

of Industrial Research at the University of Pittsburgh.

During World War II, he was in virtually constant attendance at meetings with the various defense agencies assisting in the war program to provide technical skill in the development of new and improved products to help win the war.

My investigation of Mr. Price's responsibilities in Government reveals that the successful defense of the United States against enemy attack is dependent to a very considerable extent upon the degree of effective mobilization of resources and the planning and programming established for use of these resources. Mr. Price, as Assistant Director in charge of Resources and Production in the Office of Civil and Defense Mobilization, is a key and primary link in providing the leadership and recommendations for establishing the programs and plans on which the overall capacities and capabilities of the Nation's resources can be measured. These plans and programs, Mr. President, make a major contribution to the comprehensive defense preparedness of this Nation.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, May 14, 1959, he presented to the President of the United States the enrolled joint resolution (S.J. Res. 94) to defer the proclamation of marketing quotas and acreage allotments for the 1960 crop of wheat until June 1, 1959.

ADJOURNMENT

Mr. RANDOLPH. Mr. President, in accordance with the order previously entered, I move that the Senate adjourn until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 7 o'clock and 45 minutes p.m.) the Senate adjourned, in accordance with the order previously entered, until tomorrow, Friday, May 15, 1959, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 14, 1959:

UNITED NATIONS

Harold M. Randall, of Iowa, to be representative of the United States of America to the Eighth Session of the Economic Commission for Latin America of the Economic and Social Council of the United Nations.

ADVISORY COMMISSION ON INFORMATION

The following-named persons to be members of the U.S. Advisory Commission on Information for terms expiring January 27, 1962, and until their successors have been appointed and qualified:

Lewis W. Douglas, of Arizona.

Mark A. May, of Connecticut.

NATIONAL LABOR RELATIONS BOARD

Stuart Rothman, of Minnesota, to be General Counsel of the National Labor Relations Board for a term of 4 years.

FEDERAL COAL MINE SAFETY BOARD OF REVIEW

Edwin R. Price, of Maryland, to be a member of the Federal Coal Mine Safety Board

of Review for a term expiring July 15, 1962.

NATIONAL SCIENCE FOUNDATION

Dr. Logan Wilson, of Texas, to be a member of the National Science Board, National Science Foundation, for the remainder of the term expiring May 10, 1964.

PUBLIC HEALTH SERVICE

Thomas Edward Keys, of Minnesota, to be a member of the Board of Regents of the National Library of Medicine, Public Health Service, for the remainder of a term expiring August 3, 1962.

COAST AND GEODETIC SURVEY

The following-named persons for permanent appointment to the grades indicated in the Coast and Geodetic Survey, subject to qualifications provided by law:

TO BE CAPTAINS

Clarence R. Reed.
William C. Russell.

TO BE ENSIGNS

Claude B. Carter, Jr.	James S. Midgley
John M. Doherty	Charles H. Nixon
Richard I. Greene	Jim L. Piter
Melvin E. Jones	Jerome M. Slackman
Billy M. Kelter	Robert D. Weese
Clifford H. Lantz	

IN THE ARMY

The following-named officer to be placed on the retired list in the grade of lieutenant general:

TO BE LIEUTENANT GENERAL

Lt. Gen. Clovis Ethelbert Byers, Army of the United States (major general, U.S. Army).

The following-named officers to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 3962:

TO BE GENERALS

Gen. Williston Birkhimer Palmer, O12246, Army of the United States (major general, U.S. Army).

Gen. Cortlandt Van Rensselaer Schuyler, O14905, Army of the United States (major general, U.S. Army).

The following-named officers under the provisions of title 10, United States Code, section 3066, to be assigned to positions of importance and responsibility designated by the President under subsection (a) of section 3066, in rank as follows:

Lt. Gen. Carter Bowie Magruder, O15155, Army of the United States (major general, U.S. Army), in the rank of general.

Lt. Gen. Charles Day Palmer, O15519, Army of the United States (major general, U.S. Army), in the rank of general.

The nominations of Maj. Gen. Carl Henry Jark, and 62 other officers for permanent or temporary appointment in the Army, and the nominations of other officers for promotion or appointment as Reserve commissioned officers, which were confirmed today, were received by the Senate on April 15, 1959, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD of that date under the caption "Nominations," beginning with the name of Maj. Gen. Carl Henry Jark, which appears on page 5994 and ending with the name of Col. John Clyde Wilson, which appears on page 5995.

IN THE AIR FORCE

The nomination of Lt. Gen. Clarence S. Irvine, 296A (major general, Regular Air Force) U.S. Air Force to be placed on the retired list in the grade of lieutenant general.

The nominations of John F. Graf, and 130 other officers for appointment in the Air Force, which were confirmed today, May 14, 1959, were received by the Senate on April 30, 1959, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date under the caption "Nominations," beginning with the name of John F. Graf

which is shown on page 7198, and ending with the name of Charles Anthony Vickery, which is shown on page 7199.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 14, 1959

The House met at 12 o'clock noon.

Rev. Charles P. Davignon of the diocese of Burlington, Vt., and the Catholic University, offered the following prayer:

Holy Trinity, One God, Father, Son and Holy Spirit, we beg You to look down today, with mercy and loving-kindness upon our Government, its authorities, officials, and members, here to honor You in unity of purpose. Help them and our Nation, to understand that they share in Your authority; to appreciate that they are living instruments of human justice; to prize a vocation to worldwide charity. Make and mold the lawmakers of our United States into valiant seekers of order, security and lasting peace, so that each of them may make the prayer of St. Francis his own: Lord, make me an instrument of Thy peace,

Where there is hatred, let me sow love;

Where there is injury, pardon;

Where there is doubt, faith;

Where there is despair, hope;

Where there is darkness, light;

Where there is sadness, joy.

O Divine Master, grant that I may seek, Not so much to be consoled, as to console; To be understood, as to understand; To be loved, as to love.

For it is in giving that we receive;

It is in pardoning that we are pardoned, And it is in dying that we are born to eternal life.

In the name of the Father, and of the Son, and of the Holy Ghost. Amen.

The Journal of the proceedings of Tuesday, May 12, 1959, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following title:

H.R. 7. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Boy Scouts of America for use at the Fifth National Jamboree of the Boy Scouts of America, and for other purposes;

H.R. 296. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and to provide transportation and other services to the Boy Scouts of America in connection with the World Jamboree of Boy Scouts to be held in the Philippines in 1959, and for other purposes;

H.R. 1411. An act for the relief of T. V. Cashen;

H.R. 1453. An act for the relief of Mrs. Mathilde Ringol;

H.R. 1462. An act for the relief of Logan Duff;

H.R. 1535. An act for the relief of Sister Mary Damion (Maria Saveria D'Amelio), Sister Maria Tarcisia (Maria Giovanna Fen-nuta), and Sister Mary Regina (Maria Lizzzi);

H.R. 1691. An act for the relief of Oliver O. Newsome;

H.R. 1727. An act for the relief of Dimitrios Kondoleon (also known as James Kondolous);

H.R. 2063. An act for the relief of Otis Parks, W. B. Dunbar, and J. C. Dickey;

H.R. 2099. An act to provide for a posthumous cash award in recognition of the scientific contributions in the field of electronic ordnance made by the late Paul M. Tedder;

H.R. 2237. An act to amend chapter 13—Wage Earners' Plans—of the Bankruptcy Act;

H.R. 2281. An act to provide for the payment of relocation expenses to Milo G. and Patricia Wingard;

H.R. 2295. An act for the relief of the Sterilon Corp.

H.R. 2603. An act for the relief of the American Hydrotherm Corp.;

H.R. 2949. An act for the relief of Lois K. Alexander;

H.R. 2975. An act to validate payments of certain quarters allowances made in good faith, and pursuant to agreements by authorized officials, to employees of the Department of the Navy, but which were subsequently determined to be inconsistent with applicable regulations;

H.R. 3095. An act for the relief of Hilary W. Jenkins, Jr.;

H.R. 3293. An act to authorize the construction of modern naval vessels;

H.R. 3939. An act for the relief of Virginia E. Speer;

H.R. 4121. An act for the relief of certain members of the Armed Forces of the United States, or their survivors, who were captured and held as prisoners of war in the Korean hostilities;

H.R. 4314. An act for the relief of Samuel Abraham, John A. Carroll, Forrest E. Robinson, Thomas J. Sawyers, Jack Silmon, and David N. Wilson;

H.R. 4615. An act to relieve certain members and former members of the naval service of liability to reimburse the United States for the value of transportation requests erroneously furnish to them by the United States and for other purposes; and

H.R. 4913. An act to amend the National Aeronautics and Space Act of 1958 to authorize the National Aeronautics and Space Administration to lease buildings in the District of Columbia for its use.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGowen, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 103. Concurrent resolution to commemorate the quadricentennial anniversary of Florida and to recognize the quadricentennial anniversary commission of that State.

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

S. 44. An act to authorize the Secretary of the Interior to construct the San Luis unit of the Central Valley project, Calif., to enter into an agreement with the State of California with respect to the construction and operation of such unit, and for other purposes;

S. 1120. An act to amend the National Bank Act and the Federal Reserve Act with respect to the reserves required to be main-

tained by member banks of the Federal Reserve System against deposits and to eliminate the classification "central reserve city"; and

S. 1434. An act to amend title XI of the Merchant Marine Act, 1936, as amended, with respect to insurance of ship mortgages, and for other purposes.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1960, AND GENERAL GOVERNMENT MATTERS APPROPRIATION BILL, 1960

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tomorrow, May 15, to file reports on the Department of Agriculture appropriation bill for the fiscal year 1960, and the general Government matters appropriation bill, fiscal year 1960.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. TABER reserved all points of order on both bills.

COMMITTEE ON RULES

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a privileged report on the bill, S. 57.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

THE LATE HONORABLE DONALD A. QUARLES

Mr. MAHON. 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 Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, I wish to pay tribute to the memory of the late Donald Aubrey Quarles, Deputy Secretary of Defense, who was carried to his final resting place in Arlington National Cemetery on Tuesday of this week.

I have seen many Department of Defense officials come and go in Washington, but I have never encountered among them a man for whom I had greater respect than Don Quarles. He inspired confidence. His sense of honor was of the highest. Relatively small in physical stature, he was big in heart and capacity for service.

He was not a captive of high ranking military officers. He did his own thinking. His broad experience in industry and science gave him an exceptionally fine background for his important work in the Pentagon.

Don Quarles is going to be missed. A newcomer to the Pentagon could not possibly bring to bear such experience and understanding of the multi-billion-dollar programs of defense. Indeed, Don Quarles had a special understanding of the technical aspects of defense weapons and problems which few, if any,

civilian officials or military officers have had the capacity and opportunity to acquire.

Don Quarles was a quiet and gentle man, but he was also a man of iron. He had ideas and convictions and he stayed by them. With respect to some matters he was a controversial figure in the Pentagon. No doubt, the history of this period will record that at times he was wrong. But he will be remembered as a man of good will, fine character, remarkable ability, and a man of great industry who literally gave his life for his country.

LEAVE OF ABSENCE

Mr. O'BRIEN of New York. Mr. Speaker, I ask unanimous consent that I may be excused from attendance at sessions of the House on Monday and Tuesday next on account of official business.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

ISRAEL'S INDEPENDENCE DAY

Mr. CELLER. 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 New York?

There was no objection.

Mr. CELLER. Mr. Speaker, on the occasion of Israel's 11th anniversary, I would like to offer my congratulations to that sturdy little state and to her people. These 11 years have been momentous not only for the tremendous effort that the people of Israel have made to insure the stability and viability of the state, but also for the extension into that area of the principles of free government.

The Western powers must surely realize how great is their gain by the establishment of a democracy in that heretofore barren area; a democracy enhanced by technological know-how; by a people literate and energetic.

There were those who, like false prophets, predicted that the little state would not survive the heavy burdens of immigration, defense, the lack of raw materials, the sea of hostility that surrounded her in that area. This 11th anniversary of Israel marks how wrong they were.

It should gladden the hearts of all Americans that this little state has proved its worth, for there are parallels in the histories of these two countries which tighten the bonds of sympathy and understanding. Both were born out of an unalterable wish for freedom. Both, through determination and vitality, made their countries grow and prosper. Both, each in its own way, have been called the melting pot of the world, and both have taken the diverse elements within their populations and achieved an enviable unity.

COMMUNIST DIPLOMATIC PERfidY

Mr. HOSMER. 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. HOSMER. Mr. Speaker, I have asked for this minute to call attention to the remarks I shall make later in today's proceedings regarding Communist diplomatic perfidy.

At this time of the Geneva Conference which looks forward to a so-called summit conference, it is well for Americans to recall that breaching international agreements is a 40-year-old device employed by the Communists to forward the aggressions of the international Communist conspiracy. My later remarks will list a number of the major Soviet breaches of agreements that have occurred and discuss the Communist dogma by which they justify their contempt of Western concepts of international law.

USE OF THE MAILS

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. ST. GEORGE. Mr. Speaker, I am including in today's RECORD a speech by the Postmaster General which was delivered on Tuesday, May 12, before a group of Congressmen and women leaders, who have been greatly concerned over the sending, and selling, of pornography, otherwise known as plain unmitigated filth, through the mail.

It is startling to find that some people, through cartoons and editorials, are trying to pretend that these efforts to protect the morals of our children and minors is an attack on freedom of the press. If it is freedom of the press to impair the morals of our children; if it is freedom of the press to try to turn our youths into perverts and delinquents to make a quick buck; if the free press of our country wishes to be associated with peddlers of filth; then the so-called free press had better go.

In the words of a great French woman: "Oh Liberty, what crimes are committed in thy name."

FORTY-SIXTH ANNUAL CONVENTION, NATIONAL RIVERS AND HARBORS CONGRESS

Mr. BROOKS of Louisiana. 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 Louisiana?

There was no objection.

Mr. BROOKS of Louisiana. Mr. Speaker, I take this time to announce that the 46th annual convention of the National Rivers and Harbors Congress is

now in session at the Mayflower Hotel, Washington, D.C.

I take this opportunity to invite all of the Members of the House and the Senate to visit these sessions. Perhaps the high point of the meeting will be tomorrow at noon when the annual luncheon will be held. Every Member of the Congress is invited to be there. Of course, you are all ex officio members of the organization under the terms of the bylaws of the National Rivers and Harbors Congress. You will find a very interesting program there in connection with developing national resources use. You are all invited, and I hope many of you will attend.

THE LATE ROBERT A. UIHLEIN, SR.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. McCORMACK. Mr. Speaker, I am very sorry to announce to the House that a close friend of many Members of both branches of Congress, as well as officials of the executive branch, a dear and valued friend of Mrs. McCormack and myself, Mr. Robert A. Uihlein, Sr., of Milwaukee, who was also a close friend of three Presidents, the late President Franklin Delano Roosevelt, former President Harry S. Truman, and President Dwight D. Eisenhower, passed away yesterday.

The Uihlein family of Milwaukee is one of America's foremost and finest families. "Bob" Uihlein carried on with graciousness and goodness the fine qualities of his family tradition, which went back several generations.

For over 25 years he was one of the most valued and closest friends of Mrs. McCormack and myself.

"Bob" Uihlein endeared himself to us and to his wide circle of friends because of his fine outlook on life, his innumerable acts of charity, his active interest in civic matters of a local and national nature, his love of his fellowman, particularly the sick, the afflicted, the unfortunate, in his deep interest through his many gifts of the advancement of education, of his nobility of character.

"Bob" Uihlein was a great American.

One of the leaders in the business and financial life of America, "Bob" Uihlein symbolized the finest thoughts and actions humanly possible. He believed that power and position was a trust for the exercise of the benefit of others no matter how a person obtained a position of power, whether in the field of politics, or through the possession of wealth in the field of finance, industry, and business.

He clearly evidenced it throughout his life through the many large gifts that he gave, and was instrumental in having given, for religious, charitable and educational purposes, without regard to race, color or creed.

Wisconsin has lost one of her foremost sons.

Our country has lost one of her finest citizens.

Mrs. McCormack and I have lost a near and dear friend whose memory we shall always treasure.

Mrs. McCormack and I extend to Mrs. Uihlein and her loved ones our profound sympathy in their great loss and sorrow.

Mr. REUSS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Wisconsin.

Mr. REUSS. Mr. Speaker, like the distinguished gentleman from Massachusetts [Mr. McCormack] I have lost a great and dear friend in Robert Uihlein. The warm friendship that has existed over the years between Robert Uihlein and the gentleman from Massachusetts is not surprising to those who know them both. Both have been distinguished above all by a love for people, whether rich or poor, whether powerful or standing in the need of friendship.

Robert Uihlein was close to my grandfather and to my father, and for the many years I have known him, nothing but kindness and good will has come from him to me.

Bob Uihlein's interests were as broad as life itself. He was an able and alert businessman, a leader in the brewery and banking industries. He was a world traveler, from the days of the Boxer rebellion in China, which he reported as a war correspondent, until the night came, and he could work no more. He was an outdoorsman, a hunter, fisherman, and lover of nature. Just a couple of years ago, when he was on an exploratory trip in Alaska, I brought him together with the then delegate, now Senator, from Alaska, Bob BARTLETT; and Bob Uihlein became an enthusiastic backer of statehood for Alaska. He was a philanthropist, supporter of a hundred worthy major causes; but there were also thousands of little acts of kindness that nobody ever heard about but, I venture to say, will shine brightest of all on the final balance sheet of Robert Uihlein.

To his lovely wife, Mary Ilsley Uihlein, his fine children, Mrs. Polly Uihlein Trainer and Robert Uihlein, Jr., to his brothers, Erwin and Joseph Uihlein, and to his sisters, Mrs. Ida Uihlein Pabst and Miss Paula Uihlein and those of my family.

Mr. HOLT. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from California.

Mr. HOLT. Mr. Speaker, I would like to associate myself with the gentleman from Massachusetts and the gentleman from Wisconsin, because we had the opportunity to meet Mr. Uihlein out in California. We found him to be a very fine gentleman, and we appreciate the contribution he and his firm have made to our community.

Mr. McCORMACK. Mr. Speaker, I appreciate very much the remarks made by my two friends. Bob Uihlein was truly one of God's noblemen, and all of us who knew him through life are better persons because we knew him and because of the friendship we had with him.

SECOND SUPPLEMENTAL APPROPRIATION BILL, 1959

Mr. THOMAS. Mr. Speaker, I call up the conference report on the bill (H.R. 5916) making supplemental appropriations for the fiscal year ending June 30, 1959, 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 Texas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 355)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5916) "making supplemental appropriations for the fiscal year ending June 30, 1959, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 11, 19, 22, 29, 47, 59 and 91.

That the House recede from its disagreement to the amendments of the Senate numbered 17, 31, 33, 34, 35, 37, 40, 41, 49, 51, 53, 54, 58, 64, 65, 67, 68, 70, 72, 73, 74, 77, 78, 80, 81, 115, 121, 146, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170 and 171, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$2,302,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$154,100"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$1,176,100"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$1,936,600"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$6,861,700"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$74,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$12,554,400"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$150,000,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$18,675,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$7,500,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$1,667,300"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"NATIONAL BUREAU OF STANDARDS

"Construction of laboratories

"For an additional amount for 'Construction of laboratories', \$19,793."

And the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$39,030,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$11,000,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$34,898,200"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$18,312,500"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$19,000,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$4,098,700"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$3,564,400"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amend-

ment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$15,497,500"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$5,419,300"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$23,300"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$1,000,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$1,117,000"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$35,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$14,094,500"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$1,587,200"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$76,700"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$493,000"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$18,000,000"; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$90,000"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$3,735,100"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 6, 7, 38, 42, 50, 56, 57, 63, 66, 69, 71, 75, 76, 88 and 172.

ALBERT THOMAS,
MICHAEL J. KIRKMAN,
JOHN J. ROONEY,
EDWARD P. BOLAND,
CLARENCE CANNON,
BEN F. JENSEN,
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CHARLES R. JONAS,
JOHN TABER,

Managers on the Part of the House.

CARL HAYDEN,
RICHARD B. RUSSELL,
DENNIS CHAVEZ,
ALLEN J. ELLENDER,
LISTER HILL,
WARREN G. MAGNUSON,
JOHN O. PASTORE,
STYLES BRIDGES,
LEVERETT SALTONSTALL,
MILTON R. YOUNG,
KARL E. MUNDT,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5016) making supplemental appropriations for the fiscal year ending June 30, 1959, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I

Department of Agriculture

Agricultural Research Service

Amendment No. 1: Reported in disagreement.

Amendment No. 2: Permits transfer of \$2,302,000 for "Plant and animal disease and pest control" instead of \$2,180,700 as proposed by the House and \$2,423,000 as proposed by the Senate.

Extension Service

Amendment No. 3: Permits transfer of \$154,100 for "Penalty mail" instead of \$146,000 as proposed by the House and \$162,255 as proposed by the Senate.

Agricultural Marketing Service

Amendment No. 4: Permits transfer of \$1,176,100 for "Marketing research and agricultural estimates" instead of \$1,144,100 as proposed by the House and \$1,208,100 as proposed by the Senate.

Amendment No. 5: Permits transfer of \$1,936,600 for "Marketing Services" instead of \$1,918,600 as proposed by the House and \$1,954,600 as proposed by the Senate.

Foreign Agricultural Service

Amendment No. 6: Reported in disagreement.

Commodity Stabilization Service

Amendment No. 7: Reported in disagreement.

Amendment No. 8: Sets the amount for "Administrative expenses" at \$6,861,700 instead of \$6,837,000 as proposed by the House and \$6,886,300 as proposed by the Senate.

Office of Information

Amendment No. 9: Permits transfer of \$74,000 for "Salaries and expenses" instead of \$71,000 as proposed by the House and \$77,000 as proposed by the Senate.

Forest Service

Amendment No. 10: Appropriates \$12,554,400 for "Forest land management" instead of \$12,282,800 as proposed by the House and \$15,326,000 as proposed by the Senate.

Amendment No. 11: Deletes Senate proposal to appropriate \$500,000 for "Forest Roads and Trails".

Funds appropriated to the President

Mutual Security

Amendment No. 12: Appropriates \$150,000 for the Development Loan Fund instead of \$100,000,000 as proposed by the House and \$200,000,000 as proposed by the Senate.

Department of Commerce

Maritime Activities

Amendment No. 13: Permits not to exceed \$18,675,000 to be used for design, etc., ship construction, instead of \$18,650,000 as proposed by the House and \$18,700,000 as proposed by the Senate.

Amendment No. 14: Appropriates \$7,500,000 for "Operating-differential subsidies" instead of \$5,000,000 as proposed by the House and \$10,000,000 as proposed by the Senate.

Patent Office

Amendment No. 15: Appropriates \$1,667,300 for "Salaries and expenses" instead of \$1,651,500 as proposed by the House and \$1,683,000 as proposed by the Senate.

National Bureau of Standards

Amendment No. 16: Appropriates \$19,793 for "Construction of laboratories" as proposed by the Senate, but deletes language proposing that it remain available until expended.

Department of Defense—Civil functions

Department of the Army—Cemeterial Expenses

Amendment No. 17: Appropriates \$535,000 for "Salaries and expenses" as proposed by the Senate instead of \$521,500 as proposed by the House.

Department of Defense—Military functions

Department of the Army

Amendment No. 18: Appropriates \$39,030,000 for "Operation and maintenance" instead of \$38,160,000 as proposed by the House and \$39,900,000 as proposed by the Senate.

Amendment No. 19: Deletes Senate language relating to strength of the Army. (See statement in connection with amendment No. 22.)

Amendment No. 20: Appropriates \$11,000,000 for "Army National Guard" instead of \$10,300,000 as proposed by the House and \$13,200,000 as proposed by the Senate.

Department of the Navy

Amendment No. 21: Appropriates \$34,898,200 for "Military personnel" instead of \$33,061,500 as proposed by the House and \$36,735,000 as proposed by the Senate. In providing the amount of \$34,898,200 for this purpose, the committee of conference agreed that the minor reduction in funds below the request shall be absorbed without reducing the planned strength or recruitment program.

Amendment No. 22: Deletes Senate language relating to the strength of the Marine Corps.

The Senate receded on amendments 19 and 22 with the greatest of reluctance and only because the lateness in the year precludes the possibility of the Army and Marine Corps being brought up to the strengths of 900,000 and 200,000, respectively, before June 30, 1959. The committee of conference wishes to point out that the Defense Department Appropriation Act for 1959, Public Law 85-724, provided the funds necessary to maintain an Army of 900,000 and a Marine Corps of 200,000. The conferees are agreed that the entire matter of strength of the Army and Marine Corps will be a matter of thorough study during the consideration of the 1960 Defense Department Appropriation Bill.

Amendment No. 23: Appropriates \$18,312,500 for "Aircraft and facilities" instead of

\$18,000,000 as proposed by the House and \$18,624,900 as proposed by the Senate.

Amendment No. 24: Appropriates \$19,000,000 for "Ships and facilities" instead of \$18,000,000 as proposed by the House and \$20,000,000 as proposed by the Senate.

Amendment No. 25: Appropriates \$4,098,700 for "Ordnance and facilities" instead of \$3,822,000 as proposed by the House and \$4,246,000 as proposed by the Senate.

Amendment No. 26: Appropriates \$3,564,400 for "Civil engineering" instead of \$3,330,000 as proposed by the House and \$3,732,000 as proposed by the Senate.

Amendment No. 27: Appropriates \$15,497,500 for "Servicewide supply and finance" instead of \$14,682,000 as proposed by the House and \$16,313,000 as proposed by the Senate.

Amendment No. 28: Appropriates \$5,419,300 for "Servicewide operations" instead of \$5,153,000 as proposed by the House and \$5,685,600 as proposed by the Senate.

District of Columbia

Amendment No. 29: Appropriates \$5,000,000 for "Federal payment to the District of Columbia" as proposed by the House instead of \$8,100,000 as proposed by the Senate.

Amendment No. 30: Appropriates \$23,300 for "Department of Occupations and Professions" instead of \$20,450 as proposed by the House and \$26,200 as proposed by the Senate.

Amendment No. 31: Appropriates \$4,095,668 for "Public schools" as proposed by the Senate instead of \$4,295,668 as proposed by the House.

Amendment No. 32: Appropriates \$1,000,000 for "Department of Public Welfare" instead of \$750,700 as proposed by the House and \$1,012,200 as proposed by the Senate.

Amendment No. 33: Appropriates \$24,131 for payment of claims as proposed by the Senate instead of \$20,197 as proposed by the House.

Amendments Nos. 34 and 35: Incorporate judgments contained in Senate Document Numbered 20 and appropriate \$118,285 as proposed by the Senate instead of \$30,219 as proposed by the House.

Department of Health, Education, and Welfare

Amendment No. 36: Appropriates \$1,117,000 for "Salaries and expenses" of the Food and Drug Administration instead of \$1,072,000 as proposed by the House and \$1,150,000 as proposed by the Senate.

Amendment No. 37: Appropriates \$1,886,000 for "Construction of Indian health facilities" as proposed by the Senate instead of \$1,700,000 as proposed by the House.

Amendment No. 38: Reported in disagreement.

Amendment No. 39: Appropriates \$35,000 for "Salaries and expenses," Saint Elizabeths Hospital instead of \$43,000 as proposed by the Senate. There was nothing for this item in the House bill.

Amendments Nos. 40 and 41: Appropriates \$844,000 for the "White House Council on Aging" as proposed by the Senate instead of \$790,000 as proposed by the House; and make the sum of \$810,000 available for grants to States as proposed by the Senate instead of \$756,000 as proposed by the House.

Independent offices

Alaska International Rail and Highway Commission

Amendment No. 42: Reported in disagreement.

Civil Aeronautics Board

Amendment No. 43: Appropriates \$14,094,500 for "Payments to air carriers" instead of \$12,000,000 as proposed by the House and \$16,189,000 as proposed by the Senate.

Civil Service Commission

Amendments Nos. 44, 45 and 46: Appropriates \$1,587,200 for "Salaries and expenses" in-

stead of \$1,491,500 as proposed by the House and \$1,730,000 as proposed by the Senate; raise limitation on performing duties, etc., to \$76,700 instead of \$76,300 as proposed by the House and \$77,000 as proposed by the Senate; and increase travel limitation to \$493,000 instead of \$486,000 as proposed by the House and \$500,000 as proposed by the Senate. Funds for furniture are denied.

Commission on International Rules of Judicial Procedure

Amendment No. 47: Appropriates \$25,000 as proposed by the House instead of \$50,000 as proposed by the Senate.

Federal Aviation Agency

Amendment No. 48: Appropriates \$18,000,000 for "Grants in aid for airports, etc." instead of \$20,000,000 as proposed by the Senate. There was nothing for this item in the House bill.

General Services Administration

Amendment No. 49: Appropriates \$15,000,000 for the general supply fund as proposed by the Senate instead of \$10,000,000 as proposed by the House.

Amendment No. 50: Reported in disagreement.

Civil War Centennial Commission

Amendment No. 51: Appropriates \$23,492 as proposed by the Senate. There was nothing for this item in the House bill.

National Mediation Board

Amendment No. 52: Appropriates \$90,000 for "Arbitration and emergency boards" instead of \$100,000 as proposed by the Senate. There was nothing for this item in the House bill.

River Basin Study Commissions

Amendment No. 53: Appropriates \$100,000 for the South Carolina-Georgia-Alabama-Florida Commission as proposed by the Senate instead of \$80,000 as proposed by the House.

Veterans Administration

Amendment No. 54: Appropriates \$48,651,000 for "Inpatient care" as proposed by the Senate instead of \$47,455,000 as proposed by the House.

Department of the Interior

Amendment No. 55: Appropriates \$3,735,100 for "Management of lands and resources" instead of \$3,682,600 as proposed by the House and \$3,787,600 as proposed by the Senate.

Amendment No. 56: Reported in disagreement.

Amendment No. 57: Reported in disagreement.

Amendment No. 58: Appropriates \$1,000,000 for "construction" as proposed by the Senate. There was nothing for this item in the House bill.

Bureau of Indian Affairs

Amendment No. 59: Deletes the Senate proposal to appropriate \$1,000,000 for road construction and maintenance. It is the intent of the conferees that the Bureau of Indian Affairs shall proceed with its planned contracts for the items contemplated by this amendment.

National Park Service

Amendment No. 60: Appropriates \$1,329,200 for "Management and protection" instead of \$1,270,000 as proposed by the House and \$1,388,500 as proposed by the Senate.

Department of Labor

Amendment No. 61: Appropriates \$724,800 for "Salaries and expenses" Bureau of Labor Standards instead of \$720,600 as proposed by the House and \$729,000 as proposed by the Senate.

Amendment No. 62: Appropriates \$601,700 for "Salaries and expenses" Bureau of Employment Security instead of \$572,800 as pro-

posed by the House and \$630,500 as proposed by the Senate.

Amendment No. 63: Reported in disagreement.

Legislative branch

Senate

Amendments Nos. 64 and 65: Insert title; and appropriate \$23,980 for "Compensation of Senators" as proposed by the Senate.

Amendment No. 66: Reported in disagreement.

Amendments Nos. 67 and 68: Insert title; and appropriate \$34,385 for "Furniture" as proposed by the Senate.

Amendment No. 69: Reported in disagreement.

Amendment No. 70: Appropriates \$2,000 for postage stamps as proposed by the Senate.

Amendment No. 71: Reported in disagreement.

Architect of the Capitol

Amendments Nos. 72, 73, and 74: Insert title; appropriate \$4,000,000 for extension of the Capitol; and appropriate \$283,550 for furniture and furnishings, additional Senate Office Building; all as proposed by the Senate.

Amendment No. 75: Reported in disagreement.

Department of State

Amendment No. 76: Reported in disagreement.

Treasury Department

Amendment No. 77: Appropriates \$337,000 for "Salaries and expenses" Bureau of Accounts as proposed by the Senate instead of \$303,300 as proposed by the House.

Amendment No. 78: Appropriates \$4,519,000 for "Salaries and expenses" Bureau of Customs as proposed by the Senate instead of \$4,481,000 as proposed by the House.

Amendment No. 79: Appropriates \$30,000,000 for "Salaries and expenses" Internal Revenue Service instead of \$29,595,000 as proposed by the House and \$30,600,000 as proposed by the Senate.

Claims for damages and judgments

Amendments Nos. 80 and 81: Include claims, etc., as set forth in Senate Document Numbered 20 as proposed by the Senate; and appropriate \$4,931,024 as proposed by the House instead of \$2,570,198 as proposed by the House.

TITLE II

Increased pay costs

Department of Agriculture

Amendment No. 82: Permits transfer of \$39,900 for Farmer Cooperative Service instead of \$37,800 as proposed by the House and \$42,000 as proposed by the Senate.

Amendment No. 83: Permits transfer of \$6,102,800 for Soil Conservation Service instead of \$5,781,600 as proposed by the House and \$6,424,000 as proposed by the Senate.

Amendment No. 84: Permits transfer of \$63,500 for Commodity Exchange Authority instead of \$61,200 as proposed by the House and \$65,800 as proposed by the Senate.

Amendment No. 85: Permits transfer of \$582,300 for Rural Electrification Administration instead of \$551,700 as proposed by the House and \$613,000 as proposed by the Senate.

Amendment No. 86: Permits transfer of \$2,100,000 for Farmers Home Administration instead of \$1,989,450 as proposed by the House and \$2,210,500 as proposed by the Senate.

Amendment No. 87: Permits transfer of \$59,500 for the Department of Agriculture Library instead of \$56,340 as proposed by the House and \$62,600 as proposed by the Senate.

Department of Commerce

Amendment No. 88: Reported in disagreement.

Department of Defense—Civil functions

Amendment No. 89: Appropriates \$1,081,100 for Operation and Maintenance, General, rivers and harbors and flood control, instead of \$1,024,200 as proposed by the House and \$1,138,000 as proposed by the Senate.

Amendments Nos. 90 and 91: Appropriates \$1,018,700 for general expenses, instead of \$941,400 as proposed by the House and \$1,096,000 as proposed by the Senate; and strike out language proposed by the Senate relating to transfer of funds.

Amendment No. 92: Authorizes \$230,000 for the United States Soldiers' Home instead of \$215,100 as proposed by the House and \$239,000 as proposed by the Senate.

Amendment No. 93: Appropriates \$30,400 for administration, Ryukyu Islands instead of \$28,800 as proposed by the House and \$32,000 as proposed by the Senate.

Amendment No. 94: Appropriates \$1,070,100 for Canal Zone Government instead of \$1,013,760 as proposed by the House and \$1,126,400 as proposed by the Senate.

Amendment No. 95: Authorizes \$329,100 for the Panama Canal Company instead of \$311,760 as proposed by the House and \$346,400 as proposed by the Senate.

Department of Defense—Military Functions

Amendment No. 96: Appropriates \$8,645,000 for research and development, Department of the Army, instead of \$8,190,000 as proposed by the House and \$9,100,000 as proposed by the Senate.

Amendment No. 97: Appropriates \$167,200 for Alaska Communication System instead of \$158,400 as proposed by the House and \$176,000 as proposed by the Senate.

Amendment No. 98: Appropriates \$2,498,500 for Navy personnel, general expenses, instead of \$2,367,000 as proposed by the House and \$2,630,000 as proposed by the Senate.

Amendment No. 99: Appropriates \$9,494,300 for research and development, Department of the Navy, instead of \$8,994,600 as proposed by the House and \$9,994,000 as proposed by the Senate.

Amendment No. 100: Appropriates \$65,550,000 for operation and maintenance, Department of the Air Force, instead of \$62,100,000 as proposed by the House and \$69,000,000 as proposed by the Senate.

District of Columbia

Amendment No. 101: Appropriates \$151,500 for the Recreation Department instead of \$129,900 as proposed by the House and \$173,200 as proposed by the Senate.

Amendment No. 102: Appropriates \$1,809,775 for the Department of Public Health instead of \$1,409,775 as proposed by the House and \$1,937,000 as proposed by the Senate.

Amendment No. 103: Appropriates \$269,500 for the Department of Highways instead of \$259,500 as proposed by the House and \$279,500 as proposed by the Senate.

Amendment No. 104: Appropriates \$69,400 for the Department of Vehicles and Traffic instead of \$62,400 as proposed by the House and \$76,400 as proposed by the Senate.

Amendment No. 105: Appropriates \$216,900 for National Capital Parks instead of \$185,925 as proposed by the House and \$247,900 as proposed by the Senate.

Amendment No. 106: Appropriates \$55,800 for National Zoological Park instead of \$50,775 as proposed by the House and \$60,775 as proposed by the Senate.

Department of Health, Education, and Welfare

Amendment No. 107: Appropriates \$130,000 for Freedmen's Hospital instead of \$116,000 as proposed by the House and \$136,500 as proposed by the Senate.

Independent Offices

Amendment No. 108: Appropriates \$490,200 for the Civil Aeronautics Board instead of \$464,400 as proposed by the House and \$516,000 as proposed by the Senate.

Amendment No. 109: Authorizes \$152,000 for administrative expenses of the Export-Import Bank of Washington instead of \$144,000 as proposed by the House and \$160,000 as proposed by the Senate.

Amendment No. 110: Appropriates \$16,281,100 for the Federal Aviation Agency instead of \$15,424,200 as proposed by the House and \$17,138,000 as proposed by the Senate.

Amendment No. 111: Appropriates \$739,100 for the Federal Communications Commission instead of \$700,200 as proposed by the House and \$778,000 as proposed by the Senate.

Amendment No. 112: Appropriates \$513,000 for the Federal Trade Commission instead of \$486,000 as proposed by the House and \$540,000 as proposed by the Senate.

Amendments Nos. 113 and 114: Appropriate \$52,300 for the Foreign Claims Settlement Commission instead of \$49,500 as proposed by the House and \$55,000 as proposed by the Senate; and permit transfer of \$6,800 from the war claims fund instead of \$6,480 as proposed by the House and \$7,200 as proposed by the Senate.

Amendment No. 115: Appropriates \$4,079,960 for operating expenses, Public Buildings Service as proposed by the Senate instead of \$3,189,960 as proposed by the House.

Amendment No. 116: Appropriates \$607,000 for the National Archives and Records Service instead of \$575,100 as proposed by the House and \$639,000 as proposed by the Senate.

Amendment No. 117: Appropriates \$684,000 for the Office of the Administrator, Housing and Home Finance Agency instead of \$648,000 as proposed by the House and \$720,000 as proposed by the Senate.

Amendment No. 118: Authorizes \$34,200 for administrative expenses for public facility loans instead of \$32,400 as proposed by the House and \$36,000 as proposed by the Senate.

Amendment No. 119: Authorizes \$50,900 for administrative expenses of the revolving fund (liquidating programs) instead of \$47,700 as proposed by the House and \$53,000 as proposed by the Senate.

Amendments Nos. 120 and 121: Authorize \$541,500 for administrative expenses of the Federal Housing Administration instead of \$513,000 as proposed by the House and \$570,000 as proposed by the Senate; and authorize \$3,035,000 for non-administrative expenses as proposed by the Senate instead of \$2,731,500 as proposed by the House.

Amendment No. 122: Appropriate \$1,447,800 for the Interstate Commerce Commission instead of \$1,371,600 as proposed by the House and \$1,524,000 as proposed by the Senate.

Amendment No. 123: Appropriates \$3,186,300 for the National Aeronautics and Space Administration instead of \$3,018,600 as proposed by the House and \$3,354,000 as proposed by the Senate.

Amendment No. 124: Authorizes \$14,200 for administrative expenses of the St. Lawrence Seaway Development Corporation instead of \$13,500 as proposed by the House and \$15,000 as proposed by the Senate.

Amendment No. 125: Appropriates \$605,000 for the Securities and Exchange Commission instead of \$573,000 as proposed by the House and \$637,000 as proposed by the Senate.

Amendment No. 126: Appropriates \$2,056,800 for the Selective Service System instead of \$1,948,500 as proposed by the House and \$2,165,000 as proposed by the Senate.

Amendment No. 127: Appropriates \$149,100 for the Tariff Commission instead of \$141,300 as proposed by the House and \$157,000 as proposed by the Senate.

Amendment No. 128: Appropriates \$3,173,800 for the United States Information Agency instead of \$3,057,300 as proposed by the House and \$3,290,225 as proposed by the Senate.

Department of the Interior

Amendment No. 129: Appropriates \$34,200 for the Office of Oil and Gas instead of \$32,

400 as proposed by the House and \$36,000 as proposed by the Senate.

Amendment No. 130: Appropriates \$241,300 for the Office of the Solicitor instead of \$228,600 as proposed by the House and \$254,700 as proposed by the Senate.

Amendment No. 131: Appropriates \$2,700 for the Commission of Fine Arts instead of \$2,520 as proposed by the House and \$2,800 as proposed by the Senate.

Amendments Nos. 132 and 133: Appropriate \$878,700 for resources management of the Bureau of Indian Affairs instead of \$832,500 as proposed by the House and \$925,000 as proposed by the Senate; and authorize the transfer of \$380,000 instead of \$360,000 as proposed by the House and \$400,000 as proposed by the Senate.

Amendment No. 134: Appropriates \$251,800 for general administrative expenses of the Bureau of Indian Affairs instead of \$238,500 as proposed by the House and \$265,000 as proposed by the Senate.

Amendment No. 135: Appropriates \$342,600 from the reclamation fund for general administrative expenses of the Bureau of Reclamation instead of \$324,540 as proposed by the House and \$360,600 as proposed by the Senate.

Amendment No. 136: Appropriates \$3,073,200 for the Geological Survey instead of \$2,911,500 as proposed by the House and \$3,235,000 as proposed by the Senate.

Amendments Nos. 137 and 138: Appropriate \$1,573,200 for the conservation and development of mineral resources, Bureau of Mines, instead of \$1,490,400 as proposed by the House and \$1,656,000 as proposed by the Senate; and authorize \$1,240,700 by transfer instead of \$1,175,400 as proposed by the House and \$1,306,000 as proposed by the Senate.

Amendment No. 139: Appropriates \$462,700 for health and safety of the Bureau of Mines instead of \$438,300 as proposed by the House and \$487,000 as proposed by the Senate.

Amendment No. 140: Appropriates \$96,900 for general administrative expenses of the Bureau of Mines instead of \$91,800 as proposed by the House and \$102,000 as proposed by the Senate.

Amendment No. 141: Appropriates \$302,100 for maintenance and rehabilitation of physical facilities of the National Park Service instead of \$286,290 as proposed by the House and \$318,100 as proposed by the Senate.

Amendment No. 142: Appropriates \$99,300 for general administrative expenses of the National Park Service instead of \$94,050 as proposed by the House and \$104,500 as proposed by the Senate.

Amendment No. 143: Appropriates \$750,500 for management and investigations of resources of the Bureau of Sport Fisheries instead of \$711,000 as proposed by the House and \$790,000 as proposed by the Senate.

Amendment No. 144: Appropriates \$57,500 for the Bureau of Commercial Fisheries instead of \$54,450 as proposed by the House and \$60,500 as proposed by the Senate.

Amendment No. 145: Appropriates \$147,100 for the Office of Territories instead of \$139,320 as proposed by the House and \$154,800 as proposed by the Senate.

Amendment No. 146: Appropriates \$200,940 for the Office of the Secretary as proposed by the Senate instead of \$185,940 as proposed by the House.

Department of Labor

Amendment No. 147: Appropriates \$118,800 for the Office of the Secretary instead of \$112,500 as proposed by the House and \$125,000 as proposed by the Senate.

Amendment No. 148: Appropriates \$201,400 for the Office of the Solicitor instead of \$190,800 as proposed by the House and \$212,000 as proposed by the Senate.

Amendment No. 149: Appropriates \$43,700 for the Bureau of Veterans' Reemployment

Rights instead of \$41,400 as proposed by the House and \$46,000 as proposed by the Senate.

Amendment No. 150: Appropriates \$308,700 for the Bureau of Apprenticeship and Training instead of \$292,500 as proposed by the House and \$325,000 as proposed by the Senate.

Amendment No. 151: Appropriates \$37,100 for compliance activities of the Mexican farm labor program instead of \$35,100 as proposed by the House and \$39,000 as proposed by the Senate.

Amendment No. 152: Permits transfer of \$128,500 for salaries and expenses of the Mexican farm labor program instead of \$117,000 as proposed by the House and \$130,000 as proposed by the Senate.

Amendment No. 153: Appropriates \$244,100 for the Bureau of Employees' Compensation instead of \$231,300 as proposed by the House and \$257,000 as proposed by the Senate.

Amendment No. 154: Appropriates \$565,300 for the Bureau of Labor Statistics instead of \$535,500 as proposed by the House and \$595,000 as proposed by the Senate.

Amendment No. 155: Appropriates \$41,800 for the Women's Bureau instead of \$39,600 as proposed by the House and \$44,000 as proposed by the Senate.

Amendment No. 156: Appropriates \$871,100 for the Wage and Hour Division instead of \$825,300 as proposed by the House and \$917,000 as proposed by the Senate.

Legislative Branch

Amendments Nos. 157 through 171: Appropriates \$1,813,690 for various Senate items as proposed by the Senate.

Amendment No. 172: Reported in disagreement.

Treasury Department

Amendment No. 173: Appropriates \$235,100 for the Office of the Secretary instead of \$222,750 as proposed by the House and \$247,500 as proposed by the Senate.

Amendment No. 174: Appropriates \$286,400 for salaries and expenses of the United States Secret Service instead of \$271,350 as proposed by the House and \$301,500 as proposed by the Senate.

ALBERT THOMAS,
MICHAEL J. KIRWAN,
JOHN J. ROONEY,
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JOHN TABER,
Managers on the Part of the House.

Mr. THOMAS (interrupting the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. GROSS. Mr. Speaker, reserving the right to object, the gentleman proposes to take some time to explain this bill, does he not?

Mr. THOMAS. Yes.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMAS. Mr. Speaker, let me take 2 or 3 minutes in an attempt to explain the report. We went to conference, I will say to my distinguished friend from Iowa, with 174 amendments in disagreement. As you will recall, 90 or 95 represented Pay Act increases. After spending many hours with the other body, we worked out a formula under

which in most instances, where the Senate had restored most of the House cuts, we split the difference on those Pay Act increases. It all adds up to this, that even though we bring back some 15 or 16 items in technical disagreement, in truth and in fact there is only one item in disagreement.

When the bill left the House, it carried—I am just using round figures—\$2,657,402,994 in appropriations. The other body upped that amount \$186,499,-811 to \$2,843,902,805. In those 174 items in disagreement, they added a half a dozen new items. When we compromised those increases, we shaved them down to about \$100 million in round figures, and the conference figure is \$2,764,500,380.

I doubt that there is anything that will give anybody any trouble, and if I can answer any question, I will be delighted to, and if not, my colleagues I am sure will help me out.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I have looked through this bill hastily, and I do not seem to find any cuts. Everywhere everything has been increased, is that not true? For instance, the Development Loan Fund is up \$100 million over the figure that left the House and 200 percent over the figure, which was exactly zero, with which the committee came to the House floor; is that not true?

Mr. THOMAS. May I say to my distinguished friend that when the bill left the House it carried \$100 million for the Development Loan Fund. The other body raised the amount to \$200 million, and after some give and take on both sides it was agreed by the members of the other body and your own conferees to split the difference, and we brought back a figure of \$150 million.

Mr. GROSS. It is now \$200 million, is it not?

Mr. THOMAS. The other body raised the amount to \$200 million and we compromised at \$150 million.

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

Mr. THOMAS. I yield to the distinguished gentleman from Louisiana.

Mr. PASSMAN. There has been considerable justified concern that the development loan program would lead us into unsound practices. The civil works division of the Department of the Army for Okinawa came before the Foreign Operations Subcommittee on Appropriations for 3 consecutive years seeking an appropriation for an electric powerplant on Okinawa. The subcommittee, after careful consideration in each instance, declined to recommend the funds, asking for further comprehensive study. At a subsequent date, the request was referred to the subcommittee handling the deficiency appropriations, which, in turn, passed the item along to the subcommittee which would normally handle the matter.

It is my understanding the other body has recommended that a loan be made to Okinawa, to finance this electric plant. The entire matter is very complicated. The promoters of this venture have de-

cided to try to bypass the Foreign Operations Appropriations Subcommittee and, instead, make the Okinawans a loan out of the development loan or some other fund. The Okinawans then would authorize our military installation to construct the electric powerplant. The plant would, under this scheme, lease to the military, which would release to the Okinawans, who, in turn, would sell electricity to the consumers. If that does not constitute an attempt at bypassing the Appropriations Committee through this development loan program, I do not know what else it could be termed. Is the gentleman familiar with the details of the transaction that is being proposed?

Mr. THOMAS. I am familiar with one part of it, and that is that the committee turned down the \$10 million military appropriation for construction of a powerplant in Okinawa. We did not put a penny in there and it is not in this conference report, either. What the revolving fund does, I do not know. I do not need to defend my position. I did not vote for it in committee, I did not vote for it on the floor, and, if I may say so, I did not vote for it in conference. But I am only one, and the majority rules.

Mr. PASSMAN. The full Committee on Appropriations turned down the DLF deficiency appropriation request, but the House saw fit to put in \$100 million. The bill went to the other body, where this item was raised to \$200 million. Then in conference it was reduced to \$150 million. I merely wanted to point out to the membership that this Development Loan Fund is being used to do many things that the Congress itself said should not be done. One of the instances is the item I have discussed. The Congress is obviously being given the runaround through the manipulation of this Development Loan program.

Mr. THOMAS. I have no doubt our able and distinguished friend from Louisiana when he considers all the items for appropriation will go into them thoroughly.

Mr. PASSMAN. We might not have an opportunity to consider the item then. They are now attempting to bypass our committee, and they say, in effect, "You may not have the opportunity to make this decision because we will possibly already have the money."

I should like for the record to show, with respect to this particular matter, that I spent 2 days on Okinawa last year. I departed convinced that Congress should provide the funds necessary for the powerplant. My remarks today should not be interpreted as critical of the needs for this project, but, rather, of the means being used in the attempt to obtain funds.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Iowa.

Mr. GROSS. I notice on page 32 a substantial amount of money for the other body for office equipment. Does the gentleman think this is going to take care of the rugs and the sawing off of the doors and all the other mistakes that were made?

Mr. THOMAS. May I say to my distinguished friend that his judgment is just as good as mine on that. I hope it does.

Mr. GROSS. Maybe we ought to organize a volunteer force and help them cut off the doors and lay the rugs.

Mr. THOMAS. Maybe the gentleman has a good point there.

Mr. GROSS. I notice there is \$500,000 in this bill for the Pan American Olympic Games. Is that correct?

Mr. THOMAS. Half a million dollars, yes.

Mr. GROSS. I thank the gentleman.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. RHODES of Arizona. My question is with regard to amendment No. 59 of the Senate. I previously discussed this matter with the able gentleman from Ohio [Mr. KIRWAN]. I should like the RECORD to show that this amendment, which was for \$1 million for road construction and maintenance in the Navajo-Hopi Reservation, was not kept in the bill after conference because of a statement from the Department of the Interior stating that the money was not needed for the program to proceed in this fiscal year. May I ask the gentleman if it is not a fact that the conference did not intend nor does the House intend that this program for building roads across the Navajo-Hopi Reservation will be held up in the slightest?

Mr. THOMAS. The gentleman usually gets what he wants. He takes care of his people, and I am sure he will in this instance. We will cooperate with him, too.

Mr. KIRWAN. Mr. Speaker, will the gentleman yield?

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

Mr. KIRWAN. We have clearly stated in the conference report that it is intended that the Department will proceed with letting the planned contracts for the road work. The Department of the Interior has advised us that no cash payments will be required on their contracts until after July 1, 1959, at which time the funds in the regular 1960 appropriation bill will be available. So this action will in no way hold up the scheduled construction program.

Mr. RHODES of Arizona. So the net result will be that there will be no delay in this program.

Mr. JENNINGS. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Virginia.

Mr. JENNINGS. In the bill as it went to conference there was \$3 million to be used by the Forest Service in areas of unemployment. I notice that is not in the bill as it came from conference.

Mr. THOMAS. That is correct. Let me ask the gentleman from Ohio to give the gentleman an answer to it.

Mr. KIRWAN. I was originally in favor of this item, for I understood it was intended to help out the distressed area in just one State. But when finally approved by the other body the \$3 million was spread all over 32 other areas, so the

effect in any one area would be meaningless. Scattering this small amount of funds across the country as was proposed would put only a very small number to work in any one area, and then only for a few weeks. This would not help and that is why it was taken out of the bill.

Mr. THOMAS. Mr. Speaker, if the gentleman will permit me to point this out—as a matter of fact, did you not put about \$10 million in your regular bill to get this job done? Is it not also true that this small amount of money would not be a drop in the bucket, and, furthermore, the appropriation would expire long before you could allocate it because this bill is only good to the end of June? I think the gentleman from Ohio is going to try to do something worth while for you about this.

Mr. KIRWAN. I want to point out that we put \$9,650,000 in the appropriation bill for this year over the budget request for the Forest Service. I would be satisfied to support \$3 million if it is put in the 1960 regular appropriation bill for this particular area and not scattered around all over the country. How are you going to really help people all over the country with such a small amount?

I understand it was planned to allocate this amount to many, many areas and only a portion would go to provide employment. I again tell you that I would vote for \$3 million if it was restricted to this one area where it could be of some aid but what can be accomplished with only \$3 million scattered over 32 different areas?

Mr. JENNINGS. I must remind the gentleman that even if the money were scattered over 32 areas, it is still restricted to areas of unemployment while on the other hand, as it was originally set up, the \$3 million went to only one area and all the other areas would have been completely left out.

Mr. KIRWAN. I am trying to tell the gentleman that when I told them to put it in the other body, I asked them to put it in the regular appropriation bill. We have only six weeks left in this fiscal year.

Mr. JENNINGS. But that was restricted to one area and that would not have helped those of us who are outside of that particular area.

Mr. KIRWAN. I again tell the gentleman that to provide any effective relief for unemployment in the 32 other surplus labor areas would require many, many millions of dollars. The \$3 million would at best help only a relatively small number for a few weeks. On July 1 the 1960 appropriation for the Forest Service will be available and this will total over \$100 million for land management and roads.

Mr. JENNINGS. Let me say to the gentleman that one job is better than no job, and I would be glad to have any part of it. But, I am pleased to hear that you have \$100 million in the bill for 1960.

Mr. THOMAS. Mr. Speaker, apparently there is no disagreement between the gentlemen. Both of them are going to get around to doing a tremendous job for next year.

COMMITTEE ON AGRICULTURE— H.R. 7118

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight tomorrow night to file a report on the bill, H.R. 7118.

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

There was no objection.

ADJOURNMENT OVER

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 to the request of the gentleman from Massachusetts?

There was no objection.

LEGISLATIVE PROGRAM

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. HALLECK. Mr. Speaker, I have asked for this time in order to inquire of the majority leader as to the legislative program for next week.

Mr. McCORMACK. Mr. Speaker, the program for next week is as follows:

Monday, the Consent Calendar will be called. There will be one bill taken up under suspension of the rules, the bill, H.R. 7007, authorizing appropriations for the National Aeronautics and Space Administration for 1960. That bill has been unanimously reported out of committee.

Then, the appropriation bill for the Department of Agriculture for 1960 will be taken up.

The Private Calendar will be called on Tuesday.

Following the disposition of the agricultural appropriation bill, if it should go over to Tuesday, the housing bill, S. 57, will be brought up. If the agricultural appropriation bill should be disposed of on Monday, in no event will the housing bill be brought up before Tuesday. In other words, for example, if the agricultural bill should be disposed of on Monday in time to start on the housing bill, we will not start on it on Monday so the Members will be advised of that.

The general Government matters appropriation bill for 1960 will follow the housing bill.

Agreement has been made by the leadership that any record vote on Monday or Tuesday, with the exception of a vote on a rule, will go over until Wednesday, due to the fact that there are primaries in Pennsylvania on Tuesday next.

Mr. HALLECK. May I inquire of the gentleman if that likewise holds for any record vote on Monday?

Mr. McCORMACK. Exactly; any record vote on Monday or Tuesday, with the exception, as I said, of a vote on any

rule—and of course in the case of the appropriation bill there would be no vote on the rule because such a bill is preferential—but in the event there should be a vote on a rule I would have to have that, otherwise we could not proceed.

Mr. HALLECK. If the gentleman will yield further, there is the possibility that a veto message might be coming in here on Monday or Tuesday; I take it that should that happen a vote on that message would go over until Wednesday.

Mr. McCORMACK. Absolutely; absolutely, if not later.

SECOND SUPPLEMENTAL APPROPRIATION BILL, 1959

Mr. GROSS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. GROSS. Mr. Speaker, if there is not to be a rollcall vote on this conference report I want the RECORD to show that I am opposed and would have voted against approval.

This conference report calls for the spending of \$2,764 million. That is approximately \$107 million more than the bill contained when it left the House.

Included in this bill is \$150 million for the so-called Redevelopment Loan Fund. These are loans made to foreign governments that are so soft they will never be collected. The House approved \$100 million for this purpose. That was too much. Then the Senate added \$50 million and the total amount of \$150 million is unconscionable in view of the fact that this is a supplemental appropriation which means this money is in addition to the hundreds of millions appropriated for the same purpose earlier in this fiscal year.

There are other items in this bill that should never have been increased. Again, I am opposed to the substantial appropriations contained in this bill to rectify the mistakes that were made in constructing and equipping the new Senate Office Building.

Mr. Speaker, I am opposed to this bill and let the RECORD clearly show my position.

Mr. THOMAS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 1: Page 2, line 7, insert ", \$3,666,700, to including not to exceed \$35,000 for the alterations to the meat laboratory at Beltsville, Maryland, \$4,174,110, of which \$4,074,110 shall".

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 1, and concur therein with an amendment, as follows: In lieu of

the matter stricken and inserted by said amendment, insert "\$3,870,400".

The motion was agreed to.

Mr. BOW. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOW. Mr. Speaker, I think it might be well at this point to be sure that the RECORD indicates the intent of the action of the House conferees on this amendment. In agreeing to the amount of \$3,870,400 for this appropriation, the conferees are deleting the language and money that was proposed in the Senate amendment for conducting additional research at Beltsville.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 6: Page 4, line 4, insert:

FOREIGN AGRICULTURE SERVICE

"Salaries and expenses"

"Subject to allocation in such manner as may now or hereafter be prescribed by the President, foreign currencies which have accrued under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), may be used without fiscal year limitation for the purposes of section 104(m) of that Act, including administrative expenses directly related thereto, in an amount not to exceed the equivalent of \$1,275,000."

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 7: Page 4, line 22, strike out the word "The" and insert "For an additional amount for 'Acreage allotments and marketing quotas,' \$2,375,000, to be derived by transfer from the appropriation for 'Conservation reserve program', fiscal 1959 and the".

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 7, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert "\$2,000,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 38: Page 17, line 1, insert:

"CONSTRUCTION OF SURGICAL FACILITIES"

"For an additional amount for 'Construction of surgical facilities', \$370,000, which together with funds heretofore appropriated under this head shall remain available until expended."

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 38, and concur therein with an amendment, as follows: In lieu of the sum proposed in said amendment, insert "\$335,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 42: Page 20, line 2, insert:

"ALASKA INTERNATIONAL RAIL AND HIGHWAY COMMISSION"

"Salaries and expenses"

"For an additional amount for 'Salaries and expenses', \$200,000 and said appropriation shall remain available until March 1, 1960."

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 50: Page 22, line 18, insert:

"REFUNDS UNDER RENEgotiation ACT"

"For refunds under section 201(f) of the Renegotiation Act of 1951 (50 U.S.C. App. 1231(f)), \$1,400,000, to remain available until expended."

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 56: Page 24, line 24, insert "and in addition \$100,000 to be derived by transfer from the appropriation 'Salaries and expenses, Office of Minerals Exploration'".

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 57: Page 25, line 2, insert ": *Provided*, That not to exceed \$3,500 shall be available for reimbursing the American Falls Irrigation District Numbered 2, Shoshone, Idaho, for reconstruction of a bridge damaged by the Bureau of Land Management during fire-suppression activities."

Mr. THOMAS. Mr. Chairman, I move that the House recede and concur in the Senate amendment.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 57, and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 63: Page 29, line 9, insert:

"TEMPORARY UNEMPLOYMENT COMPENSATION"

"The appropriation granted under this head in chapter II of the Act of June 13, 1958 (Public Law 85-457), shall remain available until September 30, 1959, for carry-

ing into effect the provisions of the Temporary Unemployment Compensation Act of 1958, as amended."

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 63, and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 66: Page 30, line 1, insert:

"SALARIES, OFFICERS AND EMPLOYEES"

"Office of the Sergeant at Arms and Doorkeeper"

"For an additional amount for Office of Sergeant at Arms and Doorkeeper, \$1,055 for the employment from May 1, 1959, of an Assistant Superintendent, Periodical Press Gallery, at \$3,000 basic per annum."

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 66, and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 69: Page 30, line 10, insert:

"MISCELLANEOUS ITEMS"

"For an additional amount for 'Miscellaneous items', \$81,290: *Provided*, That effective May 1, 1959, the basic salaries of the research assistants to the majority and minority leaders, as authorized by Senate Resolution 158, agreed to December 9, 1941, may be fixed by the respective leaders at not to exceed \$8,820 basic per annum each."

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 69, and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 71: Page 30, line 20, insert:

"STATIONERY (REVOLVING FUND)"

"For an additional amount for 'Stationery (revolving fund)' \$1,780, to remain available until expended."

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 71, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"STATIONERY (REVOLVING FUND)"

"For an additional amount for 'Stationery (revolving fund)', \$1,780, to remain available until expended."

"HOUSE OF REPRESENTATIVES

"For payment to Mary S. Polk, widow of James G. Polk, late a Representative from the State of Ohio, \$22,500."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 75: Page 32, line 13, insert:

"ADDITIONAL OFFICE BUILDING FOR THE UNITED STATES SENATE

"Construction and equipment of additional Senate Office Building

"To enable the Architect of the Capitol, under the direction of the Senate Office Building Commission, to continue to provide for the construction and equipment of a fireproof office building for the use of the United States Senate, in accordance with the provisions of the Second Deficiency Appropriation Act, 1948 (62 Stat. 1029), as amended by the Legislative Branch Appropriation Act 1958 (71 Stat. 252, 253), \$750,000: Provided, That no part of the funds herein appropriated shall be obligated or expended for construction of the rear center wing of said building, from the ground floor up, provided for under the building plans heretofore approved by such Commission: Provided further, That the amount of \$23,446,000 fixed by the Second Deficiency Appropriation Act, 1948 (62 Stat. 1029), as amended by the Legislative Branch Appropriation Act, 1958 (71 Stat. 252, 253), as the limit of cost for construction and equipment of an additional office building for the United States Senate is hereby increased by \$750,000."

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 75, and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 76: Page 35, line 1, insert:

"THIRD PAN AMERICAN GAMES

"For necessary expenses of the Third Pan American Games, 1959, \$500,000, to remain available until June 30, 1960."

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 76, and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 88: Page 40, line 4, strike out "General provisions: The Secretary of Commerce is authorized to transfer not to exceed \$900,000 between appropriations of the Department of Commerce available for Salaries and expenses for the purpose of providing for increased pay costs in the fiscal year 1959" and insert "General provisions: The Secretary of Commerce is authorized to transfer not to exceed \$833,075 from the appropriation 'Ship con-

struction (liquidation of contract authorization) maritime activities', to other appropriations of the Department of Commerce for the purpose of providing for increased pay costs in the fiscal year 1959."

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 88, and concur therein with an amendment, as follows: In lieu of the sum proposed in said amendment, insert "\$416,500".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 172: Page 58, line 16, insert "Joint Committee on Reduction of Nonessential Federal Expenditures", \$2,295, to remain available during the existence of the committee and to be disbursed by the Secretary of the Senate;".

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 172, and concur therein.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

ADDITIONAL COPIES OF REPORT ENTITLED "INTERIM REPORT OF THE BOSTON NATIONAL HISTORIC SITES COMMISSION PERTAINING TO THE LEXINGTON-CONCORD BATTLE ROAD"

Mr. JONES of Missouri. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 247 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That there shall be printed three thousand additional copies of House Document 57 (Eighty-sixth Congress), entitled "Interim Report of the Boston National Historic Sites Commission Pertaining to the Lexington-Concord Battle Road" for distribution by the House Superintendent of Documents.

Mr. SCHENCK. Mr. Speaker, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman from Iowa.

Mr. SCHENCK. Would the gentleman inform the House as to the cost of each of these resolutions he is about to introduce?

Mr. JONES of Missouri. I will be glad to. The cost of the resolution before the House at this time is \$923. That is a back-press cost for the 3,000 additional copies of that document.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

JOINT COMMITTEE ON WASHINGTON METROPOLITAN PROBLEMS

Mr. JONES of Missouri. Mr. Speaker, by direction of the Committee on House Administration, I call up Senate Concurrent Resolution 22 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Joint Committee on Washington Metropolitan Problems, one thousand additional copies of the hearings held during the Eighty-fifth Congress entitled, "Transportation Problems in Maryland, Virginia, and the Washington Metropolitan Area."

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman from Iowa.

Mr. GROSS. What is the cost of this resolution?

Mr. JONES of Missouri. The cost of this resolution is \$1,659.

Mr. GROSS. Mr. Speaker, if the gentleman will yield further, is this designed as a propaganda piece for the benefit of these States and the District of Columbia to promote some more free bridges across the Potomac?

Mr. JONES of Missouri. I will answer the gentleman and tell him that I do not think that is the purpose of it. However, this is a Senate resolution, and I would say that as a matter of precedent and comity between the two Houses, we usually approve Senate resolutions that come over here.

Mr. GROSS. I would not think of suggesting that the gentleman do anything that would disturb the so-called comity between the House and the Senate; I am not suggesting that at all, but I would like to know whether this is a propaganda piece designed to help build some more bridges or do something of that kind in this area, using the taxpayers' money of Missouri and Iowa as well as all the States.

Mr. JONES of Missouri. I am not in favor of propaganda, as the gentleman knows.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

RESIGNATION FROM COMMITTEE

The SPEAKER laid before the House the following resignation from a committee:

MAY 14, 1959.

Hon. SAM RAYBURN,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: I herewith offer my resignation from the House Select Committee on Small Business.

It has been a privilege and pleasure to work with the members of the Small Business Committee and I regret that I must discontinue this association.

Sincerely yours,

ALBERT H. QUIE,
Member of Congress.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

RESIGNATION FROM COMMITTEE

The SPEAKER laid before the House the following resignation from a committee:

MAY 14, 1959.

HON. SAM RAYBURN,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: It has been a privilege and pleasure to serve on the Committee on House Administration for the past several years. However, I now find it necessary to discontinue my service on the committee in order to devote full time to my duties and responsibilities as minority leader.

Sincerely yours,

CHARLES A. HALLECK,
Minority Leader.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

ELECTION TO COMMITTEE

Mr. LAFORE. Mr. Speaker, I offer a resolution (H. Res. 263) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That ALBERT H. QUIE, Minnesota, be, and he is hereby, elected a member of the standing committee of the House of Representatives on Education and Labor.

The resolution was agreed to.

A motion to reconsider was laid on the table.

LEGISLATIVE RECOMMENDATIONS—
MESSAGE FROM THE PRESIDENT
OF THE UNITED STATES (S. DOC.
NO. 27)

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee of the Whole House on the State of the Union and ordered to be printed:

To the Congress of the United States:
In making my legislative recommendations in January of this year I called to the particular attention of the Congress three matters requiring urgent consideration and action. It is now some 4 months since I made these recommendations and to date the Congress has dealt finally with none of them. On one, it has taken no action at all.

These recommendations were as follows:

1. To avert a serious disruption of the interstate highway program due to an impending deficit in the highway trust fund, I recommended a temporary increase in the Federal tax on motor fuels;

2. To avoid the possibility of a serious interruption in homebuilding, I recommended an increased authorization for the insuring of home mortgages by the Federal Housing Administration;

3. To halt the accelerated buildup of surplus agricultural commodities and to reduce those stocks and their ever-mounting cost to the taxpayer, I recommended corrective legislation.

Since these recommendations were made, time has grown steadily shorter and the problems occasioned by the lack of action in the Congress increasingly critical.

HIGHWAY TRUST FUND

In setting up the interstate highway program in 1956, the Congress provided that it be conducted on a pay-as-you-go basis and, to accomplish this purpose, established the highway trust fund. Motor fuels and other highway user taxes are paid into this fund, and Federal grants, amounting to 90 percent of the cost of building the Interstate Highway System, are paid to the States out of the fund.

Legislation enacted last year, however, has increased the rate at which money is being spent from the fund and nothing has been done to put more money into the fund. Because the law wisely requires that the fund's expenditures not exceed its receipts, it will be impossible this year, without congressional action, to apportion funds so that the States may make commitments for future highway construction. Apportionments in the following year would also be far below those needed to carry forward the roadbuilding schedule now contemplated by law.

To keep the highway trust fund on a pay-as-you-go basis and to maintain the planned construction schedule, I recommended a temporary increase of 1½ cents a gallon in the Federal tax on motor fuels, effective July 1 of this year.

The recent suggestion that receipts from the manufacturers' excise tax on automobiles be earmarked for the trust fund is an unsatisfactory alternative. The transfer of those receipts, running about a billion dollars a year, from the general fund to the highway trust fund would mean only that the problem would then be to raise new taxes to replenish the loss to the general fund.

An even more unsatisfactory alternative, proposed by some, would be legislation to waive the pay-as-you-go requirement. This would only be a refusal to face reality—one that the Congress would be hard put to explain. Less than 3 years ago, as a matter of legislative policy, the Congress declared in the Highway Revenue Act of 1956 that if it ever appears that the trust fund's total receipts will be less than its total expenditures "the Congress shall enact legislation in order to bring about a balance of total receipts and total expenditures."

Less than 2 months remain for timely, responsible action by the Congress on my recommendation.

HOUSING

In January I urged the enactment of emergency legislation to increase by \$6 billion the Federal Housing Administration's authority to insure privately extended home mortgages.

This recommendation has not been enacted. The height of the homebuilding season is upon us, builders must plan ahead and the agency's insurance authority is in danger of being exhausted.

The \$6 billion increase in authority involves no Federal spending and FHA's operations are self-supporting.

Because it could see that its authority was running out, the agency late last year, where it could, began issuing agreements to insure in the future provided it then actually had authority remain-

ing. By thus substituting provisional agreements for actual commitments, the agency has been able to avoid an abrupt halt in its operations due to a lack of insurance authority.

Although the agency may be able to continue on this temporary basis until June 30, the end of the fiscal year, the situation grows more precarious every day. The agency's outstanding agreements to insure in the future now exceed \$3 billion, more than twice the amount of the agency's remaining authority to make actual insurance commitments.

To avoid the possibility of a serious interruption in homebuilding all across America, sound congressional action in this area is urgently needed.

WHEAT

I have frequently requested legislation to deliver our farmers and taxpayers everywhere from the mounting failures and staggering excesses of the mandatory farm price support and production control program. Unless this pressing issue is squarely met and resolutely dealt with, the next few years will see the surplus problem, because of its staggering cost to increasingly frustrated and impatient taxpayers, crash of its own weight, carrying with it all that is sound and good in the support of agriculture by the Federal Government.

The most dramatic failure of all—and the problem requiring the most urgent attention—is the wheat program. Surplus wheat stocks are already 2½ times our annual domestic consumption for food. By July 1 of next year these stocks are expected to reach 1.5 billion bushels and to involve an investment of \$3.5 billion by the Federal Government. Wheat storage, handling and interest charges alone will cost the American taxpayer close to half a billion dollars in the next fiscal year. Final proof of the present program's utter failure to control production lies in the fact that the last wheat crop was the largest in history.

Because the Secretary of Agriculture is required by law to announce a continuation of this thoroughly discredited program by the 15th of May, in January I urgently recommended corrective legislation. The deadline set by law is now only 2 days away. No such legislation has been passed.

I understand that at this late hour the Congress has elected further to postpone its decision by briefly extending the deadline for announcing next year's wheat program. Having chosen this course, the Congress should use this added time to enact realistic and constructive legislation that will effectively avert the impending disaster in wheat.

I am compelled once again to call these particular matters to the special attention of the Congress because the orderly and efficient conduct of the people's business so requires. I urge the Congress to act expeditiously in these critical areas.

DWIGHT D. EISENHOWER.
THE WHITE HOUSE, May 13, 1959.

MICHIGAN, MY MICHIGAN

Mr. RABAUT. 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. RABAUT. Mr. Speaker, May 17-23 is Michigan Week. We Michiganders are proud of our State 52 weeks in the year. However, because of the many natural resources, commercial opportunities, and other advantages offered by our State, Michigan has set aside one special week each year to talk Michigan. I am glad to do my part in making the assets of our State more widely known and recognized.

Michigan is the largest State east of the Mississippi. The Upper Peninsula alone is equal in size to Connecticut, Delaware, Rhode Island and Massachusetts combined. Both the Upper and Lower Peninsula have been richly endowed by nature, thus well justifying the State motto, "If you seek a pleasant peninsula, look about you."

Industry, agriculture and the tourist trade form the three pillars upon which rests the economy of Michigan. During World War II, the magnificent performance of Michigan's automotive industry earned for our State the title "Arsenal of Democracy."

Our State continues today to be one of the foremost producers of military vehicular equipment and also is in the forefront of the vast new developments and rapid expansion in the manufacture of ballistic missiles—awesome and terrible weapons of the new space age.

The automotive industry, however, is only one among many in which Michigan is a leader. On the basis of value added by manufacture, Michigan also ranks first in boatbuilding, output of internal combustion engines, mobile homes, steel springs, hardware, industrial patterns, special dies and tools and conveyors. Michigan is also known far and wide as an outstanding producer of furniture, breakfast foods, drugs and chemicals, sporting and athletic goods, steel, chemicals, salt, and paper products.

Diversification of industry has proceeded at such a pace that of 453 industries classified by the U.S. Bureau of the Census, Michigan has 369 or 81 percent of the total.

Michigan boasts of many new and up-and-coming fields. One of these is the production of chemicals. The value added by manufacture in the chemical industry is even now in the order of \$600 million. More than 100 chemical products and medicines are manufactured in the State. The wealth of raw materials available within the State should boost Michigan to one of the Nation's top producers of chemicals.

It is said that "whatever a manufacturer may need in the way of materials, it is probable that he will find them in Michigan." A study of a resources map of the State shows an abundance of nature's bounty.

Starting with the Upper Peninsula, which is part of the greatest iron ore-producing region in the world, the Lake Superior District, we find a wealth of iron ore deposits, Michigan's most val-

uable mineral product. These deposits place Michigan second among all iron ore-producing States. Since 1854, the Michigan mines have shipped a tonnage of ore equal to the total excavation of the Panama Canal.

Between 1860 and 1890, Michigan led the Nation in production of lumber. Michigan timber helped to build America in the 19th century. Although the forests have been largely cut over, Michigan is still a major lumbering State. About 75 percent of the State's commercial lumber production is located in the Upper Peninsula. In all, the State of Michigan boasts of 19 million acres of forests, yielding about a million cords annually. It is expected that Michigan's harvest of woods will be increased as the second growth of timber develops, for Michigan's lumbermen are applying their knowledge of modern conservation methods to their operations to insure maintenance of a continuing supply of wood.

Michigan's hardwoods are basic to our furniture industry. Softwoods underwrite the State's well-known paper and pulp industry.

Michigan is also noted for its limestone. The most important deposits are found at Alpena and Presque Isle. These deposits are near the shoreline and the limestone can be quarried cheaply and shipped by lake freighters engaged in the transport of iron ore. Limestone is used as blast furnace flux in the iron and steel industry. Michigan supplies at least one-third of all the American steel industry's demand for fluxstones. Limestone is also used for chemical purposes.

The State of Michigan is first in production of salt, gypsum, and marl. Almost endless supplies of salt are found in Michigan, chiefly in the Lower Peninsula. Some saltbeds measure 400 feet in thickness. The salt on tables throughout the country probably comes from Michigan. At the same time, carloads upon carloads of salt are consumed by Michigan's chemical industry.

The Lower Peninsula, particularly has extensive quantities of sand and gravel production in the United States. Michigan's splendid highways are built of her own native materials.

In addition to industry, Michigan is a top-notch agricultural State. Michigan's agriculture brings in more than \$730 million each year. Both the Upper and Lower Peninsulas have lands well suited to diversified agriculture. Dairying ranks first as an income producer, among all agricultural pursuits. Dairy farms are operated in both peninsulas. Potato acreages are also important in both northern and southern Michigan.

Michigan's Lower Peninsula raises 97 percent of the Nation's crop of Navy beans. Beans may be baked in Boston, but they are grown in Michigan.

One of the finest fruit belts in the United States is located in the western part of the State, along Lake Michigan. Many fruits are grown throughout the entire southern part of the State. The State's commercial crop of apples, nearly 12 million bushels of them, last year

put Michigan in third place in apple growing. Peaches, pears, and cultivated blueberries from Michigan are relished throughout the entire country.

Michigan is first in production of tomatoes and cucumbers. Many other vegetables—onions, snap beans, carrots, and celery—are cultivated in Michigan.

In all, 44 different fruit and vegetable crops are raised commercially in Michigan.

The lakes, streams, and woodlands of Michigan combine to form the perfect setting for vacationers. Recreation is an important "product" for Michigan. The tourist and resort industry which caters to almost 10 million tourists a year, brings in a total annual revenue of more than \$650 millions. Michigan is now the Nation's fourth most popular vacation State.

Many of Michigan's cities are nationally and internationally known for the products they make: Detroit, Pontiac, Flint, and Lansing, autos and parts; Battle Creek, cereals; Holland, furnaces; Grand Rapids, furniture; Kalamazoo, paper and drugs; Midland and Wyandotte, chemicals;

Alpena, the world's largest single Portland cement plant; Fremont, the Nation's top producer of canned baby foods; Muskegon, the world's largest independent grey iron casting foundry, billiard table, and bowling alley factory and independent internal combustion engine manufacturer; Grayling, the world's largest producer of quality archery equipment; Imlay City, the world's largest powdered milk plant; Benton Harbor, largest cash-to-grower regional fruit market in the world. With such an abundance of resources and diversity of commercial activity we are proud to say that Michigan's economy is gaining year by year. Michigan approaches the seventh decade of the 20th century with confidence and optimism.

MOVEMENT OF DAIRY PRODUCTS

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Speaker, I am introducing a bill today to correct a dangerous practice which has arisen in the movement of dairy products under the Agricultural Trade Development and Assistance Act—Public Law 480.

Since 1957 the Department of Agriculture has been subsidizing the export of nonfat dry milk to the Philippine Islands where it is used by subsidiaries of American dairy firms to manufacture a filled evaporated milk which is sold in direct competition with regular evaporated milk from the United States. Since coconut oil in local production is used in manufacturing the filled evaporated milk, it has a price advantage in competition with our regular exports.

It was not the purpose of Public Law 480 to use subsidized exports of one U.S. commodity to destroy the market for

commercial exports of another U.S. commodity.

On the contrary, the avowed purpose of the act was to help create new markets for our agricultural commodities by development and expansion of private channels of trade and commerce wherever possible. In my opinion, the current activities of the Department of Agriculture in the export of dairy products are in violation of this purpose.

The act specifically states that precautions be taken to "safeguard usual marketings of the United States and to assure that sales under this act will not unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with friendly countries."

The importance of this language is readily apparent. It would be foolhardy to use surplus production of one commodity to destroy the existing commercial market for another. Eventually such action can only be detrimental to all commodities and the very purpose of the Agricultural Trade Development and Assistance Act is defeated.

For many years, the Philippines have represented an important segment of the regular export market for American dairy products. Commercial exports of United States produced evaporated milk have not been subsidized. Now, however, we find the Department subsidizing the movement of one ingredient of filled milk which is to be sold in direct competition with our regular commercial exports.

The result should readily have been foreseen. There is a marked drop in our normal export of evaporated milk to the Philippines. The experience of this brief 2-year period points to a steady decline in evaporated milk exports unless the discriminatory practices of the Department are stopped.

The Department of Agriculture is well aware of the situation. A study was made in 1958 to determine the impact of filled milk manufacturing in the Philippines upon commercial export marketings of evaporated milk from the United States.

Following is a summary from the Foreign Agricultural Trade Digest, published by the Foreign Agricultural Service of the Department in November 1958:

DAIRY PRODUCTS—FILLED EVAPORATED MILK COMPETING WITH U.S. EVAPORATED MILK IN PHILIPPINES

Exports of evaporated milk amounted to 3 million pounds in August 1958 contrasted with 20 million in August 1957. Increased shipments in the latter part of 1957 may have reflected heavy forward buying by the Philippines, by far this country's most important market for evaporated milk, in anticipation of possible exchange stringency. Exports totaled 62 million pounds in January-August 1958 compared with 109 million in the corresponding 1957 period. Smaller shipments this year have reflected primarily the competition in the Philippines from filled evaporated milk (made with coconut oil and nonfat dry milk) and also the large inventory carried over from 1957. The Philippines Government discontinued automatic issuance of dollar allocations for evaporated milk from the latter part of June

to October. Both United States and Dutch sales have been reduced.

Thus, the Department of Agriculture itself points out that our country's most important market for evaporated milk is being destroyed by competition from filled milk manufactured from subsidized exports of nonfat dry milk.

As many Members of the House undoubtedly know, the Filled Milk Act of 1923 makes the shipment of filled milk products illegal in interstate commerce. Thus we find the Department of Agriculture aggressively encouraging the development of products which would be illegal to ship in our own country.

Expansion of the production of filled milk products in foreign areas will, over a period of time, contribute to practically complete elimination of export trade in natural dairy products for the United States and other dairy producing countries.

Surely, we ought not to use a program specifically designed to build commercial markets to destroy the regular markets we already have. For this reason, I hope we can give early consideration to my bill to end this practice. Mr. Speaker, I ask unanimous consent that the text of this bill follow:

A BILL TO AMEND THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954, AS AMENDED

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Agricultural Trade Development and Assistance Act of 1954 is amended by adding at the end of title III thereof the following:

"SEC. 306(a) No dairy commodity produced in the United States shall be sold or disposed of pursuant to this Act, or with the assistance of the Secretary of Agriculture under any other Act, for use outside the United States for the manufacturing, blending, or compounding of filled milk or filled cheese.

"(b) The sale or disposition outside the United States of any dairy commodity under this Act, or with the assistance of the Secretary of Agriculture under any other Act, irrespective of whether the commodity is acquired by the Commodity Credit Corporation pursuant to a price support or surplus removal program, shall be accomplished by sale from stocks of the Commodity Credit Corporation, or by payment to exporters at the export rate determined by the Secretary, or in lieu of payment in cash the Secretary of Agriculture may transfer to the exporter of any dairy commodity, at the option of the exporter, any dairy commodity from CCC stocks.

"(c) Except as limited by paragraphs (a) and (d) hereof, the Secretary may establish different export rates applicable to dairy commodities produced in the United States and sold or disposed of in different countries, if he finds such different rates necessary to maintain or expand markets for dairy commodities in competition with filled milk or filled cheese.

"(d) No dairy commodity produced in the United States shall be sold or disposed of pursuant to this Act, or with the assistance of the Secretary of Agriculture under any other Act, if the Secretary finds that such sale or disposition will have the effect of disrupting or displacing any usual marketings of, or any normal patterns of commercial trade in, any dairy commodity produced in the United States.

"(e) As used in this section—

"(1) The term 'dairy commodity' includes any dairy commodity or product thereof,

class, kind, type, or other specification thereof;

"(2) The term 'United States' includes the District of Columbia, and any Territory, Commonwealth, and possession of the United States;

"(3) The term 'filled milk' means filled milk as defined in the Filled Milk Act of March 4, 1923 (21 U.S.C., sec. 61-64);

"(5) The term 'export rate' means the rate or rates of payment determined by the Secretary of Agricultural to be applicable to any dairy commodity, and to be necessary to maintain, or to encourage and assist in the development of, foreign markets for any dairy commodity produced in the United States."

PROGRAM FOR THE NATIONAL FORESTS

Mr. OSTERTAG. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. OSTERTAG. Mr. Speaker, there has been submitted to the Congress by the administration a program for the national forests. The document containing this program was placed in the CONGRESSIONAL RECORD of March 24. This program can have a great impact upon the future of the Nation's natural resources.

Over 50 years ago, Teddy Roosevelt warned the Congress that:

To waste, to destroy our natural resources, to skin and exhaust the land, will result in undermining in the days of our children the very prosperity which we ought, by right, to hand down to them amplified and developed.

The long-range objectives and the short-term conservation program proposed for our national forests in this recent report are a realistic and workable plan for the intensive amplification and comprehensive development of these forests.

Forests comprise over 40 percent of the land area of my State of New York. Wages of almost one-half billion dollars annually are paid to the workers in New York's forest and wood manufacturing industries. The benefits of forest cover in soil conservation, water yields, fish and wildlife, and recreation are beyond estimate.

The interests of the people of my State are not confined to the forests within our boundaries. We travel extensively throughout America. We visit the many national forests stretching from Pennsylvania to the west coast and to the southernmost forests in Florida. I have been told by my constituents that it is often as hard to get a picnic table in a national forest as to get tickets to a Broadway hit. The picnic tables are free; however, over 68 million Americans were vying for these facilities in 1958 and this report indicates an expected 130 million recreation visits to the national forests by 1969. The money expended on gasoline, camping equipment, food, and other outdoor gear to facilitate these outdoor trips to the Nation's forests runs into millions annually. We

in New York are interested, therefore, in the full development of the outdoor recreational facilities on the Nation's national forests not only for camping and picnicking but also for hunting and fishing.

I was impressed with the broad scale on which forest research can be accelerated through the projects covered in this national forest plan for the future. Insects and disease take a huge toll of valuable trees in my State. We have the blister rust that attacks our white pine. The white pine weevil kills both white and red pine. The red pine scale and the European pine shoot moth damage red pine strands. Better protection can result from expanded research in this field. New uses for low-quality timber, particularly hardwoods, should be developed in many States. The need is great in the Northeast. Improved wildlife habitat and better use of research section of this national forest program should be of utmost concern to every Member of Congress.

The public will benefit both dollar-wise and in terms of intangible benefits, if the Congress vigorously presses for the full development of the vast store of renewable resources on our national forests. Our country owes much to the Forest Service for the fine manner in which it has protected and conserved our heritage in these forests. With this plan for the future now available, we in the Congress can make the decades ahead truly significant in the amplification and full development of our public forests.

I know the Agriculture Committee, to which this program for the national forests was referred, will begin hearings within the next few days on the program, and I hope the committee will find that the program merits our support.

COMPROMISE HOUSING BILL

Mr. HERLONG. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. HERLONG. Mr. Speaker, today I have introduced a compromise housing bill, H.R. 7117, which I hope will have widespread support on both sides of the aisle, and which I believe can become law. I have taken the committee bill and removed or modified the provisions to which most objection has been raised, brought the dollar authorizations within the budget figures, and placed the new loan and grant authorizations under workable, but effective, Appropriations Committee control. The cost of my compromise bill is \$1.3 billion, and that is a good solid figure because there are no hidden budget impacts.

Title I of my bill is the same as title I of the committee bill which, as we all know, contains a number of provisions liberalizing FHA insurance programs, as well as increasing the amount of insurance authorization available to FHA.

In title II, relating to elderly housing, I have taken the Senate approach, namely, to use a liberalized FHA mortgage insurance approach rather than the new direct lending program that would be established by the committee bill. The \$100 million provided in the committee bill, in addition to being outside of the budget request, would be only a drop in the bucket for such a program, because at an average cost of \$10,000 a unit, the funds would only permit the construction of 10,000 dwelling units.

In title III, I have left intact the provisions of the committee bill relating to the Federal National Mortgage Association, with one exception. I have removed the section of the committee bill for a mandatory par purchase of special assistance mortgages, as well as the provisions reducing fees and charges below the going market rate. The effect of this provision, if left in the legislation, would be to unnecessarily shift to the Government much of this financing which otherwise can be handled by private lenders. As indicated above, where new dollar loans, purchases, or grants are involved, I have made provision for placing the new authorizations under control of the Appropriations Committee. That is true of the new \$75 million authorization provided in this title.

I have limited the urban renewal provisions contained in title IV to the two most basic factors affecting this program, namely dollar amounts. Additional urban renewal grant authorization is provided in an amount of \$100 million available in fiscal 1959, \$250 million additional authorization available in fiscal 1960, and a further \$250 million of additional authorizations available in fiscal 1961. In connection with these increased authorizations, I have provided that the Appropriations Committee must approve the appropriations before they are available for contract use by the agency. Once authorized by the Appropriations Committee, the funds made available may be contracted for until the authorization is exhausted. I have provided a specific \$400 million increase in the amount of the loan funds for the urban renewal program. The urban renewal loan funds are utilized by local communities in the nature of temporary construction funds. That is, they are used to acquire a slum property, demolish it, and get it ready for reuse, and then when it is sold and the community receives its grants, the loans are repaid. The committee bill would take the existing \$1 billion of loan authority and convert it from a limitation on gross use to a limitation on net use. What that means is simply this. Actually, in practice, although the local community enters into a contract with the Federal Government for loan funds, in most instances the funds are not borrowed from the Federal Government because the local community can pledge the loan contract, which it has with the Federal Government, as security for loans sold in the private market at a more favorable rate of interest.

I prefer to keep the loan authorization on a stated dollar amount so that everyone will know actually what the loan

limitation is. This increase of \$400 million in the loan authorizations is placed on an appropriated fund basis. As I have said, these two dollar authorizations are the most important parts of this title. With them the program can go forward just as we have already had almost \$1.5 billion of grant commitments under the language of existing law. Many of the other changes in the urban renewal section would further liberalize and increase the cost of the program to the Federal Government, and I think the Housing Subcommittees of the Congress ought to make a very careful reexamination of this whole program before the Congress makes changes in the law which would further increase the costs of the program to the Federal Government.

For the college housing program, contained in title V, my bill provides a \$200 million increase in the authorized loan funds. The increased loan funds will only be available after the Appropriations Committee has acted to approve them.

I have omitted completely from my bill title VI of the committee bill, which deals with public housing. As you know, there are approximately 110,000 public housing units now in the pipeline which have not even yet been put under construction. In addition to these, approximately 30,000 units are now in the process of construction. While the most ardent advocates of public housing, I feel sure, would like to have the additional units in the pipeline, it seems to me that the 110,000 units now authorized and yet to be constructed, are adequate at least for the time being.

Title VII of the committee bill relates to military housing. It is my understanding there is a difference of opinion as to committee jurisdiction on at least certain phases of the program, and that there has been an agreement to take title VII from the committee bill. If this disagreement is harmonized, and it is possible to put back in the bill extension of the so-called Capehart military housing program, I would be most happy to see this added as an amendment to the bill when it is before the House.

Title VIII of the committee bill relates to avoidance of foreclosure of FHA insured mortgages. The first section of that title does offer benefits to the homeowner, and I have included it in my bill. The second section of that title, however, would shift from the lender to the FHA all the problems of a mortgage which was getting into difficulty. It is purely for the lender's benefit so I don't think it ought to be in the bill, and I have not included it in my compromise version.

Title IX of the committee bill contains a number of miscellaneous provisions which I have carried over intact into my bill.

I believe that the overwhelming majority of the people in this country want a housing act. I believe, equally as strongly, that they want one which makes sense, and one which does not exceed the budget or subject our grandchildren to burdens which it will be impossible for them to avoid. I believe that the compromise that I am suggest-

ing meets these ends. We can adopt this bill at least with reasonable expectation that it will become law, and we can be proud of the fact that we have maintained our fiscal responsibility. People throughout the country are watching this Congress very closely because they are concerned about this very thing. The Congress has always measured up to its responsibility to the people of this country, and I believe that by passing this bill we will have again accomplished that objective.

COMMISSION ON UNEMPLOYMENT PROBLEMS

Mr. RHODES of Arizona. 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 Arizona?

There was no objection.

Mr. RHODES of Arizona. Mr. Speaker, we all know how S. 1631, a bill to create a Commission on Unemployment Problems introduced by the Senate majority leader, was whipped through the Senate in a matter of hours and landed on the Speaker's desk. We assumed it would be brought up immediately and passed by the overwhelming Democrat majority.

Whether or not the bill will ever be moved off the Speaker's desk until it quietly dies there seems to be the best kept secret around the Capitol.

The history of this unemployment commission bill is quite amazing because a fast start ended in such a quick stop.

Walter Reuther apparently forced the hand of AFL-CIO President George Meany into supporting a staged unemployment march on the Capitol. The majority leader of the other body was called upon to speak at the mass meeting where he announced that he would propose a commission to study the unemployment problem.

With much fanfare and the speed of split lightning the bill passed the Senate on April 10. It was rushed to the desk of the Speaker of the House. And there it has rested up from its fast start ever since.

If this is to be the only result of the so-called march of the unemployed on Washington it will have been an even greater fizzle than it appeared to be at first. It is estimated that this march cost the treasury of labor unions some one-half million dollars. I would imagine that the voting members of the unions involved would be less than happy with the cavalier way in which their funds were squandered, with no results except a gnat which apparently has died aborning.

I hope I will be pardoned for my curiosity, but I am intrigued by the fact that this resolution has dropped so precipitately from the limelight into the deep abyss of neglect. Did anyone ever intend that the resolution would pass both Houses? Was it only suggested by the majority leader of the other body as a sop to get the unemployed marchers out

of town? Or is the Democratic Party reluctant to enact this bill for fear that findings of their own commission might demonstrate the effectiveness of the sound fiscal and economic policies of the administration, which ended the recession almost before it got started?

I detect a great feeling of embarrassment among the members of the majority party over this start-and-stop method of legislating. As for me, since I do not think the resolution means a thing to the unemployed or to the country, I am just plain curious.

IRRIGATION IN SOUTH DAKOTA

Mr. MCGOVERN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.)

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. MCGOVERN. Mr. Speaker, irrigation holds forth the promise of valuable growth and development for the economy of South Dakota. It is a matter of historical record that the shortage of rainfall has hampered the full development of our economy.

Fortunately, the development of the great multipurpose dams on the Missouri River includes the possibility for irrigation projects. One of the most important of these projects is the Oahe irrigation unit stemming from the construction of a large dam in the vicinity of Pierre, S. Dak.

This is a project in which I have an especially strong interest. Knowing the semiarid condition of much of South Dakota, I am most anxious that we proceed with all possible speed to determine the irrigation feasibility of these areas.

OAHE IRRIGATION PLAN

The tentative plan is to irrigate approximately 554,000 acres of land with water diverted from the Oahe Reservoir. The diversion works and water supply system will consist of a pumping plant of about 3,700 cubic feet per second capacity lifting the water about 130 feet at Oahe Reservoir, the Pierre Canal about 39 miles long leading to Blunt Reservoir, and several main canals totaling 292 miles leading from Blunt Reservoir to the various main areas of the unit. Several other reservoirs are included in the system for additional regulation of flows to meet peak irrigation demands.

The area in which this unit is located is characterized by low and variable rainfall with resulting unstable yields. At various times in the past, severe droughts have occurred which seriously injured the economy of the area. Irrigation of this unit will change the agricultural pattern from a predominantly cash-crop, small grain, and feeder livestock farming to a more diversified farming of feeder and fattening livestock, dairying and a wider variety of cash-crops which in itself will contribute toward economic stability. The increased production of livestock feeds will permit livestock herds to be maintained through drought peri-

ods. The benefits resulting from the increased irrigation production will in turn result in increased retail, wholesale, and industrial activities of the towns and cities extending well beyond the boundaries of the Oahe unit as well as on the farms within the unit.

In July 1956 an interim information report was completed and submitted to the local interests for review and an expression of their desires. On the basis of the interest shown by the local interests, more detailed studies were initiated toward a feasibility report. One important indication of the extent of the local interest in this development is the fact that the South Dakota Legislature recently enacted legislation providing for the establishment of the South Dakota Water Conservancy District.

For fiscal year 1959, \$337,444 is available for continuation of these studies and by the end of the year, all of the land classification engineering surveys, drainage surveys, and geological exploration at major structure sites will have been completed. Layouts, designs, cost estimates, and stage construction studies will be nearing completion and will be ready for final review. Hydrologic studies will be nearly completed including cooperative studies with the Corps of Engineers on the James River. Basic agricultural economic studies will have been completed and the final economic analysis will be underway.

The fiscal year 1960 appropriation request of \$2 million for the Missouri River Basin investigation program includes \$130,000 for the Oahe unit investigations. This will permit completion of all field studies and the preparation of a feasibility report.

Mr. Speaker, I have urged the Appropriations Committees of both the House and the Senate to provide sufficient funds to complete this study with all possible speed.

NEWSPAPER SUPPORT FOR IRRIGATION

A United Press report from Huron, S. Dak., printed in the Sioux Falls Argus-Leader of May 6, 1959, indicates the growing interest on the part of local farmers in the feasibility of irrigation. Under unanimous consent I ask that this article be reproduced at this point in the RECORD:

FARMERS IN HURON AREA SHOW MORE INTEREST IN IRRIGATION

(By Larry Bockwoldt)

HURON—Weather forecasters in most parts of the State have been predicting rain and moisture has been received in many parts of the State. But farmers in the Huron area are doing more than just cloud gazing.

Gale Peppers, Beadle County agent, said there is considerably more interest in irrigation in this area than there has been in the past. He is backed up on this statement by a Huron well drilling company.

Company officials reported they have drilled a number of wells for irrigation purposes in and around Beadle County during the past 2 months.

Much consideration is also being given to the planting of sorghum and other drought-resistant crops, should the small grain crop fail. Most farmers in central South Dakota are marking time, waiting for a rain before planting corn and not much plowing is being done, Peppers said.

Many farmers in this area are becoming concerned about the shortage of good pasture land. Hay is becoming short and farmers fear the feed situation could become critical in this area if rain is not received soon.

Business in Huron has been only slightly affected by the dry conditions. One Huron banker said business in his bank had been as good, if not better, this spring than it has been in the past. He felt the farmers have had more time on their hands this year and have therefore been coming into town more often.

A Huron department store manager said business had slowed down some since March. He attributed much of this drop off to the fact that Easter was early this year. It has been a little slower than usual this year, he said, but "it's nothing a good rain wouldn't cure pretty fast."

The State Employment Service Office in Huron, which serves a six-county area in central South Dakota, reported that present dry conditions have contributed to a slight decrease in demand for workers in both agricultural and nonagricultural establishments.

At the end of April, there were 52 unfilled orders on file for workers, only 4 were for farm hands. Many farmers canceled their orders for workers as the dry spell continued.

While the situation in central South Dakota is nearing a critical point, recent rains have helped considerably and another good rain within a week or so would be sufficient to give grain a good start.

For many years, editor Robert Lusk of the Huron Plainsman and Robert Hippel, editor of the Pierre Capitol Journal, have been urging that irrigation feasibility studies be completed as soon as possible. These men are both recognized authorities on the subject of river and water development, and their intelligent editorials of recent years have done much to develop local interest in these essential projects.

FORT RANDALL PUMPING UNITS

A second irrigation proposal that is of special interest to me consists of pumping stations at the Ft. Randall reservoir. In the areas around Geddes, Wagner, and Tyndall, S. Dak., it seems probable from surveys initiated that irrigation will prove feasible based on water pumped from the reservoir above Ft. Randall dam. It also seems probable that water from this irrigation project may be diverted to the restoration of Lake Andes. I have urged the congressional appropriations committees to provide funds for carrying out the surveys of this promising irrigation project.

Mr. Harold Williams, editor of the Geddes News, has conducted a remarkable educational effort in support of irrigation in the area served by his fine newspaper.

ISRAEL

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. ANFUSO] may extend his remarks following mine on the anniversary of the independence of Israel; and further, that any Members desiring to do so may extend their remarks in the body of the RECORD on this subject.

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

There was no objection.

ARMED FORCES DAY: "POWER FOR PEACE"

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. McCORMACK. Mr. Speaker, on this Armed Forces Day 1959, our minds and hearts go out to those fine American men and women whose magnificent courage and devotion makes possible the maintenance of "Power for Peace."

Today our Armed Forces are exhibiting the new concepts and weapons which have so radically altered military operations in our time. Without the service and sacrifice of these patriotic Americans in our Active and Reserve Forces, the dikes of liberty would be overrun by the surge of international communism.

Today, while millions of Americans are visiting our military installations and attending the parades of our fighting men and weapons, our hearts swell with pride in the glorious traditions of our country's Armed Forces and their vital contributions to protecting liberty and justice throughout the free world.

THE HONORABLE DONALD AUBREY QUARLES

Mr. LAFORE. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. ARENDS] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ARENDS. Mr. Speaker, the passing of Donald Aubrey Quarles, Deputy Secretary of Defense, has brought sorrow to all of us.

I do not intend to try to memorialize Donald Quarles. His greatest memorial he carved himself, with every action of his professional and official life. His was a life of one achievement after another, and all of them in some way contributed to the welfare and progress of our Nation.

He spoke of himself as an engineer, which he undoubtedly was. Yet his quest for knowledge never ended. His competence in mathematics and physics inevitably brought to him posts of increasing responsibility during his 34 years with the Western Electric Company. In the latter years of this portion of his career, he began to make his significant contributions to the national defense. It was 13 years ago that he became a member of the Committee on Electronics of the Joint Research and Development Board.

Then, in 1952, as a vice president of his firm and president of the Sandia Corporation, Mr. Quarles turned his attention to the operation of the Sandia Laboratories for the Atomic Energy Commission. His task was the development of nuclear weapons for the national defense.

It was here that the man and his times met their mutual destiny. Science

and technology were racing forward as never before, opening whole new vistas of opportunity and challenge. The man responded to the challenge when he was summoned from his work at Sandia to become the Assistant Secretary of Defense for Research and Development.

His utter dedication to work at a time when guided and ballistic missiles and earth satellites were yet to be created gave impetus and directions to programs of research and development which have already yielded their products to the national strength.

When, in 1955, he took up his duties as Secretary of the Air Force, he continued to give his full support to the research and development efforts. Never content with the military capabilities of today, he looked steadily ahead to the forces of the future. He understood clearly, as few men do, that science and engineering and military thinking must advance together, and that the pace of their advance must be the most rapid possible to achieve.

He could look into the space age with full awareness not only of its scientific and technical meaning, but with an unclouded view of its meaning in terms of our national security and even survival. He knew that the race for space must be won by our country, whose purpose is peace on this planet.

It was just 2 years ago that Mr. Quarles was sworn in as the Deputy Secretary of Defense. To this broader field of work he brought the unflagging energy and clarity of purpose which were his dominant personal traits.

Death has taken from us a patriot, a distinguished and able leader. Our heartfelt sympathy goes to his bereaved wife and other loved ones who mourn him.

ISRAELI INDEPENDENCE AND RESPONSIBLE NATIONALISM

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. BOYLE] is recognized for 60 minutes.

Mr. BOYLE. Mr. Speaker, consistent with the unanimous consent previously secured in the House on May 12, 1959, the haec verba language appearing in the CONGRESSIONAL RECORD on page 8006, my special order was transferred to this date. It is with considerable pride that I have the honor of saluting the State of Israel on the occasion of her 11th anniversary. It was with considerable reluctance that I agree to the transfer, but I was happy to accommodate the Republican leadership, who had scheduled a caucus at the same hour on the same date.

May 13, 1959, is the 11th anniversary of Israel's independence. While I wish to pay full honor to the State of Israel, I would not presume to express what this anniversary means to Israeli citizens and to Jewish people the world over. The frustrations and trials of a people homeless and dispersed for 2,000 years cannot be put into words. I do believe, however, that all men can and must understand the ideological and political significance of Israeli independence.

Israel is one of several nations which have gained independence since the end of World War II. The recent and dramatic increase in the membership of the family of nations has resulted in basic changes in the character and composition of world politics. In the long run, this development will be as important—if not more important—than other major international issues of our time—issues such as the control of communism and the control of weapons of mass destruction. In this revolutionary era it appears the high-water mark of national self-determination has not yet been reached.

Seemingly in the short run, nationalism and national self-determination create as many problems as they solve. Problems created by nationalism and the nation-state played prominent roles in the outbreak of both World Wars. During the inter-war period, in particular, the nation-state system in Eastern Europe was a major cause of political and economic instability in the Western world.

When a nation strives for independence it almost always upsets the status quo in a given political area. The changes brought about by a nation which achieves statehood may be good or bad, but accommodation to them is not easily achieved.

Moreover, when a nation strives for independence, it often places so much emphasis and importance on its freedom that it overlooks or ignores the political and economic realities which can prevent or jeopardize its continued existence as a viable state. Nations, through history, have often overlooked the fact that their new found liberty and freedom impose correlative duties.

But if some programs for national independence seem unrealistic, it is equally unrealistic to stand against the principle of national self-determination. This principle cannot be contradicted by supporters of democracy, although perversions of this principle must be challenged by Democrats. By perversions, I mean nationalism which would deny to other national groups the right and the opportunity to determine their own future.

As a world leader, the United States must face squarely the claims for national self-determination which are being made and which will be made throughout the world. A crude rule of thumb tells us that some national groups cannot now and may never be able to achieve political independence. Political ideals must be reconciled with political realities.

Common sense also tells us that other national groups must be given or must be able to look forward to independence, lest the denial of national self-determination be both a denial of democratic principles and a source of international instability. Between the poles of irresponsible and irrepressible nationalism the United States must tread cautiously but firmly.

Israeli Independence Day is a tribute to a democratic and a responsible nationalism as well as a vindication of the principle of national self-determination. Israeli Independence Day is a living les-

son to the people and the political leaders of the United States.

Let me elaborate upon each of these two points.

The creation of the State of Israel should give hope to all oppressed, divided, and homeless peoples. The obstacles which had to be met before the State of Israel could come into existence almost defy the imagination. The fact that the citizens of Israel constructed a viable state by democratic means and for democratic ends is as remarkable as it is inspiring.

Today, men's faith in democratic principles is often shaken because of the immense tasks involved in bringing material and social progress and social justice to the rising nations of the world. Dictatorial and totalitarian measures seem to offer the only possible road to human hopes and human betterment.

Another pitfall of rising nations is to allow frustration and bitterness of the years before independence to counsel policies of revenge and retribution. True, the agony of the birth of a nation should never be forgotten. But it should be a sacred memory, not a permanent score to settle over and over again.

Nor is it uncommon for the rising nation to succumb to unbridled nationalism, a disease of statesmen as well of the people they govern. How easy it is to blame all or most of the grave problems of a rising nation upon foreign devils or Wall Street imperialists. How easy it is to divert the power of nationalism from good to evil purposes. How easy it is for unscrupulous leaders to hide their corruption and irresolution behind the banners of nationalism.

The 11th anniversary of Israeli independence commemorates the success of a responsible, constructive nationalism. If ever a new state had a right to give itself up to despair, to frustration, to revenge, and to antidemocratic principles and practices, that state was Israel.

Fresh from over 2,000 years of dispersion, homelessness, discrimination, expropriation, and torture; fresh from over 2,000 years of agony, 650,000 Jews declared the independence of the State of Israel, a small country approximately 8,000 square miles in area. To transform Israel from an idea into a state was a Herculean and apparently hopeless task.

In addition to the violent opposition of the Arab powers and the immense problems of creating a national economy where none existed before, during the first 4 years of her existence, Israel nearly doubled her population, accepting some 700,000 immigrants, many of them aged and infirm at a time when Arab armies hovered on her frontiers and the very institution of a modern state had to be created.

But Israel did not give herself up to despair and bitterness. Nor did she waver in her determination to create a modern, democratic, national state. Thus, Israel stands today as a shining example for all rising peoples and all rising nations everywhere.

Israel knows, and all rising nations can learn from her, that independence is a precious thing which must be

guarded every minute of every day. The Arab powers are so little reconciled to Israel's existence that even today the Egyptian press refers bitterly to the catastrophe of Israel's emergence.

When Prime Minister Nehru declared on August 8, 1958, that the Arab States must accept the existence of Israel if peace is to be preserved in the Middle East, he gave voice to an opinion with which responsible statesmen everywhere must agree. Yet, the Arab countries have tried time and time again—and they are still trying—to seal off Israel behind their own camel-hair curtain.

For example, on November 17, 1958, Israel announced that without waiting for a general Israeli-Arab peace settlement, she was willing to give compensation to the Arab refugees from Palestine, provided that international help be extended to Israel in settling the refugee claims. This was a concrete and constructive proposal, the kind of diplomatic step needed to ease Middle East tensions. Saudi Arabia responded by recommending that the United Nations appoint a trustee to safeguard refugee holdings in Israel and to collect revenues and rent. Apparently, Saudi Arabia was determined not to take any action that might in some way modify her policy of stanch and—I might add—blind opposition to Israel's existence.

The road ahead for Israel will not be an easy one. But neither has the road already traveled by Israel been an easy one. People all over the world are convinced that she will not fall by the wayside.

Israel must not falter. Her future is of vital concern to the United States. Allow me to turn for a few moments to the subject of the United States and Israel.

As a world leader, the United States is vitally interested in the peace of the Middle East. As a democratic power, the United States is vitally interested in the growth of democracy and of constructive, responsible nationalisms. In its support of these causes, as well as in the support of its more narrowly conceived defense interests, the United States cannot stand by while the Soviet Union, atheistic communism, or unbridled Arab nationalism swallows the Middle East.

In the past, American support of Israel has only with great difficulty been combined with support of the Arab states. No matter the wisdom of this policy in the past, the United States cannot and should not follow it today.

I am not saying that the United States should end its support of the Arab states and eliminate its program to work with them in the defense of the non-Communist world. I am arguing that the anchor of United States policy in the Middle East—and to a considerable extent in Africa as well—must be the existence, the progress, and the prosperity of Israel—that bastion of freedom in the Middle East.

Israel is truly a democratic state. No matter what our other interests in the Middle East may be, the United States cannot allow this hope of democracy in

the Middle East to fall. Our own national existence is dedicated and irrevocably committed to the proposition that under democratic government men have the best opportunity to fulfill their hopes completely. We cannot believe this ourselves and we cannot expect other peoples and nations to believe it, if we do not support other democratic states to the best of our ability—and even at great cost to ourselves.

But American support of Israeli democracy must be viewed as much more than a policy based on ideological values and goals. The existence of Israel as a free and democratic state is the key to peace and progress in the Middle East.

Too often in the past have the American Government and the American people been wont to look upon Arab-Israeli tensions as a cause of war in the Middle East. While I do not want for one second to minimize the importance and dangers of these tensions, I do think that it is time we regarded Arab-Israeli relations more positively than we have in the past. Instead of fearing Arab-Israeli tensions and basing our national policy on this fear, we must see them in relation to peace and human betterment in the Middle East.

From the American viewpoint, peace and prosperity will not come to the Middle East unless and until the powerful forces of Arab nationalism become responsible forces. They cannot become responsible forces until the Arab people and the Arab leaders devote all their energies and resources to constructive rather than destructive ambitions and goals.

In the Arab mind, powerplants must replace pernicious propaganda, irrigation projects must replace irritability toward the Western Powers, and statesmanship must replace slanderous attacks on Israel. Moreover—and perhaps most important of all—stable foreign policy must replace opportunistic flirtations with the Soviet Union.

In a word, Arab nationalism must become responsible nationalism. The extent to which Arab nationalism becomes responsible is the extent to which it accepts the State of Israel and decides to work with all the nations of the Middle East for the well-being of the whole Middle East.

The United States must embark on a bold and new Middle Eastern policy. The United States must tell the Arab States in unmistakably clear terms that American support will be given to Israel, as long as she labors for and under a responsible nationalism; and that the Arab States will receive the same American support that Israel receives, whenever Arab nationalism becomes as responsible as Israeli nationalism.

By no means am I advocating that the United States eliminate or cut back American assistance programs which are designed to protect the Arab States from external dangers and internal chaos. I would not oppose such increases in American assistance as may become necessary to carry out these objectives.

At the same time, I would have the Arab powers understand that the way for them to obtain really positive and

long-range support from the United States is to emulate the responsible nationalism of Israel.

What I am saying may seem harsh. Perhaps it is. Yet, I am fully convinced that American policy in the Middle East will never be a dynamic and a successful policy as long as we fail to come to grips with an elementary and basic fact of Middle Eastern problems. I am referring to the fact that in the long run the Arabs need us at least as much as we need them.

The Arab States are caught in a bind between the jaws of two vices, as it were, one economic and one political. While the Arab States generally fear Soviet domination and Communist penetration, they hesitate to align themselves with the West or to create strong ties between themselves and the West. Iraq was the only Arab member of the Baghdad Pact, and Lebanon was the only Arab state to endorse officially the Eisenhower doctrine. Arab reluctance to associate with the West stems in large measure from hatred and fear of the Western imperialism of bygone days. This fear and hatred are based on past resentments rather than on present-day realities, but they do exist nonetheless.

The economic vice which squeezes the Arab States operates in a similar manner. The Arab people have striven to free themselves from what they regard as Western economic imperialism. At the same time, the Arab States, especially the oil-producing ones, are in fact economically dependent on the West. Without economic ties to the West, the Arab States would face either greater poverty than they now have, or the humiliation of Soviet imperialism.

It is tempting for the Arab States to embark upon a policy of playing the East and the West off against each other and thereby loosening the political and economic jaws of the vices which clamp them. Such a policy is an unsure one, for its success depends on fluctuations and developments in the East-West struggle, not on the permanent interests and long-range needs of the Arab peoples.

These things we must make clear to the Arab powers. These things we must help them understand. We must be firm with the Arab powers so that, in effect, we save them from themselves. They must be told that from our point of view irresponsible Arab nationalism is as likely—and perhaps more likely—than Soviet activities to lead to chaos and Communist encroachment in the Middle East. They must be told that the United States can work only with the forces of a harnessed and responsible Arab nationalism.

An integral part of my proposal is, of course, an expanded program of U.S. support for Israel. This will give to the Arab States a dramatic example of the treatment that responsible nation-states can expect from the United States. It will also be a just reward to the deserving State of Israel.

An expanded program of U.S. assistance to Israel should be imaginative and broad. First of all, we must make sure that Israel can successfully defend herself against aggression. In September

1958 the State Department announced that the United States had recently sold an undisclosed quantity of arms to Israel. At the same time, press reports indicated that Israel was beginning to receive a small but steady flow of arms from Britain and France as well.

I rejoice over these developments. But I am uncertain whether these steps in the right direction are the biggest and the firmest ones we and our allies can and should take.

The United States must do all that it can to support Israel diplomatically—to demonstrate to the Arab powers and to the whole world that the United States stands behind its friends and its allies in democracy. In that connection note is made of the departure from our shores of Abba Eban and his lovely wife. The Ambassador and delegate to the United Nations has made a brilliant record on behalf of his Government. May his new efforts be equally productive of fruitful effort.

The ultimate American policy goal in the Middle East is peace and prosperity for all Middle East peoples and states. The acceptable means to this end are many and varied—as long as they are in harmony with and support democratic principles. Unlike the Soviet Union, the United States can envisage with equanimity a large if not major role for the United Nations in Middle East development. And the United States can also—or at least it should be able to—envision with equanimity a responsible, constructive Arab nationalism that is not necessarily allied to either the East or the West.

If the United States has but the wisdom and the determination, its friendship with Israel can be the keystone of a new and dynamic American policy toward the Middle East and the entire world.

Mr. SANTANGELO. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I yield, to the gentleman from New York.

Mr. SANTANGELO. Mr. Speaker, I join with my colleague in paying tribute to a people of indomitable courage and moral strength.

Eleven years ago today, in the midst of strife and turmoil, a new nation was born. During the past 11 years of growth, this new nation, "Israel", has been a beacon of liberty and a beachhead of democracy in an area of the world where democracy is little understood and even less practiced.

The last 11 years have been years of growth, of struggle, of trial and tribulation. Pressure followed upon pressure and continued tension electrified the borders. Economic boycotts and blockades by Arab neighbors have made full development and growth a difficult one. The Israelites have persevered and they have grown. Today, Israel is a source of strength and a haven of refuge.

The world can hardly believe the extent of its growth in population, which has increased from 650,000 to 2 million, and still the doors are open for 1 million refugees. Her industry, commerce, and agriculture have grown vitally. This has been brought about by indi-

vidual sacrifices and the limitless enterprise of groups of men.

While developing internally, Israel has not neglected her external relations with the free peoples of the world. She has been friendly and cordial. Her security as a nation and her future existence have been strengthened by a will to work and a will to cooperate. One of the most amazing facets in the growth of Israel is that while she has struggled to live, her people have not neglected their culture and education which have broadened and deepened.

After 11 years, our Nation, the United States, through its State Department, recognizes that Israel is almost self-sufficient. Our mutual security program for the 1960 fiscal year omits to include Israel as one of the countries who are scheduled to receive grants-in-aid. This proposed action is a grievous error of judgment. The aid which we can give to Israel can be utilized to take care of the large number of immigrants from Eastern Europe who are marching to this little country to seek refuge and haven from persecution. The door is open, and we can aid Israel in this great work by revising our mutual security program to include this great little nation to carry on the humanitarian work it is doing and to maintain in an island of insecurity an oasis of democracy.

I trust that our responsible public officials will reconsider their stand in the matter of mutual aid and will continue to render economic aid to Israel as in previous years. An announcement to that effect today by our State Department will be the greatest birthday greeting which this democratic state can receive on its 11th anniversary.

I extend my greetings to this valiant band of people and also to the Jews of America, who have, through this fateful decade, aided and encouraged their kinsmen. May the second decade of life of the State of Israel be more prosperous and happier than the first decade.

Mr. BOYLE. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. ROONEY] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ROONEY. Mr. Speaker, once again I am pleased to join my distinguished colleagues in paying tribute to the State of Israel on the occasion of the 11th anniversary of her independence.

It is altogether fitting that we in the United States extend congratulations to the people of Israel on this historic occasion. The United States can feel proud of the fact that it played so humanitarian a part, and so actively supported the concept of international morality when it sponsored the resolution in the United Nations which fathomed Israel and her independence. It is a fact of major significance that our country was first to recognize the State of Israel.

It is no exaggeration to say that during these short years Israel has improved her status and has enhanced

her prestige by many times. Since her birth she has become the most industrialized and most advanced country in the entire Middle East. She has also become one of the strongest nations in that region. Today her basic industrial and agricultural economy is productive and her finances are in good order. Israeli leaders have had to spend a large part of their country's revenues on defense, and they have built the finest fighting force in the modern Middle East.

In the history of nations a period of 11 years is relatively short, and usually too short a time in which to assess and evaluate a nation's progress. But during this brief period one might well say that the State of Israel has come of age in a remarkable way, and in many respects it is ahead, not only of its neighbors, but of many more populous and larger states of the world. In the attainment of these successes and in preserving their hard-won independence, Israeli citizens deserve the highest praise. On this 11th anniversary of Israel's Independence Day, I wish Israeli citizens peace, prosperity, and continued progress in their historic homeland.

In closing, I would also like to pay my respects to our distinguished friend, Ambassador Abba Eban, who will soon be leaving the United States to return home to assume new responsibilities in the public life of his country. During his tenure of service as Ambassador of Israel in Washington and more than 10 years as its permanent representative to the United Nations, Ambassador Eban's contributions to American-Israeli relations and to a better international understanding in the United Nations have been of paramount importance. He is one of the finest orators of our time and has been an inspired spokesman for the people of his country and the cause of world freedom.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

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

Mr. CONTE. Mr. Speaker, I would like to congratulate the gentleman from Illinois [Mr. BOYLE] on his learned dissertation on the occasion of the 11th anniversary of Israel, and associate myself with his remarks.

All Americans of good will join in extending the most heartfelt congratulations to that brave little nation which has been created by the deep faith and unswerving determination of the Jewish people, the State of Israel, on the occasion of her 11th anniversary.

Within twenty-four hours after Israel declared her independence in 1948, she had been attacked by seven Arab States from three sides. To the amazement of the entire world, Israel has been able to hold off the many attacks which have been made on her by a hostile Arab world. She still exists in the shadow of an uneasy truce, her citizens never sure of what the next day may bring.

The continuing tensions in the Middle East between Israel and her Arab neighbors are a cause of deep concern to all of us. We all hope for the day when an accommodation may be found between

Israeli and Arab interests, so that Israel's people may finally enjoy the full fruits of their years of back-breaking labor in the building of a new Nation.

The Jewish people in America may take just pride in the fact that they have aided greatly in making possible the stirring achievements of Israel in her first 11 years.

We all salute Israel on the occasion of her 11th anniversary and pray that the Almighty may grant her a future of peace and prosperity.

Mr. McCORMACK. 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. McCORMACK. Mr. Speaker, long before the beginning of our Christian era there was the independent Kingdom of Judea in which the Jews lived happily in their chosen patriarchal ways, developed their mode of life, built their own political, religious, and social institutions, and created their own civilization, one of the oldest in all history. Then, about 2,000 years ago, the Kingdom of Judea was overrun; the Jews lost their national political independence; they were evicted from their ancestral homeland and eventually dispersed to all parts of the world.

Since those distant days nearly all Jews lived in dispersion. During that long period they suffered much; they endured proscriptions, discriminations, and multitudes of inequalities and inequities in many lands. But they faced their almost endless vicissitudes with exemplary fortitude. Their spiritual and cultural heritage sustained their spirit of freedom and independence, and kept them spiritually bound together. Through centuries that unique heritage was carefully nurtured, jealously guarded, and kept alive. Finally, after long awaiting and suspense, many of them were afforded the opportunity of returning to their ancient homeland at the end of the First World War. And in May of 1948, with the proclamation of Israel's independence, they launched once more upon an independent political existence.

That was 11 years ago, and the short period that separates 1959 from 1948 has been a period of miraculous progress in the new nation of Israel. Today Israel stands as a dynamic and powerful state as the embodiment of the centuries-old faith. It is the living and shining testimony for the persistent and tenacious efforts put forth by self-sacrificing Jews for the common welfare and safety for all their needy and suffering kinsmen. Besides providing a haven for more than 1 million immigrant Jews since its creation, Israeli leaders who have brought social justice to their people, have provided opportunities for these refugees to become happy, industrious, and patriotic citizens of Israel. These new citizens, united with their kinsfolk there, and with the generous financial aid from abroad, have re-created their ancient land. They have

proved their industry, resourcefulness, and ingenuity in the building and in the improvement of their country. With enthusiasm and energy they have turned much of the desert of the Negev into fertile and cultivable land, and the hills of Galilee into blossoming orchards. By the skillful use of science and the technical abilities of their people, by the erection of hydroelectric power stations, by building canals, by installing petrol refineries, and by laying oil and water pipelines, Israeli leaders have successfully transformed arid and inhospitable hills and desert plains into industrial centers and productive farmlands. In numerous spheres of activity Israeli citizens have worked near-miracles in a relatively short time. And what is more important in these perilous and anxious days, all Israeli citizens are prepared to guard their newly won freedom and re-created and reclaimed homeland with extraordinary vigilance and uncommon bravery against all eventualities.

Today on the celebration of the 11th anniversary of its independence day the State of Israel is a new and encouraging political phenomenon in the Middle East. It is fast becoming the most industrialized urban community in the underdeveloped rural communities in that region. After 11 years of uneasy but busy and hopeful existence, today the State of Israel can proudly claim the right to be recognized as an upstanding member of the family of nations. Under most hazardous circumstances and trying conditions, despite the multiplicity of difficulties and dilemmas, economic and fiscal hardships, and baffling political uncertainties, the people of Israel face the future with justified pride and confidence. They continue their task of making Israel a viable state in the heart of the Middle East. On this 11th anniversary of their independence day, I wish them peace, prosperity and happiness, and express my ardent wish that success will reward their efforts in creating a strong and stable state, one that will endure as a force for peace in the disturbed Middle East.

Mr. ANFUSO. Mr. Speaker, the restoration of Israel to statehood 11 years ago today, in May 1948, was widely supported by the people of America and the people of other countries throughout the free world. Fairminded men and women everywhere had realized the need to deal justly with the Jewish people and to make amends for the many wrongs committed against them by the Nazis during World War II.

During the 11 years of Israel's existence as an independent nation, several important factors have been established.

First, Israel has emerged as a strong and dynamic little state, despite the fact that these years have been a period of continuous hardship and anxiety, and despite the fact it has experienced two wars in its brief period of independence. To the credit of the Israeli people it must be said that these difficulties have only hardened and strengthened them.

Second, during this period of 11 years Israel has provided a sanctuary for nearly a million Jewish immigrants from Europe, north Africa, the Arab coun-

tries, and other areas of the world where Jews were in need of a haven of refuge. The admission of so many people, most of whom were penniless and homeless, is in itself a praiseworthy deed. Providing them with citizenship, employment, homes, education, and the opportunity to live a life of dignity, is a sacrifice which finds few equals in the annals of human history.

Third, Israel is making great progress in developing its economy and establishing democratic institutions on a solid foundation. The prophecies of Israel's friends a decade or so ago that she would become a beachhead of democracy have come true. Israel is living up to that prediction, and today she is regarded by the United States and our allies as playing a tangible role in the defense of the free world in the strategic Middle East area.

Fourth, in the last few years Israel is assuming a vital role in helping to create better understanding and more cordial relations with some of the newly-independent nations of Asia and Africa. To these new nations, Israel is serving as an example of what a small people with limited means can accomplish within the framework of a free and democratic society. Israel has established links of economic and technical cooperation with some of these countries, and is also setting up cultural interchange with them—all of which should prove beneficial to the free world.

I think the people of Israel must surely feel a great sense of pride as they look back upon these past 11 years and the achievements made in such a short time. We, in America, share in that sense of pride because the American people have stood by Israel from its very day of inception as an independent State until this day. We are proud to extend our warmest greetings to the people of Israel on this anniversary and to share in their celebration.

Our joy is somewhat tempered by the fact that the Administration has seen fit to eliminate Israel from the list of countries to receive grants-in-aid under our mutual security program for the coming fiscal year. Under the Truman administration Israel used to receive as much as \$70 million annually for economic assistance, to help integrate the newly-arrived immigrants, to aid in their resettlement and to aid in the agricultural and industrial development. Under the present administration this aid has been gradually reduced over the past few years, so that in the current fiscal year Israel is receiving only \$7.5 million under the grant-in-aid program, and for the coming year this small measure of assistance is being completely eliminated.

In my estimation, this is a serious mistake which should be corrected. Here is a country in a very important area of the world which is utilizing our aid in a manner that is helpful to its people. This is one pilot plant for American aid which is proving successful, so why not complete the job? I hope that the House Committee on Foreign Affairs will write into the mutual security bill this year a specific provision

of aid to Israel, and I know that this provision will receive the overwhelming support of the Congress.

I extend my heartiest congratulations to the people of Israel and to the Government of Israel on the occasion of the 11th anniversary of their independence.

Mr. ROOSEVELT. Mr. Speaker, on May 13, Israel marked its 11th year of national existence with justifiable pride.

The record of achievement of this small democracy is nothing short of amazing and I think that as citizens and officials we can take pride in the fact that our nation has contributed to Israel's development through our policy of grants, loans, and other means of economic aid and assistance.

As we congratulate Israel on her 11th anniversary, I think we should not lose sight of the fact that many problems still lie ahead for this young nation.

Israel must further stimulate her development—industrial and agricultural—in order to reduce her dependence on the external world. The gap between imports and exports is still about \$340 million a year; this gap is presently being met by the restitution and reparation payments from West Germany, American Government aid, sale of Israel bonds, and private philanthropy.

Payments from West Germany will terminate by 1965 and Israel will also have to redeem bonds she started to sell in 1951. Thus, continued development is essential to increase exports to close the trade gap as quickly as possible, thus helping to alleviate the situation when West German payments end and bonds mature.

Israel is one area of the world where the facts show that American economic aid has not been invested wastefully or without positive healthy results. It is my firm conviction that it would be wasteful and reflect misjudgment on our part to dilute or discontinue our efforts to help Israel consolidate the progress already achieved.

The democratic West has in Israel a reliable outpost in the explosive, the unpredictable and the crisis-bent Middle East. Israel's antagonists in the surrounding areas are watching for signs of a lessening of American interest in, and aid to, Israel which would, no doubt, add to their Irredentist refusal to make peace.

Mr. Speaker, may I conclude by addressing myself to the matter of "The Example of Israel."

Life magazine described both India and Israel as the "most viable examples of democratic self-government in the Afro-Asian world."

Therefore, what happens to the economies of these two nations is of great significance to the West, and surely the occurrences in Tibet and Iraq make this even more self-evident.

Missions from 17 countries have come to Israel, studying her effort to unite and fully employ three major resources: land, water, and people. Israel's technicians and experts are exporting democratic know-how to Ghana, Burma, and Liberia, to cite examples.

Newsweek, likewise, has given a vivid account of the example of Israel in the following manner:

Frightened by the ruthless planning of a Soviet society, bewildered by the prodigal improvisation of many Western countries, a growing number of Afro-Asians are quietly exploring a middle way to a planned democratic life—the way of Israel.

And the magazine quotes an official from South Vietnam:

Israel is closer to the problems we're up against.

And from Senegal:

In Israel, we see a whole nation working hard for the same goals under a democratic system of government.

Israel's socio-economic development to date is an outstanding example of the viability of a free society, an example which has impact far beyond her frontiers.

I am proud of the fact that my country was among those nations which brought about the existence of Israel and I voice with pleasure my congratulations to the people of Israel.

Mr. DADDARIO. Mr. Speaker, Israel, on her 11th birthday, deserves the congratulations and respect of all the world. In a Middle East beset by troubles, turbulence, and the instability of governments, the determined growth and improvement of Israel's position is a heartening sign. This Nation has fought and won battles against those who would challenge her very existence. And she has fought and is winning against the elements, the land and the terrain that threaten her ability to live.

This tiny state of 2 million people—less in numbers than my own State of Connecticut—is a stronghold of enterprise in the Middle East. With a recent development loan from this country, it has established a system to encourage the establishment of private industry. The State is ready also to take more immigrants from areas where they have been persecuted and to give them a chance to build a new life. It is a beacon of hope across the world.

In recent months, the world has kept anxious eyes on Berlin. At the same time, events have not stilled in the Middle East. We note with concern the Soviet pressures on Iraq. These events emphasize the importance of Israel, as a democratic State, existing and thriving due to her own courage. This Nation had been generous, privately and publicly in welcoming Israel to statehood. All of us can join today in saluting what Israel has done and in pledging permanent friendship to a small, but sturdy colleague.

Mr. POWELL. Mr. Speaker, I am happy to join with my colleagues this 10th anniversary of Israel's existence to wish this young nation well for the future. I am sure most Americans, in light of the important role played by the United States in its 1948 establishment and as reflected in subsequent years by the almost \$2 billion contributed to its advancement, join with me in expressing sympathy for the struggle it has waged for survival, and pray that it may in-

creasingly lend its support to a peaceful world.

The broad support of Israel by our country is indicative of the American people's appreciation of the facts that Israel's outlook on the world scene, its ability to cope with complicated, economic, and social problems, its approach and contribution to world peace and its concern for the betterment of its own citizens resembles so closely that of the United States that we have felt part and parcel of that country. The history of struggle for the planting of a democracy on a frontier against almost insurmountable odds so parallels the early founding of the United States that at this time each year we are reminded of our common destinies. And the United States is proud that it has helped this young nation which represents a crystallization of all the values of Western society. For it is from Judaic law that we draw our codes and ethical principles. Thus, our concern for Israel's material well-being is but an expression of our indebtedness for that which we hold dearest here in America—our way of life. In the words of Attorney General Herbert Brownell, Jr., in July 1955: "The geographic distance between the Potomac and the Jordan Rivers may be great, but there is certainly little difference in spirit between the two countries."

If Israel fails; we fail. Similarly, her success advances our cause and our ideals in Africa and elsewhere.

However, this approach is fraught with difficulties when foreign policies are formulated, many times motivated by the best intentions, in our relations with Israel we face dilemmas. But the task of policymaking in the Middle East is not an easy one for this country. A major power such as the United States in this nuclear age must think and act in global terms. Thus, while we meet Israel's interest as best we can, we cannot forget that there are others in this world for whom our way, our aspirations, may not adequately meet their demands.

Transportation and communication and space exploration and nuclear destructive potential have made us infinitely one to the extent that the highest development in technology and material might not be sufficient to cope with the new world aborning. To survive the weapons of destruction fashioned by the highest civilization mankind has ever known, there is need to pull together and cooperate as one family for the common good. The "brotherhood of man" has never been in greater demand, nor have we ever been in greater need for the fulfilment of Jesus' desire for "peace on earth good-will toward men."

Thus I envision Israel's playing a major role in the new era of peace everlasting for she has served during the past 10 years as a pilot project of the material achievements which are possible when sufficient funds and adequate technology is provided. This achievement is becoming a stimulus to countries in Asia, Africa and indicates what can be done in their barren lands for advancing their peoples if material assistance is extended. For all of which the young country is to

be congratulated in this 11th year of its existence.

But all of us, Israel, and the United States as well, must be equally as receptive to the positive virtues of other peoples and their cultural heritage. For if we are ever to know civilization on its highest humanitarian level, we must admit of change within ourselves as well as within others. As the chairman of our Foreign Relations Committee, Senator FULBRIGHT, stated it recently, some of our troubles with foreign policy is within ourselves.

There must come to be a recognition of a one world existence, and the United Nations is but one expression of it, where there can be no segregation and no exclusivism at any level but where cities, and countries, and nations are open to the free exchange of peoples and their ideals on a basis of full equality. There is no alternative to the projection in global terms of the "melting pot" of peoples, their cultures, their aspirations and their ideals, a cherished heritage of pre-nuclear America, but to reconcile ourselves to live in peace and equality with all men throughout the world, to dedicate ourselves to live in one world or none.

Israel, a model country in technology, an example of a dynamic approach to democracy, a bulwark against spreading communism in Asia and Africa—can bolster the West in its aspiration and we trust, bring peace and equality and happiness evermore.

Mr. O'HARA of Illinois. Mr. Speaker, I wish to commend my distinguished colleague from Illinois, Mr. BOYLE, for affording us this opportunity of reaffirming our loyalty to the cause of Israel on the occasion of the 11th birthday of that valiant cathedral of freedom in the Near East. Yesterday, in fact, was the anniversary day, but the House then not being in session, we today are joining with Congressman BOYLE in expression of congratulations, of admiration, and of support.

Mr. Speaker, last night I was thrilled as seldom I have been in my life as I listened to the address of Ambassador Abba Eban in acknowledging the tributes paid him, most eloquently and sincerely paid him by our own matchless majority leader, Mr. McCORMACK, and others. No greater apostle of democracy has ever visited our Capital and worked with us than Ambassador Eban. His stature as a diplomat is universally recognized in the Halls of Congress and in the embassies. Last night he was at his very best as he made his last talk to his friends before leaving for his new mission of service in the Israel of his heart and of his dedication.

The words of Ambassador Abba Eban took me back to my visit to Israel in 1957 and recalled the earnest dedicated people whom I had seen there, working with the pioneering spirit of our American forefathers to carve out a new destiny for themselves and future generations. In less than a decade they had rescued their land from apathy and neglect. They had made it a land of green pastures, of orange groves, new farms and villages, factories, and schools.

From the ruins of Jewish martyrdom in Europe, from Asia, America, and Africa they had come to build new hope and the pride and opportunity of citizenship in their ancient homeland.

Eleven years ago the State of Israel was born. The United Nations Special Committee on Palestine—consisting of representatives of Australia, Canada, Guatemala, India, Yugoslavia, Peru, the Netherlands, Czechoslovakia, Iran, Sweden, and Uruguay—conducted an exhaustive examination of the problem, and on September 1, 1947, recommended by a majority vote the partitioning of Palestine into Jewish and Arab States, joined by an economic union with the Jerusalem area an international zone. The U.N. Assembly approved the report on November 29, 1947, by a vote of 33 to 13 with 10 abstentions.

The Jews immediately announced their readiness to accept the General Assembly's resolution, although it did not represent the full measure of their claims. The proclamation of independence was issued in Tel Aviv, May 14, 1948 by the Provisional State Council.

The 11 years which have elapsed since Israel's birth have been years of high opportunity and deadly peril. Her population has grown from 650,000 when independence was achieved to upward to 2 million. Nine hundred thousand have fled from the shattered remnants of communities in Europe to the hope and challenge of that bastion of democracy, Israel.

During 11 years they have made the desert bloom. They have built new industries. They have established diplomatic and commercial relations in all five continents. They have achieved a respected membership in the international family. They have instituted maritime access to half the world. All of this the fruit of personal dedication to achievement in face of heavy contest.

America's interest in Israel stems from a common tradition. In the words of Ambassador Abba Eban:

What happened in each case was that men thirsty for freedom, driven by insecurity and persecution but also drawn by the attractions of building a new civilization, emigrated from all parts of the world to new land across the seas. They reclaimed that land from primeval devastation. They liberated themselves by arduous struggle from colonial shackles. They established a free republic which they then defended against every adversary and peril until it secured its recognized place in the international family. In the sphere of their cultural effort they merged their diverse immigrant cultures into the unit of the new civilization. They maintained throughout every ordeal the original moral heritage which had inspired their underlying unity of purpose.

Mr. Speaker, friendship for and support of the State of Israel must continue to be a cardinal point in the foreign policy of the United States. If ever we should permit the State of Israel to perish from the community of sovereign nations we would be responsible for a movement in retreat that could not be halted until democratic government in our own land, as in all other lands, had been crushed.

I hope that when the mutual security bill reaches the floor of the House there

will be an understanding on the part of all Members that any cut of aid to Israel, even to the extent of one red cent, would be interpreted by the entire world, both our friends and our foes, as a sign that the United States was about to abandon the valiant little State of Israel, built in our image, our true friend, our codefender of a democracy in which man can pass the years of his life in contentment and with dignity.

Mr. REUSS. Mr. Speaker, the new State of Israel was proclaimed 11 years ago. In the years that have followed, this new democracy has developed and progressed at a rate unmatched in modern times. It has taken great effort to make once barren lands productive, to develop industry where there was virtually none, while facing hostile neighbors on almost all sides.

Israel has the invaluable asset of a dedicated populace determined to create a strong, free, enduring nation where all can live a purposeful life.

With much of the hardest labor accomplished but with more ahead, we in the United States know that the people of Israel who have had the skill and courage to establish their state and place it in the front ranks of the free nations of the world will be able to meet and surmount the problems of the future.

As an outpost of democracy in the troubled Middle East, where the conflict between communism and freedom is building daily, Israel deserves and will continue to receive the full support of the United States.

Mr. PUCINSKI. Mr. Speaker, the 11-year old State of Israel is the newest country in the old Middle East. It is also the most advanced, and certainly the most progressive of all countries in the region. As such Israel has become a factor in Middle Eastern affairs, a force for peace and progress.

The startling and almost miraculous growth of Israel since its birth inspires us with some hope of stability in the explosive and troublesome Middle East. Many great events have shaken the region since the end of the last war. Internal and international events have contributed greatly in bringing about revolutionary changes, but perhaps none of them are of such significance as the rise of dynamic and democratic, prosperous and progressive, strong and firmly established Republic of Israel.

For the attainment of their independence, for the strengthening of its foundation, for making the State of Israel a viable and living entity, the new and old citizens of Israel deserve unqualified praise. To them goes the credit for turning barren, arid lands into cultivable and productive farm lands. Through their own efforts they succeeded in making Israel a haven for more than 1 million homeless wanderers, and in turning them into productive and patriotic citizens. For all these remarkable accomplishments, the citizens of Israel earned our admiration. On the 11th anniversary of their Independence Day, I wish them peace and prosperity in their recreated Israel.

Mr. GIAIMO. Mr. Speaker, it is with a warm heart that I speak these few

words on this occasion of the 11th anniversary of the founding of the State of Israel. It is an occasion for rejoicing not only for Israel but for freedom loving people everywhere. The establishment of the State of Israel is the fulfillment of an ancient dream, a tribute to man's indomitable spirit. When one considers the seemingly hopeless and overwhelming obstacles which have confronted the Jewish people in establishing the State of Israel, one cannot but be greatly impressed with their magnificent accomplishment.

The State of Israel stands as a living tribute to the fortitude, courage, patience, and love of freedom of the Jewish people.

We in America rejoice in the existence of this free state and its people with whom we have such close bonds of friendship, mutual respect, and understanding. Truly, Israel is our friend. We comprehend each other; we respect each other; we trust each other. This is the country that we in America can rely on to carry the banner of Western civilization in the Middle East. We must resolve on this great occasion to do everything possible to make Israel the strong bastion of freedom in the Middle East. We must help and encourage her wonderful people in the difficulties, political and economic, which continue to beset and harass them.

Above all we must assure them of our concern for their freedom, well-being, and economic health.

May Israel and its people prosper and flourish in freedom and in health forever.

Mr. MOORHEAD. Mr. Speaker, it is with great sincerity that I add my voice to that of my colleagues in extending greetings and best wishes to the State of Israel on the occasion of her 11th birthday.

For hundreds of years the Jewish people were people without a country. Everyone recognizes the tremendous power which the owning of land and a feeling of belonging exerts on the human spirit. Nothing else provides the same feeling of comfort, self-confidence, and stability. For centuries, these brave people were homeless, held together only by loyalty and religious belief, exiled from their ancient and traditional homeland, and persecuted by unfeeling governments.

When, at last, they gained their independence they felt, I know, a surge of gratitude, a tremendous feeling of coming home, which was enhanced by the fact that they had waited so long. Although Israel has been an independent nation only a few short years, she has had to face what might have been insurmountable odds to a less courageous people in her struggle to keep her independence. Her record over the past 11 years is truly an inspiration to freedom-loving countries all over the world.

We in America are especially sympathetic with Israel's struggle. Our own country was founded because of our deep belief in the ideals of liberty, justice, and democracy. The pioneering spirit of the people of Israel can arouse only a feeling of admiration in the hearts of the American people. They have overcome ter-

rific hurdles in setting up their government. They have performed a magnificent task in caring for hundreds of thousands of refugees, most of them with very little financial security. They have valiantly endeavored to improve their internal economic conditions, while being dangerously threatened by outside forces seeking to overthrow their government.

May this young country's brilliant past be the harbinger of a long and glorious future.

Mr. DOLLINGER. Mr. Speaker, I am happy to have the opportunity to join with my colleagues on this occasion when we commemorate Israel's statehood. The celebration of the 11th anniversary of the proclamation of the State of Israel and the presence of an independent Israel in the world's family of nations, bring happiness to the hearts of all freedom-loving peoples.

The tiny State of Israel—the only stronghold of democracy in the Middle East—has, through the prodigious fortitude of her people, survived tremendous war threats, economic crises, and a multitude of other grave problems, which would have defeated and crushed a people of less strength of purpose and courage. The Israelis have earned the respect and admiration of all of us, and they have our hearty congratulations on their great achievements.

Despite all her efforts to establish and maintain peace, Israel is constantly threatened by her enemies; the surrounding Arab countries, and all members of the Arab League, refuse to recognize Israel or to accept the fact of her existence. Because she has been thwarted in her efforts to come to terms with her neighbors, valuable manpower and financial resources have had to be diverted to defense purposes which otherwise would have made possible even greater development in the fields of the nation's agriculture, industries, reclamation, and transportation. Nevertheless, Israel's progress and growth have been remarkable and she is unfaltering in her efforts to realize her aim—to become a strong and secure nation, where true democracy is enjoyed by all, and where peace prevails.

An almost devastating effect on Israel's economy is the continuing absorption of up to 100,000 European immigrants per year. The needs created by sudden mass immigration have to be met by increased taxation on income and the raising of import duties which in turn mean greater sacrifices by the people and the nation. It is to be hoped that the United States will take cognizance of the humanitarian needs involved and offer refuge to displaced Jews from behind the Iron Curtain so that Israel's burden may be lightened and she can hope for economic survival.

The United States must, in these crucial days, give generously to Israel in every way possible—she must have our moral support and economic aid.

We must be alert, in the national interest, to problems in the Middle East and work toward their solution. It is from here that we can wage our offensive, through peaceable means, against the imperialist Russian threat to independ-

ent nations. It is imperative that we evolve and put into effect a strong and active policy so that we can cope successfully with any new eruption precipitated there by Moscow in the incessant cold war. We must at all costs prevent gains of colonial Russian power in any part of the Middle East. We must take a forthright and courageous stand when freedom is threatened; we must not substitute futile mousings for diligent work in the long, up-hill struggle necessary to achieve peace in the Middle East.

Mr. GALLAGHER. Mr. Speaker, the founding of Israel as a free and independent nation was one of the most hopeful and happy events in the post-war years. After a lapse of almost 2,000 years, the Jewish people had come into a land of their own. This was truly a reward for their patience, perseverance, sacrifice, and hard work.

In the 11 years of its existence, Israel has become a strong and vigorous nation, a driving force in the free world, and a shining example of democracy. And yet, and to its great credit, it has preserved the fine traditions and beliefs of the centuries old Jewish faith.

Israeli leaders and citizens, with the material aid and spiritual and moral encouragement of world Jewry have made of their new nation a model state in the Middle East. With boundless enthusiasm, energy and optimism they have made the desert acres fertile and the hills of Galilee blossom.

Young Israeli engineers have built hydroelectric power stations, canals and industrial plants. As a people united, they have instilled life into a barren desert.

With the courage that built a new nation, the Israeli citizens have shown a determination to defend their homeland. As an outward sign of this determination, Israel has forged a brave and capable defense force. She has shown, too, a talent for diplomacy and today plays an important role in world affairs.

On the 11th anniversary of the founding of Israel, it is a pleasure to extend to the people of that nation our best wishes for continued success, growth, prosperity, and much happiness.

Mr. ADDONZIO. Mr. Speaker, many startling and revolutionary events have occurred in the explosive Middle East since the end of the last war. Among these the emergence of the State of Israel is perhaps the most noteworthy and most significant. The story of its birth, its anxious days during its formative years, its growth, its almost miraculous recovery from the ravages of war, its almost unbelievable ability to absorb and settle more than 1 million Jewish refugees, its success in making these refugees useful, productive, and patriotic citizens—such amazing achievements accomplished under constantly impending threats to the country's very existence are rare in the annals of modern nations. But in the course of 11 years of its existence as an independent, sovereign entity, the State of Israel has done all of these things. It has held off a host of enemy nations and has come out of this terrible struggle morally unscathed, with honor, and physically stronger.

On May 15, 1948, when Israeli leaders proclaimed the birth of Israel and became masters of their own destiny, the new nation suffered from heavy handicaps that would have been insurmountable except for the courage and self-sacrifice of its people. The tremendous achievements of this young and vigorous democracy have won her the admiration and esteem of the free world. With heavy investments, intensive and scientific development of the country, Israel has been able to absorb over 1 million immigrants. This part of Israel's work, the rescuing, shipping and settling, employing and making all these refugees productive and patriotic citizens, surpassed all expectation, and today these refugees have become its most valuable asset. They have provided the necessary labor, the leadership in peaceful and wartime industries, and also the sinews of a fighting force that is considered the best in the Middle East. They have helped to make Israel an advanced industrial state; they have also been a real factor in turning many desert regions into cultivable and productive lands. In building of a fine network of roads, in the construction of canals and pipelines, both for irrigation purposes and for transporting oil, they have labored hard and have found their reward in making Israel a modern state in a real sense.

Israel has also become a dynamic, democratic, and progressive force in the Middle East. In social, economic, educational, scientific, and cultural fields her progress has been notable and in some cases tremendous. With her democratic type of government, efficiently and honestly administered by highly trained and public-spirited men, Israel's governmental institutions may yet become models for other countries in the area. In matters of health and sanitation, in social welfare and labor conditions, in child care and medical services, Israel is definitely a true pioneer in the entire Middle East. Because of the necessarily large sums earmarked and spent for defense purposes, often people seem to overlook Israel's outstanding achievements in other spheres of activity. It is true that, because of her fears from her numerous foes, who have refused even to recognize her very existence, Israel has become an armed camp, and remains as such in order to safeguard her existence. But even under such conditions, under constant threats from one or more of her foes, Israelis ceaselessly labor and struggle hard in their rebuilding and creative work. Even though Israel is often faced with acute fiscal problems, yet her finances are in good order, and the living standards of her citizens have been rising constantly. Today their average income and their standard of living is much higher than those of the citizens of surrounding countries. By careful husbanding of their resources, and by building credits abroad, they have managed to balance their national budget and have remained solvent. By dint of sacrifices and hard labor they have made rural Palestine a busy and large, buzzing urban community. Over and above these really remarkable attainments and

achievements, Israeli leaders have built up a fighting force which is second to none there, and is fully capable, judged by any standards, of warding off attacks against her safety from any and all quarters.

On the 11th anniversary celebration of Israel's Independence Day, she has become a real force, a dynamic and democratic force in the Middle East. Let us all hope that she will continue to grow and prosper, her citizens lead a peaceful and happy life, and Israel endure as an independent force for peace in the troubled Middle East.

Mr. RODINO. Mr. Speaker, 11 years ago today the State of Israel was proclaimed. In the brief period of time that has elapsed since 1948 Israel has faced many grave problems. It has been at war with seven Arab States and has been subjected to constant harassment. Its destruction has been attempted by military action, economic boycott, and even by a barrage of propaganda. Nevertheless, Israel has survived and grown. It has absorbed and integrated an average of about 100,000 immigrants every year—a task comparable to the absorption by the United States of 10 million new citizens a year. In addition Israel has raised its agricultural production, increased the amount of cultivable land, extended the social services available to its citizens, and further expanded its industry. In the face of almost insurmountable obstacles the people of Israel have strengthened their democracy and made their country a viable state. Furthermore, not content with just improving its own lot, Israel has given technical assistance to the new Afro-Asian nations and has provided them with a successful alternative to Communist economics.

For all of these achievements Israel deserves our admiration and praise. We can be proud that this young republic is our friend. I can only hope that other nations will follow the example of Israel and that peace will soon reign once more in the Holy Land.

Mr. FRIEDEL. Mr. Speaker, I would like to take this opportunity to call the attention of my colleagues in the Congress to the achievements of the State of Israel on the occasion of its 11th anniversary. I do so because of our ties with that brave little nation mean so very much to the free world today. There, across the ocean stands the Holy Land, from whence came our Bible which is the rule and guide of our faith. There, democracy and freedom were reborn 11 years ago, and Israel stands as an outpost of our free world and as a beacon light against the dark and evil forces of international communism.

As Americans we salute this reborn nation and encourage her in her very brave stand. We recognize full well the strategic position of Israel in the vital and important Middle East and the essential part she plays in helping to keep the democratic processes alive. We must also acknowledge Israel's truly phenomenal development during the past 11 years and the valuable aid she is rendering to the other new and developing nations in Africa and Asia, thereby making

more needed friends for America and the entire free world. Scientific and technological progress has been brought to a portion of the world that was most in need of it and as a result, natural resources are being developed, public health vastly improved, and the bright light of human rights shown to backward peoples.

After 11 years this young and vigorous sister democracy of ours has become a stable and important nation of the world despite almost insurmountable handicaps imposed by geography, prejudice, and international politics. Enlightened self-interest alone requires us to lend every possible assistance to the State of Israel since her achievements in this very brief time are impressive indeed. As Israel enters the second decade, we in the Congress of the United States most sincerely extend our felicitations and wish her well in her valiant fight for the right.

Mrs. GRIFFITHS. Mr. Speaker, Israel, now in its second 10 years of development deserves our sincere congratulations. Just 11 years ago a half million Jews in Palestine proclaimed their independence and established the State of Israel. At that time Israelis constituted only one-third of Palestine's population, and the country was surrounded by many foes. But the new state, faced with what appeared to be insurmountable obstacles, fought a life and death struggle and was victorious.

To simply relate the remarkable progress this little country has made in a decade is impossible. She has trebled her Jewish population, still wanting to bring in another million Jewish immigrants; her trade has expanded; her natural resources have been developed; and her public health vastly improved.

But most important of all is the strategic position of Israel in the vital and important Middle East. She has done a tremendous job in helping to keep the democratic processes alive.

In a short period of time this young democracy has become an important nation of the world. May our best wishes go to Israeli citizens for a peaceful and prosperous future.

Mr. WALLHAUSER. Mr. Speaker, I am most happy to join in the celebration of the 11th anniversary of the founding of Israel, the gallant little nation that stands as a bastion of democracy in the Middle East.

In the 11 years of its history, Israel repeatedly has proved the wisdom of the United States of America in supporting its independence and integrity. Those who aided in the establishment of Israel can well be proud of their efforts.

Israel is founded on the same solid bedrock upon which our own United States of America was founded. It is a homeland and haven for those who love liberty; for those who want to be free.

There is no question that the existence of Israel and the dedication and determination of its people have proved a major stumbling block to the Communist penetration that has threatened the position of the free world. For this, the free world owes a deep debt of gratitude to the people of Israel.

Israel's first 11 years have not been easy ones, but the accomplishments of

its leaders and its people have been many. Israel is an example of what a virile, valiant people can build in a backward area. A less brave people might have retreated or succumbed in the face of overwhelming odds that faced them, yet Israel has moved steadily forward. It will continue to move steadily forward, for the Jewish people always have been freedom loving.

For its remarkable accomplishments and its dedication, we salute Israel on its 11th anniversary. We are confident that its centuries-old destiny of peaceful leadership will be attained. We pledge Israel and its people our support and friendship.

Mr. DULSKI. Mr. Speaker, the most significant event in the postwar history of the Middle East was the birth of the State of Israel 11 years ago. That historic event marked the realization of the 2,000-year-old aspiration of the Jewish people. Today, on the 11th anniversary of its independence, we and the whole free world watch it grow, prosper, and become the home of refugee Jews, and the hope of world Jewry. There it stands, in place of the old Kingdom of Israel, as a living monument, an inspiring symbol, erected by wise Jewish leaders with vision and foresight. Let us hope that more than 1 million homeless Jews who have found refuge in Israel, and have become its hard-working patriotic citizens, will live and enjoy their life in peace and prosperity.

EXCHANGE OF MOTHERS FOR PEACE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Utah [Mr. KING] is recognized for 15 minutes.

Mr. KING of Utah. Mr. Speaker, as the attention of the world focused hopefully on the possibility that East and West may find accord at the summit, I urge that we also bolster our grassroots approach to peace.

I propose that we enlist a hundred American mothers to lead a new peace offensive, and that we call upon the Communist world to open their homes to these mothers and, in return, send a hundred of their mothers into American homes. I have introduced a House resolution which requests that the State Department carry out such an exchange.

At a time when global tension stands at an explosive pitch, as it does today over Berlin, we must consider every possibility which might alleviate or reduce this tension. We spend millions today for a single weapon of war—on a B52 or on an aircraft carrier. Why not devote a tiny fraction of this amount to live instruments of peace?

In the years since World War II, this Nation has conceived and, through the State Department, carried out personal exchanges of many kinds with both free world and Communist countries. We have sent students to many lands. We have sent delegations of farmers, industrial leaders, and educators to Communist countries, particularly Russia.

Nearly everyone, except the mothers, has had a try at winning the peace. I

urge that we now give the mothers a chance.

Let me say the idea of a mothers' exchange is not original with me. As some of you may remember, it was proposed to this body 9 years ago by a distinguished citizen of my State and a former Member of this body, the Honorable Reva Beck Bosone.

This very able woman, herself a mother whose life has been largely devoted to two great causes—motherhood and public service—had long dreamed of the day when mothers of different nations might talk peace and understanding with each other at the community and home level. When she put her dreams into words in a speech to this body, it was widely applauded by both the Congress and the American public, but the unexpected outbreak of the Korean war made its fulfillment then impossible.

I think it very likely the Soviet Union would agree to an exchange of mothers. Certainly their failure to agree to it would risk a storm of unfavorable opinion. What possible reasons could they give for denying admission to a delegation of mothers, whose sole mission was to encourage understanding and peace?

The State Department has the machinery to carry out the exchange. I see no reason why a special appropriation would be necessary. It could be incorporated in the exchange program for which funds are annually appropriated.

Possibly private sponsors—persons or organizations outside the Government—can be found, provided the exchange is mutually acceptable to the Communist countries and this country. It is quite possible sponsors which recognize the worth of women and mothers as peacemakers will prefer their support, without such support being asked.

But without private support, I feel certain the program can be incorporated into the State Department's broad exchange effort and carried out without additional appropriation—if the Congress will but give the Department a strong expression of its will, through passage of this resolution.

Exchanges serve a valuable purpose. On this, Americans generally agree.

The Nation and the world have only begun to reap the benefits. The exchanges have, on the whole, given the participants a broader outlook on human affairs and a deeper understanding of the peoples who share the lands, the resources and the troubles of the world. The participants, their families and their communities, who vicariously share the exchange experience, stand better prepared for the roles of citizenship and leadership. As long as people whose lives are touched by the experience shall live, the world will continue to reap benefits.

In this hour of strain and tension in world affairs, I can imagine no exchange which would be better received on both sides than an exchange of mothers.

Women are fit, by nature and by history, for the peacemaker's role. Compassion and understanding are their inherent virtues. They, better than anyone else, could show the Communist peoples that Americans, as a people, are honestly and earnestly striving for peace.

The American delegation in the exchange would, as I see it, be a true cross section of the Nation's women. This would be no mission for the Nation's executive women. Participants all would be mothers, from typical American homes, representing rural American society equally as much as urban society.

Perhaps the Russians would object to American mothers taking mothers' roles in Soviet homes, and to Russian mothers staying in American homes. Even so, the mothers would break bread with the families and the townspeople designated to serve as their official hosts, and could trade views on local customs and politics, as well as on international affairs.

I see the language barrier as no insurmountable obstacle. Mothers talk a language common to all peoples—the language of the heart.

I think the mothers chosen to participate in such an exchange should be young mothers, under 40, who can use the experience to promote understanding through many years of service to their families and communities. Too, I think the selections should pass over the publicly prominent and distinguished women, in favor of the typical mothers who represent a variety of homes and many walks of American life.

To insure the nonpartisan, objective selection of the participants in such an exchange, I suggest that nominees from each State be screened initially by a panel comprising the Governor, the dean of women of a State university, and the State president of the League of Women Voters.

The desired cross section of American motherhood will be achieved in the delegation, if the final choice of two delegates from each State is left to a four-member national committee which will coordinate the program. The committee ought to include two Democrats and two Republicans, and I propose that it include Eleanor Roosevelt, widow of Franklin D. Roosevelt, Frances Bolton, our colleague from Ohio; Mary Norton, for 26 years a Member of this body, and Dorothy Houghton, former national president of the Federated Women's Clubs.

If the exchange proves as successful as I imagine it would, it should be repeated. Mothers deserve this opportunity, a chance to make their hopes for peace felt on both sides of the globe.

The Congress and the State Department, I trust, will not deny them this opportunity.

DAIRY MARKETING ACT OF 1959

The SPEAKER pro tempore. Under previous order of the House, the Chair recognizes the gentleman from Wisconsin [Mr. JOHNSON] for 30 minutes.

Mr. JOHNSON of Wisconsin. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include a table.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. JOHNSON of Wisconsin. Mr. Speaker, on April 28 I introduced in the House the proposed Dairy Marketing Act of 1959—H.R. 6750. Senator HUBERT HUMPHREY, of my neighboring State of Minnesota, introduced the same measure in the Senate that day.

This bill provides for a comprehensive, long-range income stabilization and improvement program for dairy producers. It would enable dairy farmers to assume responsibility for maintaining a sound and productive dairy industry which would, in turn, assure the consumers of the country an abundant supply of wholesome, nourishing dairy products.

A self-regulating and largely self-financing program, it is designed to protect the public interest and at the same time to avoid the present unfair situation whereby dairy farmers are penalized for their efficiency and productivity. The bill also outlines the mechanism by which a more adequate dairy program can be operated at lower cost to the Federal Treasury than the existing inadequate yet costly program.

At the time I introduced the bill, I addressed the House on the general purpose and intent of the legislation, and I gave a very brief summary of the six major provisions of the bill. Because of widespread interest in the proposed Dairy Marketing Act, I would now like to present a detailed analysis of the bill, along with a comprehensive explanation of how the program would work. I want to call particular attention to the chart which gives estimated Government costs, market prices, market supply reductions, and returns to farmers for manufacturing milk that would result from operation of the proposed program under different economic situations. I hope my colleagues will have the time and opportunity to study the chart and the analysis.

HERE'S HOW THE PROGRAM WOULD WORK

Mr. Speaker, the purpose of the new dairy program provided by this bill is to improve dairy farmers' net family income in ways that are fair to consumers and that will require a minimum of cost to the U.S. Treasury. These aims are met through a combination of deficiency payments, product purchases, marketing quotas and compliance deposits. The program would operate under the control of a Federal Dairy Board, composed of actual operating dairy farmers, working with the Secretary of Agriculture.

Here is how the program would operate each year the plan was in effect.

Not later than March 1, the Federal Dairy Board would make a study of the prospective supply, demand and price situation in the milk and dairy products market for the coming marketing year.

On the basis of this study, the Board would determine the average price which would be received by producers throughout the United States for manufacturing milk and butterfat in the absence of Federal price-support operations during the coming marketing year. The Board's calculations would be based on the assumption that the number of unemployed would not exceed 3 percent of the civilian labor force.

DAIRY BOARD IS KEYSTONE OF PROGRAM

This is the keystone of the program—and the first step in its operation. The Board could utilize the services of all the dairy-price analysts of the Department of Agriculture, and of other economic statisticians, in order to have at its fingertips the latest and most accurate statistical and economic information available. This would insure an accurate forecast of the probable supply of dairy products and the resulting price received by farmers without a price-support program. The Board's price deter-

mination would serve as a trigger for application of marketing quotas and to measure the extent to which market supply should be reduced through quotas.

The 3 percent unemployment assumption is provided in the bill to insure that reduced consumer demand for milk and its products resulting from excessive unemployment would not act to establish marketing quotas that would reduce the national market supply of milk below the full volume demanded in a relatively full-employment economy. In effect, this provision insures that at all times marketing quotas are in effect under the

program, the nation will have an adequate supply of milk.

After the Board determines the expected market price—based upon the full-employment assumption—the bill provides the Board shall place marketing quotas into operation for the subsequent marketing year if the expected market price is lower than 90 percent of the parity price for manufacturing milk or for butterfat sold in cream.

The result of this determination of the Board is shown in line 2 of table A, which I include in the RECORD at this point in my remarks.

TABLE A.—Dairy Marketing Act—Manufacturing milk—Estimated Government costs, market prices, market supply reductions, and returns to farmers that would result from operation of proposed program under different economic situations—Typical year's operation

A	B	C	D	E	F
1. 100 percent of parity price of manufacturing milk per hundredweight as reported by USDA monthly.	\$4.46	\$4.46	\$4.46	\$4.46	\$4.46
2. Expected market price received by farmers, per hundredweight assuming 3 percent or less unemployed. (Sec. 631 requires the Federal Dairy Board to "publish its determination of the average price per unit received by farmers for manufacturing milk and for butterfat in the absence of any Federal price support operations during the next marketing year, based on the assumption that the number of unemployed will not exceed 3 per centum of the civilian labor force." The figures shown on this line are the prices that would reflect different dairy market situations where milk prices would be at the level shown in relatively full employment economy.)					
3. 90 percent of parity price.	\$1.64	\$2.05	\$2.46	\$3.36	\$4.01
4. Extent to which market price is below 90 percent of parity price (line 3 minus line 2).	\$4.01	\$4.01	\$4.01	\$4.01	\$4.01
5. Percent of such difference is of expected average price (line 4 divided by line 2).	\$2.37	\$1.96	\$1.55	\$0.65	0
6. Percent of price drop requiring 1 percent cut in quotas from base. (Sec. 633 states: "If marketing quotas under this title are in effect for a marketing year, the Board shall establish a marketing quota for each producer which shall be his market base reduced by not more than 1 per centum of base for each 5 per centum that the estimated average price per unit for manufacturing milk is less than 90 per centum of its parity price." For each 5 percent by which the expected market price must be raised to reach 90 percent of parity goal, a cut of 1 percent below base is required.)	137	95	62	19	0
7. Percentage cut from marketing base (line 5 divided by line 6).	5	5	5	5	5
8. National marketing base (billion pounds milk equivalent). (Estimated base for all milk marketed—average annual marketings of all milk, during first 3 of the next previous 4 years. It is forecast that in the immediate future the sales of milk for fluid use and for manufacturing, including butterfat, will be just about equal.)	27	19	12	4	0
9. For fluid use (billion pounds milk equivalent).	116	116	116	116	116
10. For manufacturing use (billion pounds milk equivalent). (This figure is milk equivalent of all milk and butterfat sold for manufacturing ice cream, dry milk, industrial products, butter, cheese, and other processed products.)	58	58	58	58	58
11. Percentage of unemployed (1958 figure used for illustration).	58	58	58	58	58
12. Probable market price without quotas and 7 percent unemployed. (The bill is written so that marketing quotas will not be used to reduce supply to adjust to reduced demand from unemployment above the level of 3 percent of the labor force. The bill requires that the full volume of milk from quotas reflecting full employment be allowed to flow into the market. Each additional percentage point of unemployment might depress the farm price by 2½ percent below the price of a full employment market.)	7	7	7	7	7
If all producers comply—	\$1.48	\$1.85	\$2.21	\$3.02	\$3.61
12a. Reduction by marketing quotas (billions of pounds milk equivalent) (line 8 times line 7).	31	22	14	5	0
13a. Percent reduction in market supply of manufacturing milk (line 12a divided by line 10).	53	37	24	9	0
14a. Expected price increasing effect of quotas, as percentage of expected market price. (For each 1 percent cut in market supply of manufacturing milk it is expected that price received by farmers will increase by 3 percent. Estimate based on retail price elasticity figure used by Secretary of Agriculture in H. Doc. 57 of the 84th Cong., 1st sess., p. 9, of 0.7 for manufactured dairy products. If correct, this means that a 7-percent cut in supply will raise retail price by 10 percent, with marketing margins on manufactured milk products, now equaling about 120 percent of price received by farmers, this means a farm price elasticity of approximately 0.33 or a ratio of price change to supply change of approximately 3 to 1).	159	111	72	27	0
15a. Increase in market price owing to operation of quotas (line 12 times line 14a).	\$2.35	\$2.05	\$1.59	\$0.82	0
16a. Market price with quotas in effect (line 15a plus line 12).	\$3.83	\$3.90	\$3.80	\$3.83	-----
17a. Required payments, per hundredweight (line 3 minus line 16a).	\$0.18	\$0.11	\$0.21	\$0.18	-----
18a. Compliers' marketings of manufacturing milk (billion pounds milk equivalent) (line 10 minus line 12a).	27	36	44	53	-----
19a. Net return received by compliers, per hundredweight (line 16a plus line 17a).	\$4.01	\$4.01	\$4.01	\$4.01	-----
20a. Net return received by noncompliers (if any), per hundredweight:					
X With 25-cent deposit (line 16a minus 25 cents).	\$3.58	\$3.65	\$3.55	\$3.58	-----
Y With 50-cent deposit (line 16a minus 50 cents).	\$3.33	\$3.40	\$3.30	\$3.33	-----
21a. Total payments (millions of dollars) (line 17a times 18a divided by 100).	\$49	\$40	\$92	\$95	-----
22a. Reduction by marketing quotas (billion pounds milk equivalent) (line 8 times line 7 times 3/4).	21	15	9	3	-----
23a. Percent reduction in market supply of manufacturing milk (line 12b divided by line 10).	36	26	16	5	-----
24a. Expected price increasing effect of quotas, as percent of expected market price. (For each 1-percent cut in market supply of manufacturing milk it is expected that price received by farmers will increase by 3 percent. Estimate based on retail price elasticity figure used by Secretary of Agriculture in H. Doc. 57, 84th Cong., 1st sess., p. 9, of 0.7 for manufactured dairy products. If correct, this means that a 7-percent cut in supply will raise retail price by 10 percent, with marketing margins on manufactured milk products, now equaling about 120 percent of price received by farmers, this means a farm price elasticity of approximately 0.33 or a ratio of price change to supply change of approximately 3 to 1).	108	78	48	15	-----
25a. Increase in market price owing to operation of quotas (line 12 times line 14b).	\$1.60	\$1.44	\$1.06	\$0.45	-----
26a. Market price with quotas in effect (line 15b plus line 12).	\$3.08	\$3.29	\$3.27	\$3.47	-----
27a. Required payments, per hundredweight (line 3 minus line 16b).	\$0.93	\$0.72	\$0.74	\$0.54	-----
28a. Compliers' marketings of manufacturing milk (billions of pounds of milk equivalent) (line 10 times 3/4 minus line 12b).	18	24	30	36	-----
29a. Net returns received by compliers, per hundredweight.	\$4.01	\$4.01	\$4.01	\$4.01	\$4.01
X With 25-cent deposit (line 16b minus 25 cents).	\$2.83	\$3.04	\$3.02	\$3.22	-----
Y With 50-cent deposit (line 16b minus 50 cents).	\$2.58	\$2.79	\$2.77	\$2.97	-----
21b. Total payments (millions of dollars) (line 17b times 18b divided by 100).	\$167	\$173	\$222	\$194	-----
22b. Marketings on which deposits would be forfeited (billions of pounds) (line 8 times 1/3).	39	39	39	39	39
23b. Total of deposits that would be forfeited (millions of dollars):					
X With 25-cent deposit (line 22b times 25 cents divided by 100).	\$99	\$99	\$99	\$99	-----
Y With 50-cent deposit (line 20b times 50 cents divided by 100).	\$198	\$198	\$198	\$198	-----
24b. Net cost of programs to Government (millions of dollars):					
X With 25-cent deposit (line 23b X minus line 21b).	\$68	\$74	\$123	\$105	-----
Y With 50-cent deposit (line 23b Y minus line 21b).	1 \$31	1 \$25	1 \$14	1 \$4	-----
If only ½ of producers comply—					
12c. Reduction by marketing quotas (billions of pounds milk equivalent) (line 8 times line 7 times 1/3).	11	7	5	2	0
13c. Percent reduction in market supply of manufacturing milk (line 12a divided by line 3).	19	12	9	3	-----
14c. Expected price increasing effect of quotas, as percent of expected market price. (For each 1-percent cut in market supply of manufacturing milk it is expected that price received by farmers will increase by 3 percent. Estimate based on retail price elasticity figure used by Secretary of Agriculture in H. Doc. 57, 84th Cong., 1st sess., p. 9, of 0.7 for manufactured dairy products. If correct, this means that a 7-percent cut in supply will raise retail price by 10 percent, with marketing margins on manufactured milk products, now equaling about 120 percent of price received by farmers, this means a farm price elasticity of approximately 0.33 or a ratio of price change to supply change of approximately 3 to 1).	57	36	27	9	-----
15c. Increase in market price owing to operation of quotas (line 12 times line 14c).	\$0.85	\$0.67	\$0.60	\$0.27	XXX
16c. Market price with quotas in effect.	\$2.33	\$2.52	\$2.81	\$3.29	XXX
17c. Required payments, per hundredweight (line 5 minus line 16c).	\$1.68	\$1.49	\$1.20	\$0.72	XXX
18c. Compliers' marketings of manufacturing milk (billions of pounds) (line 10 times 1/3 minus line 12c).	8	12	14	17	XXX

See footnote at end of table.

TABLE A.—*Dairy Marketing Act—Manufacturing milk—Estimated Government costs, market prices, market supply reductions, and returns to farmers that would result from operation of proposed program under different economic situations—Typical year's operation—Con.*

A	B	C	D	E	F
If only $\frac{1}{3}$ of producers comply—					
19c. Net returns received by compliers, per hundredweight	\$4.01	\$4.01	\$4.01	\$4.01	\$4.01
20c. Net returns received by noncompliers, per hundredweight:					
X. With 25-cent deposit (line 19c minus 25 cents)	\$2.08	\$2.27	\$2.56	\$3.04	XXX
Y. With 50-cent deposit (line 19c minus 50 cents)	\$1.83	\$2.02	\$2.31	\$2.79	XXX
21c. Total payments (millions of dollars) (line 17c times 18c divided by 100)	\$134	\$179	\$168	\$122	XXX
22c. Marketings on which deposits will be forfeited (billions of pounds) (line 8 times 2/3)	77	77	77	77	XXX
23c. Total of deposits that would be forfeited (millions of dollars):					
X. With 25-cent deposit (line 22c times 25 cents divided by 100)	\$193	\$193	\$193	\$193	XXX
Y. With 50-cent deposit (line 22c times 50 cents divided by 100)	\$386	\$386	\$386	\$386	XXX
24c. Net cost of programs to Government (millions of dollars):					
X. With 25-cent deposit (line 21c minus line 23c X)	¹ \$59	¹ \$14	¹ \$25	¹ \$71	XXX
Y. With 50-cent deposit (line 21c minus line 23c Y)	¹ \$252	¹ \$207	¹ \$218	¹ \$264	XXX

¹ Forfeited deposits exceed payments during year by amount shown.

In line 2 of the table, the Board's probable determination of expected market price is shown under the different columns B through F for different possible supply situations. Column B in the table indicates how the program would work out if the economic situation were such that, in the absence of Federal price-support operations, the expected price received by farmers for manufacturing milk would be only \$1.64 per hundredweight. Column C shows how the program would operate if the expected price were \$2.05 per hundredweight; column D, \$2.46; column E, \$3.36; and column F, \$4.01.

These prices in line 2 of each column are the determination of the Board under each of several different possible dairy market situations relating to supply conditions. Each is made with the assumption—which might or might not be true in that particular year—that the number of unemployed would be less than 3 percent of the civilian labor force.

Mr. Speaker, this price determination of the Dairy Board sets the program into motion.

For purposes of illustration, let us see what would happen under the program in the kind of economic situation where the Board would determine that, based on 3 percent or less unemployment, the market price received by farmers for manufacturing milk would be \$2.46, as indicated under column C, line 2.

As \$2.46 per hundredweight is less than 90 percent of the parity price (\$4.01), this would be a year when marketing quotas would be placed into effect, as required in section 631 of the bill.

EXPECTED MARKET PRICE WILL DETERMINE QUOTAS

Following the determination of the expected market price, the Board would put into effect the provisions of section 633, which directs the Board to "establish a marketing quota for each producer which shall be his marketing base, reduced by not more than 1 per centum thereof for each 5 per centum that the estimated average price per unit for manufacturing milk is less than 90 per centum of its parity price." Under column D, the expected market price determined by the Board is \$1.55 per hundredweight less than 90 percent of the parity price. This difference—line 4—is 62 percent of the expected market price—line 5.

Under the provisions of the bill, the Board would be required to reduce the

marketing quota below the marketing base by each 5 percentage points of the 62 percent difference shown in line 5. Thus the marketing quota would be set at 12 percent less than the marketing base—line 7, column D.

With a national marketing base of 116 billion pounds of milk equivalent—line 8—the 12 percent reduction through quotas—line 7, column D—would be a total reduction in marketing of milk, if all producers comply, of 14 billion pounds—line 12a, column D—or a 24 percent reduction in the market supply of manufacturing milk—line 13a, column D.

Mr. Speaker, according to the report sent to Congress by the Secretary of Agriculture in response to the request for information concerning alternative proposals for dairy price supports—printed as House Document No. 57 of the 84th Congress, 1st session—the retail price elasticity of manufacturing milk products is minus 0.7—see page 9 of report. With marketing margins equaling about 120 percent of the price received by farmers for manufacturing milk, this means that the farm price elasticity of manufacturing milk is about minus 0.33. This would indicate a ratio of farm price change to change in market supply of approximately 3 to 1.

COMPLIANCE WITH QUOTAS WILL LIFT PRICE

Thus, if all producers comply, a 24 percent reduction in the supply of manufacturing milk—line 13a, column D—would have a lifting effect on the price received by farmers of three times as much or 72 percent—line 14a, column D. With 7 percent unemployed and without quotas, the market price would be \$2.21—line 12, column D. Application of marketing quotas would raise this market farm price by 72 percent or \$1.59—line 15a, column D—that is, to \$3.80—line 16a, column D.

With the support level at \$4.01, this would require a payment of 21 cents per hundredweight—line 17a, column D.

Compliers' marketings of manufacturing milk would be 44 billion pounds—line 18a, column D—requiring a total payment of \$92 million—line 21a, column D. This represents the extent to which the excess of unemployment had reduced the price obtainable for the full employment supply of milk products below the 90 percent of parity support level.

Mr. Speaker, the bill does not require that all dairy farmers comply with their

marketing quotas. If the farmers are willing to forfeit their compliance deposits, they can exceed their marketing quotas without further penalty or control.

However, with participation in the program near the 100 percent bracket, a noncomplier would be receiving from 55 to 70 cents less per hundredweight for his milk than a complier who cooperated with his marketing quotas. Under these circumstances, I doubt that many dairy farmers would choose to exceed their quotas.

However, let us assume that as many as one-third of all producers did become noncompliers. This would not increase the cost to the Federal Government, nor would it injure the value of the program for those who did comply.

All compliers would still receive returns at the support level of \$4.01. Net returns of noncompliers would be from \$1 to \$1.50—lines 20b X and Y, column D.

The amount of the forfeited compliance, if the rate was set at 50 cents per hundredweight, would just about pay the full cost of the payments made to those producers who stayed within their marketing quotas—lines 23b, Y compared with 21b. With compliance deposits set at 25 cents per hundredweight, the amount of the forfeited deposits would come within \$123 million annually of covering the cost of the payments to cooperating producers—line 24b X.

NINETY PERCENT OF PARITY AT LESS COST THAN PRESENT 75 PERCENT PROGRAM

Mr. Speaker, and by this means, dairy farmers could receive 90 percent of parity for their manufacturing milk and butterfat at considerably less cost to the Federal Government than the existing 75 percent of parity program is costing. If only one-third of the dairy farmers should elect to comply with their marketing quotas, the program would operate at a net profit to the Federal Government—lines 24c X and Y.

This is the manner in which the program would work and the results it would have if marketing quotas were set by the Federal Dairy Board at the level specified in the bill. At little or no cost to the Government, dairy farmers would be protected at 90 percent of the parity price and consumers would be protected from shortages of dairy products.

The Federal Treasury is fully protected by provisions of the bill. The

Secretary is not required to establish the support level at 90 percent of parity if the Board does not set marketing quotas at the minimum level specified. For each 1 percent by which the Board fails to set quotas at the minimum level, the Secretary is authorized and directed to lower the level of support by 2 percent of the parity price. To protect dairy farmers' prices at least at the level provided by the existing law, the Secretary is not authorized to reduce supports below 75 percent of parity.

Mr. Speaker, to protect the Treasury in the unlikely event the Board does not set marketing quotas at a level consistent with 75 percent of parity, the bill provides that the Secretary may lower the quotas set by the Board by 1 percent for each 5 percent of the expected free market price by which it is expected to be lower than 75 percent of parity.

By this device, the Board is empowered to cause the Secretary to set the support level at 90 percent of parity by reducing quotas as provided in the law. However, if the Board does not act in full compliance with their authority, the Secretary has full authority to reduce the price support level or the quotas or both to protect the Treasury.

PROGRAM IS ALMOST COMPLETELY SELF-FINANCING

Except in the event of more than 10 percent unemployment, which we hope never occurs, the program provided in this bill is almost completely self-financing under all possible circumstances. But it also contains a safeguard for consumers by using deficiency payments rather than supply restriction to make up for loss of dairy farmers' income resulting from excessive unemployment.

Any time that unemployment should increase above the 3 percent level, the full-employment volume of milk would continue to flow to the market. Market prices would be allowed to find their own level, and the difference by which market prices were lower than support prices would be made up to the farmer in the form of a deficiency payment.

However, through the self-discipline of the compliance deposit, dairy farmers would be encouraged to cooperate fully with the program. But even if many of them did not, this would not add to the Government cost of the program.

Mr. Speaker, the existing dairy support program, which provides supports at little more than \$3 per hundredweight, costs the Government \$404 million in 1956, \$230 million in 1957, and \$245 million in 1958. The program provided by this bill would support dairy producers' returns at \$4 per hundredweight at less than half the cost to the Federal Government.

A producer whose base was 2,000 hundredweight would come out as follows if there were 7 percent unemployed in a situation where manufacturing milk would average \$2.21 on a completely free market with two-thirds of the producers participating.

If he complies, his quota would be arrived at by subtracting 12 percent from his base—line 7, column D. Thus, his quota would be 2,000 base, less 240, or 1,760 hundredweight. This quota would

be sold at the market price of \$3.27 per hundredweight, plus 74 cents per hundredweight deficiency payment—line 17b, column D. Of course, 50 cents is sent to the Government as compliance payment, but at the end of the year he would get back the 50 cents compliance deposit. His total price for his milk would be \$4.01 per hundredweight—\$3.27 plus 74 cents deficiency payment—or a total return of \$7,057.60 for 1,760 hundredweight—multiply 1,760 by \$4.01.

If he does not comply, he sells 2,000 hundredweight at market price of \$3.27 per hundredweight, minus 50 cents deposit, or \$2.77 per hundredweight. Since he does not comply and reduce his base, he does not get the deposit back or receive any payments. Therefore, his total return would be \$5,540—2,000 multiplied by \$2.77. The noncomplier would receive \$5,540 instead of the \$7,057.60 he would receive if he did comply with the quotas. He would lose \$1,517.60 by his noncompliance.

It would seem reasonable to assume that the compliance percentage would be closer to 100 percent than to 67 percent or 33 percent.

Under the program provided by existing law the same producer selling 2,000 hundredweight receives \$6,480 or \$577.60 a year less than under the program provided by this bill.

SUMMARY OF DAIRY MARKETING BILL'S MAJOR PROVISIONS

Mr. Speaker, in closing I would like to summarize the major provisions of my dairy marketing bill:

First. It would make possible the establishment of the support level of 90 percent of parity price for butterfat and manufacturing milk at less cost to the Government than the existing 75 percent of parity program.

Second. It would establish a system of marketing quotas geared to the extent to which market price without a program would be below the support level under conditions of full employment;

Three. It would provide price support deficiency payments directly to producers to make up the extent to which market prices were allowed to drop below support level, and it would set quotas to allow full employment market supply to flow into the market even if the price was depressed by unemployment above the level of 3 percent of the labor force;

Four. It would require Government purchases to keep the market prices of the several products of milk in a reasonable balance with each other; and

Five. It would set up a system of marketing quota compliance deposits of between 25 and 50 cents per hundredweight, collected on all sales of milk but returned in full at the end of each year to all compliers.

Mr. Speaker, table A works through the application of the provisions of the bill under five different dairy market situations with an unemployment level of 3 to 7 percent.

These calculations of the operations of the bill indicate that—

A. Only if unemployment should rise well above 7 percent of the civilian labor force—in July 1958 seasonally adjusted unemployment percentage was 7.4 per-

cent—could the program be a net cost to the Federal Government under most circumstances. Forfeited compliance deposits by producers who chose not to abide by their quotas would equal or exceed the total of payments that would have to be made except in years of heavy unemployment.

B. The forfeiture—and therefore non-return—of compliance deposits already made and loss of eligibility to receive price-deficiency payments so reduces the net return to those who do not cooperate with the program that noncompliance would be very low.

C. Even a large percentage of non-compliance cannot reduce the value of the program to compliers nor increase its cost to the Government.

D. Marketing quotas are set at a level to maintain 90 percent of parity prices in a full-employment economy. If unemployment above the 3 percent level prevails or develops, the bill provides for allowing the market price to drop to the level that will clear the market of the full-employment level of milk supply. If the market price falls below the support level, the difference is made up to the farmer by means of price-support deficiency payments.

E. Marketing quotas are set not by a supply and carryover equation but are geared to the degree by which price is depressed by oversupply. If market price in the year ahead averages above 90 percent of parity no quotas would go into effect.

F. The program provided in the bill is self-financing except when payments are required to make up for excessive unemployment in the general economy.

G. The bill provides a program that will enable farmers to obtain at least 90 percent of parity for their milk by means of a workable, airtight, self-financing program of adjusting market supply to demand with built-in consumer safeguards.

H. The mechanics of the proposed program are such that Congress or the Secretary of Agriculture can make adjustments at any time to lower prices and increase payments or decrease payments because of higher market prices.

BILL MEETS FOUR ESSENTIALS OF A GOOD FARM PROGRAM

Mr. Speaker, when the House Agriculture Committee was holding hearings on the cotton bill, Congressman BO POAGE, of Texas, outlined the essentials for a good farm bill. These requisites are:

1. reduce cost to taxpayers;
2. give substantial help to the farmers;
3. minimize controls; and
4. reduce surpluses and prevent their recurrence.

Mr. Speaker, I firmly believe that my dairy marketing bill will achieve the above objectives. Any workable self-help program means some type of Government controls. Dairy farmers have never had a chance to vote on the type of price support program they prefer, but they will have this opportunity if the proposed Dairy Market Act becomes a law.

We are not foisting more Government controls on the dairy farmer against his

wishes. It is up to him to decide if he wants the program. I am confident the farmers and taxpayers will support the program because of the savings involved to the taxpayer and the assistance given the farmer for a fair and decent living standard.

I now wish to present a section-by-section analysis of the proposed Dairy Marketing Act, H.R. 6750.

ANALYSIS OF THE PROPOSED DAIRY MARKETING ACT SECTION BY SECTION

This bill, if enacted, would amend the Agricultural Act of 1949 by adding a new title VI.

Part I includes the short title of the bill, the declaration of findings and policy, and the definitions.

Part II provides a new program of price supports for manufacturing milk and butterfat for the marketing years ending in 1962, 1963, and 1964.

Section 621 provides that the Secretary of Agriculture shall support the price of manufacturing milk and butterfat to qualifying producers at 90 percent of the parity price if the Dairy Board has established marketing quotas at the minimum level established by later provisions of the act. For each 1 percent of the marketing base by which the Board does not reduce marketing quotas to the extent provided, the Secretary may lower the level of price support by 2 percent of the parity price. In no event may the Secretary establish the support level for milk and butterfat at less than 75 percent of the parity price.

Section 622 provides that the price supports for manufacturing milk and butterfat shall be carried out through a combination of deficiency payments to qualifying producers and purchases—or, in certain circumstances by purchases alone.

During each marketing year to which the new program applies, the Secretary is directed to make price supports available from Commodity Credit Corporation funds to each qualifying producer, who during the marketing year sold 10,000 pounds or more of milk or milk equivalent, by means of a deficiency payment with respect to all manufacturing milk and butterfat sold by him during the year. The deficiency payment for any producer for any marketing year is calculated as the amount equal to the difference between the price-support level and the domestic market price per unit of such commodity for that year multiplied by the number of units of the commodity marketed by the producer during that marketing year.

Mr. Speaker, deficiency payments must be made to qualifying producers before July 1 of the year immediately following the marketing year in question. The domestic market price per unit used in calculating the amount of the deficiency payment shall be an average of the national average net prices received by producers on sales of such commodity. A qualifying producer who sells milk under terms of a Federal milk order shall be eligible for a deficiency payment on as much of his milk as is used for manufacturing milk or butter.

The forfeited compliance deposits of producers and such other funds as may

be required by the Secretary to reimburse the Commodity Credit Corporation for such of its funds as may be expended in the new program are authorized to be appropriated to the Secretary of Agriculture.

In conjunction with the deficiency payments, the Secretary shall make price support available through purchase of products of milk to the extent necessary to, first, fulfill Government dairy product distribution program requirements; and, second, correlate the relative prices of the various products of manufacturing milk and butterfat in such a manner that prices to producers for manufacturing milk and butterfat used in the different manufactured dairy products will be maintained in the average relationship they had to each other during the immediately preceding 5 years. Such purchases, as far as is practical, must be made in the States or areas where prices received by producers are most depressed.

Mr. Speaker, price support may be made available through purchases alone—unaccompanied by deficiency payments—where the Dairy Board and the Secretary determine that a price-support level of 90 percent of the parity price can be obtained by the purchase of dairy products representing the milk equivalent of not more than 2 percent of the total expected farm marketings of manufacturing milk and butterfat during the marketing year.

Part III provides for establishment and operation of a system of marketing quotas for milk and butterfat sold in cream.

Section 631 of part III provides that not later than March 1 of each calendar year, the Dairy Board shall determine the average price per unit the Board estimates would be received by producers throughout the United States for manufacturing milk and butterfat, in the absence of Federal price-support operations, during the next marketing year, based on the assumption that the number of unemployed will not exceed 3 percent of the civilian labor force.

If the estimated price is less than 90 percent of the parity price, the Board shall impose marketing quotas for the next marketing year, unless the Board and the Secretary determine to provide the support operations solely through product purchases. The Board may suspend marketing quotas at any time within a marketing year when, in its judgment, the market price will be above 90 percent of the parity price if no quotas are in effect.

Section 632 provides for determination of the national and farm marketing bases for milk and butterfat sold in cream. The national marketing base for milk and milk equivalent for a marketing year shall be the average annual marketings of milk and milk equivalent in the United States during the first 3 of the immediately preceding 4 marketing years.

Mr. Speaker, the national marketing base shall be distributed by the Secretary, in accordance with regulations established by the Board, to States, counties and producers. Marketing bases must be established for each marketing

year for all producers who desire to market milk or butterfat. Marketing bases shall be assigned to single producers—including partnerships, corporations and other business entities—rather than to herds or farms. In establishing and adjusting marketing bases of producers, the Secretary is required to take into consideration historical production, trends in production, abnormal production during historical period, and such other factors as may be appropriate to establish such bases in an equitable and practical manner. In establishing and adjusting marketing bases, the Secretary is required to use the services of the State, county and local farmer committees.

The Secretary will provide—by regulations approved by the Board—for (A) the transfer of marketing bases, in whole or in part, from one producer to another during the course of the marketing year; (B) assignment of bases to new producers; (C) adjustment of bases to avoid hardship; (D) such other adjustments—including adjustments for deficit areas—as he deems necessary; and (E) such other matters as may be necessary or appropriate to set up and operate the new program effectively, fairly, and efficiently.

When a producer releases his marketing base, it may not be reassigned outside the county during a period of 3 months after release by the original holder. During such a period, marketing bases so released shall be utilized to fill applications for additional bases within the county. After expiration of the 3-month period, any released bases not assigned to producers within the same county of the original holder may be reassigned to other counties within the State. For a period of 3 additional months, bases may not be reassigned outside the State, and during such period, released bases may be used to fulfill applications for additional bases within the State. After expiration of such a 6-month period, any released bases not reassigned to producer within the State may be reassigned anywhere in the United States.

Yearly adjustments in an area of deficit production shall be made only if the Secretary finds that the area does not produce sufficient milk to meet the market requirements for fluid milk for consumers in the area and has no reasonably satisfactory alternative source of supply available to it. An area which limits or restricts the entry of milk of suitable quality, as determined by the Surgeon General of the Public Health Service, from other areas shall not be eligible for adjustment of bases by reason of deficit production.

Mr. Speaker, section 633 provides that each year when marketing quotas are required, the marketing quota for each producer shall be his marketing base, reduced by not more than 1 percent for each 5 percent of the estimated average price per unit received by producers that such price is expected to be below 90 percent of the parity price. The original marketing quota for each year will be established by the Board.

For example, the program would follow these steps. Pursuant to section 631,

the Board, based upon all the statistical and economic information available to it, makes a determination of what the market price would be in the year ahead, if there were no program in operation and if 3 percent or less of the labor force were unemployed. Let us assume that this price was \$3.36 per hundredweight. Since this price is less than 90 percent of parity, marketing quotas would be placed into effect.

The expected price—\$3.36—is 65 cents lower than 90 percent of the parity price—\$4.01. This is lower by 19 percent of the expected price. To put this another way, the expected market price would have to be raised by 19 percent to reach 90 percent of parity.

For each 5 percentage points of this difference the marketing quota would be established 1 percent lower than the marketing base. As in the example used here, 19 percent divided by 5 percent equals 4 percent, the cut from base required by the bill.

However, in the event the Board has not reduced the quota by enough to justify the required 75 percent of parity support level, the Secretary is empowered to reduce the marketing quota of each producer by not more than 1 percent of his marketing base for each 5 percent of the estimated market price that such price is expected to be less than 75 percent of the parity price.

This provision is put into the bill in order to enable the Secretary to safeguard the U.S. Treasury in case the Board does not set the quotas low enough to operate a 75 percent of parity program without net cost in a year of full employment. For example, in a year when the market price in the absence of a program would be only \$2.46, this would require a payment of at least 79 cents per hundredweight to bring the expected market price up to 75 percent of parity if quotas are not in effect.

However, operation of this provision would enable the Secretary to impose quotas requiring a cut calculated as follows:

Expected full employment market price, \$2.46, subtracted from \$3.34—75 percent of parity>equals \$0.88, which is 26 percent. Divide this by 5 percentage points gives approximately 5 percent, by which the Secretary would be authorized to reduce the base in imposing quotas.

Section 634 provides for the publication and review of the marketing quotas in accordance with applicable provisions of the Agricultural Adjustment Act of 1938, as amended.

Part IV establishes a system of dairy marketing compliance deposits to encourage the maximum compliance with marketing quotas.

Section 641 provides that during each marketing year in which marketing quotas are in effect, compliance deposits shall be withheld and collected from each producer who sells milk, butterfat or dairy products. The amount of the compliance deposits shall be determined by the Board at not less than 25 cents nor more than 50 cents per hundredweight of milk or milk equivalent—whatever figure within those limits that

the Board determines to be necessary to encourage maximum compliance with marketing quotas.

Section 642 provides for the collection of compliance deposits by the Secretary of Treasury from every person buying milk, butterfat or dairy products from a producer—except consumers for other than commercial use. This purchaser shall, in turn, withhold the amount of the compliance deposit from the purchase price. In the case of milk, butterfat or dairy products delivered to a cooperative association of producers, the compliance deposit shall be withheld at the time of delivery and remitted to the Secretary of Treasury.

Mr. Speaker, the compliance deposits shall be credited to a special account in the Treasury, from which refunds may be made on drafts issued by the Secretary of Agriculture.

Section 643 provides for the refund of the entire compliance deposit to each producer who complied with his marketing quota and to each producer who sold less than 10,000 pounds of milk or milk equivalent during the marketing year. This section provides for a safeguard against the division of herds in order to qualify for the 10,000-pound exemption. The 10,000-pound exemption of a producer who joins in a milking pool is protected.

The forfeited refunds will be deposited in the general fund of the Treasury.

Part V sets up a Federal Dairy Board to carry out certain functions detailed in the new dairy program. Section 651 provides for establishment of the Board in the Department of Agriculture as an independent agency. Members of the Board shall be elected by producers. Only milk producers who obtain the major share of their income from farming are eligible to be elected as members of the Board. Appropriation is authorized to the Board of such sums as it may require to carry out its functions and duties.

Mr. Speaker, to assure appropriate regional representation on the Board, the United States is divided into 15 Federal dairy districts to be designated by the Secretary. The Secretary is required to designate districts in such a manner that districts will be areas having equal annual sales of milk, butterfat, or dairy products—as nearly as possible without dividing any county into two or more districts.

Each Federal dairy district is assigned one place on the Board. The milk producers in each district shall elect one Board member and one alternate Board member by ballot. Such election shall be conducted not later than February, 1961, in accordance with rules and regulations prescribed by the Secretary. The Secretary or an official of the Department designated by him, shall be an ex-officio member of the Board without compensation or vote.

Section 652 provides that the terms of the members of the Board shall expire on the termination date of the program: March 31, 1964. If a vacancy on the Board occurs, the alternate member elected for such place shall serve the unexpired term.

Provision is made for traveling expenses, subsistence and per diem compensation of the Board members for each day's attendance at meetings of the Board. Meetings of the Board shall begin as soon as practicable following the election of the members. Thereafter, meetings shall be held annually on the second Monday in December, and at least once in each calendar quarter, and at any other time upon call of the Chairman, a majority of the members, or by the Secretary.

The Chairman of the Board shall be elected by the Board from among its own members. The Board is empowered to employ such personnel as it deems necessary to carry out its functions, subject to the civil service laws and the 1949 Classification Act.

Section 653 provides that, in addition to its other functions, the Federal Dairy Board shall cause to be made a comprehensive study of the production and marketing of manufacturing milk, butterfat and dairy products. This study will cover producers' costs of production, prices received by producers, areas of production, the relationship between changes in national income and changes in volume of consumption of manufacturing milk and butterfat and their products, marketing and processing spreads, relationships between prices received by farmers for milk used for fluid purposes and that used for manufacturing, returns to milk producers on capital investment and labor relative to those of other farmers and of other segments of the national economy, and trends in these factors.

Mr. Speaker, the costs of production shall be determined through an audited cost-accounting survey of typical dairy farms in each region. The survey will take into account all costs of production on the farm attributable to milk production, with hired and family labor assigned a cost computed on the basis of wage rates for comparable work in milk manufacturing and processing plants in the area, and return on invested capital equal to the average return on net worth earned by milk handlers and manufacturers during the preceding 5-year period. The Board is directed to submit to Congress not later than January 3, 1963, a detailed report covering the results of the study and making recommendations for improving the dairy marketing program.

Section 661 provides for a review and amendment of Federal milk orders for the purpose of computing fluid class prices to take into account the payments made under the new program in accordance with the criteria established in the Agricultural Marketing Agreements Act of 1937. The purpose of this section is to protect the pricing structure of Federal milk orders where fluid prices are based upon the market price of manufacturing milk.

Section 662 provides that the new program shall not go into effect until approved by majority vote of milk producers in a referendum called for that purpose. The section also specifies the form of ballot to be used.

**REVOLUTION IN ASTRONAUTICS
DEDICATION OF AVCO CORP.'S
NEW RESEARCH CENTER**

THE SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. McCORMACK] is recognized for 30 minutes.

MR. McCORMACK. Mr. Speaker, the revolution in aeronautics is the most explosive force moving in the world today. It contains the greatest struggle in our world. And it is the only decisive struggle. We are painfully aware of the critical nature of the free world's efforts in missiles and space exploration, which are part and parcel of this revolution. On these efforts, we live or die. It takes only slightly longer reflection to realize the breath-taking advances in the physical sciences, in engineering and nucleonics which are the byproducts of our new aeronautical frontier. They have already sown the seeds for such changes in the human environment that no man of an earlier day, including the scientist, would have thought possible.

In Wilmington, Mass., today, a significant part of this revolution in aeronautics is being unveiled to the public, with the dedication of the Avco Corp.'s new research center. This center, just 13 miles north of Boston, is the working headquarters of one of the finest teams of scientists and engineers in the country. It began 5 years ago with a few dozen scientists and technical personnel working in makeshift quarters. It has evolved into the most modern powerhouse of scientific research yet to be assembled by American private industry. What this new achievement of business science, and others like it, mean to this country is immense. I cannot overestimate the hope it holds for our country's future. The country owes its thanks to men like Victor Emanuel, the chairman of Avco, who are busy realizing this hope. Victor Emanuel is a dedicated American.

Let us first take the obvious concrete meaning. The Avco research staff has already proved its worth to the country in the achievements that have come from it. Avco scientists and engineers, working with the U.S. Air Force have cracked the frontier of space exploration with their work on the ICBM nose cones—first for the Titan missile and now also for the newer Minuteman. Their shock tube studies have tremendously shortened the time for and the costs of solving the critical reentry problem—and I need not add the importance of any such breakthrough to our national security. Going further in their theoretical studies, these scientists and technical experts are now pioneering in the study of that new jaw-breaking science: magnetohydrodynamics. It is a word we ought to remember—how could we forget it—for magnetohydrodynamics may ultimately give us the clue to a workable thermonuclear powerplant. It is hard for one man's mind to imagine the revolution in technology that will follow, if we can thus discipline the terrifying power of the H-bomb.

I am naturally proud that all this activity has been taking place in my home State of Massachusetts. It is no

accident that nearly 300 separate laboratories, research centers, or production facilities, have nestled in the vicinity of Boston. Not only the physical advantages of communications drew them, I might venture to say, nor even the impressive scientific facilities available at the colleges and universities in the Boston area. But there is a certain atmosphere in our city which makes true science and learning feel at home there. It goes back deep into the State's history. With all the later unfavorable publicity the old Puritans received on the subject of witchburning—much of it justified, we sometimes forget that they were consistently and often amazingly friendly to the free scientific spirit. As early as 1683, no less than the famous Increase Mather was praising "the learned men, of these later times, wherein light in things natural as well as divine hath been admirably discovered." Wouldn't he be surprised at the extent and penetration of this scientific light today?

We are proud of our scientists and engineers in the Boston area, even if we poor laymen have trouble understanding the complexities of their discoveries. But the wider meaning of the Avco Research Center and installations like it goes beyond local pride in having them, or even the services they have already rendered the Nation. That wider meaning inheres in the example, given us by Avco and other companies, of the place science can and must have in modern American business—and the dramatic way in which business can help and foster science, without interfering with the cherished and rightful freedom of scientists to pursue their researches in many directions and to follow them wherever they might lead.

The example of an installation like the Avco Research Center has direct bearing on what we call the race for space, or the missile gap. This concerns, of course, the progress of the free world's race to gain a mastery of scientific and engineering knowledge and techniques so great that no perversion of science by the slave world of communism can ever endanger this. But in making this race, the United States has been harboring some faulty premises. Because we are in a race with the Russians, we tend to think of winning by doing what they do, only better. This goes for every field of endeavor. In the recent furor over American education, the country was justly aroused by the abuses, the flagrant abuses of the progressive educationists who seemed to believe that driver training was a substitute for learning mathematics. But many of us, noting that huge figures of engineers, for instance, produced by the Soviet Union, went overboard by demanding that we copy the Soviet system. Nothing could have been more wrong. For a good laboratory in a slave system does not make for an adequate education. It can produce discoveries, but not the men who can shape discoveries for the common good.

What we can say about education is true in a far wider sense for the whole spectrum of scientific endeavor. We are

not engaged in a sort of baseball game with the Russians, in which we can make runs using their batting techniques. On the contrary, there is as much difference between the Soviet techniques and ours as there is between our two political systems. It is no answer to the missile gap, therefore, to say that we can bridge it by increased Government expenditure alone and more Government installations. While we need that, it is not the only way. It will become our way only if American private enterprise disregards the opportunities which the space age offers to it. And the evidence is abundant that American private enterprise is actively interested.

This is the real meaning behind the opening of the Avco Research Center and the others that I hope will follow it. For this is American business adjusting itself, in the finest traditions of the free enterprise system, to new goals and new opportunities. The economic pay-off in our scientific efforts at space exploration is tremendous. It has already manifested itself in the strides made in communications equipment, computers, miniaturization techniques in all forms of engineering. But it can only be realized if American business takes the scientist into its full confidence.

We still talk of the age of industry which has been with us, and an age of science which is about to come. We still trade in terms of the hard-headed businessman, anxious about profits and payrolls, and the visionary scientist, enmeshed in his hypothetical test tubes and mathematical tables. Neither of these ages is a fact. Neither of these stereotypes is a fact. The ages have fused long ago. The stereotypes are refuted by the thousands in the persons of alert American businessmen who know the human worth and the dollars-and-cents value of scientific research, and alert scientists who are keenly conscious of the role which they and their research must play in the economy and the life of the United States.

The partnership of business and science is not an easy one. For one thing, the businessman has to adjust himself to a new rhythm of discovery. There are areas of scientific research in which no amount of expenditures can produce a break-through on order—only hard, patient work or, occasionally, the brilliant synthesis of one man thinking by himself. Backing a scientific research program cannot be simply a quick prospect of "put your money in the slot and out comes the result." Financial support must be firm, continuing, and patient.

The scientist in turn must realize that he is not a pure being dedicated to random research, but a free man working in the context of a free society, with all the responsibilities for direction and effort that these terms premise. He is not a maverick "egghead," operating outside of his society and in a state of semiwar with it. He is leading it, and he must shoulder all the responsibilities which this idea of leadership entails.

The working agreement of science and business at the Avco Research Center is to me the most heartening sign of the

new times. It augurs a great future. It is an open secret, whatever the official economist may say, that the productive capacity of this Nation is literally straining at the leash, waiting for a new goal.

This is why I picked on the dedication of the Avco Research Center as a focus. Here is a great American corporation which is leading the way in putting more and more of its resources into the new frontiers of aeronautics and general science. A statement of its new interests—"electronics, radar, space vehicle propulsion" is like reading a signpost to the frontier of the immediate future.

In the course of the last year and a half I have made an intensive study of the American program in space and aeronautics. I have seen many impressive efforts conducted solely by the agencies of the U.S. Government—the Army Ballistic Missile Agency at Huntsville and some aspects of the naval research laboratories are among the outstanding examples. But I am convinced that we will never solve the problem of leadership in this field by Government agency alone—that is the Soviet way, and I see no reason why free men should imitate it.

In this trying period of the world's history, our Government should cooperate as fully as possible with private industry, utilizing its brains and facilities in the national interest of our country. This is the way in which we can bring the full resources of our Nation to play in the race to make the world and the upper reaches of space safe from the domination of communism.

To do this we must not only encourage a free enterprise cooperation of business and science. The Congress must ensure that on the highest levels the national free enterprise effort will receive proper guidance and direction.

Let us not mistake the situation. We are for practical purposes in sharp conflict with a Soviet dictatorship which is showing itself as cruel and ruthless as the dictatorship under Stalin, despite all the window dressing to the contrary. The Russians under this dictatorship are working to full capacity.

There is no mistake, either, in the fact that the United States is uncomfortably behind the Russians in military aeronautics and missiles—and we can expect the Russians to take advantage of this lead. But the principal reason that we are behind is our failure to utilize the advantages of our own free enterprise system in forging the world's future, and in coordinating our brains and facilities.

It is time we realized that the space effort is not something which can be solved by just the Air Force or the Army, or a new exclusive national space authority operating on its own. It must be a national effort, because it is a new frontier. Like all our national efforts, it needs a firm purpose at the top, and hard, healthy cooperation and coordination at the working level. It is this combination of direction and cooperation and coordination which is our peculiar American genius. If we choose

to follow it, we need have no fear of the future.

I congratulate Avco Corp., and Victor Emanuel and his associates in constructing these research laboratories, and in this splendid contribution to the preservation and progress of America.

SHOULD WIDOWS OF WAR VETERANS SELL THEIR GOVERNMENT BONDS?

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, I have a question which I hope some Member or Members of the House can answer. The question is, Should a widow of a war veteran who put her husband's life insurance into U.S. Treasury Government bonds sell or not sell these bonds?

To give you the whole question, let me read a letter dated May 9 which I received from a war widow in California. It reads:

MY DEAR MR. PATMAN: The enclosed list of Treasury bond prices will show you the low level to which they have deteriorated. Like many other war widows in this area I put the entire proceeds of my veteran (two wars and three campaigns) husband's Government life insurance into Treasury bonds. Our banker advised us that while there would be only a pittance return on the bonds they were considered a gilt-edge investment. Now they have slumped alarmingly, and the end seems not in sight.

Should the widows of men who gave their all for our precious freedom sell their Treasury bonds and again be nearly pauperized?

Thank you in advance for your early reply.

Sincerely.

I wish I could answer that question, and I should be able to answer it, but I cannot. The Congress should know, and perhaps other Members do know, but I for one have not been informed. The price of Government securities tomorrow, just as the price today, is a decision of our Government, but I do not know what that decision will be. I have no hint whether the people within our Government who determine these prices, whoever these people may be, intend or do not intend to bring about a bond price even lower than the present price.

Certainly the prices of our Government's securities have already been lowered to a point which we would not have believed possible a few years ago. Yet almost every day these prices are driven to a new low. And conversely, interest rates throughout the economic system are driven to a new high.

TWO AND FIVE-EIGHTHES PERCENT U.S. GOVERNMENT SECURITIES SELLING AT YIELD RATE OF 4.41 PERCENT

Nor can I tell what the factors are that enter into these decisions to bring about higher and higher interest rates. Certainly these decisions are not related to the amount of debt which the Government must carry. And they are not related to the total demand for savings, including the demand from all public and private sources. On a per capita basis the Federal debt is now much lower than

it was in the 12-year period of 1945 through 1956. And the total demand for savings from both public and private sources is now a smaller percentage of the national income than it was in the years before this administration took office, and even during its first four years in office. Even so, the crisis in the management of the Federal debt continually grows worse. Prices of U.S. securities have now been depressed to the point where long-term bonds are being traded in the market at yields above the rate at which the Treasury can legally issue new bonds. Since World War I—or for two generations—the law of the land has fixed a ceiling rate of 4.4 percent at which the Treasury can issue marketable bonds. But yesterday, according to the Associated Press report, the 2½ percent Treasury bonds due in February 1965 dropped to a price which yields 4.41 percent.

HOW MUCH REPUDIATION ALREADY?

Yesterday, this bond was selling at \$90.28 on the \$100. Just consider these prices. The Treasury's 2½'s, callable in 1970-1965, were selling at \$84.88 on the \$100. The Treasury's 2½'s, callable in 1972-1967, were selling for \$83.20 on the \$100. The Treasury's 2½'s, due in 1961—just 2 years from now, were selling for \$95.25 on the \$100, which gives an interest yield of 4.25 percent.

What is the answer? Should this widow sell her bonds now as quickly as possible? How much lower are they likely to go? Will she be paid back 90 cents on the \$1 of her husband's insurance? Eighty-five cents? Eighty cents? Seventy cents? Fifty cents? Who knows? Only the people running the Federal Reserve System know, but I believe Congress should also know, for these reasons.

FEDERAL RESERVE DETERMINES INTEREST RATE

The Federal Reserve determines the prices of all Government securities, and determines the level of all interest rates, in part by the amount of money it creates or extinguishes. And it determines these things in part by the price, or interest rate, it places on money.

FEDERAL RESERVE ACTS FOR CONGRESS

The determination of these things is a power and a duty reserved to Congress by the Constitution. The Constitution fixes on Congress responsibility for issuing money and regulating the value of money. And while Congress does not actually do these things itself, these things are done for and in the name of Congress. Congress has delegated its power and its responsibility in this field. To whom has Congress delegated the responsibility, and who actually carries it out?

The truth is we do not really know. We know only that monetary policies are made somewhere in the hidden recesses of the Federal Reserve System, but by whom in the Federal Reserve System we do not know. The Board of Governors of the Federal Reserve System tells us repeatedly that the System is an "arm" of Congress. In fact the Board has formerly objected to a bill which would require that its policies and programs be coordinated with the executive branch on the ground that the Federal

Reserve System is constitutionally not a part of the executive branch, but a part of the Congress.

WHO DECIDES BOND PRICES?

What then does Congress know about its monetary policies?

No Member of Congress can say with certainty, I think, whether the money and credit policies of the United States are determined by the Board of Governors, which is a publicly appointed Board, or whether it is determined by the Federal Reserve's Open Market Committee, which is part publicly appointed and part appointed by representatives of the private banks. It is my belief, based on a number of years of intensive research into the matter, that top policy is made by the Federal Open Market Committee. Yet, even so, there may be considerable difference between policy as intended and policy as actually carried out.

It is the Open Market Committee, if I am right, who decides in a general way what the price of Government securities shall be, and consequently what the level of all interest rates shall be. But the execution of this policy is delegated to the Federal Reserve Bank of New York, which means that the actual making of the money supply, the actual making of the prices of Government securities, and the actual making of interest rates is delegated to a group of officials who are chosen exclusively by representatives of private banks. In other words, the officers of the New York bank are chosen by the directors of that bank, and two-thirds of the directors of that bank are elected by the private banks.

Even so, this is not the end of the delegation of the function of determining the actual money supply, the actual prices of Government securities, and the actual interest rates in the economic system. This function is further delegated to a group of 16 private securities dealers with whom the New York bank trades in Government securities. These securities dealers are what Federal Reserve officials like to call a buffer between the Federal Reserve and the money market. In the last analysis, these dealers have the function of transmitting the Federal Reserve's hoped-for policies to the banking system and to the securities markets.

WHO KNOWS WHAT THE GOVERNMENT'S MONEY POLICY IS?

So much, then, for the question of who exercises Congress' power to regulate the value of money. The next question is, more difficult. The next question is, What is being done with this power? The answer to this, I can tell you, is a secret, at least insofar as the Congress and the general public are concerned. As you know, the Employment Act of 1946 declares that the Federal Government shall coordinate all of its agencies, its plans, and its policies to achieve maximum employment, production, and purchasing power. And at least once a year the President's Economic Report reviews the trends in employment and business activity in the private economy and sets out all of the Government's plans and policies for the year ahead in light

of their expected effects on these trends. That is, the President's Economic Report sets out all of the plans and policies with one exception—the Government's monetary policy. And, of course, this is the one policy which can change or reverse all the others.

The Government Operations Committee of the House has been considering a bill to amend the Employment Act of 1946, to require the President to include in his Economic Report a statement of what the monetary policy is to be for the year ahead; or, if not a statement of policy, at least the President's recommendation as to what the policy should be. But the Federal Reserve Board has objected to any such requirement, on the ground—of all things—that a public statement of what monetary policy is going to be would encourage speculation in the securities market. Now, is that not a remarkable piece of reasoning? Where can we find an example of people speculating on what is going to happen when everybody knows what is going to happen? Actually, of course, there is no ground for speculation unless there is considerable uncertainty as to what is going to happen. There is speculation when there is an uncertainty, and some people have inside information or think they can make better guesses as to what is going to happen than other people.

Is everybody equally in the dark about what the Federal Reserve's policy is? Well, there is an extremely competent and authoritative book written by a vice president of the Federal Reserve Bank of New York, Robert V. Roosa, entitled "Federal Reserve Operations in the Money and Government Securities Markets." Mr. Roosa, I might add, knows intimately and from the inside the Federal Reserve's operations in the money and Government securities markets, the System's methods, its purpose and all about it. After explaining all of these things, he has this to say:

The student interested in knowing "what policy is" and prepared to analyze the complex of all daily and weekly published data can generally come fairly close to knowing in a short time. * * *

The characteristically detailed annual reviews of the record, published by the Board of Governors and most Federal Reserve banks, the monthly Federal Reserve Bulletin, and the New York Reserve Bank's Monthly Review, provide enough analysis of what was done, and why, soon enough after the events, to permit the specialist to acquire the body of knowledge which can equip him to make informed judgments of later data and developments. This does mean, however, that the interpretation of central bank action, and the evaluation of its influence, has become, like many other things in this modern day, a zone reserved largely for the specialists.

WHY DOESN'T CONGRESS KNOW, OR DOES IT?

In other words, if we were specialists, as the Wall Street securities dealers are specialists, we would know what our Government's monetary policy is at all times, and we would have a pretty good idea what the policy is going to be in the period ahead. We could tell the way the Federal Reserve is going just as an Indian scout can, by looking at the horse's tracks, tell which way the horse is going.

But lacking this specialization and lacking the time to locate and analyze the daily statistical tracks and guideposts, we do not know. At least I do not know, and I cannot give the woman who wrote me any hint as to what our Government's policy is going to be, nor what prices it expects to bring about for the bonds she holds.

We all know the old saw, of course, that the money managers are trying to protect our dollar. Well, who can say that raising interest rates higher and higher actually protects the value of the dollar? Who can say with confidence that a policy which increases the cost of everything—increases the cost of raw materials, the cost of manufacturing, the cost of wholesaling, the cost of retailing, the cost of buying houses, automobiles, and so on, increases the cost of school buildings, increases the cost of taxes, increases the cost of carrying the Federal debt—can anyone say that such a policy protects the value of the dollar? No, obviously not. But this we can say with certainty: When our Government follows a policy of reducing the market value of Government bonds, it takes a bite out of every dollar of savings which has been put into these bonds.

Can any Member of the House then conscientiously advise the widows of war veterans to hold on to their Government bonds? Can any Member offer these people assurance that our Government will not within the next few weeks or few months repudiate another portion of its bonded debt? Can any Member deny that next month the policy of our Government may be to reduce the price of its bonds to the point that they will repay only 80 cents on the dollar put into them, instead of 85 cents as today?

Is there any Member who feels that he cannot, like Pontius Pilate, wash his hands and cry that he is innocent of all responsibility in this matter?

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. RHODES of Arizona. I just want to ask the gentleman a question concerning one statement he made, that the Government has reduced the price of bonds. I do not think the gentleman meant that exactly.

Mr. PATMAN. Yes; I made that statement deliberately. The Government has reduced the price of bonds, because the Federal Reserve System is a Government-owned organization. It is owned 100 percent, lock, stock, and barrel, by the U.S. Government. Its operations are operations of the Government. When the Federal Reserve System fixes interest rates and forces bond prices down or up, the Federal Reserve System thereby fixes bond prices. I say deliberately that the Government fixes bond prices.

Mr. RHODES of Arizona. The Government ceased supporting the price of bonds back in 1951, I think it was.

Mr. PATMAN. Yes.

Mr. RHODES of Arizona. So the gentleman is not saying, then, that the situation which he describes is a new one? If it exists, it has existed for quite some time. Is that not correct?

Mr. PATMAN. Since the gentleman mentioned the so-called accord, I believe a brief explanation will be in order. The gentleman refers to the March 4, 1951, decision of the Federal Reserve System to secede from the Government, to declare its independence from the Government, from the executive branch in particular, and from the Congress in some respects. In doing that the System was taking the position that it would not maintain any certain price for the bonds, but would change the price as it pleased.

Let us see what led up to that. On January 30, 1951, President Truman for the first time in history as a President, asked all of the Federal Reserve's Open Market Committee to visit him at the White House. That was the first time in history that that was done. The Open Market Committee, you know, is composed of 12 members, the 7 members of the Board of Governors and 5 Federal Reserve bank presidents, in other words 5 men selected by representatives of the private banks. They had a conference. At no other time has any President asked the Federal Reserve Board or representatives to meet with him. He let them know how important it was for them to hold the line on the 2.5 percent bonds. That line had been held for more than 10 years, and satisfactorily. It was no time to let it go. They promised that they would.

At that time the Secretary of the Treasury, Mr. Snyder, was in Walter Reed Hospital, and the present Chairman of the Federal Reserve Board was Assistant Secretary of the Treasury for International Finance. Mr. Truman wanted someone appointed to succeed Mr. McCabe, then Chairman of the Federal Reserve Board, who was resigning because he did not want to carry out the agreement that the Open Market Committee had with the President of the United States to keep the long-term Government bond rate at 2.5 percent. Mr. Truman wanted somebody appointed who would carry out that agreement made in the public interest, so he appointed Mr. William McChesney Martin Assistant Secretary of the Treasury, Chairman of the Federal Reserve Board to succeed Mr. McCabe. I say this and it has never before been said in public, that Mr. Martin's appointment was made by President Truman with the understanding that Mr. Martin would see to it that the line was held and that those bonds would never be pushed below par at 2.5 percent interest. But notwithstanding that, later on, Mr. Martin did violate his understanding with the President of the United States and pushed those bonds down. What I am saying will not, I think, be disputed by former President Truman.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield further?

Mr. PATMAN. I yield.

Mr. RHODES of Arizona. Actually, the gentleman spoke of an accord. Can the gentleman tell me who the parties to that accord were?

Mr. PATMAN. That was some sort of a fictional title that the Federal Reserve took unto themselves as represent-

ing their decision to not further support the price of the U.S. Government bonds.

Mr. RHODES of Arizona. The gentleman knows full well that this accord was between the Treasury Department and the Federal Reserve System; does he not?

Mr. PATMAN. No; it was not any meeting of the minds.

Mr. RHODES of Arizona. An accord is a meeting of the minds. It cannot be an accord without a meeting of the minds.

Mr. PATMAN. Well, there was not a meeting of the minds and that is what happened. That is the reason, I say, there was not a true, genuine accord because Mr. Snyder, Secretary of the Treasury, who was in Walter Reed Hospital at the time and who would have been a necessary party to any such accord did not participate in it and further the President, whose duty it is under the Constitution to "take care that the laws be faithfully executed," had opposed it.

Mr. RHODES of Arizona. The gentleman means then that the former President of the United States, Harry Truman, was impotent and unable to stop a situation of which he did not approve? I suggest that the gentleman from Texas is saying something about Harry Truman that I would never say. I think if there was something that Harry Truman wanted to stop, if anyone would have stopped it or could have stopped it, Harry Truman would have done so.

Mr. PATMAN. Why has not President Eisenhower stopped it? He has the same power that President Truman had.

Mr. RHODES of Arizona. Because President Eisenhower agrees with President Truman in that at the time that this particular accord went into effect that the support system for Government bonds was the most inflationary factor that we had in the country, and that it was bad for the country and should have been done away with. That is what President Truman thought and that is what President Eisenhower thinks, and I think the situation is as true now as it was then.

Mr. PATMAN. The gentleman is mistaken as to President Truman on that because all during the war, when inflation is at its worst, and when it is the most difficult time to prevent or restrain inflation, when we had 2½ percent bonds all during the war without any trouble or difficulty. To say that, after holding the rate down to 2½ percent all during the war, that the rate could not be held down in time of peace, seems to me a ridiculous argument.

Mr. RHODES of Arizona. The value of a dollar went down approximately 35 cents during the war?

Mr. PATMAN. No; it did not go down that much. But, let me tell you how the value of the dollar has gone down for interest paying purposes under this Republican administration. Under the Democratic administration a dollar would buy a certain amount of interest on short-term Government securities—in 1946, we will say. In 1959, do you know how much that dollar will buy of

the same type of interest? It will buy 10 cents. In other words, the dollar of 1946 in the purchase of interest on short-term U.S. Government obligations is worth 10 cents today. You never say anything about that—and our Republican friends who are always talking about how the value of the dollar is going down, do not say that they have made the greatest contribution to it of any group in the world through their hard money, high interest policy.

Mr. RHODES of Arizona. Well, the gentleman will certainly recall, and certainly he would have to admit, that the value of a dollar is approximately the same now as it was when Mr. Eisenhower became President.

Mr. PATMAN. No, and least of all has the value of the dollar been preserved in what it will buy in interest.

Mr. RHODES of Arizona. In the amount of goods that can be bought and that is what the housewife and the working man are interested in.

Mr. PATMAN. Well, you see, Mr. Eisenhower is very clever and so are his advisers and so is the gentleman from Arizona and the other Members of his party. They do not talk about these interest rates. I do not blame them because they cannot defend it. They never say what the dollar is worth in interest rates and how much the cost of carrying debt has been increased.

Mr. RHODES of Arizona. Will the gentleman yield further so that I can talk about interest?

Mr. PATMAN. First, allow me to yield to our friend, the gentleman from New York, who has been asking me to yield for some time and then I will yield further to the gentleman from Arizona.

Mr. SANTANGELO. Mr. Speaker, will the gentleman yield?

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

Mr. SANTANGELO. Mr. Speaker, I want to commend the gentleman from Texas on his analysis of the monetary situation and program. I have listened to him not only today but on other occasions, and I know of no one who has a better appreciation of the bond and interest situation than the gentleman from Texas. The gentleman posed a question at the beginning of his remarks in reply to a widow of a veteran who wanted to know whether she should sell her Government bonds. I do not know whether I could possibly answer it, but in an effort to get information to base an answer I ask the gentleman this question: Do you know of any Government security within the past 5 years which has sold in the marketplace for less than par upon its maturity date?

Mr. PATMAN. All Government bonds are paid at par upon maturity. It does not depend upon the administration in power, it depends upon the obligation itself.

Mr. SANTANGELO. Then the poor widow who purchased Government bonds at less than par will only have to wait until the maturity date to have them paid at par rather than at some figure less than par.

Mr. PATMAN. Yes; but now she is at the disadvantage of possibly needing

her money before the bonds mature and being unable to wait 20 years.

To show you how a commercial bank can handle bonds under a similar situation, the commercial bank purchases bonds in the market as issued at par 100 percent, and they go down in price on the market, to say 83, yet the bonds are permitted to be carried on the books of the bank by Government auditors and examiners at 100 cents on the dollar as an asset of the bank. They do not lose money; they just keep carrying them that way. They finally get their money, of course. Now, the commercial banks can handle it as the gentleman suggests, but the widow oftentimes in need of immediate funds is not in a position to do that.

Mr. SANTANGELO. But eventually if she held them she would get 100 percent of their face value as does the bank which purchases them at less than par.

Mr. PATMAN. The banks bought last year \$10,400 million worth of U.S. Government bonds as a result of the Federal Reserve Board giving them the reserves with which to buy these bonds, and for which the banks paid not one penny. The banks were permitted to create the money upon their books, manufacture the money, to buy these bonds which will cost the taxpayers \$300 or \$400 millions a year in interest. A gift which no Member of Congress will deny.

Mr. SANTANGELO. Do I understand you, sir, to say that the Government is giving the banks the power to create credit and with this credit they are purchasing Government bonds?

Mr. PATMAN. That is right. They have over \$65 billion worth of Government bonds, but they have only \$5 billion in capital stock. Of course, that does not include the surplus and undivided profits.

But the interest rate—I wish my friend would talk about that, my Republican friends never mention that—yet there is where inflation is. The inflation going on in the country today is in the high interest rates, the increased interest rates. By increasing the interest rate you not only unbalance the Federal budget, but you also unbalance every budget of every State, every city, every county, every road district, every school district, every levee district, every political subdivision, and every local county or community in the United States of America, the budget of corporations and individuals; you unbalance everybody's budget by an increase in interest rates; you cause increased taxes and increased prices of everything. We are paying annually about \$10 billion more in interest than we would be paying—and I am talking about on all debts, both public and private—if interest rates had been left where they were on January 30, 1953.

And do you know how much \$10 billion a year is? That is \$60 for every man, woman, and child; it is \$300 for every family of five. That means that \$300 for every family of five must be used to pay interest instead of being used for the comforts and necessities of life. It is a diversion of purchasing power.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. PATMAN. Mr. Speaker, are there other special orders?

The SPEAKER pro tempore. Yes; there are other special orders.

REPUBLIC OF PANAMA: SYMBOL OF FREEDOM

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Pennsylvania [Mr. Flood] is recognized for 30 minutes.

Mr. FLOOD. Mr. Speaker, in recent weeks the Republic of Panama has been confronted with the gravest of crises, precipitated by invaders and collaborators in an effort to overturn its constitutionally elected government. That the people of that country are alert to their dangers is indicated by an editorial in the Star and Herald of Panama, Republic of Panama, in its April 18, 1959, issue, appealing to all loyal Panamanians to support their national freedom.

With this appeal, I am sure that all thoughtful citizens of all the Americas will agree that its integrity must be preserved as a symbol of freedom.

The indicated editorial follows:

IT CAN'T HAPPEN HERE

There are times in the life of every nation when the rather vulgar maxim "Keep your shirt on" appears to apply to the current situation.

When this venerable newspaper, started in 1849, headlines its lead story "Supreme Court Sees 'Grave Threat' to RP" we residents of this Isthmus are forced to stop, look and listen in our efforts to evaluate the gravity of the situation.

And as we pause to review the march of current local events we find ourselves saying "It can't happen here."

Nevertheless "it" is happening here.

There are many angles to the situation and not all of these angles directly concern Panama itself.

Rather we would say that it is triggered by a combination of interests some of whose representatives are disloyal to the spirit of free Americanism, persons who seek political power to further their own selfish interests at the cost of national patriotism. Even at the cost of the national welfare.

How much can this nation depend on such wavering loyalties?

What is national patriotism? Firstly it is love for and loyalty to the homeland, the land of one's birth, the land of one's forefathers, the land for whose freedom those forefathers have fought. Many have died.

Panama is a free country, its freedom guaranteed from the outset by treaty agreements, its defense assured by the defenders of the Panama Canal. It, Panama, is an honest and virile young nation. It has produced many wise and loyal men and women.

Latterly, we must admit, it has been torn by various factions assuredly seeking their own advantage rather than the national welfare. The leaders of these factions are disloyal not alone to the nation's top officials, men legally elected by popular vote, but to the various principles of freedom for which all of our Americas have fought.

Let us loyal Panamanians support the freedom this nation now enjoys. Let its duly elected leaders stand strong, assured that their sister American nations will stand by them.

PANAMA INVASION OBSCURES REAL HAZARDS TO CANAL

Mr. FLOOD. Mr. Speaker, the recent invasion of Panama by Cuban revolutionaries, though abortive, is not a new phenomenon in Caribbean history. In some ways, it is suggestive of the filibuster expeditions of the notorious William Walker to Nicaragua over a century ago, which ended with his execution.

Lest the deluge of sensational publicity evoked by current isthmian violence obscure mounting pressures now facing the Panama Canal enterprises, I would stress again what I have repeatedly emphasized to the Congress: a prime long-range objective of the Communist international conspiracy is to wrest control of the Panama Canal and Canal Zone from the United States.

In advancing this policy there have been two approaches:

First. Internationalization under the United Nations or other international authority; and

Second. Increased participation by Panama in toll revenues, canal sovereignty, and management, aimed at nationalization.

As predicted by me in an address to the House on February 25, 1959, repeated radical and impossible demands in Panama have aided and abetted proposals for internationalization. This idea has been further advanced in an article in the April 1959 issue of Foreign Affairs by two professors of political science of Stanford University, and in an editorial in the Washington Post of April 26, 1959, supporting their views. Highly theoretical and unrealistic, the proposal to divest the United States of its control and jurisdiction of the Panama Canal enterprise ignores inherent political instability of the isthmian area, which was set forth in detail by me in another address to the House on April 2, 1958.

To protect the canal enterprise against such instability was a major purpose of the framers of the 1903 Hay-Bunau-Varillo Treaty. History has fully justified their vision. Moreover, the dangers are not over but are, in fact, increased by our failure to make timely and emphatic reiteration of the historic policies governing the construction, maintenance, operation and protection of the Panama Canal.

The security of our future isthmian policy, Mr. Speaker, will not be solved by ignoring attacks upon it because of a reluctance on our part to offend someone, or an assumed fear of a so-called counter-action in Panama. Instead, the record of the last 25 years is conclusive that successive diplomatic surrenders with respect to the Panama Canal have merely brought forth increased demands for further surrenders. Where will all this lead if the Congress does not stop it?

This, Mr. Speaker, the Congress must do if our vital interests are to be protected. It can be accomplished by prompt passage of House Concurrent Resolution 33, 86th Congress, reasserting our historic isthmian policies and serving notice of our intention to meet our treaty obligations.

Two significant news stories dealing with the Panama Canal situation in the *Wall Street Journal* of May 1 and the *Washington Post* of May 4, 1959, also the indicated editorial follow:

[From the *Wall Street Journal*, May 1, 1959]

INVASION FUROR MASKS THREAT OF ANOTHER PANAMA CANAL RAID—POLITICAL PRESSURES ARE MOUNTING FOR UNITED STATES TO SPLIT CANAL REVENUES WITH PANAMA

(By Henry Gemmill)

PANAMA CITY.—“Traffic is running out of our ears,” says Maj. Gen. William Potter, President of the U.S. Government-owned Panama Canal Company. “Right now we are handling the business that 2 years ago our charts showed would not be reached until 1968. March was the first month in history that we handled over 1,000 ships and tolls passed \$4 million; the April figures will be even bigger.”

This economic data suggests the most important men to watch in Panama today are perhaps not the 89 invaders from Cuba who are holed up in the village of Nombre de Dios (Name of God), nor their asserted chieftain Roberto Arias, who is holed up in the Brazilian Embassy here, but another young man, named Aquilino Boyd, and his zealous associates.

WAS FOREIGN MINISTER

Handsome Aquilino, still in his thirties, has already been foreign minister, is now among the most vocal members of the National Assembly, and has formed a new party which proclaims as its objective getting for Panama 50 percent of all the canal's gross revenues. Last year that half share would have come to more than \$21 million from tolls alone, or \$41 million if revenues from the Canal Company's sales of goods and services were counted in. And the figures are headed sharply higher. This would be a hefty increase indeed over the \$1.9 million which the United States now pays yearly for its leasehold on the isthmus right-of-way.

General Potter is one of the few men on the isthmus who never, never talks politics. But everyone else is willing to grant that Senor Boyd is already running hard to win the Presidency in elections just a year away. He is supported by some brilliant men. One is Ernesto Castillero, who is both a widely read newspaper polemicist and professor at the state university, from which students frequently storm the streets. Another is the brother of Roberto Arias, Gilberto, who is known as the smart boy of the family.

Making a grab for canal property or money is the traditional road to political success in Panama. Whether or not Aquilino Boyd hits the jackpot, his ambitious drive is likely to force competitive claims by the older parties, the Coalition Party to which present President Ernesto de la Guardia belongs, and the Liberals. This is increasingly true, veteran observers here agree, as political ferment in Panama rises.

The invasion from Cuba is just the latest evidence of this instability. Earlier symptoms were sporadic outbreaks in the Provinces and rioting in the capital. The de la Guardia administration has no tight hold on the loyalty of the populace even in this moment of a threat from abroad. Talk to a taxi driver or to a white-collar worker in Panama City and you are likely to hear, “It doesn't matter who wins—one crowd is as bad as another.”

GENERAL REVOLT UNLIKELY

Unless more boatloads of invaders arrive from Cuba—and there are reports they are headed this way—it seems unlikely that any general revolt could take place here now. But the pressure for political upheaval is always present. To understand the insta-

bility of Panama politics one must begin with economics.

The million people in this stringbean nation have ever since independence relied primarily upon canal revenues and jobs as the mainspring of their economy. Apart from a few plants such as a cement factory, plywood mill, and a small new steel mill, there is little industry. About 20 percent of the working force gets its money directly from the U.S. operation of the canal and defense forces based in the Canal Zone and from one private American firm, Chiriqui Land Co., banana growing subsidiary of United Fruit. All these are paid far more than the rest of the labor force. A large proportion of the nation is made up of subsistence farmers who squat on land, burn it, poke the ground with the machetes to plant a little rice, and then move on in 3 or 4 years when the land is exhausted. Some 12,000 squatters live on the outskirts of this city, too, some of them among the ruins of the old Panama which was sacked by pirate Henry Morgan. There is even a squatters' union with headquarters here. About 12 percent of the labor force is jobless and the per capita income runs about \$237 yearly.

Most of these people consider themselves politically disenfranchised. So do many educated youngsters who go through the university and then find jobs scarce. Lawyers and other middle-class folk share their dissatisfaction. The complaint is that a very few families—proud of their wealth and the purity of their “white blood”—have a monopoly of political power, though they may feud bitterly among themselves. Elections are held which are rated rather honest, as those in Latin America go.

The political aristocracy obviously sits on dynamite. The coalition party's strong man, Jose Antonio Remon, who had been boss of the national guard before his election in 1952, was machinegunned to death 2 years later. Mr. de la Guardia, elected 3 years ago after an interim regime, is rated an earnest fellow who has tried to improve health, nutrition and education. He has just launched a public housing program to get some of the populace out of the shacks. But he is not a forceful character, as may perhaps be indicated by his reluctance to send his thousands of national guardsmen in to clean up the pocket of Cuban invaders.

SPENDING SPREE

Having made plenty of money in the brewing business, he is not considered to be hungry for political graft. But even his reputation of high honesty has been besmirched by subordinates. Members of the Panama City Council, appointed by the President, were accused of peculations, such as spending \$200 for a broom, and after a crusading radio station stirred up a riot, he had to send them on a 90-day leave of absence.

This is about up, incidentally, and the old councilmen say they will resume their seats even if force is required. His greatest misfortune was to fall out with the Arias family. Young Roberto and Gilberto are the members most in the public eye, but chief of the clan is their father, Harmodio. He is a lawyer of note, representing “flag of convenience” shipping firms.

Son Gilberto stuck to the political road but son Roberto took to plotting the invasion from Cuba, according to official accounts which seem backed by the evidence and, although Panama officially accepts Fidel Castro's disapproval of the Cuban maneuvers, it is privately and generally believed that he knew and approved of them.

CASTRO'S MOTIVE QUESTIONED

Certainly Castro knew Roberto Arias; he had entertained him in Havana and decorated his wife, British ballerina Dame Mar-

got Fonteyn. Certainly the Panama Government had issued public warning in advance that an invasion was being mounted in Cuba. The question Panamanians are asking is why Fidel, a man who vows his sympathy for the masses, would lend support to an attempted coup by an aristocrat.

One school of thought holds that the Cuban is irrational and there is no use trying to make sense of what he does. The other holds that he calculated quite coldly that he figured the invasion would be accompanied by a popular uprising in Panama and that Roberto Arias would be brushed aside by some more radical figure during the course of the bloodletting. At any rate, all agree that coordination of the invasion forces was completely bungled and the forces that landed are no threat but merely an embarrassment.

They embarrass Castro. They embarrass de la Guardia. They embarrass the United States. American forces in this area could doubtless wipe out the invaders in a half hour but this probably would result in civilian casualties in Nombre de Dios. The whole incident could become another example of U.S. imperialism and colonialism for the leftists of Latin America to talk about endlessly.

Even events as they stand now are being turned against the United States. The afternoon newspaper Pan American yesterday afternoon gave prominent display in the space where editorials would normally appear to an anonymous letter attacking the United States.

[From the *Washington Post and Times Herald*, May 4, 1959]

REBEL BANDS STILL THREATEN PANAMA RULE

(By Jules Dubois)

PANAMA CITY, May 3.—The invasion attempt to overthrow President Ernesto de la Guardia, Jr., failed by quick action of the Organization of American States and the Cuban Government, but he still faces a precarious 16 months before his 4-year term ends.

The revolutionary plans suffered a major setback but they have not collapsed. Rebel students are prowling the jungles of the Province of Colon, not far from Nombre de Dios, where the Cuban invaders surrendered Friday, and a clash has been reported with troops of Panama's Guardia Nacional.

Extremely divergent political forces are involved in the conflict here.

Roberto E. Arias and his cousin, Ruben O. Miro, may have been motivated by desires of revenge, power, and financial gain, but others, notably the Panama Students Federation, want to produce a leftist social revolution with heavy overtones of anti-Americanism.

Leaders of the Students Federation expect other groups of rebel Panamanians to appear soon in the hills of the interior in action against the Guardia Nacional, which has a total force of 2,800 men throughout the country.

Humberto Brugiatto, provisional president of the Students Federation and one of the leaders of the Union of University Students, denies that the body is dominated by Communists. But in the next breath he emphasizes that the Students Federation is not anti-Communist.

The students have a list of immediate demands. The first is that de la Guardia and Col. Bolivar Vallarino, commander of the Guardia Nacional, must go.

Two major demands that directly affect the United States are supported even in Government quarters. They are the recognition of Panama's titular sovereignty in the Canal Zone and a share for Panama of

50 percent of the gross revenue of the Panama Canal.

[From the Washington Post, Apr. 26, 1959]

NEW LOOK AT PANAMA

The real importance of the cloak-and-dagger melodrama involving Margot Fonteyn and the ballerina's Panamanian husband is that it draws attention to a tide of unrest evident for some months in Panama. So far, the recurrent disturbances have seemed mainly to be a dispute between President de la Guardia and his opponents among the small clique of families that dominate the Republic's politics. But it may not remain so for long. There is an awakening nationalism in the Caribbean and it would be unrealistic to assume that Panama can seal itself off from the forces that have found a symbol in Fidel Castro's Cuba. Significantly, the Panamanians have accused Cuba of permitting the training of an army of revolutionary exiles.

Whatever the truth in this assertion—and it is worth stressing that Panama is far from a dictatorship—sooner or later another sleeping issue will become alive again. The issue, of course, is the status of the Panama Canal. An especially pertinent article in the current Foreign Affairs makes this warning: "In the long run the United States will confront a situation not unlike the British in Suez." The authors, Martin Travis and James Watkins, propose the internationalization of the canal under the United Nations.

There are good and cogent reasons for considering a change in the status of the canal. In years past, strategic interests made it imperative that the United States safeguard the canal through American ownership. But the development of missiles—and of aircraft carriers with canted decks too great for the Gaillard Narrows—has markedly changed the canal's priority claim. Nonetheless U.S. policy has remained geared to an outdated military requirement.

Under the 1903 Treaty with the fledgling Republic of Panama, the United States was granted in perpetuity the right of using and controlling the Canal Zone. Panamanians have long contended that this treaty is an affront to their sovereignty, and it is no secret that Panama ultimately hopes to inherit the canal. The Republic undoubtedly has a strong claim, but there is an alternative which this newspaper has suggested before. That is to consider ways of placing

the canal under the Organization of American States, so that 21 flags would fly in the zone rather than 1.

As with any other proposed change, this plan would involve difficulties; for one thing, a new arrangement must take full account of Panama's interests. Yet the proposal could give new meaning to Pan Americanism and to the principle of international control of great waterways. And in any event, the important thing is to understand the need to take a new look before a distant storm becomes a hurricane.

THE AREA REDEVELOPMENT BILL

Mr. FLOOD. Mr. Speaker, in order to keep all those interested in the progress of the Area Redevelopment Bill informed and up-to-date, I am herewith submitting a list of the amendments made by the House Banking and Currency Subcommittee, headed by Congressman WRIGHT PATMAN, to this bill, and which has been reported out by the full committee on Banking and Currency and has been sent to the House Rules Committee for its consideration and action.

In order to further inform all those interested in this vital legislation, I am also submitting a list of the congressional districts with labor markets suffering from substantial labor surplus, as well as rural redevelopment areas, such list indicates current and prospective date of eligibility for benefits under the area redevelopment bill, H.R. 3505.

I am sure, Mr. Speaker, this material will serve as an excellent reference for all who wish to make use of it. This data and information has been compiled by the Area Employment Expansion Committee, 99 University Place, New York, N.Y., under the supervision and direction of Mr. Solomon Barkin, secretary treasurer of the committee.

AMENDMENTS TO AREA REDEVELOPMENT BILL H.R. 3505 IN COMMITTEE

1. Eligibility criteria for rural areas: Administrator must designate any rural county on either of two 1954 lists of counties with lowest farm incomes and levels of living:

may designate other counties under criteria of original bill.

2. Financing: Loan funds must be appropriated (bill now allows borrowing such funds from Treasury).

3. Dollar amounts:

	[In millions]	
	Now	Proposed
Plant loans:		
Industrial areas.....	\$100.0	\$75.0
Rural areas.....	100.0	75.0
Public facility loans.....	100.0	50.0
Public facility grants.....	75.0	35.0
Retraining subsistence payments.....	10.0	10.0
Vocational training grants.....	(0)	21.5
Technical assistance.....	24.5	24.5
Total.....	389.5	251.0

1 No amount specified.

2 Per year.

4. Public facility loans and grants:

(a) No loans or grants to private organizations.

(b) Interest rate lowered on loans (from 4 percent to 2½ percent under present conditions).

(c) Loan may cover entire cost (bill now limits to 65 percent).

(d) Requirement that public works project itself provide permanent jobs is eliminated.

(e) Loans may be made where not otherwise available on "equally favorable terms". (Bill now says "reasonable terms".)

(f) Both loans and grants must be consistent with approved overall redevelopment program.

(g) Loan or grant is prohibited for facility that would compete with existing privately-owned public utility unless State agency finds need.

5. Urban renewal grants: Not more than 10 percent of new funds authorized for total urban renewal program may be used under area redevelopment program.

6. Vocational training:

(a) Dollar limit on financial assistance (\$1.5 million a year).

(b) Financial assistance must be channeled through State board for vocational education.

(c) Authority for Secretary of Labor to issue vocational training regulations jointly with Administrator is eliminated.

7. Records and audit: Recipients of plant loans or public facility loans or grants must keep records, submit to GAO audit.

Congressional districts with labor markets suffering from substantial labor surplus, indicating current and prospective date of eligibility for benefits under area redevelopment bill, April 1959

(NOTE.—The following is a list of labor markets with a substantial labor surplus. Those currently eligible for benefits under proposed area redevelopment legislation are marked with (*). See note at end of table. The earliest likely date of eligibility for other labor markets is noted where information is available, on the assumption that the current level of unemployment will continue. A list of rural counties eligible for benefits is available separately.)

Congressman	Labor market area	Earliest prospective date of eligibility	Congressman	Labor market area	Earliest prospective date of eligibility
Alabama: Boykin.....	Mobile.....	September 1959.	Connecticut: Bowles.....	Middletown (part).....	May 1959.
Elliott.....	Jasper (Walker).....			*Norwich.....	
	*Florence-Sheffield (Franklin).....			Thompsonville (part).....	April 1959.
Grant.....	Escambia (Escambia).....	March 1960.		Willimantic.....	May 1959.
Huddleston.....	Birmingham (Jefferson).....	July 1959.	Daddario.....	Danielson.....	
Jones.....	*Florence-Sheffield (Franklin).....			Bristol.....	
Rains.....	Decatur (Morgan).....			New Britain.....	
	*Gadsden (Etowah).....			*Meriden (part).....	
Roberts.....	*Alexander City (Tallapoosa).....			Middletown (part).....	
	*Anniston (Calhoun).....			Thompsonville (part).....	
	Talladega.....			*Torrington.....	
	*Alexander City (Coosa).....		Gialmo.....	*Ansonia (part).....	
	Selma (Dallas).....			Bridgeport (part).....	
Arkansas: Harris.....	*Texarkana (Miller).....	March 1960.		*Meriden (part).....	
	Magnolia (Columbia).....			New Haven.....	
Gathings.....	Helena-West Helena (Phillips).....	July 1959.		Waterbury (part).....	August 1959.
Trimble.....	Fort Smith (Sebastian).....	Seasonally high unemployment in area.	Irwin.....	Bridgeport (part).....	June 1959.
California: C. W. Miller.....	Eureka.....			*Ansonia (part).....	April 1959.
	Ukiah.....			Danbury (part).....	
Colorado: Johnson.....	Crescent City (Del Norte).....		Kowalski (at large).....	*Bristol (part).....	
	Longmont (part of Boulder and Weld).....		Monagan.....	Danbury (part).....	
				Waterbury (part).....	
				*Torrington (part).....	

Congressional districts with labor markets suffering from substantial labor surplus, indicating current and prospective date of eligibility for benefits under area redevelopment bill, April 1959—Continued

(NOTE.—The following is a list of labor markets with a substantial labor surplus. Those currently eligible for benefits under proposed area redevelopment legislation are marked with (*). See note at end of table. The earliest likely date of eligibility for other labor markets is noted where information is available, on the assumption that the current level of unemployment will continue. A list of rural counties eligible for benefits is available separately.)

See footnotes at end of table.

Congressional districts with labor markets suffering from substantial labor surplus, indicating current and prospective date of eligibility for benefits under area redevelopment bill, April 1959—Continued

(NOTE.—The following is a list of labor markets with a substantial labor surplus. Those currently eligible for benefits under proposed area redevelopment legislation are marked with (*). See note at end of table. The earliest likely date of eligibility for other labor markets is noted where information is available, on the assumption that the current level of unemployment will continue. A list of rural counties eligible for benefits is available separately.)

Congressman	Labor market area	Earliest prospective date of eligibility	Congressman	Labor market area	Earliest prospective date of eligibility
Michigan—Continued			New Mexico:		
Ford	*Grand Rapids		Montoya	Deming (Luna)	
	Holland-Grand Haven	October 1959.	Morris	Las Vegas (San Miguel)	
Griffin	*Muskegon (Muskegon)		Barry	Raton (Colfax)	
	Manistee (Manistee)		Dulski	*Newburgh-Middletown-Beacon (Putnam)	
	Northport (Leelanau)		Kilburn	Buffalo (part of Buffalo)	July 1959.
	Traverse (Grand Traverse)		Miller	Watertown	October 1959.
Griffiths	*Detroit (Wayne)		O'Brien	Buffalo (Niagara, part of Erie)	July 1959.
Hoffman	South Haven (Van Buren)		Ostertag	Albany-Schenectady-Troy (Albany)	Do.
	*Benton Harbor	Do.		*Batavia	
	Allegan		Pillion	Orleans (Orleans)	
Johansen	*Sturgis		Pirnie	Buffalo (part of Erie)	Do.
	Battle Creek	May 1959.	Reed	Oneida (Madison)	November 1959.
	Hillsdale (Hillsdale)		Riehman	*Utica-Rome (Herkimer and Oneida)	
Knox	Menominee (Menominee)		Robison	Jamestown-Dunkirk	
	*Escanaba		St. George	Wellsville (Allegany)	July 1959.
Lesinski	*Detroit (Wayne)		Stratton	Olean-Salamanca (Cattaraugus)	June 1959.
Machrowicz	*Monroe (Monroe)			Syracuse	July 1959.
Meader	*Adrian		Taber	*Elmira	
	Ann Arbor-Ypsilanti		Taylor	Binghamton	
O'Hara	*Jackson			Corning-Hornell	
	*Detroit (Macomb)			*Newburgh-Middletown-Beacon (Orange)	November 1959.
	*Port Huron (St. Clair)			Albany-Schenectady-Troy (Schenectady)	June 1959.
Rabaut	Caro (Tuscola)		Wharton	*Amsterdam	
Minnesota:	*Detroit (Wayne)			*Gloversville	
Blatnik	Duluth-Superior (St. Louis)	July 1959.		*Auburn	
Langen	Bemidji (Beltrami)			Albany-Schenectady-Troy (Rensselaer)	Do.
Quie	Winona (Winona)			Glens Falls-Hudson Falls (Warren, Washington)	June 1959.
Mississippi:	West Point (Clay, Chickasaw and Oktibbeha)			Plattsburgh (Clinton)	September 1960.
Abernethy	Biloxi-Gulfport (Harrison)			Waterford - Mechanicsville - Stillwater (part of Saratoga)	
Colmer	Columbia (Marion)			*Newburgh-Middletown-Beacon (part of Dutches)	
Smith	Greenville	May 1959.		Kingston (Ulster)	August 1959.
	Clarksville (Coahoma)			Catskill (Greene)	
Williams	Cleveland (Bolivar)			New York	
Winstead	McComb (Pike)		Anfuso	Kings	
	Canton (Madison)		Barry	Westchester	
Missouri:	Kansas City (Kansas City)		Becker	Nassau	
Bolling	*Joplin (Jasper)	September 1959.	Bosch	Queens	
Brown	St. Louis (St. Charles)	July 1959.	Buckley	Bronx	
Cannon	Hannibal (Marion and Ralls)		Celler	Kings, Queens	
Carnahan	*Flat River		Delaney	Queens	
Christopher	Cabool (Texas)		Derounian	Nassau	
Curtis	Kansas City (Jackson)	September 1959.	Dollinger	Bronx	
Hull	St. Louis (St. Louis)	July 1959.	Doolley	Westchester	
Jones	Washington (Franklin)	September 1960.	Dorn	Kings	
Karsten	Kansas City (Clay)	September 1959.	Farbstein	New York	
Moulder	Caruthersville (Pemiscot)	September 1959.	Fino	Bronx	
	Cape Girardeau		Halpern	Queens	
Sullivan	St. Louis (St. Louis)	August 1959.	Healey	Bronx	
	Washington (Franklin)	July 1959.	Holtzman	Queens	
Montana: Anderson	Marshall (Saline)	September 1960.	Kelly	Kings	
	Sedalia (Pettis)		Keogh	Kings	
	Versailles (Morgan)		Lindsay	New York	
	Washington (Franklin)		Multer	Kings	
	Waukegan (Kane)		Ray	New York	
	Waukesha (Milwaukee)		Rooney	Richmond (part of Kings)	
Nebraska: Cunningham	Beatrice (Gage)		St. George	Kings	
New Jersey:	Blair (Washington)		Santangelo	Rockland	
Addonizio	Newark	July 1959.	Teller	New York	
Auchincloss	*Long Branch		Wainwright	Nassau, Suffolk	
	Perth Amboy	Do.	Zelenko	New York	
Cahill	*Philadelphia (Camden, Gloucester)	Do.	North Carolina:		
Canfield	Paterson	Do.	Cooley	*Rocky Mount (Nash)	
Daniels	Newark	Do.	Durham	Raleigh (Wake)	July 1960.
Dwyer	Paterson	Do.	Fountain	*Durham (Durham)	
Frelinghuysen	Newark	September 1959.	Hall	*Kinston (Lenoir)	
	Plainfield-Somerville	July 1959.		*Rocky Mount (Edgecombe)	
	Morristown-Dover	September 1959.		*Asheville (Buncombe)	
	Plainfield-Somerville	July 1959.		*Waynesville (Haywood, part of Jackson)	
Gallagher	Perth Amboy	Do.		Bryson City (Swain)	
Glenn	Paterson	Do.		Hendersonville	
Osmers	Newark	Do.		Murphy (Cherokee)	
Rodino	Paterson	Do.		Lincolnton (Lincoln)	
Thompson	Perth Amboy	Do.		*Rockingham-Hamlet	
	*Philadelphia (Burlington)			*Fayetteville (Cumberland)	
Wallhauser	Trenton	Do.		Lumberton (Robeson)	
Widnall	Newark	Do.		Roxboro (Person)	
	Morristown-Dover	Do.		*Mount Airy (Surry)	
	Trenton	Do.		Marion (McDowell)	
	Paterson	Do.		*Shelby-Kings Mountain (Cleveland)	
	Allentown-Bethlehem (Warren)	Do.		*Rutherfordton-Forest City	
	Plainfield-Somerville	Do.	Ohio:	Toledo (Lucas)	
	Flemington (half of Hunterdon)	Do.		Baumhart, Jr.	May 1959.
		September 1959.		Kenton	July 1959.
		July 1959.		Findlay - Tiffin - Pottsville (Hancock, Seneca)	August 1959.
See footnotes at end of table.				Bow	
					*New Philadelphia-Dover (Tuscarawas)
					*Springfield

Congressional districts with labor markets suffering from substantial labor surplus, indicating current and prospective date of eligibility for benefits under area redevelopment bill, April 1959—Continued

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Congressman	Labor market area	Earliest prospective date of eligibility	Congressman	Labor market area	Earliest prospective date of eligibility
Ohio—Continued Cook.....	Youngstown (part of Trumbull). Ashtabula-Conneaut. Kent-Ravenna (Portage). *New Philadelphia-Dover (Carroll, Harrison). Steubenville-Wheeling (W. Va.). *East Liverpool-Salem.	July 1959. August 1959. July 1959.	Pennsylvania—Con. Quigley.....	*York. Harrisburg (Cumberland and Dauphin). Gettysburg (Adams). Reading.....	July 1960.
Hays.....	Cambridge..... Marietta..... Zanesville..... Kirwan..... Latta..... Moeller.....	Do. June 1959. August 1959.	Rhodes..... Saylor..... Simpson..... Toll..... Van Zandt..... Walter.....	*Johnstown (Cambria). Indiana (Indiana). Kittanning-Ford City (Armstrong). *Johnstown (Somerset). *Lewistown (Mifflin). *Samburg-Shamokin-Mount Carmel (Snyder, Union). Chambersburg-Waynesboro (Franklin, Fulton). Philadelphia..... Altoona (Blair). *Clearfield-DuBois (part of Centre, Clearfield). *Pottsville (part of Carbon). Allentown-Bethlehem (Northampton). Lehigh-Palmerton (Carbon, except Pottsville area).	July 1959. September 1960. Do.
Henderson.....	Woodfield (Monroe). Youngstown (Mahoning, Trumbull). Toledo (part of Wood). *Athens-Logan-Nelsonville.	July 1959. Do.		Philadelphia..... Altoona (Blair). *Clearfield-DuBois (part of Centre, Clearfield). *Pottsville (part of Carbon). Allentown-Bethlehem (Northampton). Lehigh-Palmerton (Carbon, except Pottsville area).	Do.
Polk.....	*Portsmouth-Chillicothe (Jackson). *Portsmouth-Chillicothe (Pike, Ross, Scioto). Batavia - Georgetown - West Union (Adams, Brown, Clermont).	June 1959.		Philadelphia..... Altoona (Blair). *Clearfield-DuBois (part of Centre, Clearfield). *Pottsville (part of Carbon). Allentown-Bethlehem (Northampton). Lehigh-Palmerton (Carbon, except Pottsville area).	July 1959.
Oklahoma: Albert.....	Poteau (LeFlore). Ardmore (Carter). *McAlester (Pittsburg). *Okmulgee-Henryetta (Okmulgee). Shawnee (Pottawatomie).	May 1959.	Rhode Island: Fogarty..... Forand.....	*Providence. *Newport.	Do.
Edmonson.....	Portland (Multnomah). Portland (Clackamas, Washington). McMinnville (Yamhill). St. Helens (Columbia). Tillamook (Tillamook). Toledo (Lincoln). Astoria (Clatsop). Gold Beach (Curry). Grants Pass (Josephine). Albany.....	July 1959. Do.	South Carolina: Rivers. Tennessee: Baker..... Bass..... Davis..... Frazier, Jr..... Evins..... Reece..... Texas: Brooks..... Burleson..... Laredo..... Kilgore..... Patman..... Rogers..... Young.....	*Providence. *Newport. *Providence. Hampton (Hampton). *Knoxville (Anderson, Blount, Knox). *La Follette-Jellico-Tazewell (Campbell). Columbia (Maury). Memphis..... *Chattanooga. Tracey City (Grundy). Lewisburg (Marshall). Murfreesboro (Rutherford). Shelbyville (Bedford). *Bristol-Johnson City-Kingsport.	September 1960. July 1959.
Oregon: Green.....				Beaumont-Port Arthur. Dublin (Comanche and Erath). Laredo..... *Texarkana (Bowie). Pampa (Gray). Corpus Christi. Karnes City (Karnes). Price (Carbon and Emery). *Springfield. Burlington..... Brattleboro (part of Windham). St. Johnsbury (part of Caledonia, Essex, Orleans, and Washington).	Do.
Norblad.....					May 1959.
Porter.....					July 1960.
Ullman.....	Roseburg..... *Pendleton (Umatilla). Hood River (Hood River).				
Pennsylvania: Barrett.....	Philadelphia..... *Berwick-Bloomsburg (part of Columbia). *Lock Haven (Clinton). *Samburg-Shamokin-Mount Carmel (Montour, part of Columbia). *Williamsport (Lycoming). *Sayre-Athens-Towanda (Bradford). Philadelphia..... Pittsburgh (Beaver). *Butler..... *New Castle..... Allentown-Bethlehem (Lehigh). Philadelphia (Bucks). Philadelphia (Chester). Pittsburgh..... *Pottsville (Schuylkill). *Samburg-Shamokin-Mount Carmel (Northumberland). St. Marys (Cameron). *Wilkes-Barre-Hazleton (Luzerne). Pittsburgh..... *Clearfield-DuBois (part of Jefferson). Oil City-Franklin-Titusville (Forest, Venango). St. Marys (Elk). Clarion (Clarion). Philadelphia..... Pittsburgh..... Youngstown, Ohio-Pa. (Mercer). *Erie..... Oil City-Franklin-Titusville (part of Crawford). Philadelphia (Montgomery). Philadelphia..... Pittsburgh..... *Uniontown-Connellsville (Fayette). Pittsburgh (Washington). *Lewistown (Juniata). Harrisburg (Cumberland and Dauphin). Philadelphia..... Forest City-Montrose (Susquehanna). *Scranton (Lackawanna).				
Clark.....		Do.			
Corbett.....		April 1959.			
Curtin.....					
Dague.....					
Dent.....					
Fenton.....					
Flood.....					
Fulton.....					
Gavin.....					
Granahan.....					
Green.....					
Holland.....					
Kearns.....					
Lafore.....					
Milliken.....					
Moorehead.....					
Morgan.....					
Mumma.....					
Nix.....					
Prokop.....					

See footnotes at end of table.

Congressional districts with labor markets suffering from substantial labor surplus, indicating current and prospective date of eligibility for benefits under area redevelopment bill, April 1959—Continued

(NOTE.—The following is a list of labor markets with a substantial labor surplus. Those currently eligible for benefits under proposed area redevelopment legislation are marked with (*). See note at end of table. The earliest likely date of eligibility for other labor markets is noted where information is available, on the assumption that the current level of unemployment will continue. A list of rural counties eligible for benefits is available separately.)

Congressman	Labor market area	Earliest prospective date of eligibility	Congressman	Labor market area	Earliest prospective date of eligibility
West Virginia—Con. Slack	*Beckley (Raleigh). *Logan (Logan, part of Boone). Martinsburg.		Wisconsin—Continued Kastenmeier	Watertown.	August 1959.
Staggers	*Morgantown. Marlinton (Pocahontas). *Cumberland (Mineral).	July 1959.	Laird	Antigo (Langlade). Stevens Point (Portage). Duluth-Superior (Douglas). Rhinelander (Oneida). Oshkosh.	July 1959.
Wisconsin: Byrnes	Surgeon Bay (Door).	May 1959.	O'Konski	Chilton (Calumet). *La Crosse.	October 1959.
Flynn	Beloit.	March 1960.	Van Pelt	Mauson (Juneau). Kemmerer (part of Lincoln).	
Johnson	Eau Claire-Chippewa Falls (Chippewa and Eau Claire Counties).		Withrow	Sheridan (Sheridan).	
			Wyoming: Thomson		

NOTES

Eligible for assistance under the Spence bill, i.e., unemployment of 6 percent or more in at least 18 of the previous 24 months, 9 percent during at least 15 of the previous 18 months, 12 percent during the previous 12 months, or 15 percent during the previous 6-month period.

Eligibility date for most very small areas of substantial labor surplus not ascertainable due to lack of data.

RURAL REDEVELOPMENT AREAS PRESCRIBED BY THE HOUSE BANKING COMMITTEE IN PROPOSED AREA REDEVELOPMENT ACT

NOTE.—The bill recommended by the House Banking Committee declares that among the rural redevelopment areas "shall be included * * * any county (1) which is among the 500 counties in the United States ranked lowest in level of living of farm-operator families; or (2) which is among the 500 counties in the United States having the highest percentage of commercial farms producing less than \$2,500 worth of products for sale annually."

The counties listed below conform to these categories:

(Congressman and rural county)

ALABAMA

ANDREWS: Barbour, Bullock, Coffee, Geneva, Henry, Houston, Lee, Macon, Russell.

BOYKIN: Choctaw, Clarke, Marengo, Monroe, Washington, Wilcox.

ELLIOTT: Blount, Cullinan, Fayette, Franklin, Lamar, Marion, Pickens, Walker, Winston.

GRANT: Butler, Conecuh, Covington, Crenshaw, Escambia, Lowndes, Montgomery, Pike.

JONES: Jackson, Lawrence, Limestone, Morgan.

RAINS: Chambers, DeKalb, Etowah, Marshall, Randolph, Tallapoosa.

ROBERTS: Autauga, Clay, Coosa, Dallas, Elmore, St. Clair.

SELDEN: Bibb, Chilton, Greene, Hale, Perry, Sumter, Tuscaloosa.

ARKANSAS

ALFORD: Conway, Faulkner, Perry, Pope, Yell.

GATHINGS: Clay, Crittenden, Greene, Lee, Phillips, St. Francis.

HARRIS: Ashley, Bradley, Calhoun, Clark, Columbia, Hempstead, Howard, Lafayette, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Sevier, Union.

MILLS: Cleburne, Fulton, Independence, Izard, Lawrence, Monroe, Randolph, Sharp, Stone, White, Woodruff.

NORRELL: Chicot, Cleveland, Dallas, Desha, Drew, Grant, Jefferson, Lincoln, Lonoke.

TRIMBLE: Baxter, Boone, Johnson, Logan, Madison, Marion, Newton, Scott, Searcy, Sebastian, Van Buren.

FLORIDA

MATTHEWS: Baker, Gilchrist, Hamilton, Lafayette, Madison, Suwannee, Union.

SIKES: Calhoun, Holmes, Jackson, Jefferson, Leon, Okaloosa, Walton, Washington.

GEORGIA

BLITCH: Appling, Atkinson, Bacon, Brantley, Charlton, Clinch, Coffee, Echols, Jeff Davis, Lanier, Pierce, Telfair, Wayne.

BROWN: Elbert, Greene, Hart, Lincoln, Oglethorpe, Taliaferro, Warren, Wilkes.

DAVIS: Rockdale.

FLYNT: Butts, Carroll, Clayton, Coweta, Fayette, Heard, Henry, Lamar, Meriwether, Newton.

FORRESTER: Clay, Dodge, Harris, Marion, Quitman, Randolph, Stewart, Taylor, Wilcox.

LANDRUM: Fannin, Gilmer, Rabun, Towns, Union, White.

MITCHELL: Chattooga, Dade, Douglas, Haralson, Murray, Walker.

PILCHER: Baker, Brooks, Decatur, Early.

PRESTON: Bryan, Burke, Evans, Liberty, Long, Montgomery, Screven, Trattnall, Treutlen, Wheeler.

VINSON: Baldwin, Crawford, Glascock, Hancock, Jasper, Johnson, Twiggs, Washington, Wilkinson.

ILLINOIS

GRAY: Hardin, Johnson, Pope.

KENTUCKY

CHELF: Adair, Green, Metcalfe.

NATCHER: Allen, Breckinridge, Butler, Edmonson, Grayson, Hopkins, Ohio.

PERKINS: Breathitt, Carter, Elliott, Floyd, Greenup, Johnson, Lawrence, Lee, Magoffin, Menifee, Morgan, Pike, Rowan, Wolfe.

SILER: Clay, Clinton, Cumberland, Jackson, Knox, Laurel, Monroe, Owsley, Pulaski, Rockcastle, Russell, Wayne, Whitley.

SPENCE: Lewis.

STUBBLEFIELD: Crittenden, Graves, McCracken, Marshall.

WATTS: Casey, Estill, Powell.

LOUISIANA

BROOKS: Bienville, Claiborne, De Soto, Red River, Webster.

MCSEWEN: Avoyelles, Grant, La Salle, Natchitoches, Sabine, Vernon, Winn.

MORRISON: East Feliciana, Livingston, St. Helena, West Feliciana.

PASSMAN: Caldwell, Catahoula, Concordia, Franklin, Lincoln, Morehouse, Richland, Union, West Carroll.

THOMPSON: Beauregard, Evangeline, St. Landry.

MICHIGAN

BENNETT: Iron.

CEDERBERG: Alcona, Clare, Iosco.

GRIFFIN: Wexford.

MINNESOTA

BLATNIK: Itasca.

MARSHALL: Aitkin.

MISSISSIPPI

ABERNETHY: Alcorn, Attala, Calhoun, Chickasaw, Choctaw, Clay, Itawamba, Lee, Lowndes, Monroe, Noxubee, Oktibbeha, Pontotoc, Prentiss, Tishomingo, Webster, Winston.

COLMER: Covington, George, Greene, Jefferson, Davis, Jones, Lamar, Lawrence, Marion, Perry, Wayne.

SMITH: Bolivar, Coahoma, Holmes, Humphreys, Issaquena, Leflore, Quitman, Sharkey, Sunflower, Tunica, Washington.

WHITTEN: Benton, Carroll, De Soto, Grenada, Lafayette, Marshall, Montgomery, Panola, Tallahatchie, Tate, Tippah, Union, Yalobusha.

WILLIAMS: Adams, Amite, Claiborne, Copiah, Franklin, Hinds, Jefferson, Lincoln, Pike, Walthall, Warren, Wilkinson, Yazoo.

WINSTEAD: Clarke, Jasper, Kemper, Lauderdale, Leake, Madison, Neshoba, Newton, Rankin, Scott, Simpson, Smith.

MISSOURI

RANDALL: Vernon.

BROWN: Douglas, Ozark, Stone, Taney, Wright.

CARNAHAN: Carter, Dent, Howell, Iron, Madison, Oregon, Reynolds, Shannon, Washington, Wayne.

JONES: Bollinger, Butler, Ripley.

NEW MEXICO

MONToya, MORRIS: Mora, Rio Arriba, San Miguel, Sierra, Socorro.

NORTH CAROLINA

ALEXANDER: Alexander, Alleghany, Ashe, Stanly, Watauga.

BARDEN: Duplin, Onslow, Pender.

BONNER: Hyde, Tyrrell, Washington.

FOUNTAIN: Halifax, Warren.

HALL: Buncombe, Cherokee, Clay, Graham, Haywood, Jackson, Macon, Swain, Transylvania.

JONAS: Avery, Burke, Catawba, Lincoln, Mitchell.

KITCHIN: Anson, Davidson, Montgomery, Scotland, Wilkes.

LENNON: Bladen, Brunswick, Columbus, New Hanover.

SCOTT: Caswell, Person.

WHITENER: Cleveland, Madison, McDowell, Polk, Rutherford, Yancey.

OHIO

HENDERSON: Guernsey, Noble.

MOELLER: Gallia.

OKLAHOMA

ALBERT: Atoka, Choctaw, Latimer, Le Flore, McCurtain, Pittsburg, Pushmataha.

EDMONSON: Adair, Cherokee, Delaware, Haskell, McIntosh, Okmulgee, Sequoyah.

STEED: Coal, Creek, Hughes, Lincoln, Okfuskee, Seminole.

SOUTH CAROLINA

ASHMORE: Greenville, Laurens, Spartanburg, Union.

DORN: Abbeville, Anderson, Edgefield, Greenwood, McCormick, Newberry, Oconee, Pickens, Saluda.

HEMPHILL: Cherokee, Chester, Chesterfield, Fairfield, Kershaw, Lancaster, York.

MCMLIAN: Georgetown, Horry, Lee, Williamsburg.

RILEY: Barnwell, Lexington, Orangeburg. RIVERS: Allendale, Beaufort, Berkeley, Charleston, Clarendon, Colleton, Dorchester, Hampton, Jasper.

TENNESSEE

BAKER: Anderson, Blount, Campbell, Loudon, Morgan, Roane, Scott, Union.

BASS: Dickson, Giles, Hickman, Houston, Humphreys, Lawrence, Lewis, Perry, Stewart, Sumner, Wayne.

EVERETT: Haywood, Lauderdale.

EVINS: Cannon, Clay, Cumberland, De Kalb, Fentress, Jackson, Lincoln, Macon, Moore, Overton, Pickett, Putnam, Rutherford, Smith, Van Buren, Warren, White, Wilson.

FRAZIER: Bledsoe, Grundy, McMinn, Marion, Meigs, Monroe, Polk, Rhea, Sequatchie.

MURRAY: Benton, Carroll, Decatur, Fayette, Hardeman, Hardin, McNairy, Madison.

REECE: Carter, Claiborne, Cocke, Grainger, Greene, Hamblen, Hancock, Hawkins, Jefferson, Johnson, Sevier, Sullivan, Unicoi, Washington.

TEXAS

BECKWORTH: Camp, Panola, Rusk, Upshur, Wood.

BROOKS: Newton, Sabine, San Augustine. DOWDY: Anderson, Angelina, Cherokee, Henderson, Houston, Madison, Polk, San Jacinto, Trinity, Walker.

PATMAN: Bowie, Cass, Franklin, Harrison, Marion, Morris, Red River, Titus.

RAYBURN: Rains.

TEAGUE: Freestone, Leon, Robertson, Somervell.

THOMPSON: Lavaca.

THORNBERRY: Bastrop, Burleson.

YOUNG: Duval, McMullen.

VIRGINIA

ABBITT: Appomattox, Buckingham, Greensville, Lunenburg, Mecklenburg, Prince Edward.

DOWNING: York.

HARRISON: Bath, Highland.

JENNINGS: Buchanan, Dickenson, Lee, Russell, Scott, Tazewell, Washington, Wise.

POFF: Alleghany, Bedford, Craig, Floyd.

SMITH: Fluvanna, Greene.

TUCK: Carroll, Charlotte, Grayson, Halifax, Henry, Patrick.

WEST VIRGINIA

BAILEY: Braxton, Calhoun, Clay, Doddridge, Fayette, Gilmer, Harrison, Lewis, Nicholas, Ritchie, Upshur, Wirt.

HECHLER: Cabell, Jackson, Lincoln, Mason, Pleasants, Putnam, Roane, Tyler, Wayne, Wood.

KEE: Mercer, Monroe, Summers.

MOORE: Brooke, Marion, Taylor, Wetzel.

SLACK: Kanawha, Raleigh.

STAGGERS: Barbour, Monongalia, Randolph, Tucker, Pocahontas, Preston.

INTEREST RATES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Arizona [Mr. RHODES] is recognized for 15 minutes.

Mr. RHODES of Arizona. Mr. Speaker, I guess I will talk about interest rates on my own time, now, if the gentleman from Texas [Mr. PATMAN] would care to listen.

The gentleman from Texas is a very able and distinguished Member of the House. He has ever since I have been a Member of the House, and long before, made the study of the monetary system of our country one of his main objects as a Member of the House. However, there is a fundamental of the money market which I have never heard the gentleman from Texas mention, and that is the fact that money is a commodity. Money obeys the law of supply and demand just like any other commodity if left in a free market.

The gentleman decries the raise in interest rates. But he says very little about the fact that the dollar has practically remained stationary during the Eisenhower administration. I would point out to him that during the period he mentioned in which the interest rate remained stationary by Government action, the value of the dollar went down drastically. The interest rate could be kept low only by tampering with the quantity or velocity of money. This tampering produced low interest rates, but caused the value of the dollar to drop. There is a very definite correlation between the value of the dollar and the interest rate, as shown very graphically by our experience of the last few years.

I would also remind my friend from Texas that the days of low interest rates to which he refers with a certain amount of nostalgia came during the depression of the 1930's and during World War II, at a time when it was impossible for the industrial element of the country to expand as it should have expanded if the war had not come along. Only after the broadening economy and the dynamic growth of our economy which occurred after January 1953, caused such a demand for money did the interest rate go up.

The gentleman knows, I am sure, that when there is no demand for money the interest rate is low. In this, money obeys the economic rules of any commodity. When there is a demand, when the business communities feel good, when there is money in the pocket of the workingman and he is spending that money, when we have prosperity as we have had and do have in this particular administration, then perform the interest rate will go up unless the Government itself takes artificial action to keep the interest rate down. If the Government wants to go into this business of supporting bonds, if the Government wants to let the Federal Reserve System buy these bonds, actually taking part in a transaction that is a book transaction only, then letting the Federal Reserve System do as it can do under the law, inflate the currency because of these bonds which it owns, then, of course, we can have low interest rates. But I submit to the gentleman from Texas and I submit to the House that the only way this can be done is by inflation which lowers the value of the dollar at the expense of the person who draws a pension, at the expense of the workingman, at the expense of the people whom the gentleman and those on his side of the aisle always profess so

much love for, the little man, they call him. These are the people who suffer through inflation, and devaluation of the dollar.

This particular administration has tried and has succeeded in holding down inflation. If one of the results has been an increase in interest rates, then I say I would do the same thing again in order to keep the American workingman, the American farmer, and all of the people whom we must protect in this Congress, protected against ruinous inflation as they have been under this administration.

A MISLEADING ARTICLE APPEARS IN THE WASHINGTON POST AND TIMES HERALD

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Missouri [Mr. MOULDER] is recognized for 15 minutes.

Mr. MOULDER. Mr. Speaker, this morning in the Washington Post and Times Herald there appeared an article, the theme of which is suggested by the headline: "MOULDER Wonders, 'Was House Group's Red Probe 'Used' by Corrupt Unionists?'"

In the body of the article I am quoted as follows:

I think the committee should investigate the extent to which it may have been unknowingly used by corrupt union leaders.

Mr. Speaker, I say flatly and unequivocally that this is a misquotation of myself and, together with the body of the article, conveys a false impression. I say further, Mr. Speaker, that it would appear that the article is an attempt to do a whitewash job for the Communists.

Yesterday, a staff reporter from the Washington Post and Times Herald called at my office and stated that he wanted to talk to me about the recent hearings in Chicago on Communist penetration of the United Packinghouse Workers, which were conducted by a subcommittee of which I was chairman. This staff reporter asked me if I knew of certain activities of some of the people in another union, the Amalgamated Meat Cutters, who he said had been involved in some questionable conduct. I told him that I knew nothing about this. The staff reporter then suggested to me that the effect of the hearings in Chicago on Communist penetration of the United Packinghouse Workers was to benefit the Amalgamated Meat Cutters Union, which operates in an allied field to that of the United Packinghouse Workers. I told the reporter at this point that the Committee on Un-American Activities is not concerned at all with any conflict between labor organizations as such; that our sole and exclusive concern was to pursue Communists wherever they may be; that, in my judgment, the recent hearings in Chicago were effective, efficiently handled, and were based on sound, reliable sources of information including the testimony of three reliable witnesses, one of whom until recently has been an undercover agent for the Federal Bureau of Investigation.

The reporter then asked me if I knew that United Packinghouse Workers was competing in Puerto Rico with Hoffa's Teamsters' Union in an organizing drive of the island, and that the effect of our hearings in Chicago on the penetration of the United Packinghouse Workers would be to benefit Hoffa.

Here again, I told the reporter that I know nothing about this, and that it was not of concern to the House Committee on Un-American Activities because we were interested in developing factual material on Communists wherever they may be.

At this point in our conversation, I recounted to the reporter some of the factual information which was developed in the Chicago hearings respecting the current techniques and strategies of hard-core Communists who dissociate themselves from the formal entity known as the Communist Party in order that they may sign non-Communist affidavits and the like, but who continue in the Communist operation. I pointed out that this information on present Communist strategy and technique is vital to the committee in its appraisal of proposed legislation attempting to cope with the Communist conspiracy. I further developed the theme that this technique has been pursued by the Communists over the course of the last 10 years since the institution of prosecutions under the Smith Act and the enactment of the Internal Security Act.

I further pointed out that not only did the reliable, competent witnesses testify that the United Packinghouse Workers was saturated with Communists, but that those persons who had been identified as Communists invoked constitutional privileges in response to questions as to whether their technical resignation from the Communist Party was a ruse.

Mr. Speaker, in 1952 the Committee on Un-American Activities held hearings in Chicago, at which time a number of Communists were then found to be in key positions in the United Packinghouse Workers of America. Immediately, the United Packinghouse Workers let loose a barrage against the Committee on Un-American Activities, but did not rid its ranks of Communists. The same leadership would now obliquely attack the Committee on Un-American Activities by suggesting that our current hearings on Communist penetration in this vital industrial area give aid and comfort to gangsters and racketeers.

Mr. Speaker, as a member of the Committee on Un-American Activities, conscious of the integrity and objectivity under which this committee functions, I resent and emphatically deny any suggestion that the recent hearings of the committee were inspired by any corrupt unionists or for any purpose other than to discharge the duty imposed upon the committee by the House of Representatives. I suggest the question is not whether the Committee on Un-American Activities was "used" by corrupt unionists but, rather, whether a Washington newspaper was "used" by the Communists.

Our Committee on Un-American Activities, under the able leadership of

FRANCIS E. WALTER, will not be dissuaded from its task by attacks direct or indirect from whatever source inspired.

ISRAEL'S INDEPENDENCE DAY—
MAY 13

The SPEAKER pro tempore. Under previous order of the House, the Chair recognizes the gentleman from New York [Mr. HALPERN] for 5 minutes.

Mr. HALPERN. Mr. Speaker, 11 years ago on May 13, 1948, a mere half million Jews in Palestine took their fate and destiny in their hands by proclaiming their independence and by establishing the State of Israel. At that time Israelis constituted only one-third of Palestine's population, and the country itself was surrounded by implacable foes, who vowed to annihilate the young nation. But the new state, under its gallant and fearless leaders, faced all its foes on all fronts, and though far outnumbered, she was victorious. Israel came out of that life-and-death struggle, more powerful, and infinitely more confident of her future.

Today the State of Israel, in the course of its very brief existence, has gained maturity and has already become a member of the international community of nations. It is simply impossible to enumerate the large number of remarkable accomplishments, deeds of valor, hard, conscientious labor, and difficult and delicate tasks performed in that short time. Among these may be mentioned the enlargement of Israel's land area by more than 50 percent, and the trebling of her Jewish population. By these and other successes Israel has become a living, progressive democracy. We are happy to join with its well-wishers from all over the world in extending to it felicitations and congratulations on this its anniversary day.

Its friends can take pride in its great strides forward, but it still is far from being self-supporting and it must rely on assistance from the outside world. Some of this is provided through German reparations and some through private aid and loans, but a balance of payments gap still confronts this courageous people. Public assistance from overseas still plays a vital role in the economic health of Israel. Assurance that such assistance will be continued is earnestly desired by its people. It is my profound hope that this assurance will be provided by the Government and people of America.

With this hope, on the 11th anniversary of her independence day, our best wishes go to Israeli citizens for a peaceful and prosperous future in their newly re-created homeland—this bastion of the free world in the turbulent Near East.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. HALPERN. I yield.

Mr. RHODES of Arizona. I join with the gentleman from New York in felicitations to the State of Israel on the 11th anniversary of her birthday. I thank the gentleman for his very clear, concise, and well-considered statement. The gentleman from New York is, in my opinion, one of the very valuable Members of this body. It certainly is with a

great deal of pleasure that I join with him in his felicitations to the State of Israel.

Mr. HALPERN. I deeply appreciate those comments.

ISRAEL'S 11TH ANNIVERSARY

Mr. PRICE. 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 Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, by the calendar of the State of Israel, yesterday was the 11th anniversary of the establishment of Israeli freedom and sovereignty, the 11th anniversary of the proclamation of the State, the 11th anniversary of the day on which President Truman in behalf of the United States extended de facto recognition to the new nation.

This year we are compelled to recognize the presence of new factors in Near East and the Middle East, those strategic areas that were the birthplace of our major religions, the cradle of our culture and civilization.

There will be no peace or security for either the Arab peoples or the people of Israel unless the massive fact of Soviet penetration into the Middle East is recognized.

There are many unresolved problems between the Arab world and the State of Israel. But of one thing we may be very sure—there is no peace for the rising Arab nations, anxious to secure their own position, by the prosecution of a policy of hostility toward their Israeli neighbors.

I mention these things as a background for a consideration of our own problems in the Near East and Middle East. Our people have finally learned much about interdependence, and it is accepted as an axiom that a threat to free nations elsewhere is a threat to us. We would suffer a shock by disaster to the countries in the area that joins the continents of Asia and Africa, the cross-roads of commerce, communication and power whether by highway, sea or air. We are involved in the safety of Israel's democracy, which is an example to all the peoples of the ancient Mediterranean world.

We have our own contribution to make to Israel.

Israel is still surrounded by potential or actual enemies and she cannot neglect the threat in the penetration of the Middle East by the men of the Kremlin. Her population is small, her land not yet fully developed, her resources not yet sufficient to keep her secure alone. Israel is still a refuge, a land of promise, for hundreds of thousands of potential migrants from eastern European satellites of the Soviet Union. These people have not as yet been allowed to depart in peace.

We must recognize, I think, that diplomatic support and economic assistance to Israel, in her difficulties, are as vital to American policy today as they

were 11 years ago when President Truman granted recognition.

It is harmonious with our traditions of freedom to state to the world that in the opinion of the United States the refugees from Rumania should be allowed to seek more new homes in Israel.

It is in line with our best interests to point out, with full respect for the difficulties some may feel, that all countries of the Near East now face a common danger from Communist penetration that overrides the imagined fears against each other they cherished in the recent past.

I hope that we shall continue a policy of economic assistance to Israel, and that we shall champion genuine free trade policies, without any unilateral barriers, that will contribute to the economic and political stability in the Middle East. That must necessarily include the economic and political stability of Israel as well as other nations. It should mean peace—genuine peace—for Israel and her neighbors.

I hope that in this time of grave external danger to the whole Mediterranean world, the national leaders of the countries involved will find the statesmanship to work together for their common salvation.

THE LEITCHFIELD GAZETTE—78 YEARS OF SERVICE

Mr. NATCHER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. NATCHER. Mr. Speaker, on April 29 the Leitchfield Gazette, of Leitchfield, Ky., entered its 79th year of continuous publication. This long period of service to the citizens of Grayson County represents a great deal more than a mere factual reporting of local and national news, important as that may be. From its establishment in 1881 by Mr. C. J. Yager, the Gazette has proved itself worthy of the highest traditions and ideals in the field of newspaper publication.

Mr. Fred Hughes and Mr. W. J. Hughes, the present owners and publishers, are ably carrying on the policies advocated by the original owner so many years ago. Not men to shirk an issue, their editorials are noted for their thought-provoking quality, lucidity, and when the occasion warrants it, their forcefulness. The Messrs. Hughes, fully cognizant of the important role played by a county newspaper in a rural community, have accepted this challenge with intelligence, integrity, and vigor. The place of the press in the formation of opinion and in the operation of modern government is clearly understood by these men as evidenced by their stimulating editorials.

The backbone of the American press is the weekly newspaper, and in the quality of such publications lies the greatness of the free press of the Western World. The citizens of Leitchfield and the surrounding area are indeed fortu-

nate in being served by so capable and conscientious a group of people as that comprising the staff of the Leitchfield Gazette. Both the staffers and editors recognize the needs and interests of the farming community their paper serves and with this in mind all phases of agriculture are faithfully reported. Items of personal interest, local events, and outstanding achievements of local citizens are as carefully and correctly reported as national and world news. And when funds need to be raised for a community project or the bare facts of an ugly situation exposed, the Leitchfield Gazette has never hesitated to raise its voice editorially to bring the truth to its readers. In fact, the strength and courage of the Gazette's editorial policy is one of the distinguishing features of this weekly paper, bringing merit and acclaim to its editors. A flood control reservoir which is nearing completion in this area has had the complete and dynamic support of the Gazette from the very beginning.

In the industrial and agricultural growth of Grayson County, the Leitchfield Gazette has not just recorded accomplishments, but has performed magnificently the true function of a local newspaper—that is, to inform, encourage, stimulate, arouse, and stir to action all concerned with the development and expansion of the community. The progress achieved in recent years in the Leitchfield area is due in large measure to the timely reporting and penetrating editorials of the Leitchfield Gazette.

COMMUNIST DIPLOMATIC PERfidY

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOSMER. Mr. Speaker, in its 40-year history the Soviet Union has executed over 2,000 agreements with non-Communist governments. It is safe to say that those remaining unbroken by the Kremlin are only those which it has not yet appeared expedient to break. I am including with these remarks an "Illustrative Table," listing typical Soviet violations of international agreements. The order of magnitude of treaty violations as a device for Communist aggrandizement can be appreciated even by a hasty reference to it.

That appreciation, as the foreign ministers conference is meeting and the so-called summit conference looms is vital to the ultimate survival of the West. Communist diplomatic perfidy is a regrettable fact of international life that must not be misunderstood and cannot be ignored. It must be recognized as a dangerous pitfall by all leaders of the Western democracies who will conduct such negotiations. It must be accepted as a limitation on conference effectiveness by the democracies' citizens who regard the talks as a means toward achieving a stable world order, based on respect for, and conformity with, international law.

This is because the process of negotiation and agreement inherently involves concessions. Western concessions in this instance, or any other, represent a whittling away of an already weakened Western position. Unless matched by equivalent Communist bloc concessions, they can represent only steps away from, not toward, the goal of peace.

But equivalency is not measured by the paper magnitude of mutual concessions. Concessions by the Soviet bloc must be self-enforcing upon them, otherwise there is no equivalency. This is so, because Communists will never honor their concessions to the impediment of the advancement of international communism. The *quid pro quo* of the agreement's words is only an illusion without this inherent safeguard of self-enforcement. Without it, the agreement is not a first step toward peace as the West understands it, but peace as the Hungarian freedom fighters were savagely taught it.

The striving for peace—settlement of differences between nations without war—underlies international negotiation and agreement. The solemn observance of international obligations is the fundamental of international law as the West understands it.

The yearning for peace—to end the cold war, to avoid a nuclear holocaust is universal to nations and peoples of the free world. It is to be taken for granted in any discussion of the problem of achieving it. The magnitude of that problem is to be reckoned from mankind's inability throughout the ages to solve it.

The intensity of man's yearning for peace has led past generations time and again to an emotional rather than reasoned adoption of some attractive, yet defective, scheme of achieving it. Time and again failure of the hopeful panacea has had its consequence in untold human misery. This lesson of history prompted President Eisenhower's warning, "we cannot build peace through desire alone."

Notwithstanding the logic of the warning, notwithstanding the lessons of history that prompted it, and in the face of the totally consistent record of Communist aggression by treatybreaking, increasing numbers of well-intentioned people are again emotionally urging us to repeat the tragic mistakes of the past.

To them, agreement—any agreement—with the Soviet looms as a logical first step toward peace. On almost any terms the Soviets demand they discuss agreements on Berlin, beginning disengagement, banning atomic tests, disarmament, prevention of surprise attacks, East-West trade, extension of credits to the Soviet bloc, the so-called European security pact, and other areas of tension. Presumably terms would be fixed at the foreign ministers' conference and formalized at the summit conference.

It is indeed possible that these conferences could result in a first step toward peace. But not by the delusion that a problem postponed is a problem solved.

It can come only by dogged insistence of a united West that any agreement arrived at must be both mutually advan-

tageous and self-enforcing. For negotiation and agreement with Communist nations can never be employed by the West as an effective means toward achieving its goal of peace until such time as Soviet leaders become convinced that the West no longer will permit its use as an artful tool for advancement of Communist aggression.

"We are not deceived," Goethe said, "We deceive ourselves." Let us not deceive ourselves in this instance. The device of international agreements as a means toward peace simply is not available until a Communist country has, for the first time, executed a treaty with the West which enforces upon it, as equally as upon the West, a rule of peaceful conduct.

It cannot successfully be disputed that no such treaty has heretofore been executed. Neither can it be claimed that Communist diplomatic negotiators have ever been "sincere" in our meaning of the word.

They have, however, been both constant and consistent. They have never deviated from their basic dogma that the social and economic structure of capitalistic nations inevitably generates war—that consequently peace can be attained only by complete worldwide subjugation of capitalism and the creation of a universal federation of Soviet socialist republics.

This dogma is both the ideological foundation of the Communist approach to international law and its guide to action in dealings with the West. It is axiomatic therefrom that the breach of solemn international agreements or the commission of any other act of expediency which advances Communist conquest of capitalism is "peaceful and moral" by Communist doctrine.

It is the basis of Stalin's observation regarding relations with non-Communist countries that "sincere diplomacy is no more possible than dry water or wooden iron."

And from the standpoint of Western concepts of morality, it is the basis for the Senate Internal Security Subcommittee's evaluation:

You must be a liar, a cheat, and probably a spy before you can represent a Communist nation in international diplomacy. You must have no more regard for honor when you sign an agreement on behalf of your country than a forger does when he puts a name on a check.

It was the theoretical and practical basis on which Red army commissars arrested the leaders of the Hungarian revolution while negotiating an armistice with them and executed them despite a promise of safe conduct.

Realistically citing the demonstrated disregard by the Communists of their pledges as "one of the greatest obstacles to success in substituting the rule of law for rule by force," President Eisenhower declared a basic rule for Western self-preservation in his 1959 state of the Union message by saying:

We have learned the bitter lesson that international agreements, historically considered by us as sacred, are regarded in Communist doctrine and in practice to be mere scraps of paper. * * * As a consequence, we

can have no confidence in any treaty to which the Communists are a party, except where such a treaty provides within itself for self-enforcing mechanisms.

Within the last few days the world has received another reaffirmation of Communist determination not to depart from its approach to international law and the wisdom of the Eisenhower declaration.

Throughout the Geneva nuclear test cessation talks the Kremlin has sought only an agreement which it could circumvent at discretion by conducting tests below ground or above the atmosphere, free from Western detection. Then President Eisenhower dramatically sought to bring forth an agreement which was as equally enforceable on the Soviets as upon the West—the banning of atmospheric tests, a violation of which can be detected with certainty. Premier Khrushchev's reply: a flat "nyet."

Let our representatives and those of our allies have these facts of international life firmly in mind as they seat themselves at the conference tables. Summed up masterfully by the distinguished international lawyer, Adm. Chester Ward, they are:

Communist dogma insists that promises, like piecrust, are made to be broken. Whom the Communists would destroy, they first invite to coexist, and offer a nonaggression agreement.

ILLUSTRATIVE TABLE OF VIOLATIONS OF INTERNATIONAL AGREEMENTS BY THE SOVIET UNION COMPILED BY CONGRESSMAN CRAIG HOSMER OF CALIFORNIA

(NOTE.—This table is illustrative only and does not list all U.S.S.R. violations. It does not list violations by Communist China or other Communist governments. A complete listing would require several hundred entries.)

VIOLATIONS INVOLVING ABSORPTION OF INDEPENDENT STATES INTO COMMUNIST ORBIT

A. Annexations

1. Georgia, Transcaucasian Republic, and Ukraine: The Soviet Government recognized independence of the Republic of Georgia in 1920. In 1921 the Red Army attacked and took over the country. In March 1922 Georgia, Armenia, and Azerbaijan were combined into the Transcaucasian Republic and promised partial independence by the U.S.S.R. In December 1922, the area was incorporated into the Soviet Union. In 1920 a treaty of alliance was concluded between the Russian and Ukrainian governments. In 1922 that country was incorporated into the Soviet Union.

2. Estonia, Latvia and Lithuania: The Soviet Government signed treaties with Estonia, Latvia, and Lithuania recognizing their independence and later made nonaggression pacts with these three countries. In 1940 these states were invaded by the Red army and subsequently incorporated into the U.S.S.R. Populations were eliminated by wholesale massacre and deportation.

3. Poland: In 1921 the Soviet Government concluded a treaty with Poland defining the common boundaries of the two states. Afterward the two countries signed a nonaggression pact. In 1939, the Soviet Union, in collaboration with Nazi Germany, invaded Poland and incorporated the eastern portion of the state into the U.S.S.R.

4. Rumania: In 1934 the Soviet Union guaranteed the sovereignty of Rumania. In 1940, the U.S.S.R. occupied and absorbed Bessarabia and northern Bukovina. In 1944

the Red army invaded Rumania. At the time Molotov, the Soviet Foreign Minister, declared that this action was necessitated by the military requirements of World War II and that the Soviet Union did not desire to acquire additional territory or change the political character of any state. The country still remains Moscow controlled.

5. Czechoslovakia: In 1922 the Soviet Government concluded a friendship agreement with Czechoslovakia. In 1945 Czechoslovakia was forced to cede the Carpatho-Ukraine to the Soviet Union. In 1948 the country was satelliteized.

B. Establishment of satellite regimes in Poland, Rumania, Hungary, Bulgaria, East Germany, Czechoslovakia, China, and North Korea

1. World War II armistice agreements in Eastern Europe: Toward the end of World War II the United States, Great Britain, and the U.S.S.R. entered into armistice agreements with Rumania, Bulgaria, and Hungary. It was agreed that the terms of the armistices would be administered by a joint Allied Control Commission, composed of a Soviet Chairman with American and British representatives, in each of the three capitulating states. In the case of all three armistices, the Soviet Chairman issued orders in the name of the Allied Control Commission on matters of substantive policy without prior consultation with the other members. This unilateral action by the Soviet representative deprived the United States and Great Britain of effective participation in the work of the Commission. The Government of the Soviet Union disregarded appeals by the two Western Powers that it adhere to the terms of the armistices.

2. The Yalta Declaration regarding the reestablishment of independent states and government by consent in Poland, Hungary, Rumania, and Bulgaria: In the Yalta Declaration of 1945, the U.S.S.R. joined the United States and Great Britain in reaffirming "the right of all peoples to choose the form of government under which they will live" and the principle of "the restoration of sovereign rights and self-government to those peoples who have been forcibly deprived of them by the aggressor (Axis) nations." It was recognized that "the establishment of order in Europe and the restoration of national economic life must be achieved by processes which will enable the liberated peoples to * * * create democratic institutions of their own choice." The three governments agreed to assist jointly the people in any liberated European or former Axis satellite state to "form interim governmental authorities broadly representative of all democratic elements in the population" and promised "the earliest possible establishment through free elections of governments responsive to the will of the people" and to facilitate the holding of such elections.

The Soviet Union flagrantly violated this agreement by refusing to permit free elections and the establishment of governments based on the consent of the people in Poland, Bulgaria, Hungary, and Rumania. Instead the Communist Parties within these countries and the armed forces of the U.S.S.R. were used to deny these people their fundamental freedoms and to install stooge governments subservient to Moscow.

3. East Germany: The Potsdam Agreement concluded by the United States, Great Britain, and the U.S.S.R. stated that all democratic political parties should be allowed and encouraged throughout Germany, promised the rights of assembly and public discussion, and called for the holding of representative elections. However, in East Germany, the Soviet authorities have denied freedom of action to non-Communist Parties, interfered in their internal affairs, and coerced their leaders. Anti-Communist groups have not

been permitted to compete for popular support with the Socialist Unity (Communist) Party. Moreover, the Soviet Union has negated those provisions of the Potsdam Agreement avowing freedom of speech, press, and trade-union activity. During the period of occupation, Germany was to be treated as an economic unit. The U.S.S.R. has consistently obstructed attempts to implement this principle and, instead, followed a unilateral policy of establishing a Soviet-type economy in the eastern zone.

The Soviet Union agreed that the Allied Powers would settle the future boundary of Germany and that Germany would be disarmed and demilitarized to the point of maintaining only detachments of civil police armed with small weapons for the purpose of maintaining domestic law and order. Without the concurrence of the United States, Great Britain, or France, the Soviet-dominated governments of Poland and East Germany signed an agreement determining the frontier of East Germany and Poland. Furthermore, the Soviet Union created a "police force" in East Germany consisting of 100,000 men, trained and equipped like a military organization.

4. Czechoslovakia: The U.S.S.R. concluded a treaty of friendship, mutual assistance, and postwar cooperation with the Czechoslovakian Government-in-exile during World War II. In 1948 the Communist Party, under Moscow's direction seized power in Czechoslovakia and a satellite regime was established.

5. China: In 1924 the U.S.S.R. recognized the sovereignty of China over Outer Mongolia, renounced all privileges, concessions, and rights of extraterritoriality in China and promised to refrain from disseminating hostile propaganda against the Government of China. The two countries agreed to joint Sino-Soviet ownership of the Chinese Eastern Railway.

Three years later China broke diplomatic relations with the U.S.S.R. after documents uncovered in the Soviet Embassy revealed Communist designs on China. In 1935, the Soviet Union sold its share of the Chinese Eastern Railway to the Japanese puppet Government of Manchukuo, despite the objections raised by China with reference to the 1924 agreement. The next year the U.S.S.R. concluded a mutual-assistance agreement with Outer Mongolia which China rightly protested as violating the Sino-Soviet Treaty of 1924.

By 1937 China and the Soviet Union had concluded a joint defense agreement and promised not to assist any aggressor that might attack the other. Nevertheless, in 1941 the U.S.S.R. pledged to Japan its respect for the territorial integrity of the latter's puppet state of Manchukuo, which had been established as a result of the Japanese conquest of Manchuria.

The Soviet Union and the Republic of China entered into a treaty of friendship, alliance, and mutual assistance in 1945. About this time the Soviet Government also expressed its "agreement as to the need for a unified and democratic China under the National (Chiang Kai-shek) Government" and reaffirmed its adherence to the policy of noninterference in the internal affairs of China, and recognized Chinese sovereignty over Manchuria as absolute.

Despite these commitments, the Soviet Union supported the Communist enemies of the Nationalist-led Republic of China and materially contributed to its defeat by the Chinese Communists. Shortly after its entrance into the war against Japan in 1945, the Red Army entered Manchuria to accept the surrender of the Japanese armed forces. During the Soviet occupation, great quantities of industrial equipment were removed from Manchuria and taken to the U.S.S.R. When the Soviet troops were withdrawn from

Manchuria, large quantities of arms surrendered by the Japanese were transferred to the Chinese Communist revolutionists, who were permitted to assume control of the area. At the same time, the Russian authorities obstructed the movement of troops of the legitimate Government of China so that it was unable to establish an administration at Darien for governing Manchuria. In 1949 the U.S.S.R. recognized the (Communist) Chinese People's Republic and severed diplomatic relations with the Nationalist Government.

6. North Korea: The Cairo Declaration, to which the U.S.S.R. subscribed stated that "Korea shall become free and independent." The Soviet Union violated this agreement by establishing a Communist regime in the northern half of Korea, which claims authority over the entire country. The Communist Government of North Korea was created and has been maintained in defiance of the United Nations.

VIOLATIONS AGAINST NON-COMMUNIST COUNTRIES

A. Free countries bordering Communist empire

1. Finland: In 1917 the Soviet Government officially recognized the independence of Finland. Later the two countries concluded a treaty defining their common boundaries and then signed a nonaggression pact. The Soviet Union attacked Finland in 1939, concluded a treaty with the democratic Republic of Finland, headed by a Finnish Communist who had been in exile in Russia for 20 years, and then forced Finland to cede territory and port facilities. Subsequently there has been a minimum compliance with any commitments to the Finns.

For example, in 1958 the Soviet Union refused to make advanced payments as pledged to Finland for several nearly completed ships which had been ordered by the Soviet Government.

2. West Germany: In 1945 a representative of the U.S. Government made an agreement with Soviet officials for corridors of access to West Berlin. This agreement was clearly violated by the Berlin blockade from June 1948 to May 1949 and current interference with high altitude flights in the corridors.

In November 1958 the Soviet Union proposed that West Berlin be made a demilitarized "free city." The Soviet Government stated that unless this plan is accepted it will transfer its controls over communications between West Berlin and the outside world to the East German Government. The satellite Government of East Germany will then lay claim to exercise full sovereignty over the land and air approaches to West Berlin. These new Soviet demands suggest a possible renewal of the Berlin blockade and raise the threat of another attempt to force West Germany and its allies to abandon their legitimate position in Berlin.

3. Austria: At the Moscow Conference in 1945, the U.S.S.R. joined the United States and Great Britain in declaring their intent to reestablish a free and independent state of Austria after the end of World War II. The Soviet Union also agreed not to exact reparations from Austria. Yet after Austria's liberation, the Soviet authorities removed equipment and materials from the country under the guise of "German assets" and "war booty," engaged in other practices outside Austrian law which had a deleterious economic effect, and subjected Austrians in the Soviet Zone to arbitrary arrests and abductions. Until the Western Big Three and the U.S.S.R. finally agreed in 1955 on a peace treaty for Austria, the Soviet Union insisted that this country be treated as a defeated member of the Axis and obstructed all efforts toward a just solution in accord with the Moscow agreement of 1945.

4. Turkey: During World War II the U.S.S.R. reaffirmed its adherence to the Montreux Convention, which confirmed Turkish sovereignty over the Straits, and promised to respect the integrity of Turkey. In 1945, however, the Soviet Union demanded bases in the Straits and the cessation of two provinces in northeastern Turkey.

5. Iran: In 1942 Iran permitted the U.S.S.R. to conduct certain military operations on its territory with the understanding that Soviet armed forces would be withdrawn no later than 6 months after the end of hostilities against Germany. The Soviet troops remained past this date and were withdrawn only after pressure from the United States and the United Nations.

The United States, Great Britain, and the U.S.S.R. in the Teheran Declaration expressed "their desire for the maintenance of the independence, sovereignty, and territorial integrity of Iran." Nevertheless, the Soviet Union interfered in the internal affairs of Iran by repeated incursions across the border and by promoting a separatist movement in Azerbaijan. Soviet broadcasts into Iran have incited the Iranian people and supported the illegal Tudeh (Communist) Party.

6. Afghanistan: In 1946 the Soviet Union forced Afghanistan to cede the border territory of Kushka, even though the two countries had concluded nonaggression treaties in 1926 and 1931.

7. Japan: After World War II the Soviet Union unilaterally seized and occupied the Habomai Islands, Shikotan, and adjacent areas as if they were under the sovereignty of the U.S.S.R. and removed from the rightful authority of Japan. This action violated the Cairo Declaration of 1943 by which the Soviet Union disclaimed any intent of territorial expansion and the terms of the Japanese surrender in which the U.S.S.R. promised that no territory would be taken from Japan except by a treaty of peace with the Allied Powers.

B. Other free countries

1. The United States: When the United States and the U.S.S.R. established diplomatic relations in 1933, the Soviet Government promised to refrain from conducting revolutionary activity, from disseminating Communist propaganda, and from interfering in any other manner in the internal affairs of the United States. The Soviet Union, nevertheless, has continued to direct the Communist Party of the United States in efforts to plan and organize the forceful overthrow of the U.S. Government. The Soviet Union, nevertheless, has conducted wide-scale espionage operations within the United States. Examples:

On August 24, 1956, a Soviet employee of the United Nations, Viktor I. Petrov, was dismissed on charges of attempting to obtain secret information on U.S. aircraft.

On January 15, 1957, an assistant Soviet military attaché, Maj. Guri F. Krylov, was declared persona non grata by the Department of State, allegedly for attempting to buy classified military information.

On January 25, 1957, three persons (Jack Soble, Myra Soble, and Jacob Albam, two Lithuanian-born and one Russian-born) were arrested in the United States and later indicted on charges of spying for the Soviet Union.

On January 28-29, 1957, a Soviet Embassy clerk, M. Molev, was ordered to leave the United States for his alleged connection with the three persons mentioned in the preceding paragraph.

On August 7, 1957, Rudolf I. Abel, allegedly a colonel in the Soviet counter intelligence corps, was indicted for espionage in this country. It was stated that Abel was the highest ranking Communist spy captured by the authorities in this country.

On December 9, 1958, Mark Zborowski, a Russian-born student of anthropology, was convicted and sentenced to 5 years' imprisonment "for lying to a Federal grand jury investigating espionage." He was found to have "devoted himself to the cause of Soviet Russia and international communism from the very beginning of his adult life."

In connection with the lend-lease program, the U.S.S.R. agreed to return the undestroyed military articles to the United States at the end of the war. The United States asked the Soviet Government to pay the fair value as of V-J Day, September 2, 1945, for the civilian-type articles which remained in existence at the end of the war and were useful to the Russian economy in peacetime. The value of these articles on September 2, 1945, depreciated from their cost at the time of delivery, was estimated by the U.S. Government to be \$2.6 billion. Generally, the United States has not asked payment for articles lost, destroyed, or consumed in the war effort prior to V-J Day.

In 1951 the United States proposed that the U.S.S.R. pay \$800 million to settle its lend-lease account, but the Soviet Government offered only \$300 million. Since that time, no progress has been made on this aspect of the lend-lease negotiations.

2. Great Britain: When Great Britain recognized the Soviet Government in 1921, the latter agreed not to disseminate Communist propaganda in Britain. By 1927, after repeated violations of this agreement by the U.S.S.R. Great Britain severed diplomatic relations with the Soviet government.

VIOLATIONS OF AGREEMENTS ESTABLISHING PRINCIPLES AND ORGANIZATIONS FOR MAINTENANCE OF INTERNATIONAL PEACE AND SECURITY.

A. Agreements concluded between World War I and World War II

During the interwar period the U.S.S.R. adhered to the Briand-Kellogg Pact for the Renunciation of War which provided that "War should be renounced as an instrument of national policy, and that settlement of disputes should never be sought except by peaceful means." As a member of the League of Nations, the Soviet Union convenanted to "undertake to respect and preserve as against external aggression the territorial integrity and existing political independence of all Members of the League" and not to resort to war without first submitting the disputes in question for settlement according to peaceful procedures. However, these principles did not restrain the Soviet Union from attacking Poland, Finland, Lithuania, Latvia, Estonia, and Rumania. The three Baltic States were annexed, Poland was dismembered, and Finland and Rumania were forced to cede territory. The Soviet Union was expelled from the League of Nations in 1939 for its aggression against Finland.

B. Agreements concluded during World War II

1. Atlantic Charter: During the Second World War, the U.S.S.R. accepted the declaration of principles known as the Atlantic Charter. It provided that—

First (the subscribing) countries seek no aggrandizement, territorial or other.

Second, they desire to see no territorial changes that do not accord with the freely expressed wishes of the peoples concerned.

Third, they respect the right of all peoples to choose the form of government under which they will live; and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them.

The Soviet Union also adhered to the Cairo declaration by the United States, Great Britain, and China which stated that "The three great allies *** covet no gain for themselves and have no thought of territorial expansion."

Since accepting the principles of the Atlantic Charter on September 24, 1941, the U.S.S.R. has annexed Estonia, Latvia, Lithuania, and Tanna Tuva and territories formerly belonging to Finland, Germany, Czechoslovakia, and Afghanistan. Satellite regimes have been established in East Germany, Albania, Bulgaria, Rumania, Hungary, Poland, Czechoslovakia, North Korea, Outer Mongolia, China, and North Vietnam.

2. Agreements regarding Berlin: Although there has never been a firmly binding written agreement between the Soviet Union and the Western Powers concerning the West's access to Berlin, there has never been any question as to their right to be there and administer the city jointly. The basic agreement was signed on September 12, 1944, in London, stipulating the division of Berlin into zones for joint administration. In June of 1945, Gen. Lucius D. Clay "concluded an oral arrangement with Soviet officials for access corridors to Berlin from the three western zones of occupation." The terms of these arrangements were admittedly general and imprecise. But their import was clearly violated by the Berlin blockade of 1948 and 1949. Soviet actions precipitating the 1959 Berlin crisis appear designed to force a revision of these arrangements.

C. Agreements concluded after World War II

1. United Nations Charter:

(a) Soviet policy and the purposes of the United Nations: The United Nations was founded to strengthen international peace and security, to promote friendly relations based on respect for the principle of equal rights and self-determination of peoples, and to expand international cooperation in solving economic, social, cultural, and humanitarian problems. By using the veto 87 times, by frustrating attempts to realize an effective system of disarmament, by suppressing the rights of subjugated peoples and nations, by supporting aggression of its satellites, and by attempting to enlarge the dominion of international communism through the subversion of freely elected and independent governments, the Soviet Union has demonstrated its basic hostility toward the principles of the United Nations Charter.

(b) Repression in Hungary: In October 1956 the Soviet Union's armed intervention in Hungary was a clear violation of the United Nations Charter. On December 12 of that year, the U.S.S.R. was condemned by resolution of the General Assembly of the United Nations for its action in "depriving Hungary of its liberty *** (and) independence and the Hungarians of their fundamental rights."

2. Korean armistice: Since the signing of the Korean armistice agreement in 1953, the Communist armies and air forces in North Korea have been illegally augmented. The senior member of the United Nations command on the armistice commission reported that the Communists flagrantly violated every basic provision of the armistice agreement.

3. Geneva declaration on restoration of peace in Indochina: A declaration was signed at Geneva in 1954 by Great Britain, France, the U.S.S.R., and the Chinese People's Republic which prohibited the introduction of foreign troops and armaments into Vietnam. Since that time Communist forces in North Vietnam have been substantially increased. Furthermore, the Communists have obstructed the operations of the commission of neutral nations created to supervise the armistice and denied the right of the Indochinese people as recognized in the Geneva declaration to migrate from the Communist-controlled portion of the area.

4. 1955 summit understanding on unification of Germany: At the Geneva Summit Conference in 1955, the heads of the governments of the United States, Great Britain, France, and the Soviet Union issued a direc-

tive to their foreign ministers which stated that "the heads of governments recognizing their common responsibility for the settlement of the German question and the reunification of Germany, have agreed that settlement of the German question and the reunification of Germany by means of free elections shall be carried out in conformity with the national interests of the German people and the interests of European security." At a meeting of the Big Four foreign ministers in October of that year to implement the directive, the Soviet Government refused to agree to German unification in accordance with the summit conference directive. Subsequently, in 1958, President Eisenhower referred to the summit directive when he wrote Bulganin, then Premier. The President stated that "in spite of our urging, your government has, for 2½ years taken no steps to carry out that agreement, or to discharge that recognized responsibility."

5. Navigation on Danube River: In 1948, a convention concerning navigation on the Danube River was concluded by the U.S.S.R., Bulgaria, Hungary, Rumania, Ukraine, Czechoslovakia, and Yugoslavia. This arrangement undermines the principles of freedom of navigation embodied in the Balkan peace treaties and arbitrarily declares existing international agreements involving the rights of other states to be null and void.

AUTHORIZATION TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS

MR. SANTANGELO. 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 to the request of the gentleman from New York?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. BROOMFIELD (at the request of Mr. GRIFFIN), indefinitely, on account of death of mother.

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. FLOOD, for 30 minutes, today, and to revise and extend his remarks and include extraneous matter and tables.

MR. RHODES OF ARIZONA, for 15 minutes, today.

MR. COLLIER, for 15 minutes, on Thursday, May 21, 1959.

MR. MOULDER, for 15 minutes, today.

MR. HALPERN, for 5 minutes, today, and to revise and extend his remarks.

MR. PATMAN (at the request of Mr. SANTANGELO), for 30 minutes, on Monday and Tuesday next, and to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL

RECORD, or to revise and extend remarks, was granted to:

Mr. MONAGAN and to include extraneous matter.

Mr. WAMPLER and to include extraneous matter.

Mr. JOHNSON of Colorado and to include extraneous matter.

Mr. HOSMER and to include extraneous matter.

Mrs. ST. GEORGE and include a speech by the Postmaster General.

Mr. HENDERSON and to include extraneous matter.

(At the request of Mr. LAFORE, and to include extraneous matter, the following:)

Mr. KEARNS.

Mr. WALLHAUSER.

(At the request of Mr. RHODES of Arizona, and to include extraneous matter, the following:)

Mr. MOORE.

(At the request of Mr. SANTANGELO, and to include extraneous matter, the following:)

Mr. DINGELL.

Mr. KEOGH.

Mr. MULTER.

Mr. SHELLEY.

Mr. HÉBERT in two instances.

Mr. RODINO.

Mr. DULSKI.

Mr. ROOSEVELT.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 44. An act to authorize the Secretary of the Interior to construct the San Luis unit of the Central Valley project, California, to enter into an agreement with the State of California with respect to the construction and operation of such unit, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 1120. An act to amend the National Bank Act and the Federal Reserve Act with respect to the reserves required to be maintained by member banks of the Federal Reserve System against deposits and to eliminate the classification "central reserve city"; to the Committee on Banking and Currency.

S. 1434. An act to amend title XI of the Merchant Marine Act, 1936, as amended, with respect to insurance of ship mortgages, and for other purposes; to the Committee on Merchant Marine and Fisheries.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 94. A joint resolution to defer the proclamation of marketing quotas and acreage allotments for the 1960 crop of wheat until June 1, 1959.

ADJOURNMENT

Mr. SANTANGELO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 28 minutes p.m.), under its previous order, the House adjourned until Monday, May 18, 1959, 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:

968. A letter from the Secretary of the Interior, transmitting a report on Gray Reef Dam and Reservoir, Glendo Unit, Wyoming, Missouri River Basin project, pursuant to Public Law 85-695 (H. Doc. No. 141); to the Committee on Interior and Insular Affairs and ordered to be printed with illustrations.

969. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated April 7, 1959, submitting a report, together with accompanying papers and an illustration, on a review of reports on Cotuit Harbor, Mass., requested by the Committee on Public Works, House of Representatives, adopted January 28, 1947 (H. Doc. No. 142); to the Committee on Public Works and ordered to be printed with one illustration.

970. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated April 2, 1959, submitting a report, together with accompanying papers and an illustration, on a review of reports on Apponaug Cove, R.I., requested by the Committee on Public Works, House of Representatives, adopted June 27, 1956 (H. Doc. No. 143); to the Committee on Public Works and ordered to be printed with one illustration.

971. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 5, 1959, submitting a report, together with accompanying papers and an illustration, on Great Lakes Harbors Study—Interim Report on Sandusky Harbor, Ohio, made pursuant to several congressional authorizations listed in the report (H. Doc. No. 144); to the Committee on Public Works and ordered to be printed with one illustration.

972. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated January 13, 1959, submitting a report, together with accompanying papers and illustrations, on Great Lakes Harbors study—interim report on Presque Isle Harbor, Mich., requested by resolutions of the Committees on Public Works, U.S. Senate and House of Representatives, adopted May 18, 1956 and June 27, 1956 (H. Doc. No. 145); to the Committee on Public Works and ordered to be printed with illustrations.

973. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated February 17, 1959, submitting a report, together with accompanying papers and illustrations, on Great Lakes Harbors study—interim report on Two Harbors, Minn., requested by the resolutions of the committees on Public Works, U.S. Senate and House of Representatives, adopted May 18, 1956 and June 27, 1956 (H. Doc. No. 146); to the Committee on Public Works and ordered to be printed with illustrations.

974. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated April 2, 1959, submitting a report, together with accompanying papers and an illustration, on a survey of Everglades Harbor, Collier County, Fla., authorized by the River and Harbor Act, approved March 2, 1945 (H. Doc. No. 147); to the Committee on Public Works and ordered to be printed with one illustration.

975. A letter from the Secretary of Defense, transmitting 27 reports covering 31 violations of section 3679, Revised Statutes and Department of Defense Directive 7200.1, entitled "Administrative Control of Appropriations within the Department of De-

fense", pursuant to section 3679(i) (2), Revised Statutes; to the Committee on Appropriations.

976. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation, entitled "A bill to amend the Motor Vehicle Safety Responsibility Act of the District of Columbia approved May 25, 1954, as amended"; to the Committee on the District of Columbia.

977. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation, entitled "A bill to amend Public Laws 815 and 874, 81st Congress, relating to school assistance in federally affected areas, so as to limit payments under such laws to situations involving tax-exempt Federal property"; to the Committee on Education and Labor.

978. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation, entitled "A bill to amend the laws relating to St. Elizabeths Hospital so as to fix the salaries of the Superintendent, Assistant Superintendent, and first assistant physician of the hospital, and for other purposes"; to the Committee on Education and Labor.

979. A letter from the Acting Secretary of Labor, transmitting a draft of proposed legislation, entitled "A bill to amend the Fair Labor Standards Act of 1938, as amended"; to the Committee on Education and Labor.

980. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Bureau of Engraving and Printing, Treasury Department, for the fiscal year ended June 30, 1958; to the Committee on Government Operations.

981. A letter from the Comptroller General of the United States, transmitting a report on examination of prices negotiated for vertical stabilizer tips for Model F-100 aircraft by Rheem Manufacturing Co., Downey, Calif., a subcontractor under Department of the Air Force prime contractors with North American Aviation, Inc., Los Angeles, Calif.; to the Committee on Government Operations.

982. A letter from the Acting Chairman, Federal Communications Commission, transmitting a copy of the report on backlog of pending applications and hearing cases in the Federal Communications Commission as of March 31, 1959, pursuant to the Communications Act as amended July 16, 1952, by Public Law 554; to the Committee on Interstate and Foreign Commerce.

983. A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to save and preserve, for the public use and benefit, a portion of the remaining undeveloped shoreline area of the United States, and for other purposes"; to the Committee on Interior and Insular Affairs.

984. A letter from the Under Secretary of Commerce, transmitting a draft of proposed legislation entitled "A bill to amend the act entitled 'An act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes,' approved July 5, 1946, with relation to the importation of trademarked articles and for other purposes"; to the Committee on the Judiciary.

985. A letter from the executive secretary, the American Society of International Law, transmitting the annual audit by a certified public accountant of the financial transactions of the society for the period January 1, 1958 to March 31, 1959, pursuant to section 9 of the act of September 20, 1950 (64 Stat. 869); to the Committee on the Judiciary.

986. A letter from the director, the American Legion, transmitting the final financial statement of the American Legion up to and

including the period ending December 31, 1958, pursuant to Public Law 47, 66th Congress; to the Committee on Veterans' Affairs.

987. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting a letter dated May 13, 1959, with reference to letter of July 1, 1958, transmitting the case of Wick Chu, A-10198025, involving suspension of deportation under the provisions of section 244(a)(1) of the Immigration and Nationality Act of 1952, requesting that the case be withdrawn from those now before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

988. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders entered in cases of certain aliens who have been found admissible into the United States under said law, pursuant to the provisions of section 212(a)(28)(I)(ii) of the Immigration and Nationality Act; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of May 12, 1959, the following bill was reported on May 13, 1959:

Mr. THOMAS: Committee of conference. H.R. 5916. A bill making supplemental appropriations for the fiscal year ending June 30, 1959, and for other purposes (Rept. No. 355). Ordered to be printed.

[Submitted May 14, 1959]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BLATNIK: Committee on Public Works. H.R. 904. A bill to rename the New Richmond Dam in the State of Ohio as the Capt. Anthony Meldahl Dam; with amendment (Rept. No. 356). Referred to the House Calendar.

Mr. MORRISON: Committee on Post Office and Civil Service. S. 96. An act to govern the salaries and personnel practices applicable to teachers, certain school officers, and other employees of the dependents schools of the Department of Defense in overseas areas, and for other purposes; without amendment (Rept. No. 357). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Missouri: Committee on House Administration. House Resolution 247. Resolution to authorize printing additional copies of House Document 57 (86th Cong.); without amendment (Rept. No. 358). Ordered to be printed.

Mr. JONES of Missouri: Committee on House Administration. Senate Concurrent Resolution 22. Concurrent resolution to print additional copies of certain hearings on transportation problems in Maryland, Virginia, and the Washington metropolitan area; without amendment (Rept. No. 359). Ordered to be printed.

Mr. SPENCE: Committee on Banking and Currency. S. 722. An act to establish an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically depressed areas; with amendment (Rept. No. 360). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS of Louisiana: Committee on Science and Astronautics. H.R. 7007. A bill to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and develop-

ment, construction and equipment, and for other purposes; without amendment (Rept. No. 361). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY: Committee on Post Office and Civil Service. H.R. 5752. A bill to provide for absence from duty by civilian officers and employees of the Government on certain days, and for other purposes; with amendment (Rept. No. 362). Referred to the Committee of the Whole House on the State of the Union.

Mr. DELANEY: Committee on Rules. House Resolution 264. Resolution for consideration of S. 57, an act to extend and amend laws relating to the provision and improvement of housing and the renewal of urban communities, and for other purposes; without amendment (Rept. No. 363). Referred to the House Calendar.

Mr. MILLS: Committee on Ways and Means. H.R. 7086. A bill to extend the Renegotiation Act of 1951, and for other purposes; without amendment (Rept. No. 364). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HERLONG:

H.R. 7117. A bill to extend and amend laws relating to the provision and improvement of housing and the renewal of urban communities, and for other purposes; to the Committee on Banking and Currency.

By Mr. COOLEY:

H.R. 7118. A bill to amend the Agricultural Act of 1949, as amended, the Agricultural Adjustment Act of 1938, as amended, and Public Law 74, 77th Congress, as amended; to the Committee on Agriculture.

By Mr. ANDERSON of Montana:

H.R. 7119. A bill to authorize the transfer of three units of the Fort Belknap Indian irrigation project to the landowners within the project; to the Committee on Interior and Insular Affairs.

By Mr. ASPINALL:

H.R. 7120. A bill to amend certain laws of the United States in the light of the admission of the State of Alaska into the Union, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 7121. A bill relating to the sale of certain minerals and metals acquired by the United States; to the Committee on Banking and Currency.

By Mr. BARR:

H.R. 7122. A bill to revise, extend, and otherwise improve the Communications Act of 1934 (47 U.S.C. 315) to bring into focus and more proper perspective that section of the law governing political broadcasts; to the Committee on Interstate and Foreign Commerce.

By Mr. BOOGES:

H.R. 7123. A bill to amend the Internal Revenue Code of 1954 so as to provide that lawful expenditures for legislative purposes shall be allowed as deductions from gross income; to the Committee on Ways and Means.

By Mr. BROYHILL:

H.R. 7124. A bill to require the payment of tuition on account of certain persons who attend the public schools of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. BURKE of Massachusetts:

H.R. 7125. A bill to provide for a study of the feasibility of establishing the President Adams Parkway; to the Committee on Public Works.

By Mr. CELLER:

H.R. 7126. A bill relating to the authority of the Customs Court to appoint employees,

and for other purposes; to the Committee on the Judiciary.

By Mr. CHAMBERLAIN:

H.R. 7127. A bill to grant constructive service to members of the Coast Guard Women's Reserve for the period from July 25, 1947, to November 1, 1949; to the Committee on Merchant Marine and Fisheries.

H.R. 7128. A bill to amend title 14, United States Code, in order to correct certain inequities in the computation of service in the Coast Guard Women's Reserve; to the Committee on Merchant Marine and Fisheries.

By Mr. CRAMER:

H.R. 7129. A bill to punish the use of interstate commerce in furtherance of conspiracies to commit terroristic crimes and activities, and for other purposes; to the Committee on the Judiciary.

By Mr. CUNNINGHAM:

H.R. 7130. A bill to amend section 1(14)(a) of the Interstate Commerce Act to insure the adequacy of the national railroad freight car supply, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GALLAGHER:

H.R. 7131. A bill to amend the U.S. Housing Act of 1937 to reduce from 65 to 62 the age at which a single person can qualify for admission to a low-rent housing project and the age at which a family can qualify for admission to a project designed specifically for elderly families; to the Committee on Banking and Currency.

By Mrs. GRANAHAN:

H.R. 7132. A bill to amend title I of the Housing Act of 1949 to permit loss of goodwill to be taken into account in computing the amount of the relocation payment which may be made to a business concern displaced by an urban renewal project, and to increase the maximum amount of such payment; to the Committee on Banking and Currency.

H.R. 7133. A bill to provide retirement eligibility for certain Federal employees whose rates of compensation are adversely affected due to any international commitment, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 7134. A bill to amend the Civil Service Retirement Act with respect to voluntary retirement of certain Federal employees assigned to duty in overseas areas, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HECHLER:

H.R. 7135. A bill to prohibit the serving of alcoholic beverages to passengers on aircraft in flight; to the Committee on Interstate and Foreign Commerce.

By Mr. HORAN:

H.R. 7136. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Oroville-Tonasket unit of the Okanogan-Similkameen division, Chief Joseph Dam project, Washington, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 7137. A bill to provide for the disposal of certain real property to the city of Spokane, Wash., and for other purposes; to the Committee on Government Operations.

By Mr. JOHNSON of California:

H.R. 7138. A bill to amend the Interstate Commerce Act, as amended, so as to strengthen and improve the national transportation system, insure the protection of the public interest, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KEARNS:

H.R. 7139. A bill to establish a teaching hospital for Howard University, to transfer Freedmen's Hospital to the university, and for other purposes; to the Committee on Education and Labor.

H.R. 7140. A bill to amend Public Laws 815 and 874, 81st Congress, relating to school assistance in federally affected areas, so as to limit payments under such laws to situations

involving tax-exempt Federal property; to the Committee on Education and Labor.

By Mr. KNOX:

H.R. 7141. A bill to amend the Internal Revenue Code of 1954 to encourage private investment abroad and thereby promote American industry and reduce Government expenditures for foreign economic assistance; to the Committee on Ways and Means.

By Mr. KOWALSKI:

H.R. 7142. A bill to clarify certain provisions of the patent statutes relating to applications filed on behalf of absent or missing inventors; to the Committee on the Judiciary.

By Mr. MCCORMACK:

H.R. 7143. A bill to provide for a study of the feasibility of establishing the President Adams Parkway; to the Committee on Public Works.

By Mr. McDOWELL:

H.R. 7144. A bill to amend the Federal Credit Union Act; to the Committee on Banking and Currency.

By Mr. McMILLAN:

H.R. 7145. A bill to amend section 35 of chapter III of the act of June 19, 1934, entitled "An act to regulate the business of life insurance in the District of Columbia", as amended; to the Committee on the District of Columbia.

By Mr. MARSHALL:

H.R. 7146. A bill to amend the Agricultural Trade Development and Assistance Act of 1954, as amended; to the Committee on Agriculture.

By Mr. MASON:

H.R. 7147. A bill to repeal the excise tax on amounts paid for communication services or facilities; to the Committee on Ways and Means.

By Mr. CLEMENT W. MILLER:

H.R. 7148. A bill to increase the basic compensation which may be paid civilian keepers of lighthouses from \$3,750 per annum to \$5,100 per annum; to the Committee on Merchant Marine and Fisheries.

H.R. 7149. A bill to provide for stabilizing the broiler and egg industries by instituting a program for marketing regulations; to the Committee on Agriculture.

By Mr. MORGAN:

H.R. 7150. A bill to amend the Small Business Act to provide that the affiliate or subsidiary status of a business concern in an economically depressed area shall not be taken into account in determining whether such concern is eligible for assistance under such act in securing Government procurement contracts; to the Committee on Banking and Currency.

By Mr. O'NEILL:

H.R. 7151. A bill to provide for a study of the feasibility of establishing the President Adams Parkway; to the Committee on Public Works.

By Mr. FIRNIE:

H.R. 7152. A bill to establish a Commission on Country Life, and for other purposes; to the Committee on Agriculture.

H.R. 7153. A bill to amend section 502 of the General Bridge Act of 1946, and for other purposes; to the Committee on Public Works.

By Mr. SANTANGELO:

H.R. 7154. A bill to amend the Social Security Act and the Internal Revenue Code so as to provide insurance against the costs of hospital, nursing home, and surgical service for persons eligible for old-age and survivors insurance benefits, and for other purposes; to the Committee on Ways and Means.

By Mr. SISK:

H.R. 7155. A bill to authorize the Secretary of the Interior to construct the San Luis unit of the Central Valley project, California, to enter into an agreement with the State of California with respect to the construction and operation of such unit, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STEED:

H.R. 7156. A bill to authorize the use of funds arising from a judgment in favor of the Citizen Band of Potawatomi Indians of Oklahoma, and the Prairie Band of Potawatomi Indians of Kansas, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ULLMAN:

H.R. 7157. A bill to make payments to Indians for destruction of fishing rights at Cello Falls exempt from income tax; to the Committee on Interior and Insular Affairs.

By Mr. WAINWRIGHT:

H.R. 7158. A bill to establish a teaching hospital for Howard University, to transfer Freedmen's Hospital to the university, and for other purposes; to the Committee on Education and Labor.

H.R. 7159. A bill to amend the laws relating to St. Elizabeths Hospital so as to fix the salaries of the superintendent, assistant superintendent, and first assistant physician of the hospital, and for other purposes; to the Committee on Education and Labor.

By Mr. WIDNALL:

H.R. 7160. A bill to amend sections 1612 and 1613 of title 38, United States Code, to provide that where a veteran eligible for educational benefits on account of Korean conflict service has reentered military service, such service shall not be counted as part of the periods within which his education must be begun and completed; to the Committee on Veterans' Affairs.

By Mr. YOUNGER:

H.R. 7161. A bill to amend the Communist Control Act of 1954 to prohibit interference by certain persons with the free movement of defense materials in foreign commerce, and for other purposes; to the Committee on Un-American Activities.

By Mr. ZELENKO:

H.R. 7162. A bill to amend the Civil Service Retirement Act to provide minimum retirement annuities of \$200 a month in cases of mandatory separations under section 5 of such act; to the Committee on Post Office and Civil Service.

By Mr. ELLIOTT:

H.J. Res. 392. Joint resolution to provide for the acceleration of the various reforestation programs of the Department of Agriculture, and for other purposes; to the Committee on Agriculture.

By Mr. CLEMENT W. MILLER:

H.J. Res. 393. Joint resolution to provide for the acceleration of the various reforestation programs of the Department of Agriculture and the Department of the Interior, and for other purposes; to the Committee on Agriculture.

By Mr. KING of Utah:

H. Res. 265. Resolution expressing the sense of the House of Representatives with respect to the initiation of an international exchange program, consisting of exchange visits by delegations of mothers, between the United States and Russia; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. DADDARIO: Memorial of the General Assembly of the State of Connecticut memorializing Congress to allow an additional income exemption of \$1,200 for an individual who is a student at an institution of higher education; to the Committee on Ways and Means.

By Mr. IRWIN: Memorial of the General Assembly of the State of Connecticut memorializing Congress to allow an additional income exemption of \$1,200 for an individual who is a student at an institution of higher education; to the Committee on Ways and Means.

By Mr. MONAGAN: Memorial of the General Assembly of the State of Connecticut memorializing Congress to allow an additional income exemption of \$1,200 for an individual who is a student at an institution of higher education; to the Committee on Ways and Means.

By Mr. McGINLEY: Memorial of the Legislature of the State of Nebraska concerning protest of sale or disposal of the Omaha alcohol plant or any such similar plant prior to possible usage development for such plant under legislation now pending or being considered by the Congress of the United States or which might be introduced, which legislation has for its purpose an expanded program of industrial usage for agricultural products; to the Committee on Agriculture.

By the SPEAKER: Memorial of the Legislature of the State of Rhode Island, memorializing the President and the Congress of the United States relative to requesting that the reduction in force of civilian employees of the U.S. Naval Construction Battalion Center at Davisville be rescinded; to the Committee on Armed Services.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States relative to requesting further amendment of the Internal Revenue Code of 1954, as amended, to include under the term "dependents" the residents of any country to which the transfer of United States funds is not prohibited; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES:

H.R. 7163. A bill for the relief of William James Harkins and Thomas Lloyd Harkins; to the Committee on the Judiciary.

By Mr. BOYLE:

H.R. 7164. A bill for the relief of Vlado Parojevic; to the Committee on the Judiciary.

By Mrs. DWYER:

H.R. 7165. A bill for the relief of Filip Lewensztein (Harry Lipa Levenstein); to the Committee on the Judiciary.

By Mr. FRIEDEL:

H.R. 7166. A bill for the relief of Georges Khoury; to the Committee on the Judiciary.

By Mr. IRWIN:

H.R. 7167. A bill for the relief of Irene Kovacs, Istvan Kovacs, Jr., and Jeri Kovacs; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H.R. 7168. A bill for the relief of Mrs. T. H. Huang; to the Committee on the Judiciary.

By Mr. MADDEN:

H.R. 7169. A bill for the relief of Pejo Sever; to the Committee on the Judiciary.

By Mr. MAILLIARD:

H.R. 7170. A bill for the relief of Eutychia Apostolopoulos; to the Committee on the Judiciary.

By Mr. O'NEILL:

H.R. 7171. A bill for the relief of Salim Arrab; to the Committee on the Judiciary.

By Mr. RIVERS of Alaska:

H.R. 7172. A bill for the relief of Francisco Elazlo; to the Committee on the Judiciary.

By Mr. VANIK:

H.R. 7173. A bill for the relief of Mr. and Mrs. Si-Hon Ma; to the Committee on the Judiciary.

By Mr. YATES:

H.R. 7174. A bill for the relief of Miss Madeline A. Bushbaum; to the Committee on the Judiciary.

By Mr. HARMON:

H. Res. 266. Resolution providing for sending the bill (H.R. 7081) with accompanying papers to the U.S. Court of Claims; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

184. By the SPEAKER: Petition of the President, Legion for the Renewal of the Christian Republic, McAllen, Tex., petition-

ing consideration of their resolution with reference to the establishment of free and secret elections in the Communist slave states as a condition prerequisite to any ratification by the United States of any agreements at the forthcoming summit meeting; to the Committee on Foreign Affairs.

185. Also, petition of Ernest E. Richardson and others, Melbourne, Fla., petitioning consideration of their resolution with reference to requesting enactment of legislation which will grant social security coverage in addition to, but separate from, the U.S. civil service retirement program; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Jean Dalrymple: A Tribute

EXTENSION OF REMARKS
OF

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 14, 1959

Mr. HÉBERT. Mr. Speaker, yesterday, when I sat in this Chamber and listened to the King of the Belgians, Baudouin, deliver to America the message from his country, my thought wandered back to the great Brussels World Fair in Belgium. And when I thought of the Brussels' Fair I could not help but think of Jean Dalrymple and the great effort she put into it as coordinator for the U.S. performing arts program.

Listening to King Baudouin and thinking of the Brussels' Fair and Jean Dalrymple, I suddenly realized that even at this late date there has never, to my knowledge, been paid a proper and fitting tribute to Jean Dalrymple for her great accomplishment when the eyes of the world were focused on America and its exhibitions.

Mr. Speaker, it is never too late to pay tribute to anyone who should have received tribute long before.

A public and just tribute to Jean Dalrymple, coordinator for the U.S. performing arts program for the Brussels' World Fair is long overdue.

I pay it now.

Although the fair has ended and the once heavily populated aisles of the great exhibits have been vacated the amazing job done by Jean Dalrymple continues to be reflected with the passing of each day.

Of course like thousands of other Americans I knew Jean Dalrymple before she went to Europe on this venture. Today Jean Dalrymple is internationally known and American theatrical art and culture is better known and better understood because of Jean Dalrymple's great contribution.

It is most significant that from an original requested, but not provided budget of \$2,500,000 Jean Dalrymple staged this gigantic program on an appropriation of \$500,000. In addition the Belgian Government has accepted the American Theater Building as a monument to the Americans who performed there and the programs which were presented there. This acceptance saved the American Government an estimated \$10,000 which would have been required to demolish the building.

I should like to call to your attention that at the American Theater of the

U.S. Pavilion at the Brussels World's Fair this past summer of 1958, over 40 live attractions were offered to the public at prices which everyone could afford: \$3 top to \$1, and for more than 75 percent of the attractions, \$2 to 60 cents.

The following large attractions were given at the higher price of \$3 top:

"Carousel," by Richard Rodgers and Oscar Hammerstein II.

"Wonderful Town," by Leonard Bernstein, based on the play "My Sister Eileen."

"Susannah," the American opera by Carlisle Floyd.

"Maria Golovin"—world premier—by Gian-Carlo Menotti.

Philadelphia Orchestra with Ormandy conducting, Isaac Stern, soloist, July 2, 3, 4.

Philadelphia Orchestra with Ormandy conducting, Van Cliburn, soloist, July 5.

Harry Belafonte.

Benny Goodman and his orchestra.

American Ballet Theater Co.

Jerome Robbins Ballet Co.

Juilliard Orchestra.

Newport Jazz Festival.

"Time of Your Life," by William Safire, with all-star cast, including Franchot Tone, Susan Strasberg, Dan Dailey, Myron McCormick, Ann Sheridan, Scott McKay, Arnold Moss, Paula Laurence, George Mathews, and Larry Blyden.

Andre Eglevsky's Petit Ballet with stars from the New York City Ballet Co., including Melissa Hayden, Patricia Wilde, Edward Villella, George Tobias.

Also, a music program of recitals which gained the Gold Medal as the best program of music offered by all 50 countries at the world's fair, which included, at a \$2 top: Yehudi Menuhin, violinist; Leontyne Price, soprano; George London, baritone; Blanche Thebom, mezzo-soprano; Byron Janis, pianist; Robert McFerrin, baritone; Rosalyn Tureck, pianist; José Iturbi, pianist; Ralph Kirkpatrick, harpsichordist; Leon Fleisher, pianist; William Warfield, baritone; Eleanor Steber, soprano; John Browning, pianist; Sylvia Marlowe, harpsichordist; Berl Senofsky, violinist.

Also "J. B.", the famous Archibald MacLeish drama, now a great hit on Broadway, and recently awarded the Pulitzer Prize, was given by the Yale University Theatre Company under the regional drama division; also "Waiting for Godot," was given with great success by the San Francisco Actors Workshop.

And the following music and choral groups appeared with great success: Massachusetts Institute of Technology

Choral Society, Manhasset Pilgram Fellowship Choir, Concordia Seminary Chorus, Yale University Glee Club, Smith College Glee Club, Knox College Choir, Apollo Club of Minneapolis, University of Tulsa Radio Choir.

There was also an extraordinary program of films, including more than 60 documentaries, which covered every phase of American life, all given free in the American Theater, and a "Cavalcade of Great American Films," also shown free, which drew such great crowds, that very often the films had to be shown several times.

The American Theater was open to the public from 11 a.m. each morning until almost midnight, every day from May 1 to October 16. All morning and afternoon performances were free to the public. Only the evening performances were charged for and the theater was crowded from morning to night.

The selection of Jean Dalrymple as the coordinator for the U.S. performing arts program for the Brussels Worlds Fair was a natural one. She has devoted almost an entire lifetime to the performing arts, and in recent years has poured her energies into helping in the operation of the New York City Center of Music and Drama, a semicivic, nonprofit enterprise devoted to the fostering of popular-priced theater, ballet, and opera.

Miss Dalrymple has been with city center since its beginning in 1943, at one time acting as director of public relations, and as a member of the board of directors. As director of the City Center Theatre Company, she has produced revivals of 16 famous plays at city center with all star casts.

In the spring of 1957, as the new director of the Light Opera Company, she produced five popular musicals. "Carousel" was produced in September of 1957, and this spring, in addition to Marcel Marceau, Miss Dalrymple put three more musicals on the stage of city center:

Miss Dalrymple was responsible for bringing Charles Boyer to Broadway in his first stage appearance in America, in Jean-Paul Sartre's "Red Gloves" and she staged the record-breaking revival of "Burlesque," starring Bert Lahr. "Hope for the Best," starring Franchot Tone, was another of her Broadway productions.

Miss Dalrymple produced "Reunion in Vienna," for the coast-to-coast TV program "Producers' Showcase." Indeed, she has been in all branches of "show business" since she was 17 years old, when she was a star in her own comedy sketch on the famous Keith-Orpheum vaudeville circuit. She then went to