings program represents economy.

TO THINE OWN FUELS BE TRUE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from West Virginia [Mr. BAILEY] is recognized for 20 minutes.

Mr. BAILEY. Mr. Speaker, I was pleased to note that the gentleman from Pennsylvania [Mr. SAYLOR] has again taken up the subject of importation of natural gas. Although it may be some time before the Federal Power Commission makes its decision on the applications to import natural gas from Canada, Congress must be ready to rectify any decision that might be counter to the welfare of the American people. We hope that the FPC will flatly refuse to permit Canadian gas to come in here and displace our own fuel; yet we must realize that there is no predicting what these Government agencies will do.

I said that I was happy to learn of the gentleman's bringing the Canadian gas issue before this session of Congress. He has always been with me in the fight to protect America from the economic catastrophe that would result if we were to go along with the administration's foreign trade proposals.

I am happy to note also that more and more other Members of Congress are coming into our camp. They have been back home in recent months, and they realize more than ever what can happen to American workers when foreign producers are permitted to usurp our markets.

We need all the help that we can get. We must keep a lookout on the stern of our Ship of State as well as on the bow. Then, of course, we must always have someone to watch from the portside and

someone for the starboard, because the Executive Department is willing to open all of our ocean ports to the cheap manufactured goods of Europe and Asia. It insists that we accept as much residual oil as our friends in South America want to ship to us.

Perhaps I should amend that last sentence to give the subject more latitude, for I have not yet been informed by our diplomats whether Marcos Perez Jimenez is our friend or not. Our State Department throughout his reign was willing to echo his sentiments about Venezuelan oil shipments to the United States; the State Department's present attitude toward him and his successors may not have yet been determined. It has been customary in recent years to find out first whether a foreign government is willing to accept cash gifts from us.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

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

Mr. FLOOD. The gentleman, who has always been in the forefront in this matter of dumping residual fuel oil from Venezuela, of course, will recall that the present Secretary of State before Congressional committees here and in the other body praised at some length ex-Dictator Jimenez, of Venezuela, and pointed to his dictatorship as a fine example of our friends to the south when we were discussing this matter of residual fuel oil.

Mr. BAILEY. I am inclined to agree with the distinguished gentleman from Pennsylvania.

As for Jimenez himself, as he looks back from his refuge in the Dominican Republic, he possibly wonders whether he would not have exhibited more wisdom by keeping some of his petroleum and converting it into explosives to be used in the defense of his Government rather than to have poured so much of his country's oil into United States markets.

Well, we have been subjected to these irresponsibilities of the State Department for a long time, so there has been a deluge of foreign commodities coming at us from the south and the east and the west. We have also been very generous in our trade arrangements with Canada, but the new threat that faces us since the discovery of natural gas up there is something else again. This gas would, based on applications now being studied by the Federal Power Commission, enter Midwest markets that coal and lignite actually built. Repeat: These markets were literally built by American coal and lignite industries. They never would have been established in those areas had not domestic fuels been available. Many of the railroad lines entering these markets would not have been laid down at all had it not been for the prospective freight business from the mining regions.

Now we are confronted with an attempt to bring in an alien fuel to displace our own coal and lignite in the furnaces and boilers of those market areas. Some governors and Senators from the States which would get this foreign fuel have had the temerity to

insist that the FPC rush through with its approval of the project. I have not yet heard them come down here to Congress to ask for a revision of the section in the Agricultural Adjustment Act which practically prohibits all Canadian wheat and dairy products from crossing the border. They have not raised their voices against tariffs that keep out Canadian lumber and processed materials that compete with those made in the Midwest.

Looking at the issue from a vantage point to the north, we find the Canadians themselves are most respectful of their own industries. They do not permit importation of commodities destructive of their economy. As a matter of fact, there is even a tariff of 50 cents per ton on the coal that moves from the United States into Canada.

The dairy farmers of Wisconsin and the wheatgrowers of Minnesota cannot be censured for wanting to protect their own bread and butter. People of Canada are exhibiting rational tendencies when they seek to safeguard their own jobs.

Mr. Speaker, let us go on record as the Congress respectful of the Constitution and with the courage and patriotism to draw the line against policies which sacrifice American jobs at the altar of internationalism. Our work is cut out for us. As a start, we must be ready to take these three steps:

First. Defeat any attempt by the State Department to bring the United States into the Organization for Trade Cooperation.

Second. Amend the Reciprocal Trade Agreements Act to give Congress, instead of the White House, the power of review in Tariff Commission recommendations.

Third. Be ready to pass a law in case the FPC slips on the Canadian gas cases safeguarding domestic fuel producers who ship to the Midwest.

If you look closely at the gauntlet which the State Department has thrown down, you will find that it was not made in the United States of America. I am throwing it back, and I am hopeful that my colleagues will stand behind me when the State Department opens fire on us with its big shots in the Cabinet and in other executive offices. I also include such invited guests and payroll participants as Eric Johnston, and even a former President of the United States who are going to take part in a huge gathering here in Washington to tell the American people that we should go ahead with this foreign aid program and extend these trade agreements.

Mr. Speaker, I have said repeatedly on the floor of this House that as long as the President of the United States and the State Department control the final decisions in matters of our trade policies, every industry in the United States is a pawn in the game of international politics, with Mr. Dulles playing our hand at the poker table in Geneva. This is no time to sell America short. We could not buy their friendship with dollars appropriated out of the United States Treasury, and I submit, Mr. Speaker, that we cannot buy their friendship at the expense of the sacrifice of jobs of American men and women.

You have heard the phrase, "More trade and less aid." Do not fall for it. Right now our economic situation is such that we should be, and I will say that I am more concerned with the growing unemployment problem in this country than I am with sputnik and satellites and what have you. If it develops that we have 6 or 7 million men and women out of work next June, you will forget about satellites and many other things you are talking so lightly about at the present time.

FEDERAL RESERVE BANKING SYSTEM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 45 minutes.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include certain extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

FALLACIES CONCERNING FEDERAL RESERVE SYSTEM EXPOSED

Mr. PATMAN. Mr. Speaker, I do not have a prepared speech. I have information which I expect to insert in connection with my remarks in explanation of the remarks I shall make.

THE 12 FEDERAL RESERVE BANKS NOT OWNED BY MEMBER BANKS

I am going to talk about certain policies concerning the Federal Reserve banking system. For instance, you often hear it said that the Federal Reserve banks are owned by the commercial banks. That is a fallacy. It is not true. The Federal Reserve banks belong to the Government of the United States. They are an agency of this Government. That I shall prove and document in the statement that I make here this afternoon.

RESERVES OF MEMBER BANKS NOT USED BY THE FEDERAL RESERVE BANKS

Another statement that is often made that is fallacious is that the reserves of the 12 Federal Reserve banks have of the commercial banks are used to buy Government bonds and the interest received on these Government bonds is retained by the Federal Reserve banks and not passed on to the commercial banks, that the commercial banks that own stock in the Federal Reserve banks should have these earnings. That is a fallacy, too. The reserves of the member banks are not used by the Federal Reserve banks for any purpose.

Under our fractional reserve system, which I believe in, and I only ask that it be operated in the public interest, each bank must retain on deposit a certain amount of money in order to make sure that the demands of the depositors can be met.

The goldsmith of old soon discovered that when gold was deposited with him and he gave a receipt for the gold that was deposited with him for safekeeping this receipt was used as money, and very seldom did anyone ever come to him and ask for the actual gold. They did not need it. The receipt was good enough

to use in the channels of trade and commerce, and it was unnecessary to have the gold. Experience taught the old goldsmiths that if they had as much as \$1 for every \$10 in loans that were outstanding that \$1 would be sufficient; in other words, a 10-percent reserve. So they commence to lend \$10 and draw interest on \$10 for every \$1 in gold in reserve.

Here in the United States we have adopted what is tantamount to the goldsmith theory of a fractional reserve system, having from 6 to 10 percent of money on reserve to pay the demands of depositors. That money prior to the Federal Reserve Act in 1913 had to be kept in the banks. It could not be used for any other purpose; it must be in the vaults of the banks at all times. But when the Federal Reserve Act was passed, the law said that a bank instead of keeping the money in its own vault could put its reserves with the Federal Reserve bank in that district and it would be just as good as keeping it in its own vaults. That is the reason the Federal Reserve banks now have about \$19 billion of reserves of member banks because the Federal Reserve banks are keeping these reserves as a matter of accommodation and convenience for the member banks. Nobody can use those reserves. If they were to be used, they would be doing double duty. They must remain there intact and cannot be used. So the statement that the Federal Reserve banks use those reserves of the member banks is a fallacy that I shall show by quoting competent witnesses before I get through.

DOES STOCK IN FEDERAL BANKS CONSTITUTE OWNERSHIP?

Another statement is that since the stock of the Federal Reserve System of the 12 banks is all owned by member banks, why does it not convince anyone that the member banks own the Federal Reserve System. I shall prove here by quoting competent witnesses this afternoon that this stock is not stock at all. The word "stock" is a misnomer. It is not stock. I think Mr. Martin who is Chairman of the Federal Reserve Board in a recent statement used a correct phrase when he said that the commercial banks have a "nonproprietary interest" in the Federal Reserve banks. That is correct. It is not stock at all. You can just put that down. The bank that holds this so-called stock cannot sell it. It cannot hypothecate it. It cannot vote it according to the amount of stock that it holds. If the bank goes out of the System, it just gets its money back. The investment in so-called stock is 3 percent of a bank's capital and surplus. Its investment in so-called stock goes up or down according to the amount of the capital and surplus of each member bank. That is all there is to it. It carries with it no proprietary interest in the Federal Reserve System. That I shall show and document. What is the stock used for? The 12 Federal Reserve banks, the member banks, have deposited with them about \$325 million at the end of 1956 in this so-called stock which is not stock at all since that is a misnomer. That \$325 million is not used for any purpose. It is not needed

for any purpose. The Federal Reserve banks do not use this money. It is idle and unused and I shall show by proof of competent witnesses that it should be returned to the commercial banks so that the Government would be saved about \$19 million a year, paying 6 percent interest on something that is not needed and is not used and there is no reason for it being there. The taxpayers are obligated to pay and do pay 6 percent on this \$19 million a year for its use when it is not used at all. We can certainly save that \$19 million a year.

FEDERAL RESERVE NO INDEPENDENT AGENCY

Another fallacy is that the Federal Reserve Board and System is an independent agency of our Government. Of course, it is not. It is an agency of the Congress. The Congress created it. It is not like the legislative, executive or judicial branch. It is not like that at all. It is an agency of this Congress. We can do anything with them that we want to by law. We can do whatever we want to do with the system.

INTEREST FIXING BOARDS

Another question arises. Should bankers be on these monetary boards like the Open Market Committee and others where there is decisionmaking power? In other words, on the Open Market Committee there are 5 representatives of the Federal Reserve banks selected by the private bankers and the other 7 are public members, members of the Federal Reserve Board.

Now, should they be allowed to be on that Board, with such tremendous power? Of course, President Woodrow Wilson, when that question came up in 1913, said "Certainly they must not be on the policymaking board. To permit them to be on a board fixing interest rates and determining the supply and availability of money would be just like the railroad owners being on the Interstate Commerce Commission and determining freight rates and passenger rates."

CENTRAL BANK CREATED IN 1935

President Woodrow Wilson was so determined that the 1913 act kept the bankers off of any board connected with the Federal Reserve System. But in 1935 the Federal Reserve Act was substantially changed. That word, as all-inclusive as it is, is not sufficient to define exactly what happened in 1935 to the Federal Reserve System. It caused the Federal Reserve System, by act of Congress, to take an about-face and to go in an exactly different direction. From 1913 to 1935 the 12 regional banks had some power. Each bank was autonomous. The Board of Directors had some power. They had an open market of their own in each of the 12 Federal Reserve banks. But the 1935 act took all the power away from the 12 banks and placed that power in the Federal Reserve Board here in Washington. For instance, there is no important power that remains with the directors of the regional banks. No important power.

When I made that statement a few days ago a Member challenged me and said, "Oh, you are mistaken. The power to fix discount rates still remains with the regional banks. In Philadelphia

they lowered the rates, and others have followed and some have not followed." I said, "Yes, I noticed that. But I still insist that the law is that the Federal Reserve Board has that power. The regional bank has the power to recommend but the Federal Reserve Board does not have to accept its recommendation, and the Federal Reserve Board, under the law, has the power to determine the rate itself." That is written into the law on purpose. So that power is not left to the local Federal Reserve banks. There is no important power that is left that cannot be conducted from Washington by the Board of Governors of the Federal Reserve System.

LEGAL OPINION OF FEDERAL RESERVE STATUS

Now, I have a statement about the status of the Federal Reserve System with the United States Government. It was given to me when I was in another body conducting an examination of Federal Reserve officials. I asked for an opinion of the Board of Governors of the Federal Reserve System on the status of the System and the banks. This statement given to me at that time is conclusive evidence that these Federal Reserve banks are agencies or instrumentalities of the Federal Government—so held by the courts of this country also.

STATUS OF FEDERAL RESERVE SYSTEM WITH UNITED STATES GOVERNMENT

April 14, 1952, the Board of Governors addressed a letter to me, as chairman of the Subcommittee on General Credit Control and Debt Management of the Joint Committee on the Economic Report, in reply to my letter requesting information, in which the Chairman of the Board stated that he was enclosing a memorandum prepared by the Counsel of the Federal Reserve Board concerning the legal status of the Board and the Federal Reserve banks. Of course, this opinion was also the opinion of the Board of Governors.

Excerpts from the statement are as follows:

STATUS OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM AND OF THE FEDERAL RESERVE BANKS

The Board of Governors was created by Congress and is a part of the Government of the United States. Its members are appointed by the President, with the advice and consent of the Senate, and it has been held by the Attorney General to be a Government establishment (30 Op. Atty. Gen. 308 (1914)).

The 12 Federal Reserve banks are corporations set up by Federal law to operate for public purposes under Government supervision.

The Federal Reserve banks derive their existence and powers from statutes passed by Congress, and in this practical sense may be looked upon as agencies of Congress.

In view of the public nature of their functions, the courts have held the Federal Reserve banks to be agencies or instrumentalities of the Federal Government.

One of the wisest men whom I have ever had the privilege of knowing in connection with the Federal Reserve System was Dr. E. Goldenweiser. Dr. Goldenweiser had a lot to do with the System

from its very beginning. Over the many years that I have appeared before committees of Congress, like the Ways and Means Committee, the Committee on Banking and Currency, and similar committees of the Senate, when the Federal Reserve System was involved, Dr. Goldenweiser was always right there at the elbow of the people who answered the questions about the Federal Reserve System and about the banks.

Dr. Emanuel A. Goldenweiser went to the Federal Reserve Board in 1919 as assistant statistician and became Director of Research and Statistics in 1926, when he left to join the Institute of Advanced Study, Princeton University.

By virtue of his long experience with the Board of Governors from the end of World War I through the policy-shaping days of the 1920's, 1930's, and through World War II, Dr. Goldenweiser became one of the world's recognized authorities on central banking. Few men were as well qualified to make the contribution which he did through his numerous books and his regular appearances here before Congressional committees, where he often appeared in his own right and, even more often, as the supporting staff member sitting by the side of official witnesses testifying as spokesmen for the Federal Reserve System.

Marriner S. Eccles who was Chairman of the Board of Governors for so long went out of his way in his autobiography to remark: "As for Dr. Goldenweiser, the Reserve System had in him a man of great imagination and independence of thought. He was highly respected and his influence was felt not only within the Reserve System but in all other quarters."

The recognition which he received in other quarters is testified to by the fact that the professional societies in his own fields chose him as president of the American Statistical Association in 1943 and in 1946 as president of the American Economic Association.

While Mr. Goldenweiser played an important role in the establishment of the International Monetary Fund and the International Bank for Reconstruction and Development, as well as the current Federal Reserve System, three of his colleagues in a memorial—American Economic Review, September 1953—said that it was largely "through unsigned articles in the Federal Reserve Bulletin, through unpublished memorandums, that Mr. Goldenweiser made his greatest contributions to knowledge and understanding."

He was considered to be about the wisest man around Washington or in the United States on the Federal Reserve System. Dr. Goldenweiser said that the stock in the Federal Reserve banks was what he would consider an appendix, absolutely useless, not needed, and that when the system is revised the appendix should be removed. In other words, the stock should be paid back to the member banks because it serves no purpose. His exact statement is as follows:

STOCK NOT IMPORTANT

MR. GOLDENWEISER. Now, the ownership of the stock, as everyone here seems to agree, has become a very minor matter. It is not a source of funds. I do not remember what the

capital is now, but it is in the minor hundreds of millions, whereas the resources of the Federal Reserve are in the tens of billions, so that you can see that the ratio is negligible.

I think that it is of no particular consequence in that respect, and I think that if one were revising the banking system, that stock ought to be abolished, because I think it stands for the wrong principle, but, as I said at some length, I think it has lost all practical importance. (From hearings on Monetary Policy and Management of Public Debt before the Subcommittee on General Credit Control and Debt Management of the Joint Committee on the Economic Report, p. 775.)

REMOVE THE APPENDIX

The technical fact that the banks are legally owned by member banks has been referred to by several of the speakers, and it seems to me very properly it has been indicated that that is a piece of atavistic remnant of the philosophy of the Federal Reserve Act when it was enacted and that it has lost any important significance.

It is essentially a compulsory contribution to the capital of the Federal Reserve banks.

If in the course of time a thorough revision of our whole banking legislation were undertaken, I would think that this appendix might be removed, and it could be done simply by having the Federal Reserve banks repay to the member banks the capital which is no longer necessary and which constitutes a very small part of the resources of the System.

If that were done, it would be done both because of logic and because of the appearance of political implications that are often attached to this. Practical importance it does not have. (From hearings on Monetary Policy and Management of Public Debt before the Subcommittee on General Credit Control and Debt Management of the Joint Committee on the Economic Report, pp. 761-762.)

M. S. ECCLES STATEMENTS QUOTED

The next witness I will call in connection with what I have said concerning the ownership and activities of the Federal Reserve System is Marriner S. Eccles. Mr. Eccles came to Washington in 1934, after a career in finance in the State of Utah, including the ownership and operation as president and chairman of banks in Utah, Idaho and Wyoming, and as chairman and director of varied industrial projects, lumber, real estate, sugar and construction. He became a member of the Board of Governors—then the Federal Reserve Board—in 1934 and served on that Board until 1951. He was chairman of the Board of Governors from 1936 until 1948. In this service as chairman and in his service as a member of the Board I believe he served longer than any other person. During that period he took a leading part in solving the problems of the post-bank-holiday period, and in shaping monetary and fiscal policies to meet the overwhelming problems of World War II. His career in this respect began with the hearings before the Committee on Finance—72d Congress, 2d session—when he testified in February 1933. From that time on he was a regular witness, always admired and listened to before Congressional committees of both the House and Senate. The lifetime experience and intimate knowledge of central banking operations has made him much sought after as a witness, even since his return to Utah where he resumed an active position in the operation

of commercial banks and industrial concerns.

Governor Eccles also wrote a book, the name of which was *Beckoning Frontiers*. I shall quote from that book. I quote what Mr. Eccles said about the object and purposes of the Federal Reserve System which bear out the points and corroborates the statements I have made:

That matters of national credit and monetary policy should be under public control has been recognized since the System was first proposed. For example, in the report of the House Committee on Banking and Currency in 1913 on the original Federal Reserve legislation there is a statement to this effect:

"The function of the Federal Reserve Board in supervising the banking system is a Government function in which private persons or private interests have no right of representation except through the Government itself. The precedent of all civilized governments is against such a contention."

The statement of President Woodrow Wilson before the Congress in joint session on June 23, 1913, is even more decisive. On that occasion President Wilson said:

"The control of the system of banking and of issue which our new laws are to set up must be public, not private; must be vested in the Government itself, so that the banks may be instruments, not the masters, of business and of individual enterprise and initiative."

The necessity of placing the regulation of monetary policy under Government control, which was clearly recognized by the proponents of the Federal Reserve Act in 1913, is the guiding principle of the legislation which is now under consideration by your committee. (*Beckoning Frontiers*, by M. S. Eccles, pp. 212-213.)

There could be no arguing with him on that word in the report. But the message of Woodrow Wilson before Congress was a counterweight to what Glass said. The colloquy continued:

"Governor ECCLES. The reading of the statement of Woodrow Wilson here (reading):

"The control of the system of banking and of issue which our new laws are to set up must be public, not private—"

"Senator COUZENS. Did you write that, Senator?"

"Senator GLASS. What?"

"Senator COUZENS. Did you write that, too?"

"Senator GLASS. No. Woodrow Wilson wrote that. Nobody ever wrote anything for him that I know of. Nobody ever wrote anything for me."

Governor ECCLES (continuing reading): "Must be vested in the Government itself, so that the banks may be the instruments, not the master, of business and of individual initiative and enterprise."

The authority of Wilson's statement on the concept of "control" brought the colloquy to an end, with Glass saying: "I agree to all of that. Pardon me for the interruption, go ahead" (p. 214).

You, as bankers, know very well that individually you have little or nothing to do either with the amount of deposits your customers leave with you and with the use that is made of those deposits. All you can do individually is to try to make as large and as profitable loans and investments as you can with due regard to safety. You are by profession retail or wholesale merchants dealing in credit, and money: you create as much money as your opportunities for lending will permit. You have no power individually to influence the volume of money that is created. Your function is a private business function; but the regulation of

changes in the total volume of money is a public function.

You are told that since the Reserve banks deal with your money you should have some say in its investments. But this argument will not stand examination. When the Reserve banks buy securities they do not do so with existing money; they create new money for the purpose, and this increases your reserves and your deposits. When they sell securities, you lose deposits and reserve funds. The Reserve banks, in other words, are not agencies for the investment of member-bank funds; they actually create and destroy money. Neither are open-market operations a regional or local matter. Their effect cannot be confined to a single district, but is nationwide and affects all classes (pp. 210-211).

Though the House version in this respect ran closer to what I felt was desirable than did the final bill that emerged from the conference committee, the new law at least established the principle that open-market operations would henceforth be initiated in Washington (p. 225).

Again and again in these pages I have noted that additions to the supply of money are provided only by the banking system. This happens when banks increase their total loans and investments either to the Government or to the public. This in turn increases bank deposits by a like amount. Under present conditions it is therefore imperative to stop the overall growth of loans and investments, including Government securities, at both commercial and Federal Reserve banks if further price increases are to be prevented.

There is no limit to the amount of money that can be created by the banking system, but there are limits to our productive facilities and our labor supply, which can be only slowly increased and which at present are being used to near capacity (p. 467).

Mr. Eccles says on page 225 of that book that when the 1935 act passed here in Congress the new law at least established a principle that open market operations would henceforth be initiated in Washington.

But Mr. Eccles was clearly wrong in assuming the law would be correctly administered because the open market operations went right straight to New York City. There one official, who is not selected by the Board of Governors—the public members—he is selected by the New York Federal Reserve Bank—has charge of what is known as the open market account. That open market account buys and sells Government bonds and securities in the billions of dollars sometimes every month—15 to 20 billion dollars a year. That 1 person operates the account for all 12 of the Federal Reserve banks. He is not selected by the Federal Reserve Board; he is selected by the 9 directors of the Federal Reserve Bank of New York, 6 of whom are selected directly by the commercial banks themselves. So that he is operating this huge open market account that often determines the availability of money, that often determines interest rates. Anyone who has knowledge of what the open market account is going to do could make a million dollars overnight. Just the slightest leak would cause speculators to profit greatly from it. Although it is operated there by those who are selected by the private commercial banking system there are no laws and no regulations that would prohibit the people connected with it from

giving out leaks or information to their friends, or even speculating themselves in the market in Government bonds. Imagine that.

There is no protection that the people have—none whatever.

MR. MARTIN PRESENT CHAIRMAN

Mr. Martin was on the witness stand one time when I interrogated him about this stock. His testimony was as follows:

Representative PATMAN. You do not mean to say that the small amount of stock that the banks hold, 6 percent of their capital, 3 percent paid up, I believe it is—6 percent capital and 3 percent paid—that is not enough to where you would say that the banks own the Federal Reserve System, do you?

Mr. MARTIN. No, sir; I would not say that. I think that the Federal Reserve banks are quasi-public institutions, and I think that this stock ownership is a means of providing for member-bank participation. It is a part of the democratic process to provide for participation by the member banks in determining who some of the directors of the Reserve banks will be.

While I do not think it is a vital thing, it seems to me that the advantages of retaining that ownership for the purpose of obtaining this participation on a democratic basis in the individual Federal Reserve banks more than outweighs any disadvantages.

Representative PATMAN. It is more of a token subscription, is it not?

Mr. MARTIN. It is more of a token; yes, sir. Representative PATMAN. It does not really amount to anything so far as—

Mr. MARTIN. It does not amount to a great deal in terms of stockholders' control, but it does give them a participation and interest in the system that I think they would not have without it. (Hearings, Subcommittee on General Credit Control and Debt Management of Joint Committee on the Economic Report, March 1952, p. 122.)

PRESIDENT OF AMERICAN BANKERS ASSOCIATION TESTIFIES

In another hearing Mr. Hemingway, president, American Bankers Association, testified. Mr. Hemingway is from St. Louis. He corroborates what I have said about the stock being just a token subscription that does not amount to anything and does not give the banks any ownership interest in the Federal Reserve banks.

STATEMENT OF W. L. HEMINGWAY, AMERICAN BANKERS ASSOCIATION
TOKEN SUBSCRIPTION

Representative PATMAN. As the head of your bank in St. Louis do you feel like your bank has any financial responsibility to the Federal Reserve System?

Mr. HEMINGWAY. I do not believe I understand that question, Mr. Chairman.

Representative PATMAN. Well, is there any danger of your having any financial loss by reason of your membership?

Mr. HEMINGWAY. The only possible loss we could have would be for us to be required to pay in the balance due on our subscription.

Representative PATMAN. That is 3 percent?

Mr. HEMINGWAY. That is 3 percent.

Representative PATMAN. That is the limit that could be asked of you to pay?

Mr. HEMINGWAY. Yes, sir.

Representative PATMAN. And you have no other financial obligations or responsibility that you can think of at this time or know of? In fact, I am quite sure that is it.

Mr. HEMINGWAY. No; we have none.

Representative PATMAN. Three percent—I wonder why that other 3 percent was never paid in? Of course, it is really not needed, I guess, is the reason.

Mr. HEMINGWAY. Well, you may remember at that time the capital stock was paid in in gold.

Representative PATMAN. Yes; I remember reading about it.

Mr. HEMINGWAY. I do not know that this is a fact, but I imagine that they got about all the gold they wanted, and so did not call for more.

Representative PATMAN. As a matter of fact, the stock does not mean much in the Federal Reserve System, does it, Mr. Hemingway?

Mr. HEMINGWAY. Well, it means this to us: That we have a voice in the operation of the bank; it is not a very loud voice, but still we belong.

Representative PATMAN. But, as you said here, the banker should not have a controlling interest in it.

Mr. HEMINGWAY. That is correct. Representative PATMAN. And that stock—some of the witnesses have testified, at least I got this from their testimony, this inference, that it was more of a token subscription, and did not enter into the solvency of the institution in any substantial way.

Mr. HEMINGWAY. That is right. Representative PATMAN. It is very small compared to the tremendous amount of business that these banks are doing.

Mr. HEMINGWAY. That is right; yes. Representative PATMAN. In fact, the last year, I do not know what the total business was, but I imagine they ran up to between \$1 trillion and \$2 trillion.

Mr. HEMINGWAY. A very large volume of business.

Representative PATMAN. Yes. There is no liability then, financial responsibility, that you know of except to pay in that other 3 percent, if called upon?

Mr. HEMINGWAY. That is correct.

MEMBER OF PRESIDENT'S CABINET TESTIFIES

Then I have the testimony of Mr. Folsom when he appeared. Of course, Mr. Folsom was Chairman of the Committee on Economic Development. He is a public-spirited gentleman who has held many important official positions, industrial and other positions throughout the United States. He is highly regarded and highly respected and is at this time a member of President Eisenhower's Cabinet. I interrogated him about this stock and about its value, and he corroborates what I have said.

STATEMENT OF MARION B. FOLSOM, CHAIRMAN, BOARD OF TRUSTEES, COMMITTEE FOR ECONOMIC DEVELOPMENT

Representative PATMAN. Do you consider the Federal Revenue System a public institution, Mr. Folsom?

Mr. FOLSOM. Yes, sir. Representative PATMAN. And do you agree with that, Mr. Folsom?

Mr. FOLSOM. Well, an unusual public institution.

Representative PATMAN. Do you believe that the amount of stock that the commercial banks hold in the Federal Reserve banks which I believe aggregates about \$241 million, do you believe that that gives the bankers a right to say that they are the owners of the Federal Reserve System?

Mr. FOLSOM. It is a very limited ownership and actually it works out in practice that the relationship is quite different from the relationship in the ordinary stock company.

Representative PATMAN. It is not intended to be ownership.

Mr. FOLSOM. No. Representative PATMAN. Mr. Wiggins made the suggestion the other day in I think a most reasonable and logical argument for continuance of that stock ownership that because of that the bankers would be more interested in that System and the System

would get the benefit of their counsel and advice and experience and their services.

Mr. FOLSOM. Yes, there is no question about that.

Representative PATMAN. But as far as controlling and having an effect in the capital structure, it does not mean anything.

Mr. FOLSOM. No.

Representative PATMAN. Because it is too small. (From hearings on Monetary Policy and Management of Public Debt before the Subcommittee on General Credit Control and Debt Management of the Joint Committee on the Economic Report, p. 322.)

UNDER SECRETARY OF UNITED STATES TREASURY

Then I have another witness from the great State of South Carolina. His name is A. L. Wiggins. He is as fine a man as I ever knew. He has held important positions in Government. While he was Under Secretary of the Treasury he was before a Congressional committee and I interrogated him about these questions that I have raised here. Mr. Wiggins very promptly replied and corroborated what I said concerning the ownership of this stock; that it does not give the banks any proprietary interest.

Mr. WIGGINS. My name is A. L. Wiggins, of Hartsville, S. C. I am chairman of the boards of directors of the Atlantic Coast Line Railroad Co., the Louisville & Nashville Railroad Co., and several smaller associated railroads. I am also chairman of the board of directors of the Bank of Hartsville, Hartsville, S. C., capital stock \$100,000, and president of a small nonbanking trust company.

For the larger part of my business career I have been a director and manager of a number of small-business institutions engaged in finance, merchandising, agriculture, and manufacturing, and newspaper publishing.

From January 1947 to July 1948 I was Under Secretary of the Treasury. In this capacity, one of my duties was to assist the Secretary of the Treasury in the management of the public debt and, in particular, to maintain liaison with the Board of Governors of the Federal Reserve System, and other representatives of the open-market committee. (From hearings on monetary policy and the management of the public debt before the Subcommittee on General Credit Control and Debt Management of the Joint Committee on the Economic Report—March 14, 1952, p. 220.)

Representative PATMAN. I want to ask you one or two questions on that point, Mr. Wiggins.

Do you consider the Federal Reserve System a public institution?

Mr. WIGGINS. So far as the—yes; it is a public institution.

Representative PATMAN. A public institution? You do not consider the amount of stock owned by the commercial banks as sufficient to give them control of the institution?

Mr. WIGGINS. The stock ownership, in my opinion, has nothing to do with the control. It is a peculiar type of stock that earns only 6 percent. The owners of the stock have no interest in the earnings of the bank beyond the 6 percent dividend they get.

Representative PATMAN. And they have only paid in 3 percent.

Mr. WIGGINS. Well, they get 6 percent on the amount paid in.

Representative PATMAN. Yes, they get 6 percent.

Mr. WIGGINS. Six percent on the amount paid in. They have paid in only half of the par amount of the stock.

Representative PATMAN. In other countries of the world, do you know of another country where the central bank is not owned by the government?

Mr. WIGGINS. At the moment, I do not.

Representative PATMAN. I think the fact is, Mr. Wiggins, that in all countries the central bank is owned by the government, and in this country I do not consider that the commercial banks own the Federal Reserve Banking System because they have that token amount of stock, which is so small and insignificant compared to the business done by these institutions; you agree with that, do you not?

Mr. WIGGINS. That is right.

Representative PATMAN. It is too small to consider that they would have any supervisory power by reason of the ownership of that small amount of stock which gives them a 6 percent dividend each year?

Mr. WIGGINS. That is correct, sirs (p. 221).

RECENT TESTIMONY

Then next I have testimony of a more recent date. It was in December 1956, a year ago last December, I was presiding as chairman of a Joint Subcommittee on Economic Stabilization of the Joint Economic Committee, and we had before us at that time Mr. Martin, who was Chairman of the Board of Governors of the Federal Reserve System and Mr. Alfred Hayes, president of the Federal Reserve Bank of New York, and Mr. Rouse, the first time he had ever been before a Congressional committee and several others who are named. Mr. Rouse was and is manager of the System's open market account in New York. Now, may I invite your attention to one thing that I think is important, that although the 12 members of the Open Market Committee are the most important 12 people in the United States of America, I venture to say that there are not 3 Members of the United States Congress who can name the 12 members or even half of them. I doubt that I could name them right now if called on. They are isolated from the Government. We never hear anything about them. Yet we have delegated to those men more power than the Congress itself has. They have more power over the economy of this country than the United States Congress. Yet we never have any contact with them. We never have them before Congressional committees. We never interrogate them. We just let them go footloose and fancy free. They use the Federal Reserve notes—printed at the Bureau of Engraving and Printing—to buy Government bonds, keep the bonds and collect interest to the tune of \$600 million a year and spend the money any way they choose without having to go through an Appropriations Committee or any other committee of the Congress, without having to make any financial accounting. Since 1913 neither the Federal Reserve Board nor any of the 12 Federal Reserve banks have ever been audited by a Government auditor; not one time. The only audits that they had were internal audits, where they selected the auditors, told them what they should do, and had their reports made to themselves. That is the only kind of audit that has been made since the Federal Reserve System was adopted in 1913.

I asked some very important questions, I believe, of these members of the Federal Reserve Board, and the person in charge of the open market account, and I hope you read these answers, and I am sure that you will agree with me that we have delegated too much power

to too few people who are interested in higher interest rates and scarcer money and who have every incentive to operate in a way and manner that is not in the public interest.

MONETARY POLICY: 1955-56—HEARINGS BEFORE THE SUBCOMMITTEE ON ECONOMIC STABILIZATION OF THE JOINT ECONOMIC COMMITTEE, CONGRESS OF THE UNITED STATES, 84TH CONGRESS, 2D SESSION, PURSUANT TO SEC. 5 (a) OF PUBLIC LAW 304 (79TH CONG.), DECEMBER 10 AND 11, 1956

Chairman PATMAN. The committee will please come to order.

Is the manager of the open market account available now?

Mr. ROUSE. Yes, sir.

STATEMENT OF WILLIAM M'CHESNEY MARTIN, JR., CHAIRMAN, BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM; ACCOMPANIED BY ALFRED HAYES, C. CANBY BALDERSTON, J. A. ERICKSON, W. D. FULTON, DELOS C. JOHNS, A. L. MILLS, JR., OLIVER S. POWELL, J. L. ROBERTSON, CHARLES N. SHEPARDSON, AND M. S. SZYMCAK, MEMBERS OF THE FEDERAL OPEN MARKET COMMITTEE; AND ROBERT G. ROUSE, MANAGER, SYSTEM OPEN MARKET ACCOUNT—Resumed

Chairman PATMAN. Give your name to the reporter, if you please.

Mr. ROUSE. Robert G. Rouse.

The CHAIRMAN. Is Mr. Robert V. Roosa in your office?

Mr. ROUSE. He is a vice president of the Federal Reserve Bank of New York, and presently in charge of research and statistics. He was associated with me in the open market function until comparatively recently.

The CHAIRMAN. You are acquainted with his book?

Mr. ROUSE. Yes.

The CHAIRMAN. I think it was written on Federal Reserve Operations in the Money and Government Securities Markets. He was with the Open Market Committee quite a long time, was he not?

Mr. ROUSE. Yes, he was with the function for approximately 3 years. He is still interested in it, of course, as an economist.

The CHAIRMAN. You have complete charge of what you call the open market account for the New York Federal Reserve Bank?

Mr. ROUSE. Yes, sir; I am manager of the account.

The CHAIRMAN. And you were selected by Mr. Hayes of the New York Federal Reserve Bank, or by the Board of Directors?

Mr. ROUSE. I was selected originally by Governor Harrison and Allan Sproul in November 1939, approved by the directors of the bank, and approved by the Federal Open Market Committee.

That was an annual process thereafter, and it has been carried out through March of this year, when I was last selected and approved by the committee.

The CHAIRMAN. You are employed by the bank?

Mr. ROUSE. I am a vice president of the bank.

The CHAIRMAN. And approved by the Open Market Committee?

Mr. ROUSE. Correct, sir.

The CHAIRMAN. Including the Federal Reserve Board?

Mr. ROUSE. Yes, sir.

The CHAIRMAN. Where do you get your pay?

Mr. ROUSE. From the Federal Reserve Bank of New York.

The CHAIRMAN. From the Federal Reserve Bank of New York. You are hired and paid by the Federal Reserve Bank of New York?

Mr. ROUSE. That is right, sir.

The CHAIRMAN. In your operations in connection with the open market, you buy and sell Government securities for all the 12 Federal Reserve banks?

Mr. ROUSE. That is correct.

The CHAIRMAN. Under the 1935 act, no other bank has any right to buy or sell securities, but each bank is obligated to carry out instructions from you?

Mr. ROUSE. They are obliged to sell or buy as the account sells or buys.

The CHAIRMAN. When you buy, say, a million dollars worth of Government securities, you give a check on some bank, do you not?

Mr. ROUSE. We give our own check.

The CHAIRMAN. You give a check on the Federal Reserve Bank of New York?

Mr. ROUSE. Yes, sir.

The CHAIRMAN. How do you allocate that million dollars among the 12 Federal Reserve banks?

Mr. ROUSE. It is in accordance with the daily averages of the total resources of each bank, pro rata.

The CHAIRMAN. In other words, you will determine the daily average of the resources, value of the resources, of each bank, and then that million dollars will be allocated to each bank in proportion?

Mr. ROUSE. That formula was adopted by the Federal Open Market Committee. This is done annually. As of February 28, or some such date, we each year allocate the securities if, by reason of the application of that formula each day, or each day that a transaction takes place, some variance has developed during the year; and the Committee, has the opportunity to reassess the propriety of that formula at any time that it sees fit.

The CHAIRMAN. If there is any—in other words, if it is not properly balanced, you make the adjustment at the end of the year?

Mr. ROUSE. The Committee authorizes an adjustment in the formula.

The CHAIRMAN. If it is necessary for New York banks to transfer bonds to, say, Dallas, Tex., Dallas, Tex., will send you Federal Reserve notes to pay you for them?

Mr. ROUSE. It is done through the inter-district settlement fund.

The CHAIRMAN. Now then, suppose you should buy a million dollars worth of bonds from the Dallas bank, and the Dallas bank said, "I want Federal Reserve notes in payment of these bonds, a million dollars," how would you go about getting those notes delivered to the Dallas bank?

Mr. ROUSE. We have never had that question come up, Mr. PATMAN.

The CHAIRMAN. I beg your pardon?

Mr. ROUSE. That is a new—I don't think I understand your question.

The CHAIRMAN. Well, you see, these Federal Reserve notes, of course, are printed by the Bureau of Engraving and Printing here in Washington. In some way you get that million dollars worth of Federal Reserve notes to pay that Dallas bank. How would you get those notes? How would you get them away from the Bureau of Engraving and Printing?

How would you get them delivered to the New York Federal Reserve Bank for that purpose?

Mr. ROUSE. It is a bookkeeping transaction through the interdistrict settlement fund, I believe, which is carried out at the Board of Governors' office.

The CHAIRMAN. In practice, it is a bookkeeping operation. But the truth is, all the bonds that you have—and you have about \$25 billion worth of bonds, do you not?

Mr. ROUSE. Something less than that; yes, sir.

The CHAIRMAN. About 24 or 25?

Mr. ROUSE. About 24.

The CHAIRMAN. Every one of those bonds have been bought, not on the resources of the Federal Reserve banks, but on the credit of the Nation by exchanging Federal Reserve notes for them, have they not?

Mr. ROUSE. Yes; they are bought by the—out of Federal Reserve funds.

The CHAIRMAN. No; you are mistaken there, are you not? You do not say that they are bought with Federal Reserve funds.

The money is created by those bonds. Do you not understand that?

Mr. ROUSE. It is created—yes, indirectly.

The CHAIRMAN. Well, directly.

In other words, if you buy bonds, you must pay for them, and those \$24 billion worth of bonds were paid for, but not by Federal Reserve bank funds; they were paid for by Federal Reserve notes.

Now, I will not insist on your answering that. I will ask Mr. Martin to answer that.

Is that not correct, Mr. Martin?

Mr. MARTIN. It would be the same thing, sir.

The CHAIRMAN. In other words, that is where the power to create money comes in, through the Federal Reserve.

Mr. MARTIN. Yes.

The CHAIRMAN. You create the money. In other words, the money is printed, it is paid for the bonds, the \$24 billion worth of bonds.

Mr. MARTIN. We have the power to create money.

The CHAIRMAN. And you did do it to buy these bonds?

Mr. MARTIN. In the purchase of bonds, we ease the money market; in sales of bonds—

The CHAIRMAN. I am not talking about the reasons or arguments. I am just asking.

Mr. MARTIN. I was just talking about the process. The purchase of bonds would ease the money market, and the sale of bonds would contract it.

The CHAIRMAN. Let's divorce it from any argument about any market, easy or hard, and confine it to the bonds that you already have.

You have \$24 billion worth of bonds. Now, those bonds were bought by giving of Federal Reserve notes in exchange for the bonds, were they not?

Mr. MARTIN. Well, Federal Reserve credit.

The CHAIRMAN. What is that?

Mr. MARTIN. Federal Reserve credit. They were not specific—

The CHAIRMAN. That is what I mean. But every one of them is an obligation of the United States Government; is it not?

Mr. MARTIN. That is correct.

The CHAIRMAN. And every one of those notes that you trade for those bonds of the Government says on its face that it is an obligation of the United States Government?

Mr. MARTIN. That is correct.

The CHAIRMAN. And that is what makes it good.

Mr. MARTIN. That is right.

The CHAIRMAN. Now then, whenever you take that Government obligation from the Bureau of Engraving and Printing and you trade it for \$24 billion worth of bonds which you have, and you have those bonds now, you draw interest on those bonds, do you not?

Mr. MARTIN. We do.

The CHAIRMAN. About \$600 million a year; and, although you traded one Government obligation for it, you keep the bonds and you do not cancel them. They pay interest, and you use that \$600 million in any way that is allowed by law, for administrative purposes in the operation of the Reserve banks. And then, of course, after all the deductions have been made, why, you pay 50 percent of the remainder into the Treasury of the United States?

Mr. MARTIN. That is correct.

The CHAIRMAN. The point I am trying to make, Mr. Martin, is, I am trying to answer a fallacious argument that is going over the country: No. 1, that these reserves that the member banks have in their Federal Reserve banks are used to buy these bonds. That is a fallacy, is it not?

Mr. MARTIN. That is a fallacy.

The CHAIRMAN. That is a fallacy; it is not true.

Mr. MARTIN. That is right.

The CHAIRMAN. All right.

No. 2 is that the banks own the Federal Reserve Banking System, and it is run by the banks; it is operated for their benefit.

That is a fallacy, is it not?

Mr. MARTIN. That is a fallacy.

The CHAIRMAN. Now, the reason it is a fallacy is because the stock in the bank does not mean anything to the operation of that bank, does it? In other words, it is not used.

Mr. MARTIN. The stock in the bank is not proprietorship.

The CHAIRMAN. It is not used at all, is it? There is no use that that stock is put to?

Mr. MARTIN. Well, the—

The CHAIRMAN. The member banks.

Mr. MARTIN. There is a use put to it in the sense that it provides participation in the vote.

The CHAIRMAN. That is kind of psychological, to make them feel they are part of the System.

Mr. MARTIN. No. It creates the power to vote.

The CHAIRMAN. The what?

Mr. MARTIN. It creates the power to vote.

The CHAIRMAN. The power to vote for—

Mr. MARTIN. It is not proprietorship.

The CHAIRMAN. The power to vote for directors to run the bank.

Mr. MARTIN. Yes.

The CHAIRMAN. Well, that is easy. That is nice. [Laughter.] I was wondering what they did.

But they paid in about \$300 million?

Mr. MARTIN. That is right.

The CHAIRMAN. In stock. And that stock now is there, but it is really useless to the banking system except make them believe, "Now you have got an interest in this thing, and that determines your participation in electing directors."

But do they vote according to the amount of stock they have?

Mr. MARTIN. No; not precisely.

The CHAIRMAN. Well, you see, that is knocked in the head, too, is it not? What I mean is, it is not used for that purpose.

All right.

So it is used to give the bankers a feeling that they have an interest in the Federal Reserve System when they don't have any interest except they get 6 percent interest on that stock, 6 percent dividend; is it not?

Now, is it not a fact, and we have gone over this before, that the Federal Reserve System and the Federal Reserve banks are Government institutions operated for the Government?

Mr. MARTIN. The Federal Reserve Board is clearly Government. The Federal Reserve banks, under our setup, are quasi-Government.

The CHAIRMAN. Are quasi-what?

Mr. MARTIN. Quasi-Government; they have an independent board of directors.

The CHAIRMAN. All right, let's examine that.

That stock, or that word "stock" is a misnomer, is it not?

Mr. MARTIN. If you are talking about stock in terms of proprietorship—ownership—yes.

The CHAIRMAN. Well, of course that is what stock is; yes. Normally that is what stock is; when you say "stock," you mean a proprietary interest of some kind, do you not?

Mr. MARTIN. In the ordinary sense, yes.

The CHAIRMAN. That is right, in the ordinary sense.

Mr. MARTIN. You and I are in agreement that it is not proprietary interest.

The CHAIRMAN. Yes.

Therefore, this does not convey any proprietary interest at all, and the word "stock" is a misnomer. It is not a correct word at all. It is just an involuntary assessment that has been made on the banks as long as they are members.

Now, they go out, the money is refunded to them. But as long as they are members, they get 6 percent annually on that.

And as evidence of the fact that they do not have any proprietary interest, which you admit, is the fact that this so-called stock cannot be sold, it cannot be hypothecated, and as a convincing and unanswerable argument that the banks have no interest in the Federal Reserve System as such, financial or proprietary interest, the law specifically provides that in the event of the liquidation of a Federal Reserve bank, that after they get their \$300 million stock back, the Government gets everything else. That is right; is it not?

Mr. MARTIN. That is right.

The CHAIRMAN. Now, if the banks had any proprietary interest in that, they would get what was left after liquidation, would they not?

Mr. MARTIN. Well, you and I are in agreement it is not proprietary interest.

The CHAIRMAN. Yes.

Therefore, the statement that the banks own the Federal Reserve System is not a correct statement, is it?

Mr. MARTIN. The banks do not own the Federal Reserve System.

The CHAIRMAN. That is right.

Mr. MARTIN. But the banks do participate in the management.

The CHAIRMAN. It is an agency operated in the Government's interest by public members, seven members of the Federal Reserve Board, each one selected for a term of 14 years, and he cannot succeed himself after he fills out the whole term.

Of course, he can fill out 2 or 3 part-terms and make it 25 years. That would be all right. And they are selected by the President and confirmed by the Senate.

Mr. MARTIN. That is correct.

The CHAIRMAN. Now, you state—I am about to get off of this gentleman over here, and I will go back and ask him another question.

Senator O'MAHONEY. You are going to let him up? [Laughter.]

The CHAIRMAN. I think I had better ask Mr. Martin this instead of this gentleman.

I believe you have stated repeatedly, Mr. Martin, that the Treasury, in sizing up what kind of interest rate should be charged—and Mr. Humphrey has testified a number of times before this committee, I know, to that effect—that the Treasury will call in people who are dealers and people who have something to do with the sale of Government securities, and that they talk to the Treasury, and then they talk to you.

Almost invariably they go from the Treasury to your shop, do they not?

Mr. MARTIN. They frequently do; yes, sir.

The CHAIRMAN. They frequently do, and they are the ones that are consulted for the purpose of determining the interest rate that should be paid on Government bonds; I mean they are the ones that the Treasury uses. And you, of course, either say "yes" or "no."

Mr. MARTIN. We consult with the Treasury. We don't say "yes" or "no" on their interest rate. We are glad to give them the best advice that we have about what we think the market is.

The CHAIRMAN. Do you really believe we have a free market in Government bonds, Mr. Martin?

Mr. MARTIN. Well, all freedom is relative, but I say there are forces in the market place, as I have repeatedly said to you, that are stronger than both the Federal Reserve and the Treasury together. Some people question that, but I think that is where the law of supply and demand comes in.

The CHAIRMAN. You would not positively and without reservation say that there is a free market at all times in Government bonds?

Mr. MARTIN. I would say that there is some intervention, as was provided in the Federal Reserve Act, in the market, but that generally speaking, the market forces are permitted to operate.

And since the Treasury-Federal Reserve accord in 1951, the market forces, the market has been relatively free.

Now, that does not mean that we step completely aside and let the market become the law of the jungle. We are there as a guardian. We are trying to develop a climate and a general situation in which the players on the field have the best conditions to operate in.

But we do not make the market.

The CHAIRMAN. I am not going to pursue that accord further, but you have dug up a real snake that I want to help you kill on that.

Senator O'MAHONEY. Mr. Chairman, may I ask a question on that point?

The CHAIRMAN. Yes, sir.

Senator O'MAHONEY. Your answer is a qualified one, is it not, Mr. Martin?

Mr. MARTIN. Yes; it is qualified.

Senator O'MAHONEY. You do not want this committee or anybody who reads or hears this testimony to believe that you are saying that there is a free market in Government securities. There is not, is there? Am I not right?

Mr. MARTIN. There is not a completely free market in Government securities. We are watching over it from time to time.

HOW FEDERAL RESERVE BOARD OPERATES

Let us see for a moment how the Federal Reserve Board operates. We have a Board of seven members appointed by the President, each one for a term of 14 years, and confirmed by the United States Senate. Those seven members are to represent the people, they are to represent Congress. They are to carry out the constitutional duty that Congress has of coining money and regulating its value. We have delegated the power to them. Let us see how they operate. In every decision they make concerning open market operations, for instance, where they can make money scarce or make it plentiful, make interest rates high or make interest rates low, they are assisted by 12 presidents of the 12 Federal Reserve banks each of whom has been selected by representatives of the private banks of that Federal Reserve district. So they have 12 people to help these 7 public members perform their duties, right in there with them, voting, if you please—not all 12 of them vote, but 5 vote, but all participating in the discussions and helping to evaluate the problems and issues before the Open Market Committee.

Not only that, Mr. Speaker, but Congress has also permitted each Federal Reserve district to have one advisory committee member selected by the banks directly. That means 12 bankers on the advisory committee who also help these 7 perform their duties.

So I say that Congress has placed our seven public members in an almost impossible position to make decisions that are always in the public interest. I am not charging any corruption against the Federal Reserve Board. I have a very high regard for the members of the Federal Reserve Board, whom I have come in contact with. And I am sure that they have not intended to violate the law. But Congress has placed them in an almost impossible position to perform their services honestly in the public interest. That is something I think we should look into. We should have the General

Accounting Office audit and investigate the entire system in addition to a full investigation by a Congressional committee. I hope the Members will read what these witnesses, whom I have quoted here, testified concerning these points; that the Federal Reserve banks are not owned by the private banks; they are owned by the United States Government; that the so-called stock in the Federal Reserve banks is not stock at all. It is a hoax, as far as actual stock is concerned. The word "stock" is a misnomer and is meaningless. The so-called stock in the form of investment is not used by the Federal Reserve banks at all, and is not needed by the Federal Reserve banks at all. The Federal Reserve System is an agency of Government, and bankers should not be on boards that have the power to fix interest rates.

We have had some sad examples in what has happened in recent years. Interest rates have gone away up for no reason on earth. They could have been kept down just as they were over a period of 10 or 15 years; long term at 2½ percent held longer than 12 years, I know. They could have held on, but the people who have helped make our monetary policy have not felt that way about it. They have run interest rates up high, they have run them down low; they have run interest on bonds high and have run them down low. During one year, 1954—they bought bonds in 1953 during that depression period when they ran the price of Government bonds down so low—so many of them bought Government bonds low in 1953 and in 1954 sold them that they made 966 percent more profit than the preceding year in that one year. The report of the FDIC discloses what I have said. So I think we should bring this thing to an end of permitting a few people, many of them selfishly interested with axes to grind themselves, having the power to make interest rates high and Government bonds low, and manipulate the monetary system of our Nation in a way that speculators are more enriched and fare better than the honest people who work for a living.

VOCATIONAL EDUCATION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Kentucky [Mr. PERKINS] is recognized for 15 minutes.

Mr. PERKINS. Mr. Speaker, as this House is well aware, our American educational system—because of an interplay of forces and events best left without debate at the moment—is at this time deemed inadequate to insure this Nation's defense, or survival. However, the real alarm that prompts my addressing you today is aroused by the administration's plea for more scientific brains as a defense measure, and its subsequent suggestion that would surely defeat exactly what it proposes to do.

President Eisenhower, in his budget message to Congress this year, startled most of us by urging that the Federal Government abandon its sponsorship of vocational education beginning in 1960.

We find on page M28 of the budget for the fiscal year ending June 30, 1959, the following statement:

The initial progress report of this committee, made last month, recommends complete transfer of two programs to the States. These programs are vocational education and the construction of waste treatment facilities. Legislative proposals to carry out these and future recommendations of the committee will be transmitted to the Congress. An orderly readjustment requires time for action by both the Congress and the State legislatures. Consequently, the effect of the proposed transfers on expenditures and revenues of the Federal Government will occur beginning in 1960.

As you know, Mr. Speaker, our vocational program—established in 1917 with the enactment of the Smith-Hughes Act—provided the system which trained 11 million war workers in little better than 3 years during World War II. As a result, our unprepared Nation and other allied nations were armed almost overnight to win the greatest battles in history.

Mr. MATTHEWS. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield.

Mr. MATTHEWS. Mr. Speaker, I would like to associate myself with the views so ably expressed by our distinguished colleague from Kentucky. I think my colleague from Kentucky would permit me that it might be well to point out that the distinguished gentleman from Georgia, Hon. PHIL LANDRUM is now occupying the Speaker's chair. He has talked to me so much of his great interest in vocational education and about the great programs that he has in his District. In my own District, the Eighth District of Florida, this great program has meant so much that I cannot adequately express just what it does mean to our people. I certainly hope it will be continued in full force. I want to help the gentleman in every way that I can. I would like to ask the gentleman this question, which he has already brought out. Does it not seem a little bit inconsistent to ask for a billion dollars for some brandnew program and then they want to take away these few little million dollars from a program that all of us have been able to accept no matter what our views are on States rights and so forth.

Mr. PERKINS. I want to say to the gentleman from Florida [Mr. MATTHEWS] that the recommendation of the President in his budget message and the statement of the Secretary of Health, Education, and Welfare, Mr. Folsom, is completely inconsistent with what they propose to advocate at the present time. I want to thank the gentleman for his contribution.

Mr. BROWN of Georgia. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield.

Mr. BROWN of Georgia. I congratulate the gentleman for the fine statement that he is making. The gentleman knows that I will go down the line with him on this question. Vocational education has been a great factor in improving the economy of our Nation and making it possible for our people to better contribute toward the defense of our

country. I certainly hope that this splendid vocational educational program will not be hampered in any way. I thank the gentleman for yielding.

Mr. PERKINS. I want to thank the gentleman from Georgia [Mr. BROWN]. I think we should all keep a lookout for any legislation to implement this proposal and to let the whole country know the true effect of the recommendation.

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

Mr. PERKINS. I yield.

Mr. DENTON. I, too, want to congratulate the gentleman from Kentucky for the statement he has made, and concur in the position he has taken.

I am a member of the subcommittee of the Committee on Appropriations which deals with the appropriation for the Department of Health, Education, and Welfare. About 2 years ago, I think it was, our committee was able to have appropriated the full amount that was authorized by law for this program. Since that time we have added the training in fishery work and practical nursing. While we have extended the program, I thought it should have been extended a great deal further.

I am very disappointed to hear that the President has recommended we curtail this effort. We find that a great majority of the boys and girls in this country who go to high school do not go on to college.

This vocational training program offers them practical training for their work in later life. There are agriculture, homemaking, and the training in the mechanical arts included in it.

Our country is proud of our industrial know-how. I think we lead the world in that field, but we have been set back recently by the fact that Russia has launched its two sputniks. But I think we can still take pride in the fact that America leads the world in industrial ability. We have the artisans and skilled workmen in this country. I certainly think that at this time when Russia is trying to gain the advantage, that we cannot afford to curtail this program in any respect.

It is a partnership program between the Federal Government and the States.

This program simply encourages training. I think the people of the country want it. I remember several years ago we cut the appropriation for this work a half million dollars. I have received more criticism for this than for anything that has happened since I have been a Member. I found the retail merchants were especially put out about it. They were interested in what is called distributive education to the businessmen. The laboring people were disappointed. The Congress restored that appropriation the next year.

I am certain the American people do not want this program curtailed. I think it is for the best interests of the Nation to continue it. Any nation that can spend \$70 billion can spend \$40 million under the Smith-Hughes Act to carry out this program. I again commend the gentleman.

Mr. PERKINS. I want to thank the gentleman from Indiana [Mr. DENTON] and to say that I do not know if any pro-

gram where this Congress appropriates money that the taxpayers get full value received more so than in this particular program. We are appropriating under both the Smith-Hughes Act and the George-Barden Act \$33,179,000. Under the practical nurse training program we appropriated \$4 million. Under their proposal the practical nurse training would be eliminated after the life of the present authorization. The fishery trade funds would be interfered with. So, it just cripples the whole vocational educational program, and it was for this reason I took time to call it to the attention of the Members of the House. I felt that a majority of the Members of the House would vigorously oppose it.

Mrs. GREEN of Oregon. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Oregon.

Mrs. GREEN of Oregon. Mr. Speaker, I would like to associate myself with the remarks of the gentleman from Kentucky in regard to the importance of this program. May I also commend the gentleman from Kentucky for his very fine leadership as one of the members of the Committee on Education and Labor of the House. The gentleman has made a very valuable contribution to this matter.

Mr. PERKINS. I thank, the gentleman from Oregon. I feel that the membership appreciate your invaluable assistance and contributions on all educational proposals coming before this body since you have been a member of the committee.

Mr. PILCHER. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Georgia.

Mr. PILCHER. Mr. Speaker, I want to associate myself with the gentleman from Kentucky and the rest of my colleagues who are so interested in this vocational program. I do not know of any program in my district that we have come nearer getting a dollar's worth for every dollar spent than the vocational program and I will do everything I can to see that it is not crippled.

Mr. PERKINS. I agree with the gentleman that we get full value from this appropriation.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

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

Mr. MADDEN. I was very much interested in the remarks of the gentleman from Kentucky and I was happy to see him take the floor and discuss this important matter of vocational educational training, especially due to the fact that the gentleman from Kentucky is a hard-working member of the Committee on Education and Labor. I am hoping that the members of the Committee on Education and Labor will follow through in this session of Congress to see that there is not any curtailment of that great practical program that so many millions over our country have been benefited by, and I refer to the vocational training program. The Calumet region, which is in my district in Indiana, is a great industrial section and I know I have in

my district alone tens of thousands back over the years who have benefited by the vocational education that they secured through this program.

A couple of weeks ago I made a speech on the floor of the House cautioning the Congress this year to avoid any steps that would cut down on programs that really are so beneficial to the people, and not be carried away by a frenzy of spending billions of dollars on satellite explorations and neglect the programs that really benefit and are so essential to the welfare of the people of our country. This program is certainly one of them and I do hope that the gentleman from Kentucky, as a member of that great Committee on Education and Labor, will see that his committee follows through and protects essential and beneficial programs of this kind.

Mr. PERKINS. I certainly thank the distinguished gentleman from Indiana [Mr. MADDEN] for his remarks.

The vocational schools of our Nation for 40 years have produced these forces. But they will not, they cannot, continue if the ridiculous suggestion to withdraw Federal funds should become law.

The only way I can interpret the administration's fantastic inconsistency is to wonder if the right hand pays any heed to what the left hand is doing.

Let us look at what has happened.

Some time ago a group known as the Joint Federal-State Action Committee was appointed to study the matter of Federal grant-in-aid programs.

The members of this committee are as follows:

Appointed by the President: Cochairman, Robert B. Anderson, Secretary of the Treasury; members, James P. Mitchell, Secretary of Labor; Marion B. Folsom, Secretary of Health, Education, and Welfare; Percival F. Brundage, Director of the Bureau of the Budget; Meyer Kestnbaum, special assistant to the President; John S. Bragdon, special assistant to the President; Howard Pyle, deputy assistant to the President.

Appointed by the chairman, Governors' Conference: Cochairman Gov. Lane Dwinell, New Hampshire; members, Gov. Victor E. Anderson, Nebraska; Gov. James P. Coleman, Mississippi—resigned and replaced by Governor of Florida; Gov. Price Daniel, Texas; Gov. George Docking, Kansas; Gov. George M. Leader, Pennsylvania; Gov. Theodore R. McKeldin, Maryland; Gov. Dennis J. Roberts, Rhode Island; Gov. Robert E. Smylie, Idaho; Gov. William G. Stratton, Illinois, ex officio.

In reading through this list of committee members, it was rather disconcerting to me to find the name of our Secretary of Labor, James P. Mitchell. I have always admired the work of his department in stimulating our apprenticeship program and in encouraging training to upgrade the work force of the Nation. It therefore alarms me to see that Mr. Mitchell—in agreeing to the elimination of Federal funds for vocational education—would cut the very heart out of the program that provides the type of training his department promotes.

The committee recommended the following:

The President requests the Congress to repeal, as soon as practicable, the laws authorizing grants for the older programs of vocational education and that the governors and the legislative bodies of the several States develop necessary means for providing the additional funds to replace the Federal grants.

In addition to the program of vocational education, there is nothing more important in the maintenance of a healthy nation than the proper treatment of sewage disposal and the welfare of those in need at the time of national disaster.

It is my understanding that the recommendations of this joint committee are to be presented for consideration and action to the National Governors' Conference to be held next May.

Six months ahead of any final action, however, you will find them as specific proposals in the President's budget message for fiscal 1960.

The extent to which this is out of line with the thinking of our governors' organization and the State officials can be more easily judged when we consider a news story from the December 7 issue of the Memphis Commercial Appeal. Here we find a motion for immediate approval of the very proposal I have just outlined to you was defeated 35 to 7 by the Board of Managers of the Council of State Governments in meeting in Hot Springs, Ark., on December 6.

Gentlemen, I am proud to tell you we have in operation in Kentucky a system of vocational education that is known to be the most economical and effective way to provide vocational training opportunities for our people. It includes a carefully developed, efficiently operating network of 13 area vocational schools. Through this type of program, offerings are not limited to the relatively few people for a single community. Instead they stretch out and reach the larger number of citizens who are included in a complete geographical area.

In the district that I represent, we have three of the finest vocational schools in Hazard, Ashland, and Paintsville. I am told by reliable authorities they may be compared with many of the leading vocational schools in the Nation. Many courses in these schools have long waiting lists for students who want to attend. Various companies and other employers often hire graduates as soon as they are available. And, in many cases, students are lured away from school even before their courses are completed.

In the Commonwealth of Kentucky we have one of the outstanding leaders in vocational education, Mr. James L. Patton, State director of vocational education. Mr. Patton is doing a wonderful job. Prior to becoming State director he served as head of the Mayo Vocational School in Paintsville, Ky. Mr. Patton has informed me that through the stimulation of Federal funds our enrollment in vocational education has increased from 30,694 in 1944-45 to 64,239 for the 1956-57 school year—a 109-percent increase. Projected needs,

based on a 1956 survey, indicate our enrollment will increase up to 140,465 for 1959-60—provided we can pay the teachers and provide adequate facilities.

We in Kentucky must provide this training if we are to continue to contribute to the defense efforts and the further economic development of our State and our Nation.

Today it is possible for Kentucky to train for useful employment large numbers of boys and girls—men and women—who can profit from it. But I am quick to admit that without the stimulated incentive we have had from Federal funds we would not have reached this high-point service to the people. And, more important, the withdrawal of more than \$2 million in Kentucky from our financial resources would not only cripple our program—it would eventually lead to the complete elimination in most communities.

This would also be the case in almost 40 States which are now far from rich and heavily taxed to boot. These States, too, would have drastic cuts in available money for the many projects they must maintain.

It is quite apparent that people from States impoverished by lack of funds would migrate to large industrial areas away from their home communities—creating a tremendous problem for the States where they settle. As untrained new citizens they would not be qualified to contribute to production in the industrial world. The industrial States would, as a result, be responsible for training and upgrading them in order that they might find useful employment.

As I see it, the President and his Health, Education, and Welfare Cabinet officer, Mr. Folsom, would be concerned only in training what they term the "abilities" to plan our defenses but they would leave to the 48 different States the development of skills and crafts that would, as I have said before, put into actual operation the missiles, planes, guns, and ships necessary for the defense of our Nation.

This would be paradox enough without further complexity.

It is the specific recommendation of taking away from the program that trains for the crafts, the skills, and the techniques so necessary not only to our survival and defense but to life itself that leaves me, at the least, in a state of utter confusion.

On Monday of this week I sat in a committee hearing and heard our Secretary of Health, Education, and Welfare stress the utter necessity of helping our families, communities, and States train young people.

In the next breath, Mr. Folsom admitted voting in council against further Federal aid for vocational education.

Mr. Speaker, I have always believed and fought for legislation that would provide better teachers, better buildings, and better equipment for teaching. To my way of thinking, there is no way of separating vocational education as a necessity for improving the knowledge and skills of our people and preparing them for later life. This phase of education is just as important as any other

phase and to my way of thinking all of them are important.

This proposal also gravely endangers our defense—our very survival—and for this, if for no other reason it must not even face consideration. Gentlemen, I say we must continue to back the vocational program that for 40 years has so faithfully served us.

Through it more than 67 million youth and adults have learned to earn while they have been trained for vital roles in society.

Through it the masses of our youth—not just a small percentage—are and will be trained for good citizenship and productive work.

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

OUR EDUCATIONAL SYSTEM

Mrs. GREEN of Oregon. 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 gentlewoman from Oregon?

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, an important issue before America today is the strengthening of our educational system to provide the scientists, technologists, and skilled manpower the Nation needs to meet the challenge of Soviet Russia and keep pace in the scientific revolution.

At the same time, the Nation must not concentrate on science education to the impairment of the general educational system which is the strength of our democracy.

At Yale University on February 3-4 President Eisenhower's Committee on Scientists and Engineers sponsored a conference on America's human resources to meet the scientific challenge. The conference brought together some 125 participants from science, education, industry, government, and the Nation's mass communications media. The conference was asked to examine the competitive position of the United States in world science and technology, and to suggest steps that should be taken to improve scientific education, strengthen basic research, and interest more young people in scientific careers.

Dr. James R. Killian, Jr., science adviser to the President, made the opening conference address on Toward a New Level of Excellence. Mr. Allen Dulles, Director of the Central Intelligence Agency, described the Soviet challenge to the United States. Other speakers are Dr. Alan T. Waterman, director of the National Science Foundation; Dr. Lee DuBridge, president of the California Institute of Technology; and Mr. William Benton.

Participants included Mr. Thomas K. Finletter; Mr. Eric Johnston; Mr. Alfred C. Neal, president of the Committee on Economic Development; Dr. Harrison

Brown, professor of geochemistry, California Institute of Technology; Dr. Jerrold Zacharias; Dr. Katherine McBride, president of Bryn Mawr College; Dr. Clarence H. Faust, of the Ford Foundation; Dr. Paul Gross, vice president of Duke University; Mr. William C. Foster, vice president, Olin-Mathieson Chemical Corp.; Mr. T. H. Chilton, the Du Pont Co.; Mr. Walker Cisler, president, Detroit Edison Co.; and many others outstanding in American education, science and industry.

The conference at Yale was sponsored jointly by the President's Committee and the William Benton Foundation.

The mobilization of some of America's top intellectual resources to examine United States science programs originated with Mr. Benton, former Connecticut Senator and former Assistant Secretary of State. Mr. Benton was among the first to recognize the real nature of the Russian threat to the United States in science and technology. His first-hand observations during a trip through Russia convinced him 2 years ago that the Russian upsurge in science would soon challenge the United States, and that the intensive Russian system of science education would outstrip United States production of scientists and engineers.

As we know, these events have now taken place.

In announcing the conference, Dr. Howard L. Bevis, chairman, declared:

The times demand far more than narrow application of American scientific effort to purely military needs. We must mobilize our intellectual resources to meet the total challenge of the scientific revolution that is reshaping the world.

In the Yale conference, we saw government joining with private citizens to attack a national problem, and through the public communications media, to carry the facts to the American people.

I ask unanimous consent, Mr. Speaker, to include in the RECORD the address made by that outstanding educational leader Dr. Lee DuBridge, president of the California Institute of Technology.

The address follows:

When I was asked to speak at this conference on the subject of Education in the Age of Science, my first reaction was that this topic should be assigned to a historian rather than a physicist. For the age of science did not dawn on October 4, 1957 (sputnik day). It dawned about the year 1700 when the brilliantly perceptive experiments of Galileo had led the mind of Isaac Newton to the enunciation of the first and most fundamental of the laws of physics. Galileo and Newton ended the era of speculative philosophizing and opened the age of scientific discovery.

Needless to say, education has never been the same since.

For when it became evident that all knowledge was not to be found in the writings of ancient authorities, that new knowledge could be obtained by asking questions of nature, then education took on a new purpose and a new meaning. It meant teacher and student could now turn from the dull tasks of memorizing to the exciting venture of inquiring. Now, at last, old ideas could be put to the test of new discovery. The truth about the physical world was to be found not by reading musty books, but by

doing experiments. Some of the ideas in the musty books were, of course, proved to be true. But others, even some written by the greatest authorities, were demonstrably false.

In the dawning age of science, then, learning took on a new meaning; education became an expedition into the great unknown.

Yet here we are, 250 years later, asking ourselves what should education be in an age of science.

The fact is, of course, if this were only an age of science there would be no difficulty. If we all could unstintingly devote ourselves to the pursuit of knowledge and its fruitful application, our schools, colleges, and universities could be great centers of intellectual learning. And those not interested could amuse themselves some other way.

The difficulty is that this is not only an age of science, it is also an age of human beings. And most human beings have the exasperating property of possessing instincts, desires, emotions, ambitions, prejudices, ideas, and ideals which are wholly and completely unscientific. There is, for example, no scientific basis for the tendency of human beings always to be fighting each other. Any scientist knows we would all be better off if we could work together. But the fact is that this is the age of human conflict as well as the age of science. And so human beings are put in the ridiculous position of devoting half their time to using the knowledge of science to make themselves and their neighbors happier and more comfortable—and the other half inventing methods of wiping their neighbors off the face of the earth, or of preventing the neighbor from wiping them off the earth. So the challenge is not how to educate in an age of science, but how to educate in an age when the fruits of science are simultaneously being employed to the ends of human conflict and of human comfort.

Now there are various schools of thought as to how to approach this problem. One school says that all we have to do is to stop the development of science and its applications, and then the tools of human conflict would be less deadly and the conflict would cease. This school ignores the fact that human conflicts were just as intense in the days before science as they are now.

Another school of thought suggests that we should devote all our efforts to making the tools of conflict even more powerful than they are today. Then no one will ever dare use the tools—and conflicts will then cease. The danger with this theory is that if it is ever proved wrong, the results will be so disastrous that there will be no chance of discovering or adopting a theory that is right.

A third school of thought asserts that the answer is just to eliminate the human conflicts and then everything will be fine. This theory, of course, is unassailable. But it runs up against the discouraging fact that no one has the faintest idea how to avoid human conflicts. No courses in human relations or life adjustment seem to have helped much. No Isaac Newton has ever been able to elucidate a theory of the forces between nations or peoples so we can divert such forces to constructive ends. One educator recently asserted that the prime problem of the schools was to teach people to get along with each other. But he did not name a single living human being who was qualified to teach such a course. And he also ignores the fact that individual Americans and individual Russians now get along fine with each other whenever they have the chance. It's just that the aims and ideals of the two nations are in moral conflict. And the possibility of open warfare will remain until one nation, or both, changes its aims or ambitions, or suppresses them, to the extent that a peaceful agreement can be attained. And we should all give support to every attempt to achieve that end.

In the meantime, the best course would appear to be to keep strong enough to protect ourselves and seek to extend international collaboration in those fields where fruitful results are in sight and where international agreements are readily achieved.

And what are those areas?

Why, the areas of pure and applied science, of course.

Russians and Americans do not disagree on the laws of mechanics or of nuclear physics; on the structure of molecules, the design of a bridge or a dam or a dynamo. They even have the same ideas about the design of hydrogen bombs—for the simple reason that nuclear forces behave the same way on both sides of the Iron Curtain. It might be useful if more American children—and more Russians too—became aware of this oneness of science by becoming more familiar with science itself.

My suggestion, then, is that it might be well to introduce the age of science into our school system. Powerful forces will resist this intrusion, but there are powerful reasons for it:

1. It will help us protect ourselves.
2. It will help us improve our own internal health and welfare.
3. It will help us lead the world to the conclusion that a free democratic society is better than communism.
4. It will expand the area of human understanding and agreement, constrict the area, and hence the possibility, of major conflicts.

As you are all well aware, the mechanisms for bringing our educational system into tune with the facts of the 20th and 21st centuries are complex, difficult, and possibly expensive.

Our basic difficulty, of course, is that the proper study of mathematics, science and engineering is intellectually demanding; hence, the untoughened mind gets quickly discouraged and frustrated. Such a mind, then, automatically sinks to easier studies—thus accelerating its own softening process. There seems to be a kind of law in high school and college courses—namely, that the soft ones drive out the tough ones. And in certain places this softening, degenerating process appears to have gone to extreme limits.

A general toughening-up process is clearly in order—a lifting of intellectual standards not only in mathematics and science, but in all intellectual fields. This means vigorous elimination, or relegation to nonacademic status, of the nonintellectual courses in basket weaving, automobile driving, and a host of other diversions.

How do we achieve all this?

I do not have time for a thesis on education today. Some aspects of the problem have already been discussed by the participants in this conference program. But since we are largely representatives of American universities—meeting on the campus of one of America's oldest and greatest universities—I would like to suggest a few things that universities can do.

1. We can elevate our own intellectual standards—and let it be known that we will not accept students who have neither the talents nor preparation to meet such standards. The rising flood of young people coming of college age gives us a fine chance now to announce that we will open our facilities only to those students who take the trouble to prepare themselves properly and thoroughly for university-type work.

2. We can elevate especially the quality of work in our teacher-training curricula. We can insist that the prospective teacher of math or science shall undertake a thorough preparation in those subjects—not waste endless time in empty courses in methodology—courses which now do much to repel many able students from teaching careers.

3. We can redouble our efforts to increase teachers' salaries—aiming to double them within the next few years as the President's commission has proposed. Retaining better minds in the teaching profession is the surest road to lifting intellectual standards all along the line. No one pretends that teachers are attracted solely by money, but nobody denies that money helps. And the other things needed the university can readily supply.

4. As one little contribution to elevating the status of the teacher, of attracting more able men into it and giving them some practical teaching experience, I propose that we improve the position of the graduate student-teacher. At present, the graduate assistant is an impecunious young man who is charitably given some teaching chores to do at \$2 an hour so he won't have to go off and work in a filling station for \$3 to keep from starving. No wonder so many graduate students promptly acquire a contempt for the whole teaching profession. I suggest that the graduate assistant be treated as a junior faculty member, that he be selected with great care, that he be paid substantially more than the graduate fellows get who do nothing, that he be given supervised teacher-training experience, and as he qualifies he be given more responsible instructional duties. He would be a better student and a better teacher for this experience, a more likely recruit to the profession. And many of them would provide some pretty keen competition to some of the old faculty members who may be going to sleep.

So much for suggestions to my university colleagues. But I do not wish to imply that the main problems in our educational system lie in the universities—nor that they have the sole responsibility for fixing things. In fact, this conference is addressed very largely to the group that is responsible for both the strengths and the weaknesses of our educational system—and who can really do something about it: the general public. And so here are my suggestions to John Q. Citizen.

1. Mr. Citizen: Remember that the present educational crisis did not begin with Sputnik I, nor will it end when we have more and bigger satellites in their orbits than the Russians have. Our educational crisis arises because we in America—to maintain our political and economic system—must educate more people to higher levels than any society ever before attempted in all history. Unfortunately, as we have struggled with the problems of numbers we have let our intellectual standards slip—and it is now time to "pull up our socks" and restore intellectual quality in our school system from top to bottom.

2. However, Mr. Citizen, we do not do this by copying the Russians. They have built an efficient system to serve the technical needs of the state. We have built a system well adapted to free the minds of 170 million people. And 170 million free and well-trained minds in a democratic society need not fear any challenge. All we need to do is make sure our educational system really aids and encourages its students to use their minds to full capacity.

3. Finally, Mr. Citizen, you have too long gone under the misapprehension that you could get a good educational system for practically nothing. You thought that paying a few dollars school tax on your house, supporting your boy in a good fraternity at college, and sending in a \$10 check to your alumni fund every year was all you had to do. You thought that the Government and Mr. Rockefeller would somehow do the rest. You were wrong. When the Ford Foundation made a magnificent gift of over a quarter of a billion dollars in endowment to the private colleges of the country last year, the Nation suddenly learned that what these colleges needed was not a quarter of a billion, but over six billion dollars—or a quar-

ter of a billion dollars every year. Nobody but you, Mr. Citizen, can pay that bill. And you can do it quite readily by just lifting your total contribution to education, through taxes and gifts, from \$2 out of every \$100 of total personal income to \$3—and keeping at that level, or higher, as the gross national product rises. So far, Mr. Citizen, your local and State taxes and gifts have not been enough. So now Uncle Sam is about to come along and lift a few more dollars from your purse to help out. But if you'll run home and vote quickly for a higher school tax—and send twice as much to alma mater next year, you can keep Uncle Sam from getting into the educational business any deeper. If you don't—then Uncle Sam will do the job for you because Uncle Sam can't afford for America not to have a first class educational system.

FOREIGN-AID PROGRAM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Ohio [Mr. FEIGHAN] is recognized for 10 minutes.

Mr. FEIGHAN. Mr. Speaker, in my announcement of candidacy for reelection, among other things, I called for Congress to act upon all foreign-aid appropriation programs on a country-by-country basis rather than by the present grab-bag method used by the Department of State in presenting foreign-aid programs to the Congress for appropriation.

I took this position because I was an original supporter of the foreign-aid programs then necessary for the reconstruction of devastated Europe and the prevention of Russian takeover of all of Europe.

There is no doubt in my mind that the United States security interests are served by carefully worked out, practical programs of foreign assistance made on a loan basis under conditions which give assurance that the receiving country will be able to meet its obligations.

Unfortunately our foreign-aid program has degenerated into a giveaway contest in which unfriendly regimes in many countries are dipping their hands into the pockets of the American taxpayers under the guise that unless they are allowed to do so they will hurry off to Moscow for help.

Under the prevailing grab-bag arrangement Members of Congress are required to gulp down give-away programs to Communist regimes such as that headed by the dictator Tito, even if they favor assistance only to countries which have proven their friendship and are making a real fight to keep free of Russian economic tentacles.

Members of Congress are compelled to take everything the State Department advocates or approve nothing in the field of foreign economic and military assistance.

It is high time Congress took time to evaluate each and every proposal for economic assistance to foreign countries on the individual merits of each country's program.

We cannot win steadfast friends with money. Fairweather allies are worse than no allies at all. Bismarck had this to say on the subject many years ago: "No one will ever be rich enough to buy his enemies with concessions." I would

add this, no country will ever be rich enough to pay the price of blackmail, which the Russians are tempting many countries to seek from us today.

The Cleveland News has featured articles by Jack Kennon on United States foreign aid policy and performance. The record as Mr. Kennon presents it shows a very sad case for the American taxpayer and an urgent need for Congress to assume its constitutional responsibilities. Mr. Kennon, associate editor of the Cleveland News, is an outstanding newspaperman whose views are respected by the people of my district and all Ohio. Mr. Kennon has made a careful study of American foreign aid and his articles are certain to provoke many questions in the minds of Members of Congress before President Eisenhower's request for \$2,140,000,000 for economic assistance is acted upon by Congress.

Under unanimous consent granted me, I include two articles by Mr. Jack Kennon, associate editor of the Cleveland News:

MAZE OF FOREIGN AID BEFUDDLES WASHINGTON (By Jack Kennon)

Nearly everybody in Washington is confused about our foreign economic aid programs year after year without letup—including Members of Congress who vote the funds.

You get conflicting and vague answers—even from Congressmen—to questions where the money goes, how it's spent and, especially, what stipulations are set up by our Government to insure repayment of loans to foreign countries.

"Don't ask me," is the stock answer from most Washington officials.

You can't find the answers in the official publications by various Government agencies created to supervise our economic and technical aid abroad.

The main emphasis is placed on our obligations to foreign countries to keep them out of the clutches of the Russian Bear.

As one Member of Congress told us about the philosophy behind our foreign-aid programs (and his statements were echoed by correspondents covering the Washington scene):

"When you boil it all down, it's chiefly giveaway. The idea is that if the United States doesn't provide foreign economic aid, if our money and technological help is unavailable or inadequate, these countries will become dependent upon the Soviets. That's what the United States is trying to stop."

Virtually alone, we might add.

We're the only country on the face of the globe that pours out its funds by the billions annually in an economic effort to contain communism all around the world.

Uncle Sam is a Midas, in the eyes of most foreign countries, some in the remotest areas of the world—some so small you can barely find them on a world atlas.

The "ifs" mentioned above admittedly excuse a great degree of slipshod methods in distributing economic and technical aid, how the benefiting countries' quotas are established, what the American dollars are to be spent for, and how to be repaid, if repaid it shall be.

TWO THOUSAND EIGHT HUNDRED AND FIFTY-NINE TECHNICIANS

At the present time, the United States has some 2,859 Government employees overseas—they're called technicians—telling foreign countries how our foreign aid should be spent and how to supervise various United States-financed projects.

Most of these United States technicians are in the Near East and south Asia.

In recent years, the emphasis in our foreign economic aid program has been centered in the Near East and south Asia. The Far East comes next, Latin America next, Africa next, and Europe last, although a \$400 million new loan to France this week may push the European aid total this year beyond that of Africa.

HELPING 50 COUNTRIES

Incidentally, there are more than 5,000 European nationals now in the United States—at our expense—for training in connection with foreign aid projects sponsored by the International Cooperation Administration.

Financing economic development abroad has become an integral and, perhaps, permanent part of our annual Federal budget.

We're now financially helping more than 50 foreign countries in some form of aid. As we said, the average American would be hard put to locate many of the countries on the map.

What struck us in our study of our foreign economic and technical aid programs is the unbelievable extent to which this Nation now is obviously committed—in billions of dollars annually—to help foreign countries stave off communism, ostensibly by helping them economically.

SOLD BILL OF GOODS

We certainly appear to have been sold the bill of goods that, if we don't fork over vast sums of money each year to large and small countries, the Kremlin soon—and this is timeless—will have these countries in its clutches.

However, great sums of American money go to countries already in the Communist orbit. We keep on giving or loaning these countries millions in the hope that, some day, somehow, they will extricate themselves from the arms of the Russian dictators.

Congress this spring may slash another substantial sum from the foreign aid budget submitted by President Eisenhower. But the cut will be negligible when compared with our total foreign aid outlays. It would require a small volume merely to enumerate how many are the ways the various agencies created to supervise this assistance overseas can find to operate the spending.

Death and taxes are generally considered positive certainties in this life. United States foreign aid might be added. It's permanent. It's gargantuan. It's highly controversial. It's vague. And, mostly, it's unbusinesslike. But there it is—something new in our time in the American way.

UNITED STATES AID USED TO FIGHT FREE ENTERPRISE

(By Jack Kennon)

More than \$16 billion in United States free enterprise money has been given to large foreign nations since World War II to help them nationalize their industry and commerce contrary to the American way.

Ironically, one of the chief beneficiaries—is Russia.

The \$16 billion plus expenditure comes under the highly controversial United States foreign economic and technical aid which this Government is passing out around the world.

You learn this amazing, and startling, fact in combing through the operations reports of the International Cooperation Administration in Washington, which supervises distribution of American foreign aid.

These tremendous expenditures by a supergenerous Uncle Sam are buried in thick volumes of charts and statistics published annually by the ICA.

To give you some idea of the difficulty in detecting these:

The 1957 operations report of the ICA alone requires 84 pages of charts and fine-print statistics, the latter so small that a magni-

fying glass is needed to read the figures—in millions of dollars.

DECLARES AID HELPS RESIST COMMUNISTS

How our Government can keep track of our foreign aid disbursements—giveaways, loans, surplus agricultural commodities, machinery, materiel, etc.—stretches one's belief.

The argument advanced by the International Cooperation Administration in support of our foreign economic and technical aid policies is that they help to strengthen the economies of various countries and keeps them strong enough to resist Communist military aggression.

Right here with this statement starts the argument as to how to fight a cold war to hold back communism.

The purpose of military aid abroad is understandable. But the purpose and concrete results of our foreign economic and technical aid outlays are obviously fertile ground for bitter debate and differences of opinion in Washington and throughout the country.

It appears to rattle many Americans and their representatives in Washington that this free-enterprise country should go on indefinitely, and at stratospheric levels, to bolster the economies of foreign nations, some of whom are with us in the struggle to block the Soviets and some of whom are not, and to help nationalize their industry and commerce.

CHARGES IT SPEEDS TRENDS

There is the widespread charge, difficult to deny, that our foreign economic aid has, in many countries, merely accelerated the trend toward nationalization of business and commerce, and has done little to halt Russian expansion moves, which is the purpose of our foreign economic aid dollar expenditures.

Hitting only 15 spots around the world as to how nationalization stands the world over today—aided by American "free enterprise" money—we find:

We have given Brazil postwar foreign-aid grants totaling exactly \$26,900,000. In Brazil, the government operates the banks, utility services, railroads, and coastwise navigation, and is a stockholder in companies in the iron and steel, automobile, and other industries.

THREE BILLION SEVEN HUNDRED MILLION TO BRITAIN

Our postwar foreign-aid grants to Great Britain total \$3,763,000,000. England probably is our most important military ally. But it goes in for nationalization of industry—even if somewhat limited. The government is in telephone and telegraph, broadcasting, gas, electricity, railroads, trucking, canals and coal mining. England has socialized medicine, which our foreign-aid money, obviously, has helped to finance.

TWO BILLION FIVE HUNDRED MILLION FOR ITALY

We have given France in postwar foreign-aid grants a total of \$4,333 million. The French Government owns the Renault plants, which produce the major share of that country's private automobiles. Electricity, gas, railroads, air transport, broadcasting, and the insurance business are nationalized. The banks are almost entirely government-owned. The government owns newspapers and controls a large press association.

Our postwar foreign-aid grants to Italy total \$2,574 million, whose government owns the railways, the telephone and telegraph systems. It is in the banking business, and government-controlled companies produce 85 percent of Italy's coal, 80 percent of the pig iron, 65 percent of the steel, 80 percent of the shipbuilding and 73 percent of rail transportation.

Other large foreign countries whose governments are also in big business in a big way and the amounts they have received in

the last 12 years include: Norway, \$236 million; Sweden, \$87 million; Austria, \$1,061 million; Turkey, \$495 million; "neutral" India, \$216 million; Czechoslovakia, \$186 million; Indonesia, \$118 million; Hungary, \$5.8 million; Poland, almost \$365 million; Yugoslavia, \$734 million; Bolivia, \$10,361,000 (in the last 2 years alone.)

This United States foreign aid, pushing along the trend toward these countries' nationalization, wasn't given to the people or to the businessmen of these countries; it was given to the governments and the governments can use the funds to start government-owned enterprises.

INDUSTRIAL USE OF AGRICULTURAL PRODUCTS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Georgia [Mr. BROWN] is recognized for 10 minutes.

Mr. BROWN of Georgia. Mr. Speaker, I am glad to note that there are several recent reports which indicate both a desire and a determination to provide solutions to farm problems.

Since I have frequently referred to both the need and the possibilities of utilization research, I would like to commend the Commission on Increased Industrial Use of Agricultural Products for a worthwhile contribution in its study in the field of utilization research. The study of utilization research for agricultural commodities was authorized under Public Law 480 of the 84th Congress. The Commission obtained the assistance of 188 of the country's outstanding leaders in agriculture, industry, science, and private and public agencies.

The factual report of this Commission deserves consideration and study by each Member of the Congress and all others who are interested in agriculture and its relationship to the American economy. The observation is made that both Federal and State Governments spend not more than \$18 million per year on utilization research for agricultural commodities. The further observation was made that most of the money spent for research goes to improve and increase production.

I recently stated that agriculture cannot be isolated from the remainder of the economy. This applies to utilization research just as it applies to the cost-price squeeze which has resulted from the high prices farmers pay in comparison with those they receive for farm commodities. The Commission proposes an expanded program of utilization research and development which would enable agriculture to do what industry, with its larger resources of money and men, has long been doing. Industry is currently investing at least \$3 billion a year in research, which amounts to 3 percent of gross sales. In comparison, it is obvious that the \$18 million expenditure for agricultural utilization research is grossly inadequate.

The result of this study by the Commission brought forth a definite conclusion that something should be done and could be done in this field. The Commission found that to make possible and encourage such a development there are four main needs. The first need is the realization of the importance, the pos-

sibilities, and the urgency of the industrial utilization approach to farm-surplus problems. The second need was found to be a greatly expanded program of fundamental and applied research to learn more about the nature of agricultural raw materials and to determine what existing or new industrial products and processes may profitably use them. This work would not end in the laboratory, but in promising cases would go through the development stages of pilot-plant experiments and trial commercialization preceding full commercial use. In this agricultural research and development program the Commission recommends the mobilization of the efforts of many scientific institutions—private, public, State, Federal, and, in some cases, the Government would share the cost of the research with private industries. The Commission found the third need to be to insure that more scientific talent is trained for the neglected field of farm-product research and development through fellowships, scholarships, grants, and by other means. The Commission found the fourth need to be to provide in certain cases suitable financial incentives during a temporary trial or development period. It was stated in the report that the initial step in launching such a program is sound legislative action by the Congress.

This study points to the fact that raw materials produced by farmers contain the same chemical components as are found in many nonagricultural materials used to make products. Reference is made to the fact that both coal and petroleum were plants long ago. The Commission stated that farm-produced materials can be modified, tailored to particular needs, taken apart and recombined to make new products with new properties.

The Commission's report outlines 106 broad fields of research and development, including hundreds of product uses, that seem to promise fruitful results.

The amount now available for industrial utilization research in the United States Department of Agriculture is reported to be only \$16,145,000. The Commission on Industrial Use of Agricultural Products has recommended that this be increased at least threefold, with additional sums for new crops, development and trial commercialization, and incentives.

I urge that the Congress give immediate consideration to the needs of utilization research for agricultural commodities, that the recommendation of the Commission that Congress declare as a matter of policy the obligation to foster basic research in agricultural products and their uses be enacted into legislation, and that the other recommendations of the Commission be given early consideration.

Let us not view this needed program in utilization research as one solely in the interest of agriculture. The ever-increasing needs of the population, and the corresponding decrease in natural resources, require that this program start immediately in the overall national interest. Let us not forget that the

quantities of materials found in the earth are fixed, but wherever products may be developed from agricultural commodities the quantities of the raw materials which may be produced are unlimited.

The Commission on Increased Industrial Use of Agricultural Products has made two alternative recommendations for the administration of this utilization research program. The first alternative is to establish a five-member, nonpartisan agricultural research and industrial board to be appointed by the President with the advice and consent of the Senate. This board would allocate funds, make contracts with research institutions, and direct and coordinate the program, but would not itself engage in research. The second alternative would place the responsibility for the program in the Department of Agriculture under an Assistant Secretary.

Whichever administrative approach is taken, the Commission emphasized the need of achieving effective results as promptly as possible.

The existence of some surplus agricultural commodities represents an increase in productivity unequaled by any other segment of the economy. Yet there is every indication that such surpluses would represent small quantities under an American economy having adequately developed programs for farm commodity utilization. Research in the production area has played a large part in providing adequate quantities of agricultural commodities. I have no doubt that adequate research in the utilization area would prove to be even more successful. The farmers, the consumers, business and industry, as well as the Government, would benefit from these successful developments. The success of such a research program would substantially strengthen our preparedness efforts and contribute greatly to the economic well-being of the country.

Let us appropriately consider agricultural resources as our most basic assets and not as liabilities. The existence of surplus agricultural commodities should serve to point the way to the vast opportunities which lie ahead in this field rather than highlighted as presenting problems.

There have been numerous instances when programs were desired by the Government when industry did not feel that such programs could go forward without Government incentives. For example, the incentives of the Government aided the synthetic-rubber industry, the aluminum industry, the Cuban nickel development, the development of titanium, and numerous other similar industries. Private funds were not available. Necessity and Government incentives have in the past provided the research and development required to achieve the desired end results.

Our people are now giving much thought to training programs for educating scientists. Many educational recommendations have been made to insure that America be in the forefront of technological development. There can be no doubt America does not want a second-rate defense. It would appear that the

scientists who would be trained in utilization research for agriculture would be possessed of knowledge which would materially strengthen our overall preparedness. Our reserve of scientists would be thereby increased, and our overall preparedness would benefit. The products developed through agricultural utilization research might well increase the availability of many items now essential for defense purposes through substitution of newly developed products.

The Government is now in the process of studying the essential survival items for an emergency. Agriculture must play an increasingly important role in mobilization for defense. This program could prove to be of great assistance in this field.

I have repeatedly stated that agriculture must be viewed over the long period, for increases in production require a long lead time. A temporary surplus of today should not bring about recommendations for the removal of the farmers from the land, but should provide the incentive to utilize these benefits to the fullest. A recent study of the Joint Economic Committee states that a number of agricultural economists estimate that farm output will have to expand between 25 and 40 percent in less than 20 years, and that this required expansion in production will exceed any expansion in a comparable period of time since 1870. It is further stated that it appears that getting the necessary expansion in production beyond the next 10 years will require positive effort. Utilization research could serve to stabilize the requirements of the present with those of future years.

It is in the interest of the Nation to provide a balanced program for agriculture. Until the means is found to provide a fair share of the total national income for the farmer, the markets of the manufacturers in the farm areas will be limited. The farmers have been caught in a cost-price squeeze. The farmers cannot be separated from the overall inflated economy under which they must pay high prices for farm supplies and family expenditures and receive low prices for farm commodities. The cost of manufactured supplies purchased on the farm, whether the result of freight increases, wage increases, or duties, is passed on to the farmer. The farmer has been unable to pass on the increased cost of producing farm commodities, and the high prices of our economy are out of balance with foreign markets. Unemployment in manufacturing results in part from the cost-price squeeze borne by the farmer.

The recent study of the Joint Economic Committee states that there was a decrease of 584,000 in farm numbers in the Southeast in 1954 as compared to 1935. The attention of all who are interested in the national economy should be given to the existing situation on the farm, for in the Southeast in 1954 the average farm operator was 50 years of age. Only 15 percent of the farm operators were under 35 years of age, while 61 percent were 45 years of age or over. The greatest contribution the farmers can make to the American economy is

by remaining on the farm. The adoption of recommendations similar to those of the Commission on Increased Industrial Use of Agricultural Products could do much in accomplishing this result. After studying several reports on this subject, I remain convinced that a properly balanced long-range program for agriculture will provide the means for the farmers to remain on the farm and to make substantial contributions to our overall economy.

On January 28, 1958, the Special Stockpile Advisory Committee made a report to the Director of the Office of Defense Mobilization on its study of the national stockpile. This committee recommended the stockpiling of finished items and vital supplies for survival, relief, and rehabilitation. In recommendation No. 10, the Special Stockpile Advisory Committee further stated that consideration should also be given to acquiring survival and relief items in exchange for agricultural surpluses. The further recommendation was made that metals and minerals be acquired beyond the quantities considered essential for defense purposes when obtainable in exchange for United States stocks of agricultural surpluses. These recommendations afford opportunities of trading surplus agricultural commodities in the early stages of the utilization-research program. Once the research program goes forward there is good reason to believe that surplus stocks would be in demand.

A question also arises as to what constitutes a surplus of an agricultural commodity. The defenses of this country are reportedly geared to two types of conflict, including limited-scale war or an attack on the United States. Large sums of money are being expended to achieve preparedness for either emergency. Adequate quantities of food and various agricultural commodities are necessary for survival and preparedness. The Department of Agriculture has been assigned mobilization responsibilities relating to this subject. It would appear that if agriculture is to share its proper role in mobilization for preparedness, any definition of "surplus" would apply only to those stocks in excess of our defense needs. Yet, on July 17, 1957, a House Subcommittee on Agriculture reported that in the event of nuclear war the United States is utterly without a plan to immediately feed its population. It was further stated that this constitutes perhaps the weakest link in the chain of defense planning.

PERMANENT DISABILITY PAYMENTS TO DISABLED CITIZENS

Mr. BROWN of Georgia. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. DINGELL. Mr. Speaker, when Congress passed the 1956 amendments to

the Social Security Act providing for permanent disability payments to our crippled and disabled citizens we thought that we were offering a wonderful new protection to a very substantial number of people. This protection has since been narrowed by administrative action.

Congress was advised by the Social Security Administration that disability payments would be payable to some 400,000 individuals, and the actuarial studies for this particular change contemplated that many people would be recipients of this particular section. That amendment reads as follows:

The term "disability" means inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued or indefinite duration.

We found, however, that only around 100,000 severely disabled workers were able to receive their first checks under the provisions of this particular 1956 amendment, and that number had grown to only 140,500 as of November 1957, since the enactment of the disability provisions. The administration has simply administered this section in such a way that only the most severe and total disabilities qualify, and many deserving cases are held off the benefit rolls.

I have had people in my office seeking help with this section who had hardening of the arteries to such a degree that they were barely able to walk, but who were unable to qualify. I have seen other cases involving severe heart conditions who were willing to work but unable to do so and who were unable to qualify under this particular section. I have seen a number of cases where the individual concerned was classed as permanently and totally disabled by other Federal agencies, so much so that he was drawing veteran's benefits as being permanently and totally disabled, or was laid off of a Federal job as being incapable of work, and yet was unable to qualify under the provisions of this section.

To my mind, Mr. Speaker, this is a very sad commentary on the administrative handling of this section. For this reason I have introduced legislation today to ease the provisions of this administrative interpretation, and which will make it easier for persons who are so disabled as to be unable to continue working on their jobs or similar employment to secure the benefits of the provisions of this section.

To show how bad the administration's policies have been, I want to quote what Ray Henry, a well-known syndicated columnist on social security affairs, recently wrote in his column entitled "Security for You."

How disabled does a person have to be to draw social security disability payments? Trying to get a concise answer to this from the Social Security Administration is like chasing butterflies. * * * Probably the best advice a disabled person can follow if he thinks he is eligible for social security payments is: File your application and wait for a decision.

One bill I introduced today makes a more liberal and fair interpretation of "disability," so that a person who is un-

able to engage in substantial gainful activity by reason of medically determinable physical or mental impairment which can be expected to result in death or be of long or indefinite duration shall be deemed unable to engage in any substantial activity, if, solely by reason of having such impairment he is unable, as a practical matter, either to obtain employment or to continue in his present employment.

The other bill provides that a person shall also be considered to be totally disabled and eligible for the benefits of this section if he has been declared to be totally and permanently disabled within the meaning of any other Federal or State legislation either for purposes of hiring or for purposes of drawing benefits.

I hope these bills get speedy and favorable treatment.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SCHERER for February 10, 11, and 12, 1958, on account of hearings of the Committee on Un-American Activities at Gary, Ind.

To Mr. MILLER of Maryland (at the request of Mr. MARTIN) for the remainder of the week on account of official business.

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. PASSMAN on Tuesday next, for 30 minutes.

Mr. FEIGHAN, for 10 minutes, on today, to revise and extend his remarks and to include five articles.

Mr. SCUDDER, for 60 minutes, on February 24.

Mr. WILSON of Indiana, for 5 minutes, today and to revise and extend his remarks.

Mr. POWELL (at the request of Mr. McCORMACK) today, for 15 minutes.

Mr. BROWN of Georgia (at the request of Mr. McCORMACK) today, for 20 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. TEAGUE of Texas (at the request of Mr. COOLEY) and to include extraneous matter.

Mr. REUSS and to include extraneous matter.

Mr. MAY.

Mr. SCHWENDEL.

Mr. BYRNE of Illinois (at the request of Mr. FRELINGHUYSEN).

Mr. BOGGS.

Mr. ENGLE and include extraneous matter.

Mr. BREEDING.

Mr. JOHANSEN (at the request of Mr. BASS of New Hampshire) and to include extraneous matter.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 10146. An act making supplemental appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1908. An act to amend the District of Columbia Hospital Center Act in order to extend the time and increase the authorization for appropriations for the purpose of such act, and to provide that grants under such act may be made to certain organizations organized to construct and operate hospital facilities in the District of Columbia.

ADJOURNMENT

Mr. BROWN of Georgia. Mr. Speaker, I move that the House do now adjourn. The motion was agreed to; accordingly (at 2 o'clock and 36 minutes p. m.), under its previous order, the House adjourned until Monday, February 10, 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:

1581. A letter from the Secretary of Defense, transmitting a draft of proposed legislation entitled "A bill to authorize civilian personnel of the Department of Defense and certain personnel of the National Advisory Committee for Aeronautics to carry firearms"; to the Committee on Armed Services.

1582. A letter from the Assistant Secretary of Defense (Director for Supply Management Policy), transmitting the annual report of the Department of Defense relative to the disposition of foreign excess personal property located in areas outside the continental United States, Alaska, Hawaii, Puerto Rico, and the Virgin Islands for the fiscal year 1957, pursuant to Public Law 152, 81st Congress; to the Committee on Government Operations.

1583. A letter from the Secretary of Health, Education, and Welfare, transmitting a report covering personal property made available for distribution to public health and educational institutions and civil defense organizations, pursuant to section 203 (o) of the Federal Property and Administrative Services Act of 1949; to the Committee on Government Operations.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRAY:

H. R. 10562. A bill to amend the Communications Act of 1934, so as to prohibit the granting of authority to broadcast subscription television programs; to the Committee on Interstate and Foreign Commerce.

By Mr. CHRISTOPHER:

H. R. 10563. A bill to provide that the price support level for basic agricultural

commodities and dairy products in effect for 1958 shall not be less than those in effect for 1957; to the Committee on Agriculture.

By Mr. COAD:

H. R. 10564. A bill to provide for making payments in kind under the acreage reserve program of the Soil Bank Act; to the Committee on Agriculture.

By Mr. DAWSON of Illinois (by request):

H. R. 10565. A bill to improve opportunities for small-business concerns to obtain a fair proportion of Government purchases and contracts, to facilitate procurement of property and services by the Government, and for other purposes; to the Committee on Government Operations.

By Mr. HAGEN:

H. R. 10566. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for certain amounts paid by a teacher for his further education; to the Committee on Ways and Means.

H. R. 10567. A bill to extend for an additional 4-year period the provisions of the National Wool Act of 1954; to the Committee on Agriculture.

By Mr. HAYS of Ohio:

H. R. 10568. A bill to authorize the Secretary of State to evaluate in dollars certain financial assistance loans expressed in foreign currencies arising as a result of World War II, and for other purposes; to the Committee on Foreign Affairs.

By Mr. JONES of Alabama:

H. R. 10569. A bill to authorize the use of additional funds for the 1958 cotton acreage-reserve program; to the Committee on Agriculture.

By Mr. McCARTHY:

H. R. 10570. A bill to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment insurance program, and for other purposes; to the Committee on Ways and Means.

By Mr. MOORE:

H. R. 10571. A bill to protect the right of the blind to self-expression through organizations of the blind; to the Committee on Education and Labor.

By Mr. MULTER:

H. R. 10572. A bill to permit certain foreign students to attend the District of Columbia Teachers College on the same basis as a resident of the District of Columbia; to the Committee on the District of Columbia.

By Mr. NIMTZ:

H. R. 10573. A bill to define parts of certain types of footwear; to the Committee on Ways and Means.

By Mr. O'KONSKI:

H. R. 10574. A bill to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment insurance program, and for other purposes; to the Committee on Ways and Means.

By Mr. SMITH of Mississippi:

H. R. 10575. A bill to alleviate the critical shortage of high quality cotton and to protect farm income, and for other purposes; to the Committee on Agriculture.

By Mr. ALLEN of Illinois:

H. E. 10576. A bill to provide for the issuance of a postage stamp in commemoration of the 100th anniversary of the Lincoln-Douglas joint debates; to the Committee on Post Office and Civil Service.

By Mr. ASHLEY:

H. R. 10577. A bill to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment insurance program, and for other purposes; to the Committee on Ways and Means.

By Mr. DINGELL:

H. R. 10578. A bill to amend title II of the Social Security Act to provide a more liberal

definition of the term "disability" for purposes of entitlement to disability insurance benefits and the disability freeze; to the Committee on Ways and Means.

By Mr. JUDD:

H. R. 10579. A bill to provide for the naturalization of certain alien children adopted by United States citizens who are missionaries stationed abroad; to the Committee on the Judiciary.

By Mr. KILGORE:

H. R. 10580. A bill to alleviate the critical shortage of high quality cotton and to protect farm income, and for other purposes; to the Committee on Agriculture.

By Mr. MOULDER:

H. R. 10581. A bill to amend section 1461 of title 18 of the United States Code with respect to the mailing of obscene matter, and for other purposes; to the Committee on the Judiciary.

H. R. 10582. A bill to amend sections 1461 and 1462 of title 18 of the United States Code to make applicable with respect thereto the venue provisions of section 3237 of such title; to the Committee on the Judiciary.

By Mr. DINGELL:

H. R. 10583. A bill to amend title II of the Social Security Act to provide that certain determinations of permanent and total disability made by other Federal or State agencies shall be accepted by the Secretary of Health, Education, and Welfare as proof of disability for purposes of such title; to the Committee on Ways and Means.

By Mr. BYRNE of Illinois:

H. J. Res. 530. Joint resolution designating October 31 of each year as Youth Honor Day; to the Committee on the Judiciary.

By Mrs. CHURCH:

H. J. Res. 531. Joint resolution designating October 31 of each year as Youth Honor Day; to the Committee on the Judiciary.

By Mr. PRICE:

H. J. Res. 532. Joint resolution designating October 31 of each year as Youth Honor Day; to the Committee on the Judiciary.

By Mr. BROYHILL:

H. Con. Res. 262. Concurrent resolution expressing the sense of Congress that the Commissioners of the District of Columbia should proceed at once with the construction of the bridge over the Potomac River as authorized and directed by the act of August 30, 1954; to the Committee on the District of Columbia.

By Mr. HERLONG:

H. Con. Res. 263. Concurrent resolution to request the President to designate the year 1960 as "Visit U. S. A. Year"; to the Committee on the Judiciary.

By Mr. COAD:

H. Res. 473. Resolution establishing a Special Committee on Astronautics and Space Exploration; 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 Mr. HEBERT:

H. R. 10584. A bill for the relief of Kuzma Murina; to the Committee on the Judiciary.

By Mr. HOLTZMAN:

H. R. 10585. A bill for the relief of Chaskel Eichtenbaum; to the Committee on the Judiciary.

By Mr. HUDDLESTON:

H. R. 10586. A bill for the relief of Levada Burgess Avery; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H. R. 10587. A bill for the relief of Homer G. Preston; to the Committee on the Judiciary.

By Mr. FARBSTAIN:

H. R. 10588. A bill for the relief of Everett Rosenqvist; 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:

377. By Mr. BEAMER: Petition of Mrs. J. E. Hester and others of Anderson, Ind., protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

378. Also, petition of Russell E. Bainbridge and others of Marion, Ind., protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

379. Also, petition of Mrs. J. Lee Boller and others of the Fifth Congressional District of Indiana, protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

380. Also, petition of the Main Street Methodist Church in Kokomo, Ind., protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

381. Also, petition of Mrs. William H. Harrison and others, of the Fifth Congressional District of Indiana, protesting the advertis-

ing of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

382. Also, petition of Mrs. Alda Nall and others, of Portland, Ind., protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

383. Also, petition of Mrs. L. C. Loder and others, of the Fifth Congressional District of Indiana, protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

384. Also, petition of Miss Eugenia M. Nunemaker, of the Fifth Congressional District of Indiana, protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

385. Also, petition of Mrs. Will Kemper and others, of the Fifth Congressional District of Indiana, protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

386. Also, petition of Miss Chloe E. Lacy and others, of Anderson, Ind., protesting the advertising of alcoholic beverages in inter-

state commerce; to the Committee on Interstate and Foreign Commerce.

387. Also, petition of Mr. and Mrs. Paul Brock and others, of the Fifth Congressional District of Indiana, protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

388. Also, petition of Walter L. Thomas and others, of the Fifth Congressional District of Indiana, protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

389. Also, petition of Mrs. Frank Aldrich and others, of Marion, Ind., protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

390. Also, petition of the members of the South Marion Friends Church, Marion, Ind., protesting the advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

391. Also, petition of the Indian Heights Home Owners Association of Kokomo, Ind., protesting the attempts to establish pay television; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Anniversary of Lithuania's Proclamation of Independence

EXTENSION OF REMARKS

OF

HON. EMMET F. BYRNE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1958

Mr. BYRNE of Illinois. Mr. Speaker, I would appreciate permission to extend my remarks in the RECORD regarding an important anniversary on February 16, when the Lithuanians of the Free World will commemorate Lithuania's proclamation of independence 40 years ago.

The Lithuanians who are still free and living in different parts of the world should not forget the land of their forefathers who gave them freedom long ago. Particularly those Lithuanians who have come to America should keep in mind and heart one thought: The love of freedom for the individual exists in America and this common concept creates enduring friendships between peoples and nations.

During the span of Lithuania's independence, her people made remarkable progress in all fields of human endeavor. In achieving her independence she had overthrown a yoke which had been on her shoulders for almost one hundred and twenty years. This yoke was Russian misrule. Lithuania was truly a member of the family of free nations.

Once again Lithuania became the subject of Russian tyranny which extends to every area and facet of life. The peasants who were the pride of their country became serfs in the homeland. The farms no longer flourished.

The enslaved Lithuanians are living in truly dark days. They experience deportations under all kinds of guises. Families are separated. The people are "invited" to go to Siberia for "voluntary"

labor. The people are told that this "invitation" is extended them by the Russian Government because the Russians want the families reunited. The Lithuanians are silent these days but they know well the methods employed by the Russians and they are living for the day when they will again proclaim their independence to the whole world. This is their dream which keeps them going with heads low but hearts and spirits undaunted. Such thoughts as this cannot be enslaved or enslave the peoples of a country but on the contrary it will enable them to one day shed the yoke of tyranny again.

In encouraging the Lithuanian Americans and by setting an example for them, we are helping to speed the day when we can join them in celebrating the achievement of another proclamation of independence in Lithuania.

Salvation by Appropriation

EXTENSION OF REMARKS

OF

HON. AUGUST E. JOHANSEN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1958

Mr. JOHANSEN. Mr. Speaker, we have developed, in this country, an almost fanatical faith in salvation by appropriation.

Especially, I should add, faith in salvation by Federal appropriation.

An earlier generation expressed a somewhat related viewpoint in the crude saying that money talks.

Fortunately, there were always those who pointed out that while money may talk, it doesn't necessarily talk sense, or sound values, or character and integrity, or good judgment, or desirable results.

Today we desperately need similar reminders that blind faith in the power and beneficial effects of governmental appropriations can be equally misleading, shortsighted and disastrous.

Especially do those of us in Government need these reminders.

Otherwise, as a Nation, we may utterly fail to achieve urgently needed results and, at the same time, go completely broke in our fumbling and foolish efforts to achieve these results by reliance on more and more spending.

Blind faith in salvation by appropriation can be totally disastrous in the area of military defense.

We court disaster, militarily, if we forget for a single moment that the mere act of voting and spending more and more billions is no guaranty of, or substitute for, sound strategic concepts, effective and efficient defense organization, or wise military planning and execution.

One sound idea may not only be worth billions, defensewise, but may be the only thing that gives the billions either worth or sense.

Blind faith in salvation by appropriation explains, in my judgment, the abysmal blunders and failures of so-called foreign aid. It also explains our frantic and even irrational efforts to offset and repair those failures by appropriation of still further billions of tax dollars for the same purposes.

Today we are laughed at, and in some instances openly despised, by those in other lands who nonetheless still accept our largesse, just because of our global efforts to prove that "money talks."

Finally, blind faith in salvation by appropriation jeopardizes, and may destroy, needed efforts to improve education in the United States.

Of course, education requires money—but money does not always educate. Higher standards, imposed both from

within and without the student, are essential to improved education.

So far as the externally imposed higher standards are concerned, they cannot come from the Federal Government without creating a form of Federal control fatal to freedom both in education and in the Nation. And neither in tax-supported nor privately endowed schools is education something that is merely bought.

Money—even the billions of your tax dollars spent by Government—can and often does talk nonsense, folly, and dismal failure.

Tuition-Tax Exemption for Parents of College Students

EXTENSION OF REMARKS OF

HON. EDWIN H. MAY, JR.

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1958

Mr. MAY. Mr. Speaker, I wish to bring attention to H. R. 10543, a bill which I introduced yesterday. This bill, in effect, would provide a tax deduction up to \$800 from gross income for any single year for parents who are financing the higher education of their children and for self-supporting individuals who are pursuing college-level work. Expenses for which such deduction would be allowed would include tuition payments and entrance fees.

If the Congress should see fit to pass this bill, I believe that it will be a significant accomplishment in our overall purpose to see that those who are capable of doing college-level work have the opportunity to do so. Too often in the past have talented young people had to forego a college education because their parents have not been able to afford the costs involved. This bill will greatly relieve the financial strain on parents and will give added insurance that we do not waste the talents of our more capable young people.

It is a known fact that a high percentage of those in the upper half of their high school graduating classes do not go on to college. It is also known that a considerable number of them have the proper motivation but find that they are unable to go on because of financial reasons. When a person has the ability and desire to go on to college, it is a national disgrace that ways are not found to make it possible for that person to develop to his full potentiality. Not to find such ways is to waste a natural resource, the utilization of which may very well determine the final outcome of the struggle between the forces of communism and freedom. On the other hand, even did this struggle not exist, it is high time that we made some effort to minimize the financial burden to parents at all income levels whose children are in college.

Although this is only one area requiring remedy in the field of education, it is, nevertheless, a most significant area. You will recall, Mr. Speaker, that early in

1957, during the 1st session of the 85th Congress, I introduced H. R. 7037, which would grant to teachers a tax deduction up to \$600 from gross income for any single year for expenses incurred in the pursuit of graduate studies. That bill, and the one I now propose, are two very important steps we can take toward rectifying the many inequities in our system of education.

You are aware of my interest in education from my activity during the debate on the school-construction bill last year, at which time I offered an amendment. The bills herein mentioned are the result of a continuing study that I am making of the American education problem. I shall propose further legislative remedies in the near future.

Presenting an Iowa Physicist—James Van Allen

EXTENSION OF REMARKS OF

HON. FRED SCHWENDEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1958

Mr. SCHWENDEL. Mr. Speaker, as the Free World exults in flight of the Explorer, I feel that we should recognize some of the outstanding young scientists who made this exploit possible. In Iowa we beam with the satisfaction of knowing that Iowans contributed to the development of the satellite and that "made in Iowa" instruments orbit with it. In these remarks, I wish to give credit to Dr. James Van Allen of the State University of Iowa. In other insertions, I plan to call your attention to the contributions of George Ludwig, also of the university staff, who made some of the delicate instruments which are recording valuable scientific data in outer space. In these presentations due credit should go to the News and Information Service of the State University of Iowa and especially James Jordan, Gordon Strayer and James Wells.

Front pages of newspapers and television stations all over the Nation last weekend carried a picture of three scientists holding above their heads a duplicate of the first earth satellite to be launched in this country. As almost every American knows and deeply appreciates, the three men were rocket and satellite scientists—Wernher von Braun of Huntsville, Ala.; William H. Pickering of Pasadena, Calif., and James Van Allen of Iowa City, Iowa. Leaders of major phases of the Jupiter-C and Explorer achievement, they became overnight heroic figures to an anxious Nation. They were leaders in reassuring an America which had faced second-class-power status in the new age of space.

That picture, like the tremendous event which it celebrated and reported, shows American teamwork at its best, merging a variety of uncommon skills and talents in a common cause. And the backgrounds and careers of these

three men themselves also serve to illustrate what can be done when individual interests are subordinated to common needs and goals. Take, for example, some of the events and facts of the career of James Van Allen, Iowa-born and Iowa-educated scientist who has been head of the State University of Iowa Department of Physics since 1951.

On the evening of April 5, 1950—to backtrack a few years—Professor Van Allen was host to several fellow scientists at this home in Silver Spring, Md. The Iowa physicist was then supervisor of high-altitude research in the Applied Physics Laboratory of Johns Hopkins University. Honored guest that evening was Sydney Chapman, Oxford University professor known as the world's most distinguished geophysicist.

As the men talked shop about the physics of the upper atmosphere and space, they deplored the lack of organized scientific information about earth's environment in the universe. Out of this discussion came the idea for International Geophysical Year, the current collective enterprise involving scientists of 67 nations. Although the launchings of the two Russian sputniks and the United States Explorer are the most spectacular IGY achievements to date, the huge enterprise has brought together more than 10,000 scientists and technicians in knowledge-advancing projects all over the globe.

Thus it can be said that the modest home of an Iowan then living in Maryland was the birthplace of International Geophysical Year, one of whose major achievements America has been celebrating for the past several days. The honored guest of that occasion, British geophysicist, Sydney Chapman, went on to become chairman of the international committee for organizing and planning IGY. Dr. Chapman still holds that post under a different title, president of the Special Committee for IGY, with the Committee composed of an American, a Belgian, a Russian, and a Frenchman.

Dr. Van Allen and Dr. Chapman, the other guests of that now scientifically historic evening, and their associates in research kept in touch with one another in the following years as they worked to unite the scientists of the world in common enterprise. The British scientist retired at age 65 in 1953 from teaching at Oxford University to devote full time to the IGY cause. But in the midst of preparations for 1957-58 he spent a full semester in the fall and winter of 1953-54 at the University of Iowa as a visiting professor in the department headed by Professor Van Allen.

With these associations added to his demonstrated prowess as a rocket and cosmic ray expert, the Iowa physicist grew increasingly influential in IGY planning. The United States national committee for IGY accepted his proposal for a gigantic, integrated attack on upper-air mysteries all over the globe. The Van Allen plan called for balloon, rocket, rockoon, and satellite vehicles for extending research in cosmic rays, electrical currents in the ionosphere, the particles responsible for the auroras—northern and southern lights—the

earth's magnetic field, and other phenomena to be explored at high altitudes.

Other universities and scientific agencies joined in the pursuit of knowledge in these areas. But it is notable that Iowa physicists alone sent up a total of 71 high-altitude research vehicles during the first 6 months of International Geophysical Year, starting July 1, 1957. Iowa research instruments rode 54 "rockoons," balloon-lifted rockets fired from as far north as Thule, Greenland, to as far south as Cape Adare in Antarctica. Made-in-Iowa apparatus was suspended beneath 14 small skyhook balloons to collect more than 200 hours of round-the-clock cosmic ray data at the IGY base of Fort Churchill on Hudson Bay. Also at Hudson Bay two Nike-Cajun—27-foot, 2-stage—rockets were fired last August in auroral experiments. Four more such rockets are to be fired this month by Graduate Student Carl McIlwain at Fort Churchill. In another important Iowa experiment Prof. Frank McDonald sent up a giant skyhook balloon last fall at Minneapolis. McDonald hopes to repeat this experiment again this month.

Following the announcement 2 years ago that the United States would attempt to launch earth satellites during International Geophysical Year, Professor Van Allen was named to the eight-man technical panel for the artificial moon under the chairmanship of Richard W. Porter, rocket engineer for the General Electric Co. Van Allen had been the first to launch a scientific experiment aboard a German V-2 rocket in 1946 at White Sands, N. Mex., a project under Porter's general direction. In 1948-49 Van Allen directed the development of the Aerobee research rocket, a higher altitude outgrowth of the V-2, and in 1951-52 the Iowan developed the "rockoon" technique, a device about one-fiftieth as expensive as the Aerobee. The technique uses a small balloon to lift a small rocket through the densest 15 miles of the atmosphere before firing it, so that it climbs another 50 to 70 miles through the diffused rim of the atmosphere.

Since 1947 Van Allen has been chairman of the rocket and satellite research panel, an independent group of research leaders who started their organization in 1946 at White Sands, N. Mex., with the name of upper atmospheric rocket research panel, changing the name in 1956. The proposed Commission pinpoints scientific efforts to intensify research in outer space for long-range objectives, independent of as well as allied to military programs.

With a background of this scope and depth it is not surprising perhaps that in January 1956, Van Allen was given a heavy new responsibility by the technical panel for the earth satellite program of the National Academy of Science. He was named chairman of the working group on internal instrumentation, to survey all proposed experiments to be carried within the "moons" and to make recommendations on the most practical design of the satellites.

Late in 1956 this group had examined numerous proposals for scientific cargoes for the satellites, and Van Allen brought

33 of the suggested experiments together in a book, *Scientific Uses of Earth Satellites*, which he edited and the University of Michigan Press published. Experimental proposals were screened for the book and later for a program of four Vanguard satellites on bases of first, scientific importance; second, technical feasibility; third, the record of the scientist making the proposal; and fourth, the suitability of the satellite vehicle for the observing equipment.

It was in his role as chairman of the instrumentation group for 2 years now, as well as being responsible for Iowa cosmic ray apparatus within the Explorer, that Van Allen was selected last weekend, along with Von Braun and Pickering, to make the public presentation of satellite facts and estimates after the successful launching.

The son of the late Alfred M. Van Allen, an attorney, and Alma Van Allen, who is still living, James Van Allen was born 43 years ago in Mount Pleasant, Iowa. His mother credits C. A. Cottrell, now city superintendent of schools in Mount Pleasant and then a science instructor in the high school, as stimulating the boy's interest in science. He developed parallel interests in wood and metal crafts under the tutelage of Glen Hoffman, who is still teaching in the Mount Pleasant school system. He also did well in his other high-school subjects, as witnessed by his becoming valedictorian of his graduating class.

In my opinion this is one of the great strengths of the American educational system. Dedicated teachers whose interest goes beyond the confines of a prescribed curriculum to seek out and encourage the exceptional student in the areas where he is outstanding, practice true pedagogy, and America is the benefactor.

In paying tribute to James Van Allen, we should also give credit and pay tribute to C. A. Cottrell and the hundreds of school administrators like him who did yeoman service in the teaching ranks and then rose to positions which enable them to guide the same type of instruction through our entire school systems.

At Iowa Wesleyan College in Mount Pleasant the young Van Allen majored in physics, graduating with highest honors in 1935. There he studied the physical science under Thomas P. Poulter, who encouraged individual and original experimentation by his students. Van Allen continued to dig deeper into physics, particularly nuclear studies, during his graduate work at the State University of Iowa, where he earned his master of science degree in 1936 and his doctor of philosophy degree in 1939. Then research and war work took him outside Iowa until 1951.

From 1939 to 1942 he was a research fellow and physicist with the Carnegie Institution of Washington, D. C. During World War II he was an officer in the Navy Bureau of Ordnance, rising from the rank of lieutenant, junior grade, to lieutenant commander. He worked on such projects as proximity fuses for naval artillery shells and won four combat stars and other citations in the Pacific Theater.

From 1946 to 1950 he served as supervisor of high-altitude research in the Applied Physics Laboratory of Johns Hopkins University, winning in 1948 the C. N. Hickman award of the American Rocket Society for his scientific work with the German V-2 rockets and for his leadership in developing the Aerobee rocket for probing the upper atmosphere.

When the position of head of the State University of Iowa Physics Department became vacant in 1950, three of Van Allen's former teachers at SUI—Prof. George W. Stewart, E. P. T. Tyndall and John Eldridge—sought out their onetime student and proposed his selection. They had been impressed by the young Van Allen as a student and even more impressed by his scientific achievements after leaving the university. He was appointed to his present post January 1, 1951.

During the summer of 1953 the Royal Society of London chose the Iowa physicist to be coorganizer of an international conference on upper atmospheric research held at Oxford University. At this conference he also presented three research reports: *The Inexpensive Attainment of High Altitudes With Balloon-Launched Rockets*, *Atmospheric Ozone at High Altitudes*, and *The Primary Cosmic Ray Spectrum and the Energy Balance in the Atmosphere*.

On leave of absence from the University of Iowa during 1953-54 he was in charge of experimental instrumentation for Project Sherwood at the James Forrestal Laboratories in Princeton, N. J. The project is an Atomic Energy Commission program to tame the forces of the hydrogen bomb for peace.

Besides editing the 1956 book, *Scientific Uses of Earth Satellites*, he contributed a chapter, *The Nature and Intensity of the Cosmic Radiation*, to the book, *Physics and Medicine of the Upper Atmosphere*. He is the author of approximately 50 articles on cosmic rays, nuclear physics, atmospheric physics and the use of rockets in high altitude research, one of the most popular being *The Artificial Satellite as a Research Instrument* in the November 1956 issue of *Scientific American* magazine.

The Iowa physicist married the former Abigail Halsey in 1945. The couple has four children—Cynthia, 11; Margo, 8; Sarah, 5; and Thomas, 2.

New Legislation Seeks To End Price Discrimination Against Independent Merchants

EXTENSION OF REMARKS

OF

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1958

Mr. REUSS, Mr. Speaker, a unique type of price discrimination is harassing many of our already suffering small-business men. Here is an example of the way it operates.

A drug manufacturer sells aspirin directly to a chain of drug stores at the same price he charges wholesalers—the historic middlemen for small and independent merchants. After the wholesaler adds his markup, the independent druggist pays more for aspirin than does his chainstore competitor.

The Robinson-Patman Act intended to prevent this type of price discrimination by letting a manufacturer give wholesalers a functional discount, enabling the wholesaler to take his price markup and still sell to the small stores at the price paid by the chain stores dealing directly with the manufacturer.

This sound provision of the Robinson-Patman Act has become a dead letter. It has never been used to prevent such price discrimination. I feel it is high time to give force to this clause and put an end to the existing price discrimination.

To that end, I have introduced a bill today, February 10, that requires a seller who sells his product directly to some retail stores but not to others, to give the wholesale suppliers of small merchants a functional discount. This will help the independent businessman to compete more effectively with his chainstore operator.

This bill is a clarification of the Robinson-Patman Act. I respectfully urge my colleagues to consider this legislation carefully. It is important to the welfare of small business, and required if the Robinson-Patman Act is to serve the original intent of Congress.

Remarks of Senator Albert Gore Before the Mississippi Valley World Trade Conference

EXTENSION OF REMARKS

OF

HON. HALE BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1958

Mr. BOGGS. Mr. Speaker, under leave to extend my remarks in the RECORD, I commend to all of the Members of both bodies the following splendid address by Senator GORE:

REMARKS OF SENATOR ALBERT GORE BEFORE THE MISSISSIPPI VALLEY WORLD TRADE CONFERENCE

It should be clear to everyone now that the nations of the Free World face a serious challenge from Soviet communism. Recent events have brought into sharp focus Russian progress in the field of scientific and military technology.

The challenge we face, however, is not limited to the threat of military aggression. Mr. Khrushchev has openly boasted that the communistic economic system is superior to our own, and that, in time, the uncommitted nations of the world will see that this is so. While the economic challenge has not been dramatized, as by the launching of a sputnik, it is, nevertheless, real.

Inquiries are under way in Washington to determine just how we do stand in the race for development of ballistic missiles and what should be done about it. These in-

quiries are of great importance, and I assure the American people, given adequate leadership, are willing to do what needs to be done to insure adequate military strength for national security. But we must not neglect other matters equally important in the struggle for survival of free civilizations.

National security and public welfare require that we do those things which will promote our economic strength here at home and which will contribute to improved economic conditions in other nations who are allied with us in the struggle.

One of the things we must do is to take steps to preserve and promote mutually beneficial trade between free nations. Our principal means of doing this is the reciprocal trade program. This program, one of the outstanding achievements of my fellow Tennessean, Cordell Hull, stands in danger. It will expire altogether this year unless the Congress acts to extend it. It has passed the test of time, serving the country well during the administration of two Democratic Presidents and one Republican President. It is just as important, if not more important, today than when it was started in the mid-1930's. I understand that some of the organizations which sponsor this conference, the New Orleans Chamber of Commerce and International House, for example, have very strongly favored an extension of the Reciprocal Trade Agreements Act. But before getting to the question of why it should be extended, let's take just a few moments to consider what the program is—and what it is not.

The Trade Agreement Act of 1934, as originally enacted and in the form in which it has been extended upon several occasions, authorizes the President to enter into agreements with other nations under which we agree to eliminate certain specific trade barriers in return for a commitment by the other nations participating in the agreement to eliminate or reduce their own trade restrictions. In other words, we say to country A, "We will make it easier for you to sell to us if you will make it easier for our businessmen to sell to you." That is where the word "reciprocal" comes in.

The law has always contained strict limits on the extent to which the President may go in reducing tariffs by such agreements and has always directed that any agreement contain an escape clause under which we may abrogate the agreement if any American industry is unduly injured thereby. A great deal of misinformation has been disseminated about this program. Some would have us believe that it is a sort of giveaway deal under which we eliminate all of our tariffs unilaterally, for the benefit of other countries—a sort of sly method of transferring the jobs of American men and women to foreign countries. Nothing could be further from the truth. The real purpose of the program is to increase mutually advantageous trade among the nations of the world by reducing artificial trade barriers. Insofar as we ourselves are concerned, it has meant the promotion of increased trade, exports as well as imports.

Since passage of this act, our Government has taken the lead in trying to bring about conditions leading to more international trade. The issue is whether or not we should continue these efforts. Is increased trade good or is it bad? To me, the evidence is overwhelming that we profit in many ways from increased trade with other countries.

Some of the countries friendly to us must trade to live. If they can't trade with us, they will trade elsewhere. Moscow is always eager to send trade missions to any country which will receive them. The Masters in the Kremlin think nothing of denying their own people various types of consumer goods in order that these items may be available for shipment in foreign trade. They know that political ties follow the trade routes. The pattern of their operations is all too familiar.

Trade missions are followed by economic technicians who are, in turn, followed by military advisers and military aid. Sooner or later, there is another Communist satellite country. I do not wish to minimize in any way whatsoever this important aspect of an enlightened foreign trade program.

But even if security and such foreign policy considerations were not present—if we consider only the impact upon our own economy—we find that we have a tremendous stake from a dollar and cents standpoint in a further expansion of foreign trade.

A look at the record will demonstrate what has happened since our reciprocal trade program started. In 1935, when it was just getting under way, our imports of merchandise were valued at \$2 billion. By 1956 they had increased to \$12.6 billion. But while we were experiencing an increase in imports of about 515 percent, our exports of merchandise had climbed from 2.3 billion to about \$19 billion, an increase of about 730 percent.

Critics of foreign trade are always talking about jobs in industry which are allegedly lost because of imports. They neglect to mention all of the jobs which are made possible by our exports. There is one simple rule in any consideration of foreign trade that cannot be avoided: if we sell, we must buy. We were able, in 1956, to sell about \$19 billion worth of merchandise abroad, while receiving \$12.6 billion in imports. We must face the fact that we cannot expect to continue to export in this volume, much less expect to expand our exports, unless we are willing to permit imports.

Now, just how important is foreign trade to our economy? Last year our gross national product was about \$414 billion. We disposed of 4.5 percent of that total in the markets of the world. Now, 4.5 percent doesn't sound like a very large figure, but when compared with other items which make up the gross national product, some appreciation of the magnitude of our export trade may be established. For example, in 1956 the value of all nonfarm residential construction in the United States was \$15.3 billion, approximately \$4 billion less than the value of our exports. In 1956, our total income from corporate dividends was \$12 billion, less than two-thirds the value of our exports. Exports make up 9 percent by value of our production of movable goods, 8 percent of manufactured goods, 11 percent of agricultural products, 26 percent of construction and mining equipment, 19 percent of trucks, 11 percent of machine tools, 14 percent of our coal production, and 20 to 40 percent of our cotton, rice, and tobacco.

We must place in proper perspective the enormous stake we have in export trade. This past year we have experienced a slight decline in residential construction which has had a serious impact upon the lumber industry and many others which are dependent in part upon the construction of homes. And make no mistake about it—those affected have let their situations be known, as they should. You have noticed that when the announced dividends of large corporations are somewhat less than anticipated, the repercussions in the stock market are sharp and immediate. But, for some reason, few seem to realize that there is any threat to our economy in a decline of our export markets. The fact is that our exports can mean the difference between prosperity and recession. They can mean the difference between a high level of employment for American workers, and unemployment. Our farmers are in enough difficulty as it is. It would be much worse if we suddenly lost our foreign markets. Everyone agrees that we must find some way to increase the markets for our agricultural commodities. We simply can't do it unless we are willing to trade with our neighbors.

Altogether, on the basis of statistics on file with the Department of Commerce in Washington, it is estimated that the jobs of about

4½ million Americans depend upon our export-import trade.

Now, you may say, how does all of this affect the people of the Mississippi Valley, a large part of whose foreign trade is channeled through the great port of New Orleans? A look at the economy of the region will give us the answer. The Mississippi Valley produces industrial and agricultural commodities for export to a larger degree than many realize. Then, too, some of our manufacturing industries depend upon imported raw materials, and our foreign trade is of tremendous benefit to the area's financial and commercial interests.

Let us take a look at some specific industries and their products and see how foreign trade affects them. Exact figures on exports of products made in the Mississippi Valley area are not available, but figures are available on exports through this great port of New Orleans and we can use those figures as a guide.

For example, in 1956 we exported over \$1 billion worth of iron and steel mill products, and about 11 percent was exported through New Orleans, or more than \$100 million worth. A great many of the more than one million workers engaged in producing iron and steel owe their jobs to this export volume.

A great many chemicals, both organic and inorganic, and allied products are exported through New Orleans. Just to give one example, 38 percent of all the sulfur exported from this country goes through New Orleans. A great many of the 835,000 people who work in chemical and allied industries owe their jobs to exports of this type of merchandise from the Mississippi Valley area.

Nearly all of our industries benefit greatly from exports. We must remember, too, that our export business creates jobs in addition to those directly concerned with the products being exported. Banks, railroads, truck lines, barging and shipping companies, warehouses, insurance companies, brokers and dozens of other enterprises benefit from this export trade.

For example, the American merchant marine, although it is relatively small, contributes an estimated \$5.3 billion per year to the economy and creates jobs for 225,000 workers.

What about our farmers? Again, figures are not available which show the value of all farm products exported from farms in the Mississippi Valley area, but we do have figures for exports out of New Orleans.

The farm products shipped out of New Orleans make up an impressive list. For example, 41 percent of all the soybeans exported from the United States goes through New Orleans, as does 26 percent of the cotton, 21 percent of the corn, and 8 percent of the wheat and wheat flour. Without this large quantity of exports, the farmers of the Mississippi Valley would be in an even worse economic plight than they are.

Very few people would fail to recognize the value to the economy of our export trade. Those who are inclined to question the value of foreign trade usually complain of the competition which imports offer our own products.

Some products which are imported are necessary to our economy. Imports such as coffee, tea and bananas enrich our diet, and, although we could do without them, we would find them difficult to replace. These imports create many jobs in their processing, transportation, and distribution. If we tried to produce these items under conditions existing here at home the cost to the consumer would be prohibitive.

We have come to depend on imports for such vital materials as asbestos, chromite, industrial diamonds, manganese, nickel, and tungsten. All together, we import about one-tenth of our raw material requirements. Such vast imports certainly create many jobs. Indeed, without some of them, our

whole industrial structure would have to be changed. Imports certainly figure prominently and constructively in the overall balance of the economy. Imports, like exports, create many jobs.

Among the more prominent imports coming through New Orleans are coffee, sugar, bananas, burlap and jute bagging, and crude rubber. Through New Orleans we import 19 percent of our coffee, 27 percent of our sugar, 23 percent of our bananas, 26 percent of our burlap and jute bagging, and 8 percent of our crude rubber.

The problems of world trade cannot be judged in finality on the basis of their local or regional effect. The national interest must be the real yardstick. Nevertheless, since foreign trade is so important to the people of the Mississippi Valley region, including the citizens of my own State of Tennessee, I must confess that even though the advantages to our Nation as a whole impel me to support expansion of foreign trade, I do so much more enthusiastically because of the benefits from such trade which will flow to the people of our region.

Veterans Should Participate in State Department's Exchange Program

EXTENSION OF REMARKS

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1958

Mr. TEAGUE of Texas. Mr. Speaker, I am inserting in the RECORD a letter which I have written to the Secretary of State recommending that provision be made in the exchange of persons agreement negotiated with the Soviet Union for veterans and veterans groups to be represented. This suggestion has been advanced by the State Directors of Veterans' Affairs through Col. Waldron Leonard, Director, Veterans' Affairs for the District of Columbia.

I have asked Secretary Dulles to consider this proposal and I hope that it will be favorably received by the Department of State.

The letter follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, D. C., January 31, 1958.

HON. JOHN FOSTER DULLES,
Secretary of State,
Department of State,
Washington, D. C.

DEAR MR. SECRETARY: This has reference to the agreement which has been negotiated with the Soviet Union, referred to in the press as a comprehensive exchange of persons agreement. Press reports indicated that delegations in a wide range of fields and small groups of writers, composers, painters, scientists, and sports teams may be exchanged.

Press reports which I have seen made no mention of an exchange of veteran groups and there is no indication that an individual's service in the Armed Forces, particularly during World War II or Korea, may be given special consideration in the selection of persons to participate in the exchange.

I am of the opinion that definite provisions should be made to include veteran groups and, where possible, wartime military service on the part of the individual should be considered in the selection of persons participating in the exchange.

There is no group in our country better qualified to interpret the things they see while in Russia and properly evaluate the responsibilities which confront them as individuals in the exchange, than our former servicemen who served this Nation during a time of war. Many of these individuals have had the opportunity to visit foreign countries and develop an appreciation for the problems of other nations. Probably most important of all, these individuals, through their wartime service for the security of this Nation, are in a better position to contribute to accomplishing the desired objectives of the proposed exchange. One method which has been proposed that would guarantee at least minimum veteran participation in this field would be to permit the Governor of each State to designate a veteran to represent the State in one of the chosen fields.

I sincerely hope that this proposal can be given serious consideration. I will appreciate receiving your views on this subject.

Sincerely yours,

OLIN E. TEAGUE,
Chairman.

Statement in Support of H. R. 9814

EXTENSION OF REMARKS

OF

HON. J. FLOYD BREEDING

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1958

Mr. BREEDING. Mr. Speaker, under leave to extend my remarks, I should like to call to the attention of the Members of the House a statement which I presented to the Wheat Subcommittee of the House Committee on Agriculture on February 6, 1958:

STATEMENT BY REPRESENTATIVE J. FLOYD BREEDING, DEMOCRAT, OF KANSAS, IN SUPPORT OF H. R. 9814 BEFORE THE WHEAT SUBCOMMITTEE, HOUSE COMMITTEE ON AGRICULTURE

Mr. Chairman, members of the committee, first I should like to express my appreciation for this opportunity to be heard on the bill, H. R. 9814, which I introduced on January 8, 1958.

The bill simply provides for an amendment to the Agricultural Adjustment Act of 1938 to allow acreage planted to the 1958 crop of winter wheat in excess of wheat acreage allotments to be considered in establishing future wheat acreage allotments.

I should like to make clear, Mr. Chairman, that neither this bill, H. R. 9814, nor I, at the present time, contemplate any material revision of the wheat program as it is constituted presently.

What I am attempting to do, in simple justice and fairness, is to exempt from that penalty the wheat producer who planted in 1957 for harvest in 1958 without knowledge or notice of the penalty—until after he had completed seeding.

I am merely proposing that the 1957 winter wheat planter, who planted in excess of allotment for harvest in 1958, without knowledge of additional possible penalties to be suffered under Secretary of Agriculture Benson's interpretation of section 2 of public law 85-203, the so-called feed-wheat legislation be freed from that penalty; namely, losing a portion of his base acreage allotment in punishment for overseeding.

Subsection (h) of section 334 of Public Law 85-203 states that "notwithstanding any other provision of law, no acreage in the commercial wheat-producing area seeded to wheat for harvest as grain in 1958 or thereafter in excess of acreage allotments shall be

considered in establishing future State, county, and farm acreage allotments."

It has been determined, that either by law or by United States Department of Agriculture ruling—and apparently there is some controversy over this point—that the operation of the above-cited section would cause the wheat farmer who plants in excess of allotment to suffer the loss of a portion of his base acreage allotment. At the moment, Mr. Chairman, I am not disputing the law, the ruling, or the penalty.

Mr. Earl W. Chapman, acting State administrative officer for the Kansas State ASC Committee, in a letter, dated October 29, 1957, to Mr. Raymond J. Pollock, director of the grain division of the United States Department of Agriculture sets forth the time-date sequence of USDA notification to the Kansas State ASC Committee, relative to Public Law 85-203:

"We are aware of the fact that the act was passed on August 28, 1957. On September 3, 1957, we received a telegram dated in Washington, D. C., August 30, 1957, signed by H. L. Manwaring, deputy administrator for production adjustment relating to the feed wheat law signed by the President on August 28. The information typed at the top of the telegram indicates that it left Washington at 4 p. m. on August 30. Included as the last statement in this telegram was the following: 'Law also provides that for 1958 and thereafter any wheat acreage in excess of the farm allotment will not be considered in establishing future State, county and farm allotments.' On September 3, 1957, in a memorandum to all county ASC officers we quoted the above referred telegram in its entirety.

"On or about September 4, 1957, we also received a United States Department of Agriculture release dated August 30, 1957, on the subject USDA Outlines 30-Acre Farm-Use Wheat Production Provisions. Included in this 2-page release as the second paragraph was the following: 'Another provision contained in this law provides that no acreage seeded to wheat for harvest as grain in 1958 or thereafter in excess of the wheat-acreage allotment on any farm regardless of the size of the wheat allotment shall be considered in establishing future State, county or farm acreage allotments.' In a memorandum dated September 4, 1957, to all county ASC offices we quoted this press release in its entirety.

"On or after September 14, 1957, we received notice GR-400 containing instructions and forms to be used in operating the feed-wheat program. An advance draft of section 24 to be inserted in Wheat Marketing Quota Handbook 3—Wheat was attached to notice GR-400 and in paragraph 115 therein quoted the provisions of Public Law 85-203. These instructions were issued to all county ASC offices on September 17, 1957, in a memorandum on the subject Instructions and Forms to be Used in Operating Feed Wheat Program.

"Notice GR-404 dated September 26, 1957, on the subject Information With Respect to 1958 Excess Wheat Farms was received in this office on October 3, 1957, and a copy of this memorandum was issued to all county ASC offices in a letter from this office dated October 4, 1957."

Notice, Mr. Chairman, that not until October 3, 1957, did the Kansas State ASC Committee receive USDA information which spelled out specifically the operation of Public Law 85-203 as it applies to excess-wheat farms—particularly, the penalties involved for planting wheat in excess of allotment. USDA notifications prior to notice GR-404, dated September 26, 1957, and received at the Kansas State ASC Committee on October 3, 1957, from my observation simply restate subsection (h) of the law: "That no acreage seeded to wheat for harvest as grain in 1958 or thereafter in excess of the wheat acreage allotment on any farm regardless of the

size of the wheat allotment shall be considered in establishing future State, county, or farm-acreage allotments."

Although information received by the Kansas State ASC Committee prior to October 3, 1957, was made public by the committee, presumably that information was not sufficient for a clear interpretation of the law and its consequences, for none was made. That is, prior to Kansas State ASC Committee receipt of notice GR-404 on October 3, 1957.

Mr. Chairman, I have been a wheat farmer all my life, and for almost 30 years in the district which I represent; and I know that winter wheat operators in my area begin planting as early as August 15. Under the revised law, there just was not sufficient time for the farmer to be on notice that he could be penalized for overseeding through the loss of some of his base-acreage allotment. In fact, many of the people in my immediate area were finished seeding before October 4, 1957. I am proposing that the 1957 winter wheat farmer be excused for 1958 from the penalties of the game because he was not made aware of the rules of the game before he started to play.

I have been informed that my bill, as written, would also free from the base-acreage-loss penalty for 1958 the so-called 30-acre wheat farmer, thereby causing a considerable amount of wheat-acreage allotment to be shifted from western commercial wheat producing areas. In order to avoid that eventuality, I have prepared an amendment to H. R. 9814 to exclude the 30-acre farmer from the provisions of the bill. I submit that amendment for your consideration.

Mr. Chairman, with your permission, I should also like to submit for inclusion in the record several typical letters I have received pertaining to this subject from wheat farmers in my area of Kansas.

Thank you, Mr. Chairman and members of the committee, for this opportunity to be heard.

Proposed amendment to H. R. 9814: That the first sentence of subsection (h) of section 334 of the Agricultural Adjustment Act of 1938 is amended by inserting after "1958" the following: "(other than acreage seeded to wheat in 1957 for harvest in 1958 except acreage exempt from marketing quota provisions pursuant to subsection (f) above)."

Legislation To Supplement Salt-Water-Conversion Program

EXTENSION OF REMARKS OF

HON. CLAIR ENGLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1958

Mr. ENGLE. Mr. Speaker, I am introducing a bill to supplement the Saline Water Act of 1952 by providing for construction of a large-scale demonstration plant for the production of fresh water from salt water or saline water. I authored the Saline Water Act of 1952 and the amendment to the act in 1955. The purpose of the basic act and the amendment thereto was to provide for study and research with the objective of finding ways and means of economically converting salt or saline water to fresh water for municipal, industrial, and agricultural uses. Progress has been made under this program, although the results have not been as favorable as we had hoped. It has become pretty clear that

conversion of salt or saline water for agricultural purposes will not be feasible for a long time. On the other hand, with respect to municipal and industrial water, it appears that in water-short areas conversion may be competitive with other means of acquiring water in the not too distant future.

Since there is no indication of any major breakthrough or sudden advances in technology which might bring about large reductions in cost of conversion, I believe that the time has come in our research and development program to select one of the more promising processes for large-scale salt-water conversion and construct a demonstration plant of some magnitude. In this way we can look to gradual cost reductions through improvement in efficiency, reductions in capital and operating costs, and so forth.

My State of California has a greater interest in this matter at the present time than other areas of the country because the water situation there is more critical and because the State's future economy depends on the availability of an adequate supply of water. For this reason, I am proposing that the construction of this demonstration plant and the testing program be a joint venture between the Federal Government and the State. I believe that the State of California is able and willing to join in this undertaking. I expect complementary legislation to be introduced in the State Legislature.

The bill provides that the demonstration plant could be constructed in combination with either a steam electric powerplant or a nuclear reactor, if it is determined that such addition will result in the reduction of conversion costs. The provision in the legislation authorizing the joint agreement is broad enough to include other parties in addition to the Federal Government and the State. I have in mind that a public or private supplier of water or electricity, or both, might well be the constructing and operating agency and get the benefit of the byproducts resulting from the testing program. As a means of assisting the Secretary of the Interior and the State of California in determining and selecting the process to be demonstrated, the bill also provides for contracts with leading equipment manufacturers in this field for the purpose of conducting feasibility studies and preparing proposals. The location of the plant and the details of constructing, operating, and testing, as well as the cost to be borne by each party would be subject to negotiations. However, the bill provides that the cost to the Federal Government and to the State will be equal.

With the tremendous and continuing increase in water needs in this country and the growing dependence in many areas on the availability of water to maintain the economy, it seems to me that this program of finding ways of economically converting salt or saline water is an urgent one. Critical water shortages already can be foreseen in some areas. It will take several years to construct and complete the testing of one of these processes as proposed in this bill. We cannot afford to wait longer in getting started.