

SENATE

WEDNESDAY, AUGUST 24, 1960

The Senate met at 10 o'clock a.m., and was called to order by the President pro tempore.

Rev. Robert C. Farb, Ph. D., pastor, Grace Lutheran Church, Lakeland, Fla., offered the following prayer:

Almighty and gracious God, our Heavenly Father, who by Thy providence didst lead our forefathers to this land wherein they found refuge from oppression and freedom to worship Thee, we turn our hearts to Thee during this moment of prayer.

Guide and direct us in all our doings with Thy most gracious favor, and further us with Thy continual help. Where we have sinned, forgive us; where we are in error, correct us; where we are in the right, strengthen and undergird us.

We humbly beseech Thee to regard favorably the Members of this legislative body, that they may be high in purpose, wise in counsel, and unwavering in duty, as they carry out this day the solemn responsibilities of their high office.

We ask these things in the name of Jesus Christ, our Lord and Saviour. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, August 23, 1960, was dispensed with.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the agreement entered into on yesterday, there will be the usual morning hour; and I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CORRECTION OF ANNOUNCEMENT IN VOTE ON ANDERSON AMENDMENT TO SOCIAL SECURITY AMENDMENTS OF 1960

Mr. BURDICK. Mr. President, at page 17220 of the RECORD for yesterday, August 23, 1960, on the vote on the Anderson amendment, I am quoted as follows:

Mr. BURDICK. On this vote I have a pair with the Senator from Arkansas [Mr. Fulbright]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

The statement is in error, and just the opposite of what I announced. The true situation and the true statement should be:

If the Senator from Arkansas [Mr. Fulbright] were present and voting, he would vote "nay"; if I were at liberty to vote, I would vote "yea."

I ask that the permanent RECORD be corrected accordingly.

The PRESIDENT pro tempore. The correction will be made.

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

Mr. BURDICK. I yield.

Mr. MANSFIELD. I wish to corroborate what the distinguished junior Senator from North Dakota has just said. The RECORD is in error. The Senator from North Dakota did announce he had a live pair with the Senator from Arkansas, who was absent on official business. He stated that if the Senator from Arkansas were present, he would vote "nay"; that if he, the Senator from North Dakota, were permitted to vote, he would vote "yea"; therefore, he withheld his vote. So I am glad the RECORD has been cleared up, because the news dispatches had been accurate, and this statement in the RECORD would create a wrong impression. By making this request this morning, the Senator from North Dakota has cleared up the situation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FREAR, from the Committee on the District of Columbia, with an amendment:

S. 3867. A bill to exempt from taxation certain property of the National Guard Association of the United States in the District of Columbia (Rept. No. 1909).

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

H.R. 7885. An act relating to the income tax treatment of nonrefundable capital contributions to Federal National Mortgage Association (Rept. No. 1910).

RECESS APPOINTMENTS TO THE SUPREME COURT — MINORITY VIEWS (PT. 2 OF S. REPT. 1893)

Mr. KEATING. Mr. President, I ask unanimous consent to submit the minority views of the Senator from Wisconsin [Mr. WILEY], the Senator from Nebraska [Mr. HRUSKA], and myself to Senate Resolution 334 relative to recess appointments to the Supreme Court of the United States, which was reported to the Senate on Monday, August 22, and ask that the minority views be printed as part 2 of Senate Report No. 1893.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. RUSSELL, from the Committee on Armed Services:

Gen. George Henry Decker, U.S. Army, for appointment as Chief of Staff, U.S. Army.

BILLS INTRODUCED

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

By Mr. LUSK (by request):

S. 3880. A bill to guarantee consumers in the Pacific Northwest first call on electric

energy generated at Federal plants in that region; to the Committee on Interior and Insular Affairs.

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

By Mr. HICKENLOOPER (for himself, Mr. LAUSCHE, Mr. DIRKSEN, and Mr. HOLLAND):

S. 3881. A bill to extend the Conservation Reserve Program and for other purposes; to the Committee on Agriculture and Forestry.

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

By Mr. HRUSKA (for himself and Mr. CURTIS):

S. 3882. A bill to provide for the issuance of a special series of postage stamps in celebration of the one-hundredth anniversary of the completion of the first transcontinental telegraph line and to honor the memory of Edward Creighton, a pioneer in American communication; to the Committee on Post Office and Civil Service.

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

By Mr. DODD:

S. 3883. A bill for the relief of the Housing Authority of the City of Derby, Conn.; to the Committee on the Judiciary.

By Mr. GOLDWATER:

S. 3884. A bill for the relief of Mrs. Keum Ja Asato (Mrs. Thomas R. Asato); to the Committee on the Judiciary.

By Mr. CASE of New Jersey:

S. 3885. A bill to permit services performed by an individual in the employ of his son or daughter to constitute "employment" for purposes of coverage under the insurance program established by title II of the Social Security Act; to the Committee on Finance.

RESOLUTIONS

CHANGES IN CERTAIN COMMITTEE MEMBERSHIPS

Mr. DIRKSEN submitted a resolution (S. Res. 370) making changes in certain committee memberships, which was considered and agreed to.

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

ASSIGNMENT OF SENATOR BURDICK, OF NORTH DAKOTA, TO COMMITTEE SERVICE

Mr. JOHNSON of Texas submitted a resolution (S. Res. 371) assigning Senator BURDICK, of North Dakota, to committee service, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. JOHNSON of Texas, which appears under a separate heading.)

GUARANTEE TO PACIFIC NORTHWEST CONSUMERS OF FIRST CALL ON ELECTRIC ENERGY GENERATED THERE

Mr. LUSK. Mr. President, I introduce, for appropriate reference, a bill to guarantee consumers in the Pacific Northwest first call on electric energy generated at Federal plants in that region. I wish to make a brief statement concerning the bill.

Mr. President, during the past year the Committee on Interior and Insular Affairs has been holding hearings in regard to a contract which the Secretary of the Interior was proposing to enter into with the Pacific Gas & Electric Co., for the sale and delivery of waste or dump electric energy from Bonneville Dam into the State of California.

At certain seasons of the year, such electric energy from Bonneville, in excess of the needs of customers in the Pacific Northwest, is available, but the water with which to generate it is wasted to the sea, because of the fact that there are no customers for such excess electric energy in the Pacific Northwest.

For the purposes of this bill, the Pacific Northwest is identified as the States of Oregon, Washington, Idaho, and the part of Montana west of the Continental Divide.

The proposed contract would enable the Department of the Interior to dispose of this waste energy for a consideration of \$1,800,000 a year, revenue which now is lost to the Government.

Objection to the execution of the contract has been voiced by the Committee on Interior and Insular Affairs, for the reason, among others, that it would result in extending the Bonneville marketing area into California, to the prejudice, it is feared, of the acknowledged prior rights of consumers in the Pacific Northwest.

The purpose of the bill is to obviate this result, by requiring the Secretary of the Interior to incorporate into the contract a provision which would make it mandatory for the Secretary to discontinue any delivery of electric energy under such contract whenever in his judgment it should appear that such energy was necessary to fulfill contracts or applications for contracts of customers in the Pacific Northwest.

I am introducing the bill at the request of the Honorable Mark O. Hatfield, Governor of Oregon; and the Secretary of the Interior has approved the bill.

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

The bill (S. 3880) to guarantee consumers in the Pacific Northwest first call on electric energy generated at Federal plants in that region, introduced by Mr. Lusk, by request, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

CONSERVATION RESERVE PROGRAM

Mr. HICKENLOOPER. Mr. President, on behalf of myself, the senior Senator from Ohio [Mr. LAUSCHE], the junior Senator from Illinois [Mr. DIRKSEN], and the senior Senator from Florida [Mr. HOLLAND], I introduce, for appropriate reference, a bill dealing with the conservation program.

Many of my colleagues will recall that during the consideration of the wheat bill in June of this year I submitted an amendment as title III of S. 2759, extending the conservation reserve program.

The bill I am introducing today is basically the same as the amendment to the wheat bill; however, I have attempted to add some features to this legislation in an attempt to overcome some of the objections raised by my colleagues during the previous consideration of this matter.

In brief, the bill merely provides that the Secretary of Agriculture is authorized to enter into contracts with producers during the 8-year period, 1956-63, to be carried out during the period ending not later than December 31, 1972, except that contracts for the establishment of tree cover may continue to December 31, 1977. And also, in carrying out the conservation reserve program, the Secretary may enter into contracts which will affect the placing of up to 70 million acres of land into the conservation reserve program.

Another feature of this proposal is that it places a limitation of 25 percent that may be placed in the conservation reserve in any county in the United States. I believe this is a safeguard that will meet with enthusiastic approval of some of those who have raised objections to expanding this program.

Also included in this bill is a provision for payment-in-kind.

There is no single remedy that will suffice for our current farm problem, but during the congressional recess I have had an opportunity to travel extensively throughout the United States and have discussed this matter with many people; and I am convinced that by extending and expanding the conservation reserve program we will be taking a step forward toward a solution to our overproduction problem. I think it will be very unfortunate if this Congress should adjourn and allow the authority for entering into contracts under the conservation reserve to expire.

I shall not take the additional time to discuss this matter since I believe that most of my colleagues are familiar with the operation of this program. During the debate of June 9 on the wheat bill, I placed in the RECORD facts to substantiate the need for the continuation and expansion of this program.

I do wish to reemphasize that contracts which now cover land in the conservation reserve will begin to expire at the end of this year and much wheatland will begin to come back into production unless prompt action is taken. It is therefore imperative that the Congress act on this matter immediately in order that we shall not only preserve the retirement program which we already have, but that we shall add to it in sufficient amount so that a real benefit will result.

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

The bill (S. 3881) to extend the conservation reserve program and for other purposes, introduced by Mr. HICKENLOOPER (for himself, Mr. LAUSCHE, Mr. DIRKSEN, and Mr. HOLLAND), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

SPECIAL SERIES OF STAMPS TO CELEBRATE 100TH ANNIVERSARY OF TRANSCONTINENTAL TELEGRAPHY

Mr. HRUSKA. Mr. President, nearly 100 years ago one of Omaha's greatest citizens set out to span the continent by telegraphy. The dream and determination of Edward Creighton to link the east and west coasts of the United States by "singing wires" became a reality on October 21, 1861.

The significance of this achievement hardly needs relating. The country was then in the throes of a civil war testing whether its people would remain united. Without the telegraph, its westernmost State, California, would be cut off from the rest of the Nation. The first words tapped over the newly strung wires by the mayor of San Francisco expressed that thought.

The story of Edward Creighton himself was recently told in an article by Robert Reilly for the Catholic Digest, which my colleague, the junior Senator from Nebraska [Mr. CURTIS], has already inserted in the CONGRESSIONAL RECORD. It can be found in the April 4, 1960, issue at page 7201. Edward Creighton's life was one of great imagination and personal courage. Its influence is felt down to the present day, for another venture of his—the founding of Creighton University of which the Senator from Nebraska is an alumnus—is the heritage of modern-day Americans.

It is appropriate, Mr. President, to commemorate the forthcoming 100th anniversary of the completion of the first transcontinental telegraph line which was surveyed and constructed by Edward Creighton. I am therefore introducing a bill, for appropriate reference, which calls for the issuance of a special series of postage stamps honoring the occasion and the memory of the man who pioneered this work. Contained in the bill is the recommendation that the stamps be issued in Omaha, the eastern terminus of the first transcontinental telegraph line, and make reference to the university on the first-day cancellation of the stamps.

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

The bill (S. 3882) to provide for the issuance of a special series of postage stamps in celebration of the 100th anniversary of the completion of the first transcontinental telegraph line and to honor the memory of Edward Creighton, a pioneer in American communication, introduced by Mr. HRUSKA (for himself and Mr. CURTIS), was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

AMENDMENT OF TITLE V OF AGRICULTURAL ACT OF 1949—AMENDMENT

Mr. CASE of South Dakota submitted an amendment intended to be proposed by him, to the bill (H.R. 12759) to amend title V of the Agricultural Act of 1949, as

amended, and for other purposes, which was ordered to lie on the table and to be printed.

PROTECTION OF CERTAIN OPERATORS UNDER SOIL BANK PROGRAM—AMENDMENT

Mr. CASE of South Dakota submitted an amendment, intended to be proposed by him, to the bill (H.R. 12849) to protect farm and ranch operators making certain land use changes under the Great Plains conservation program and the soil bank program against loss of cropland acreage and acreage allotments, which was ordered to lie on the table and to be printed.

INTERVIEW WITH MRS. LYNDON B. JOHNSON

Mr. GORE. Mr. President, I was deeply impressed with an article, appearing this morning in the New York Times, relating to an interview with a very charming, and gracious lady, Mrs. Lyndon B. Johnson, the wife of our distinguished majority leader. I have known "Ladybird" Johnson, of course, for a number of years. Her qualities are many. I shall not take this occasion to pay tribute to this great and lovely lady, but I do wish to ask unanimous consent that the interview with her be printed at this point in the RECORD, in connection with my remarks.

I wish to read one particular response by this sensitive, thoughtful lady:

Asked about a published report that a drive against the Democratic ticket had been organized in Texas by the forces who led a successful campaign against Alfred E. Smith in 1928, Mrs. Johnson said:

"There is such a thing as a religious issue. That we all know.

"But the more deeply one reads the Bible, the more fair one is going to be. And so, I do not believe it will be a decisive issue in our State."

I ask unanimous consent that the entire article published in the New York Times be printed at this point in the RECORD.

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

BIGOTRY SCORED BY MRS. JOHNSON—SHE MINIMIZES ITS EFFECT ON ELECTION—PLANS A TEXAS TRIP WITH KENNEDY KIN

(By Bess Furman)

WASHINGTON, August 23.—Mrs. Lyndon B. Johnson met the religious issue head on today at a news conference called to announce a Texas tour for her and two woman relatives of Senator JOHN F. KENNEDY.

Asked about a published report that a drive against the Democratic ticket had been organized in Texas by the forces who led a successful campaign against Alfred E. Smith in 1928, Mrs. Johnson said:

"There is such a thing as a religious issue. That we all know.

"But the more deeply one reads the Bible, the more fair one is going to be. And so, I do not believe it will be a decisive issue in our State."

CITES FOREBEARS

It was mentioned that Baylor University, a Baptist college in Texas, had been cited

as a center of this opposition. Mrs. Johnson responded that two sides could be presented on this point. She said her husband, the Democratic candidate for Vice President, "has plenty of Baptist forebears in his bloodline."

"LYNDON'S great-grandfather, George Washington Baynes was the second president of Baylor," she said. "He converted Sam Houston—and we still have the letter from Sam Houston to him, saying so. It is framed and hanging on the wall.

"If my house was on fire, I'd grab that letter on the way out."

The news conference was held at the Women's National Democratic Club, complete with coffee, which is to be the symbol of sociability at each Texas stop. Mrs. Johnson said that she was taking Mrs. Sargent Shriver, sister of Senator KENNEDY, and Mrs. Robert F. Kennedy, his sister-in-law, "to give the people of Texas a chance to meet two charming women—we want both [Texas and the Kennedys] to know each other."

CAMPAIGN SUGGESTION

Mrs. Kennedy, present with Mrs. Johnson, said she had never been to Texas.

Somebody asked whether she and her two guests were going either to carry along an enlarged photograph of Mrs. John F. Kennedy or to find some other means of introducing the Democratic candidate's wife in Texas.

"A good idea." Mrs. Johnson responded. Mrs. Kennedy cannot campaign because she is expecting a second child.

A male voice asked Mrs. Johnson's view on Mrs. John F. Kennedy's hairdo, which the questioner said, "seemed to be an issue."

"I think it's more important what's inside the head than what's outside," was the reply.

On another issue—medical care for the aged—Mrs. Johnson gave her views. Her own father, she said, is now in the hospital at a staggering cost. He has been fortunate, and can pay. But such costs, she said, would be "the financial ruin of some of my friends."

Mrs. Johnson said she thought that the women relatives of candidates did count in the consideration by voters—and that the Texas trip would help the Democrats.

The women will hold meetings, all open to the public, in Houston at the Shamrock Hotel at 3 p.m., August 29; in Dallas at the Adolphus Hotel at 10:30 a.m., August 30; in Wichita Falls at the Women's Forum at 3 p.m., August 30; in Amarillo at the Federation of Women's Clubs at 10:30 a.m., August 31; in El Paso at the Cortez Hotel at 3:30 p.m., August 31; and at the Midland-Odessa Airport, a refueling stop, at 10:30 a.m., September 1.

Mr. MANSFIELD. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. MANSFIELD. I wish to join the distinguished Senator from Tennessee in commending Mrs. Johnson for the statesmanlike position she took in her interview on yesterday. With "Ladybird," there is no sectionalism in this country. With "Ladybird," there are no religious differences in this country. And she speaks—as does her husband—as a true American; and she brings into practice what her husband said when he addressed a political gathering in Tennessee—that in going up and down this country, he was going up and down it as an American speaking to Americans, regardless of race, religion, or region.

I thank the Senator from Tennessee.

Mr. GORE. Mr. President, I would say, further, that in the years that I

have known Mrs. Johnson, she has always demeaned herself as a Christian lady, and in every way has shown only the finest qualities.

HISTORY OF THE ST. LAWRENCE SEAWAY PROJECT—ARTICLE BY SENATOR WILEY

Mr. DIRKSEN. Mr. President, the very distinguished senior Senator from Wisconsin [Mr. WILEY] is the author of a brief but, I believe, a very useful history of the St. Lawrence Seaway project, the vital link that is the greatest inland waterway in the world. From my own knowledge, I can add that the Senator from Wisconsin was one of its vigorous proponents, and had much to do with the effectuation of the legislation out of which this great watercourse was developed.

Senator WILEY is due great credit for his dedicated work in behalf of the waterway, part of which is named the Wiley-Dondero Channel, in honor both of Senator WILEY and of former Representative Dondero, of Michigan, with whom it was my privilege to serve, and who also was a sincerely dedicated public servant.

I commend to all the reading of the report by the senior Senator from Wisconsin, as a useful and concise review of the waterway and of the accomplishments of the Seaway Development Corp.; and I ask unanimous consent that this concise review be printed at this point in the body of the RECORD, as a part of my remarks.

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

ST. LAWRENCE SEAWAY ACCOMPLISHMENTS—THE WORLD'S GREATEST WATERWAY SYSTEM DEVELOPED BY AND UNDER THE REPUBLICAN ADMINISTRATION

(By U.S. Senator ALEXANDER WILEY, of Wisconsin, senior Republican member, Senate Foreign Relations Committee)

The St. Lawrence River, together with the Gulf of St. Lawrence and the Great Lakes Basin, provides a continuous waterway extending 2,342 miles into the heart of the North American Continent from the Atlantic Ocean. They constitute the greatest inland water system in the world.

The St. Lawrence Seaway project, connecting these waterways with the Atlantic Ocean, was created by law May 13, 1954—and was a Republican-sponsored project from start to finish. The \$124-million seaway was established as a self-sustaining and self-liquidating enterprise. Construction activities were financed by proceeds from revenue bonds issued to the Secretary of the Treasury. The cost of operations, payment of interest, and the repayment of borrowings are financed from toll revenues.

Although the St. Lawrence Seaway in its generally accepted scope extends only from Montreal to Lake Erie, it is nonetheless a vital part of the St. Lawrence River-Great Lakes Waterway. It provides the connecting link between the lower reaches of the St. Lawrence River and the Great Lakes.

By the use of 15 locks, oceangoing vessels and large lake-type vessels are raised or lowered a total of 552 feet. This is the highest total elevation that large vessels are lifted or lowered in any waterway of the world. The St. Lawrence Seaway provides navigation facilities for large ships with

cargo-carrying capacity up to 8,500 tons for oceangoing general cargo vessels and up to 25,000 tons for lake bulk-type vessels.

The St. Lawrence Seaway from Montreal to Lake Erie is operated under concepts, principles, and laws which distinguish it from other waterways in the United States and Canada.

The seaway is international in character. The navigation facilities are located in both Canada and the United States.

The seaway is operated by governmental corporations of two countries, the St. Lawrence Seaway Development Corporation of the United States and the St. Lawrence Seaway Authority of Canada. Each corporation is given certain powers and obligations for carrying out the responsibilities of its respective laws. The Seaway Development Corporation has authority to make arrangements and negotiations with the Seaway Authority of Canada on the operation and maintenance of the seaway.

The major accomplishments of the St. Lawrence Seaway Development Corporation are as follows:

1. The St. Lawrence Seaway was opened to deep-draft vessels on April 25, 1959, on a toll basis. During the 1959 navigation season, 6,595 cargo vessels transited the seaway with 20½ million tons of cargo. The income derived from the seaway was sufficient to pay all operating costs and to return to the Treasurer of the United States \$2,150,000 as a payment on the accrued interest and debt of the Corporation. The United States portion of the seaway is operated with a small number of employees. The total employment in June was 179.

2. The U.S. portion of the seaway, which consists of the Eisenhower and Snell Locks, the 10-mile Wiley-Dondero Channel, dredging in the Thousand Islands and in the South Channel at Cornwall, as well as the construction of the related navigation facilities including floating plant, has for all practical purposes been completed. The Corporation constructed jointly with the Seaway Authority of Canada, the Cornwall-Massena International Bridge. This was done under a tight construction schedule which was reduced in time from 7 to 5 years.

3. All arrangements with the Seaway Authority of Canada, and the Power Authority of the State of New York and the Hydro-Electric Power Commission of Ontario were made and the work coordinated in order to meet the completion schedule of the agencies in the two countries involved.

4. The St. Lawrence Seaway Development Corporation completed a study and negotiated an agreement on tolls with the St. Lawrence Seaway Authority of Canada. The agreement was approved by the President on February 25, 1959, and later made the subject of an exchange of notes between the United States and Canada.

5. The St. Lawrence Seaway Development Corporation and the St. Lawrence Seaway Authority of Canada prescribed operating rules and regulations for vessels transiting the seaway. These joint regulations are uniform throughout the seaway.

6. The construction of the seaway, exclusive of interest during construction, was financed for about \$124 million. This is well within the \$140 million borrowing authority authorized by the Congress to construct the U.S. portion of the seaway.

BIRTHDAY FELICITATIONS TO SENATOR JOHN SHERMAN COOPER, OF KENTUCKY

Mr. DIRKSEN. Mr. President, we have had so many birthday anniversaries in the last few days that I have had some difficulty keeping abreast of them; but I believe on yesterday we observed the natal anniversary of the dis-

tinguished Senator from Kentucky, JOHN SHERMAN COOPER.

If ever there was a nobleman who came to this body, if ever there was a gentle person that I have encountered in my lifetime, that person is indeed JOHN SHERMAN COOPER.

It has been my privilege over the years, when he was a candidate for the Senate, so often just for a short unexpired term, to go to Kentucky and to talk with his people in the hills, on the mountains, in the valleys, and in the cities. I doubt whether I ever encountered, for one offering himself for public service, the real affection and esteem for an individual as I saw in the hearts of the Kentucky people for JOHN SHERMAN COOPER.

There is a charm about him, an affability, a deep sincerity, that deeply impress people. I have a deep affection for him.

I did not want the anniversary to go by without at least remarking the fact and paying my tribute of esteem, admiration, and affection not only to a great citizen, but to a great Senator and a great person.

Mr. KEATING. Mr. President, will the minority leader yield to me?

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

Mr. KEATING. Mr. President, I wish to join the distinguished minority leader in paying tribute to our colleague. It was my pleasure earlier this year to be in Louisville, Ky., to speak, and I know exactly what the minority leader means. The love and affection which the Kentucky people bear for JOHN SHERMAN COOPER was evident in their faces, in their manner of approach to him, and in his approach to them.

JOHN SHERMAN COOPER is a modest product of the Kentucky hills, who has risen to greatness. He has run for office successfully in his great State, without becoming partisan about it. I know of the great affection that is felt for him on the other side of the aisle, perhaps as much as for any Member on this side. He has served this country well in diplomatic capacities as Ambassador to India and Nepal and as part of the U.S. delegation to the United Nations.

Without becoming too partisan, I express the hope that JOHN SHERMAN COOPER will be back here in the next Congress to continue his illustrious service.

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

Mr. DIRKSEN. I yield to the Senator from Montana.

Mr. MANSFIELD. Mr. President, I wish to join with the distinguished minority leader in what he had to say about JOHN SHERMAN COOPER, who as a gentleman and a Senator, applies his great integrity and high devotion to the job which he has been sent here to do for the people of his State and the Nation.

I think he was honored, and deservedly so, by a poll taken by Newsweek earlier this year, which listed him as the outstanding Republican Member of this body. He has proved himself in the United Nations, as Ambassador to India, and also as a hard working, diligent, devoted Member of this body.

It is a personal pleasure and privilege for me to join the distinguished minority leader in extending congratulations to JOHN SHERMAN COOPER on his natal day.

Mr. DIRKSEN. I thank the acting majority leader.

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

Mr. DIRKSEN. I yield to the Senator from Connecticut.

Mr. BUSH. Mr. President, I am happy to join in the accolade of approval in behalf of my very dear friend and colleague from Kentucky, JOHN SHERMAN COOPER. I regard Senator COOPER as the most outstanding Republican in the history of Kentucky in this century.

I do not know of any Republican in Kentucky or of Kentucky to whom I would liken him other than Abraham Lincoln. But certainly he has been, in the last 30 years, the most stalwart member of our party in the great State of Kentucky, and perhaps the most stalwart politician in the whole State. At least, from our point of view, that is the case.

JOHN SHERMAN COOPER has had an extraordinarily fine record of service at various levels of government—in the judiciary, in legislative work, in the Senate of the United States, and in diplomacy. In each of these fields he has distinguished himself remarkably, so much so that he is one of the most widely respected Members of the Senate of the United States, not only in Kentucky, but in States all over this country.

There are few Senators who are more in demand as speakers at events of various kinds—social, political, economic, and otherwise—than JOHN SHERMAN COOPER.

His friendship has been one of the rare privileges I have enjoyed in the Senate, and I am happy to join with our leader and other Senators in complimenting him upon his birthday, and wishing him every good luck and a long life full of happiness.

POLITICAL PUBLIC OPINION POLLS

Mr. BUSH. Mr. President, on August 22 the distinguished Senator from Tennessee [Mr. GORE] made some remarks concerning political public opinion polls.

I do not know what prompted the remarks, and certainly I do not question the right of the Senator to make them. It has been suggested they might have been prompted by the recent poll which showed that the Nixon-Lodge ticket is very popular in this country. The Senator from Tennessee [Mr. GORE] may have had other reasons for challenging the accuracy of polls, as well as their propriety.

I think the Senator also questioned the propriety of the pollsters making such polls respecting the coming elections. He attempted to show that these polls are not accurate or reliable. It is to this point I wish to address myself.

I believe the record of the polls has been extremely reliable, and surprisingly so. One proof of it is that I hear

from day to day that individual candidates have taken polls in their own States. I hear the parties have taken polls in the South. I hear polls have been taken in the North. Why would the money spent on these polls, which is so hard to collect from political donors, be spent if there were not a feeling that the polls are accurate?

The classic case which is cited—I believe it was referred to by the Senator from Tennessee—is the Gallup poll in 1948. The Senator said that Dr. Gallup predicted a “nip and tuck” race, and so forth. It is claimed the polls in 1948 were wrong. Actually, the polls were not wrong. I do not have the exact figures for 1948, but I discussed the 1948 polls after the election with pollsters. Of course, the prediction of the pollsters was wrong. They predicted Governor Dewey might win over President Truman. What they actually did was to misinterpret their own polls.

Mr. Elmo Roper, a Connecticut citizen with whom I discussed this matter, explained to me that it was the misinterpretation of, or an attempt to interpret, the undecided vote, which was large at that time, which threw them for a loss.

The figures were something of this proportion: The polls showed that 48 percent of the people were going to vote for Mr. Dewey and 42 percent intended to vote for President Truman. The poll was not wrong about Mr. Dewey, because he actually received 49 percent of the vote. The interpretation of the undecided vote got the pollsters into trouble, because 9 percent out of the 10 percent undecided voted, in the end, for President Truman, who won. Those are round figures, and I do not wish to be held to them exactly.

That is the principle which is involved. That is what hurt the prestige of the pollsters, because they misinterpreted the undecided vote. Based on their own interpretation, they predicted the results of the election.

I wish to defend the pollsters, because I think they provide a very great service in this country. This service is provided not only in connection with disclosing of public opinion on many important matters, including elections, great political issues, great political figures, and candidates, but also in connection with market research and analyzing situations affecting commerce and industry. The polls are useful in determining public attitudes toward education, toward health issues, toward welfare issues and many other things.

Without in any way casting any aspersions upon my good friend from Tennessee, I wish to say that I think the pollsters have rendered a valuable service, and by and large their findings are quite reliable, so much so that great decisions are made upon the basis of their findings not only in the field of politics, but also in the fields of commerce, industry, and other fields.

Mr. BUSH subsequently said: Mr. President, I should like to observe further on the subject of political public opinion polls that the Senator from Tennessee [Mr. GORE], in his remarks on August 22 with respect to the poll that showed

the Nixon-Lodge ticket at 50 percent and the Kennedy-Johnson ticket at 44 percent in public favor, said:

I think such an influence is entirely unjustified, and to the extent that it affects or may affect the judgment of the people or the attitudes of our leaders, it is a disservice to our elective process to attach such importance—indeed, any measurable importance—to such a political poll.

As I said previously, I do not question the Senator's right to hold such an opinion and to express it, but I do say that I think we should differ with him in the fact that it does a disservice. If we should accept his point of view, we might as well say that newspapers should not editorialize on what they find to be public opinion.

I recall in 1956 the New York Times sent reporters all over the country and conducted their own private poll in that way. The newspaper ran a series of articles regarding the election results in the different States as they thought they would be. Their record of correctness was only about 50 percent but, nevertheless, they were not criticized for taking the poll. I think if they choose to analyze the polls in the various States that they should not be criticized for doing so.

Likewise, I do not think that the pollsters should be criticized either.

I wish to make this point. I am afraid that had I not answered the remarks of the Senator from Tennessee [Mr. GORE] and made my own observations, that his remarks might have had an effect of hurting the business of pollsters who, I think, as I said earlier, render in many ways a very valuable public service, not only in the fields of politics, but in the fields of commerce, industry, education, and other fields as well.

I would furthermore and finally say that the Senator from Tennessee in his own insertion in the RECORD on page 16959, of August 22, shows that although the headline read “Nip and Tuck Race Tuesday Indicated in Final Survey,” the survey showed at that time:

	Percent
Eisenhower.....	47
Stevenson.....	40
Undecided.....	13

That was in 1952.

It is not surprising that the pollster should be careful in trying to analyze the undecided vote. Undoubtedly he was careful in predicting that it might be a close race. It actually turned out to be not so close, because the undecided vote which he did not attempt to analyze this time turned out to be more favorable to President Eisenhower than the undecided vote turned out to be for Governor Dewey.

SUGAR ALLOCATIONS TO DOMINICAN REPUBLIC

Mr. ELLENDER. Mr. President, I ask unanimous consent that during the morning hour I may proceed with a discussion of a message which the President sent to the Congress yesterday relating to the Dominican Republic.

The PRESIDING OFFICER. Is there objection to the request of the

Senator from Louisiana? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield to me so that I may suggest the absence of a quorum?

The PRESIDING OFFICER. Does the Senator from Louisiana yield for that purpose?

Mr. ELLENDER. I yield for that purpose, provided I do not lose my right to the floor.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

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

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

Mr. ELLENDER. Mr. President, for several weeks, I have been engaged in efforts designed to compel the Department of State to purge itself of the contempt it has manifested toward the so-called Emergency Sugar Act; that is, the act of July 6, 1960. As Senators may know, the Department of Agriculture, an accomplice in this travesty of justice, acting under pressure from the Department of State, has been compelled to flagrantly ignore the system of priorities created in the act, priorities designed to assure to American consumers a stable supply of sugar, at reasonable prices, upon reduction of what normally would have been the sugar quota assigned to Cuba.

On August 8, immediately upon returning from abroad, and immediately upon familiarizing myself with the arbitrary actions of the Department of State in this regard, I directed a letter to Secretary of State Herter, in which I referred to the Department's failure to permit the importation into the United States of some 322,000 tons of sugar from the Dominican Republic, while, at the same time, allocating sugar for purchase from at least two countries which are presently outside the longstanding quota system, countries which have never been given a quota to sell sugar to United States importers. In that letter, I reminded the Secretary of the system of priorities carefully provided for in the Emergency Sugar Act, under which non-quota countries were to be permitted to export sugar into the United States only should supplies from, first, domestic producers and, second, quota countries—of which the Dominican Republic is one—be exhausted.

I reminded the Secretary that as a result of his Department's willful and blatant refusal to abide by the clear letter of the law, the price of raw sugar had climbed to a 23-year high. In order to offset this development, the Department of State, I pointed out, had actually compelled the Department of Agriculture to unduly inflate the consumption estimate, in order to obtain, in bits and pieces, from a number of

suppliers, a supply of sugar which was and is readily available within the Dominican Republic. I reminded him that the present marketing year for sugar, under the act, expires December 31; that domestic sugarcane producers, particularly Louisiana producers, will begin marketing their crop in the late fall of this year, and that should the Dominican allocation remain unpurchased until that time, it would doubtless have the effect of unduly depressing domestic sugar prices, thus working grave and unwarranted injury upon American farmers.

I do not wish to read the entire letter I addressed to Secretary of State Herter, but I ask unanimous consent that my letter dated August 8, 1960, to Hon. Christian A. Herter, Secretary of State, be printed in the RECORD at this point in my remarks.

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

AUGUST 8, 1960.

HON. CHRISTIAN A. HERTER,
Secretary of State,
Department of State,
Washington, D.C.

DEAR MR. SECRETARY: I returned from abroad only this morning, and was shocked and amazed to find that the Department of State, by exerting its influence upon the Department of Agriculture, has twisted, tortured, and perverted the authority accorded to the executive branch in connection with emergency sugar legislation approved by the Congress on July 3, 1960.

Specifically, according to my information, the Department of State has willfully and wrongfully denied entry into the United States of some 322,000 tons of sugar from the Dominican Republic—sugar which the Dominican Republic is entitled to market in the United States under the clear terminology of the act.

To refresh your recollection, the act of July 6, 1960 authorizes the President to take certain actions vis-a-vis the sugar quota for Cuba. In order to meet the requirements of U.S. consumers, the President is further authorized to "cause or permit to be brought or imported into or marketed in the United States * * * a quantity of sugar, not in excess of the sum of any reductions in quotas" which he may have previously imposed. This quantity, under law, must be derived from certain sources, in accordance with certain priorities, as outlined in section 3 of the act of July 6, 1960. The priorities spelled out in that act are, generally speaking, as follows: first, domestic producers; second, countries presently accorded quotas under the act, and, third, and last, countries not presently enjoying quotas under the act. Purchases are to be made from countries in this third category only as a last resort, that is, after supplies of sugar in domestic areas and quota countries have been exhausted.

Yet, on two occasions since the passage of the act of July 6, 1960, the consumption estimate has been increased, and those pro rata shares of such increases (along with a share of the quota formerly assigned to Cuba) which should have been acquired from the Dominican Republic have not been so acquired. Thus, it would seem that while allocations of some 322,000 tons of sugar to the Dominican Republic have been computed and assigned, no purchase authorizations against those allocations have been approved or issued. Instead, about 200,000 tons of sugar have either been purchased, or been

authorized for purchase, from Brazil and the British West Indies, neither of which are quota countries.

It is obvious that the priorities created by the act of July 6, 1960 have been flagrantly ignored; purchases have been made from nonquota countries, while the sugar so purchased could have been, but was not, acquired from at least one quota country, that is, the Dominican Republic.

This, in my opinion, is unconscionable and entirely without justification. It does, I fear, reflect an attitude on the part of the Department of State which is both unrealistic and dangerous.

In a nutshell, our Department has apparently determined to flaunt and violate the clear and specific intent of Congress—the letter of the law, if you please, for reasons which, although unrevealed publicly by the Department of State, are doubtless based upon a desire among some persons in your Department to wreak vengeance upon the Government of the Dominican Republic.

Why this attitude should prevail is unknown to me; as a matter of fact, it is inconceivable that the Department would undertake to blatantly and maliciously do violence to a friendly foreign government.

I am not unaware of the criticism which has been heaped upon the Government of the Dominican Republic by some elements in the United States, particularly some elements of the mass media—the press, radio, and television. In many instances, these are the same elements which not too long ago were hailing the Castro revolution. Herbert Matthews of the New York Times and Jules Dubois of the Chicago Tribune transformed Castro and his cohorts in the eyes of many members of the American public from merely another rag-tag and bob-tail coterie of revolutionists to the bearers of "democracy" for Cuba. That their initial evaluation has been proved tragically wrong is abundantly clear in the light of today's events, particularly and specifically, events which only today culminated in the seizure and confiscation of all U.S.-owned property in Cuba.

I suggest that the willingness of the Department of State to heed the cries of these same elements, as evidenced by the Department's actions toward the Government of the Dominican Republic, are in the same category, and may very well lead to similar results.

It is to me obvious, though perhaps not to all, that U.S.-inspired and assisted efforts to injure the existing government of the Dominican Republic, even should they be provoked by reasonable considerations, are highly dangerous at this time.

First, and foremost, it ill behoves a government which is dedicated to the principle of self-determination for all peoples to endeavor, in an ex parte manner, and through the manipulation of domestic legislation, to attempt to influence the course of a government which, to all intents and purposes, is still a friendly government. It strikes me that if the people of the Dominican Republic are desirous of changing their leadership, the ultimate determination as to the time and manner of that change should be left up to the people, themselves, without interference, direct or indirect, on the part of the Government of the United States.

Second, should the Government of the United States find it expedient, or even necessary, to pursue a course of action designed to affect domestic events within a friendly country, such action should not be taken until full and fair consideration has been given to the ultimate effect such course of action would have upon our own interests. In the case at hand, should the existing Government of the Dominican Republic be

displaced, we have no assurance that it would not be replaced with a government of the same kind or character as now confronts us in Cuba.

In addition, there is every indication, if not every assurance, that political chaos in the Dominican Republic would ultimately lead to the need for some form of U.S. assistance to that country which, at the present time, is on a sound economic basis. It has become painfully obvious that when the Castro dictatorship in Cuba is rejected by the people of Cuba, the economic ruin caused by the ignorant elements in charge there will require the extension of U.S. aid. I cannot believe that the imposition of another economic liability upon the Treasury of the United States can be justified, even as a means of satiating and propitiating the attitudes and opinions expressed by some elements of the U.S. mass media.

Let me make it abundantly clear that this letter is not to be construed as an endorsement of any individual, or any form of government which may prevail, in the Dominican Republic. The character of the Government of the Dominican Republic is, in my opinion, not open to inquiry as far as I personally am concerned. I do know, from personal experience, that economic conditions in that country are head and shoulders above any which I observed in most of the other Caribbean countries on my trips in that area. In this connection, you have in the files of the Department of State a copy of the report I filed with the Senate Committee on Appropriations in January of 1959, covering an inspection mission which I performed in the South and Central American area during the fall of 1958. (S. Doc. 13, 86th Cong., 1st sess.) With specific reference to the Dominican Republic, pages 484 and 485 of that report reflect my views and comments as of that time—views and comments, I hasten to add, which have not changed since the date of my report. I remarked:

"The Trujillo reign has been the subject of much criticism in the United States. In all frankness, I wish to make it abundantly clear that I do not regard myself as being in a position to comment on the conduct of the Government of this country, one way or the other. I have no personal knowledge as to the internal policies or, for that matter, the political composition of the Government of the Dominican Republic, although Americans with whom I spoke during my visit offered some criticism and also lots of praise.

"I did find that hundreds of new homes have been built in Ciudad Trujillo. In addition, I saw many fine schools, good hospitals, and excellent market facilities. I was informed that similar facilities have been provided in other parts of the country. I did not see cleaner and better operated markets in any South or Central American country than those I saw in the Dominican Republic. It is apparent that good meat, fine poultry, and a large assortment of vegetables and other products are now being produced in large quantities."

The physical well-being of the Dominican Republic comes into even clearer focus when conditions in that country are contrasted with those I found to exist in Haiti—a country which, with the Dominican Republic, shares the Island of Hispaniola. I refer you to the report I mentioned previously, pages 500 and 501, where I observed:

"It is doubtless true that tremendous problems face the leaders of this country. There are demands for increasing the educational level and to provide an opportunity for graduate studies for Haitians. Because there is little room for advancement for Haitians who have finished college and gone on through graduate school, it would do the country little good to create an upper strata of well-trained individuals.

"I never saw anything like these markets, save perhaps in Accra, Gold Coast, and Lagos, Nigeria. Actually, the methods are identical.

"The streets are positively filthy—sewers are open and I nearly fell into an open manhole. I was told that the manhole has been open for months—that someone must have stolen the cover.

"Small street restaurants, specializing in boiled corneal, are plentiful, but other cooked foods are also sold. Plantains, cassava roots and other root crops are used to make flour.

"One must see the extremely adverse conditions that prevail in the markets of Port-au-Prince to believe them.

"I fear that no matter what amount of money we have spent or may spend in the future to improve health conditions, the present deplorable and depressing standards will continue to prevail."

My fear, Mr. Secretary, is that present efforts to injure the Government of the Dominican Republic, through your Department's failure to observe the requirements imposed upon the executive branch by the act of July 6, 1960, are part and parcel of a concerted effort to depose the existing Government of the Dominican Republic, without any assurance that it will not be replaced by a Castro-type dictatorship. Furthermore, this effort may well result in reducing that country to the status of some nearby nations, similarly situated geographically, but whose poverty and economic distress require our extending various kinds of assistance to them.

I would also like to point out to you that your Department's unwillingness to abide by the legislation of July 6, 1960, as evidenced by the assignment of increased sugar supply rights to the Dominican Republic, without accompanying purchase authorizations, has resulted in the threat of injury to both domestic consumers and producers. At the very time the Department was refusing to permit producers in the Dominican Republic to market their share of the increased consumption estimate in the United States, raw sugar prices, *f.a.s.* New York, duty paid, reached a 37-year high.

According to my information, raw sugar was commanding something like \$6.70 to \$6.75 per 100 pounds, a price level which the domestic market had not seen since 1923. As a result of this skyrocketing price, the consumption estimate had to be artificially inflated, in order to pick up, in bits and dribbles, from a score or more of foreign countries, raw sugar which was readily available from producers in the Dominican Republic—many of whom, I might add, are U.S. firms employing hundreds of American citizens.

The fruits of this arbitrary action are already becoming apparent at this time insofar as domestic producers may be concerned. Sugar prices have begun to fall; as of Friday, August 5, they had dropped from \$6.70-6.75 to \$6.40, *f.a.s.* New York, duty paid. This drop doubtless reflects the market's awareness that the Department of State has taken to itself almost full and complete control over the mechanics of marketings under the sugar act. With some 322,000 tons of the Dominican Republic's "quota" outstanding, and subject to the issuance of purchase authorizations, the softness of price in the market will doubtless be compounded as the marketing year draws to a close, for, as the period over which such a large quantity of sugar could be marketed in the United States is reduced, the impact of such quota upon the market becomes correspondingly greater. I warn you now, that should the Department of State withhold the issuance of purchase authorizations against this sugar until later in

the fall, the impact upon the producers of mainland sugarcane is going to be enormous. How your Department can square the possibility of such enormous harm with the mandate of the act itself is beyond my comprehension.

For the reasons enumerated above, I most respectfully request that the Department of State purge itself of the contempt it has shown for the letter of the law, as embodied in the July 6, 1960 enactment; that it fulfill the mandate imposed upon it to utilize its efforts to protect both consumers and producers of sugar in the United States; that it cease and desist from actions designed to impose the views of some of its personnel and a few of the mass media outlets upon the people of a friendly foreign government. I want to particularly urge you to undertake to discover who in your Department may be behind the venomous campaign against the Dominican Republic.

Very truly yours,

ALLEN J. ELLENDER,
U.S. Senator.

Mr. ELLENDER. I have awaited with interest a reply from the Secretary of State. Today one was received at approximately the same moment I received a copy of a special message from the President of the United States, with reference to sugar legislation. It is interesting to lay these two documents side by side for comparison.

The gist of the Department of State's reply is that under the Emergency Act, the Department is given almost total discretion as to the timing of purchases—that while the act creates priorities, in one section, a separate proviso accords to the President authority to jiggle and juggle the time at which allocations of sugar made under the system of priorities can enter the United States.

In a subsequent paragraph of the letter, the Department takes the position that the act, although clear on its face, actually authorizes the Department to indulge in some of the most fantastic legal gymnastics it has ever been my misfortune to encounter. I read from the Department's letter:

The Department considers that section 408(b)(2) authorizes the President to purchase or authorize the purchase of sugar from quota and nonquota countries under the proviso to subparagraph (iii) even though sugar apportioned to the Dominican Republic has not first been imported from that country, and even though all supplies of sugar in quota countries have not been exhausted; and the Department considers that the priorities established in that section have in no way been violated or ignored.

In this paragraph the Department seems to say that under its tortured interpretation of the act, the proviso actually would permit the Department to ignore the system of priorities carefully created by the Congress. The Department also has the gall and temerity to invoke what it describes as "a basic rule for the construction of statutes and other legal instruments," in support of its position.

I most respectfully declare to the Department of State and its legal beagles that it is not I who requires a lesson in statutory construction, and if it is rules of law which the Department desires to apply, the Department might find it pru-

dent to take a look at any bona fide legal publication dealing with legislative intent. To use a proviso as a means of perverting, yes, destroying, legislative intent, is not statutory construction, it is statutory destruction, and I wish to state most emphatically, that the position of the Department of State, if sustained, would result in the complete and utter destruction of this statute.

The Department says that the proviso permits it to go outside the system of priorities as to quota countries. If this can be done as to quota countries, then the same course of action could be applied against domestic producers, as well. No one in his right mind could ever believe that the Congress ever intended anything of this nature.

Taken to its logical conclusion, the interpretation demanded by the Department of State would permit the Secretary of Agriculture to give all of the reduced Cuban quota to one foreign country, or to one segment of the domestic industry. I cannot believe that any Member of this Congress would contend that such was ever contemplated.

It strikes me that the nit-picking, legal-looping, intent-ignoring document submitted by the Department of State in answer to my protest warrants the complete and utter censure of the Senate, indeed, of all of our people. If this kind of legal legerdemain is going to be characteristic of our executive agencies, then I most emphatically declare that the people of our country cannot go to bed in safety tonight—that the Bill of Rights may soon be construed to authorize any number of heinous acts.

I hardly completed my initial perusal of the Department of State's letter before the President's message was placed upon my desk, and, Mr. President, a comparison of the two makes interesting reading.

The Department of State declares that the emergency act gives it *carte blanche* authority over the timing of purchases; presumably, the Department of State, under its interpretation of the law, could, through the device of timing preclude from now until doomsday the entry of any Dominican sugar into our market. If, indeed, the timing of Dominican imports is vested in the Department of State, solely and exclusively, then such an exclusive and preemptive grant would, logically extended, carry with it the power to refuse entry to such sugar entirely.

Yet, evidently the President believes otherwise, for in the message he sent to Congress today he states, and I quote:

In view of the foregoing consideration, the Government should have discretion to purchase elsewhere the quantity apportioned to the Dominican Republic pursuant to the July amendment to the Sugar Act. I therefore request legislation providing that amounts which would be purchased in the Dominican Republic pursuant to the July amendment need not be purchased there, but may be purchased from any foreign countries without regard to allocation.

I ask unanimous consent to have printed in the RECORD at this point in my remarks a copy of the letter addressed to me by the Secretary of State in answer

to my letter of August 8, which I previously placed in the RECORD. This letter is signed by Mr. William B. Macomber, Jr., Assistant Secretary.

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

DEPARTMENT OF STATE,
Washington, D.C.

The Honorable ALLEN J. ELLENDER,
U.S. Senate.

DEAR SENATOR ELLENDER: I refer to your letter of August 8, 1960, to the Secretary, in which you raise various questions with regard to the administration by the executive branch, and in particular by the Department of State, of certain provisions of the Sugar Act of 1948, as amended, and with regard to the general relations between the United States and the Dominican Republic.

As you are aware, in applying the provisions of section 408(b)(2), the Secretary of Agriculture has, pursuant to Proclamation No. 3355 of July 6, 1960 (25 F.R. 6414), and with the concurrence of the Secretary of State, authorized the purchase by private importers of the amount of sugar by which the Cuban quota has been reduced as a result of that proclamation (25 F.R. 6873, July 20, 1960; 25 F.R. 7091, July 27, 1960; 25 F.R. 7356, Aug. 5, 1960; 7 C.F.R. 818.4). In making the apportionment pursuant to subparagraph (iii) of section 408(b)(2), an apportionment of some 322,000 short tons, raw value, was made to the Dominican Republic, but was "not authorized for purchase at this time" (ibid.). As you are also aware, certain quantities of sugar have been authorized for purchase from nonquota countries.

With reference to these actions, you charge that "the Department of State, by exerting its influence upon the Department of Agriculture, has twisted, tortured, and perverted the authority accorded to the executive branch in connection with emergency sugar legislation approved by the Congress on July 3, 1960." More specifically, you state that (1) "the Department of State has willfully and wrongfully denied entry into the United States of some 322,000 tons of sugar * * * which the Dominican Republic is entitled to market in the United States under the clear terminology of the act"; and (2) that "purchases are to be made from countries in this third [nonquota] category only as a last resort, that is, only after supplies of sugar in domestic areas and quota countries have been exhausted," and that "the priorities created in the act of July 6, 1960, have been flagrantly ignored, purchases have been made from nonquota countries, while the sugar so purchased could have been, but was not, acquired from at least one quota country, that is, the Dominican Republic."

The Department must respectfully disagree with your position in this matter, and asserts its belief that the executive branch, and the Department of State insofar as it has been concerned, have acted entirely in accord with the applicable law as regards the actions to which you refer. An examination of section 408(b)(2) of the Sugar Act, which was added to the act by amendment on July 6, 1960 (Public Law 86-592, sec. 3), will make this clear.

In the first place, the Department of State is of the view that the action of not authorizing the purchase from the Dominican Republic "at this time" is permissible under the language of section 408(b)(2), which authorizes the President "to cause or permit to be brought or imported into or marketed in the United States, at such times and from such sources, including any country whose quota has been so reduced, and subject to such terms and conditions as he deems appropriate under the prevailing circumstances, a quantity of sugar" not in excess of that by which the Cuban quota has been reduced. In the opinion of the Department of State,

the above language grants to the President discretion with regard to the timing of importation. It may be pointed out that the provisos in section 408(b)(2) contain no language purporting to limit this grant of discretion with respect to the timing of importation as between sources referred to in subparagraph (iii). In this connection, the Department respectfully calls attention to a basic rule for the construction of statutes and other legal instruments, to the effect that a proviso or exception which restricts a general grant must be strictly construed.

Secondly, the Department considers that section 408(b)(2) authorizes the President to purchase or authorize the purchase of sugar from quota and nonquota countries under the proviso to subparagraph (iii) even though sugar apportioned to the Dominican Republic has not first been imported from that country and even though all supplies of sugar in quota countries have not been exhausted; and the Department considers that the priorities established in that section have in no way been violated or ignored.

As you know the Secretary of Agriculture in authorizing purchases from nonquota countries acted pursuant to the proviso to subparagraph (iii) of section 408(b)(2), which provides "that if additional amounts of sugar are required, the President may authorize the purchase of such amounts from any foreign countries, without regard to allocation."

It may first be pointed out that the Secretary of Agriculture did not in authorizing the purchase of sugar from nonquota countries under the proviso to subparagraph (iii) authorize the purchase of any of the sugar apportioned to the Dominican Republic under subparagraph (iii), but only of that sugar apportioned thereunder to other countries which he determined such other countries would be unable to supply. No part of the sugar apportioned to the Dominican Republic under subparagraph (iii) has been authorized to be purchased from any other source.

Secondly, the proviso, read in conjunction with the preceding part of subparagraph (iii), sets forth a statutory scheme under which, if a deficit exists in the amounts to be derived from countries falling under such first part of subparagraph (iii), that deficit is not required to be made up from the other countries falling under the first part of subparagraph (iii), but is rather to be made up under the proviso as an additional amount to be derived from any foreign sources, whether quota or nonquota countries.

Further, there is nothing in the language of the proviso, especially when viewed in the light of the practicalities of the supply and price situation, that warrants the interpretation that all available amounts apportioned under subparagraph (iii) must actually be purchased before any deficit may be filled from the sources authorized under the proviso. In this connection the Department repeats its view that the language of section 408(b)(2) clearly grants discretion as to the timing of importation.

It is expected that an amendment to the Sugar Act of 1948, as amended, as it relates to the Dominican Republic problem will be requested in the near future.

I would now like to turn briefly to the economic questions you raise.

Your letter calls attention to the fact that the price for bagged raw sugar f.a.s. New York, duty paid, rose to a peak of \$6.70 per 100 pounds, for a few days during the month of July. This price was, as you observe, one of the highest prices for many years and apparently reflected a temporary market situation and, perhaps, unjustified fears that this country might run short of sugar. Naturally, the executive agencies of the Government were aware of this situation and would not permit a shortage to develop so long as it could be avoided. Accordingly, the Depart-

ments of State and Agriculture collaborated in actions making adequate supplies available. The result is that the price, though still materially above the level prevailing during the first half of the year, is now approximately the same as the level prevailing a year ago. In this connection, it may be noted that for the first 6 months of 1960 raw sugar prices varied from \$5.85 to \$6.40 per 100 pounds, averaging \$6.09. For the month of June 1960 the average price was \$6.25 per 100 pounds.

You also express concern over the possible adverse effects on prices if this country purchases as much as 322,000 tons of sugar from the Dominican Republic over a short period of time, and late in the marketing year. The executive branch is also aware of this problem and is considering ways to meet it.

The actions of the Trujillo regime both inside and outside the Dominican Republic have for some time been the cause of grave concern to the United States and the other nations of the hemisphere. On June 3, 1960, the Inter-American Peace Committee of the Organization of American States issued a report, in which the United States concurred, which concluded that the Dominican Republic has contributed to political tensions in the Caribbean area by its flagrant violation of human rights including the use of intimidation and terror as a political weapon. Seven Latin American countries had already broken diplomatic relations with the Dominican Republic before the meeting of Foreign Ministers convened last week in San Jose to discuss the problem which the Trujillo regime presents to the hemisphere. At this meeting the charges brought against the Dominican Government by Venezuela were considered, the Foreign Ministers voting to condemn the Dominican acts of aggression and intervention against Venezuela, culminating in the attempt on the life of the President of that country, and resolved to (1) break diplomatic relations with the Dominican Republic, and (2) interrupt partially economic relations with that country beginning with a suspension of trade in arms and implements of war, with the provision that the Council of the Organization of American States shall study the feasibility and desirability of extending this trade suspension to other articles. The United States joined with all the other American Republics in approving these measures.

I hope that the above discussion provides a satisfactory explanation of the Government's actions.

Sincerely yours,

WILLIAM B. MACOMBER, JR.,
Assistant Secretary.

Mr. ELLENDER. I ask unanimous consent to have placed in the RECORD at this point in my remarks the message of the President to which I have just referred.

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

To the Congress of the United States:

The meeting of Foreign Ministers of the American Republics at San Jose, Costa Rica, has just completed its deliberations on the charges made against the Dominican Republic by the Government of Venezuela, as well as on the flagrant violation of human rights by the Trujillo regime. The Foreign Ministers voted unanimously to condemn the Dominican acts of aggression and intervention against Venezuela, culminating in the attempt on the life of the President of that country, and resolved to (1) break diplomatic relations with the Dominican Republic, and (2) interrupt partially economic relations with that country beginning with a suspension of trade in arms and implements of war, with the provision that the Council of the Organization of Ameri-

can States shall study the feasibility and desirability of extending this trade suspension to other articles. The United States joined with the other American Republics in approving these measures.

Some 322,000 short tons of the sugar not being purchased from Cuba pursuant to the reduction in the Cuban quota is, under the July amendment to the Sugar Act, to be allocated to the Dominican Republic. This allocation is in addition to the Dominican Republic's 1960 quota amounting to approximately 130,000 tons. Since total imports of sugar from the Dominican Republic in 1959 amounted only to about 84,000 tons, the statutory allocation would give that country a large sugar bonus seriously embarrassing to the United States in the conduct of our foreign relations throughout the hemisphere.

In view of the foregoing considerations, the Government should have discretion to purchase elsewhere the quantity apportioned to the Dominican Republic pursuant to the July amendment to the Sugar Act. I therefore request legislation providing that amounts which would be purchased in the Dominican Republic pursuant to the July amendment need not be purchased there, but may be purchased from any foreign countries without regard to allocation.

I would also remind the Congress that the Sugar Act's present termination date of March 31, 1961—only 3 months after the reconvening of Congress next January—could cause a serious gap in supplies, because it often takes as much as 1 or 2 months after purchase for sugar from distant areas to reach our refineries. Thus an extension of the Sugar Act beyond its present termination date is necessary at this session in order to protect consumers in the United States against the possibility of unreasonable prices for sugar next February and March.

I request that the Congress give urgent consideration to and take favorable action on the proposed legislation.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, August 23, 1960.

Mr. ELLENDER. In other words, Mr. President, the President of the United States, in a special message to the Congress, declares emphatically that he does not have that authority which his own Department of State declares that he has, and, further, that the President is now requesting the Congress, as an *ex post facto* act, on a *nunc pro tunc* basis, to give him such authority.

Mr. President, where are we—in "Alice in Wonderland"—and who is Alice, the President, or the Department of State?

Let us look further into this fantasy, this obnoxious display of naked misuse of Executive power.

A careful reading of the President's message and the Department of State's letter reveals that the so-called legal arguments advanced by the Department of State are not legal arguments at all, but, in fact, are smokescreens advanced by the executive branch as a means of hiding activities and actions, which the Congress expressly has denied them the power to pursue.

Both documents, stripped to their bare essentials, reveal that the deliberate flouting of the law engaged in by the Department of State finds its basis not in any provisos or priorities, not in any rules of statutory construction, not in any legal theory ever devised by the mind of man, but, rather, in the Department's overwhelming desire to wreak

vengeance upon the people of the Dominican Republic—including our own citizens doing business there—pursuant to a half-baked scheme concocted by certain so-called leaders in some Latin American countries, principally the dictator Betancourt in Venezuela.

Even on this basis, Mr. President, the authority requested by the President could not be justified, and I am amazed to find that the President of the United States seeks to leave the impression that such is the case.

Specifically, in his message, the President declares that the extraordinary authority which he requests—the same authority which his fancy-pants advisers in the Department of State already claim to be his right—is imperative because—

The Foreign Ministers resolved to (1) break diplomatic relations with the Dominican Republic, and (2) interrupt partially economic relations with that country beginning with a suspension of trade in arms and implements of war.

I most emphatically declare that such is not the whole truth, and, even if it were, no such authority as the President requests should be given to him.

First, a careful reading of the resolution adopted by the Foreign Ministers of the OAS does not support the impression sought to be left by the President.

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

TEXT OF OAS RESOLUTION ON THE DOMINICAN ISSUE

The sixth meeting of consultation of ministers of foreign affairs, to serve as organ of consultation in application of the Inter-American Treaty of Reciprocal Assistance.

Having seen the report of the investigating committee appointed pursuant to the provisions of the third paragraph of the resolution approved by the Council of the Organization of American States of July 8, 1960, and

Considering:

That the Charter of the Organization of American States sets forth the principle that international order consists essentially of respect for the personality, sovereignty and independence of states, and the faithful fulfillment of obligations derived from treaties and other sources of international law;

That in connection with the incident denounced by the Government of Venezuela before the Inter-American Peace Committee on November 25, 1959, that organ of the Inter-American system reached the conclusion that "the necessary arrangements to carry out the flight from Ciudad Trujillo to Aruba—planned for the purpose of dropping leaflets over a Venezuelan city—and to load these leaflets in Ciudad Trujillo, could not have been carried out without the connivance of the Dominican authorities";

That the committee of the Council of the Organization of American States acting provisionally as organ of consultation that was entrusted with the investigation of the acts denounced by the Government of Venezuela, reached the conclusion that the Government of the Dominican Republic issued diplomatic passports to be used by Venezuelans who participated in the military uprising that took place in April 1960 in San Cristobal, Venezuela;

That the Committee of the Council of the Organization of American States, acting provisionally as organ of consultation, which was charged with the investigation of the acts denounced by the Government of the

Republic of Venezuela, also reached the conclusions that:

1. The attempt against the life of the President of Venezuela perpetrated on June 24, 1960, was part of a plot intended to overthrow the Government of that country.

2. The persons implicated in the aforementioned attempt and plot received moral support and material assistance from high officials of the Government of the Dominican Republic;

3. This assistance consisted principally of providing the persons implicated facilities to travel and to enter and reside in Dominican territory in connection with their subversive plan; of having facilitated the two flights of the plane of Venezuelan registry to and from the military air base of San Isidro, Dominican Republic; of providing arms for use in the coup against the Government of Venezuela and the electronic device and the explosives which were used in the attempt; as well as of having instructed the person who caused the explosion in the operation of the electronic device of that explosive and of having demonstrated to him the destructive force of the same.

That the aforementioned actions constitute acts of intervention and aggression against the Republic of Venezuela, which affect the sovereignty of that state and endanger the peace of America; and

That in the present case collective action is justified under the provisions of Article 19 of the Charter of the Organization of American States:

Resolves, to condemn emphatically the participation of the Government of the Dominican Republic in the act of aggression and intervention against the state of Venezuela that culminated in the attempt on the life of the President of that country and, as a consequence, pursuant to the provisions of articles 6 and 8 of the Inter-American Treaty of Reciprocal Assistance.

Agrees:

1. To apply the following measures:

(a) Breaking of diplomatic relations of all the member states with the Dominican Republic;

(b) Partial interruption of economic relations of all the member states, with the Dominican Republic, beginning with the immediate suspension of trade in arms and implements of war of every kind. The Council of the Organization of American States, in accordance with the circumstances and with due consideration of the constitutional or legal limitations of all and each one of the member states, shall study the feasibility and desirability of extending the suspension of trade with the Dominican Republic to other articles.

2. To authorize the Council of the Organization of American States to discontinue, by a two-thirds vote of its members, the measures adopted in this resolution, at such time as the Government of the Dominican Republic should cease to constitute a source of danger to the peace and security of the hemisphere.

3. To authorize the Secretary General of the Organization of American States to transmit to the Security Council of the United Nations full information concerning the measures agreed upon in this resolution.

Mr. ELLENDER. Mr. President, the severing of relations with the Dominican Republic called for in the resolution does not involve, nor does it contemplate, a termination of economic intercourse between the other members of the OAS and the Dominican Republic. As I understand matters, the United States proposes to withdraw its Ambassador, but a consul general will remain in Ciudad Trujillo. Further, normal economic intercourse between the United States and

the Dominican Republic will be maintained. To do otherwise would be to write off hundreds of millions of dollars of American investments in that country.

Second, the economic sanctions voted to be applied by the OAS to the Dominican Republic consist solely and simply of suspending trade in arms and implements of war. Quoting from the resolution at this point would serve to clarify matters. The OAS members agreed to apply the following measure:

Partial interruption of economic relations of all the member states with the Dominican Republic, beginning with the immediate suspension of trade in arms and implements of war of every kind. The Council of the Organization of American States, in accordance with the circumstances and with due consideration of the constitutional or legal limitations of all and each one of the member states, shall study the feasibility and desirability of extending the suspension of trade with the Dominican Republic to other articles.

Notice, Mr. President, that while the resolution uses the term "beginning with," no economic sanctions other than suspension of arms trade are authorized, or even contemplated at this time. As a matter of fact, the resolution, by its clear terminology, contemplates only further study, and not further action at this time with regard to—and I quote again: "the feasibility and desirability of extending the suspension of trade with the Dominican Republic to other articles."

Notice, too, Mr. President, that the "suspension of trade in arms and implements of war" voted against the Dominican Republic is not completely absolute, but that even this sanction is—and I quote again from the text of the OAS resolution:

In accordance with the circumstances and with due consideration of the constitutional or legal limitations of all and each one of the member states.

There is nothing mandatory about even the limited economic sanctions voted, should the application of such sanctions not be in accordance with—and listen to this: "The circumstances, constitutional limitations, or legal limitations" of the member states.

I most respectfully state, Mr. President, that nothing in the OAS resolution compels, or even suggests, the course of action recommended by the President, for, as I have pointed out, severing of diplomatic ties does not, of itself, contemplate dissolution and termination of economic intercourse between the United States and the Dominican Republic, and, further, the only specific reference in the resolution to economic intercourse applies only to trade in arms and implements of war.

The President is presumed to know and understand these facts, and the question still remains as to why he should request such authority, at this late date.

Again, Mr. President, a careful reading of the President's message will supply the answer. The President wants this authority not because he already possesses it—as the State Department

at one time evidently believed—not because it is required by the OAS resolution, not because circumstances in the Dominican Republic justify it, but because the President evidently believes that purchases of sugar from the Dominican Republic constitute, in effect, a gratuity to that country. This attitude becomes apparent and is manifested in these words, and I quote again from the President's message:

Some 322,000 short tons of the sugar not being purchased from Cuba pursuant to the reduction in the Cuban quota is, under the July amendment to the Sugar Act, to be allocated to the Dominican Republic.

This allocation is in addition to the Dominican Republic's 1960 quota amounting to approximately 130,000 tons. Since total imports of sugar from the Dominican Republic in 1959 amounted only to about 84,000 tons, the statutory allocation would give that country a large sugar bonus seriously embarrassing to the United States in the conduct of our foreign relations throughout the hemisphere.

Would the purchase of this sugar from the Dominican Republic be "seriously embarrassing to the United States in the conduct of our foreign relations throughout the hemisphere," Mr. President?

I submit most emphatically that it would not.

First, and foremost, sugar purchases from the Dominican Republic are not in the nature of a gratuity to a foreign government.

They constitute arm's-length sales, and, let me make it clear, sales not from the Government of the Dominican Republic to the United States, but from private business operating within the Dominican Republic to the United States.

In this connection, one company, the South Puerto Rico Sugar Co., has substantial sugar interests in the Dominican Republic. This company is an American firm, listed on the New York Stock Exchange, the ownership of which is vested in thousands of American shareholders. This company employs hundreds of Americans in its operations in the Dominican Republic.

It is firms such as this which the President's embargo power would injure, if not destroy completely, and any sane person who believes otherwise is in for a rude awakening.

Second, purchasing from sugar producers in the Dominican Republic is far from a gratuity; we get value received for every penny we spend there. It is true that because of our quota system sales to refiners in the United States command higher prices than sales on the so-called world market, generally speaking, but, again, the fruits of such sales go to privately owned producers of sugar, not the Government in the Dominican Republic. I am amazed that the Department of State and the President either do not realize and appreciate these facts, or, if they do, that they are ignoring them.

Mr. President, while I would be the last to suggest that the Government of the United States pursue a course of action which would be injurious to the present or future welfare or safety of our coun-

try, I cannot believe that imposing an embargo on purchases of sugar from firms operating in the Dominican Republic is warranted at this time.

In the first place, Mr. President, if embarrassment is sustained as a result of such purchases, who suffers such embarrassment? Is it the United States? I cannot believe that it could be. Certainly, our country has never in the past been embarrassed because we paid full value for commodities acquired from any country unless a state of war existed; or unless, as is the case with the Soviet Union, international considerations of an overwhelming magnitude so dictated. Are there any circumstances in our relationship with the Dominican Republic which should compel such embarrassment? I submit that there are not.

The Dominican Republic has never imposed undue restrictions upon U.S. citizens visiting in that country, upon U.S. business operations therein, or upon normal trade between the United States and the Dominican Republic. Contrast this, if we will, with the depredations worked upon our interests—civil, economic, and military—in Cuba, at the hands of demagog-dictator Castro.

I have heard no protests against unfair treatment at the hands of the Dominican Government from any reliable American; contrast this with the almost hourly complaints directed against the heavy hands of Castro's Red-tinged hordes in Cuba.

To the best of my knowledge, the Government of the Dominican Republic has not on any occasion indulged in an act of aggression, either economic or military, against the United States. Contrast this with the militant attitudes displayed every day by Castro, Castro and Guevara, and their cohorts, in Cuba.

Why should we be embarrassed to engage in normal commercial transactions with a friendly nation, the Dominican Republic?

If there is an answer to this question, it is to be found in the fact that several governments to the south of us want the United States to assist them in removing from authority over the Dominican Republic a government with which these countries do not agree, and whose removal they feel would be beneficial to their own interests or philosophies.

But, I ask, if we are to succumb to such pressures, where will we draw the line? Are we serenely and supinely to bow down to the wishes of each and every "two-bit" dictator in the Western Hemisphere?

There is talk of "hemisphere solidarity." Where was this solidarity when Castro was coming to power in Cuba? Where is it today, when American interests have been confiscated, American citizens insulted, our flag subjected to ridicule, and the good name of our Republic coupled almost daily with epithets and oaths emerging from behind the ragged beard of Fidel Castro?

There is reference in the OAS resolution to certain so-called aggressive acts which, it is alleged, were either sanctioned or instigated by the Trujillo regime in the Dominican Republic.

Where were the other OAS members, where was Venezuela and its chief, Betancourt, when Castro was heaping hate upon the United States? Where are they today? Are they imposing economic sanctions on Castro? Is Mexico refusing to sell oil to Cuba? Is there any other OAS country which is initiating, either individually or collectively, an arms embargo against Castro?

For that matter, where were Venezuela and Betancourt when Castro was proclaiming that he intended to "liberate" the Dominican Republic? Where is the resolution of condemnation directed against the Castro government for its attempts—abortive, fortunately—to invade the Dominican Republic?

Mr. President, the so-called facts recounted in the OAS resolution, designed to support that resolution, the recitation of events which purported to justify that resolution, either occurred quite some time ago, prior to the institution of reforms in the Dominican Republic, or, if subsequent to that time, have found their counterparts, and more, in the demented ravings and vile acts of the present Government of Cuba.

Yet, strangely, I hear no condemnation of Castro issuing from the OAS.

Under no circumstances should the President be given the authority he requests, and I promise Senators that I intend to exert every effort at my command to defeat any proposals designed to accord him or any of his hirelings such power.

In the first place, for reasons I have already indicated, such power is not needed, nor is it justified. Certain beneficial developments have taken place within the Dominican Republic during recent months which bode good for the future. It strikes me that the United States and the OAS should be encouraging such developments, expressing gratification at such developments, instead of seeking to drive from power the Government which has instituted them. In this connection, here are some of the changes—changes for the better—which have transpired in the Dominican Republic. I remind Senators that most, if not all, of these have occurred subsequent to the acts complained of in the OAS resolution.

These are actions taken by President Joaquin Belaguer, of the Dominican Republic, since he took office on August 3, some 3 weeks ago:

First. Hector Trujillo has resigned from Presidency.

Second. Rafael Trujillo has resigned as head of the Dominican Party and chief of the armed forces and is appointed to head delegation to 1960 United Nations General Assembly.

Third. Jose Garcia Trujillo removed as armed forces secretary.

Fourth. Louis Ruiz Trujillo removed as presidential secretary.

Fifth. Gen. Rafael Trujillo, Jr., has been sent to Geneva to headquarters of General Agreement on Tariffs and Trade, and has resigned as chairman of military joint chiefs of staff.

Sixth. Free general elections are scheduled for 1962.

Seventh. Municipal and provincial elections to be held December 15, 1960.

Eighth. Safe conduct passes and passports have been granted to all political refugees who had taken asylum in the embassies.

Ninth. New President has dismissed personal security guard assigned to former Dominican Presidents.

Tenth. Opposition parties have been established and are openly operating in the Dominican Republic. No action has been taken nor is any contemplated against these parties by the Government. Opposition parties advocate the defeat of the existing Government through the electoral process at elections referred to above.

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

Mr. ELLENDER. I yield to the Senator from Mississippi for a question.

Mr. EASTLAND. Is it not true that Trujillo has been a friend of the United States?

Mr. ELLENDER. I do not believe there is any doubt about that. I have visited the Dominican Republic on two or three occasions; I was there in 1958. As a matter of fact, it was my privilege to visit every country in South and Central America in 1958. My report filed as a result of that trip shows that I stated then, and I again state now, that there is not one country in South or Central America which, since 1952, has shown greater economic progress than the Dominican Republic.

Senators should do as I did; go there and see for themselves—go and see what that Government has done. The Dominican Republic has the finest kind of roads, excellent schools, and modern hospitals. The amount of housing has increased tremendously. All of this has been done through the prudent and wise development of the natural resources in that country.

In my humble judgment, much of the trouble which we are now experiencing in Latin America stems from the fact that quite a few of the countries in that area will not try to do what has been done in the Dominican Republic—that is, use existing resources as a means of achieving economic progress.

Mr. EASTLAND. And they have done it without handouts from others.

Mr. ELLENDER. That is certainly true as to the Dominican Republic. That Government has used its own resources, and the people have worked hard. I visited some of the farms there. Japanese have been brought in by the Government, as have other nationalities. Their talents have been put to good use. Evidence of progress is evident almost everywhere. For instance, I saw as fine a dairy there as I have ever seen, Mr. President. Let me emphasize again that all of these developments have been accomplished by the people of the Dominican Republic without gifts of money from any foreign power. The job has been done by efficiently developing the available natural resources of the country.

Mr. EASTLAND. Mr. President, will the Senator from Louisiana yield further?

The PRESIDING OFFICER (Mr. BURDICK in the chair). Does the Senator

from Louisiana yield further to the Senator from Mississippi?

Mr. ELLENDER. I yield.

Mr. EASTLAND. Did the Senator from Louisiana find that the people there were happy and contented?

Mr. ELLENDER. I saw no evidence of unrest, but I must be frank in stating that I did not go there looking for any. However, let me say that conditions in the Dominican Republic are much better than in Haiti, the next-door neighbor of the Dominican Republic. The only thing dividing Haiti from the Dominican Republic is a small chain of mountains. The two countries have about the same available natural resources. But the lack of progress in Haiti, under the present regime, is shameful, to my way of thinking. We have been supplying millions of dollars to help those people, but the progress is very slow, whereas we have not spent a dime of economic aid money in the Dominican Republic. Yet as the distinguished Senator from Mississippi has said, the people of the Dominican Republic are prosperous and are living in peace.

As I took pains to state in my report, I am not competent to comment on what, if anything, Generalissimo Trujillo may have done when he first took office. He may have had to use strong tactics to accomplish things; I frankly do not know. But I daresay that there is no country in Central America or in South America which would qualify as a democracy as the term is generally understood in the United States. Several are actually military dictatorships.

Mr. EASTLAND. Mr. President, will the Senator from Louisiana yield further?

Mr. ELLENDER. I yield.

Mr. EASTLAND. Is it not true that the Dominican Republic has had more revolutions than any other country in the history of the world, and that Trujillo has given the country stability—something it never had before?

Mr. ELLENDER. There is no question about that.

Mr. EASTLAND. Is it not also true that it takes a strong arm to rule in countries of that sort and in Latin America?

Mr. ELLENDER. That is certainly true in many instances. As a matter of fact, based upon my observation of conditions in the Dominican Republic as compared with conditions in some of the other countries I visited in that area, it might be said that a little of that same kind of leadership should be applied in some additional areas.

I invite Senators to visit there and see for themselves what has taken place.

I repeat that the people in the Dominican Republic are apparently happy. They have good schools, good hospitals, fine roads, and an abundance of food.

Mr. President, let me give Senators just one specific example of the kind of economic progress which has taken place there. I visited a sugar mill, Rio Haina, the largest in the world. I was dumbfounded; we have nothing like it in the Louisiana sugarcane areas. To the best of my knowledge, there is nothing like it in Florida or in any other part of the

world. That sugar mill is just one of many such symbols of progress. But today there are some who wish to destroy all that.

Mr. EASTLAND. If it were destroyed and if a vacuum were left, who would march in?

Mr. ELLENDER. Another Castro, without a doubt.

Mr. EASTLAND. Mr. President, will the Senator from Louisiana yield for another question?

Mr. ELLENDER. I yield.

Mr. EASTLAND. Is it not true that the same group in the State Department who had a hand in delivering Cuba to Castro desire to overthrow the Trujillo government in the Dominican Republic?

Mr. ELLENDER. I would not be at all surprised to find that to be the case. The Foreign Relations Committee should investigate that situation and should find out who in the State Department is so anxious to have the present regime in the Dominican Republic overthrown. I think it is shameful for our State Department even to consider action designed to affect the existence of a friendly government. That decision is one to be made by the people of the country involved—not by the U.S. Department of State.

Mr. EASTLAND. Is it in the interest of the United States that that regime be overthrown?

Mr. ELLENDER. Certainly I cannot believe that to be the case, Mr. President. I shall discuss that aspect a little later in my remarks.

An orderly change in leadership within the Dominican Republic should be encouraged, Mr. President, not squelched, as the OAS resolution proposes—as the power the President seeks to wield would insure. In politics, both domestic and foreign, as in physics, a vacuum once created is quickly filled. The sanctions which the President proposes to impose against the Dominican Republic—commercial sanctions, as opposed to an embargo on arms shipments—will, in time, I am convinced, result in the removal of the existing government of that country and in the creation of a political vacuum. Once a vacuum develops, Mr. President, it will be quickly filled—and, I predict now, as I stated a moment ago, that it will be filled by a Castro-type government.

Then where will the United States be? What will then be the position of our citizens in the Dominican Republic, of our economic interests there?

The President's request, if implemented, will bring a pro-Castro, anti-U.S., pro-Red government to power in the Dominican Republic as a matter of absolute certainty; and I cannot believe that any American could regard such a development as helpful.

Furthermore, Mr. President, the imposition of economic sanctions of the magnitude proposed by the President against the Dominican Republic would doubtless result in economic ruin to that little country. The good Lord knows there never was a more economically sound country in the Caribbean than Cuba, before Castro and his henchmen took control there. But today, Cuba's

economy lies in a shambles; she is, for all practical purposes, ruined. Yet, apparently there are some who desire the same result to obtain in the Dominican Republic.

Mr. President, I visited the Dominican Republic just 2 years ago, in 1958. Upon my return, I filed with the Senate Committee on Appropriations a report which was printed as Senate Document 13 of the 86th Congress, 1st session. In that document, I contrasted conditions existing in the Dominican Republic with those prevailing in other countries in the same general area. Without an exception, the Dominican Republic at that time stood head and shoulders above all others, with the possible exception of Cuba. But, of course, today Cuba would no longer be an exception. With specific reference to the Dominican Republic, pages 484 and 485 of that report reflect my views and comments as of that time—views and comments, I hasten to add, which have not changed since the date of my report. In my report I stated:

The Trujillo reign has been the subject of much criticism in the United States.

Mr. EASTLAND. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. EASTLAND. Is not Trujillo the foremost enemy of communism in Latin America?

Mr. ELLENDER. I never met anyone there who so often and vocally professed his opposition to communism.

Mr. EASTLAND. And he opposes the Communists, does he not?

Mr. ELLENDER. There is no doubt about that.

Mr. EASTLAND. That is the reason why Castro attempted to overthrow him, is it not?

Mr. ELLENDER. I presume that is the reason.

Mr. EASTLAND. In Venezuela is there democracy?

Mr. ELLENDER. Not as the term is generally understood in the United States. Many governments are actually dictatorships.

Mr. EASTLAND. And always have been, have they not?

Mr. ELLENDER. Certainly. Until the people there are better educated, through better schools, and so forth, that condition will continue.

Mr. President, I now read further from my report on the Dominican Republic:

In all frankness, I wish to make it abundantly clear that I do not regard myself as being in a position to comment on the conduct of the Government of this country, one way or the other, I have no personal knowledge as to the internal policies or, for that matter, the political composition of the Government of the Dominican Republic, although Americans with whom I spoke during my visit offered some criticism and also lots of praise.

I did find that hundreds of new homes have been built in Ciudad Trujillo. In addition, I saw many fine schools, good hospitals, and excellent market facilities. I was informed that similar facilities have been provided in other parts of the country. I did not see cleaner and better operated markets in any South or Central American country than those I saw in the Dominican Republic. It is apparent that good meat,

fine poultry, and a large assortment of vegetables and other products are now being produced in large quantities.

Compare conditions in that country with those I found to exist in Haiti—a country which, with the Dominican Republic shares the island of Hispaniola. I refer Senators to the report I mentioned previously, pages 500 and 501, where I observed—

It is doubtless true that tremendous problems face the leaders of this country. There are demands for increasing the educational level and to provide an opportunity for graduate studies for Haitians. Because there is little room for advancement for Haitians who have finished college and gone on through graduate school, it would do the country little good to create an upper strata of well-trained individuals.

I never saw anything like these markets, save perhaps in Accra, Gold Coast, and Lagos, Nigeria. Actually, the methods are identical.

The streets are positively filthy—sewers are open and I nearly fell into an open manhole. I was told that the manhole had been open for months—that someone must have stolen the cover.

Small street restaurants, specializing in boiled cornmeal, are plentiful, but other cooked foods are also sold. Plantains, cassava roots, and other root crops are used to make flour.

One must see the extremely adverse conditions that prevail in the markets of Port-au-Prince to believe them.

I fear that no matter what amount of money we have spent or may spend in the future to improve health conditions, the present deplorable and depressing standards will continue to prevail.

Speedy removal of the existing government of the Dominican Republic, a government which is trying its best to improve conditions there, combined with economic sanctions against that island republic will, if granted, accomplish two results:

First, we will confront another Castro in the Caribbean—if, indeed, Castro himself does not move into the Dominican Republic.

Second, we will be laying the foundation for economic retrogression in the Dominican Republic. Instead of a healthy economy in that country, there will soon be a sick one and, just as soon as this happens, the Dominican Republic will be placed on the American dole. This is not farfetched, Senators; Haiti, which possesses much the same natural resources as the Dominican Republic, is already on our economic aid list; Cuba, once Castro is deposed, will be added, as well.

Other Senators may proceed in this direction if they desire, but they will journey without the company of the senior Senator from Louisiana. I was not elected to the U.S. Senate by the people of Louisiana to endorse presidential policies, or any other policies, which would, in their application, be detrimental to the United States.

Mr. President, the President's request, the Department of State's letter, are merely latter-day manifestations of the same old hand-to-mouth foreign policy whose miserable results are apparent throughout the world today. There is apparently no thought given as to long-range results; the Department of State

lives only for the moment, and under the philosophy that if we react today, tomorrow will take care of itself.

And tomorrow will take care of itself, Mr. President, in this instance.

Tomorrow will bring chaos and violence to the Dominican Republic, if the President's request is granted. Chaos and violence in that country will inevitably be accompanied by the establishment of a government there whose attitudes, to say nothing of objectives, will be inimicable to the interests of the United States—indeed, of the entire Western Hemisphere, and the free world as a whole.

I urge the Congress to refuse to knuckle down to the bankrupt foreign policy of the Department of State—a policy which is not only bankrupt of new ideas, but a policy whose apparent objective is to bankrupt the United States.

Let us cooperate with those in the Dominican Republic who desire, through orderly means, to make any improvements in the government which the people may demand, or require.

Let us not throw overboard plain common sense, and, in the process, actually assist in the implementation of a policy which will create another Castro dictatorship in the Caribbean, and lead to the addition of another nation to Uncle Sam's foreign aid program.

Mr. President, I ask unanimous consent to place in the RECORD at this point a very short brochure indicating recent developments in the Dominican Republic, pointing up the trade that has existed between us and the Dominican Republic, and other matters which I am sure will be of interest to Senators.

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

OUTLINE OF PROGRESS IN THE DOMINICAN REPUBLIC

VITAL FACTS AND FIGURES

Area: 19,332 square miles.
Population: 2,948,740 inhabitants (estimated January 1, 1960).

Capital: Largest city, Ciudad Trujillo, with 337,477 inhabitants.

Principal seaports: Recently modernized harbors include Ciudad Trujillo, Azua, Barahona, Cabo Rojo, La Romana, Puerto Plata, Puerto Libertador, Samaná, Sánchez, San Pedro de Macoris, and Rio Haina.

Form of government: Civil, republican, democratic and representative; with executive, legislative, and judicial branches.

Religion: There is complete freedom of worship, but most Dominicans are Roman Catholic.

Chief of state: Generalissimo Héctor B. Trujillo Molina, elected President in 1957 for 5 years.

Cabinet: Consists of 15 Secretaries of State.

Senate: Consists of 26 Senators; one from each province and the national district.

Chamber of Deputies: There are 64 deputies; one for every 30,000 inhabitants.

Currency: The Dominican Republic peso (written RD\$) is at par with the U.S. dollar.

Estimated budget for 1960: \$168,828,795.

Independence Day: February 27.

Favorable trade balances—1958 figures:

Exports.....	\$136,614,711
Imports.....	129,519,037
Balance.....	7,095,678

Principal products

Sugar: Authorized production for 1959: 1,088,000 short tons.

Coffee: Estimated production for 1958: 32,448,000 kilograms. (Total export for that year: 25,751,922 kilograms, valued at \$23,789,042).

Cocoa: Estimated production for 1958: 34,000,000 kilograms. (Total export for that year: 24,096,469 kilograms, valued at \$20,568,171).

Tobacco: Estimated production for 1958: 22,339,189 kilograms. (Total export that year: 11,505,089 kilograms, valued at \$4,790,262).

Airlines with stops in Ciudad Trujillo

Compañía Dominicana de Aviación, C. por A. (Dominican Airlines); Caribair (Caribbean Atlantic Airlines); Pan American World Airways; Delta Airlines; KLM; Varig Airlines; Aerovías Brasil, S.A.

On December 11, 1959, a new airport was inaugurated at Punta Caucedo. Pan American and Varig have jet flights landing on this airport.

Shipping lines which serve the republic

Flota Mercante Dominicana (Dominican Merchant Fleet); Hamburg Amerika Lines; Royal Dutch Steamship Co.; Transatlántica Española (Spanish Transatlantic); French Lines; Alcoa Steamship Co.; Three Bays Lines; Royal Mail Lines; Mitsui Lines; Saguenay Shipping, Ltd.; Fratelli Grimaldi, S.A.; Bull Insular Lines; Lykes Brothers; Great White Fleet; Dominican Fruit and Steamship Co.; James Nourse, Ltd.

There is periodical service between the Dominican Republic and the ports on the St. Lawrence Seaway.

INTRODUCING A NATION

A view of the Dominican Republic from an ascending space rocket would show a long island with two mountain ranges standing out, broadening to the east, from plains and river valleys carpeted with rich crops and vegetation.

The Republic occupies the eastern two thirds of the island of Santo Domingo (3 hours and 5 minutes from Miami, 3 hours and 15 minutes from New York, by jet). The western end of the island consists of the Republic of Haiti.

The country has an area of 19,332 square miles—which is a little larger than that of the States of Vermont and New Hampshire together. Its population, many of whom are of Spanish descent, enters the sixties around the 3 million mark. The Republic is the second largest in the West Indies. Its climate is subtropical with an average annual temperature of 77° F.

The Caribbean trade winds refresh the island during the summer and warm it in the winter. The interior mountains are considerably cooler at all times of the year and during the winter, frost is by no means unknown.

Spanish is the official language of the country, but English and French are taught in schools and the former is generally spoken.

The constitution is modeled on the U.S. pattern. Executive power is vested in the President, who is elected by direct vote for 5 years and may be reelected. His cabinet is formed by 15 secretaries of state. Legislative authority is vested in Congress, which includes a senate consisting of 26 members, and a chamber of deputies with 64 members. The highest court of justice is the supreme court.

The capital, Ciudad Trujillo, with a population of 337,477, is the principal seaport and commercial district. Santiago de los Caballeros is the main market and distributor of the richest, most productive agricultural region of the valley of the Cibao.

Puerto Plata, on the northern coast, which is third in commercial importance, is the dispatch point for the entire Cibao district and from it, large quantities of tobacco, coffee, cocoa, etc., are shipped.

People

Like elsewhere in the Western Hemisphere, the people of the Dominican Republic are a mixture of several different racial stocks. When the first European settlers arrived, the island was populated by aborigines that the Spaniards called Indians. These soon died out as a pure race, partly through unaccustomed hard work and partly through newly introduced diseases. Negroes from Africa were then brought in as laborers. Today, the population is composed of pure whites, pure Negroes, and a mixture of the two in different proportions, in which there is probably also mixed some Indian blood. There are some Asiatics, but in very small number. There is no racial discrimination whatsoever.

Form of government

The Government is democratic and representative. All persons of either sex over 18 years of age have the right to suffrage. The President of the Republic is elected by direct vote every 5 years. In the same manner are elected the members of the national Congress, which consists of 26 Senators and the 64 members of the Chamber of Deputies. The topmost judicial body is the Supreme Court of Justice.

Executive powers are vested on the President of the Republic who is assisted by a Cabinet of 15 members. The other two branches of the Government, the legislative and the judicial, are autonomous.

The Republic is divided politically into 26 provinces whose Governors are appointed by the President. The Governors assist the Executive with recommendations as to local needs for improvement and on matters that would bring about a betterment of general conditions in their provinces.

From the founding of the Republic, the principle of separation of state and religion has been firmly adhered to. However, as the country was colonized by Spain and the Catholic Church was introduced at the establishment of the colony, the Roman Catholic religion is still the official one.

During the times of penury and strife, which preceded the present state of prosperity, the clergy became extremely scanty and inadequate for the spiritual needs of the people. The Government made efforts to increase the clergy and also invited several teaching orders, in its efforts to provide the people with more adequate education, both material and spiritual. The old churches which dated from the time of the colony were restored or rebuilt by the Government and many new churches were erected in the growing communities. The teaching orders that came to the country were generously provided with comfortable buildings for their schools and convents.

There is freedom of worship in the country and, although the Roman Catholic Church received the bulk of the Government's help, other sects have been offered ample protection and given assistance when they have established schools, hospitals or similar institutions for the common good. Some of the Protestant churches seem to have entered the country mainly through the importation of workers for the cane industry. As most of the Dominican peasants own their lands, they are reluctant to leave them to go to work in the canefields. Therefore, migrant workers had to be imported from the neighboring islands, mainly from British possessions. These were Protestants. Some Protestants are descended from American Negroes who fled to the Dominican Republic during the American Civil War. Other Protestants have come

in as missionaries and, although they have made some converts, Protestantism remains still a religion for foreigners. The main Protestant Churches in the country are the Episcopalians and Anglicans, the Seventh Day Adventists, and the Evangelicals.

There is a small number of Jews, mostly those who were given asylum in the country during the Hitlerite persecutions in Europe. These were established in the settlement of Sosúa and some have drifted into the cities. There is now a synagogue at Ciudad Trujillo and another in the settlers colony of Sosúa. Previous to this influx, there was a moderate migration toward the end of the 19th century. These were mostly Sephardites, who came to the country via the Dutch possessions in the Caribbean. They were not the classical immigrants, as they were well educated people and with ample financial means. They soon married into the upper social classes and were assimilated. Though their elders may have practiced Judaism in private, the children were soon converted into the Roman Catholic Church.

There are in the country quite a few Lebanese and people of Levantine descent. They all practice the Roman Catholic religion. As for the Asians, the Chinese who have been in the country for some time have married Dominican women and their children have been brought up as Christians. The small number of Japanese immigrants are at liberty to practice whatever religion they choose. There are freemasons in the country. The Dominican lodges do not oppose the church in any way. They are rather social clubs and devote themselves to cultural and charitable activities.

Home

The advances in engineering and architecture in the country during the last decades have contributed to make the average homes more solid and more beautiful. Although there are in the countryside frame houses, some of which are still very primitive, there has been a tremendous improvement in home building. The Government has undertaken a thorough program of housing and already in the main cities can be seen the model neighborhoods, called Barrios de Mejoramiento Social, which have been built to house workers. These homes are not intended for renting, but for private ownership by the occupant, and are sold on extremely easy installments.

Persons with private means have built themselves beautiful, up-to-date houses. It is necessary to build very solidly in the country, which stands in the path of the tropical hurricanes. The cyclone of 1930 was a tremendous lesson, which has been thoroughly learned and now houses are built both for beauty and for strength. The new cement plant has given a great impulse to building, as formerly it was necessary to import the cement. As mentioned before, it is necessary to build solidly and in this respect it has been found that reinforced concrete answers the need for solidity, at the same time lending itself to the interpretation of both traditional and modern designs. In general, the homes are of the single family type, but in the larger cities apartment buildings have been erected. In these, the apartments are roomier than they are in temperate zones, as the tropical climate makes it necessary to have more space for air circulation. Air conditioning is being used extensively, but still nothing can match the pleasure of a well orientated porch, which catches the soft breezes of the sea.

The new homes, as well as the new public buildings, are both beautiful and functional. Modern appliances are a part of the new homes.

Tourism

The country offers ample facilities to travelers. There are frequent communica-

tions by boat and by plane to the Republic. Besides the foreign shipping companies and airlines that serve the Republic, there is the Dominican merchant fleet (Flota Mercante Dominicana), with weekly sailings from New York, and also the Dominican Airline (Compañía Dominicana de Aviación), which connects Ciudad Trujillo with Miami and San Juan, P.R. Both Pan American Airways and the Brazilian airline Varig have jet services to Ciudad Trujillo, which boasts an up-to-date airport. The formalities for tourists are extremely simple, limited to obtaining a tourist card at the local travel agency or at the Dominican consulate, which allows the bearer to travel to and from the Republic during the period of 15 days.

The department of tourism does everything in its power to please the tourists. There are excellent hotels in the country, of the highest international standing. It is worth mentioning El Embajador at Ciudad Trujillo and the Hamaca at the resort beach of Boca Chica, both equally near the new airport. In the interior there are the Matum at Santiago, the San Cristobal at the town of the same name, and the Maguana at San Juan. In the mountains the resort hotels Montaña and Neuva Suiza offer excellent opportunities for relaxation in an ideal climate.

The Dominican Republic offers to the traveler a striking contrast between the magnificent buildings, churches, and palace of the colony, and the modern achievements of a progressive country. The cathedral was the first one erected in the New World and the famed palace of Columbus' son, the Alcazar, gives an unequaled example of what life was like at the court of the first Viceroy in the New World. This palace has been beautifully restored and furnished with magnificent examples of period furniture and art objects.

All over the Republic there are safe water supplies, which add to the peace of mind of the traveler; rapid communications by telephone, radio and cable. There are well-trained doctors, serving up-to-date hospitals. There are no noxious animals in the country and no dangerous endemic diseases.

For sports, there are fishing, hunting, riding, excellent golf courses and tennis courts and, of course, swimming in well-protected beaches and swimming pools. For spectators, there are horse races throughout the year; cockfights, polo and baseball. Baseball players from the big leagues come to the Dominican Republic during the winter to play with the local teams and likewise Dominican players come to the United States to play in the series. There are casinos and amusement parks. The zoo is really beautiful, in a setting of natural caves. Free music concerts are offered at the zoo and at other public parks. There are theater and ballet performances and the Dominican television and radio put on interesting programs.

In 1955 an international fair was celebrated to commemorate 25 years of peace and progress. This fair, which embraced several activities, was so successful that some of its features have been retained in a permanent basis. There is a free zone at the fair, where luxurious merchandises from all over the world can be purchased free of taxes. Also, for those who love animals, there is an annual livestock fair which attracts fine specimens.

WEALTH FROM THE PLOW

The Republic's wealth stems from her rich soil. Farm produce forms the greater part of the export trade. The most important crop is, of course, sugarcane. It is worth noting that when Columbus founded the settlement sugarcane was grown here for the first time in the New World. The production from Dominican sugar mills for 1959 was 1,088,000 tons. Of the total production 722,000 tons

have been taken up by the world market, and 75,188 tons by the United States. The amount assigned for domestic consumption totaled 94,040 tons. In 1958 Dominican sugar exports consisted of 668,883,440 kilograms, valued at \$56,626,057.

Coffee is the second major crop. Of the 1958 production of 32,448,000 kilograms, 25,751,922 kilograms with a value of \$23,789,042 were exported. The cocoa crop in 1958 was estimated at 34 million kilograms; the total export being 24,096,469 kilograms, valued at \$20,568,171.

Other agricultural products exported from the breadbasket of the Caribbean are corn, plantains, bananas, vegetable oil, rice, sisal, cotton, livestock, and meat products.

The Government's far-reaching plans for diversification and improvement of the already booming farm economy include financial aid and advice in the production and export of crops other than sugar, such as cocoa, coffee and rice. Concurrently, industries are being encouraged which make use of farm products, for example, the processing of peanuts and candies, by means of tax exemption. A Government research program is actively investigating new uses of byproducts, such as bagasse. Aid is being given in the production of new crops, like cotton and sisal.

LAND FOR THE PEOPLE

It is a basic human desire to run your own show—raise crops on your own land. The Dominican Government, recognizing this need, has established agricultural settlements on state-owned land both for Dominicans as well as refugees from Europe. For example, in 1958 alone, 13 new settlements were established in an area of 350,000 acres. Of this area a quarter is already under development.

Some 1,000 houses have been provided with Government funds and another 4,700 by private building. The state makes provision for water and irrigation, roads and electrical supply. The crop yield from these settlements sold to local markets during 1958 amounted to some \$2 million.

A measure of the happy racial relations existing in the country is shown by the success of immigration policy. In 1958 the carrying out of the immigration program for agricultural development adopted by the Government in 1955 continued. During 1958, for example, 495 immigrants as well as 1,244 Dominican farmers with 5,422 persons making up their families, were settled in these agricultural developments which by the end of the year included 1,239 Spaniards, 6,173 Dominicans, 1,183 Japanese and 103 Hungarian residents. Religious toleration, ample opportunities for enterprise and government cooperation have made the new citizens a contented and dynamic element in the community. Total number of settlement houses provided in 1958 was 1,205, 3 schoolhouses, 3 warehouse-offices, 3 chapels, and 3 clinics costing in all \$873,000. Water-supply lines were constructed for four developments at a cost of \$250,000.

On the following chart are found the data of the agricultural settlements established in the Republic from January 1 to July 31, 1959.

Settlements for Dominicans	
	Acres
Area under cultivation.....	57,000
Area made ready for planting.....	9,400
Area being prepared.....	2,700
Settlements for immigrants	
	Acres
Area under cultivation.....	8,200
Area made ready for planting.....	3,400
Area being prepared.....	3,000
Total acreage of settlements	
	Acres
Under cultivation.....	65,000
Made ready for planting.....	12,800
Being prepared.....	5,700

Crops raised by farm settlers, 1958

On settlements for Dominicans... \$1,198,598
 On settlements for immigrants... 669,205

Total..... 1,867,804

Irrigation lifeblood of agriculture

Water supply in the rural areas has been improved out of all recognition by the Government. Before 1930, the total area under irrigation was 7,000 acres compared to tens of thousands of acres of parched, dusty land, heartbreaking to farmers, while today the Dominican Republic has a network of 95 irrigation canals built at a cost of \$27,296,171. These canals have a capacity of 1,500 cubic feet per second, and are 2,100 miles in length, with an irrigable area of 350,000 acres.

The most important of these systems are: the Haina, with an irrigable area of 14,300 acres, and built at a cost of \$2,225,333, and the Los Montones, with an irrigable area of 4,300 acres. The rollcall of some of the new canals which have changed the old pattern of wasteful farming are the Juan Carlos, Rio Limpio, the Guayajayuco, La Vigia, the Mao-Gurabo, and the Navarrete.

Industrial developments

Thirty years of stable government and internal peace have given the Dominican Republic a wonderful opportunity to develop and diversify her economy. Even though it is primarily an agricultural country, the introduction of industries has raised production of Dominican raw materials and has strengthened still further the favorable trade balance. In order to raise the production of primary products, industries, with heavy home as well as oversea investment, such as a furfural plant using bagasse from the sugar mills, and chocolate processing plants using domestic cocoa, have been set up. Good examples of industries which help the farmer as well as reduce the import of oversea products are the extraction of vegetable oil from peanuts, and the manufacture of sacks, ropes, and twine from sisal.

There is no sign of slackening pace in the Republic's industrial revolution. During 1958 and 1959 there were both the formation of new businesses (441 new industrial concerns in 1958) and a great expansion in those established since the war. A sure sign of the inherent stability of the economy was seen in increased productivity which has allowed an expansion of welfare services offered by the industrial firms, services which guided by government labor legislation are acknowledged to be some of the most advanced of their kind.

Total capital invested in industry in 1958 amounted to \$226,408,227, exceeding more than 5½ times the industrial capital deployed in 1936. Billings for raw materials used in 1958 by Dominican industry totaled \$87,292,081 contrasted with \$81,557,143 in 1957: An increase of \$5,734,938. Total sales rocketed to \$272,916,861, over \$28 million higher than sales in 1957. In little more than two decades annual production of national industries increased from a mere \$16,279,000 to \$256,637,000.

Although special facilities for oversea investing have made the Republic an extremely safe and promising investment area, the major share in industry is held by Dominicans. Examples of their new industries are: cement, oil, textiles, marble, asbestos-cement, beer, minerals, furniture, soaps, meat and its derivatives, matches, glassware, cigars and cigarettes, rum and liquor, condensed milk, ceramics, aluminum furniture, storage batteries, rawhides, cardboard, air-conditioning units, barbed wire, lubricants, paper bags, canned foods, plastic goods, flour, etc.

A MINERAL EL DORADO

A wealth undreamed of by the Conquistadores when they panned for gold in the Republic's streams is provided by the rich nickel and other metals from ore deposits lately exploited. Efforts have been intensified, with the help of foreign investments, to promote the exploring and exploiting of mineral deposits to the full. Equitable legislation exists to govern the granting of concessions for mining exploitation. A purely Dominican concern, Sal y Yeso, is exploiting Barahona's rock-salt (the largest solid deposit in the world), gypsum, marble and other ornamental rock deposits. Begun with government aid, the company is now self-supporting and has become private property.

At Hatillo, near Haina, iron ore is extracted and shipped to the United States through the Rio Haina seaport. The iron content in this ore is 67.42 percent and it has been highly praised, in particular by Japanese mining experts.

An American company, the Alcoa Exploration Co., has a concession to explore and exploit the bauxite deposits in Barahona. Other surveys to locate further deposits will be commenced in the near future. Eventually a bauxite processing plant will be constructed.

The Canadian Falconbridge Co. also plans a sizable investment in the Republic and is exploring the interior tracking down nickel deposits, which exist in substantial quantities. In 1956 a company was formed to explore and exploit oil deposits and other hydrocarbons. There is now sufficient production to provide several Dominican firms with fuel oil, and deep drills 12,500 feet are being made.

COMPLETE FINANCIAL INTEGRITY

In financial affairs the Dominican Republic feels that she has something to boast about. The Republic is in the rare position of being free of debts, internal or external, with a balanced budget and whose only foreign aid is a small sum earmarked for Western Hemisphere defense installations.

The Dominican gold peso (symbol RD\$) contains 0.888671 gram of gold, and was accepted in 1948 by the International Monetary Fund. It is on a par with the U.S. dollar and also subdivides into a hundred cents (centavos). The \$1 to \$1,000 bills are issued by the Banco Central de la Republica Dominicana under the control of a Monetary Board. Silver, copper, and nickel coins are also issued; silver coins of 50, 25, and 10 cents; a copper-and-nickel coin worth 5 cents and a 1-cent copper coin. For the U.S. visitor or resident the use of the currency is therefore simplicity itself and, of course, it is not subject to sudden devaluation.

The national gross expenditure attained in 1958 a record figure of \$672.5 million, exceeding by 4.2 percent the 1957 figure of \$645.3 million. Investment of capital effected in 1958 was \$65 million, an increase of 7.4 percent over the 1957 figure, \$60.5 million. Of the \$672.5 million of gross expenditure, \$558.5 million were spent on consumer goods. This showed an increase of 9.4 percent above that of 1957 and betokened a similar rise in living standards. Approximately a third of government expenditures, \$51.2 million was assigned to construction. The importance of public works to the economy cannot be overemphasized—fine highways for taking goods to seaports, harbor installations, air strips, hospitals and schools are at the very root of the Republic's progress.

A country that is secure and that has faith in its future indicates its belief with its business. Insurance returns, excluding life insurance in 1958 totaled \$1,244,737, an increase of 9.33 percent over the previous year's business.

State revenue reached the sum of \$151,476,867 in 1958, an indication of the continual progress in the economic and financial development of the country. An interesting point is that in spite of higher prosperity revealed by trade figures quoted above, tax collection only rose by under \$300,000. Thus giving to all sections of the community a very real incentive to greater effort.

The Dominican budget for 1960 is some 27 times the size of the annual budget of a quarter of a century ago. Total customs revenues collected in the Dominican Republic from 1905 to 1930, which were the Government's principal source of income, amounted to only \$100 million. The 1960 budget has more than 1½ times the total of those collections during a quarter of a century.

BANKING—A SOUND BASE

There are three Government banks in the country. The Banco Central de la Republica Dominicana (Central Bank of the Dominican Republic) was established in 1947, following the final settlement of the foreign debt, when an independent national currency was inaugurated. This is the sole issuing bank. The balance to December 31, 1958, showed assets of \$109,179,842.35.

The Banco de Reservas (Reserves Bank) was established in 1941 with a capital of \$1 million. It is the Government fiscal agency and also operates as a commercial bank. Its capital is now \$7 million completely provided by the State.

The Banco de Credito Agricola e Industrial (Agriculture and Industrial Credit Bank) was founded in 1945 to provide credit for the development of the country's resources. The authorized capital for this bank was originally \$1 million and has increased to \$100 million.

ACTIVE PARTNER IN WORLD TRADE

While the Republic itself has for many years had close trade relations with the United States, its principal customer, it has also consistently bought more from the U.S. market than it has sold to it.

[In U.S. dollars]

Year	Exports to United States	Imports from United States	Balance
1952.....	51,262,145	66,807,591	-15,545,446
1953.....	48,078,664	57,935,123	-9,856,459
1954.....	67,766,356	53,436,018	14,330,338
1955.....	60,389,690	63,278,377	-2,888,687
1956.....	56,171,914	68,886,767	-12,714,853
1957.....	62,031,526	71,129,878	-9,098,352
1958.....	68,732,172	77,391,612	-8,659,440
Total 7 years.	414,432,467	458,865,366	-44,432,899

Demonstrating the amicable relations between the Republic and the United States this also shows a cardinal principle of Dominican trade policy—the maximum freedom possible—and under normal conditions the minimum of tariffs and other bars to the free flow of trade.

The total value of imports and exports with other countries in 1958 was \$266.1 million: \$136.6 million worth of exports and \$129.5 million worth of imports, a favorable trade balance of \$7.18 million.

The following table gives details of the trade movement:

[In millions of dollars]

Continent	1957	1958
Total.....	277.9	266.1
America.....	155.9	171.0
Europe.....	110.5	78.4
Asia.....	9.7	14.9
Africa.....	1.3	1.8

Commercial activity with America, Asia, and Africa in 1958 exceeded that of 1957, showing an increase of \$15.1, \$5.2, and \$0.5 million respectively, while with Europe it decreased by \$32.1 million.

The 1958 exports totaled \$136.6 million for 1,267,807 tons of cargo; 45 percent of the bulk and 55.8 percent of the value went to America, the United States getting 34.8 percent and 50.3 percent respectively. The corresponding figures for 1957 were 570,090 tons worth \$76.2 million, of which the United States bought 441,357 tons worth \$68.7 million.

Exports to Europe represented 45.9 percent of the tonnage and 36.8 percent of the value, 581,962 tons and \$50.3 million. The best customer in Europe was the United Kingdom (448,026 tons worth \$33.3 million), followed by the Netherlands (51,601 tons worth \$6.5 million), Belgium (10,021 tons worth \$1.8 million), Western Germany (15,288 tons worth \$1.6 million), and Spain (2,094 tons worth \$1.6 million). Exports to Asia totaled 113,355 tons worth \$9.1 million, with Japan the main buyer, taking 75,050 tons worth \$5.9 million.

HELPING TO FEED THE NATIONS

Dominican foodstuff exports amounted to 861,039 metric tons, valued at \$118.7 million in 1958, the largest export being raw vegetable products. Sales totaled 162,340 metric tons valued at \$51.1 million, exceeding by 37,571 metric tons and \$7.8 million 1957's foodstuff exports. Coffee was the largest of this group of exports, with 25,751 metric tons worth \$23.8 million. There was an increase over 1957 shipments by 4,063 metric tons, but a fall in value of \$1.3 million. Principal coffee buyers were: the United States, 21,350.1 metric tons for \$19.4 million; Italy, 1,186 metric tons for \$1.2 million; and Canada, 1,173 metric tons for \$1.2 million.

Cocoa, on the other hand, increased its selling. The export of 24,096 tons earned \$20.6 million, surpassing the 1957 figure by 136.6 metric tons and \$7.1 million. The United States acquired nearly all of it, buying 24,025.6 metric tons worth \$20.5 million.

Dominican bananas are becoming well known for their size and taste. Exports for 1958 were 85,811 metric tons worth \$4.8 million, a rise of 34,031 metric tons and \$2.2 million over 1957. Principal buyer was again the United States with 49,457 metric tons for \$2.4 million. Western Germany's fast reviving trade with the Republic took 12,779 metric tons for \$0.8 million and the Netherlands bought 14,980 metric tons for \$1.1 million.

Manufactured food product export was 696,686 metric tons worth \$66.3 million, with the sugar export of 669,883 metric tons worth \$56.6 million as the main product. This figure represents 52.8 percent of the total bulk and 38.7 percent of the total value. It can be seen that the Republic is no longer a single crop country at the mercy of world prices ruling on one product. Europe was the principal buyer acquiring 461,707.6 metric tons worth \$37.9 million; 69 percent of the total sugar exported and 67 percent of the total value. The United Kingdom bought 398,985 tons for \$32.2 million and the Netherlands 29,580.1 tons for \$2.6 million. The United States was the second best sugar customer, 89,319 tons for \$9.3 million, exceeding the 1957 figure by 23,977 tons and \$1.3 million. Japan took 74,577 tons for \$5.8 million, raising its 1957 purchase by 35,530 tons and \$1.5 million.

The new Dominican chocolate industry provided 7,791 tons of exports valued at \$8 million, topping earnings on the previous year by \$2.5 million. The United States purchased 6,958 tons for \$7.2 million, while in 1957 it acquired 7,068 tons for \$4.8 million. The Netherlands bought 583 tons for \$0.6 million.

The export of processed meat products, a recent development, rose to 2,012 tons worth \$1.3 million. Fresh or refrigerated meats were a main export with 1,950.5 tons worth \$1.252 million.

GROWING OVERSEA INDUSTRIAL EARNINGS

The output of Dominican factories is making a new contribution to the country's trade. In 1958, 320,007 tons of manufactures worth \$13.9 million were sold abroad. Tobacco was the main product—11,505 tons worth \$4.8 million were sold. Spain, the Netherlands, Algeria, and Western Germany were the principal customers.

Although 1958 molasses exports of 206,942 tons were up on the 1957 figure by 40,137.7 tons, earnings of \$5.4 million were reduced to \$3.8 million. The United States purchased 158,914 tons for \$3.3 million, an increase of 56,450 tons and a decrease of \$0.4 million in value.

All furfural, a chemical used in the manufacture of nylon, was taken by the United States and totaled 13,704 tons worth \$3.1 million. Cement sales abroad went down from 65,332 tons worth \$0.9 million in 1957 to 35,005.5 metric tons for \$0.5 million in 1958, principally because of the increased needs of the Republic's own public works program. Honduras and the Dutch West Indies were the main buyers.

Growth of oil industry

	1956	1958
Number of industries.....	3,002	1,076
Number of employees.....	75,974	20,301
Capital invested.....	\$266,804,758	\$62,314,340
Value of sales.....	\$173,251,470	\$16,279,130
Wages and salaries.....	\$32,310,315	\$4,561,184

In 1958, the number of employees in these industries was 92,367; the capital invested was over \$226,409,000; the value of sales over \$272,917,000; and wages and salaries over \$40,135,000.

EXPANDING THE NATION'S BUYING CAPACITY

The general increase in the Republic's 1958 imports is part of the dynamic drive seen throughout the economy. This results from the government's industrialization policy; with the urgent demand for capital goods and raw materials, and to the increase in population and its constantly enlarging earning potentialities.

Consumer goods therefore represent a high proportion of total imports—66.2 percent in 1958, totaling \$85.8 million. The principal products imported were: foodstuffs 55,448 tons worth \$12.0 million; and electrical goods and appliances worth \$7.7 million, a significant increase of 34.7 percent over the 1957 value.

Capital goods totaled \$43.7 million or 33.8 percent of the total value of imports for 1958. Showing that industries are still fast developing this is an increase of \$6.0 million over the 1957 figure. The main imports were: trucks and pickup trucks, \$3.3 million worth, a decrease of 4.4 percent of the 1957 figure; liquid fuel, 189,540.2 tons for \$5.5 million, an increase of 0.8 percent over the 1957 figure; construction materials, 33,648 tons worth \$6.1 million, an increase of 11.8 percent over the 1957 figure; and machinery for sugar processing worth \$6.7 million, an increase of no less than 100.5 percent over the 1957 figure. To sum up: the Dominican Republic offers unique opportunities for oversea exporters. Exchange control presents no problem, and as has been indicated import restrictions are confined to a very few categories of commodities to protect local manufactures. Referring to payments by Dominican companies the Chemical Corn Exchange Bank reports "The December results of payments compare closely with those of the previous 12 months and these are

representative of the prompt manner in which Dominican collections were paid during the year."

EDUCATION—CORNERSTONE OF DEMOCRACY

Democracy cannot exist without a literate, thinking people. The Dominican Government believes that the only real safeguard of personal freedoms and Western values is the best system of public education which can be evolved. A complete system of free elementary schooling is provided by the government throughout the country. There are also many private schools, which benefit from government grants. The public school system has intermediate and secondary schools, and several vocational schools. No promising pupil is allowed to miss the opportunity of a university education for financial reasons.

The number of both children and adults completing educational courses increases every year. In 1958 the construction of new schools (now totaling over 4,500) proceeded and also the government's campaign to eradicate illiteracy. Schools were provided with excellent equipment and every effort was made to further raise teaching standards. New reforms were introduced in the university and the development in fine arts was intensified. New courses were planned—for example for veterinary surgeons and sugar technologists, top-rank scientists and technicians.

A total of 4,098 students enrolled in the university during the last academic year. This is the highest figure since its founding in 1538. Keeping abreast of the sciences has been a continuous program at the university. A new building for the faculty of architecture and engineering which cost almost RD\$1 million was inaugurated in 1959 and has a capacity of 1,000 students. Another study center is being erected for the faculty of economic and commercial sciences.

The ultimate wealth of a country cannot be measured with statistics; it is to be found in the richness of the people's spiritual and cultural life. The Dominican educational system seeks to produce lovers of the arts as well as top rank scientists and technicians.

The Public Expenditure Act for Education called for \$10,144,009.96 in 1958 an increase of \$141,087.46 over the 1957 budget. This did not include the construction of the physical recreation stadium "Leonidas Rhadames" at Santiago; the construction of a school campus at Monseñor Nouel, and the "España" and "Angelita" schools in Ciudad Trujillo, nor the construction cost of the building for the Department of Education and Fine Arts, which was begun in 1957 and completed in 1959. The total cost of these additional developments was \$2,591,110.

There were 12,476 units for illiterate adults during 1958, with a total of 267,880 pupils. Of these 74,691 successfully covered the preliminary course during their first year, and 42,534 completed the fundamentals during their second year. The Government contributed \$896,000 to this cause and private contributions, mainly from industrial firms, raised \$251,274.81.

During 1958, 506,694 pupils were taught in 4,955 schools. Over a quarter of the population, including adults, are attending courses.

The Radio Corporation of America has recently completed a survey made at the request of the Dominican Republic Government on the possibility of using television in the drive to end illiteracy. For the survey, R.C.A. has had the advice of several education experts. Improvements which could be introduced into the present television system to increase reception, including three new relay stations, have been suggested.

ARTS FOR THE PEOPLE

The Government has taken care to see the arts are available to all. The National Symphony Orchestra gave 30 concerts at the Capital as well as in other cities; the School of Drama gave 40 performances at which more than 40,000 persons attended. There is undoubtedly a true revival of interest for the theater in the Republic. A good recent example of the Government's work in this direction was the engagement of the Washington Ballet, with its international stars, to play gratis to fully representative audiences.

BOOSTING SPORT FOR PHYSICAL FITNESS

The sport program has been given a great boost with the inauguration at Santiago of a baseball park (Estadio Leonidas Rhadames), built at a cost of \$1,500,000, and the construction of another baseball park at San Pedro de Macoris. Other items in the sport program were the second world championship of juvenile baseball, in which seven teams participated and the Dominican Republic obtained the world champion title, and the improvement of the sport instructors, with the help of international experts.

The Republic is now the headquarters of the International Federation of Amateur Baseball's annual assembly. The construction of volleyball courts, the distribution of sports gear to the schools and the provision of playing fields are allowing many more to participate in as well as to follow sport.

WHERE ILLNESS IS NOT FEARED

The Government has constructed modern hospitals in nearly all towns and provides free treatment to the needy. Some of these hospitals come under the administration of social welfare, for the benefit of those authorized to receive medical attention under the social security program. There are now more than 11,000 beds in 134 hospitals, maternities, sanatoriums, and private clinics all over the country. Of these, 9,000 beds are in State establishments where anyone may receive medical attention completely free of charge.

Much progress has come about in the medical field. In 1958 the following hospitals were inaugurated: The 1,000-bed TB sanatorium, Dr. Rodolfo de la Cruz Lora, constructed at a cost of over \$2½ million; the 700-bed psychiatric sanatorium "Padre Billini"; the 150-bed hospital, Altagrafia Julia in Moca; and the 250-bed hospital, Dr. Luis Manuel Morillo King in La Vega. The 200-bed hospital, Darío A. Contreras and the 300-bed, Dr. Francisco Moscoso Puello, both in Ciudad Trujillo, were opened later. There can be few countries in the world whose public health services are being developed so rapidly.

A campaign to fight TB was started in 1951, and already many have been vaccinated with BCG. This first period of the campaign was extended to December 1957 and during that time 291,201 were given tuberculin tests and 227,811 were vaccinated. Since November 1958, there has been general vaccination and a 2-year program first, to reduce re-occurrence of tuberculosis; to teach auxiliary personnel tubercular investigation techniques; and to make vaccination a general service of the department of public health and social welfare that will benefit all parts of the country. From November 24, 1958 to August 29, 1959, 383,819 persons had been given tuberculin tests, and 240,341 had been vaccinated with BCG. The total of both phases of the program is 675,020 persons tested with tuberculin and 468,152 vaccinated with BCG.

Through its medical aid programs, the Government provides pecuniary aid, and milk to those in need. In 28 months 8 million pints of milk have been distributed and specific medications have been provided. (For example, in those years, 397,023

grams of dihydrostreptomycin and 3,951,903 tablets of isoniazid have been distributed.)

The Government maintains complementary food centers and in 1959 the number of these centers has increased to satisfy the state's concern for improving the people's nutrition through scientifically balanced diets. For this the Government spends approximately \$2 million a year. There are 32 dietetic and nutrition centers for infants under a year old. In these establishments 6,000 children were taken care of, and 4,036,000 nursing bottles of milk were distributed at a total cost of \$144,597.

Good employers

The act providing life insurance, unemployment and invalid benefits for public officials and employees earning up to \$400 a month, was instituted on November 18, 1958. In the first case, the insured person receives the amount matching 1 year's salary. In the second case, unemployment, the insured receives the amount matching 50 percent of the paid premiums; and lastly, through the invalid benefits, the insured receives the amount matching a year's salary distributed monthly at the rate of 30 percent.

This act provides loans for the construction of houses for those insured, repayable over 20 years through monthly payments. Up to now, 206 houses, valued at \$1,158,227.12 have been allocated. The funds for applying this act are drawn from 2 percent discount of the employees' monthly salary.

Land of the future

The evidence provided by this booklet will, it is hoped, convince the reader that the progress achieved by the Dominican Republic is no flash in the pan. The republic has enjoyed 30 years of unsurpassed stability and prosperity under the leadership of Generalissimo Rafael Trujillo. Budget surpluses and trade balances have been carefully husbanded and the country's economic sights can now be raised.

The republic has never been isolationist in its policies but recognizes that oversea businessmen and technicians with know-how can co-operate to mutual benefit with Dominican industry. Opportunities, we truly believe, for foreign investment and business will vastly expand in the promising sixties.

A cardinal point in the Republic's Government's basic political thinking is the importance of the individual. It is hoped that this has come across from the preceding factual account. The individual's freedom of choice and action, his welfare in times of trouble, and his spiritual well-being, are matters to which the state gives top priority. No legislation is allowed to pass which could damage these principles, and the same is true for the Republic's guests and business colleagues from other nations. The Dominican way of life is a young but potent concept based on religious and racial tolerance. We are not ashamed of being proud of this way of life and would say to our old and new friends "Come and see for yourselves—and welcome."

Mr. ELLENDER. Mr. President, I yield the floor.

Mr. EASTLAND. Mr. President, I ask unanimous consent to be recognized for 10 minutes.

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

Mr. EASTLAND. Mr. President, there was a time when the United States dealt realistically with the other nations of the world, basing our actions on the principle of enlightened self-interest. In those days it was part of our policy that we did not attempt to dictate to any nation what form of government it should maintain. The most important question we asked about another nation

was: Is this nation friendly to the United States?

In the attitude of our State Department toward the Dominican Republic, and now in the suggestion that we put into effect economic sanctions against that nation, we see how far we have come from those days of forthright diplomacy.

How must we answer the key question of whether the Government of the Dominican Republic is friendly toward the United States, and opposed to the world Communist conspiracy? The record is absolutely clear on this point. No government in this hemisphere has been more consistently friendly to the United States, nor more consistently and realistically opposed to communism.

Mr. President, the present regime in the Dominican Republic is the most recent of many governments which have, at one time or another, ruled on the strife-torn island of Santo Domingo.

That little island has had more revolutions than any other piece of territory on this globe. Before the present regime in the Dominican Republic came to power some 30 years ago, there was no stable government, the economy was a shambles, the standard of living of the people was as low as any in this hemisphere, and human misery was a commonplace on that little island.

Mr. President, conditions became so chaotic that we had to send in Marines and occupy it for many years in order to establish order.

The present regime has changed all that. The economy of the Dominican Republic is stable and growing. The country has a sound currency. Economic and social conditions are vastly improved, not only over what they were, but also over conditions in similar territories elsewhere in this hemisphere. But there appear to be forces in our State Department which wish to tear down this regime, and we hear now the proposal that economic sanctions be applied to the Dominican Republic.

Mr. President, these are the same forces which had a hand in placing Castro in power in Cuba.

I have in my hand a news article published by the Associated Press. It states:

NEW BEDFORD, MASS., August 11.—A former U.S. Ambassador to Cuba blamed the State Department today for the difficulties with Cuba.

Arthur Gardner, Ambassador from 1953 to 1957, declared in an interview copyrighted by the New Bedford Standard-Times that he attempted to convince the State Department that Premier Fidel Castro talked and acted like a Communist and did not merit the support or friendship of the United States.

Mr. Gardner said that the State Department "pulled the rug out" from under Fulgencio Batista, Premier Castro's predecessor, by stopping arms shipments to the dictator.

Mr. Gardner said that Herbert L. Matthews of the New York Times, more than any other U.S. writer, sold Americans, including the State Department, on the idea that Dr. Castro was "a bright-eyed idealist and the savior of his people."

Mr. Gardner said his successor as Ambassador to Cuba, Earl E. T. Smith, a former New York investment broker, had been instructed by the State Department to consult with Mr. Matthews before taking the post.

That is true. Mr. Matthews' articles on Castro were very influential with the State Department in this country.

This is the same group which is attempting to set up a new regime in the Dominican Republic. Mr. President, setting up a new regime there now would be detrimental to the best interests of our country.

The only result, if this effort is successful, will be to create a vacuum into which Communist power will flow.

Mr. President, we cannot afford that. Of course, we could not afford to see a Communist Government established in Cuba, but we have seen it, and our State Department had a hand in it.

It would seem that the same forces which, through both action and inaction, helped to bring about the establishment of a Communist dictatorship in Cuba, are working toward the same end with respect to the Dominican Republic.

In Cuba, before Castro came to power, the Batista government was on its way out in a peaceful and orderly manner. There had been an election. A new President had been elected. Within the space of a few weeks, the new government would have taken over control of the country, and Castro's chance to come into power would have been lost forever. But this was not allowed to come about.

The caliber of the man who was elected President in Cuba was such that he went to the island and lived for months under the Castro dictatorship and was not touched, because he was an honorable man.

We did not help to preserve the status quo in Cuba. We did not help the newly elected government to take over in an orderly manner. We did not give that newly elected government our support. On the contrary, we swung our weight in the other direction. Batista was forced to flee, and a vacuum was created into which Castro marched unimpeded, and the world Communist conspiracy had a solid beachhead in the Western Hemisphere.

In the Dominican Republic, elections are scheduled within a few months. A government will be elected by vote of the people, in a democratic manner, and if we give that newly elected government our help, the transition can be peaceful and orderly and there will be no opportunity for the Communists to take over. But if the Trujillo regime is forced out of power prematurely, there can be only one possible result: the world Communist conspiracy will have another beachhead in this hemisphere.

Fidel Castro did not win a revolution in Cuba. He never even won a battle. Castro simply walked into a vacuum which we had helped to create in Cuba; and it took him 2 days to get down out of the hills after Batista had fled the country.

I mean that literally. He was "holed up" in the hills surrounded by soldiers loyal to the government, and it took him 2 days to get out of hiding after he had become the head of government.

If we help to create a vacuum in the Dominican Republic, there is no force and no power ready to step into that

vacuum except the force and the power of world communism.

The Communist objective is to use the Castro government as a tool in bringing all Latin America under Communist domination. One of Castro's prime objectives was to take over the Dominican Republic. Are we now going to help him accomplish this objective?

After Franco came into power in Spain, we applied economic sanctions against his government. As a result, the Government of Spain had to make many economic adjustments. When the realities of the cold war forced us to a recognition of the necessity that we establish bases in Spain, we found that we had to spend hundreds of millions of dollars to assist in the improvement of the Spanish economy in order to make Spain the strong and dependable ally which she is today. If we help to tear down the present regime in the Dominican Republic, the day will come when we shall have to spend hundreds of millions in an effort, possibly a vain effort, to restore the economy which we shall have helped to shatter.

The PRESIDING OFFICER. The time of the Senator from Mississippi has expired.

Mr. EASTLAND. Mr. President, I ask unanimous consent that I may proceed for an additional 5 minutes.

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

Mr. EASTLAND. It would be a grave mistake, Mr. President, to cut the sugar quota of the Dominican Republic. On the contrary, what we should do is increase the Dominican sugar quota, and take what other action we can to help strengthen the economy of this little country which has stood so staunchly at our side in resisting the thrust of Communist aggression.

We came to the point of economic sanctions against Cuba only after the Communist dictatorship of that country had seized hundreds of millions of dollars worth of American property without just compensation, had imprisoned American citizens without just cause and without fair trial, and had repeatedly insulted this Nation, officially and publicly.

There has been no such provocation from the Dominican Republic. American property there is safe. American lives there are safe. The Dominican Republic is the target of aggression by Castro, and the sworn enemy of our greatest and most dangerous enemy, the world Communist conspiracy. Yet now it is proposed that we apply economic sanctions against the Dominican Republic.

If this is permitted, Mr. President, we shall not deserve the respect or the confidence of other Latin American nations; nor shall we have their respect or their confidence.

Nations, like people, respect strength; they respect fairness; they seek alliances they can trust. How will the nations of Latin America regard us if we make it clear that we will not stand by our friends, that we will not stand up to our

enemies, that we have neither the wisdom to know what is good for us and our friends, nor the strength of purpose which both good judgment and a sense of fairplay would seem to dictate?

TRIBUTE TO SENATOR GREEN

Mr. AIKEN. Mr. President, I would not want the present session of Congress to close without paying tribute to the senior Senator from Rhode Island [Mr. GREEN], and to express regret at his decision to retire as a Senator.

I met THEODORE GREEN some years before he came to the Senate, while he was Governor of the State of Rhode Island.

I have always respected and admired him as a great statesman from my neighboring State in New England. I served under him while he was chairman of the Senate Committee on Foreign Relations, and found him eminently fair and almost always sound in his judgment.

Only once have I found any fault with the great Senator from Rhode Island, and that was when he was Governor of his State. At that time Rhode Island produced nearly all the milk consumed in that State, but not quite. One of the distributors in the State of Rhode Island thought he could make more money by obtaining milk from Vermont, which he proceeded to do, and he imported it into the State of Rhode Island.

State officials of Rhode Island decided it would be best to color that milk a little so that consumers in Rhode Island would know that they were getting Vermont milk instead of Rhode Island milk. Unfortunately, they chose the color pink. I am sure they would not do so today, because there is nothing pink connected with Vermont products. Nevertheless, for 3 or 4 days, the Vermont milk that was sent into Rhode Island was colored pink.

Then the State officials decided that such coloring was not the thing to do and ceased that operation. Whether it was an attack of conscience or a reading of the law that caused them to stop coloring Vermont milk pink I do not know. Anyway, it was stopped and all was forgiven. Since that time Rhode Island has been producing less and less milk, until today the people of Rhode Island are very glad indeed to get a good share of the milk which they consume from the State of Vermont.

I do not know what the plans of the Senator from Rhode Island may be. I am sure he will not remain idle very long. It would not surprise me if he went back to Rhode Island and reentered the political field there. But there is only one request I wish to make of him and that is if he does run for Governor again—and I am sure if he does he will be reelected—to treat our Vermont milk kindly, please, because Rhode Island needs that milk today far more than it did 25 years ago.

I wish to express a sentiment which I know we all hold, which is that the future will hold many good things in store for our great friend from Rhode Island.

RELIGION AND POLITICS

Mr. DODD. Mr. President, the Connecticut Jewish Ledger of Hartford, Conn., carried an editorial in its August 4 issue entitled "Religion and Politics," by Rabbi Jacob Neusner, an instructor in the Department of Religion of Columbia University. It is one of the finest statements on this subject that I have seen and I ask unanimous consent to have this editorial printed at this point in the RECORD.

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

[From the Jewish Ledger, Aug. 4, 1960]

RELIGION AND POLITICS

What has religion to do with politics?

Some people say, nothing at all. Religion is irrelevant to politics.

Others say, a great deal. Religion is decisive in politics.

We agree, in some measure, with both. Religion is in some ways completely irrelevant to politics, and in some ways, essential and crucial in the political process.

Religion plays a legitimate role in politics in two ways:

First, it is a primary source of the values and ideals of the American citizen, helping him to discover exactly what he wants to do with and through his Government. At the same time, religion prepares him to make the sacrifices necessary to good government. It provides him with standards of honesty and concern for his fellow man which make him willing to pay his taxes and to give up his own wealth for the sake of others, and for the sake of the local and national interest. Religion thus educates the citizen for citizenship.

Second, religion is one legitimate concern of citizens, and hence, it forms one of the interests which govern a person's political choice. Through government, many Americans seek to carry out essentially religious purposes, such as the achievement of economic and social justice, the fulfillment of obligations to the poor and unfortunate, and the embodiment of fundamentally religious concerns for a moral society through enforcement of moral law. Religion thus provides government with many of its purposes and tasks.

Some would want government to do more than this. They want government to serve not only religious ends, but also religious means. Thus they want local and national Government to assist in religious education through assistance to religious schools for those who do not choose the means of public education. We do not agree with these people. We do not agree that all citizens, whatever their belief or disbelief, ought to be coerced by the instruments of government to carry out the purposes of particular religions. We agree that the government should contribute to the health, safety, and welfare of all citizens; and if some children receive public medical or health benefits, all children should. There should be no discrimination against the children in private or parochial schools in public programs aimed at safeguarding the health and welfare of the young. But we do not agree with those who want government to advance the educational or religious purposes of voluntary, private education through provision of textbooks or through other essentially sectarian means of achieving religious ends. In America, religion is voluntary and free. No citizen is coerced to support, or to refrain from supporting, religious instrumentalities. The church and synagogue are, and ought to be, the private enterprise of the individual citizen.

With this in mind, in what ways is religion irrelevant to politics?

Some think that the religion or lack of religion of a particular candidate is subject to public debate. We do not agree.

The results of religion, as manifested by the character, personality, and ideals of a candidate, are clearly evident, and will certainly enter the political decision. But this is by indirection, by reference to the results of a long process of education and personal religious experience. A candidate may, in truth, be witness to the truth of his religious convictions. He may be a decent, honorable, upright man, because his religion has taught him these things. The citizen will then honor this man, and through him, the religion which has formed his character.

Religious ends and the consequences of faith will be relevant to the political process. But not the means. Judging the man, his character and personality and capability, a citizen may want to know what is the consequence of a candidate's religion. But how his religion (or his deep commitment to human ideals which may have been formed in his mind without religion), has resulted in his moral character is not the legitimate concern of the voter, because it is a private experience irrelevant to the political process.

An election is not a plebiscite on religion. The citizen does not vote for Judaism, or Catholicism, or Protestantism. He does not vote against a specific religion either. He does not vote for or against atheism, or agnosticism. An election does not constitute endorsement or approval of a religious viewpoint, or of how a man prays to God, or of what he thinks about God, or of whether he rejects entirely belief in God.

(We need hardly remind our readers, to be specific, that the Jewish faith was not a political issue in the Connecticut gubernatorial elections of 1954 and 1958; and in no other election in this State that we can remember was a candidate's religion the subject of legitimate political concern.)

Some have argued that the content and beliefs of a particular religion may so influence a candidate that he cannot carry out the public interest. This may be true, but the question must then be, which candidate?

Assuming for the sake of argument that a particular religion insisted on total pacifism, one might argue that no adherent of that religion should be President, or Secretary of Defense. But this is hardly the whole issue. Each man adhering to that religion has a right to be asked, will you carry out your oath to uphold the Constitution, which will obligate you to carry out the defense, through military and even warlike means, of the United States of America? If he affirms that he will, he becomes a legitimate candidate, despite his pacific faith. There ought to be no public rule that any pacifist may not be elected President; the issue is only, which pacifist?

We hope, therefore, that in the coming national election, as in so many others in our own State, all our fellow citizens will adhere to these principles:

First, that an election is not a plebiscite on religion, and a vote does not constitute an endorsement of a theology (or a lack of theology);

Second, that the consequences, and not the means, of religious belief represent what are relevant concerns in the political process;

Third, that these consequences, of decency, virtue, and humanity, are achieved by various men in various ways;

And fourth, that therefore the moral character, wisdom, and dedication of a candidate to the public interest and his devotion to American constitutional government

will constitute the only legitimate and realistic standards by which a citizen votes.

Finally, we affirm that every candidate who will be on the ballot in the State of Connecticut is a vigorous exponent of the principles of American democracy, and, consequently, is worthy of carrying out the highest responsibilities his fellow citizens can give him. The election should be decided, therefore, on policies, programs, and the promise of leadership, and not on bigotry, or anti-American prejudice.

This is the key: religion—the creeds, theologies, rites and rituals—are not relevant to politics. The ends and purposes of religion—the creation of a just society in America, and a world of peace and human brotherhood under God—are central and fundamental in making the political decision.

INSTRUCTIONS OF PREMIER LUMUMBA TO FOLLOWERS IN THE CONGO

Mr. DODD. Mr. President, the August 20 issue of the Tablet, the Catholic newspaper of the diocese of Brooklyn, carried an extremely interesting article describing the secret instructions which Premier Patrice Lumumba has circulated among his followers in the Congo. The anti-Western, anti-Christian, pro-Russian tone of these instructions is very disturbing to me and I believe that this article will help us all to better understand Lumumba and what is going on in the Congo.

I ask unanimous consent to have this article printed at this point in the RECORD.

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

[From the Tablet, Aug. 20, 1960]

ANTI-CATHOLIC CONSPIRACY IN CONGO EXPOSED—SECRET INSTRUCTIONS TO LUMUMBA FOLLOWERS CALL FOR LIES TO PARALYZE CLERGY, OVERTHROW RELIGION

ENTEBE, UGANDA.—An anti-Catholic conspiracy is clearly spelled out in secret instructions to followers of Patrice Lumumba, Premier of the strife-ridden 7-week-old Republic of the Congo.

The document, a copy of which has fallen into the hands of outsiders for the first time, says:

"The greatest enemy of our movement is the clergy; they have the most influence on many of the people." (The Congo has more Catholics than any other nation in Africa, 4,865,813 out of a total population of 13,559,000.)

Entitled "A Parchment That Every Ankutshu (Bakusu) Must Have and Know by Heart," it asserts:

STRONGEST WEAPON: BIG LIE

"The strongest weapon we must use from the very beginning is the lie, because once the masses are aroused, the accused will see themselves attacked and will no longer be able to offer competition [to us].

"We must use every ruse to paralyze the clergy; never respect it; cause them every possible trouble so that they will not be able to oppose us.

"We must find every false means to create enmity toward them, even on the part of their own faithful, so as to overthrow their doctrine and impose our own teaching, which you know."

The secret instructions were brought by Congolese natives to neighboring Uganda. They were translated into French and sent

from this capital city to avoid possible reprisals. They are from a source which is regarded as completely reliable.

TYPICAL OF FANATICISM

They are certainly believable as typical of the exclusive, fanatic attachment among members of rival tribes. The instructions call for the Bakusu to pose as benefactors to other tribes and races, to cooperate with them but never give them positions of importance. The goal is said to be to "subordinate all the Congolese peoples forever."

The hatred revealed in the document throws into a new light several actions of the young government, which has many anticlerical deputies and senators.

The Republic of the Congo has described itself as "a secularist state" which "will use all possible means to prevent any religion whatever from being imposed directly or indirectly, particularly by means of education." It has threatened to nationalize all mission schools.

In a radio broadcast, Minister of Information Anciet Kashamura charged that Auxiliary Bishop Joseph Malula of Leopoldville and Msgr. Luc Gillon, rector of the Catholic Lovanium University, were involved in a plot against Premier Lumumba's life.

LINKS TO COMMUNISM SEEN

This fits into the pattern of the "big lie," the typical Communist technique.

Although the secret document makes only one mention of Russia ("We must send men of our race to all the universities of the world, the greatest number to Russia"), there would seem to be other references to communism:

"Never be afraid to show and to convince other peoples of our superiority, because behind us we have a supreme force that will help us without hesitation in anything and everything.

"Never be afraid to spend money—we have plenty."

The Uganda resident who translated the secret document appends this note:

"The great Communist hypocrite Patrice Lumumba who has excited his people to all kinds of crime and disorder now runs to the United States and U.N. for help instead of putting order in the house he boasted he could well govern.

"The misery, the tears of refugees we have had to witness these last several weeks are hardly describable. They were horribly treated and everything was stolen from them. And the reason? The criminal hatred of a lunatic."

SECRET INSTRUCTIONS TO LUMUMBA FOLLOWERS

1. Every Bakusu owes esteem and perfect confidence to our liberator, Patrice Lumumba, the greatest leader of the Congo.

2. Every Bakusu is urged to make a special effort to show his nobility, to yell loud and everywhere in order to intimidate the other races around us.

3. Never be afraid to show and to convince other peoples of our superiority, because behind us we have a supreme force that will help us without hesitation in anything and everything.

4. After the other tribes have been intimidated by our menacing and shouting, we will be ready to dominate them completely.

PLENTY OF MONEY AVAILABLE

5. Never be afraid to spend money—we have plenty—this is the only (shrewd) way to easily have all the Congo in our hands. Without wasting money we will not easily be able to attract supporters, because the Congo must become our Ankutshu possession and domain.

6. You know, of course, that the white man is our enemy; without him the Congo would already have been our domain, because in the time of the Arabs our race had already

ravaged several countries and had put them under our domination.

7. We must pursue this goal of our forefathers, and if we do not succeed in submitting some obstinate people, we must have recourse to force, if not violence.

8. The strongest weapon which we must use from the very beginning is the lie, because once the masses are aroused, the accused will see themselves attacked and will no longer be able to offer competition (to us).

OVERTHROW RELIGION

9. The greatest enemy of our movement is the clergy; they have the most influence on many of the people. We must use every ruse to paralyze the clergy; never respect it; cause them every possible trouble so that they will not be able to oppose us. We must find every false means to create enmity toward them, even on the part of their own faithful, so as to overthrow their doctrine and impose our own teaching, which you know.

10. We must incite the masses never to practice nor believe the Christian religion so that they might more easily revolt against the missionaries and the secular priests.

11. When the Congo will be entirely under our power, we will put our own men in all the positions of command, and the intellectuals of other races will be eliminated little by little.

12. We must send men of our race to all the universities of the world, the greatest number to Russia, where we will have the most privileges. The moneys that our political chief Lumumba has gathered are to be used especially for this goal.

13. You will first approach the peoples who are most easily fooled and dominated, because this will help us to convince their racial brothers to adopt our doctrines. They will all believe that we are working for their welfare and for unity with them, and everywhere we must treat them as did the colonialists, with seeming humanity.

14. We must never refuse to take in other races with us, but we must never place full confidence in them nor give them positions of importance.

PLEDGE LOYALTY UNTO DEATH

15. We must never betray one another, even if it is a question of death. We must remain calm, even if we have no arguments to present. Thus we shall dominate the entire Congo, and we will subordinate all the Congolese peoples forever. Amen.

N.B.—This must be kept secret among the Ankutshu only. It must never be shown to anyone of another race. If unfortunately it falls into the hands of another race, we must deny it categorically and say that our enemies have published these ideas to cause us trouble.

RELIGIOUS FAITH IN THE FOUNDING OF OUR COUNTRY

Mr. DODD. Mr. President, the August issue of the magazine *These Times*, a Protestant magazine published in Nashville, Tenn., carried a brief but moving article by J. Edgar Hoover. This great American reminds us of the vital role which religious faith played in the founding of our country and should play in our national life today.

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

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

WHAT FAITH IN GOD HAS MEANT TO ME

(By J. Edgar Hoover)

The men who laid the foundations and reared the soaring arches of our great Republic had a vigorous, indomitable, and all-

encompassing belief in God. Faith permeated their thoughts, their words and deeds. We see Thomas Jefferson's hand guiding the quill which wrote, "I have sworn upon the altar of God, eternal hostility against every form of tyranny over the mind of man." We see George Washington, when the fires of hope had flickered to embers, kneeling in the snow at Valley Forge. And we see wise old Ben Franklin suggesting to a constitutional convention, deadlocked time after time, that "we have prayers every morning."

This Nation was born out of faith in God. It can continue to exist in freedom only as that faith remains forthright and strong. A statesman of a past age said, "Despotism may govern without faith, but liberty cannot."

Faith in God remains the solid rock that stands unmoved amid the sliding sands. The antithesis of cynicism, it is the dynamo which sparks the minds and actions of men who think beyond the pettiness of self. It is the tie which binds mankind in mystic unity, exalting the human creature until, indeed, he is "little lower than the angels." And it is the balm which salves the sting of time and death.

Faith in God has meant to me the enjoyment of those manifold "blessings of liberty" which the Founding Fathers sought to secure for all posterity. It is a fathomless source from which to draw strength in times of adversity. And it has helped me to catch a glimpse of the wisdom implicit in those immutable laws by which He rules His universe.

MEETING THE NATION'S HEALTH NEEDS

Mr. BRIDGES. Mr. President, those of us who are in good health and who are not called upon to minister to the sick are sometimes prone to forget a basic truth.

And that is that good health is a basic need. It is a basic need of every individual. It is a basic need of the Nation as a whole.

To the extent that individual Americans do not have good health, both they and their country suffer. Without good health, the individual is unable to do all the things that add up to a full life for himself and his country. Without good health, the individual is a drain upon his family and his Nation, economically, physically, mentally.

On the other hand, a healthy citizenry is America's first line of defense, at a time when strength is vital in the fight against communism.

A healthy citizenry is America's first force for progress at home and abroad.

To these two reasons—defense and progress—we must add a third and higher reason for seeking better health. And that is our obligation as human beings under God to alleviate suffering.

For these reasons I have supported numerous health programs—particularly programs designed to combat the great killer diseases and the great crippling diseases, such as heart disease, cancer, and mental illness.

These and similar illnesses strike the young and the old citizens of our country. They take an especially heavy toll among the age group that is our mainstay—the most productive, the most experienced age group in our land.

I do not mean to say that my interest in health programs has been limited to

those mentioned, for it has not been so limited, as the following brief outline of some of the health measures sponsored or cosponsored by me will show.

HEALTH MEASURES SPONSORED OR COSPONSORED

Not all of the health bills I sponsored or cosponsored became law, but among those which did are these:

Public Law 244, 75th Congress: This law established the National Cancer Institute as a division of the Public Health Service. This Institute is dedicated to the discovery and prompt use of the most effective methods of prevention, diagnosis, and treatment of cancer. This dread disease has not yet yielded all its secrets to research and treatment, but progress has moved steadily forward under this law.

Public Law 655, 80th Congress: This law, called the National Heart Act, established the National Heart Institute.

Mr. President, heart disease is the biggest killer in America today, claiming more than 900,000 American lives each year. It presently accounts for 55 percent of all deaths in this country. In addition, diseases of the heart and circulatory system currently disable an estimated 15 million Americans.

Because of these and other facts, Mr. President, I want to present at this point some additional information about heart disease and the National Heart Act.

Apart from the tragedy and grief suffered by hundreds of thousands of American families because of heart disease, our national economy is constantly drained by it. A National Health Survey showed that in the single fiscal year 1958, 71 million work days were lost due to heart disease—the equivalent of removing 300,000 people from our work force at a cost of more than \$700 million a year in lost wages.

More than 200,000 victims of heart disease in 1958 were in the working age group from 25 to 64 years of age. If these 200,000 people in the prime of their life had been able to live just one extra, healthy year, they would have earned over \$1 billion in that 1 year.

HEART DISEASE DURING WORLD WAR II

As a member of the Armed Services Committee, I became aware of the toll taken by heart disease during World War II. During the 4 years of our participation in that war, more than 2 million people died in the United States of disease of the heart and circulation—nearly eight times as many people as were killed in action while serving in our Armed Forces.

Even more alarming was the military manpower loss in World War II because of heart disease. More than 300,000 of the youth of our Nation were refused induction into the service because of heart or circulatory diseases. In addition, 80,000 men were given disability discharges from military service, or died in military service, from heart disease between 1942 and 1945. This manpower loss would have been enough for 27 infantry divisions.

I became convinced that we, as a nation, must mount a major medical re-

search offensive against the ravages of heart disease.

I was one of the sponsors of the act creating the National Heart Institute in 1948, and over the 12 years since that time I have actively supported its growth.

INSTITUTE PLAYED A MAJOR ROLE

Looking back over the work of the National Heart Institute during the past 12 years, I think it is fair to say that the research and training programs of that Institute have played a major role in dispelling the fear with which all forms of heart disease used to be viewed in this country.

A victim of heart disease today is seldom told to go to bed and await the advent of the Grim Reaper. He is most frequently restored to productive activity. It is a demonstrable fact that thousands upon thousands of Americans owe their very lives today to the new medical knowledge developed in the programs of the National Heart Institute.

I am proud to have played a part in its creation.

Public Law 835, 84th Congress: Another law I am proud to have cosponsored is the Health Research Facilities Act of 1956. This act provided for matching grants to non-Federal institutions for the construction and equipping of facilities for research in the science related to health. This law also established the National Advisory Council on Health Research Facilities.

OTHER HEALTH BILLS SPONSORED

S. 3252, 84th Congress: Also in 1956 I was a sponsor of a bill known as the Medical and Dental Research and Teaching Construction Act. This bill provided for a 5-year program of Federal construction grants for the purpose of assisting medical and dental schools to expand and improve their research and teaching facilities. It would have helped other public and nonprofit institutions do the same thing. Unfortunately, this bill never became law.

S. 4033, 84th Congress: Another health bill which I sponsored along with other Senators was the Public Health Service Act. If it had become law, it would have made certain clinics eligible for Federal aid to diagnostic or treatment centers. The clinics would have been eligible if they were nonprofit corporations or associations having contractual affiliation with a nonprofit hospital approved for intern or resident training.

S. 3588, 85th Congress: I also cosponsored a bill to make certain clinics in rural areas eligible for Federal aid to diagnostic or treatment centers. The bill referred to centers serving a rural area having a population not in excess of 15,000 and the Federal share not to exceed \$25,000. Under these circumstances, the rural clinics would have been eligible if they could have provided services unavailable in the area. Unfortunately, this bill failed to become law also.

REPEATED WARNINGS GIVEN

Mr. President, we have had repeated warnings of the havoc wreaked upon

our national strength by the inroads of heart disease, cancer, mental illness, arthritis, and the other killing and crippling diseases.

In 1953 and 1954, the House Interstate Commerce Committee held exhaustive hearings on the subject. That committee reported that disease was then costing this Nation \$30 billion a year in hospital costs, lost economic productivity, and lost taxes.

A year ago, the Senate Appropriations Committee, of which I am a member, appointed a distinguished group of the Nation's medical and industrial leaders to investigate the proper role of the Federal Government in combating disease. After hearing more than 100 witnesses from the fields of government, industry, and medicine, the group reported to the Senate on May 19, 1960. The report said, and I quote:

The magnitude of the problems of disease and disability confronting our people today is still so vast as to be beyond the comprehension of most of us. The nature of our enemies has shifted from the communicable diseases to the chronic disorders, and especially to cardiovascular-renal disease, cancer, mental illness, and other problems predominating in the older age group which has been greatly increased in numbers. Aside from the unhappiness and tragedy represented in the incidence rates of these conditions, we should remember that the present cost of disease and disability to our Nation is estimated as at least \$35 billion a year. Only through medical research and the application of its findings can these losses be reduced.

NEED FOR RESEARCH

The special group of consultants emphasized the importance of giving greater attention to two areas in particular:

First. The need to develop now the resources required for future medical research; and

Second. The need to provide more support to assure the full use of present resources for medical research.

Gen. David Sarnoff, a member of the consultant group, said:

There is no solution to cancer until you have found the answer to cancer. There is no solution to heart disease until you have found the answer to it. Research is the distance we must travel between the problem and the answer.

APPROPRIATIONS COMMITTEE ACTION

The Appropriations Committee of the Senate, on which I am proud to serve, was guided by this and other advice by the group of consultants. As one result, the committee reported, and the Senate passed, a bill providing additional money for the National Institutes of Health. I supported it.

I did so because I felt, as the committee did, that the appropriation fully met the guidelines stated by the President in August 1959 for new research and training programs:

First. That it is of such high priority and great promise that its deferment would be likely to delay progress in medical discovery;

Second. That it will not result in the harmful diversion of manpower and other resources needed for teaching and medical care services; and

Third. That it will not bring about the substitution of Federal for non-Federal sources of support for medical research and training.

IMPORTANCE OF THE NATIONAL INSTITUTES OF HEALTH

The National Institutes of Health form a bureau devoted to research directed toward the solution of major problems of disease and disability, and for the acquisition of new knowledge that will permit the people's health to be protected and improved in the years ahead.

Thus, it holds great promise of really getting to the cause and cure of the dread diseases.

Under the National Institutes of Health are these branches:

- First. General research and services;
- Second. National Cancer Institute;
- Third. Mental health activities;
- Fourth. National Heart Institute;
- Fifth. Dental health activities;
- Sixth. Arthritis and metabolic disease activities; and
- Seventh. Neurology and blindness activities.

I was glad to support, on the Appropriations Committee and in the Senate, fiscal 1961 appropriations for these activities totaling \$664 million, which, as I said, was more than the budget and the House figure.

MEDICAL RESEARCH PAYS OFF

I have supported these and other programs designed to bring better health to our people.

I could cite numerous accomplishments of medical research in the areas I have noted. But these accomplishments would have to be in terms too technical for me and for most other people who are not members of the medical profession.

Instead, I shall put these accomplishments this way:

Largely through the contributions of medical research, more than 2 million American lives have been saved in the period from 1944 to 1958.

In 1958 alone, these people saved from death earned almost \$4 billion in income, on which they paid about \$638 million to the Federal Treasury in taxes. This does not take into account the elimination of millions of disabilities which would have resulted without these medical research discoveries.

In 1960, \$400 million was appropriated to the National Institutes of Health. It can be seen from this that the increased tax returns alone more than pay for this Government outlay.

Mr. President, I am, and have always been, deeply concerned with our fiscal solvency and the importance of achieving a balanced budget. I support increased medical research expenditures because they contribute to these desirable goals.

They increase the number of taxpayers and decrease the number of tax recipients.

But even beyond that, medical progress, particularly through medical research, is really a shortcut to a healthy, strong, prosperous, and happy America.

And, of no less importance, medical progress through research offers us the best way today to live up to those Christian principles that call upon all of us to relieve human suffering, to respect and help the aged, and to treat others as we would have them treat us.

ANNIVERSARY OF THE TAKING OF OFFICE OF THE FIRST TWO SENATORS FROM HAWAII

Mr. FONG. Mr. President, 1 year ago today the first two Senators elected to represent the State of Hawaii took the oath of office in this Chamber.

It was an historic day for Hawaii, and, needless to say, it was one of the proudest days of my life.

On this first anniversary of this great occasion, I should like to have the RECORD show that full representation in the Congress of the United States has been very beneficial to the people of Hawaii.

Whereas once Hawaii was often an afterthought in national legislation and national programs, now we have an equal voice in the Senate with our 49 sister States.

As we derive benefit by joining the Union, so do we contribute in return, supplying many "firsts" and superlatives to this grand federation.

Hawaii is the first island State, consisting of eight main islands and numerous smaller islands.

Hawaii is the first semitropical State, with the mildest climate and the narrowest extremes in temperature of all the States.

Hawaii relocated the southernmost point in the United States from Key West, Fla., to Ka Lae on the island of Hawaii.

It has the world's largest volcano, Mauna Loa, and the world's largest inactive volcano crater, Haleakala.

Hawaii brings to the Union the wettest spot on earth on the island of Kauai, with an average annual rainfall of 470 inches.

It produces more sugar, pineapple, and coffee than any other State of the Union and is the only State with a palace where once kings and queens ruled over their subjects.

Within 4 months of the passing of the statehood bill by the Congress, Hawaiian citizens went to the polls to elect their first officials. Hawaiians long had prided themselves as a showcase of racial and religious harmony, a homogeneous community born out of diverse ethnic origins and cultures. Statehood elections, therefore, put them to the test before the watchful eyes of the world's people.

The event of Hawaii's attaining full equality with 49 other States was routinely regarded by the world, for this area, although having a nonwhite majority, had long been part of the United States of America and was considered fully American. But the action of the Hawaiian citizens in their first election, however, made a most telling impression at home and abroad, especially in Asia and the Pacific areas.

With 93 percent of the electorate voting, Hawaii lived up to its reputation for racial tolerance and amity. Paying no attention to race or political party, the citizens of Hawaii elected a Republican Caucasian Governor, a Republican part-Hawaiian Lieutenant Governor, a Democratic Caucasian U.S. Senator, a Republican U.S. Senator of Chinese ancestry, and a Democratic Congressman of Japanese ancestry. Thus, it was not so much the formality of statehood but this action by the free electorate that made stunning impact on the doubting millions in the Eastern Hemisphere. Vividly they saw in Hawaii the people of many races in a free election choosing from their midst a multi-racial group of officials who will govern them and who will express their voice in determining the domestic and foreign policies of the United States.

The biggest winner in Hawaii's first election was not the Republican Party or the Democratic Party, but democracy itself.

It was an exciting, inspiring example of democracy at work. Here is fresh proof that our faith in our fundamental tenets, among them equal opportunity and racial equality before the law, are stronger than ever.

As a living symbol of civil rights at their best, Hawaii has demonstrated that it can foster understanding and respect for all races and win the friendship of other peoples, especially those in Asia and in the Pacific areas.

With admission of Hawaii as a State a new dimension has been added to the Union. It is doubtful that our Founding Fathers, all learned men of great vision, in their collective wisdom could have dreamed even in their fancy that their flag of 13 stars representing 13 Atlantic seacoast States would have one day 50 stars representing a nation reaching to the Arctic and into the midst of the Pacific Ocean.

On this first anniversary I would be remiss if I failed to pay tribute to my colleague, Mr. LONG, the junior Senator from Hawaii. We have worked closely during the past years on many matters of concern to the people of Hawaii, often jointly pleading Hawaii's case before committees of Congress and before Federal agencies.

If I may continue for a few moments in a personal vein, I should like to convey my deep appreciation to my colleagues on both sides of the aisle who have been most helpful and kind to me, a newcomer to the Senate. I value their counsel and I cherish their friendship.

To the many, many capable and cooperative staff members of Senate committees, of Senators' offices, on the Senate floor, in the cloakroom, in the office of the Secretary of the Senate, the official reporters, the Capitol Police, and all the willing workers of the Congress, I extend my heartfelt thanks.

My colleagues and friends, you have made this a memorable year for me, and I look forward to our continued harmonious association as we strive to serve our country and our countrymen.

AMBASSADOR LODGE ONCE MORE REBUTS THE SOVIETS

Mr. KEATING. Mr. President, with the lightning response we have come to expect of him, our U.N. Ambassador, Henry Cabot Lodge, has called upon the United Nations to air the Hungarian tragedy when the General Assembly meets on September 20. This rebuttal came in reply to Soviet demands that the General Assembly debate the subject of spy planes, and by his swift and effective answer, Mr. Lodge has once more taken the wind out of the Kremlin's propaganda sails.

What is more, by threatening the Communists with an exposé of their perfidy and subjugation of the Hungarian people, Ambassador Lodge—the authentic voice of free world truth in the U.N.—has in effect told the Soviets to either put up or shut up. The fate of noble Hungary and her people is a subject which must be ever kept before the world.

We must leave no stone unturned in our efforts to spotlight before the world the cruel oppression now practiced behind the Iron Curtain. We must give hope and encouragement to these fine people, to whom America owes so much, and we must work and pray for the day when Hungary and other once independent nations can again take their rightful place in the family of free nations.

That is why Ambassador Lodge's dramatic use of the U.N. forum is of such importance. The world is again on notice that the United States has not forgotten the bloody suppression of the Hungarian revolution and the iron-fisted Communist rule which has followed. We will not rest until these people once more walk in the sunlight of freedom. I hope Mr. Lodge's successor, James J. Wadsworth, will press for U.N. consideration of this subject.

Mr. President, an excellent and succinct editorial in the New York Daily News of August 23 underscores the importance of Ambassador Lodge's retort to the Soviets. I ask unanimous consent that it be printed in the RECORD.

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

[From the New York Daily News, Aug. 23, 1960]

LET'S TALK ABOUT HUNGARY

Soviet Russia demands a United Nations General Assembly debate on our spy planes, and U.S. U.N. Ambassador Henry Cabot Lodge at once cracks back with a demand for a debate on Hungary after the Assembly convenes on September 20.

From the time of the 1956 Hungarian anti-Communist uprising to this day, Russia has refused to let U.N. inspectors enter that tragic nation.

We'd like to congratulate Mr. Lodge on this swift and embarrassing retort to Moscow. It's the only way to counter the Soviet bullies and blowhards in the U.N.

Lodge has resigned, effective September 3, to begin running full blast for Vice President on the Nixon ticket. We hope that Lodge's probable successor, James J. Wadsworth, will carry on the Lodge policy of always giving the Russians better than they send, and within minutes or hours after they send it.

NEEDED: STRONG MUTUAL SECURITY PROGRAM

Mr. WILEY. Mr. President, the mutual security program now before the Senate represents a major U.S. effort to strengthen the free world alliance in its opposition to communism.

The adoption by the Congress of a realistic program this year, I believe, is absolutely essential if we are to meet our responsibilities of free world leadership.

Over the years, we recognize that there have been conflicting views on the merits of this program. In my humble judgment, however, mutual security, dollar for dollar, still provides more defense for less money than can be obtained in any other way.

In addition to strengthening the military power of the free world, nonmilitary assistance to allies and less developed countries reflects a unique, constructive effort not only to enable our friends around the world to withstand Communist pressures, but also to enable them to move forward economically.

We recognize, of course, that this covers a broad gamut of activities—including military assistance, defense support, technical cooperation, special assistance, and reimbursable aid under the Development Loan Fund.

These, of course, are in addition to the funds for Latin America, as well as expansion of the contingency funds to provide the President with a flexible hand in dealing with critical situations such as that which is now arising in Africa.

Under these programs, the American taxpayers are being asked to underwrite over \$4 billion.

With such a demand upon our taxpayers, I believe that we must again be vigilant and watchful to assure (a) that the program is being administered efficiently and effectively; (b) that the recipient nations are assuming a proportionate share of the responsibility; and (c) that our allies, too, many of them making rapid economic progress, bear a logical share of the burden—particularly in aid to less developed countries.

Actually, a great many of these nations have been assuming an increasing share of the responsibility. Since 1954, Japan, Canada, and industrialized countries of Europe, for example, have increased their expenditures substantially—amounting to about one-third of the aid provided the free world. The contributions, in some instances, represent a larger share of their national income than that constituted by our own aid programs.

Recognizing the fact that the scope of the Communist menace is enlarging—not diminishing—however, we can not afford to cripple efforts that serve effectively against communism.

At this time, I ask unanimous consent to have three items reflecting the scope of the aid programs including the contribution by private American companies, printed at this point in the RECORD.

First. "Private Foreign Aid Is Large," from the Milwaukee Journal.

Second. "Free World Aid," from the Christian Science Monitor.

Third. "Mushrooming Aid" from the Christian Science Monitor.

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

[From the Milwaukee Journal]

PRIVATE FOREIGN AID IS LARGE

American aid to foreign countries and peoples takes many forms. The great share of it is governmental, and is distributed through the many mutual security programs. An impressive amount, however, comes from individuals, religious organizations, private groups and the great foundations.

Just a glimpse of the activities of the foundations is given in the report of the Rockefeller Foundation on its grants during the second quarter of 1960. Here are some examples from the report:

For research and training designed to meet medical needs of the Caribbean area, \$288,000 to the University College of the West Indies in Jamaica.

To build and equip a teaching hospital, \$500,000 to the All-India Institute of Medical Sciences, New Delhi. For 60 scholarships for graduate medical studies at the same institute, \$30,500.

For expansion of facilities of a training center for medical teachers and researchers, \$230,000 to the American University at Beirut, Lebanon.

To improve training of health workers for village medical centers, \$50,000 toward a new instruction center at Wangige, Kenya.

To establish a field station for study of diseases of the tropical rain forest, \$96,000 to the University of Valle in Colombia.

For equipment needed in research programs, \$85,000 to the colleges of agriculture at Poznan and Cracow and the veterinary institute of Pulawy, Poland.

These are only examples and not included are dozens of individual fellowships granted foreign scholars and scientists. Some finance study and research in foreign universities; most will bring foreigners to this country for study.

Not only the Rockefeller Foundation, but Ford and Carnegie and numerous smaller foundations are contributing significantly to this country's overall foreign aid program. Their efforts are acknowledged and appreciated abroad; they deserve more recognition here at home.

[From the Christian Science Monitor]

FREE-WORLD AID

(By Neal Stanford)

One of the most underplayed stories of the last year—in fact of the last several years—is the amount of financial help the industrial nations of the free world are pouring into the less-developed countries.

It is a story of which the free world can be proud—but a story which shows that the industrial powers are still far from meeting the requirements and needs of these less-developed countries.

It is also a story that is as much of self-interest for the industrial nations participating as of economic help to the less-developed areas. It is a case of self-interest and world interest becoming identical.

Here is the story in round figures: \$18 billion in 6 years from 15 nations—or an average of almost \$3 billion annually. In 1959 the average was over \$4 billion.

The participants ranged from the United States (which contributed \$12 billion of the \$18 billion—or two-thirds) to tiny Switzerland which contributed \$600,000.

France has made the second largest contribution, \$3,800 million over the 6 years—to Britain's \$1 billion.

French aid has largely gone to oversea territories of the French community. France actually contributes a higher proportion of gross national product to economic aid to less-developed areas than any other country.

The tale of 6-year totals follows:

Australia.....	\$181,600,000
Belgium.....	54,200,000
Canada.....	215,300,000
Denmark.....	700,000
France.....	3,825,900,000
Germany.....	274,500,000
Italy.....	72,900,000
Japan.....	53,200,000
Netherlands.....	133,000,000
New Zealand.....	23,300,000
Norway.....	6,100,000
Sweden.....	4,300,000
Switzerland.....	600,000
United Kingdom.....	1,058,700,000
United States.....	12,025,500,000
Total.....	17,929,800,000

That aid of this size and even larger is going to continue seems obvious—for numerous reasons, and not only the threat of Communist imperialism:

The industrial nations of the free world are prospering as never before in this post-war era—and therefore are able to make larger contributions.

The large and growing disparity of living standards in the less-developed countries increases the need for assistance annually.

The rapid population growth in some of the less-developed countries makes it difficult for aid to even keep up with expanding requirements.

The continuing technological revolution in the advanced countries makes aid increasingly possible.

And, the continuing emergence of new nations with new expectations and aspirations suggests a growing need for outside assistance.

Also, as mentioned, as an impetus to free-world help there is the expanding economic aid program of the Communist bloc—primarily designed to export communism rather than build national economic strength and political independence.

To take care of free-world aid programs, new institutions are being periodically created—such as the Overseas Development Fund of the European Economic Community, the United Nations Special Fund, the Inter-American Development Bank, and the International Development Bank. These are all designed to increase the flow of capital and technical assistance from industrialized free-world countries to less-developed areas.

Also, it can be expected that as the quantity of economic aid grows, so will the quality and effectiveness of the capital and aid contributed. This will be shown in improved technical and managerial skills, in improved government administration and development policies and practices, in advanced social and cultural patterns throughout the less-developed areas, in greater cooperation and coordination of various bilateral aid programs and multilateral arrangements. In other words, not only is it expected that more aid will be given in the future, but by these countries more can be done with the same contributions.

Actually, to date there has been very little overlapping between the various bilateral programs and multilateral programs of the free-world countries. However, as programs grow and underdeveloped countries look farther and farther abroad for help, there is going to be the prospect of overlapping—which means greater need of cooperation and coordination.

But the unwritten stories today are really of what is actually being done. It would take a lot of words to tell the whole story of \$18 billion.

[From the Christian Science Monitor]

MUSHROOMING AID

(By Neal Stanford)

The more one looks into this subject of free world economic help to underdeveloped countries, the more impressive it becomes—and the more it is obvious that such help is bound to increase.

Of course, the United States accounts for the lion's share of such help—some \$25 billion in 10 years. But its industrialized allies of the free world are doing more and more yearly—and the contributions of international organizations are expanding regularly. What is not often recognized is that even the less developed countries are helping each other—in modest, but effective ways.

A look at the overall picture is not only impressive but astonishing. For example, in addition to the United States there are 10 other industrialized nations of the West helping the less developed countries of the world with their own aid programs: Australia, Belgium, Canada, France, Germany, Italy, Japan, the Netherlands, Portugal, and the United Kingdom. In the last 6 years these countries have put some \$6 billion into foreign aid programs.

But perhaps it is the mushrooming of the international organization approach to economic aid to underdeveloped countries that is the most spectacular. There are those institutions of the United Nations, each with its own special type and form of aid: the General Assembly, the Economic and Social Council, specialized agencies of the U.N. such as the Food and Agriculture Organization, the International Labor Organization, the U.N.'s Educational, Scientific, and Cultural Organization, and the World Health Organization. Then there is the U.N.'s technical assistance program, and now the U.N.'s Special Fund set up in 1958.

Of major importance in this area of aid are those several international financial assistance agencies associated with the U.N.: the World Bank, the Monetary Fund, the International Finance Corporation, and now the International Development Association.

The subscribed capital of the World Bank is over \$19 billion. The bank has made nearly \$3 billion in loans to less-developed areas as of this spring. Then there is the Fund, with total subscription quotas of \$14 billion. Gross drawings against the Fund amount to nearly \$3,500 million—with \$1,500 million being drawn by less developed countries.

The IFC, an affiliate of the World Bank, and set up in 1956 to encourage private enterprise to invest abroad, has loaned some \$26 million to less developed countries. The IDA is too new to have started business, but it is an affiliate of the World Bank, with initial capital of \$1 billion.

The Atlantic Community and Western Europe also have their own economic assistance programs—separate from U.N. operations. There is NATO with consultations on aid to less developed countries; the OEEC, now being reshaped into the OECD, with its interest and help in aiding less developed European countries. And there is the EEC (European Economic Community), often called the Common Market, with its European Investment Bank and Overseas Development Fund.

Then there are other regional organizations with their own specific aid programs: The Organization of American States, the Inter-American Development Bank, the Caribbean Commission, the Colombo plan, the Southeast Asian Treaty Organization, the South Pacific Commission, the Central Treaty Organization, the Arab Financial Institution for Economic Development, and the Commission for Technical Cooperation in Africa South of the Sahara.

Through the OAS, collective aid is channeled through the Inter-American Eco-

nomie and Social Council, the Pan American Sanitary Bureau, the Inter-American Statistical Institute, and its technical cooperation program. The IDB, chartered only last year, with \$850 million in capital, is designed to speed up economic development in the American Republics by promoting public and private investment.

Finally, there is that small area of aid which less-developed countries are extending each other—limited mainly to the training of specialists in various fields. Among the countries participating are: Taiwan, Indonesia, Korea, the Philippines, Thailand, Vietnam, Brazil, Costa Rica, Ecuador, Peru, Mexico, Ceylon, Israel, India, Iran, and Lebanon. Israel is extending technical help to several Asian and African countries. India is helping Nepal. Under the Colombo plan Indonesia is training 85 students from other countries; Pakistan is providing seeds and seedlings at cost to other members; India is training 1,156 students from other less-developed countries. And so it goes.

The free world's economic aid program is comprised of circles within circles—and aid agencies upon aid agencies. What each is doing is a story in itself. Together they challenge the imagination.

MUTUAL SECURITY AND RELATED AGENCIES APPROPRIATIONS, 1961

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed. Without objection, the Chair lays before the Senate the unfinished business, which is H.R. 12619.

The Senate resumed the consideration of the bill (H.R. 12619) making appropriations for mutual security and related agencies for the fiscal year ending June 30, 1961, and for other purposes.

Mr. BRIDGES. Mr. President, I offer an amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 13, after line 23, insert the following:

SEC. 109. No funds provided hereunder shall be available for any country which, in the judgment of the President of the United States, directly or indirectly is selling arms, munitions or implements of war, to the Castro regime in Cuba, or directly or indirectly is giving or loaning military or economic aid to that regime.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be not charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

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

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

Mr. JOHNSON of Texas. Mr. President, I hope the Senator from New Hampshire will give the Senate a brief explanation of his amendment.

Mr. BRIDGES. Mr. President, the amendment provides:

No funds provided hereunder shall be available for any country which, in the judgment of the President of the United States,

directly or indirectly is selling arms, munitions, or implements of war to the Castro regime in Cuba, or directly or indirectly is giving or loaning military or economic aid to that regime.

Mr. President, the amendment is very simple. There is not a Member of the Senate—there is not a thoughtful person in our Nation—who does not know what is taking place in Cuba. Everyone knows about the Castro situation. There is no need to elaborate it upon the floor of the Senate.

Mr. Castro and his entire regime have confiscated hundreds of millions of dollars' worth of American property. He is playing fast and loose with Communist regimes in other countries of the world. He has insulted this country time and time again.

The U.S. Secretary of State has told the Organization of American States that Communist agents are being trained in Cuba and are then spreading out in fanlike fashion all over Central and South America. We want no Communist satellite in this hemisphere and we want no Communist beachhead 90 miles from our shore.

My amendment provides that the United States will not furnish mutual aid to a nation which is helping to promote the Castro regime in Cuba by selling them arms, munitions, or military equipment, or giving them economic aid.

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

Mr. BRIDGES. I yield.

Mr. AIKEN. I am certain most people will agree with the purpose of the Senator from New Hampshire. There is one point in his amendment which I think should be clarified. Would ordinary trade—the exchange of nonmilitary goods between Cuba and another country—be considered as giving economic aid? For instance, if a South American country wished to sell, let us say, coffee to Cuba, and bought sugar or some other Cuban commodity in exchange, would that kind of transaction be considered as extending economic aid to Cuba?

Mr. BRIDGES. No. In my judgment, the intent of the amendment is to prevent the supplying of military assistance to the Castro regime. So far as I am concerned, that is very clearly the intent. The normal trade between nations, whether in sugar or coffee or bananas, or any other commodity of that type, would not be interfered with or would not be considered a violation.

Mr. AIKEN. I was certain that that was the intent of the Senator from New Hampshire, but I thought it ought to be placed on the RECORD, so that it would not be said that the United States was insisting that all other countries apply total economic sanctions to Cuba. With that explanation by the Senator from New Hampshire, I have no objection to the amendment.

Mr. BRIDGES. I thank the Senator from Vermont.

Mr. COTTON. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield to my colleague.

Mr. COTTON. This amendment is in keeping with the consistent and constant efforts of my distinguished senior colleague from New Hampshire to have this country maintain a completely firm and unflinching attitude to prevent the Communists from gaining a beachhead in the Western Hemisphere through Cuba. The senior Senator from New Hampshire is to be highly commended for offering the amendment. I consider it a privilege to support it.

Mr. BRIDGES. I thank my colleague.

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

Mr. BRIDGES. I yield.

Mr. KEATING. The distinguished senior Senator from New Hampshire has performed a distinct service in calling up this amendment. We in the United States are deeply concerned about what is happening in Cuba. It is a very serious situation when a Communist beachhead, be it ideological or otherwise, is established 90 miles from our shore. I do not believe the taxpayers expect to have their funds used to bolster a Cuban regime which has shown itself to be militantly anti-American. It would be a grave misuse of these funds.

I hope that the great bulk of the American people feel that the mutual security program is a good one and should be continued and encouraged. Certainly that is my feeling. But it is obvious that we shall be thwarting the very purpose we are seeking to serve by means of the program if we do anything to bolster regimes that are seeking to ruin us, on our doorstep or elsewhere.

The Subcommittee on Internal Security of the Senate Judiciary Committee has held executive hearings over a considerable period of time, on the infiltration of Communists into the Castro government. It has become increasingly evident that that is what is happening; and I feel that this amendment is deserving of our support. I hope it will receive the unanimous support of the Members of this body.

Mr. BRIDGES. I thank the Senator from New York for his observations.

Mr. MORSE. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. MORSE. I wish to say that I favor the amendment submitted by the Senator from New Hampshire, so far as it goes. I certainly believe we should make clear, not only to our friends in Latin America but also to some of our friends in Europe, that they are not helping the cause of peace and the freedom of the world when they sell arms to Latin American countries, when those arms will be used not for peaceful purposes but for purposes other than peaceful, to strengthen dictatorships in Latin America.

The situation in Latin America is rather complicated.

I strongly support the amendment with respect to Cuba. But I should like to ask the Senator from New Hampshire whether he would accept an amendment which would apply his amendment also

to the Dominican Republic, because, likewise, there is in the Dominican Republic a situation which again involves a dictatorship regime, although in that instance, in my opinion, a Fascist one rather than a Communist one. But so far as human rights and dignity are concerned, there is no difference.

Our Secretary of State made very clear, in the conference now going on at San Jose, Costa Rica, what our position is in regard to the deplorable situation in the Dominican Republic. We know that the power play between Cuba and the Dominican Republic has not been helpful to stable and peaceful conditions in Latin America.

First, let me ask whether the Senator from New Hampshire would be willing to enlarge his amendment so as to place the restriction on the Dominican Republic as well as on Cuba.

Mr. BRIDGES. Let me say that my feelings are very much the same as those of the Senator from Oregon about the situation he has so ably described. But I wish to make it strikingly clear that I feel so strongly about the subject of giving aid to Cuba that I would not wish to jeopardize the success of my amendment by overloading it with other matters. I will point out to the Senator from Oregon that he can, of course, submit his own amendment; but I would prefer to have the Cuban-Castro amendment adopted first, and thereafter deal with the Senator's amendment independently.

I feel that combining the two proposals might place my amendment regarding the Castro regime in jeopardy. I have heretofore talked to a great many of my colleagues who have specifically indicated a desire to support the amendment which I have offered this morning. Therefore, having received their acceptance, I do not desire to change the wording of the amendment at this time.

Mr. MORSE. The Senator got whose acceptance?

Mr. BRIDGES. Numerous Senators have indicated to me their agreement with my amendment in its present form. I do not presume to speak for them, and, therefore, I shall not name them specifically at this time. My distinguished colleague from New Hampshire [Mr. COTTON] and my good friend from New York [Mr. KEATING] have already expressed their support of my proposal on the floor of the Senate. For this reason, I do not wish to complicate the action on my amendment by adding to it another amendment at this time.

Mr. MORSE. I do not wish to upset the parliamentary procedure in connection with the amendment of the Senator from New Hampshire. But I give notice that immediately after the Senate disposes of his amendment, I will offer an amendment to deal with other dictatorships in Latin America.

This problem has another aspect, because it not only involves the sale of arms to Cuba and the Dominican Republic. In addition, some other countries are involved and affected. The great President of Chile, President Jorge Alessandri, last year demonstrated real statesmanship, which I believe has

augured well for better relationships in our hemisphere, when he suggested that all countries of Latin America proceed with a disarmament program and put it into practice. One of the things that caused that proposal to be made by the President of Chile, and seconded by the President of Peru, was the fact that when one Latin American country buys arms, its neighbors feel that they must buy arms also, and then the first country feels that it must buy more arms, and a classical armaments race develops. Further, the civilian governments of Latin America which are struggling to achieve economic development with inadequate resources need to have their hands strengthened in regard to their own military establishments. In Peru, for example, certain governmental revenues are earmarked for the armed forces and can be spent in the discretion of the armed forces without going through the regular budgetary process. Thus the Peruvian Navy last year was able to purchase a cruiser from Great Britain without the Peruvian Government even knowing about it. Certainly we must realize that if there is a war, it will be a nuclear war; and the type of arms being shipped into Latin America will not be very helpful in a nuclear war. In fact, every country in Latin America knows that in a nuclear war, Latin America would not protect the United States; instead, the United States would have to protect Latin America.

Without taking time to go into detail, I simply make this statement and inform the Senate that in my opinion the evidence in support of my statement is overwhelming; the fact is that there is a rivalry among certain countries in Latin America, as regards building up armaments of so-called conventional weapons, which could not be of much use or help in connection with a world war of a nuclear type. However, they could be used in conflicts between and among Latin American countries. That is what the President of Chile was pointing out—namely, that the sale of such armaments is causing difficulties in Latin America, from the standpoint of attempts to avoid an armaments race. Such armaments can, of course, be used to keep down freedom; and they could be used in that way by any totalitarian group which might come into power in a Latin American country.

In some instances, those countries have sought to buy such supplies from the United States; and when we refused to sell them, or indicated that we were reluctant to sell them, the answer was, "If you do not sell them to us, we will buy them from some place else"—from England, from France, from some of our good allies in Europe.

In my opinion, there must be a stop to all that, insofar as we are concerned. We must find out whether our allies in Europe are going to sell arms to Latin American countries in connection with the armament races which sometimes develop between Latin American countries, to the detriment of peace in this hemisphere.

When the great Prime Minister of Great Britain, Mr. Macmillan, was here, I discussed this matter with him. He

indicated that he was very sympathetic about the problem. At that time there was a discussion of whether Great Britain would sell some planes to Cuba. I told him that I thought it was a great mistake for Great Britain to consider selling planes to Cuba. The Prime Minister of Great Britain gave the usual argument, "If we do not sell them to Cuba, Castro will get them elsewhere." As I recall, the British in fact did not sell the planes.

But in any case, Mr. President, I do not accept the argument, that if we or our allies do not sell arms to Latin America, some one else will. I believe that we should find out what countries are willing to sell such arms. It will be helpful to know what countries if any in Latin America are willing to buy arms from Russia. The good neighbor policy carries with it mutual obligations of cooperation. I am opposed to selling arms to Cuba or the Dominican Republic just because we may be presented with the threat that if we do not sell them then those governments will buy them elsewhere, even in Russia.

If we set a good example, by refusing to sell U.S. arms, I think we shall then be in a position to ask our allies in Western Europe not to sell arms to those countries, either.

If there is in Latin America a country—whether it is under a dictatorship or is not under a dictatorship—that wants to turn to the Soviet bloc countries for the purchase of such armaments, let us find it out. That will certainly be a test of its good faith and of whether it wants to work with us for a program of mutual security in the Western Hemisphere, knowing very well that in the event of a nuclear war the United States will be the one that will have to provide the defense for all of Latin America.

The PRESIDING OFFICER. The time yielded to the Senator from New Hampshire has expired.

Mr. JOHNSON of Texas. Mr. President, does the Senator from New Hampshire wish to have a few additional minutes yielded to him?

Mr. MORSE. May I have an additional half minute?

Mr. JOHNSON of Texas. Very well; I yield an additional one-half minute to the Senator from Oregon.

Mr. MORSE. Mr. President, this problem of mutual defense is a most important common problem.

So I believe that in this mutual security bill we must use language which will make clear to all the world that we are opposed to the buildup of armaments in Latin America.

In my judgment, what we ought to be doing is exercising our powerful leadership through the Organization of American States in regard to this question of armaments in Latin America, because when one country buys a destroyer, it is an incentive for another country to buy a destroyer, and it becomes an arms race. That is what the President of Chile pointed out when he made his disarmament proposal.

The amendment of the Senator from New Hampshire is a good start. I shall

support the amendment with regard to Cuba only because he has an understanding with the chairman of the committee that he will take it to conference.

I want to say to the chairman of the committee that it is just as important that the principle be applied to the Dominican Republic, which is also a country that is following anything but a peaceful course of action in Latin America.

In a moment, I shall offer an amendment which will apply the same principle to the Dominican Republic.

Mr. HAYDEN. It seems to me the Senator's proposal should be a general one, and not single out one country.

Mr. MORSE. If the Senator will take an amendment which does not single out the Dominican Republic, but singles out the whole problem of military aid to dictatorships, I will word it that way; but if he is accepting now an amendment which singles out Cuba, I do not see, by any premise of logic, why it would not justify our singling out also the Dominican Republic.

Mr. BRIDGES. The only thing is that, with respect to Cuba, the Castro regime is castigating us, confiscating our property, and insulting us, threatening us, and I would like to have Cuba dealt with by itself.

Mr. MORSE. I have already said I would accept it, but I think we make a great mistake in Latin American affairs if we single out Cuba, and not say anything about the Dominican Republic, because there are over 3,000 people imprisoned in the Dominican Republic today, without having had a fair trial, because they are moderates. They are anti-Communist and anti-fascist. They are the people we should look to in case of a revolution in that country.

I think we ought to make it clear that if the present situation in the Dominican Republic continues, we are not going to give aid and comfort to the Dominican Republic or to any other dictatorship in Latin America.

I shall offer my amendment later.

Mr. JOHNSON of Texas. Mr. President, I will yield back my time if the mover of the amendment will yield back his time.

Mr. HAYDEN. Mr. President, I will take the amendment to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Hampshire.

The amendment was agreed to.

Mr. JOHNSON of Texas. Mr. President, I think the Senator from New Hampshire has another amendment. Does he care to offer it now?

Mr. BRIDGES. No.

Mr. CASE of South Dakota. Mr. President, I desire to offer an amendment, on page 13, after line 23, to insert a new section that would read:

None of the funds appropriated in this Act may be used to finance more than 90 per centum of the total cost of any program in any foreign country.

The PRESIDING OFFICER. The amendment offered by the Senator from South Dakota will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 13, after line 23, to add a new section as follows:

SEC. 109. None of the funds appropriated in this Act may be used to finance more than 90 per centum of the total cost of any program in any foreign country.

Mr. CASE of South Dakota. Mr. President, this amendment is intended to insure that there shall be some local participation or some participation by others to the extent of at least 10 percent in any program. I did not draft the amendment to make it apply specifically to every project, but it would be applied to the total program proposed to be financed in the pending bill.

Mr. JOHNSON of Texas. Mr. President, I am informed by the chairman of the committee that no hearings have been held on the amendment and he is not familiar with it, but he is willing to take the amendment to conference, if the Senator and Secretary of State can furnish him with certain information.

Mr. CASE of South Dakota. I will be glad to do that. This amendment is comparable to a provision which was carried originally to initiate the Marshall plan. It was first objected to by some in connection with the program. After it was tried for a year, the officials said it was the best policeman they had to insure success of the program.

I appreciate the chairman's being willing to take the amendment to conference.

Mr. JOHNSON of Texas. Mr. President, I am willing to yield back my time, with the understanding that the Senator from South Dakota yields back his time.

Mr. HAYDEN. Mr. President, I will take the amendment to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota.

The amendment was agreed to.

Mr. JOHNSON of Texas. Mr. President, the Senator from Connecticut [Mr. Dodd] had an amendment to the State, Justice, and Judiciary appropriation bill which was adopted unanimously. The conferees thought it would be more applicable to the pending bill. The amendment is at the desk. The chairman of the committee has agreed to take the amendment to conference. I am hopeful the conferees will agree to it.

The PRESIDING OFFICER. The amendment of the Senator from Connecticut will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 13, after line 23, to insert the following language:

SEC. 111. It is the sense of the Senate that in the administration of section 414 of the Mutual Security Act of 1954, as amended, the Secretary of State should take such action as may be necessary to prevent the importation or reimportation into the United States (other than for use by the Armed Forces of the United States) for resale of firearms manufactured for the armed forces of any country, or parts thereof for reassembly, except those which are curios or antiques or weapons of obsolete ignition incapable of using a fixed cartridge or fixed shotgun shell.

Mr. HAYDEN. Mr. President, when this amendment was under discussion as

an amendment to the State, Justice, Judiciary appropriation bill, it was discussed in the committee. It was felt it would be more appropriate to have it in the mutual security bill than in that bill. Therefore, it was omitted, so far as the Senate was concerned, from the other appropriation bill. The committee has no objection to its adoption in connection with the pending bill.

Mr. JOHNSON of Texas. Will the distinguished Senator from Connecticut agree to modify the amendment by striking out the language "it is the sense of the Senate," so that it will read "It is the sense of the Congress"?

Mr. DODD. Yes; I would like to have my amendment changed so that it will read that way.

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

Mr. JOHNSON of Texas. Mr. President, I yield back my time, with the understanding that the mover of the amendment yields back his time.

Mr. DODD. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Connecticut.

The amendment as modified was agreed to.

Mr. JOHNSON of Texas. Mr. President, I congratulate the Senator from Connecticut for his cooperation, and express the hope that the House conferees will agree to the amendment, now that it has been decided to add the provision to the mutual security appropriation bill.

Mr. President, I should like to announce that as soon as the conference report on the State-Justice-Judiciary appropriation bill is agreed to in the House, we shall call it up here.

Mr. DODD. Mr. President, I express appreciation to the majority leader for his cooperation on this amendment.

The purpose of this amendment is to advise the Secretary of State to take action to prevent foreign nations from dumping millions and millions of surplus military rifles on the American market and thus destroying the arms producing industry of the United States.

The U.S. Government owns many millions of surplus military M-1 rifles. It has not permitted the sale of these rifles on the domestic market? Why? Because such action would ruin the domestic firearms industry, which is rightly considered a vital element of our national defense. How strange, therefore, that the State Department is permitting foreign nations to unload their surplus military weapons here.

Since 1956, the number of surplus rifles imported into the United States has climbed rapidly each year. These imports increased by 20 times between 1955 and 1958 while domestic center-fire rifle sales decreased by 50 percent. In 1958, the number of military surplus firearms imported into this country actually exceeded our domestic sales.

It has been estimated that the Soviet Union will dump 10 million surplus arms on the market in the next 2 years and unless we act to prevent it, these rifles could be imported into the United States. Added to the steady flow of surplus

firearms imports from England, Italy, Sweden, and Germany, this would cripple our own domestic industry. We cannot allow this to happen.

We are dependent upon our firearms producers to develop new and better weapons in time of peace and to mass produce these weapons in time of national emergency. Does it make sense to permit the ruin of this vital American industry through the importation of vast numbers of foreign surplus military rifles to be sold here at cutrate prices with which neither our firearms industry nor any other firearms industry in the world can compete?

This is a sense resolution which is not binding upon the State Department. It does one thing. It advises the State Department that the U.S. Senate is alarmed over the possible destruction of our domestic arms industry through the importation of surplus military rifles from abroad.

In my State are great arms producing companies like Winchester, Colt, and Remington. We call on these companies in times of emergencies. If they are to survive, certainly they ought to get some protection against this kind of competition which has been flooding the country.

Mr. SALTONSTALL. Mr. President, I am in hearty agreement, as a Senator from Massachusetts, with the Senator from Connecticut on his amendment. The matter was taken up by the conference committee on the State Department bill. However, we shall now try to retain it in this bill in conference, if we can.

Mr. DODD. I am very grateful to my friend, the very able Senator from Massachusetts. I know of his interest in the subject, and of his great assistance. I am extremely grateful to him.

The PRESIDING OFFICER. The bill is open to amendment. If there be no further amendment to be proposed—

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. Are amendments in order?

The PRESIDING OFFICER. The bill is open to amendment.

Mr. MORSE. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. After line 23, page 13, it is proposed to insert:

No funds provided hereunder shall be available for any country which, in the judgment of the President of the United States, directly or indirectly, is selling arms, munitions, or implements of war, to any country in Latin America being subjected to economic or diplomatic sanctions by the Organization of American States.

Mr. MORSE. Mr. President, I ask the chairman of the committee if he is willing to take the amendment to conference.

In effect, the amendment would provide that if the Organization of American States should take a position of imposing economic or diplomatic sanctions

against any of the Latin American countries, then we would consider the sale of arms to that country to be something which would justify our denying military or economic aid to the country selling the arms while the sanctions were applicable.

Mr. JOHNSON of Texas. The discretion would be purely with the President?

Mr. MORSE. The discretion would be with the President of the United States.

Mr. HAYDEN. I have no objection to the amendment.

Mr. JOHNSON of Texas. Mr. President, I yield back my remaining time.

Mr. MORSE. Mr. President, I yield back my remaining time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MORSE].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to amendment. If there be no further amendments to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 12619) was read the third time.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the action by which the bill was read the third time.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SALTONSTALL. Mr. President, I should like to ask the chairman of the committee a question on the appropriation for special assistance.

The committee recommended an appropriation of \$256 million, which is an increase of \$50 million over the House figure, but is still \$12.5 million under the budget estimate. This latter \$12.5 million reduction was made during consideration of the bill when it was in the authorizing stage. The House report states that none of the cut in the special assistance appropriation is to be applied to the \$38 million included in the total for malaria eradication. I strongly support the malaria-eradication program, but I doubt whether it should be funded in full in the face of the 20-percent reduction approved by the House. Other important items make up this appropriation, such as the fund for tropical Africa and others.

Would the Senator be willing to give his interpretation in this regard?

Mr. HAYDEN. The Senator is entirely correct. The committee made its recommendations with full knowledge of the position taken by the other body. The committee believes that latitude in the distribution of any reduction from the original request for special assistance must be left to the executive branch, in the interest of efficient administration.

Mr. SALTONSTALL. Mr. President, I thank the chairman of the committee. I think the chairman [Mr. HAYDEN] and

the members of the committee have done a fine job on the bill. I hope it will be passed. I hope we shall have a satisfactory conference with the House of Representatives.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum with the understanding that the time will be charged equally to both sides.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that further proceedings under the quorum call be suspended.

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

REGULATION OF WAGE RATES FOR EMPLOYEES OF PORTSMOUTH, N.H., NAVAL SHIPYARD

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate may proceed to the consideration of Calendar No. 1929, S. 3800, with the understanding that as soon as the Senate has concluded action upon the bill we shall return to the consideration of the unfinished business, H.R. 12619, making appropriations for mutual security and related agencies.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill (S. 3800) to provide a method for regulating and fixing wage rates for employees of Portsmouth, N.H., Naval Shipyard.

Mr. JOHNSON of Texas. Mr. President, the bill would require that the Secretary of the Navy establish the hourly rates of pay for all per diem employees of the Portsmouth, N.H., Naval Shipyard, at the same hourly rates paid to employees of similar classification at the Boston, Mass., Naval Shipyard.

I understand there is no opposition to the bill. I hope the Senate will pass it.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3800) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Navy shall establish the hourly rates of pay for all per diem employees employed at the Portsmouth, New Hampshire, Naval Shipyard at the same hourly rates as are paid to employees of similar classification resulting from area wage survey applicable to employees of the Boston, Massachusetts, Naval Shipyard.

Sec. 2. This Act shall take effect on the first day of the first pay period which begins after the date of enactment of this Act.

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the bill was passed.

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

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

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider. [Putting the question.]

The motion to lay on the table was agreed to.

MUTUAL SECURITY AND RELATED AGENCIES APPROPRIATIONS, 1961

The Senate resumed the consideration of the bill (H.R. 12619) making appropriations for mutual security and related agencies for the fiscal year ending June 30, 1961, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I yield 1 hour to the very able and distinguished Senator from Louisiana [Mr. ELLENDER], and I express to him my deep gratitude for his complete cooperation in this matter.

Mr. ELLENDER obtained the floor.

Mr. CASE of South Dakota. Mr. President, will the Senator yield briefly for a question?

Mr. ELLENDER. I yield for a question.

Mr. CASE of South Dakota. Has the Senator had an opportunity to consider the potential good in the direction of improving the expenditure of money under the amendment which the Senator from South Dakota offered just prior to the third reading? It was agreed to and is to be taken to conference. I wish to read it because I thought the Senator might lend his support to the retention of the amendment in conference. The amendment to section 109 is:

None of the funds appropriated in this Act may be used to finance more than 90 per centum of the total cost of any program in any foreign country.

My purpose in offering the amendment was to try to insure that in every recipient country foreign-aid programs would have the endorsement and contribution of at least 10 percent by the recipient country.

Mr. ELLENDER. My only regret is that the Senator did not place his percentage at a little more than 10 percent. It strikes me that this program has gone along far enough now so that the countries we are assisting are well able to do more for themselves than they have in the past. I believe the amendment of the Senator from South Dakota is a step in the right direction. It should have been a provision in the program when it was first started.

Mr. CASE of South Dakota. I appreciate the statement of the Senator from Louisiana. Of course, the percentage is not restrictive. They can contribute more than 10 percent if they wish, but at least that much should be required.

Mr. ELLENDER. Mr. President, prior to consideration of the pending bill by the Senate Committee on Appropriations I had entertained hopes that the amount of funds for foreign aid as approved by the House could be drastically

reduced. However, during the hearings and committee consideration of the bill it became apparent that the sentiment of a majority of the committee was opposed to any large-scale reduction.

Nevertheless, I am proud to state that the committee, after a little persuasion on my part, refused to add \$200 million in military assistance so as to increase that item to the budget estimate. The administration had insisted that the amount provided for this purpose be not less than \$2 billion. The committee bill provides \$1.8 billion for military aid—a sum which in my opinion is extravagantly large, but an amount which, in my judgment represents the deepest cut which any reasonable person could expect the Senate to approve under the prevailing world conditions.

The whole subject of foreign aid has become involved in an atmosphere of semihysteria. This is particularly true as to military assistance, a program which in large measure is nothing more than a subsidy of our so-called Western European allies, who are well able to take care of their own defense needs.

A number of reasons compel me to reach this conclusion, all of which I hasten to add, are based upon a personal inspection of conditions in Western Europe, which I was privileged to make for the Senate Appropriations Committee during the recent congressional recess.

First and foremost is the matter of the international balance of payments; that is, the relationship which exists between the amount of dollars which leaves the United States and the amount of dollars which comes into the United States. Figures for the first 6 months of 1960 show, I understand, a greater overall deficit in our balance of payments than had originally been expected by the Department of Commerce. The Wall Street Journal for Friday, August 12, pointed out that U.S. gold stocks were depleted in excess of \$62 million in the latest week for which data are available. This article read in part, and I quote:

With total gold reserves of just under \$19.1 billion, the United States still holds almost half the free world's supply. But, of that amount, nearly \$11 billion must be held as a 25-percent reserve against Federal Reserve banknote and deposit liabilities. The current stock is equal to just over 40 percent of those liabilities.

I ask unanimous consent that there be printed in the RECORD at this point in my remarks the article which appeared in the Wall Street Journal, issue of August 12, 1960, entitled "U.S. Gold Stocks Fell \$62 Million in Latest Week."

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

[From the Wall Street Journal, Aug. 12, 1960]

U.S. GOLD STOCKS FELL \$62 MILLION IN LATEST WEEK—AMOUNT DECLINED \$240 MILLION IN PAST 5 WEEKS, BROUGHT 1960 TOTAL TO \$374 MILLION—BUT DROP TRAILS 1959 TO DATE

Uncle Sam's gold holdings dropped \$62 million in the week ended Wednesday in the fifth consecutive sizable weekly decline, ac-

ording to figures released by the New York Federal Reserve Bank.

The drop lowered the Treasury's total gold holdings to \$19,082 million and brought the decline so far this year to \$374 million. Some \$240 million of that drop has come in the past 5 weeks.

While the gold outflow has picked up speed in recent weeks, the drop so far this year is still less than the decline in the comparable 1959 period when the gold stock had fallen \$934 million from the first of the year.

In all 1959, U.S. gold holdings fell \$1,076 million through sales to foreign government buyers, compared with a \$2,275 million decline in 1958.

With total gold reserve or just under \$19.1 billion, the United States still holds almost half the free world's supply. But of that amount nearly \$11 billion must be held as a 25 percent reserve against Federal Reserve banknote and deposit liabilities. The current stock is equal to just over 40 percent of those liabilities.

A source of concern to some bankers is the potential drain on the remaining \$8 billion or so of gold by short-term liabilities of foreigners and international institutions. These short-term liabilities, which include bank deposits here and holdings of U.S. Treasury bills and other short-term investments by foreigners, totaled \$20.1 billion at the end of May, up almost \$4 billion from the end of 1958. During the same period, the Treasury's gold stock fell about \$1.2 billion.

ONE BILLION DOLLARS "HOT" MONEY

However, some bankers contend the bulk of this \$20 billion in potential foreign claims represents "working balances" of foreign businesses, banks and others who maintain funds in this country to facilitate trade. Only about \$1 billion or so, some bankers estimate, is considered so-called "hot" money, which flows from country to country seeking the highest interest rates.

The recent pickup in the gold outflow, so far at least, has been taken calmly by U.S. bankers and Treasury officials, who contend it is in part a "natural" reaction to the spread between interest rates at home and abroad. The Treasury says its representatives in London, Paris, Bonn, and other European financial centers detect no noticeable decline in confidence in the dollar.

As interest rates have stiffened in a number of oversea nations but slackened here in recent months, some short-term investment funds have been moving overseas. This has resulted in a buildup of dollar balances of foreign governments and central banks, which, in turn, have used some of the added dollars to buy gold from Uncle Sam.

The gold drain also reflects a continuing deficit in the U.S. balance of payments position. The balance of payments is the total of all this Nation spends, lends and gives abroad matched against all the payments it gets from foreign countries. So far this year, the U.S. deficit is running at an annual rate near \$2.5 billion. Bankers say this is still a high rate but is well under the \$3.7 billion deficit last year and the \$3.4 billion deficit in 1958.

The movement of short-term investment funds abroad could slow down or halt if an autumn pickup in business causes interest rates to rise here, Treasury officials suggest. Yet, there is a touch of nervousness in the Treasury about a possible change in foreign sentiment about the stability of the dollar. It's feared that promises and statements in the U.S. presidential campaign about bigger Government spending and a "cheap money" policy could whittle foreign confidence in the dollar and stimulate new gold sales.

Dollars can be converted into gold at the rate of \$35 an ounce. Because of this easy convertibility, the dollar has become a standard currency around the globe for trade and to settle accounts among nations.

PSYCHOLOGICAL SETBACK AT \$19 BILLION?

Would a drop in the gold stock below \$19 billion cause a psychological setback, as some persons have suggested? "They said the same thing when it went below \$20 billion," snorts one top Washington monetary official.

There are indications the gold movement has had some influence on recent policies of the Treasury and the Federal Reserve Board, though officials of both agencies say it isn't accurate to put too much stress on it.

The Treasury, in its just completed refunding operation, used a cash refunding technique to limit an offering of 8-year bonds to \$1 billion. This, they say, prevented an excessive flow of funds away from the short-term investment area. A movement of funds away from the Treasury's short-term certificates could have resulted in a scarcity of short-term issues, thus increasing prices—and depressing yields—still more to widen the gap between rates here and abroad.

Gold also was a factor in the Federal Reserve's timing of its decision earlier this week to liberalize rules controlling reserves—and the lending capacity—of commercial banks. An outflow of gold tends to shrink bank reserves, since the foreign government buyers draw on their deposits at banks in this country to pay the Treasury for the gold. It was assumed the gold outflow would continue in August and September. This, plus the expected seasonal currency drain on bank reserves in the fall, is considered likely to muffle the credit-expanding impact of the reserve requirement adjustments.

Mr. ELLENDER. Mr. President, I also ask unanimous consent that there be printed in the RECORD at this point in my remarks a portion of a Business Week summary entitled "International Outlook" for August 13, 1960, dealing with the balance of payments.

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

Washington is rather blue about the outlook for the U.S. balance of payments. Figures for the first 6 months, just released by the Commerce Department, indicate a bigger overall deficit for 1960 than had been expected.

The trade surplus for the first half year ran at a seasonally adjusted rate of \$3.4 billion—at least \$1 billion higher than the most optimistic estimates earlier in the year. But the overall deficit still was running at an annual rate of about \$3 billion, compared to an anticipated \$2.5 billion or less.

A heavy outflow of private capital is the problem. This has helped push the deficit for the month of July to \$400 million, and during this 1 month the United States lost \$176 million in gold. Seasonal tourist expenditures accounted for part of the problem in July. But there is no sign that the capital drain is tapering off.

Mr. ELLENDER. The fact is that our balance of payments deficit is due in large part to the economic prosperity which prevails in Western European countries—a prosperity which has been increased in large measure by billions upon billions of U.S. aid money flowing into these countries.

As an indication of this prosperity let me review some vital statistics concerning production and investments by these prosperous European countries. By using 1953 as a base point with an index of 100, the index of industrial production of the Western European OEEC countries increased to 131 by 1957, while the index of our own industrial production

increased to only 107 during this period. Thus, it is easily seen that the industrial production of these countries is growing at a rapid rate, while our own is merely creeping along, on a relative basis.

Furthermore, while the United States has a gross national product which at the present time is in excess of \$500 billion, we are investing only about 15 percent of our GNP to expand our production base. On the other hand our European allies, excluding Greece, which under this bill will receive about \$745.1 million in military assistance subsidy are investing substantially more than we in the expansion of their production. For example, France is investing approximately 20 percent of its GNP. West Germany is investing approximately 25 percent and the other countries of Western Europe are investing percentages ranging from 20 to 25 percent of their GNP's.

Mr. President, this clearly indicates that these countries could be expending a good deal more for defense purposes than is presently the case.

What is the impact of these three factors on the military assistance program? First, it is obvious that by sending U.S. dollars abroad for the purpose of subsidizing the defense programs of the Western European countries, the United States is permitting these Western European countries to devote more of their national resources to expanding production than would normally be the case. Second, this expanding production, coupled with lower comparative wage rates and lower standards of living in these countries, enable our so-called allies to invade U.S. foreign markets, to say nothing of the U.S. domestic markets.

Third, this worldwide hunting license on U.S. markets, both domestic and foreign, means that the United States will sell less both abroad and at home, without any reduction in expenditures or the outflow of U.S. dollars. In other words, while sending dollars abroad, we are permitting foreign countries to sell more goods in the United States and, to a great extent, further aggravate our already severe balance-of-payment problem.

In this connection, I ask unanimous consent that at this point in my remarks there be printed an article from U.S. News & World Report of August 15, 1960, entitled "Gold Flowing Out Again—What It Means."

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

[From U.S. News & World Report, Aug. 15, 1960]

GOLD FLOWING OUT AGAIN—WHAT IT MEANS

There's a new drain on U.S. supplies of gold. Reserves are at a 20-year low. Why? Demand for gold by foreigners has picked up. Some are moving funds out of low-yielding U.S. Treasury bills into foreign securities paying higher interest.

Is this a threat to the dollar? U.S. officials say there's no cause for alarm at the moment. Here are the facts:

Once again, the flow of gold out of the United States is on the rise.

In July alone, about \$178 million in gold was transferred out of this country's reserves and into foreign treasuries. That was the largest decline in gold stocks so far this

year, and the heaviest rate of outflow since 1958, when more than \$2 billion in gold left U.S. hands.

Reserves of gold in the United States now total about \$19.2 billion—the lowest in more than 20 years.

As the chart on this page shows, possible claims of foreign owners of dollars against the gold reserve total \$18.5 billion. In other words, claims against U.S. gold are almost equal to all the gold this country owns.

The renewed drain on gold is causing concern among many people in this country, and in key financial centers abroad. It gives rise to such questions as these:

What brought on the latest outflow of gold? Does it indicate some worry, around the world, about the outlook for business in the United States? Does it mean the American dollar is losing some of its strength among the world's currencies?

TROUBLE IN TRADE

A big part of the answer, it turns out, is tied to this country's deficit in foreign trade. In recent years the United States has paid out more each year to foreigners for imports, investments and economic aid than it has received from them for goods and services.

In 1959 this deficit in the balance of payments was \$3.8 billion. For 1960 the deficit will be about \$2.5 billion, based on trade figures for the early months of this year.

There are two chief ways for foreign countries to settle their trade balances with the United States.

One is to take payment in gold. Many countries have elected to do this in the past 2 or 3 years, though the cashing of dollars for gold in 1959 and the early months of 1960 was relatively small compared with the heavy drain on gold in 1958.

The other way is for private investors abroad, and the central banks of foreign countries, to hold their dollars in U.S. banks, or invest them in American securities including short-term obligations of the U.S. Treasury.

Because of the relatively high yields on such Treasury securities over the past year or two, foreigners have kept substantial sums invested here in the United States.

In the past few months, however, interest rates in the United States have declined. At the same time, interest rates abroad have gone up. As a result, some foreign investors have switched out of U.S. Treasury bills into foreign securities, including British treasury bills. As part of this movement of funds abroad, central banks in some cases are selling dollars and taking U.S. gold.

From a monetary authority in London comes this explanation of what has been happening.

"Interest rates in the United States have been reduced, partly as a measure to revive the sagging U.S. economy. Britain and other European countries, on the other hand, still are worried about inflationary pressures, and are keeping interest rates up. So anti-recession measures in the United States tend to drive out money seeking investment, at the very time that anti-inflation measures in Europe tend to attract it."

GOLD BUYING, TENSION

Another reason for the drain on U.S. gold is given by Treasury officials in Washington. That is the fact that, in recent weeks, a number of foreign governments have made substantial payments of gold to the International Monetary Fund. To keep their own gold stocks up, some of these governments, including that of Spain, have bought U.S. gold with the dollars they had on hand.

Two other reasons have been cited for the latest movement of gold from the United States, though monetary authorities tend to minimize their significance:

Troubles in the Congo, and the threat of spreading tension in Africa, may have per-

suaded some foreign holders of dollars to convert them to gold. Says one authority: "In times of crisis, foreign central banks often tend to build up their gold holdings. Americans, on the other hand, prefer to keep most of their savings in productive wealth, such as stocks, bonds, business concerns or real estate."

Domestic politics in the United States may be creating some uneasiness overseas. There have been hints from abroad that uncertainty over the spending and budgetary policies of a new administration in Washington next year may have accounted for some shifting of assets by foreign owners of U.S. dollars.

Despite the recent decline in gold reserves, there has been no evidence of a "run" on the dollar. One New York banker declares: "There is no greater worry abroad about the safety of the dollar than there was a year ago. The outflow of funds from the United States is a normal development, to take advantage of higher interest rates abroad."

In the past, U.S. officials have regarded an outflow of gold as something to be desired, rather than shunned, so long as the drain did not get out of hand. For many years the United States has held a disproportionate share of the free world's gold. Even today, U.S. gold stocks total almost half the entire free-world supply.

Lately, private gold holdings have been increasing in countries where currency controls have been relaxed. This makes it necessary for central banks to build up their gold supplies. Gold-reserve losses occurred in some countries in 1959 and early 1960. These countries now are in a position to build up their reserves again.

Italy has been buying gold recently on the London market. Other countries which probably have added to their gold holdings recently, says a banking authority, are the Netherlands, France, Switzerland, and West Germany.

THE LONG-HAUL WORRY

While U.S. Government officials and private bankers are not unduly disturbed by the recent rise in claims against U.S. gold, they are concerned about the longer term outlook for the U.S. economy—and the stability of the U.S. dollar—if this country continues to run a trade deficit year after year, or if future administrations resort to deficit financing on a large scale.

From Chairman John J. McCloy of Chase Manhattan Bank comes this comment:

"The plain fact is that a balance-of-payments deficit of \$3 to \$4 billion yearly is too much. It increases the claims against the U.S. at too rapid a rate, and it causes our creditors justifiably to take a close look at how we are managing things."

Edward M. Bernstein, former director of research and statistics for the International Monetary Fund, now a private economic consultant, says: "The reserve position of the United States is still deteriorating. The rapid growth in liabilities to foreigners on short-term dollar claims and on holdings of long-term Government securities is a threat to our international liquidity. It is of great importance to the world economy as well as to this country to avoid a serious impairment of the reserve position of the United States."

At the U.S. Treasury, officials believe the current outflow of gold is a temporary situation, tied largely to the disparity in interest rates between this country and Europe. They do not think it reflects any decline in confidence in the dollar.

These officials note, too, that gold sales thus far in 1960 are well below the \$566 million in sales for the comparable period of 1959.

Even so, the gold picture is being watched closely, for any signs that the drain on U.S. reserves is going beyond limits that are considered normal or desirable.

THIS IS THE GOLD PROBLEM

Since the beginning of 1958: U.S. gold reserve has shrunk by \$3.7 billion; gold on hand January 1, 1958, \$22.9 billion; gold on hand July 31, 1960: \$19.2 billion.

Possible foreign claims against U.S. gold have increased by \$3.6 billion; foreign claims January 1, 1958, \$14.9 billion; foreign claims July 31, 1960: \$18.5 billion.

Gold left over, free of foreign claims, has diminished by \$7.3 billion: Free gold January 1, 1958, \$8 billion; free gold July 31, 1960: \$7 billion.

But, U.S. gold must have on hand now, as backing for money, \$11.9 billion in gold.

Thus, if all claims were presented for payment in gold, United States would not have enough gold to go around and still maintain the reserve required by law against currency and deposits.

Actually it is highly unlikely that all these claims would be presented for gold. Nearly half of all the claims are privately held, and these would be paid in gold only if turned in through foreign central banks.

Still with possible claims continuing to rise, and the gold outflow now taking another spurt, the trend is becoming a matter of official concern.

(NOTE.—Dollar claims of international institutions, about \$4 billion, are excluded from foreign claims above, as only a portion of these claims is payable in gold.)

Mr. ELLENDER. Mr. President, this article states among other things, "that at the present time if all claims against U.S. gold reserves were presented for payments the United States would not have enough gold to go around and still maintain the reserve required by law against currency and deposits."

What I am stating now is nothing new. I pointed this out to the Senate in 1959, as well as in 1958. In 1958 I pointed out that for the first time since the War Between the States, over a period of almost 100 years, more dollars left this country than came in. The figure for 1958, as I will point out, indicates that we went in the red, so far as the balance of payments was concerned, by almost \$5 billion.

Last year, during 1959, the aggregate was \$3.7 billion. For the year 1960 we may be in the red by as much as \$3 billion. Anyone with common sense knows that we cannot keep this up and retain the way of life which has made America so great.

It is obvious that when we are confronted by a balance of payments problem, one of two things must occur. We must either reduce the flow of dollars from the United States, or we must increase our exports and, therefore, stimulate the flow of dollars into the United States. Actually, both should be done. Yet, realistically, this is not possible.

Mr. President, it is extremely difficult for us to export more goods abroad, sell more goods in foreign markets, when we are unable to meet the low-wage rates which foster competition abroad. As long as we are able to invest only 15 percent of our GNP into modernizing American plants, while Germany and other countries are investing between 20 to 25 percent for this purpose, it is obvious that we are moving backward instead of forward in this area.

Of course, the administration has fancy ideas about ways and means of selling more goods abroad and otherwise

attracting more dollars into the United States, and some of these border on the ridiculous.

During this past week, the Secretary of Commerce, Mr. Mueller, and Assistant Secretary of State, Mr. Dillon, have both appeared before the Senate Appropriations Committee for supplemental funds to finance the addition of personnel both to the Commerce Department and the State Department who will be assigned the task of bringing about an increase in our exports to Western Europe and other countries of the world. This is patently absurd.

Salesmanship is always worthwhile but salesmanship is always subject to competitive pricing. Unless American goods are able to compete, pricewise with foreign products on the international market, all the salesmanship, all the salesmen obtainable cannot achieve increased exports. The fact is, that America's goods are not able to compete to the extent they should in free world markets. Germany, the United Kingdom and Japan enjoy lower wage rates and have capital plants that are either as modern as ours, or capital plants which are currently being made as modern as ours, by virtue of the ability of these countries to invest a high percentage of their GNP in capital plant expansion.

As I indicated earlier, it was my privilege to spend 28 days in Western Europe during the recent congressional recess. I was amazed at the tremendous economic progress I found in evidence there. Business is booming there. There is no such thing as unemployment, except in certain parts of Italy. Certain countries in Western Europe—to be specific, the Netherlands—are now importing labor from Italy.

How can we compete with these people, when the highest average hourly wage is 78 cents in West Germany and ours is \$2.71 an hour? I am not preaching that we should lower our standard of living. I am merely saying that since Western Europe has a wage scale so much lower than ours we cannot possibly compete on the open market, especially since billions of dollars of our taxpayers' money has been used to modernize European industry. In other words, we are subsidizing their industry, thus relieving them of that cost, and at the same time, we are trying to compete with them, although our wage scale is so much higher.

The sad thing about this is that we are still contributing to the OEEC fund. In this bill, we are making available a million dollars, to teach our so-called allies in Western Europe how to better dispose of the commodities they produce.

The chickens are coming home to roost. Unless we put a stop to this state of affairs, sooner or later we will lose our way of life. What has made America great is our native drive, our incentive to improve ourselves. But our high taxes will destroy that incentive. I do not want that to happen.

An article I read this week stated that of four contracts let for hydroelectric powerplants in this country, two were to foreign firms—one from Japan and

one from the United Kingdom. The Japan contract, I might add, marks the first time in the history of the United States that Japanese industry will furnish machinery for U.S. hydroelectric powerplants. It should also be noted that the Buy American Act was not applicable in these two cases because both bids were more than 6 percent below the lowest U.S. bid.

Mr. President, this is only a starter. Stop to recall that under the Buy American Act, if a foreign bidder makes a bid which is 6 percent under any American bid, the Buy American Act does not apply. Here we are confronted with a situation in which the Japanese, our former enemy, is in competition with us to the point where it is truly hurting American industry.

Japan is not the sole example of a former enemy's economic force, for West Germany, too, is an international economic power.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "Now, in West Germany: A Driving Business-Oriented Society," published in the magazine Business Week of August 13, 1960. The article declares that "West Germany, on almost any economic measure, has become the strongest of the free nations, after the United States."

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

NOW, IN WEST GERMANY: A DRIVING BUSINESS-ORIENTED SOCIETY

West Germany, on almost any economic measure, has become the strongest of the free nations after the United States. An aggressive new class of nonowner managers has provided the push for fantastic growth. Industrial workers, long lagging, now have high pay, high productivity, a rising living standard.

Apply almost any economic yardstick to West Germany today, just 15 years after the end of World War II, and that truncated country looks fantastically strong.

Take gross national product, exports, and currency reserves as measures of national economic power. West Germany, rather than Britain, now rates second to the United States among the nations of the free world. The German gross national product will reach an estimated \$61 billion in 1960 and will exceed Britain's for the first time since 1945. By last year, the West Germans already had edged the British out of second place in exports and passed them in reserves of gold and foreign exchange.

In terms of sheer economic weight, neither West Germany nor Britain (each with a population of 52 million) stands comparison with the United States. This is evident from gross national product estimates for 1960—\$510 billion for the United States, compared with \$61 billion for the Germans and \$60 billion for the British.

SOURCE OF EMBARRASSMENT

Even so, West Germany's economic power in the world marketplace has reached the point where it is a source of some financial embarrassment to the United States as well as to Britain. The return on German short-term investments is so attractive today that private capital has been moving from New York to Frankfurt for some months, strengthening the D-mark. Private capital also was moving from London to Frankfurt until the recent increase in the British bank rate.

JUSTIFIED CONFIDENCE

Moreover, there is no sign that this picture will change very much in the near future. No serious economic problems appear to lie ahead for the Germans, barring a disastrous slump in the free world.

Of course, top Government officials and economists in West Germany will talk, as they have for the past 10 years, about the threat of inflation that arises from the steady increase in wage levels. But, with the price level in Germany remaining as stable as it has anywhere else, the men who run German industry seem less concerned today about inflation than they have been for a long time. Businessmen exude confidence not only about the future of their own companies but also about the competitive strength of German industry as a whole.

INDICATORS OF STRENGTH

The physical evidence of economic strength and widespread prosperity can be seen all over West Germany—in the old strongholds of heavy industry in the Ruhr; in the automotive centers of Wolfsburg, Russelsheim, Stuttgart, and Cologne; in scattered chemical and electrical equipment plants; and in the growing network of highways, extra-high voltage powerlines, oil pipelines, and refineries that reach to all parts of the country.

The strength shows up, too, in the production and sales totals that are expected for 1960—35 million net tons of steel; 2 million autos, trucks, and tractors; more than \$5 billion in chemical sales; some \$4.5 billion in electrical equipment sales. German industry will supply about 60 percent of continental West Europe's capital goods this year, pushing its total exports to approximately \$11 billion.

Current investment expenditures tell the same story. Volkswagen is spending \$120 million to expand its capacity to 4,000 units a day while Opel (GM) is putting \$100 million into a new plant at Bochum in the Ruhr. The chemical industry's Big Three—Bayer, BASF, and Hoechst—together are spending close to \$250 million for plant expansion.

FRUITS OF PROSPERITY

At the same time, there has been a general trend to higher wages and shorter working hours. A recent French statistical study shows the average hourly wages (including fringe benefits) in West German manufacturing industry now are as high as in Britain and Switzerland, and are exceeded in Europe only by Sweden. Productivity, however, has been rising at least as fast as wage costs, so that total industrial costs haven't been much affected so far.

Rising wages show up in the higher consumption standards of the German worker and the white collar employee. The baby cars for which these workers traded their motorcycles or scooters 3 or 4 years ago now are being replaced by Volkswagens or some other car of the same class. Washing machines, refrigerators, and TV sets already are common in working class apartments and houses.

The postwar economic revolution in West Germany already has gone far enough to force the opposition party, the Social Democrats, to forsake their nationalization programs and shift unmistakably closer to the economic philosophy of Chancellor Konrad Adenauer's middle-of-the-road Christian Democrats. Adenauer, for his part, now is talking of the need for "increasing ownership in the broad masses of the people."

WORKER SACRIFICES

It is only in the past 3 or 4 years, of course, that the German workingman has started to come into his own as a consumer. Until then, he received a considerably smaller share of the national cake than his counterpart in, say, Britain or France.

The chief beneficiary was German industry. By being satisfied with this smaller share, say some observers, the German worker contributed more than anyone else to the country's strength, since he gave industry a chance to get solidly on its feet.

No doubt, some German workers feel they were compensated for their restraint in the earlier postwar years by having the Government impose the system of codetermination—an arrangement under which the unions have been able to choose up to 50 percent of the company directors in coal and steel and a smaller percentage in other industries. Interference with important management decisions has been negligible.

ECONOMIC MIRACLE WORKERS

The Adenauer government clearly deserves considerable credit for the West German "economic miracle" and the way it has been sustained. Men like Economics Minister Ludwig Erhard, Finance Minister Franz Etzel, and Bundesbank President Karl Blessing are highly skilled at guiding a national economy.

In one area, tax policy, the Adenauer government has been especially solicitous of private industry. It has encouraged enterprise with a scaled corporation tax, under which a company pays a smaller corporate tax on that part of its earnings paid out to stockholders. In this way, the investor is spared some of the double taxation that exists in the British and American tax systems. The Government also has granted tax benefits for new investment by allowing companies to set up nontaxable investment reserves. The effect is to exempt a large portion of corporate earnings from taxes.

The German businessman himself has taken full advantage of the breaks he has received in the past from his workers and the Government. Ever since the German currency reform of 1948, management has shown a drive and devotion to work that has scarcely been matched either in the United States or in Western Europe. Even today, the average German executive puts in longer hours than his American, British, or French counterpart. In return, he gets a high personal reward in terms of salary, of tax-free expense account, and other benefits.

Among West Germany's leading business figures of today, there are two fairly distinct types.

OLD INDUSTRIALISTS

On the one hand, there are the old standard bearers: Krupp, Siemens, and Flick. But of this trio, only old Friedrich Flick personally masterminds his diversified empire of steel, automobile, chemical, metalworking, paper, and aircraft companies. Both Alfred Krupp and Dr. Ernest von Siemens are more nearly figureheads than rulers in their respective empires of heavy engineering and electrical equipment. In Krupp's case, the power wielder is Berthold Beltz, a prominent member of the nonowner, manager class that has sprung up in postwar Germany.

NEW BREED OF MANAGERS

It is this new type of business manager who provides most of the drive in West German industry today, especially in the big companies that had their origins in the prewar days. Hans-Guenther Sohl, who directs the Thyssen steel fortunes, belongs to this group. So do the chief executives of the Big Three in chemicals. Hans Boden of Allgemeine Elektrizitäts Werke (AEG) also fits this category, along with many others in somewhat smaller companies.

In addition, there are a number of self-made owner-managers. Max Grundig is one of these. He has personally built up a booming electronics company since the war, starting from a bicycle repair shop in southern Germany. Willy Schlieker parlayed his wartime experience as a "boy wonder armaments

czar" into the most modern shipbuilding company in the country today.

BUSINESS-ORIENTED SOCIETY

Taken as a whole, the German businessmen are an extremely powerful group, with great influence in the Christian Democratic Party and the Government. They have given Adenauer, who is temperamentally bored with business and economics, the wherewithal to pursue his political objectives—resisting communism and building economic and political unity in Western Europe. And Adenauer, for his part, has paid attention to the needs of the business community, partly because of his close personal association with one or two of West Germany's leading bankers.

Perhaps this is only another way of saying that, for the first time in their history, the Germans have successfully developed a business-oriented society, with purposes and drives that aren't very different from those of American society. There was a similar development after World War I, but this was choked off by the great depression and the rise of Hitler.

There are differences, of course, between the business environment in West Germany and that in the United States. German businessmen don't have to live under nearly so strict anticartel laws. Nor do German managers have to pay so much attention to their stockholders, partly because the legal requirements are less exacting and partly because ownership is far less widely distributed. In fact, a few leading West German bankers still play a large role in German industry, almost in the way that J. P. Morgan once did in the United States.

EMPHASIS ON TRADE

Another difference, and a more important one, is the emphasis that German industry puts on foreign business. This grows out of the much greater dependence West Germany has on foreign trade. It is probably this fact that accounts for what can only be described as a drive for economic power in the German business community.

An outsider who visits West Germany today can't fail to notice this power drive. It is as if a strong national ambition, which the Germans once dedicated to political-military expansion, now has been channeled into an economic groove. Making West Germany the top exporter in the world and making the deutsche mark the world's strongest currency seem to be the present goals of the German businessman, so far as his goals reach beyond personal gain and power.

On the surface, it may seem hard to square such national goals with the keen German interest in the six nation European Economic Community (EEC) and in European political unity. But German industry sees this as a bigger "domestic" market—that will be a useful base for gradually winning a larger and larger share of the world market.

German industrialists are supremely confident that they can compete successfully in any market with their rivals of the United States and Western Europe. They don't even fear Japanese competition, except in the domestic German market, and there Japanese goods are pretty well excluded.

OUTSIDE CRITICISM

However, German export successes don't sit too well with other big trading nations, including the United States and Britain. That's mainly because these successes have helped produce the large annual surplus in the German balance of payments and the steady gain—at other countries' expense—in German currency reserves. Another important factor is the \$1 billion a year the Bundesbank takes in from military expenditures in West Germany by the United States, Britain, France, and Belgium.

More and more, you hear complaints in Washington and London that, given its strong financial position, West Germany should either revalue the deutsche mark upward or contribute more to Western defense costs and to economic aid in the underdeveloped countries. The West Germans, the critics say, are not playing the role of good creditors.

These critics believe West Germany's recent loan of \$250 million (half in U.S. dollars, half in deutsche marks) to the World Bank is a step in the right direction. But there is still a feeling that the Adenauer government will have to do more if it is to show the kind of international responsibility that goes with great economic strength.

Mr. ELLENDER. Mr. President, it seems to me that the only thing we can do to relieve our balance of payments problem is to reduce our subsidies to those foreign countries which are well able to stand on their own feet—to reduce military aid to Western Europe. It is obvious that the argument offered in opposition to this position, to the effect that "we are only giving these people military hardware" is without any real merit.

To the extent that we donate hardware to foreign countries, such donations do two things. First, they aggravate the balance of payments position of the United States, since U.S. goods are going out without any offsetting inflow of dollars or other media of exchange. Second, to the extent that we donate hardware to any foreign countries we relieve such countries of the obligation of buying such hardware and, in that manner, free their resources for other uses—uses which, in the case of Western European countries, permit the investment into their own economy of large percentages of their GNP's for plant modernization and capital development.

Mr. DWORSHAK. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. DWORSHAK. The Senator from Louisiana, as has been his custom for many years, is making a most informative and persuasive comment about our foreign aid spending program. It seems to me to be most tragic, when we consider that the bill embraces an expenditure of about \$4 billion, that only a few Senators are present in the Chamber to hear the Senator from Louisiana.

I wonder if the Senator from Louisiana has reached the same conclusion I have; namely, that there is very little interest in any appropriation bill which provides for the spending of billions of dollars; whereas, if the Senate were considering a very unimportant bill, probably a majority of Senators would be present.

Does not the Senator from Louisiana become deeply discouraged as he observes the complacency and the indifference displayed by Members of this body so far as the foreign-aid program is concerned?

Mr. ELLENDER. Mr. President, I have been a Member of the Senate for almost 24 years. I am used to talking to empty chairs, particularly when I attack such a sacred cow as our wasteful foreign-aid program; that is nothing new. However, I sometimes believe that, somehow, representative government has gone with the wind. Representatives are

becoming prone to follow, either the dictates of the executive branch or certain pressure groups.

I wish other Senators could have been with me during the days I recently spent in Europe. If I were capable of telling this body the condition of the NATO Alliance, somebody would want to use a shotgun on those in charge of it. However, because of the high secrecy which applies to the so-called NATO agreements, contracts, obligations, and the like, I am unable to tell the Senate or the American people fully the conditions which now exist in Western Europe. In my opinion they are shameful. I wish I could be more specific. But as the Senator from Idaho [Mr. DWORSHAK] knows the information is classified "top secret."

While we have furnished Western Europe under the NATO agreement the same number of divisions we contracted for 10 years ago, our allies have been greatly reducing their own forces.

Lately, Belgium has said that she plans to reduce her contribution to the NATO Alliance. Of course, Belgium is not furnishing much, but she says she will reduce the little she is furnishing. Why? Because of the Congo situation.

Mr. President, we can pour into the lap of Prime Minister Lumumba all the money we have in the Treasury—whatever we have left—and all the money we can borrow, but that will not solve the problem of the Congo, for the simple reason that they have no real leadership available. Imagine a country, as large as the western part of the United States from the Mississippi to the west coast, containing only about 20 college graduates. I think it is most tragic that the Belgians have left the Congo.

Mr. President, it was my privilege to visit the Belgian Congo in 1954. In my report to the Appropriations Committee later that year I placed the Belgian Congo at the top of the ladder of the colonies in Africa because of the accomplishments effected by the Belgians. They were doing a fine job, in my opinion. The Belgian Congo was divided into seven states, with a Governor General in charge of the entire Congo. Each of the seven states had a governor appointed by the Belgian King. Each of the seven governors of the seven states of the Congo worked hand in hand with the leading chiefs in the various States. In addition, 94 cents out of every dollar of profit made on any investment in the Congo was plowed back into the economy of the Congo, for its development. In other words, the Belgians did not permit anyone, not even their own people, to exploit the Belgian Congo. A reasonable profit of 6 percent on the investment was all that was allowed. Resources were being developed for the good of the local people. It is true the Belgians may have been slow in providing fancy schools and colleges, and so forth. But, Mr. President, I would like to point out that the Belgians were making a start in the right direction; if one visits almost any part of Africa, including Liberia, which has been a democracy for a hundred and ten years, one will see that very little progress has

been made there except under the leadership of people from the Western World.

Mr. GRUENING. Mr. President, will the Senator from Louisiana yield?

The PRESIDING OFFICER (Mr. MUSKIE in the chair). Does the Senator from Louisiana yield to the Senator from Alaska?

Mr. ELLENDER. Yes, Mr. President, I yield to my good friend.

Mr. GRUENING. Does not my colleague from Louisiana feel that a great mistake has been made by our own Government in not understanding that the word "colonialism" is not a blanket epithet of opprobrium, and that peoples that are wholly unprepared for self-government, that are primitive, inexperienced, illiterate, cannot be thrust into self-government suddenly without resulting chaos, and that the situation in a country such as the Congo or other newly born nation in Africa is totally different from the situation which existed in our country at the time the Thirteen Colonies launched their revolt against Old World colonialism and carried out the American Revolution? At that time our country was blessed with such great leaders as Washington, Franklin, Jefferson, Madison, and Hamilton, who were among the most enlightened people of their time, or perhaps in all history.

But for the newly born nations of Africa to attempt to rely for leadership in self-government on those largely primitive African people, some of whom are scarcely "out of the trees"—

Mr. ELLENDER. In fact, many of them are still cannibals.

Mr. GRUENING. Yes; and to attempt to have them assume self-government and have it succeed is fantastic.

I hope that in connection with the situation of the new nations of Africa, the wise course of action proposed by President de Gaulle, of France, in regard to Algeria will prevail, and that the great heritage of European civilization may not be lost; otherwise chaos will certainly follow in those African nations—there will be independence but not freedom—and no amount of money which we may send there will prevent it.

This administration seems to have adopted the philosophy and the policy that the giving of money will cure all ills and solve all problems abroad. But certainly it will not, as we shall definitely discover following the fantastic performance in the Senate the other evening, when the Senate voted to the administration blank-check authority to spend half a billion dollars in Latin America without any plan, program or controls. We shall soon see that that money will be largely wasted and mispent, just as a large part of the other \$80 billion of foreign aid has been wasted and misspent.

So I hope Congress will exercise some checks over these expenditures in the future, even though there is very little prospect of doing so under this administration.

Mr. ELLENDER. Mr. President, I appreciate my friend's remarks. I agree with him. I think it is tragic that the wave of nationalism that has swept over

Africa has made it possible for the reins of government to fall into the hands of people who, as the Senator from Alaska has said, are uneducated and do not understand right from wrong—

Mr. GRUENING. And can neither read nor write.

Mr. ELLENDER. Yes, can neither read nor write. When we speak to them of democracy and freedom, many of them think that means the freedom to go into anyone's home or store and help themselves to everything they might want. That is their conception of freedom.

Mr. GRUENING. That is correct.

Mr. ELLENDER. Mr. President, this situation is tragic. Regardless of how much money we might pour into such countries, it will not accomplish democracy as we know it.

As I pointed out in my previous remarks today about the Dominican Republic, even in South and Central America, where many people are well educated, it is impossible for democracy to be practiced in the way we know it in the United States.

May the good Lord save the people of wild Africa when attempts are made to force democracy upon them almost overnight. It will take several centuries to educate those people.

I certainly hope our country does not embark on a large-scale, long-range foreign-aid program to Africa, for if we do, we might as well kiss American liberty goodbye. If we take such a move we might as well hang the crepe on the door of private enterprise, because, Mr. President, our economy could not stand such a gigantic assault on the not unlimited resources of this country.

I hope that if any great amount of aid is given to the newly independent countries of Africa, it will be done through the medium of the United Nations, so that all the countries of the world which belong to that Organization can make their just contributions to the progress of these African countries.

In other words, Mr. President, we are spending our own strength, and in the process we are actually courting economic disaster both at home and abroad.

Even these circumstances might compel me to alter my position with regard to military aid to the countries of Western Europe if it could be shown that U.S. military assistance to those countries has the effect of stimulating defense spending on their own part. But such is not the case. On the contrary, Mr. President, last year, when we cut back military assistance to \$1.3 billion—a reduction of \$300 million from the amount requested by the administration, and most of the cut was applied against programs in the countries of Western Europe—what was the effect of the reduction? I will tell you, Mr. President: Practically every country in Western Europe increased its defense expenditures for the fiscal year 1960. That development must be measured against the record of previous years—years when U.S. defense subsidies to Western European countries were increasing. During those years, those countries, almost to a nation, re-

duced their own expenditures for defense.

In other words, the record bears out my contention that as U.S. military assistance goes up, the defense expenditures of the European countries go down. Furthermore, on the basis of the record last year—a year when the United States reduced defense subsidies to Western Europe—it seems clear that when the United States cuts back on arms subsidies there, then, and only then, will our so-called NATO allies begin to consider carrying more of their own loads.

Under the circumstances, Mr. President, I am convinced, even more than ever, that the only way we shall compel the countries of Western Europe to pay their own arms bill—the only way we shall stem the tendency on their part to let Uncle Sam pay their defense bills, while they broaden their capabilities to reduce U.S. exports in foreign markets—the only way quickly available to us to restore a favorable balance of payments—is for the United States to drastically reduce military aid to those countries.

At this point, Mr. President, I should like to discuss defense support.

Before I do so, Mr. President, I should like to say that we are spending for defense in the neighborhood of 11 percent of our gross national product. This is compared to less than 3 percent that Denmark is spending on defense. None of the countries of Western Europe spend more than 6 or 6½ percent of their gross national product on defense. If only those countries would spend, on the average, half of what we are spending, they would not need any additional funds from us to bolster their defenses.

But they regard the entire matter as political. They take the position that if they increase their defense expenditures, their governments may topple.

On the other hand, our administration takes the position that it is all very well for our country to go deeper and deeper into debt just so long as we keep pouring our dollars into these countries. Insofar as these countries of Western Europe are concerned, we seem to continue to bear the burden of their own defense, irrespective of the impact which all these expenditures will have on our own economy.

And now, I shall return to the item in this bill, known as defense support.

For fiscal year 1961 the administration requested \$724 million for defense support. The Congress authorized \$675 million, and the House allowed \$600 million for this purpose. The result of the Senate committee action was to appropriate an amount equal to the authorization.

Defense support, I might say, is economic aid pure and simple. It goes to those countries which have defense alliances with the United States. If these countries did not have alliances with the United States, this aid would not be called defense support, but would be described as special assistance.

Special assistance, I might also remark, is merely another fancy name for economic aid. So I preface my remarks, in this connection, with the reminder that, although I am presently discussing

what the administration likes to call defense support, I am really dealing with economic aid. This aid, despite the nomenclature "defense support" does not consist of military equipment or military supplies of any other nature, or military training in any form. It involves commodities, equipment, and, in some instances, direct cash payments—that is, dollar gifts for the economic enhancement of the recipient countries.

The 12 countries programed to receive defense support for fiscal year 1961 have been recipients of the largest amount of grant aid from us in the past. In fact, Mr. President, if we did not appropriate another dollar for defense support, the pipeline available for expenditure in these countries, including funds available through the Development Loan Fund and title I of Public Law 480, would aggregate almost \$1.5 billion. According to figures furnished the Senate Appropriations Committee by the ICA, the unexpended balances in the defense support appropriation alone amounted to \$805,012,000 as of June 30, 1960. In addition, the unexpended balances in the development loan appropriation programed for these very same countries, which receive defense support, amounted to \$440,509,283, at that same date. Furthermore, these very same countries are programed to receive \$209 million under title I of Public Law 480. If these amounts are added together, the total funds available for expenditure in these countries, excluding the amount appropriated in this bill, amount to \$1,454,521,283.

Mr. President, these data prove what I have long maintained:

First. Defense support, which is purely and simply economic aid, continues to flow in huge amounts to countries which we have aided substantially, if not enormously, over the last 6 to 7 years.

Second. The total amount of funds available for expenditure for this purpose, despite the creation of the Development Loan Fund, has not been reduced, but, if anything, remains stable and, in many cases, has actually been increased.

Third. This element of the bill, as well as title I—that is, the provision for military assistance—promises a further drain on our already diminishing gold resources. It is not inappropriate to point out that quite a few of the countries scheduled to receive gifts of American dollars under the guise of defense support are actually using our donated dollars to purchase goods from American competitors—principally Western European countries, which are also on the U.S. dole. Simply put, defense support involves not only dollar donations to underdeveloped countries, but, also, because most of these dollars are spent in Western European countries to purchase goods and equipment from those countries, defense support is an additional subsidy to our already heavily subsidized Western European competitors.

I should not have to repeat what effect the expenditure of defense support dollars in Western European countries has on our balance-of-payments problem.

It should also be noted that here, again, Uncle Sam is "playing patsy." When Western Germany, for example, sets up credits in foreign countries, it does so with the restriction that these credits be utilized only in Western Germany, but when Uncle Sam goes forth into the world throwing dollars around like a drunken sailor, we refuse to do the same. How long this can continue I do not know, but, I repeat again, defense support as well as the other sections of the pending bill involve a wholesale squandering of U.S. funds without any benefit to our economy or to our security.

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

Mr. ELLENDER. My time is limited.

Mr. GRUENING. Very briefly. I merely wish to call attention to the fact that the entire body of the Senate now on the floor is in sympathy with the Senator's view of the shocking waste that is committed, and it might be appropriate to have a motion to table the bill.

Mr. ELLENDER. I do not know what views the Presiding Officer might have on such a motion. [Laughter.]

The next section of the bill to which I desire to refer is "special assistance."

Special assistance, as I have already remarked, is another type of dollar donation. It goes to countries which do not have defense alliances with us and, as is the case with defense support, involves no restriction on where our dollars may be spent.

Again, in many instances, these dollars are spent in Western European countries and, as a result, are transformed into supplemental economic aid to those countries.

At the risk of being facetious, I might also say, as to special assistance, that it offers assurance that any country which might not otherwise have a pipeline to the Federal treasury is given one.

The bill, as reported by the committee, appropriates \$256 million for "special assistance." The bulk of this will go to four countries: Morocco, Libya, Jordan, and Afghanistan. Special assistance to Libya and Morocco used to be justified as a kind of "hush" money—a rental payment for U.S. airbases there. However, since our airbases are being closed out, it would seem that perhaps the rental payments should be terminated. Unfortunately, such is not the case. Uncle Sam is probably the only lessee in history who continues to pay his rent while he is moving out his furniture.

Mr. President, I do not wish to dwell on this section of the bill dealing with special assistance to any great extent except to say it also includes substantial contribution to six countries located to the south of us. We have heard quite a bit lately about U.S. economic aid to Latin American countries. But in this bill under the category of special assistance relatively large amounts of money are proposed to be appropriated for Bolivia, Brazil, Guatemala, Haiti, Paraguay, and the West Indies. These allocations, I might point out, are not new; they have occurred in previous years.

Yet, there are those who say we are "neglecting" Latin America.

Again, at the risk of being facetious, I would like to make the record clear that my own State of Louisiana would be delighted to be "neglected" in this manner.

The next portion of the bill is the contingency fund.

This fund, Mr. President, is somewhat like the old story about the college boy's jealousy—"a wreck looking for some place to happen."

The contingency fund, through the consummate salesmanship of the Department of State, has been purveyed to the Congress in years past as a means according flexibility to American policy abroad—a repository for noncommitted funds, a means of permitting the President to react quickly to any unforeseen events which might occur. In other words, it might almost be said that the contingency fund is "a crisis looking for a place to happen."

When the House considered this bill, it approved \$150 million—the full amount of the authorization—for contingencies. Of course there were no plans available as to how these funds might be spent because, as a Department of State spokesman put it, one could not predict where the next crisis might occur.

Between the time the House passed the bill and our Appropriations Committee marked it up, a crisis had developed in the Congo. Quite a few of us, upon reading of events there in the newspapers, must have felt that "Well, this will be taken care of when we give the President his contingency fund." But, lo and behold, upon our return to Washington, we were told that since a contingency had developed, more money would be required. Why it is that \$150 million originally earmarked for contingencies should have to be almost doubled, upon the appearance of a bona fide contingency, would seem to be—as Churchill once so picturesquely stated—"a riddle wrapped in a mystery inside an enigma."

Reference to my remarks during original consideration of the authorizing legislation earlier this year will prove that this apparent riddle is easy to answer. The contingency fund was never really designed as a means of meeting world crises but, rather, was used solely and simply as a separate "slush fund," out of which the President could restore at least part of any cuts which the Congress might impose in other titles of the bill. I dislike making such a statement, but the facts fully support it because, last year, a year when there was, thankfully, no real world crisis which had not been foreseen, large portions of congressional reductions in military assistance and defense support assistance were overcome by the simple expedient of the President dipping into the contingency fund and transferring contingency fund money to those mutual security appropriations.

On Friday, August 19, the Senate apparently decided to go along with the administration's plea by authorizing a \$100 million increase in the contingency fund to help meet the crisis in the Con-

go. I opposed this \$100 million increase, Mr. President, because it struck me that if \$100 million was the sum required to meet certain difficulties in the Congo, this sum could be taken from the appropriation recommended by the House of \$150 million and still leave a surplus of \$50 million to meet any subsequent crisis. In other words, I took the position that the contingency fund should be used for contingencies; that the Congo situation was the only contingency which had developed, and that the necessary funds to meet developments there could be drawn from the \$150 million contingency authorized earlier, for which an appropriation had been approved by the House.

I also insisted that in the light of the administration's previously announced determination to use \$100 million in the Congo to finance various projects in that country, through the United Nations, the United States should hew to the line on its previous position to the effect that U.S. contributions to U.N. projects should be limited to one-third of the total cost of such projects.

Senators will recall that we had an unfortunate experience with a previous U.N. effort—UNRRA. UNRRA was supposed to be an international cooperative relief program; all members of the U.N. were to join in it and help finance it, but in its application this theory was lost. As matters worked out, Uncle Sam paid the bills and Russia and other countries got the lion's share of the credit. With this in mind, I determined that the same mistake should not be made in the Congo, and insisted on tying "strings" to our aid.

Although I lost my fight in committee as to a specific percentage, I believe I won a victory for the people of our country in principle. As reported, the bill stipulates that in no event can our contributions to the United Nations for use in Africa exceed more than 40 percent of the total contributions to the United Nations for such programs. Furthermore, language was added in the committee report expressing the intent of the committee that this 40-percent figure should be regarded as a ceiling and that it should be reduced to one-third as soon as possible.

Actually, Mr. President, a strong case could be made for refusing any aid to the Congo until Premier Lumumba purges himself of the contempt he has displayed for the United States, the U.N. Secretary General and for our own Ambassador. It goes without saying that a nation that permits the wanton bludgeoning of United Nations troops, a nation which greets a U.S. Ambassador with a bayoneted rifle and refuses to permit him to keep a previously made appointment—should be denied assistance entirely. Unfortunately, such is not the policy of this Government. We are too soft. We rush in to give assistance irrespective of the impact that these enormous expenditures will have on our own economy.

I might also remark that I refrained from offering an amendment designed to specify that the 50-50 shipping clause should apply to the transportation of

goods or commodities to Africa, purchased out of the proceeds of our contribution to the U.N. for that purpose, upon learning that the Foreign Relations Committee staff is of the opinion that such clause remains applicable. As I understand the situation, the 50-50 shipping clause applies to all programs authorized under the Mutual Security Act, including the contingency fund, unless expressly waived by law, as was the case with the Indus Basin project. Thus, since our contribution of \$100 million to the U.N. for use in Africa comes from the contingency fund, goods purchased with such contribution remain subject to the 50-50 shipping requirement.

Mr. President, I have spoken more in detail than I originally intended, and I do not wish to dwell to any great extent on the Development Loan Fund. I do wish to say that, when originally submitted to the Congress, the Development Loan Fund was said to be a program in which all of the "soft" loans administered by the United States could be concentrated, and further, that creation of the Development Loan Fund would permit shifting U.S. aid from a grant to a loan basis.

I have already remarked upon the fact that neither special assistance nor defense support have been appreciably reduced since the creation of the Development Loan Fund. As a matter of fact, special assistance of a project nature has increased from \$42.6 million in 1956, to a proposed \$123 million in fiscal 1961. Defense support would seem to show, on its face, a small reduction since 1956, but this reduction is more apparent than real, since Public Law 480 local currency uses have frequently more than offset any reduction in direct dollar appropriations.

In any event, the committee has included in its report language which, if observed by the administrators, will reinstate the policy under which the Congress was told the Development Loan Fund was to operate at its inception. I quote from the committee's report:

This fund was created by the Congress in 1957 as a separate and distinct corporate entity. It was established primarily as the instrument to be used to provide capital for the long-term economic growth in the less developed countries. In fulfilling this purpose the Development Loan Fund is intended to gradually displace project-type grant assistance provided in both the defense support and special assistance appropriations.

While this, in my opinion, is a salutary development, I am concerned at the wholesale propagation taking place in U.S. lending agencies. In addition to the Development Loan Fund, we have recently created the so-called Inter-American Bank. Earlier this year, the Congress authorized our participation in the International Development Association, which purports to do on a multilateral basis what the Development Loan Fund was created to do on a bilateral basis.

On Friday, August 19, the Senate took another step toward creating more duplication in U.S. foreign lending agencies, by authorizing the is-

suance of a blank check in the amount of \$500 million to the President, for use in Latin America, plus \$100 million for Chilean disaster relief. Fortunately, before this check is endorsed, the Appropriations Committee will, I understand, take a long, hard look at what is involved. Why this program should have been authorized at all is beyond my comprehension. Even the distinguished chairman of the Committee on Foreign Relations professed a "lack of enthusiasm because of the vagueness of this proposal."

No one has advocated and supported increased United States-Latin American cooperation more than the senior Senator from Louisiana. Louisiana is the gateway to Latin America; the Port of New Orleans is the great funnel through which goods between the two continents must be exchanged, but the piecemeal approach, the patchwork policy, which has characterized our relationships with the countries to the south of us bodes no good for American interests or American friendships there.

I believe I know a little bit about the people of Latin America and the way they think. They are proud people, and in their hearts, I am convinced that they harbor a spirit of friendship for the people of the United States.

It is true that in recent months evidences of dissatisfaction with some American policies have been noted there, but dissatisfaction with American policies will not be overcome by an increase in U.S. gifts to these people. Latin America does not want, nor does Latin America need, charity. The nations of Latin America abound in natural resources. All the people there want is an opportunity to develop these resources for their own betterment. Exploitation must not be permitted; development must be fostered.

This development cannot feasibly be accomplished through gifts of money. The people of Latin America are not for sale, and it ill behooves a great country, which likes to think of itself as a good neighbor, to try to buy allegiance or friendship, to say nothing of respect, in this part of the world.

I fear that the same old dollar balm which has been purveyed in other areas by the present administration is being introduced into Latin America and, as has been the case in other parts of the world, this treatment is going to result in more strife, not less; in more bitterness, not more friendship; in less regard for U.S. policies, not more respect for the objectives which we profess.

Much is said of a Marshall plan for Latin America. Mr. President, we have poured billions into Europe through the European Marshall plan. We are today reaping our harvest of dislike, discord, and burgeoning restrictions against trade with the United States.

We tried wholesale donations of money in the Middle East. Never before has the Soviet Union been stronger in that part of the world.

We lavished American dollars on southeast Asia. Laos, whose army was in our pay, has revolted, and a neutralist government has been created there. The

Government of South Korea, which, only 2 years ago, the State Department was hailing as a model of freedom, has fallen—the victim of vice, graft, bribery, thievery and wholesale vote stealing. Throughout the Far East, in countries which were at one time friendly toward the United States, a spirit of neutralism, if not actually dislike, is rampant. Do we want the same to happen in Latin America? Can our security survive such developments there?

On the other hand, if we embark upon a program of lavish gifts, based upon the principle that friendship and respect can be bought and sold in the arena of economic aid, how long will it be before we are called upon to undertake a Marshall plan for Africa? Newly independent governments desirous of dollar gifts know full well that the quickest way to prevail upon Uncle Sam to "come across" is to indulge in a dalliance with international communism. It worked with India and it is apparently working in some areas of Latin America.

I say today, Mr. President, that once we add Latin America to our dole; once we put Africa on the American hand-out list, none of the free world, to say nothing of the United States alone, possesses sufficient wealth to appreciably raise living standards in all of these areas. The entire treasure of the United States could be dumped into Africa and never be found again.

Mr. President, as I indicated when I began this address, I did not propose to offer any amendments to this bill today—for a number of reasons—not the least of which is that I fear an atmosphere of almost hysteria prevails among some Members of the Congress, to say nothing of the administration, but I plead with Senators to think upon these issues for themselves. Dollars are no substitute for a sound foreign policy; we have tried that approach and failed.

The Congress must not permit the administration to compound previous mistakes by according to them our endorsement and support. Foreign aid has not won friends in the past, nor will it win friends in the future, and I urge Senators to join with me in voting against this bill in the hope that a new approach will be engendered. Only through defeating existing programs can we compel a reexamination of our attitudes toward foreign lands; only through failing to implement an outmoded and long discredited policy can we force its abandonment.

Mr. President, I renew my motion.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. HAYDEN. Mr. President, I yield 30 minutes to the Senator from Alaska.

NO NEW STARTS AT HOME—UNLIMITED NEW STARTS ABROAD

Mr. GRUENING. Mr. President, from time to time, since the first of the year,

I have risen on the floor of the Senate to discuss the double standard which the Eisenhower-Nixon administration has been following.

Under this double standard, funds in amounts running into the billions have been requested by the Eisenhower-Nixon administration on a "no cuts permitted" basis for the very same type of projects which, when suggested for the United States, are roundly condemned by that same Eisenhower-Nixon administration as wasteful, unnecessary and as tending to unbalance the budget.

For 7½ years now the Eisenhower-Nixon administration, through the use of the veto or the threat of a veto, has managed to prevent the adoption of legislation which would have provided adequately for domestic programs in such fields as education, water pollution control, public works, forest preservation and development, airports, housing, highways, area redevelopment, the development of the Nation's coal resources, and so forth.

And all during these same 7½ years the Eisenhower-Nixon administration has been urging more and more appropriations for projects abroad in exactly these same fields but without the far tighter budgetary controls exercised by the Congress over domestic programs.

Mr. President, at this point, I wish to review very briefly the record of the Eisenhower-Nixon double standard in some of these fields.

First let us consider the field of education.

During its first 2 years in office, the Eisenhower-Nixon administration—with a Republican Congress—did not even offer a program of Federal aid to education, even though President Eisenhower on October 9, 1952—approximately a month before his election—had stated that "1,700,000 American boys and girls" were "without any school facilities."

Was it any wonder that the Secretary of one of our departments of Government during that period earned the *nom de plume* of Secretary of the Department of "Not Too Much" Health, Education and Welfare?

In 1955 the Eisenhower-Nixon administration presented to the Congress a school aid program which would have been of great benefit to the bond market but not the Nation's schoolchildren.

The years that followed showed indifference and opposition on the part of the Eisenhower-Nixon administration to the enactment of an adequate bill providing for Federal aid to education.

This very year saw the Vice President himself break a tie in the Senate to vote against Federal aid for teachers' salaries although teachers' salaries were included for foreign countries in the foreign aid program.

Was the Eisenhower-Nixon administration similarly indifferent and opposed to sending U.S. dollars abroad to meet education needs there?

It was not.

Since fiscal year 1955, over \$131 million—American dollars—have been spent on educational projects abroad.

While millions of American schoolchildren faced, and continue to face, the hard realities of overcrowded classrooms, half-day sessions, and overworked, underpaid and sometimes undertrained schoolteachers and the Eisenhower-Nixon administration was cynically playing the game of attaching civil rights riders to school aid bills and then voting overwhelmingly against the bill itself, that same Eisenhower-Nixon administration was approving such projects as \$660,000 in fiscal year 1955 for aid to education in Iran, \$49,656,900 for fiscal years 1955 through 1959 to aid the educational system in Nationalist China,

and \$1,091,000 in fiscal year 1958 alone for the educational system in Korea, and so on and on.

Those are only a few examples of a great many.

I ask unanimous consent that there be published at this point in my remarks a tabulation and recapitulation which I have had prepared showing the foreign aid projects in the field of education from fiscal year 1955 through fiscal year 1959.

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

TABLE 1.—Recapitulation—Mutual security grants for education, by continent and fiscal years 1955 to 1959, inclusive

Continent	Fiscal year 1955	Fiscal year 1956	Fiscal year 1957	Fiscal year 1958	Fiscal year 1959	Cumulative through fiscal year 1959
Far East.....	\$5,159,800	\$10,979,784	\$13,037,000	\$11,682,000	\$9,981,000	\$50,839,584
Near East and Asia.....	7,693,162	8,341,523	7,081,000	6,311,000	8,532,000	37,958,685
Africa.....	1,191,480	2,304,433	4,357,000	5,905,000	6,005,000	19,762,913
Europe.....	161,853	78,128	20,000	102,000	130,000	481,981
Latin America.....	2,546,266	3,575,072	4,146,000	4,540,000	4,574,000	19,381,338
Total.....	16,742,561	25,278,940	28,641,000	28,540,000	29,222,000	128,334,501
Asian Economic Development Fund.....				2,923,000	400,000	3,323,000

Prepared by the office of Senator ERNEST GRUENING (Democrat, of Alaska) from information furnished by ICA.

EDUCATION		Fiscal year 1956—Continued	
(62) Vocational Agriculture Education		LATIN AMERICA—Continued	
Fiscal year 1955		Fiscal year 1957	
FAR EAST		FAR EAST	
China: Improvement of vocational agricultural school.....	\$79,000	Honduras: Vocational agricultural education (education cooperative service).....	\$31,000
Philippines: Vocational agricultural training.....	492,000	Education in crafts and trades (education cooperative service).....	66,540
Thailand: Vocational agriculture.....	42,000		
NEAR EAST, AFRICA, AND SOUTH ASIA		Fiscal year 1958	
Iraq: Vocational agricultural education.....	17,087	FAR EAST	
Israel: Study methods of agricultural education, participant.....	5,000	China (Taiwan): Improvement of vocational agricultural schools.....	79,000
Jordan: Kadoori Agricultural School.....	505,465	Establishment of vocational agricultural teacher training department, Taiwan Provincial College of Agriculture.....	26,000
Libya: Vocational agricultural education.....	97,000	Philippines: Vocational agricultural training.....	219,000
LATIN AMERICA		NEAR EAST AND SOUTH ASIA	
Bolivia: Vocational agricultural education.....	5,828	Afghanistan: Vocational agricultural education.....	121,000
Vocational agricultural school in Montero.....	41,532	Jordan: Agricultural education.....	26,000
Honduras: Vocational agricultural education.....	12,030	LATIN AMERICA	
Education in crafts and trades.....	44,246	Bolivia: Vocational agricultural education project.....	49,000
Nicaragua: Rural and elementary education.....	67,200	Honduras: Vocational agricultural education.....	19,000
Overseas territories: Education in crafts and trades (education cooperative service).....	90,000	Jamaica: Vocational agricultural education.....	3,000
British Honduras: Vocational agricultural education.....	4,000		
Fiscal year 1956		Fiscal year 1958	
FAR EAST		FAR EAST	
Cambodia: Food and nutrition training course.....	18,900	China (Taiwan): Vocational agricultural education.....	101,000
China: Improvement of vocational agricultural schools.....	72,000	Philippines: Vocational agricultural training.....	143,000
Establishment of vocational agricultural teacher training department, TCA.....	19,000	NEAR EAST AND SOUTH ASIA	
Philippines: Vocational agricultural training.....	657,498	Afghanistan: Vocational agricultural education.....	96,000
Thailand: Improvement, vocational agricultural schools.....	68,000	Iraq: Advisers in agricultural education.....	25,000
NEAR EAST AND SOUTH ASIA		Jordan: Agricultural education.....	103,000
Afghanistan: Vocational agricultural education.....	107,000	Khadouri Agricultural School.....	235,000
Jordan: Agricultural education.....	92,000	AFRICA	
AFRICA		Tunisia: U.S. rural teacher training program (French language).....	
Libya: Vocational agricultural education: Cyrenaica.....	180,500	18,000	
Tripolitania.....	183,600	EUROPE	
EUROPE		No projects.	
None.		LATIN AMERICA	
LATIN AMERICA		Bolivia: Vocational agricultural education project.....	
Bolivia: Practical vocational agricultural school at Montero.....	55,456	Honduras: Vocational agricultural education (education cooperative service).....	
El Salvador: Agricultural education.....	26,800	Education in crafts and trades (education cooperative service).....	
		121,000	
		Fiscal year 1959	
		FAR EAST	
		China (Taiwan): Vocational agricultural education.....	
		462,000	

Fiscal Year 1959—Continued	
NEAR EAST AND SOUTH ASIA	
Afghanistan: Vocational agricultural education.....	\$64,000
Iraq: Advisers in agricultural education.....	38,000
Jordan: Agricultural education.....	54,000
AFRICA	
Tunisia: U.S. rural teacher training program (French).....	2,000
EUROPE	
None.	
LATIN AMERICA	
Bolivia: Vocational agricultural education project.....	52,000
Colombia: Vocational agricultural education.....	24,000
Honduras: Vocational agricultural Education (education cooperative service).....	24,000
Education in crafts and trades (education cooperative service).....	95,000
(63) Home Economics Education.....	
Fiscal year 1955	
FAR EAST	
Philippines: Home economics training.....	83,000
NEAR EAST, AFRICA, AND SOUTH ASIA	
India: Home science education and research.....	703,000
Fiscal year 1956	
FAR EAST	
China (Taiwan): Improvement of home economics teacher training department (TPNU).....	10,000
NEAR EAST AND SOUTH ASIA	
India: Home science education and research.....	13,740
AFRICA	
None.	
EUROPE	
None.	
LATIN AMERICA	
El Salvador: Education in home economics.....	22,700
Guatemala: Home life education (SCIDE).....	17,200
Fiscal year 1957	
NEAR EAST AND SOUTH ASIA	
India: Assistance to home science education and research.....	11,000
Fiscal year 1958	
FAR EAST	
China (Taiwan): Home economics education.....	18,000
NEAR EAST AND SOUTH ASIA	
India: Assistance to home science education and research.....	319,000
AFRICA	
No projects.	
EUROPE	
No projects.	
LATIN AMERICA—OVERSEA TERRITORIES	
British Guiana: Training in developing leadership for home economics programs.....	2,000
Fiscal year 1959	
FAR EAST	
China (Taiwan): Home economics education.....	31,000
NEAR EAST AND SOUTH ASIA	
India: Assistance to home science and research.....	2,000
OVERSEA TERRITORIES	
United Kingdom: Women's occupational training center.....	15,000
EUROPE	
None.	
LATIN AMERICA	
None.	
(64) Elementary Education.....	
Fiscal year 1955	
FAR EAST	
Cambodia: Rural education demonstration and training program.....	179,800
Philippines: Elementary curriculum development.....	161,000
NEAR EAST, AFRICA, AND SOUTH ASIA	
Egypt: Training of teachers for rural elementary schools of Egypt.....	91,300
Ethiopia: Teacher education.....	20,000
Iraq: Education—Elementary Teachers Institute.....	2,710
Israel: For teacher training workshops.....	5,000
Libya: Elementary education.....	174,000
LATIN AMERICA	
Bolivia: Indian school nucleus.....	50
Rural normal schools project—Education servico.....	96,118
Teachers' workshops.....	500

Fiscal year 1955—Continued	
LATIN AMERICA—Continued	
Ecuador: Rural education teacher training.....	\$71,685
Urban education teacher training.....	33,703
Education division administration.....	37,085
Honduras:	
Rural elementary teacher training.....	20,741
Rural normal school development.....	57,000
Panama: Elementary (rural) education.....	109,400
Paraguay: Elementary teacher education.....	132,088
Fiscal year 1956	
FAR EAST	
Cambodia: Preparation of textbooks and teaching aids.....	30,000
Rural demonstration and training.....	153,000
Laos: Elementary education.....	65,000
Philippines: Elementary curriculum development.....	74,000
Thailand: Curriculum development—Chachoengsao.....	50,000
NEAR EAST AND SOUTH ASIA	
Egypt: Education—teacher education (grades 1-6).....	115,746
Education post primary schools.....	15,655
Jordan: Bedouin education.....	75,000
Lebanon: Rural teacher college.....	53,050
AFRICA	
Ethiopia: Teacher education.....	47,888
Libya: Elementary education, Cyrenaica.....	11,000
Elementary education, Tripolitania.....	7,400
EUROPE	
None.	
LATIN AMERICA	
Bolivia: Construction of Mineros rural school education servico.....	100
Rural normal school project.....	141,978
Teachers workshops and all other inservice training—Education servico.....	500
Brazil: Elementary education.....	95,000
Dominican Republic: The development of community school concept in rural education (SCIDE).....	51,474
Ecuador:	
USOM cooperative education servico.....	106,000
Rural education teacher training.....	96,800
Urban education teacher training.....	71,600
Education division administration.....	43,700
Guatemala:	
Rural elementary teacher training (SCIDE).....	35,500
Rural socio-education development (SCIDE).....	31,000
Honduras:	
Rural elementary teacher training (education cooperative servico).....	39,090
Rural normal school development (education cooperative servico).....	71,200
Nicaragua: Education, rural and elementary.....	115,040
Panama: Elementary (rural) education.....	206,400
Paraguay: Elementary teacher education.....	103,418
Fiscal year 1957	
FAR EAST	
Laos: Elementary education.....	145,000
Philippines: Elementary curriculum development.....	66,000
Thailand: Elementary education.....	404,000
Vietnam: Elementary education.....	351,000
NEAR EAST AND SOUTH ASIA	
Egypt: Training of teachers for rural elementary schools.....	33,000
India: Assistance to the National Institute of Basic Education.....	23,000
Lebanon: Rural teacher college.....	1,000
AFRICA	
Ethiopia: Ethiopian teacher education.....	50,000
Libya:	
Rural education.....	15,000
Teacher education.....	435,000
Do.....	700,000
LATIN AMERICA	
Bolivia: Rural education project.....	124,000
Brazil: Brazilian-American assistance to elementary education.....	132,000
Elementary education.....	135,000
Costa Rica: School of education development project.....	20,000
Dominican Republic: Development of community school concept in rural education.....	40,000
Ecuador:	
USOM cooperative education servico.....	72,000
Rural education teacher training.....	92,000
Urban education teacher training.....	44,000
Education division administration.....	52,000
Honduras:	
Rural elementary teacher training.....	19,000
Rural normal school development.....	49,000
Nicaragua: Education, rural.....	105,000
Panama: Elementary (rural) education.....	99,000
Paraguay: Elementary teacher education.....	123,000

Fiscal year 1958	
FAR EAST	
Cambodia: Preparation of textbooks and teaching aids.....	\$1,000
Laos: Elementary education.....	365,000
Thailand: General education development.....	497,000
Vietnam: Elementary education.....	125,000
NEAR EAST AND SOUTH ASIA	
India: Assistance to the National Institute of Basic Education.....	2,000
AFRICA	
Libya: Teacher education.....	52,000
Morocco: Rural teacher training.....	21,000
EUROPE	
No projects.	
LATIN AMERICA	
Bolivia: Rural education project.....	115,000
Brazil: Brazilian-American assistance to elementary education.....	75,000
Do.....	180,000
Costa Rica: University of Costa Rica assistance (school of education development project).....	24,000
Dominican Republic: Rural education.....	53,000
Ecuador:	
Rural education teacher training.....	109,000
Urban education teacher training.....	39,000
Education division administration SCIE.....	47,000
Guatemala: Teacher training program.....	300,000
Honduras:	
Rural elementary teacher training (education cooperative servico).....	16,000
Rural normal school development (education cooperative servico).....	38,000
Nicaragua: Rural and elementary education.....	93,000
Panama: Elementary (rural) education.....	117,000
Paraguay: Elementary teacher education.....	73,000
Fiscal year 1959	
FAR EAST	
Laos: Teacher training.....	384,000
Thailand: General education development.....	410,000
Vietnam: Expansion and improvement of elementary education.....	197,000
NEAR EAST AND SOUTH ASIA	
India: Assistance to National Institute for Basic Education.....	15,000
AFRICA	
Liberia: Teacher training.....	508,000
Rural school development.....	79,000
Libya: Teacher education.....	179,000
Morocco: Rural teacher training.....	34,000
Tunisia: Assisting Tunisian textbook preparation.....	11,000
Bilingual normal school teacher training.....	50,000
Elementary school assistance.....	6,000
EUROPE	
None.	
LATIN AMERICA	
Bolivia: Rural education project.....	106,000
Brazilian-American assistance to elementary education program.....	75,000
Elementary education program.....	160,000
Colombia: Primary education.....	35,000
Costa Rica: University of Costa Rica assistance (School of Education development project).....	20,000
Ministry of Education assistance normal education (elementary).....	46,000
Dominican Republic: Rural education.....	84,000
Ecuador:	
Rural education teacher training.....	47,000
Urban education training.....	34,000
Education division administration.....	111,000
Honduras:	
Rural elementary teacher training.....	40,000
Rural normal school development.....	34,000
Nicaragua: Rural and elementary education.....	128,000
Panama: Elementary (rural) education.....	102,000
Paraguay: Elementary teacher education.....	80,000
(65) Secondary Education	
Fiscal year 1955	
NEAR EAST, AFRICA, AND SOUTH ASIA	
Iran: Training Iranian nationals.....	810,974
Secondary education support.....	160,000
Iraq: Commercial and scientific education.....	110,000
Education-secondary teachers institute.....	2,384
Fiscal year 1956	
FAR EAST	
China (Taiwan): Educational materials center.....	25,000
Philippines: Secondary education improvement.....	45,000
Thailand: Improvement of secondary education.....	38,000

<i>Fiscal year 1956—Continued</i>	
NEAR EAST AND SOUTH ASIA	
India: Secondary school teacher extension project.....	\$1,206,900
Iran: Training Iranian national (this project considers expanded subproject for Teheran Institute of Technology).....	1,064,745
AFRICA	
None.	
EUROPE	
None.	
LATIN AMERICA	
Brazil: Improvement of secondary education curriculum.....	25,400
Costa Rica: School of education team visit project.....	5,000
El Salvador: Education English language program.....	18,850
Guatemala: Urban education, reorganization and development (SCIDE).....	29,700
<i>Fiscal year 1957</i>	
FAR EAST	
China: Educational materials center.....	27,000
Philippines: Secondary education improvement.....	93,000
Thailand: Improvement of secondary education.....	122,000
Vietnam: Secondary education.....	132,000
NEAR EAST AND SOUTH ASIA	
India: Assistance to the extension training program for secondary-school teachers.....	323,000
Iran: Training for educational development.....	414,000
LATIN AMERICA	
Brazil: Secondary education.....	66,000
<i>Fiscal year 1958</i>	
FAR EAST	
China (Taiwan): Educational materials center.....	32,000
Vietnam: Secondary education.....	339,000
NEAR EAST AND SOUTH ASIA	
Ceylon: Science education.....	199,000
Iran: Educational development.....	353,000
AFRICA	
No projects.	
EUROPE	
No projects.	
LATIN AMERICA	
Brazil: Brazilian-American assistance to secondary education.....	61,000
<i>Fiscal year 1959</i>	
FAR EAST	
Korea: Secondary education.....	91,000
Vietnam: Expansion and improvement of secondary education.....	204,000
NEAR EAST AND SOUTH ASIA	
Ceylon: Science education.....	51,000
India: Assistance to the extension training program for secondary school teachers.....	35,000
Iran: Educational development.....	445,000
AFRICA	
Tunisia: Strengthening secondary science instruction.....	6,000
OVERSEA TERRITORIES	
United Kingdom: North Nyanza education development.....	234,000
EUROPE	
None.	
LATIN AMERICA	
Brazil: Secondary education.....	27,000
(66) Professional and Higher Education	
<i>Fiscal year 1955</i>	
FAR EAST	
China:	
Improvement of Taiwan College of Engineering.....	278,000
Improvement of NTU College of Engineering.....	2,000
Expansion of educational facilities for oversea Chinese.....	22,000
Indonesian Republic:	
Development of university level instructional staffs.....	128,400
Advanced scientific and engineering training.....	170,000
Philippines:	
University of the Philippines.....	41,500
Philippine Military Academy.....	200,000
Electronics training.....	125,000
Thailand: Teacher training.....	724,000
Vietnam: National normal schools and university.....	35,000
NEAR EAST, AFRICA, AND SOUTH ASIA	
Afghanistan: Institute of education.....	350,000
India: Technical education.....	892,000
Liberia: ED-2 community education and teacher training, rural education.....	76,812
Pakistan: Intercollege exchange project.....	686,920
Turkey: University contract, agriculture.....	100,000

<i>Fiscal year 1955—Continued</i>	
EUROPE	
France:	
Liaison between universities and business.....	\$6,400
Applied industrial research institutes: University-industry liaison.....	12,455
Italy: Business administration courses.....	93,000
LATIN AMERICA	
Bolivia: Normal school professors seminar.....	9,140
Costa Rica: University of Costa Rica reorganization project.....	100,000
Guatemala: Advanced training for dental professor.....	2,000
Mexico: Education, professional and higher education.....	4,750
Peru: Chemistry and instrumentation program.....	115,800
<i>Fiscal year 1956</i>	
FAR EAST	
Cambodia: Teacher training.....	10,000
China (Taiwan):	
Improvement of Taiwan College of Engineering.....	391,700
Expansion of educational facilities for oversea Chinese.....	153,000
Indonesian Republic:	
Development of university-level staff.....	72,000
Advances scientific and engineering training.....	21,000
Library operation and teacher training.....	49,000
Korea:	
Seoul National University:	
Technical assistance.....	627,055
Operation facilities.....	1,450,000
Teacher training.....	345,000
Technical assistance in business administration.....	125,000
Assistance to Seoul National University, Public Administration Department.....	125,000
Technical assistance to Foreign Language Institute.....	15,000
Philippines: University of the Philippines.....	137,000
Thailand:	
Improvement of teacher training.....	854,400
Engineering education study.....	1,500
Improvement, Chulalongkorn University, Engineering Department.....	30,000
Vietnam:	
Seoul School, equipment for higher education.....	10,000
Equipment for Lycee Tran-Hung-Dao (ex-Bao Long).....	3,000
National normal school.....	27,905
NEAR EAST AND SOUTH ASIA	
Afghanistan:	
Institute of Education.....	666,000
Faculty of agriculture and engineering.....	88,000
Ceylon: University of Ceylon.....	600,000
India: Assistance to technical education institutions.....	443,381
Iran: Improving teacher education through the National Teachers College of the University of Teheran.....	108,500
Iraq: General education and educational administration.....	8,840
Turkey: University contract, agriculture.....	275,000
AFRICA	
Liberia: ED-2, community education, teacher training, and rural education.....	78,904
EUROPE	
Germany: Developing advanced management education at university level with assistance of American guest professors.....	20,000
Italy: Business administration courses.....	5,000
LATIN AMERICA	
Cuba: University Central (Santa Clara).....	48,075
<i>Fiscal year 1957</i>	
FAR EAST	
China (Taiwan):	
Improvement of engineering education at Cheng Kung University (formerly Taiwan College of Engineering).....	275,000
Expansion of educational facilities for oversea Chinese.....	227,000
Indonesia: Development university-level staff.....	766,000
Korea:	
Seoul National University technical assistance.....	423,000
Seoul National University operating facilities.....	1,800,000
Teacher training.....	1,166,000
Technical assistance in business administration.....	200,000
Technical assistance in public administration.....	200,000
Philippines: University of the Philippines.....	201,000
Thailand: Improvement Chulalongkorn University, engineering.....	458,000
Vietnam: Teacher training and higher education.....	710,000

<i>Fiscal year 1957—Continued</i>	
NEAR EAST AND SOUTH ASIA	
Afghanistan:	
Institute of Education (teacher education).....	\$240,000
Faculty of agriculture and engineering.....	162,000
Ceylon: Assistance to the University of Ceylon.....	435,000
India: Assistance to the Central Institute of Education.....	10,000
Iran: Improving teacher education through the National Teachers College of the University of Teheran.....	135,000
Iraq:	
General education and educational administration.....	32,000
Teacher education.....	11,000
Turkey: Nebraska University, professional and higher education.....	294,000
Liberia: Community education and teacher training, rural education.....	111,000
AFRICA	
Overseas territories—United Kingdom: Vanderbilt University, graduate training in economic development.....	5,000
LATIN AMERICA	
Brazil: Naval architecture.....	80,000
Cuba: University Central (Santa Clara).....	56,000
<i>Fiscal year 1958</i>	
FAR EAST	
China (Taiwan):	
Improvement of engineering education at Cheng Kung University.....	135,000
Expansion of educational facilities for the oversea Chinese.....	430,000
Indonesian Republic: Development of university level staff.....	1,296,000
Korea:	
Seoul National University, operating facilities.....	500,000
Improvement teacher training.....	1,272,000
Improvement business administrative teaching.....	200,000
Technical assistance in public administration.....	200,000
Philippines: University of the Philippines.....	164,000
Thailand: Teacher training.....	771,000
Vietnam: Teacher training and higher education.....	120,000
NEAR EAST AND SOUTH ASIA	
Afghanistan:	
Institute of Education.....	597,000
Faculty of agriculture and engineering.....	390,000
India:	
Assistance to the Central Institute of Education.....	5,000
Assistance to the National Professional Education Center.....	300,000
Teacher training in engineering education.....	409,000
Iran: Improving teacher education through the National Teachers College of the University of Teheran.....	1,000
Iraq: Teacher education.....	54,000
Nepal: Teacher training and related activities.....	196,000
Pakistan: Intercollege exchange, Texas A. & M. College, State College of Washington, Colorado State University.....	1,179,000
Turkey: Professional higher education, Nebraska University contract.....	210,000
AFRICA	
Liberia:	
Elementary-school teacher training.....	124,000
Rural teacher training institution.....	100,000
Libya: Assistance to Libyan University.....	814,000
Tunisia: Tunisian University study team.....	6,000
EUROPE	
No projects.	
LATIN AMERICA	
Brazil:	
Aeronautical engineering.....	213,000
Naval engineering and architecture.....	20,000
Survey of needs and resources of the Technological Institute of Aeronautics at Sao Jose dos Campos.....	3,000
Cuba: University Central (Santa Clara).....	48,000
Peru: Chemistry and instrumentation program.....	82,000
ASIAN ECONOMIC DEVELOPMENT FUND	
SEATO Graduate School of Engineering.....	423,000
<i>Fiscal year 1959</i>	
FAR EAST	
Burma: Intermediate college at Rangoon University.....	250,000
China (Taiwan): Expansion of educational facilities for oversea Chinese.....	297,000
Indonesia: Development of university level staff.....	1,213,000

Fiscal year 1959—Continued		Fiscal year 1957		Fiscal year 1956—Continued	
FAR EAST—Continued		FAR EAST		AFRICA	
Korea:		China (Taiwan): Community school demonstration.....	\$81,000	Liberia:	
Improvement teacher training.....	\$675,000	Vietnam: Adult literacy training.....	119,000	ED-1. Improved administrative supervisory, and instructional services.....	\$27,787
Technical assistance, public administration.....	100,000			ED-4. Scholarships, vocational preparation, and on-the-job training.....	56,012
Higher education.....	911,000	NEAR EAST AND SOUTH ASIA		Libya: Educational administration.....	41,300
Philippines: University of the Philippines.....	288,000	India: Assistance to training in adult education.....	25,000		
Thailand:		Lebanon: Adult education, English teaching.....	70,000	EUROPE	
Teacher training.....	276,000	Nepal: Project for educational activities.....	77,000	None.	
Improvement Chulalongkorn University, engineering.....	130,000			LATIN AMERICA	
Vietnam: Expansion and improvement of teacher training and higher education.....	607,000	AFRICA		Paraguay: Educational administration.....	5,300
		Ethiopia:		Fiscal year 1957	
NEAR EAST AND SOUTH ASIA		Ethiopia teacher education.....	62,000	FAR EAST	
Afghanistan:		Cooperative advisory services.....	350,000	Vietnam: Textbook development and special services.....	80,000
Institute of Education.....	776,000	Fiscal year 1958			
Faculty of agriculture and engineering.....	465,000	FAR EAST			
India:		Philippines: Community education.....	168,000	NEAR EAST AND SOUTH ASIA	
Assistance to National Professional Education Center.....	92,000	Vietnam: Scholarships for leadership training.....	100,000	Afghanistan: Kabul University administration.....	106,000
Teacher training in engineering education.....	872,000			Egypt: Educational research.....	5,000
Iran: Improving teacher education through the National Teachers College of the University of Tehran.....	352,000	NEAR EAST AND SOUTH ASIA		India: Educational administration.....	10,000
Iraq: Teacher education.....	100,000	Lebanon: Adult education, English teaching.....	77,000	Liberia: Education administration, supervision and instructional service.....	23,000
Pakistan:		Nepal: Project for educational activities.....	104,000		
Intercollege exchange.....	183,000	AFRICA		Fiscal year 1958	
Teacher training institutions.....	60,000	Ethiopia: Community education.....	27,000	FAR EAST	
Turkey: Professional higher education, Nebraska University contract.....	567,000			Vietnam: Textbook development and special services.....	114,000
		OVERSEA TERRITORIES		NEAR EAST AND SOUTH ASIA	
AFRICA		United Kingdom: Visual aids to adult literacy.....	30,000	Afghanistan: Kabul University administration.....	55,000
Ethiopia: Higher education survey.....	150,000			Iran: Technical assistance to Tehran University.....	30,000
Tunisia: Tunisian University study team.....	7,000	LATIN AMERICA			
		Guatemala: Adult education program in the Guatemalan army.....	43,000	AFRICA	
OVERSEA TERRITORIES		Fiscal year 1959		Ethiopia: Cooperative education advisory services.....	83,000
Somalia: Assistance to higher institute of law and economics.....	10,000	FAR EAST		Liberia: Improved administration and supervision of education.....	14,000
United Kingdom: Western region, teacher training.....	125,000	Laos: General education for rural development.....	50,000	EUROPE	
		Philippines: General education.....	297,000	No projects.	
EUROPE		Vietnam: Scholarships for leadership training.....	250,000	Fiscal year 1959	
None.		NEAR EAST AND SOUTH ASIA		FAR EAST	
LATIN AMERICA		India: Assistance to training in adult education.....	29,000	Vietnam: Instructional materials development.....	130,000
Argentina: Planning of basic science facilities at University of Cuyo.....	1,000	Lebanon: Adult education, English language.....	113,000		
Brazil:		Nepal: Education development.....	396,000	NEAR EAST AND SOUTH ASIA	
Aeronautical engineering.....	17,000			Afghanistan: Kabul University administration.....	82,000
Survey of Brazilian higher education.....	46,000	AFRICA		Pakistan: Senior educational leaders training.....	9,000
Chile:		Ethiopia: Women's education.....	55,000	AFRICA	
University of Concepcion, development of science institutes.....	15,000			Ethiopia: Provincial education.....	63,000
Catholic University, School of Sociology.....	10,000	OVERSEA TERRITORIES		Ghana: Training in organization and administration of education institutions.....	3,000
Cuba: University Central (Santa Clara).....	50,000	United Kingdom:		Liberia: Education administration, supervision, and instructional services.....	6,000
		Education and community development.....	49,000	EUROPE	
ASIAN ECONOMIC DEVELOPMENT FUND		Adult literacy, training in the United States.....	4,000	None.	
TOTAL		Training in audiovisual aids.....	8,000	LATIN AMERICA	
SEATO Graduate School of Engineering.....	400,000			(69) All Other Education	
		EUROPE		Fiscal year 1955	
Fiscal year 1955		LATIN AMERICA		FAR EAST	
(67) Fundamental Adult and Community Education	None.	None.		Indonesian Republic: Survey of technical education.....	15,000
China: Community school demonstration.....	47,000	(68) Educational Administration		NEAR EAST, AFRICA, AND SOUTH ASIA	
Thailand:		Fiscal year 1955		Egypt:	
Community schools: Supervisory and in-service education project.....	148,500	FAR EAST		Educational research.....	23,260
Popular education (literacy campaigns) Ministry of Education.....	35,000	Indonesian Republic: Survey of technical education.....	15,000	Administration of projects of Egyptian-American Joint Committee for Education.....	25,150
Popular education and community pilot schools.....	9,000			Education—Educational administration training.....	1,500
NEAR EAST, AFRICA, AND SOUTH ASIA		Egypt:		India: Educational Advisor Ministry of Education, GOI.....	57,747
Egypt:		ED-1 Improved administrative, supervisory, and instructional services.....	23,735	Liberia:	
Rural school development.....	15,800	ED-4 Scholarships, vocational preparation, and on-the-job training.....	47,603	ED-1 Improved administrative, supervisory, and instructional services.....	23,735
Fundamental education.....	18,500	Libya: Educational administration.....	48,000	ED-4 Scholarships, vocational preparation, and on-the-job training.....	47,603
Ethiopia:				Libya: Educational administration.....	48,000
Women's social and education center.....	62,000	LATIN AMERICA			
Cooperative education.....	98,750	Bolivia:			
Lebanon: Adult education—English teaching.....	30,000	Education Administration.....	600		
Overseas Territories—United Kingdom: Expansion of adult literacy in Kenya.....	20,000	Do.....	3,063		
LATIN AMERICA		Panama: Training in administration of vocational schools.....	4,000		
Guatemala: Urban youth activities project (contract with Association of Scouts of Guatemala).....	15,000				
		Fiscal year 1956			
Fiscal year 1956		FAR EAST			
Cambodia: Fundamental education.....	20,000	Cambodia: Improvement of Cambodian school supervising system.....	52,000		
China (Taiwan): Community school demonstration.....	89,000	NEAR EAST AND SOUTH ASIA			
Thailand: Improvement of supervisory and in-service education activities.....	137,000	Afghanistan: Kabul University administration.....	18,000		
Vietnam: Popular education and community pilot schools.....	34,180	Egypt:			
NEAR EAST AND SOUTH ASIA		Education—Educational research.....	35,960		
Egypt: Education fundamental education.....	11,753	Administration of projects of Egyptian-American Joint Committee for Education.....	53,485		
Lebanon: Adult education, English teaching.....	39,630	Education—Educational administration training.....	1,000		
Nepal: Project for educational activities.....	13,990	India: Educational administration.....	57,875		
		AFRICA			
Ethiopia: Cooperative education.....	330,842	EUROPE			
		LATIN AMERICA			
None.		None.			

Fiscal year 1955—Continued
NEAR EAST, AFRICA, AND SOUTH ASIA—Continued

Nepal: Teacher training and university development..... \$49,000
Pakistan: General education advisory services..... 119,335

EUROPE

Austria: Commercial training of young businessmen..... 11,500
France: Foreman training..... 12,350
Yugoslavia: Georgetown University contract..... 1,000

LATIN AMERICA

Bolivia:
Participants (education servicio)..... 68,816
Administration project (education servicio)..... 39,696
Construction project (education servicio)..... 200
Transportation and customs project (education servicio)..... 200
Brazil: Education, cooperative industrial education program..... 33,100
El Salvador: Education..... 107,782
Haiti: Technical aid in rural education..... 96,400
Honduras: Administration..... 45,565
Nicaragua: Administration, public education cooperative service..... 16,900
Panama: Servicio administration..... 36,200
Paraguay: Administration (education division)..... 36,322
Peru:
General administrative services..... 45,709
Normal school education..... 116,779
Rural elementary education..... 29,644
Interregional: Columbia University Teachers College citizenship education project..... 25,000

Fiscal year 1956

FAR EAST

China (Taiwan):
Improvement of Business Administration Department, NTU..... 15,000
Education adviser..... 26,000
Productivity training in postprimary schools..... 5,000

Korea:
Classroom construction..... 1,135,182
Education participants..... 4,000
Philippines: Overall technical assistance, education..... 37,000
Thailand: Education program, administration..... 27,000
Vietnam:
Construction and reconstruction of elementary and secondary schools..... 20,000
English language laboratory and language classes..... 35,000
Youth activities, youth group work, physical and character education..... 66,600

NEAR EAST AND SOUTH ASIA

Afghanistan: Helmand Training Center..... 173,000
Egypt: Education, educational materials service..... 93,210
India:
Education program direction and development..... 167,030
School building improvement..... 4,975
Indian Ministry of Education officials' visit to U.S. educational institutions..... 10,000
Iraq: Education, program direction and consultative services..... 34,400
Israel:
Education supervision..... 32,550
Education, participants..... 9,761
Jordan:
Field project assistance, education..... 53,000
Training of Jordanian nationals..... 182,268
Lebanon:
Education statistics and research, vocational survey..... 74,100
Library administration..... 1,800
Education training, AUB..... 13,000
Nepal:
Nepal-American educational cooperative service..... 29,000
Overhead project for cooperative service in education..... 146,500
Pakistan: General education advisory services..... 122,600
Turkey: Georgetown English language program..... 101,500

AFRICA

Ethiopia:
Ethiopian-American joint fund for education..... 50,000
Vocational trade school, Addis Ababa.....
Libya:
Libyan-American education joint service..... 425,600
Education joint service support..... 28,500

EUROPE

Yugoslavia: English language training program..... 21,428

LATIN AMERICA

Bolivia:
Administration project (education servicio)..... 32,509
Transportation and customs project (education servicio)..... 200
Special technical training program..... 201,800

Fiscal year 1956—Continued
LATIN AMERICA—Continued

Brazil:
General education..... \$10,200
Comissao Brasileiro-Americana de Educa-
cao Industrial (CBAI)..... 60,000
Administrative services, Brazilian-Amer-
ican Commission on Industrial Educa-
tion (CBAI project A)..... 94,023

Colombia:
Reorganization of the curriculum of the
Chemistry Department of the National
University..... 35,000
Primary, secondary, and vocational educa-
tion in the departments of Valle del
Cauca, Cauca, and Caldas (rural and
urban)..... 45,000

Dominican Republic: Administration and
auxiliary expenses..... 37,528
El Salvador: Education, administration..... 30,800

Guatemala:
Cooperative education service (Servicio
Cooperativo Interamericano de Educa-
cion)..... 41,095
Teachers workshop and training..... 36,500

Haiti:
Cooperative service in rural education..... 100,000
Technical aid in rural education..... 125,845

Honduras: Administration, education coop-
erative service..... 40,375

Mexico: Education training grants (Ministry
of Education)..... 20,000

Nicaragua: Administration, public education
cooperative service..... 19,940

Panama: Servicio administration (educa-
tion)..... 34,600

Paraguay: Administration (education divi-
sion)..... 57,203

Peru:
General administrative services, educa-
tion cooperative service..... 43,898
Normal school education (SECPANE)
(teacher training)..... 144,404
Rural elementary education (SECPANE)..... 40,088

OVERSEA TERRITORIES

Jamaica: Vocational education..... 26,700

Fiscal year 1957

FAR EAST

Cambodia:
Rural development through education
(general education)..... 497,000
English language laboratory..... 43,000
China (Taiwan): Education adviser..... 27,000
Korea: Classroom construction..... 1,000,000
Philippines: Overall technical assistance,
education..... 28,000
Thailand:
Education program administration..... 38,000
Education, general training..... 2,000
Regional total..... 2,000

NEAR EAST AND SOUTH ASIA

Afghanistan: Educational facilities..... 1,600,000
Egypt:
Educational materials service..... 36,000
Vocational education..... 30,000

India:
Education program direction and devel-
opment..... 58,000
School building improvement..... 28,000
Assistance to rural institutes..... 25,000
Assistance to teacher training in audio-
visual education..... 190,000
Assistance to Ministry of Education..... 50,000
Iran: Demonstration vocational education
facilities..... 1,550,000
Iraq: Education consultative services to the
ministry..... 22,000

Israel:
Education (supervisory)..... 34,000
Education (participants)..... 1,000

Jordan: Training for Jordanian nationals..... 80,000
Pakistan: General education advisory ser-
vices..... 4,000

Turkey:
Georgetown English language program..... 67,000
General education services..... 100,000

AFRICA

Ethiopia: Cooperative education and teacher
training program, and the Imperial Ethiop-
ian Mapping and Geography Institute..... 579,000

Libya:
Education joint service support and advi-
sory service to GOL..... 85,000
Instructional materials development..... 27,000
Technical and vocational education..... 95,000
Do..... 189,000
Rehabilitation, remodeling and con-
struction of school buildings..... 470,000
Instructional materials development..... 256,000
Assistance in oversea study for Libyan
students..... 600,000

LATIN AMERICA

Bolivia: Administration..... 42,000
Brazil: Administrative services: Brazilian-
American Commission on Industrial Edu-
cation..... 58,000

Fiscal year 1957—Continued
LATIN AMERICA—Continued

Colombia:
Reorganization of the curriculum, depart-
ment of chemistry, National Univer-
sity..... \$13,000
Primary, secondary and vocational educa-
tion, Valle del Cauca, Cauca, Caldas..... 46,000

Dominican Republic: Administrative and
auxiliary expenses..... 63,000
El Salvador: Education advisory and train-
ing services..... 164,000

Guatemala:
Administrative service..... 42,000
Rural education..... 72,000
Urban education..... 38,000

Haiti:
Cooperative service in rural education..... 100,000
Technical aid in rural education..... 132,000

Honduras: Administration of education coop-
erative service..... 41,000
Mexico: Education training support..... 23,000

Nicaragua: Administration—public education
cooperative service..... 24,000
Panama: Servicio Administration (educa-
tion)..... 36,000

Paraguay Servicio: Administration (Educa-
tion Division)..... 49,000

Peru:
General administrative services..... 57,000
Teacher (normal) education..... 136,000
Rural elementary and normal school educa-
tion..... 32,000
Atomic sciences training..... 12,000

Jamaica: Vocational education..... 29,000
Regional: Technical training office of tech-
nical services in Puerto Rico (app. II of con-
tract between ICA and Commonwealth of
Puerto Rico)..... 550,000

Interregional: Citizenship education (contract
with Teachers College, Columbia Uni-
versity)..... 2,000

Fiscal year 1958

FAR EAST

Cambodia:
Rural development through education..... 306,000
English Language Laboratory..... 5,000
China (Taiwan): Educational advisory ser-
vices..... 84,000
Korea: Classroom construction..... 500,000
Philippines: Overall TA to education..... 31,000

NEAR EAST AND SOUTH ASIA

India: School building improvement..... 17,000
Iraq: Youth activities..... 3,000
Israel: Education, teacher training and voca-
tional education..... 18,000

Jordan:
Training Jordan nationals..... 68,000
Expanding educational facilities..... 140,000

Turkey:
Georgetown English language program..... 130,000
General education services..... 355,000

United Arab Republic: Vocational educa-
tion..... 1,000

AFRICA

Ethiopia:
Education cooperative service..... 145,000
Education general support..... 46,000
Teacher education..... 57,000

Libya:
Education joint service support..... 330,000
Education joint service support and advi-
sory service to GOL..... 118,000
Instructional materials development..... 73,000

Technical and vocational education in-
cluding agriculture..... 189,000
English language program..... 95,000

Assistance in oversea study for Libyan
students..... 250,000
Provision of teachers for Libyan schools..... 1,116,000
School construction..... 1,520,000

EUROPE

Yugoslavia: English language training pro-
gram..... 25,000

LATIN AMERICA

Bolivia: Administrative support education
servicio..... 44,000
Brazil: Administrative services education divi-
sion..... 87,000

Colombia:
Education servicio, administration..... 9,000
Reorganization of the curriculum, depart-
ment of chemistry, National Univer-
sity..... 16,000

Primary, secondary, and vocational educa-
tion, Valle del Cauca..... 47,000

Dominican Republic: Technical support for
administration of servicio program and all
other projects..... 76,000

El Salvador: Education, advisory, and train-
ing services..... 101,000

Guatemala:
Administration..... 43,000
Rural education..... 133,000
Urban education..... 112,000
Vocational education..... 133,000

Fiscal year 1958—Continued
LATIN AMERICA—Continued

Haiti:	
Cooperative service in rural education.....	\$120,000
Technical service in rural education.....	168,000
Honduras: Administration of education cooperative service.....	52,000
Mexico: Education training support.....	10,000
Nicaragua: Administration, public education cooperative service.....	38,000
Panama: Servicio administration (education).....	50,000
Paraguay:	
Administration (education division).....	50,000
Training of personnel in education.....	47,000
Peru:	
North American Peruvian cooperative service in education.....	115,000
General administrative services.....	49,000
Teacher (normal) education.....	106,000
Rural elementary and normal school education.....	57,000
OVERSEA TERRITORIES	
Jamaica: Education, vocational agriculture program.....	26,000
Regional total: Technical training in Puerto Rico.....	300,000
ASIAN ECONOMIC DEVELOPMENT FUND	
Establishment of regional facilities for improvement of English language training.....	1,500,000
Fiscal year 1959	
FAR EAST	
Cambodia:	
Rural development through education.....	472,000
English language laboratory.....	24,000
China (Taiwan):	
Education administration and development.....	94,000
Science education.....	391,000
Indonesia: Public education development.....	49,000
Philippines: Overall T.A. education.....	23,000
NEAR EAST AND SOUTH ASIA	
India:	
School building improvement.....	18,000
Rural institute.....	231,000
Assistance to teacher training in audio-visual education.....	11,000
Iraq:	
Education consultative services to ministry.....	33,000
Youth activities.....	1,000
Israel: Teacher training and vocational education.....	13,000
Jordan:	
Teacher education.....	61,000
Arab Development Society.....	75,000
Expansion of training facilities of the Arab Development Society.....	75,000
Turkey:	
Georgetown English language program.....	193,000
General education services.....	567,000
Literacy training in the armed forces.....	715,000
AFRICA	
Ethiopia:	
Education general support.....	44,000
Curriculum development.....	59,000
Teacher education.....	68,000
Libya:	
Education joint services support.....	46,000
Technical and vocational education.....	278,000
English language program.....	4,000
Provision of teachers.....	800,000
School construction.....	1,216,000
Instructional materials.....	43,000
OVERSEA TERRITORIES	
Somali: Educational activities.....	17,000
EUROPE	
Yugoslavia: English language training.....	52,000
LATIN AMERICA	
Bolivia: Administrative support education servicio.....	43,000
Brazil: Administration services, education division.....	58,000
Colombia:	
Administration, education servicio.....	33,000
Training, education servicio.....	110,000
National University, reorganization of chemistry curriculum.....	2,000
Dominican Republic: Technical support of administration of education servicio programs.....	32,000
El Salvador: Education advisory and training services.....	93,000
Guatemala:	
Administration.....	59,000
Rural education.....	119,000
Urban education.....	123,000
Technical cooperation in vocational education.....	73,000
Haiti:	
Cooperative service in rural education.....	120,000
Technical service in rural education.....	194,000
Honduras: Administration of education cooperative service.....	54,000
Mexico: Education training support.....	26,000
Nicaragua: Administration, public education, cooperative service.....	37,000

Fiscal year 1959—Continued
LATIN AMERICA—Continued

Panama: Servicio administration (education).....	\$49,000
Paraguay:	
Administration (education division).....	45,000
Training.....	43,000
Peru:	
Peruvian North American cooperative education service.....	115,000
General administrative service.....	52,000
Normal school education.....	160,000
Rural elementary and normal education.....	32,000
OVERSEA TERRITORIES	
Jamaica: Vocational education.....	5,000
The West Indies and East Caribbean: Education, teacher training.....	3,000
Regional total:	
Technical training in Puerto Rico.....	446,000
Bilingual rural school supervision program (Pennsylvania State University).....	131,000
Contract between ICA and Research Foundation of State University of New York.....	80,000

Mr. GRUENING. Mr. President, if, during the past 7½ years the Eisenhower-Nixon administration has shown such an astonishing lack of concern for aiding our overcrowded schools and our underpaid teachers, was its attitude with respect to the development of our own natural resources any different?

Did the Eisenhower-Nixon administration exhibit even as much concern for resource development at home as it did for resource development abroad?

Unfortunately for the economic growth of our Nation, Mr. President, the answer to both these questions must—on the record—be in the negative.

The slogan for the past 7½ years under the Eisenhower-Nixon administration in the field of natural resource development might well be: "No New Starts at Home—Unlimited New Starts Abroad."

During this period the public interest at home with respect to the fullest development of our great natural resources has suffered time and time again at the hands of the Eisenhower-Nixon administration.

There was Dixon-Yates and there was Al Sarena; there was the underdevelopment at Hells Canyon, by which the people will secure half the power at twice the cost and no irrigation or flood control, and the proposed underdevelopment of Nez Perce; there were vetoes of public works bills in 1956 and 1959—the latter, fortunately, overridden—and, above all, there was a lack of leadership in the development of our natural resources and a positive slowing down of projects begun.

In the same period, Mr. President, was there the same slowdown in the U.S. dollars we sent abroad to develop the natural resources of foreign nations?

There was not. In the same period of "No New Starts at Home," the Eisenhower-Nixon administration was spending on public works projects abroad hundreds of millions in some 60 countries.

Thus during this time, we have, among other similar things, given Nationalist China the sum of \$49,363,000 for hydroelectric development projects; we have given India \$1,108,000 for similar projects; Pakistan \$19,758,000, and Korea, \$310,000 for the same purposes. We are planning to spend in the near future \$515 million for dams and other projects on the Indus River.

Mr. President, I ask unanimous consent that a complete list of natural re-

source development projects supported abroad through the first 6 months of fiscal year 1960 be printed at this point in my remarks.

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

Summary of ICA and predecessor agencies' obligations for irrigation, reclamation (including flood control), and power projects cumulative, Apr. 3, 1948-Dec. 31, 1959

[Millions of dollars]			
Program	Table in which detail is shown	Obligations at Dec. 31, 1959	Fiscal year 1960 (6 mos.)
Total.....		518.9	1.8
Inactive programs:			
European industrial projects.....	II	97.8	
European overseas territory projects.....	III	4.1	
Continuing programs:			
Far East.....	IV	224.5	.5
Near East and South Asia.....	V	150.2	.5
Africa.....	VI	13.7	.5
Latin America.....	VII	11.1	.3
Europe.....	VIII	17.5	(1)

¹ Less than \$50,000.
NOTE.—Data exclude projects financed under the Development Loan Fund.
Source: International Cooperation Administration, Office of Statistics and Reports May 6, 1960.

European industrial projects—ICA or predecessor agencies' obligations for irrigation, reclamation, and power projects by country and project, Apr. 3, 1948-Dec. 31, 1959

[Thousands of dollars]			
Country and project	Cumulative total through Dec. 31, 1959	July 1, 1954, through Dec. 31, 1959	Prior to fiscal year 1955
Europe, total.....	97,838	-2,285	100,123
Denmark:			
Steam electric station (60,000 kilowatts) at Kynby.....	3,317		3,317
France.....	17,879	-150	18,029
Thermal electric powerplant at Dechy (120,000 kilowatts).....	11,921	-127	12,048
Boiler for steam electric station at Arrighi (100,000 kilowatts).....	2,444		2,444
Boiler equipment for steam electric unit at Nantes Chevre (100,000 kilowatts).....	1,801	-4	1,805
Extension of the Office du Niger irrigation project in French West Africa.....	1,191		1,191
Boiler equipment for 2d steam electric station at Arrighi (100,000 kilowatts).....	522	-19	541
Iceland.....	4,857	-4	4,861
Expansion of hydroelectric plant on Sog River.....	3,890	-1	3,891
Expansion of hydroelectric plant on Laxa River.....	967	-3	970
Italy.....	59,979	-2,131	62,110
Steam electric station (100,000 kilowatts) at Piacenza.....	10,357	-162	10,519
Turbogenerator (50,000 kilowatts) at Genoa for Societa Edison, Milan.....	6,111	-58	6,169

¹ This special program, in which certain procurement authorizations issued by ECA and MSA were identified with various European projects, was particularly active during the Marshall plan period from 1949 to 1962. The last projects added to this program were the 2 thermal power projects for Spain authorized in June 1964. This table shows the current status, as of Dec. 31, 1959, of the obligations originally entered into during that earlier period.

European Industrial projects—ICA or predecessor agencies' obligations for irrigation, reclamation, and power projects by country and project, Apr. 3, 1948—Dec. 31, 1959—Con.

[Thousands of dollars]

Country and project	Cumulative total through Dec. 31, 1959	July 1, 1954, through Dec. 31, 1959	Prior to fiscal year 1955
Italy—Continued			
Turbogenerator with 60,000-kilowatt capacity to serve northern Italy.....	6,092	-138	6,230
Steam electric station (60,000 kilowatts) at Naples.....	6,014	-83	6,097
Turbogenerator (50,000 kilowatts) near Turin for Societa Idroelettrica Piemonte.....	5,937	-159	6,096
Steam electric station (60,000 kilowatts) at Palermo.....	5,730	-336	6,066
Steam electric station (60,000 kilowatts) at Civitavecchia, Rome.....	5,608	-502	6,110
Steam electric station (50,000 kilowatts) at Genoa.....	5,510	-159	5,669
Steam electric station (30,000 kilowatts) at Naples.....	3,280	-69	3,349
Addition to steam electric plant (30,000 kilowatts) at Turin.....	2,862	-363	3,225
Steam electric plant (120,000 kilowatts) near Tavazzano for STEI.....	2,478	-102	2,580
Netherlands: Thermal powerplant (120,000 kilowatts) on the Amer River.....	3,092		3,092
Portugal: Irrigation and power development in the Sorrala Valley and Plains of Villa Franca.....	897		897
Spain.....	7,300		7,300
Thermal powerplant at Burena.....	3,650		3,650
Thermal powerplant at Escatron.....	3,650		3,650
International: Austro-German hydroelectric powerplant at Braunau on Inn River.....	517		517

Source: International Cooperation Administration, Office of Statistics and Reports, May 6, 1960.

European oversea territories—ICA or predecessor agencies' obligations for irrigation, reclamation, and power projects as of Dec. 31, 1959

[Thousands of dollars]

Area and project	Cumulative total as of Dec. 31, 1959	July 1, 1954, through Dec. 31, 1959	Total prior to fiscal year 1955
Total.....	4,084	-228	4,312
Belgian territories: Belgian Congo soil survey.....	38		38
French territories: French soil conservation program, Algeria.....	535		535
Netherlands territories: "Eysvoegel plan" land reclamation, Surinam.....	1,084	-212	1,296
United Kingdom territories.....	2,427	-16	2,443
Power station, Malta.....	2,203	-16	2,219
Mid-Clarendon irrigation project, Jamaica.....	175		175
Construction of reservoirs, British Somaliland.....	32		32
Antierosion and reclamation, Cyprus.....	17		17

GENERAL NOTE.—This program, in which ECA utilized European program funds to finance directly specific projects in the overseas territories of European countries, was active in fiscal years 1950 and 1951. This table shows the current status, as of Dec. 31, 1959, of the obligations originally entered into during that earlier period.

Source: International Cooperation Administration, Office of Statistics and Reports, May 6, 1960.

Far East program—ICA or predecessor agencies' obligations for irrigation, reclamation, and power projects by country and type of project, June 5, 1950—Dec. 31, 1959

[Thousands of dollars]

Country and project	Cumulative total through Dec. 31, 1959	Fiscal year 1960 (6 months)
Far East total.....	224,468	497
Burma.....	7,100	
Land restoration.....	5,400	
Reconstruction of Kabo Dam.....	1,700	
Cambodia.....	1,718	43
Irrigation and drainage development.....	1,396	43
Development of Kompong Som water power study.....	322	
China (Taiwan).....	99,762	26
Power transmission distribution.....	20,176	
Shen-Ao 2d unit thermal.....	18,805	
Primary system improvement and power control.....	8,532	
Shen-Ao 1st unit thermal.....	8,367	
Shihmen multipurpose dam.....	7,872	10
Ku Kwan hydropower.....	6,726	
Nan-Pu 1st unit thermal.....	5,873	
Nan-Pu 2d unit thermal.....	5,052	
Tien-Leng hydroelectric powerplant.....	4,082	
Lung-Chien hydro.....	3,214	
Wu Sheh hydrodam.....	2,265	8
Thermal power generation.....	1,575	
Li-Wu hydropower station.....	1,478	
Land and water resources, JORR.....	1,187	8
Tachien Reservoir exploration.....	1,000	
Sun-Moon (peaking) power station.....	674	
Tien-Leng (peaking) power station.....	590	
Taiwan Power Co. thermal.....	462	
URAI power station.....	457	
Pei-Pu thermal power station.....	394	
Water resources survey.....	292	
Irrigation and reclamation.....	182	
Hydroelectric power development, Ta Chien Reservoir.....	141	
Deep-well improvement.....	119	
Sun-Shan thermal power station.....	78	
Farm reclamation.....	73	
Power system, Tsoying.....	58	
Peng-Hu thermal power station.....	38	
Indonesia.....	1,063	23
Land development and conservation.....	990	23
Soil conservation and land utilization.....	73	
Korea.....	80,935	183
Thermal power development (Seoul, Pusan, Samchok).....	28,416	
Thermal electric generating plant.....	9,292	
Rehabilitation and improvement, Hwachon Dam plant.....	8,928	
Irrigation and land reclamation.....	7,925	
Rehabilitation and construction of thermal transmission lines.....	6,752	
Rehabilitation of Chong Pyong Dam.....	6,000	
Rehabilitation of Yongwol and Tangin-Ri thermal.....	5,458	90
Forest and watershed management.....	2,994	76
Flood control.....	1,537	7
Rehabilitation and improvement, electric power distribution system.....	1,412	
Power rehabilitation engineering services.....	640	
Training for ROK electric power system.....	569	3
Forest erosion control and stream improvement.....	392	
Hydro exploratory survey.....	310	
Electric power communications.....	195	
Rehabilitation of Unam powerplant.....	115	
Laos.....	615	
Powerplant extension.....	587	
Powerplant survey.....	28	

Far East program—ICA or predecessor agencies' obligations for irrigation, reclamation, and power projects by country and type of project, June 5, 1950—Dec. 31, 1959—Con.

[Thousands of dollars]

Country and project	Cumulative total through Dec. 31, 1959	Fiscal year 1960 (6 months)
Philippines.....	16,325	41
Irrigation, services.....	10,600	16
Flood control.....	2,171	
MERALCO power project.....	2,045	
Water resources planning and development.....	788	20
Soil conservation.....	399	5
Power market development.....	316	
Electric power survey.....	6	
Thailand.....	11,673	145
Maemoh thermal facility.....	3,469	
Irrigation and reclamation.....	2,818	
Bangkok interim power.....	1,980	
Power system survey and improvement.....	1,451	
Power service training.....	820	145
Ground water resources and development.....	689	
Tank irrigation and water construction.....	446	
Viet Nam.....	1,757	36
Electric power development.....	1,095	
Rehabilitation irrigation and drainage.....	512	36
Reforestation and erosion control.....	150	
Cambodia, Laos, and Viet Nam.....	1,260	
Irrigation and reclamation.....	803	
Thermal power generation.....	457	
Asian Economic Development Fund: Mekong River project (AEDF).....	2,260	

Source: International Cooperation Administration, Office of Statistics and Reports, May 6, 1960.

Near East and south Asia—ICA or predecessor agencies' obligations for irrigation, reclamation, and power projects by country and type of project, Apr. 3, 1948—Dec. 31, 1959

[Thousands of dollars]

Country and project	Cumulative total through Dec. 31, 1959	Fiscal year 1960 (6 months)
Near East and south Asia total.....	150,215	529
Afghanistan.....	10,692	48
Helmand electric power, Kandahar.....	3,351	
Helmand irrigation construction and survey.....	2,834	
Helmand resources development.....	2,065	
Helmand Valley development.....	686	
Helmand Authority development operations.....	554	29
Helmand land development.....	500	
Helmand Canal operations and maintenance.....	385	
Helmand surface and ground water irrigation.....	188	19
Helmand agriculture development.....	116	
Helmand Arghandab irrigation and survey.....	13	
Ceylon.....	4,281	85
Irrigation and land development.....	3,228	11
Hydropower survey and training.....	499	
Physical research survey and planning.....	284	
Water resources and planning.....	270	74

Near East and south Asia—ICA or predecessor agencies' obligations for irrigation, reclamation, and power projects by country and type of project, Apr. 3, 1948-Dec. 31, 1959—Continued

Near East and south Asia—ICA or predecessor agencies' obligations for irrigation, reclamation, and power projects by country and type of project, Apr. 3, 1948-Dec. 31, 1959—Continued

Africa—ICA or predecessor agencies' obligations for irrigation, reclamation, and power projects by country and type of project, July 1, 1951-Dec. 31, 1959—Continued

[Thousands of dollars]

[Thousands of dollars]

[Thousands of dollars]

Country and project	Cumulative total through Dec. 31, 1959	Fiscal year 1960 (6 months)
Greece ¹	12,666	
Thermal electric plant in Eubean Gulf Territory (80,000 kilowatts).....	7,040	
Owner-engineer services to Greek Government on Greek electric power program.....	4,996	
Electric transmission, transformation, and distribution from Eubean Gulf Territory station.....	198	
Electric transmission, transformation, and distribution out of Ladhon plant.....	129	
Natural resources development project.....	91	
Electric transmission, transformation, and distribution out of Agra plant.....	83	
Electric power system training.....	59	
Hydroelectric plant (5,000 kilowatts) at Louros.....	42	
Irrigation farm practices demonstration courses.....	25	
Electric transmission, transformation, and distribution out of Louros plant.....	3	
India.....	44,002	109
Ground water irrigation.....	18,304	
River valley development.....	7,957	
Rihand Valley development.....	6,011	1
Ground water exploration.....	4,067	
Delhi thermal plant.....	4,000	
Improvement of Rajasthan power facilities.....	1,065	
Technical services and water resources power development.....	837	17
Electric distribution system maintenance training center.....	510	60
Water resources survey and minor irrigation works.....	480	
Flood control.....	209	
Soil and water conservation.....	172	31
Development of forest research and desert afforestation.....	168	
Technical and engineering services to Central Water and Power Commission.....	100	
Technical assistance to Irrigation Research Institute.....	92	
Iran.....	2,602	46
Construction of Karaj Dam.....	627	
Municipal power system.....	487	
Reclamation and irrigation development.....	348	46
River basin survey.....	205	
Development land and water use plan.....	188	
Completion of Karkheh Dam.....	151	
Rehabilitation of deep wells in Yazd area.....	147	
Demonstration of Ghanat construction.....	140	
Completion of Golpayegan Dam.....	131	
Improvement of farm irrigation system and irrigation practices.....	84	
Completion of Sheikh Ali Khan Dam and Kuhrang irrigation tunnel.....	50	
Development of Zayandeh Rud Basin.....	42	
Improvement of Thera municipal power system.....	2	
Iraq.....	305	9
Irrigation administration and development.....	190	9
Range management.....	76	
Miri Sirf land development.....	39	
Israel.....	231	3
Water resources.....	228	
Development of water resources.....	3	3

Country and project	Cumulative total through Dec. 31, 1959	Fiscal year 1960 (6 months)
Jordan.....	6,940	37
East Ghor main canal.....	2,500	
Land and water resources development.....	1,894	37
Yarmuk Jordan Valley Afforestation watershed protection.....	1,309	
General wadi development.....	778	
Range management.....	338	
Lebanon.....	2,574	
Power transmission.....	1,140	
Kasme construction.....	544	
Litani River Basin investigation.....	461	
Water reconnaissance survey.....	339	
Irrigation.....	90	
Nepal: Nepal Valley multipurpose project.....	2,106	
Pakistan.....	37,095	85
Karnafali multipurpose.....	19,743	4
Taunsa barrage.....	5,902	
Punjab ground water survey.....	4,086	59
Multan Lyallpur power transmission.....	3,600	
Ganges Kabadak irrigation.....	1,925	
Makhi Dhand reclamation.....	820	
Soil and water conservation.....	577	22
Ground water exploration and tube wells.....	188	
Water resources advisory.....	124	
Soil and water conservation (Baluchistan Sallaba).....	77	
Soil and water conservation (range and pasture).....	53	
Turkey.....	24,209	107
Sariyar hydroelectric plant.....	14,609	
Bosphorus aerial transmission line.....	8,003	
Reclamation (river valley).....	710	54
Soil and water resources.....	491	42
Power supply priority study.....	200	
Power planning.....	171	11
Irrigation seminar.....	25	
United Arab Republic (Egypt).....	2,512	
Land reclamation and development for Arbis area (EARIS).....	1,153	
Land reclamation and development, Qasta area.....	669	
Underground water survey.....	245	
Agriculture drainage.....	212	
Land reclamation and development (EARIS Kom Oshiem).....	150	
Land and water utilization.....	57	
Drainage investigations and improvements.....	26	

Source: International Cooperation Administration, Office of Statistics and Reports, May 6, 1960.

Africa—ICA or predecessor agencies' obligations for irrigation, reclamation, and power projects by country and type of project, July 1, 1951-Dec. 31, 1959

[Thousands of dollars]

Country and project	Cumulative total through Dec. 31, 1959	Fiscal year 1960 (6 months)
Africa total.....	13,703	510
Ethiopia.....	3,855	330
Water resources survey co-op service.....	1,973	
Blue Nile River Basin investigation.....	1,179	330
Well drilling (for irrigation).....	400	
Electric power stations.....	156	
Water resources survey.....	147	

Country and project	Cumulative total through Dec. 31, 1959	Fiscal year 1960 (6 months)
Ghana: Volta River survey project.....	105	
Liberia.....	708	
Forest conservation.....	473	
Electric survey.....	235	
Libya.....	7,866	105
Tripoli power project.....	3,500	
Soil conservation.....	2,158	36
Ground water development.....	876	28
Forestry.....	805	11
Irrigation development.....	302	16
Range management.....	225	14
Morocco: Irrigation project.....	14	8
Tunisia.....	406	30
Equipment for maintenance of primary drainage canals.....	240	
Surface water impounding.....	90	23
Assistance for irrigation of crops.....	76	7
Somalia.....	195	37
Water resources development.....	160	37
Forestry development.....	24	
Reclamation.....	11	
Overseas territories, United Kingdom: Land planning, soil and water conservation.....	554	

Source: International Cooperation Administration, Office of Statistics and Reports, May 6, 1960.

Latin American program—ICA or predecessor agencies' obligations for irrigation, reclamation, and power projects by country and type of project, July 1, 1951-Dec. 31, 1959

[Thousands of dollars]

Country and project	Cumulative total through Dec. 31, 1959	Fiscal year 1960 (6 months)
Latin America total.....	11,126	263
Chile.....	796	103
Reforestation, soil and water conservation.....	467	43
Water utilization.....	190	
Water development and resources.....	139	60
Colombia: Power resource development.....	32	
Costa Rica.....	15	
Soil survey project.....	9	
Tempisque Valley (water resources development).....	6	
Dominican Republic: Hydroelectric and irrigation survey.....	9	
El Salvador: Land and water resources.....	197	36
Guatemala.....	4,334	
Rural development (clearing, land preparation).....	2,041	
Rural development (including land development).....	1,923	
Rural development (small irrigation works).....	354	
Rural development (land clear).....	16	
Haiti.....	4,335	
Development of Artibonite Valley.....	2,475	
National irrigation development program.....	1,261	
Watershed control.....	220	
Development of Quartier-Morin Plain.....	209	
Irrigation, Leogene.....	110	
Clearing lands, Grand 'Anse.....	60	

¹ All projects listed, except the last 3 entries, were originally authorized under ECA and MSA as part of the "Industrial Projects" program. The data shown represent the current status, as of Dec. 31, 1959, of the obligations made by ICA's predecessor agencies.

Latin American program—ICA or predecessor agencies' obligations for irrigation, reclamation, and power projects by country and type of project, July 1, 1951—Dec. 31, 1959—Continued

[Thousands of dollars]

Country and project	Cumulative total through Dec. 31, 1959	Fiscal year 1960 (6 months)
Honduras: Land and water resources.....	217	16
Nicaragua.....	105	15
Industry and mining water resources investigation.....	62	
Agricultural land and water resources and forestry.....	43	15
Panama: Water resources development.....	126	22
Peru.....	894	22
Cooperative rural development.....	800	
Irrigation engineering.....	67	13
Forestry development program.....	27	9
Overseas territories, British Guiana.....	66	49
Irrigation problems, practices training.....	57	49
Ground water principles training.....	9	

Source: International Cooperation Administration, Office of Statistics and Reports, May 6, 1960.

Europe—ICA or predecessor agency obligations for irrigation, reclamation, and power projects by country and type of project, July 1, 1954—Dec. 31, 1959

[Thousands of dollars]

Country and project	Cumulative total through Dec. 31, 1959	Fiscal year 1960 (6 months)
Europe, total.....	17,527	6
Iceland.....	5,021	
Sog development, Upper Sog hydroelectric plant and Ke-flavik Air Base tie.....	5,000	
Hydroelectric survey.....	21	
Spain.....	11,491	
Thermopower boilers.....	5,638	
Electric power, fiscal year 1956.....	3,587	
Electric power industry (transmission and distribution).....	1,941	
Forestry and range management demonstrations.....	174	
Irrigation and reclamation demonstrations.....	67	
Soil conservation and improvement.....	59	
Irrigation and underwater study.....	18	
Ground water development for public water supply.....	7	
Yugoslavia.....	1,015	6
Soil improvement and water resources.....	658	
Forestry.....	245	
Power.....	112	6

Source: International Cooperation Administration, Office of Statistics and Reports, May 6, 1960.

Mr. GRUENING. Mr. President, the same story of a double standard by the Eisenhower-Nixon administration during the past 7½ years can be related with respect to water pollution control in the United States.

On February 23, 1960, President Eisenhower vetoed an antipollution bill which would have authorized the appropriation of a modest sum of \$90 million a year

for 10 years to assist communities in the construction of sewage disposal plants.

This, said President Eisenhower, in his veto message, is a local matter. He said:

Polluted water is a threat to the health and well-being of all our citizens. Yet, pollution and its correction are so closely involved with local industrial processes and with public water supply and sewage treatment, that the problem can be successfully met only if State and local governments and industry assume the major responsibility for cleaning up the nation's rivers and streams. The Federal government can help, but it should stimulate State and local action rather than provide excuses for inaction—which an expanded program under H.R. 3610 would do.

As a matter of fact, that bill provided for a much larger share of local and State participation than of Federal participation. Is it not common sense to say that pollution which starts in a river like the Mississippi, way up in Minnesota, or the Missouri in Montana is not carried downstream past other States and pollutes their coastal waters? To me, that is definitely a part of Federal responsibility. But President Eisenhower vetoed the bill.

Apparently for the Eisenhower-Nixon administration there is something grossly wrong in sending U.S. dollars into our own local communities to help prevent the pollution of our own rivers and streams, but there is something noble and uplifting in sending U.S. dollars abroad to do precisely the same type of a job on foreign rivers and streams.

In the five fiscal years since 1955, 48,539,797 U.S. dollars have been sent abroad to assist foreign programs of environmental sanitation.

I suppose to the Eisenhower-Nixon administration the pollution of the Missouri, the Mississippi, the Columbia, or the St. Lawrence, or even the Potomac River is a local matter, while the pollution of the rivers and streams of Korea or Pakistan or Ethiopia or Brazil or Cambodia is a matter of grave international concern. Frankly, Mr. President, I cannot see the situation in this light. We should be at least as much concerned about the pollution of our own rivers and streams as we are about the pollution of rivers and streams in foreign countries.

Congress was concerned, but the President vetoed the action of Congress in this matter, as in other such matters of vital concern to the American people.

But, apparently, under the double standard of the Eisenhower-Nixon administration, which has prevailed during the past 7½ years, these domestic needs are not to be satisfied.

U.S. dollars given to local communities for pollution control, the President indicates, are debilitating of local action and lead to local inaction. On the other hand, the same U.S. dollars sent abroad for the same purpose will not have such an effect.

Mr. President, I ask unanimous consent to have printed at this point in my remarks a list which I have had prepared of the environmental sanitation

projects all over the world, for which grants of U.S. dollars were made in the 5 fiscal years since 1955. I hold up these two thick volumes containing summaries of the various types of foreign aid projects, so that Senators may see how voluminous, so far as one is permitted to see it in this form, our foreign aid program is. A corresponding volume for similar, new domestic projects during the Eisenhower-Nixon seven and a half years would be a slender booklet by comparison.

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

TABLE No. 3.—Health and sanitation projects

(52) Environmental sanitation	
Fiscal year 1955	
FAR EAST	
Cambodia: Sanitary wells in rural areas.....	\$26,000
China:	
Kachsiung waterworks rehabilitation.....	694,000
Improvement village water supply.....	5,000
Improvement sanitary engineering practices.....	44,000
Philippines: Water supply (wells and springs).....	842,000
Thailand:	
Environmental sanitation.....	189,000
Do.....	4,000
Vietnam: Rural water supply.....	125,000
NEAR EAST, AFRICA, AND SOUTH ASIA	
Egypt:	
Installation of portable water supply system.....	7,488,000
Sanitary engineering department.....	69,730
India: National water supply and sanitation program.....	1,926,600
Iraq: Environmental sanitation.....	18,547
Israel:	
For sewerage and sewage treatment.....	9,000
Public health sanitation participation.....	5,000
Sanitary engineering participation.....	3,000
Jordan: Environmental sanitation.....	86,690
Lebanon:	
Extension of health and medical services to villages.....	84,766
Village water supply.....	88,700
Pakistan: Greater Karachi water and sewage disposal project.....	3,795,000
LATIN AMERICA	
Colombia: Public health engineering.....	45,300
Costa Rica: Engineering studies project (L).....	5,120
Ecuador:	
Environmental sanitation.....	22,181
Technical assistance in environmental sanitation.....	18,538
Honduras: Environmental sanitation.....	5,300
Mexico: Division of health and welfare.....	4,838
Nicaragua: Environmental sanitation.....	44,750
Panama:	
Training in environmental sanitation, sewage disposal and garbage collection.....	5,000
General engineering services for the service (environmental sanitation).....	18,600
Peru:	
Sanitary engineering instruction.....	50,277
Sanitary engineering.....	23,359
Fiscal year 1956	
FAR EAST	
Cambodia:	
Sanitary wells in rural areas.....	55,000
City water supplies.....	416,000
China:	
Improvement of sanitary engineering practices.....	55,300
Establishment of environmental sanitation bureau.....	10,000
Korea:	
Waterworks rehabilitation.....	850,000
Construction of wells and sanitary facilities.....	800,000
Seoul water distribution system rehabilitation.....	300,000
Seoul waterworks enlargement (Goo-I-Ri plant).....	500,000
Philippines: Water supply (wells and springs).....	2,107,000
Thailand: Environmental sanitation.....	66,000
Vietnam:	
Rural water supply.....	143,000
Disposal of waste.....	23,000
NEAR EAST AND SOUTH ASIA	
Egypt: Sanitary engineering services (ID).....	46,525
India: National water supply and sanitation program.....	897,358

Fiscal year 1956—Continued	
NEAR EAST AND SOUTH ASIA—Continued	
Iraq: Village sanitation project.....	\$15,690
Jordan: Environmental sanitation.....	159,000
Lebanon: Village water supply.....	83,050
Pakistan:	
Greater Karachi water supply and sewage disposal project.....	10,000
Municipal water supply.....	112,270
Village water supply.....	1,743,900
Chittagong water supply and sewerage.....	420,000
Dacca water supply and sewerage.....	420,000
AFRICA	
Ethiopia: Well drilling, Ethiopia.....	52,534
Libya:	
Development domestic water.....	441,600
Sanitation activities.....	83,900
EUROPE	
None.	
LATIN AMERICA	
Brazil: Sanitary (environmental) engineering.....	192,200
Colombia: Public health engineering.....	60,900
Costa Rica:	
Engineering studies project.....	6,000
Water supply project (M).....	1,000
Environmental sanitation personnel training project.....	10,000
Ecuador: Environmental sanitation.....	37,500
Honduras: Environmental sanitation (M) (health cooperative service).....	15,900
Mexico:	
Health and sanitation:	
Sanitary engineering consultation to Ministry of Hydraulic Resources.....	8,000
Environmental sanitation.....	41,000
Nicaragua: Environmental sanitation.....	32,926
Panama: General engineering services for the servicio (environmental sanitation).....	27,300
Peru: Sanitary engineering.....	15,785
Venezuela: Rural water supplies engineering and construction.....	24,900
OVERSEA TERRITORIES	
British Honduras: Training in engineering for municipal services.....	3,500
Fiscal year 1957	
FAR EAST	
Cambodia: Improvement of city water supplies.....	300,000
China (Taiwan):	
Kaohsiung waterworks rehabilitation.....	5,000
Improvement of sanitary engineering practices.....	51,000
Environmental Sanitation Bureau (Institute).....	5,000
Korea:	
Waterworks rehabilitation.....	2,026,000
Construction of wells and sanitary facilities.....	514,000
Street and city drainage.....	762,000
Philippines: Water supply (wells and springs).....	981,000
Vietnam: Rural water supply.....	30,000
NEAR EAST AND SOUTH ASIA	
Ceylon: Environmental sanitation.....	18,000
India: National water supply and sanitation program.....	109,000
Iraq: Village health services.....	12,000
Jordan: Environmental sanitation.....	28,000
Lebanon: Village water supply.....	193,000
Pakistan: Greater Karachi water supply and sewage disposal.....	5,000
AFRICA	
Ethiopia:	
Community water supply.....	500,000
Community water supply, well drilling, Ethiopia.....	238,000
Libya:	
Sanitation activities.....	76,000
Development of domestic water.....	27,000
Development of domestic water supplies.....	760,000
Sanitation activities.....	42,000
LATIN AMERICA	
Bolivia: Environmental sanitation.....	85,000
Brazil: Sanitary (environmental) engineering.....	151,000
Colombia: Public health engineering.....	90,000
Ecuador: Environmental sanitation.....	48,000
Guatemala:	
Environmental sanitation.....	12,000
Do.....	500,000
Honduras:	
Environmental sanitation.....	5,000
Health and sanitation project for specific problems in the Republic of Honduras.....	1,250,000
Mexico: Health and sanitation, environmental sanitation.....	26,000
Nicaragua: Environmental sanitation.....	4,000
Panama:	
Extension of water and sewers.....	2,000,000
General engineering service for the services (environmental sanitation).....	24,000
Fiscal year 1958	
FAR EAST	
Burma:	
Rangoon water supply.....	1,400,000
Rangoon sewerage system.....	645,000

Fiscal year 1958—Continued	
FAR EAST—Continued	
Burma—Continued	
Village water supply and sanitation.....	\$577,000
Town water supply.....	224,000
Rangoon General Hospital.....	752,000
Cambodia: Improvement of water supplies.....	224,000
China (Taiwan):	
Sanitation and water supply.....	38,000
Municipal water supply, Taichung.....	130,000
Korea:	
Waterworks rehabilitation.....	1,139,000
Construction of sanitary facilities.....	528,000
Philippines: Water supply (wells and springs).....	964,000
NEAR EAST AND SOUTH ASIA	
Ceylon: Environmental sanitation.....	28,000
India: National water supply and sanitation program.....	82,000
Iraq: Rural health services.....	23,000
Jordan: Environmental sanitation.....	107,000
AFRICA	
Ethiopia: Community water supply.....	135,000
Libya:	
Development of domestic water supplies.....	321,000
Municipal slaughterhouse development.....	28,000
EUROPE	
No projects.	
LATIN AMERICA	
Bolivia: Environmental sanitation.....	52,000
Brazil: Sanitary (environmental) engineering.....	118,000
Colombia: Public health engineering.....	54,000
Costa Rica:	
Engineering studies project.....	15,000
Water supply project.....	1,000
Municipal sewerage systems.....	2,000
Ecuador: Environmental sanitation.....	60,000
Guatemala: Environmental sanitation (public health cooperative service).....	500,000
Haiti: Water distribution, construction, and water sewerage surveys for Port-au-Prince.....	330,000
Panama:	
General engineering services for the servicio (environmental sanitation).....	39,000
Extension of water and sewerage system of the city of Panama.....	1,000
Venezuela: Rural water supply, engineering and construction.....	21,000

Fiscal year 1959	
FAR EAST	
Cambodia: Improvement of water supplies.....	\$15,000
China (Taiwan): Improvement of sanitation and water supply.....	38,000
Korea:	
City drainage improvement.....	447,000
Environmental sanitation.....	368,000
Philippines: Water supply (wells, springs, and waterworks).....	427,000
NEAR EAST AND SOUTH ASIA	
Ceylon: Environmental sanitation.....	20,000
India: National water supply and sanitation program.....	113,000
Iran: Environmental sanitation.....	128,000
Jordan: Environmental sanitation.....	71,000
Pakistan: Greater Karachi water supply and sewage disposal.....	24,000
AFRICA	
Libya:	
Domestic water.....	584,000
Slaughterhouse.....	107,000
EUROPE	
No projects.	
LATIN AMERICA	
Bolivia: Environmental sanitation.....	30,000
Brazil: Sanitary engineering.....	106,000
Colombia: Public health engineering.....	35,000
Costa Rica: Environmental sanitation.....	19,000
Ecuador: Environmental sanitation.....	47,000
Guatemala: Public health services (environmental sanitation and health education).....	89,000
Nicaragua: Environmental sanitation.....	15,000
Panama: General engineering services.....	39,000
Venezuela: Rural water supplies, engineering, and construction.....	10,000

Mr. GRUENING. Mr. President, on our own west coast, the salmon fishing industry is gravely depressed. It needs rehabilitation. The proper agency to undertake such a course of rehabilitation is the Federal Government because through years of Federal mismanagement this once great resource has been sorely depleted. The Alaska pack reached the lowest point in 60 years in 1959, the last year of Federal control.

Has the Eisenhower-Nixon administration in the past 7½ years come forward with a program—with a dynamic, far-sighted program—for the rehabili-

tation of the salmon fishing industry of the Pacific Northwest, or of any of our fishery resources? It has not.

Still, under its double standard, the Eisenhower-Nixon administration has developed programs for the rehabilitation of fishing industries in many countries abroad.

I ask unanimous consent to have printed at this point in my remarks a list of fishing projects abroad for the 5 fiscal years since 1955 for which the Eisenhower-Nixon administration has made grants of U.S. dollars.

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

TABLE 4.—Agriculture and natural resources

(18) Fisheries	
Fiscal year 1955	
FAR EAST	
China: Ocean fisheries improvement.....	\$204,000
Indonesia:	
Expansion and modernization of marine fisheries.....	224,700
Expansion of inland fisheries.....	51,000
Philippines: Fisheries development.....	82,000
Thailand: Fisheries.....	59,000
Vietnam:	
Development of inland fisheries.....	3,000
Development of marine fisheries.....	95,000
NEAR EAST, AFRICA, AND SOUTH ASIA	
Ethiopia: Fisheries survey.....	10,200
India: Project for modernization and expansion of marine and inland fisheries and exploratory fishing program.....	278,100
Liberia: Marine and fresh water fisheries.....	22,000
Pakistan: Karachi fish harbor.....	364,000
Turkey: Purse seine fishing specialists.....	6,500
Peru: SCIPA project fisheries.....	32,061
Total.....	1,431,561

Fiscal year 1956	
FAR EAST	
China (Taiwan):	
Fishing fleet rehabilitation.....	5,000
Fish propagation (RETSEK).....	8,000
Indonesian Republic: Expansion and modernization of marine and inland fisheries.....	150,498
Korea: Fishing boat construction.....	1,000,000
Laos: Inland fish culture.....	13,450
Thailand: Fisheries.....	71,000
Vietnam:	
Development of inland fisheries.....	13,500
Development of marine fisheries.....	46,000
NEAR EAST AND SOUTH ASIA	
India: Expansion and modernization of marine and inland fisheries.....	437,520
Pakistan:	
Fisheries development: West Pakistan.....	371,375
Fisheries development: East Pakistan.....	129,295
Turkey: Purse seine fishing specialists.....	10,000
AFRICA	
Ethiopia: Fisheries survey.....	7,000
Liberia: Marine and fresh water fisheries.....	25,280
EUROPE	
Iceland: Canning industry team for the fish industry, 3d country training.....	4,600
Yugoslavia: Fisheries.....	14,020
LATIN AMERICA	
El Salvador: Fisheries.....	15,055
Peru: Fisheries development program (SCIPA project fisheries).....	33,910
Total.....	2,355,503

Fiscal year 1957	
FAR EAST	
China:	
Fishing fleet rehabilitation program.....	17,000
Fisheries.....	13,000
Tuna long liners.....	530,000
Indonesia: Expansion and modernization of marine and inland fisheries.....	149,000
Korea: Fisheries development.....	2,314,000
Thailand: Fisheries.....	17,000
Vietnam:	
Development of inland fisheries.....	7,000
Development of marine fisheries.....	160,000
NEAR EAST AND SOUTH ASIA	
India: Expansion and modernization of marine and inland fisheries.....	93,000
Pakistan:	
West Pakistan fisheries development.....	45,000
Fisheries development, East Pakistan.....	46,000
Turkey: Purse seine fishing specialists.....	2,000

Fiscal year 1957—Continued

AFRICA	
Ethiopia: Fisheries development project.....	\$26,000
Liberia: Fresh water fisheries.....	18,000
Tunisia: Aid to commercial fisheries.....	48,000
Oversea territories: Somalia: Fisheries development.....	2,000
EUROPE	
Iceland:	
Canning industry team for the fish industry 3d country.....	5,000
Fish byproduct utilization.....	2,000
Herring processing study 3d country.....	1,000
LATIN AMERICA	
El Salvador: Fisheries.....	8,000
Peru: Renewable resources development.....	56,000
Total.....	3,415,000

Fiscal year 1958

FAR EAST	
Cambodia: Fisheries conservation.....	35,000
China (Taiwan): Fisheries development.....	11,000
Indonesia: Expansion and modernization of marine and inland fisheries.....	98,000
Korea: Fisheries development.....	190,000
Vietnam: General fisheries development.....	192,000
NEAR EAST AND SOUTH ASIA	
India: Expansion and modernization of marine and inland fisheries.....	134,000
Pakistan:	
Fisheries development, West Pakistan.....	116,000
Fisheries development, East Pakistan.....	56,000
AFRICA	
Liberia: Fresh water fisheries.....	19,000
Tunisia: Aid to commercial fisheries.....	16,000
AFRICA	
Overseas territories: Somalia: Fisheries.....	121,000
EUROPE	
Yugoslavia: Fisheries.....	8,000
LATIN AMERICA	
Peru: Renewable resources development (forestry and fisheries).....	30,000
ASIAN ECONOMIC DEVELOPMENT FUND	
Marine research in South China Sea and the Gulf of Thailand.....	560,000
Total.....	1,526,000

Fiscal year 1959

FAR EAST	
Cambodia: Fisheries conservation.....	41,000
China (Taiwan): Fisheries development (JCRR).....	13,000
Indonesia: Expansion and modernization of marine and inland fisheries.....	84,000
Korea: Fisheries development.....	475,000
Vietnam: Fisheries development.....	898,000
NEAR EAST AND SOUTH ASIA	
India: Expansion and modernization of marine and inland fisheries.....	106,000
Pakistan:	
Fisheries development, West Pakistan.....	91,000
Fisheries development, East Pakistan.....	32,000
AFRICA	
Liberia: Fresh-water fisheries.....	15,000
Tunisia: Aid to commercial fisheries.....	20,000
Overseas territories: Somalia: Fisheries.....	18,000
EUROPE	
Iceland: Fish control survey.....	2,000
LATIN AMERICA	
Overseas territories: British Guiana: Snapper fishing equipment demonstration project.....	6,000
ASIAN ECONOMIC DEVELOPMENT FUND	
Marine research development in South China Sea and Gulf of Thailand.....	400,000
Total.....	2,201,000

Mr. GRUENING. Mr. President, the Eisenhower-Nixon double standard record on housing is equally significant.

Congress had to pass three housing bills before it found a low enough formula for such a bill to warrant a Presidential signature.

To the unwary this might signify that the Eisenhower-Nixon administration was quite reluctant to see Federal dollars being used to assist housing programs.

But not so.

CVI—1097

This reluctance applies only to programs in our own country. The picture abroad is different.

Under the ICA program, grants—outright grants with no payment expected—have been made in the 5 years since 1955 to many countries in a sum totaling \$12,289,899. Yet this is the same Eisenhower-Nixon administration that balked at loans for housing for the elderly and loans for college housing.

I ask unanimous consent to have printed at this point in my remarks a list of housing projects abroad for which grants of U.S. dollars were made in the 5 years since 1955 pursuant to the double standard of the Eisenhower-Nixon administration.

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

TABLE 5.—Housing

(S3) Housing	
Fiscal year 1955	
FAR EAST	
China: Housing program (public).....	\$14,000
Indonesia Republic:	
Workers' housing and community planning.....	102,587
Building construction testing and research center, Bandung.....	20,400
Low-cost housing and community facilities improvement.....	74,800
NEAR EAST, AFRICA, AND SOUTH ASIA	
Egypt: Building research and training center.....	5,500
Iran: Urban and rural low-cost housing.....	51,401
Israel:	
Public Housing Administration participant housing.....	3,000
Housing construction participantship.....	3,000
Liberia: Division of Public Building and Housing.....	37,167
Pakistan:	
Social welfare and housing, housing research, Experiment and Demonstration Station.....	71,000
Welfare—Community development, housing.....	47,700
Turkey:	
Low-cost housing consultants.....	750
Middle East Technical University.....	98,000
EUROPE	
Austria: Housing and urban redevelopment study.....	8,000
Germany: Housing programing and administration.....	3,200
Italy: Housing productivity.....	16,460
REGIONAL	
Modular coordination in building.....	3,000
Preplanning in the building industry.....	43,200
LATIN AMERICA	
Brazil: Housing.....	34,492
Chile: Housing.....	32,000
Costa Rica: Housing project.....	8,785
Haiti: Technical aid in housing.....	17,600
Fiscal year 1956	
FAR EAST	
China (Taiwan): Public housing program.....	27,000
Indonesia Republic:	
Workers' housing and community planning.....	48,000
Building materials development, low-cost housing training and demonstration.....	295,000
Technicians' housing.....	164,000
Thailand: Low cost housing development.....	18,000
NEAR EAST AND SOUTH ASIA	
Egypt: Housing building materials standards and training center.....	137,810
Greece: Labor housing expert.....	10,600
Iran: Urban and rural low-cost housing.....	44,885
Pakistan: Welfare—Community development, housing advisory services.....	35,430
Turkey: Low-cost housing consultant.....	12,000
Regional total: Regional housing office.....	23,300
AFRICA	
Liberia: Division of Public Buildings and Housing.....	32,100
EUROPE	
Iceland: Survey of Icelandic building industry.....	7,000
Spain: Housing studies.....	26,880

Fiscal year 1956—Continued

YUGOSLAVIA	
Housing.....	\$11,000
Regional—USRO total:	
Preplanning in the building industry.....	7,500
Building in the United States.....	20,000
LATIN AMERICA	
Brazil: Housing.....	39,884
Chile: Cooperative housing.....	68,220
Costa Rica: Housing project.....	53,190
Guatemala:	
Housing program:	
Technical assistance.....	20,000
Development assistance.....	1,464,000
Uruguay: Housing—City and regional planning.....	3,500
Interregional total: Publications and training materials, housing.....	10,000

Fiscal year 1957

FAR EAST	
China (Taiwan): Public housing program.....	14,000
Indonesia Republic:	
Aided self-help housing and low-cost housing training.....	86,000
Technicians housing.....	8,000
Korea: Housing construction materials.....	2,042
NEAR EAST AND SOUTH ASIA	
Egypt: Building research and training center.....	15,000
Greece: Labor housing expert.....	11,000
Iran: Development of low-cost housing.....	20,000
Lebanon: National housing program.....	200,000
Pakistan: Housing research—Experiment and demonstration station.....	2,000
Regional: Regional housing office.....	23,000
AFRICA	
Liberia: Public building and housing.....	18,000
EUROPE	
Spain: Housing studies.....	20,000
Yugoslavia: Housing.....	26,000
LATIN AMERICA	
Brazil: Housing.....	7,000
Chile: Housing.....	57,000
Colombia: A cooperative program in rural and urban housing in Colombia between the International Cooperation Administration and the Colombian Institute of Territorial Credit.....	23,000
Costa Rica: Housing and planning project.....	61,000
Guatemala: Housing program.....	41,000
Nicaragua: City planning and housing.....	19,000
Peru: Advisory service to Peruvian National Housing Commission.....	21,000
Uruguay: Housing (city and regional planning).....	2,000
INTERREGIONAL	
Publications, films, and training materials—Housing.....	26,000
Housing study on tropical minimal houses.....	22,000
Publications, films, and training materials—housing (finance).....	14,000

Fiscal year 1958

FAR EAST	
No projects.....	
NEAR EAST AND SOUTH ASIA	
No projects.....	
AFRICA	
No projects.....	
EUROPE	
No projects.....	
LATIN AMERICA	
No projects.....	

Fiscal year 1959

FAR EAST	
Korea: Housing construction materials.....	1,251,000
NEAR EAST AND SOUTH ASIA	
Lebanon: National housing.....	47,000
AFRICA	
Tunisia: Workers housing program.....	18,000
EUROPE	
German/Berlin: Study of housing and construction program in West Berlin.....	2,000
Spain: Housing studies—town and country planning.....	8,000
Yugoslavia: Housing construction.....	150,000
LATIN AMERICA	
Costa Rica: Housing and city planning.....	40,000
Guatemala: Housing program.....	71,000
Uruguay: Housing.....	11,000
OVERSEA TERRITORIES	
The West Indies and East Caribbean: Housing.....	25,000
INTERREGIONAL TOTAL	
Publications, films, and training materials—housing.....	1,000
Housing—Research on earth for homes.....	29,000

(84) Aided Self-Help Housing	
<i>Fiscal year 1955</i>	
OVERSEA TERRITORIES	
Trinidad: Aided self-help development.....	\$65,400
<i>Fiscal year 1956</i>	
FAR EAST	
Cambodia: Housing improvement.....	20,000
OVERSEA TERRITORIES—MISCELLANEOUS—LATIN AMERICA	
Aided self-help development.....	73,266
<i>Fiscal year 1957</i>	
FAR EAST	
Cambodia: Development of town planning and housing.....	59,000
NEAR EAST AND SOUTH ASIA	
Turkey: Aided self-help housing adviser.....	5,000
AFRICA	
Ethiopia: Low-cost urban housing.....	200,000
LATIN AMERICA	
Ecuador: Aided self-help housing.....	1,000
OVERSEA TERRITORIES	
Miscellaneous DOTs: Aided self-help housing.....	2,000
REGIONAL	
Aided self-help housing development.....	34,000
<i>Fiscal year 1958</i>	
FAR EAST	
China (Taiwan): Public housing program.....	11,000
Korea:	
Housing construction materials.....	1,996,000
Housing, Chungju fertilizer plant.....	450,000
NEAR EAST AND SOUTH ASIA	
Greece: Labor housing adviser.....	16,000
Lebanon: National housing program.....	683,000
Regional total: Regional housing office.....	3,000
AFRICA	
Liberia: Public buildings and housing.....	5,000
EUROPE	
Spain: Housing studies.....	33,000
Yugoslavia: Housing construction.....	84,000
LATIN AMERICA	
Chile: Housing.....	175,000
Costa Rica: Housing and city planning.....	59,000
Guatemala:	
Housing program.....	54,000
Aided self-help housing program.....	1,400,000
Nicaragua: Community development-city planning.....	37,000
Uruguay: Community development (city and regional planning).....	3,000
INTERREGIONAL TOTAL	
Publications, films, and training material (housing).....	3,000
<i>Fiscal year 1959</i>	
FAR EAST	
No projects.	
NEAR EAST AND SOUTH ASIA	
Turkey: Aided self-help housing adviser.....	11,000
AFRICA	
No projects.	
EUROPE	
No projects.	
LATIN AMERICA	
Nicaragua: Housing, aided self-help.....	364,000
Peru: Consultation to national housing commission.....	3,000
Regional total: Self-aided housing, Caribbean Commission.....	20,000
(85) Supporting projects, housing	
<i>Fiscal year 1955</i>	
NEAR EAST, AFRICA, AND SOUTH ASIA	
Israel: Assistance in housing.....	3,500
EUROPE	
Italy: Productivity center support, housing specialists.....	23,000
<i>Fiscal year 1956</i>	
NEAR EAST AND SOUTH ASIA	
Israel: Assistance in housing.....	28,400
<i>Fiscal year 1957</i>	
FAR EAST	
Korea: Housing research and development.....	51,000
NEAR EAST AND SOUTH ASIA	
Israel: Assistance in housing.....	7,000
<i>Fiscal year 1958</i>	
FAR EAST	
Korea: Housing research and development.....	109,000
NEAR EAST AND SOUTH ASIA	
No projects.	
AFRICA	
No projects.	

<i>Fiscal year 1958—Continued</i>	
EUROPE	
No projects.	
LATIN AMERICA	
No projects.	
FAR EAST	
Korea: Housing research and developing.....	\$32,000
NEAR EAST AND SOUTH ASIA	
No projects.	
EUROPE	
No projects.	
AFRICA	
No projects.	
LATIN AMERICA	
No projects.	
(86) Emergency Housing	
No projects authorized for any of the countries under this code	
(86) Emergency Housing	
<i>Fiscal year 1957</i>	
NEAR EAST AND SOUTH ASIA	
Turkey: Reconstruction of earthquake damage in Fethiye.....	500,000

Mr. GRUENING. Mr. President, with respect to highway construction, the record of the Eisenhower-Nixon administration is equally one of applying a different and a tighter standard to our program here at home than is applied to highway projects for which U.S. dollars are spent abroad.

Here at home the Eisenhower-Nixon administration is adamant that the highway fund be kept solvent. And taxes must be raised to keep it so, says this administration.

However, abroad there is no question of any trust fund. Outright grants are made for highways in many foreign countries.

I ask unanimous consent to have printed at this point in the RECORD a list of highway projects for which U.S. dollars have been spent in the 5 fiscal years since 1955.

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

TABLE 6.—Mutual security projects, by countries and fiscal years, 1955 to 1959, inclusive

Country	RECAPITULATION, TRANSPORTATION					Cumulative through fiscal year 1959
	Fiscal year 1955	Fiscal year 1956	Fiscal year 1957	Fiscal year 1958	Fiscal year 1959	
Code (31): Highways						
Far East.....	\$9,156,430	\$29,592,119	\$41,886,000	\$36,622,000	\$25,616,000	\$142,872,549
Near East and Asia.....	16,526,628	5,544,339	9,411,000	4,108,000	3,376,000	38,965,967
Africa.....	262,200	1,267,000	1,765,000	899,000	899,000	4,193,200
Europe.....	17,400	15,000	12,000	56,000	73,000	173,400
Latin America.....	4,225,345	11,523,312	8,816,000	1,019,000	754,000	26,337,657
Asian Economic Development Fund, India-Nepal Roadway.....				5,000,000		5,000,000
Total.....	29,925,803	46,936,970	61,392,000	48,570,000	30,718,000	217,542,773

TRANSPORTATION	
(31) Highways	
<i>Fiscal year 1955</i>	
FAR EAST	
China: Traffic safety engineering.....	\$5,000
Laos: Improvement of and extension of Laos highway system.....	1,370,930
Philippines: Highway improvement (Barrio roads).....	3,789,000
Thailand:	
Highway development.....	55,000
Construction equipment training.....	75,000
Special northeast highway project, Saraburi-Korat-Ban Thai Highway.....	3,130,000
Expanded aid program highways.....	355,000
Vietnam: General program for roads and bridges.....	376,500
NEAR EAST, AFRICA, AND SOUTH ASIA	
Egypt:	
Highway improvement.....	6,514,000
Transportation and communications, highways.....	10,500
Transportation, asphalt and bitumen training.....	3,000
Iran: Demonstration and training in use of highway maintenance equipment.....	406,667
Iraq: Highway development (Edwards, Kelcey, Beck contract).....	176,496
Israel: For road construction.....	18,750
Jordan: Roads.....	2,537,250
Lebanon: Public roads development.....	5,700,000
Liberia: Highway program (PW-5) highway maintenance.....	291,000
Pakistan:	
East Pakistan road development training program.....	4,660
Baluchistan States union road projects.....	693,815
Pakistan highway system and research development program.....	35,340
FAR EAST	
China: Traffic safety engineering.....	5,000
Laos: Improvement of and extension of Laos highway system.....	1,370,930
Philippines: Highway improvement (barrio roads).....	3,789,000
Thailand:	
Highway development.....	55,000
Construction equipment training.....	75,000
Special northeast highway project, Saraburi-Korat-Ban Thai Highway.....	3,130,000
Expanded aid program highways.....	355,000

<i>Fiscal year 1955—Continued</i>	
FAR EAST—Continued	
Vietnam: General program for roads and bridges.....	\$376,500
NEAR EAST, AFRICA AND SOUTH ASIA	
Egypt:	
Highway improvement.....	6,514,000
Transportation and communications, highways.....	10,500
Transportation, asphalt and bitumen training.....	3,000
Iran: Demonstration and training in use of highway maintenance equipment.....	406,667
Iraq: Highway development (Edwards, Kelcey, Beck contract).....	176,496
Israel: For road construction.....	18,750
Jordan: Roads.....	2,537,250
Lebanon: Public roads development.....	5,700,000
Liberia: Highway program (PW-5) highway maintenance.....	291,000
Pakistan:	
East Pakistan road development training program.....	4,660
Baluchistan States union road projects.....	693,815
Pakistan highway system and research development program.....	35,340
LATIN AMERICA	
Honduras: Consultation in highways.....	9,600
Mexico: Observation and seminars for Latin American public works and highway officials.....	3,000
Paraguay:	
Trans-Chaco road project.....	20,817
Demonstration and training project, road construction and maintenance.....	100,000
Peru: Bridge construction.....	3,650
Overseas territories: British Guiana: Transportation, highways.....	2,600
<i>Fiscal year 1956</i>	
FAR EAST	
Cambodia:	
Port highway.....	7,400,000
Highway repair and maintenance.....	765,000
Repair, rehabilitation, and construction, bridges.....	650,000
China (Taiwan):	
East-West highway construction (RETSEER).....	400,000
Heavy construction equipment, THB.....	208,200
Highway improvement and administration.....	13,000
Indonesian Republic: Highway technical training.....	84,000

Fiscal year 1956—Continued
FAR EAST—Continued

Fiscal year 1957—Continued
FAR EAST—Continued

Fiscal year 1958—Continued
FAR EAST—Continued

Table with 2 columns: Description and Amount. Includes items like Korea: Highway transportation trainees, Asphalt hot mix plant, Highway and bridge construction, etc.

Table with 2 columns: Description and Amount. Includes items like Korea—Continued: Heavy equipment and spare parts for highway, street paving, bridge construction, etc.

Table with 2 columns: Description and Amount. Includes items like China (Taiwan): East-west highway construction (RETSEK), Indonesian Republic: Highway construction and rehabilitation, etc.

NEAR EAST AND SOUTH ASIA

NEAR EAST AND SOUTH ASIA

NEAR EAST AND SOUTH ASIA

Table with 2 columns: Description and Amount. Includes items like Egypt: Transportation and communications highway improvement, Greece: Training in road design, pavements and testing material, etc.

Table with 2 columns: Description and Amount. Includes items like Afghanistan: National roads improvement and maintenance, Ceylon: Highway development, India: Highway transportation, etc.

Table with 2 columns: Description and Amount. Includes items like Afghanistan: National roads improvement and maintenance, Ceylon: Highway development, India: Highway transportation, etc.

AFRICA

AFRICA

AFRICA

Table with 2 columns: Description and Amount. Includes items like Liberia: Highway program, PW-5, Overseas territories: United Kingdom: Public Works Department engineer to United States, etc.

Table with 2 columns: Description and Amount. Includes items like Liberia: Highway program, PW-5, Overseas territories: United Kingdom: Public Works Department engineer to United States, etc.

Table with 2 columns: Description and Amount. Includes items like Liberia: Highway program, PW-5, Overseas territories: United Kingdom: Public Works Department engineer to United States, etc.

EUROPE

EUROPE

EUROPE

Table with 2 columns: Description and Amount. Includes item: Spain: American highway practices study, 15,000.

Table with 2 columns: Description and Amount. Includes item: Spain: American highway practices studies, 12,000.

Table with 2 columns: Description and Amount. Includes item: Spain: American highway practices study, 15,000.

LATIN AMERICA

LATIN AMERICA

LATIN AMERICA

Table with 2 columns: Description and Amount. Includes items like Bolivia: Administration (Bolivian-American Cooperative Road Service), Demonstration of equipment maintenance and repair, etc.

Table with 2 columns: Description and Amount. Includes items like Bolivia: Administration (Bolivian-American Cooperative Road Service), Demonstration of road maintenance and betterment, etc.

Table with 2 columns: Description and Amount. Includes items like Bolivia: Administration (road service), Demonstration road maintenance and betterment, etc.

Table with 2 columns: Description and Amount. Includes items like Haiti: Voldroque Pourcine Road (completion), Anse D'Hainault, sources Chaudes market road, etc.

Table with 2 columns: Description and Amount. Includes items like Guatemala: Atlantic highway, Pacific slope highway east and west sections, etc.

Table with 2 columns: Description and Amount. Includes items like Guatemala: Project access roads (rural development program), Honduras: Consultation in highways, etc.

Fiscal year 1957

Fiscal year 1957

Fiscal year 1959

Table with 2 columns: Description and Amount. Includes items like Cambodia: Port highway, Highway, bridge rehabilitation and construction, China: Highway bridge engineering, etc.

Table with 2 columns: Description and Amount. Includes items like Korea: Urban transit-streetcar rehabilitation, Israel: Highway transportation and automotive requirements, Spain: Urban transportation study, etc.

Table with 2 columns: Description and Amount. Includes items like Afghanistan: National roads improvement and maintenance, Ceylon: Highway development, India: Highways and bridges, etc.

(32) Urban Transit and Traffic Engineering

Fiscal year 1957

FAR EAST

NEAR EAST AND SOUTH ASIA

EUROPE

(31) Highways

Fiscal year 1958

FAR EAST

Fiscal year 1959—Continued

AFRICA	
Liberia: Highway program.....	\$292,000
Libya: Roads.....	600,000
Overseas Territories: United Kingdom: Southern Cameroons, highways engineering training.....	3,000
Road engineering study courts.....	4,000
EUROPE	
Spain: American highway practices study.....	22,000
Training highway construction mechanics operators.....	51,000
LATIN AMERICA	
Argentina: Highway transportation, advanced highway engineering training.....	4,000
Bolivia: Administration (roads service).....	91,000
Demonstration road maintenance and bet- terment.....	168,000
Colombia: Training, highway construction and maintenance.....	38,000
Costa Rica: Ministry of Public Works, high- way planning.....	7,000
Cuba: Public roads training.....	1,000
El Salvador: International road educational foundation training program.....	6,000
Honduras: Consultation in highways.....	47,000
Mexico: Training facilities for operators and mechanics.....	31,000
Nicaragua: Transportation, highways.....	7,000
Overseas territories: British Guiana: Roads development project.....	19,000
The West Indies and East Caribbean: Road improvement demonstration and training.....	11,000

Mr. GRUENING. Mr. President, the Eisenhower-Nixon double standard also applies to the development and utilization of one of the Nation's great mineral resources—coal.

A bill passed by Congress last year to encourage and stimulate the production and conservation of coal in the United States received a Presidential veto, but the Eisenhower-Nixon policy of sending U.S. dollars abroad to develop foreign mineral resources continued unabated.

Mr. President, I ask unanimous consent to have printed at this point in my remarks a list of mineral development projects abroad supported by U.S. dollars under the Eisenhower-Nixon administration.

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

TABLE 7.—Industry and mining
Fiscal year 1955

FAR EAST	
China (Taiwan): Coal Exploration.....	\$5,000
Coal Production Techniques.....	2,000
Philippines: Coal surveys.....	35,000
Vietnam: Coal strip mining survey.....	7,000
NEAR EAST AFRICA AND SOUTH ASIA	
Afghanistan: Mineral resources and coal production.....	67,000
Turkey: Zonguldak coal basin development P-1.....	204,400
EUROPE	
Austria: Coal mining experts.....	10,000
Spain: Coal mining study.....	8,640
LATIN AMERICA	
Colombia: Development of coal resources of Department of Cauca and the Cauca Valley.....	19,238
Honduras: Coal resources survey and devel- opment.....	7,950
Fiscal year 1956	
FAR EAST	
China (Taiwan): Coal mine improvement.....	103,000
Coal exploration.....	25,000
Coal mine demonstration.....	100,000
Korea: Coal mining operations and management. Development of Hambaeck coal fields.....	1,800
Test drilling of Hambaeck coal field.....	550,000
Philippines: Coal surveys.....	53,000
NEAR EAST AND SOUTH ASIA	
Afghanistan: Mineral resources and coal pro- duction.....	93,000
Pakistan: Development Makarwall colonies.....	502,000
Turkey: Zonguldak coal basin developmen- t.....	661,000

Fiscal year 1956—Continued

EUROPE	
Spain: Coal mining productivity study.....	\$3,840
Coal mining consultants.....	11,925
LATIN AMERICA	
Colombia: Development of coal resources, Department of Cauca and the Cauca Val- ley.....	23,000
Honduras: Industry, mining coal resources survey.....	29,107
Fiscal year 1957	
FAR EAST	
China (Taiwan): Coal mine improvement....	782,000
Korea: Test drilling of Hamraik coalfields.....	139,000
Mine development—Dachan coal mine.....	3,247,000
Geophysical survey and test drilling, Haasum and Eunsung coalfields.....	136,000
Philippines: Coal surveys.....	24,000
Vietnam: Nong Son coal exploration survey..	56,000
NEAR EAST AND SOUTH ASIA	
Afghanistan: Mineral resources and coal production.....	875,000
Turkey: Zonguldak coal basin development..	380,000
LATIN AMERICA	
Colombia: Coal resources development in the Department of Cauca in the Cauca Valley..	13,000
Honduras: Industry mining coal resources development.....	75,000
Fiscal year 1958	
FAR EAST	
China (Taiwan): Coal mining development..	689,000
Korea: Coal mining development.....	245,000
Vietnam: Nong Son coal exploration survey..	12,000
NEAR EAST AND SOUTH ASIA	
Afghanistan: Mineral resources and coal pro- duction.....	164,000
India: Assistance to coal industries.....	10,000
Turkey: Zonguldak coal basin development..	62,000
EUROPE	
Yugoslavia: Mining and minerals, coal min- ing, coke and byproducts.....	308,000
LATIN AMERICA	
Colombia: Coal resources development in the Department of Cauca in the Cauca Valley..	25,000
Honduras: Coal resources development.....	13,000
Fiscal year 1959	
FAR EAST	
China (Taiwan): Coal mine development....	965,000
Korea: Coal mine development.....	963,000
Vietnam: Nong Son coal mine development..	1,630,000
NEAR EAST AND SOUTH ASIA	
Afghanistan: Mineral resources and coal pro- duction.....	82,000
India: Assistance to coal industry.....	27,000
Turkey: Undersea coal mining operations....	3,000
EUROPE	
Yugoslavia: Mining and minerals, coal mining, coke and coke byproducts.....	266,000
LATIN AMERICA	
Colombia: Coal resources development in the Department of Cauca in the Cauca Valley..	19,000
Honduras: Coal resources survey.....	18,000

Mr. GRUENING. My final example—although many more are available, and would be referred to if time permitted—of the Eisenhower-Nixon double standard relates to this administration's lack of a comprehensive program of forest and range management research, of a program for forest protection research, of a program for forest products utilization, and of a program for forest resources research. Those programs are of great interest to many Members of the Senate—not only to me, but also to the distinguished Senator from Mississippi [Mr. STENNIS] whom I see on the floor, as well as to many other Senators. But despite the programs which were voted by Congress, this administration proceeded, on the basis of the Eisenhower-Nixon double standard, to insist that no funds or scant funds should be devoted to such programs in our country, whereas the administration was at the same time continuing to take the

position that it was essential that large amounts of the funds of the American taxpayers be spent for very large programs of conservation and forest resources development in other countries. Mr. President, that is but another example of the double standard that is being followed by this administration.

Mr. STENNIS. Mr. President, I wish to thank the Senator from Alaska for his statement in support of the importance of these programs in the United States—programs which are of extremely great importance; and certainly we hope that these programs in our country will be carried forward next year by the Congress.

Mr. GRUENING. All of us certainly hope so.

A forest research program was sponsored by the Department of Agriculture and the modest sum of \$6 million was requested for the fiscal year 1961. But this request, approved by the Secretary of Agriculture, was cut by the Bureau of the Budget to \$1,780,400—it was cut to less than one-third of what the Secretary of Agriculture of this very administration believed was needed for this vital program at home.

Such a distressing lack of a broad-range research program with respect to a product vital to the United States is in marked contrast to the Eisenhower-Nixon program for the development of forest resources abroad.

I ask unanimous consent that there be printed at this point in my remarks a list of such projects abroad supported under the Eisenhower-Nixon administration's double standard.

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

TABLE 8.—Agriculture and natural resources
(17) Forestry

Fiscal year 1955	
FAR EAST	
China: Logging operations improvement....	\$355,000
Laos: Development of lumber industry.....	134,000
Philippines: Forest management and forest products laboratory.....	325,000
Vietnam: Reforestation and erosion control.....	92,500
Regional: Study of U.S. mechanical extrac- tion of timber by J. O. Egerton, of Malaya.....	3,160
NEAR EAST, AFRICA, AND SOUTH ASIA	
India: Tropical forestry training, Puerto Rico.....	15,000
Iran: Forestry and conservation.....	81,238
Jordan: Afforestation and watershed protec- tion.....	500,000
Lebanon: Range management and forestry..	36,000
Liberia: Forest conservation.....	69,500
Libya: Forestry: Tripolitania.....	13,875
Cyrenaica.....	33,905
Pakistan: East Pakistan, forest research laboratory. Chittagong hill tracts timber extraction..	78,600
254,660	
Turkey: Forest range and watershed management..	1,500
Forestry.....	30,800
OVERSEA TERRITORIES	
United Kingdom: Forestry program.....	63,500
EUROPE	
Spain: Organization and methods for the preven- tion and control of forest fires and forest pests.....	4,032
Forestry, range management.....	4,032
Use of mechanical equipment in forestry. Forest utilization and products.....	4,032
Yugoslavia: 3d country training, forestry practices and policies.....	4,800

Fiscal year 1955—Continued

LATIN AMERICA	
Chile: Reforestation, soil and water conservation in the area development program (lands and colonization)	\$19,500
Colombia: National forestry experiment station	13,378
Costa Rica: Forestry development and conservation	13,881
Guatemala: Tropical forestry training course	629
Haiti: Technical assistance in forestry	8,900
Mexico: Tropical forestry course	2,175
Paraguay: Forestry	14,324
Peru: Agriculture and Natural resources	2,480
Total, 1955	2,184,427

Fiscal year 1956

FAR EAST	
China (Taiwan): Forestry (JCRR)	63,000
RETSEF forestry	60,000
Forest policies and management plans (JCRR)	25,000
Korea: Forestry development	112,000
Laos: Development of lumber industry	200,000
Philippines: Forest management and Forest Products Laboratory	155,000
Vietnam: Reforestation and erosion control	76,130

NEAR EAST AND SOUTH ASIA

Greece: Training in forestry	10,200
Iran: Forestry and conservation	53,068
Jordan: Forest management	40,000
Afforestation and watershed protection	37,000
Lebanon: Range management and forestry	17,000
Pakistan: Chittagong Hill tracts timber extraction project	169,630
Turkey: Forestry development	36,650

AFRICA

Liberia: Forest conservation	78,980
Libya: Forestry: Cyrenaica	145,400
Tripolitania	104,400

EUROPE

Spain: Forest utilization and products	3,000
Forestry	24,840
Forestry range management specialists	12,900
Reforestation mechanization specialist	4,000
Yugoslavia: Forestry	27,076

LATIN AMERICA

Chile: Chilean-American agreement for a program of silviculture assistance (Corfo)	33,500
Reforestation, soil, and water conservation in the area development program (lands and colonization)	25,000
Do	21,950
Colombia: National forestry experiment station	17,600
Guatemala: 5th international tropical forestry course in Costa Rica	490
Haiti: Technical assistance in forestry	12,851
Paraguay: Forestry	24,812

OVERSEA TERRITORIES

Miscellaneous DOTs: Tropical forestry training in Puerto Rico	5,500
Regional total: Regional forestry specialist (Panama)	15,900

Total, 1956 **1,612,967**

Fiscal year 1957

FAR EAST	
Cambodia: Forest resources development	20,000
China: TA Shu Shan logging operations	481,000
Forestry	82,000
Forest policies and management plans	18,000
Forestation and tree gum	40,000
Korea: Forestry development	168,000
Laos: Conservation and development of forest resources	44,000
Philippines: Forest management and forest products laboratory	46,000
Vietnam: Reforestation and erosion control	13,000

NEAR EAST AND SOUTH ASIA

Iran: Range and forest management	56,000
Project for contributing to the completion of forest surveys in Iran	151,000
Pakistan: East Pakistan Forest Research Laboratory	165,000
Chittagong Hill tracts—Timber extraction project	270,000
Turkey: Forestry development	355,000

AFRICA

Liberia: Forest conservation	59,000
Libya: Forestry	23,000
Do	196,000

Fiscal year 1957—Continued

OVERSEA TERRITORIES	
Somalia: Forestry development	\$3,000
United Kingdom: U.S. dry-zone silviculturist to Nyasaland	27,000

EUROPE

Spain: Forestry demonstrations	41,000
Reforestation mechanization specialists	4,000
Forage and range management demonstration	16,000
Yugoslavia: Forestry	38,000

LATIN AMERICA

Chile: Reforestation, soil, and water conservation in the area development program	13,000
Do	22,000
Haiti: Technical advisory assistance to Société Haitiano-Américaine de Développement Agricole	12,000
Paraguay: Forestry	15,000

OVERSEA TERRITORIES

British Guiana: Preliminary forest survey project	2,000
Total, 1957	2,380,000

Fiscal year 1958

FAR EAST

Burma: Forestry, timber extraction	690,000
Cambodia: Forestry resources development	135,000
China (Taiwan): TA Shu Shan logging operations	256,000
Forestry development (JCRR)	81,000
Laos: Conservation and development of forest resources	12,000
Philippines: Forest management (including College of Forestry)	132,000

NEAR EAST AND SOUTH ASIA

Iran: Range and forest management	38,000
Jordan: Afforestation watershed protection	100,000
Pakistan: East Pakistan Forest Research Laboratory	41,000
Chittagong Hill tracts, timber extraction	300,000
Turkey: Forestry development	65,000

AFRICA

Liberia: Forest conservation	54,000
Libya: Forestry	335,000

OVERSEA TERRITORIES

Somalia: Forestry	17,000
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EUROPE

Spain: Forestry demonstrations	46,000
Organization and development of a forestry grazing service	4,000
Yugoslavia: Forestry	55,000

LATIN AMERICA

Chile: Forest development	45,000
Colombia: National forest resource development	45,000
Costa Rica: Forestry	15,000
Haiti: Technical advisory assistance to Société Haitiano-Américaine de Développement Agricole	22,000
Paraguay: Forestry	21,000

OVERSEA TERRITORIES

British Guiana: Check cruise of forest survey in Bartica area	1,000
Total, 1958	2,510,000

Fiscal year 1959

FAR EAST

Cambodia: Forest resources development	80,000
China: Forestry development (JCRR)	79,000
Laos: Conservation and development of forest resources	28,000
Philippines: Forest management	224,000

NEAR EAST AND SOUTH ASIA

Iran: Range and forest management	115,000
Jordan: Afforestation and watershed protection	38,000
Pakistan: East Pakistan Forest Research Laboratory	26,000

AFRICA

Liberia: Forest conservation	230,000
Libya: Forestry	359,000

OVERSEA TERRITORIES

Somalia: Forestry	3,000
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EUROPE

Spain: Forestry demonstration	57,000
Yugoslavia: Forestry	192,000

Fiscal year 1959—Continued

LATIN AMERICA

Colombia: Forest resources development	\$48,000
Guatemala: Forestry school	21,000
Paraguay: Forestry	6,000
Peru: Forestry resources development program	19,000

Total, 1959 **1,525,000**

Total foreign aid expenditures on forestry programs, fiscal years 1955 through 1959 **10,212,394**

Mr. GRUENING. The foregoing, Mr. President, are but a few of the many examples which can be cited of the Eisenhower-Nixon double standard under which needed programs at home are cut back, starved, or "phased out" while similar projects abroad are dealt with with a lavish hand and are accompanied by a strict injunction from the White House that not one penny should be cut by Congress from the funds requested by the administration for those projects in other countries.

The high water mark was reached the other day when the Congress was asked to vote a blank check for \$100 million for the foreign aid for Africa and \$500 million for South America, with no details being given as to how the funds authorized would be used—despite the fact that Congress had voted a blank check contingency fund for such emergencies, as the distinguished senior Senator from Louisiana [Mr. ELLENDER] pointed out earlier this afternoon.

Mr. President, I predict that when the appropriation bill carrying out this authorization comes before us, we shall find ourselves estopped from setting forth in that bill any guidelines for these programs.

It was most gratifying the other evening when the distinguished junior Senator from Montana [Mr. MANSFIELD] indicated that he would give serious consideration to joining me in insisting that foreign projects meet the same standards as domestic projects. But such standards are not applied in the pending bill to foreign projects—which is why I cannot in good conscience support this foreign-aid program. I am old fashioned or conservative enough to believe that the American people should at the very least have equal treatment from their own Government with the people of foreign countries.

I was pleased, therefore, to note that the bill as reported contains the provision in section 102 that foreign projects "must meet a feasibility ratio of related programs in the United States based on the engineering information available at the time the project is being considered."

I compliment the distinguished senior Senator from Arizona [Mr. HAYDEN], and the other members of his committee on the decision to accept wording so similar to that contained in the House version of the bill.

I have refrained from offering an amendment restoring the House language. I would, however, address this question to the distinguished senior Senator from Arizona: Can he give me any assurance that, in conference, some language along the lines of that contained

in section 102 will be retained, and that the entire concept will not be dropped?

Mr. HAYDEN. The Senator from Alaska can certainly depend on having the Senate conferees do their utmost to have the concept retained, not dropped.

Mr. GRUENING. I certainly hope it will be retained. I also hope very much that the procedure and controls that are applied to domestic programs also will be applied to our foreign-aid programs.

Mr. President, I yield the floor.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 1066. An act to revise the boundaries and change the name of Fort Donelson National Military Park, and for other purposes; and

S. 2806. An act to revise the boundaries of the Coronado National Memorial and to authorize the repair and maintenance of an access road thereto, in the State of Arizona, and for other purposes.

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

S. 1321. An act to authorize the Attorney General to consent, on behalf of the Library of Congress Trust Fund Board, to a modification of the terms of a trust instrument executed by James B. Wilbur; and

S. 1808. An act to revise title 18, chapter 39, of the United States Code, entitled "Explosives and Combustibles."

The message further announced that the House had agreed to the amendment of the Senate to the bill (H.R. 5054) to amend the Tariff Act of 1930 with respect to the marketing of imported articles and containers.

The message also announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

H.R. 2339. An act to revise, codify, and enact into law title 39 of the United States Code, entitled "The Postal Service"; and

H.R. 5789. An act to incorporate the Agricultural Hall of Fame.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2669) to extend the period of exemption from inspection under the provisions of section 4426 of the Revised Statutes granted certain small vessels carrying freight to and from places on the inland waters of southeastern Alaska.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 10455) to amend the Mineral Leasing Act of February 25, 1920.

The message further announced that the House had agreed to the report of the committee of conference on the disagree-

ing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11666) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1961, and for other purposes, and that the House receded from its disagreement to the amendment of the Senate numbered 22 to the bill, and concurred therein.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 12580) to extend and improve coverage under the Federal old-age, survivors, and disability insurance system and to remove hardships and inequities, improve the financing of the trust funds, and provide disability benefits to additional individuals under such system; to provide grants to States for medical care for aged individuals of low income; to amend the public assistance and maternal and child welfare provisions of the Social Security Act; to improve the unemployment compensation provisions of such act; and for other purposes; agree to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MILLS, Mr. FORAND, Mr. KING of California, Mr. O'BRIEN of Illinois, Mr. MASON, Mr. BYRNES of Wisconsin, and Mr. BAKER were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H.R. 1464. An act for the relief of Dr. Josephine L. Go and Dr. Welles P. Go;

H.R. 8166. An act for the relief of the Crum-McKinnon Building Company, Billings, Mont.;

H.R. 8885. An act for the relief of William L. Berryman;

H.R. 9041. An act for the relief of Joseph Starker;

H.R. 9523. An act to simplify the payment of certain miscellaneous judgments and the payment of certain compromise settlements;

H.R. 9732. An act to authorize the Secretary of Agriculture to convey certain property in the State of California to the county of Trinity;

H.R. 10154. An act to validate a certain conveyance of land in Riverside County, Calif., made on September 28, 1885, by the Southern Pacific Railroad Co., and others;

H.R. 10627. An act for the relief of Louis Lewis;

H.R. 11136. An act for the relief of the Princess Anne County School Board, Virginia.

H.R. 11200. An act to authorize the Secretary of the Interior to sell reserved phosphate interests of the United States in lands located in the State of Florida to the record owners of the surface thereof;

H.R. 11380. An act for the relief of Mr. Joe J. Farmer;

H.R. 11531. An act to amend the act entitled "An act authorizing the Postmaster General to adjust certain claims of postmasters for loss by burglary, fire, or other unavoidable casualty," approved March 17, 1882, as amended, and for other purposes;

H.R. 11560. An act for the relief of Eugene C. Harter;

H.R. 11561. An act to authorize and direct the Secretary of the Army to convey part of lock and dam No. 10, Kentucky River, Madison County, Ky., to the Pioneer National Monument Association for use as part of a historic site;

H.R. 11757. An act for the relief of Mary A. Combs;

H.R. 11897. An act to amend section 1073 of title 18, United States Code, the Fugitive Felon Act;

H.R. 11957. An act to facilitate the selection by Alaska, pursuant to the act of July 7, 1958, of certain public lands under outstanding mineral lease or permit;

H.R. 12043. An act to amend sections 22, 23, and 24, title 13, United States Code, and for other purposes;

H.R. 12079. An act for the relief of Essie V. Johnson;

H.R. 12100. An act for the relief of William C. Winter, Jr., lieutenant colonel, U.S. Air Force (Medical Corps);

H.R. 12336. An act to amend section 507 of the Classification Act of 1949, as amended with respect to the preservation of basic compensation in downgrading actions;

H.R. 12458. An act to increase the amount authorized to be appropriated for the work of the President's Committee on Employment of the Physically Handicapped;

H.R. 12539. An act to implement section 4 of the act approved December 22, 1944 (Public No. 534, 78th Cong.), as amended;

H.R. 12566. An act to amend section 4004 of title 38, United States Code, to require that the Board of Veterans' Appeals render findings of fact and conclusions of law in the opinions setting forth its decisions on appeals;

H.R. 12663. An act to preserve the rates of basic salary of postal field service employees in certain cases involving reductions in salary standing, and for other purposes;

H.R. 12849. An act to protect farm and ranch operators making certain land use changes under the Great Plains conservation program and the soil bank program against loss of cropland acreage and acreage allotments; and

H.J. Res. 713. Joint resolution to authorize the use of surplus grain by the States for emergency use in the feeding of resident game birds and other wildlife, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 5789) to incorporate the Agricultural Hall of Fame, and it was signed by the President pro tempore.

HOUSE BILLS AND JOINT RESOLUTION REFERRED OR PLACED ON CALENDAR

The following bills and joint resolutions were severally read twice by their titles and referred or placed on the calendar, as indicated:

H.R. 1464. An act for the relief of Dr. Josephine L. Go and Dr. Welles P. Go;

H.R. 8166. An act for the relief of the Crum-McKinnon Building Co., Billings, Mont.;

H.R. 8885. An act for the relief of William L. Berryman;

H.R. 9041. An act for the relief of Joseph Starker;

H.R. 9523. An act to simplify the payment of certain miscellaneous judgments and the payment of certain compromise settlements;

H.R. 10627. An act for the relief of Louis Lewis;

H.R. 11136. An act for the relief of the Princess Anne County School Board, Virginia;

H.R. 11380. An act for the relief of Mr. Joe J. Farmer;

H.R. 11560. An act for the relief of Eugene C. Harter;

H.R. 11757. An act for the relief of Mary A. Combs;

H.R. 11897. An act to amend section 1073 of title 18, United States Code, the Fugitive Felon Act;

H.R. 12079. An act for the relief of Essie V. Johnson; and

H.R. 12100. An act for the relief of William C. Winter, Jr., lieutenant colonel, U.S. Air Force (Medical Corps); to the Committee on the Judiciary.

H.R. 9732. An act to authorize the Secretary of Agriculture to convey certain property in the State of California to the county of Trinity; and

H.J. Res. 713. Joint resolution to authorize the use of surplus grain by the States for emergency use in the feeding of resident game birds and other wildlife, and for other purposes; to the Committee on Agriculture and Forestry.

H.R. 10154. An act to validate a certain conveyance of land in Riverside County, Calif., made on September 28, 1885, by the Southern Pacific Railroad Co. and others;

H.R. 11200. An act to authorize the Secretary of the Interior to sell reserved phosphate interests of the United States in lands located in the State of Florida to the record owners of the surface thereof; and

H.R. 11957. An act to facilitate the selection by Alaska, pursuant to the act of July 7, 1958, of certain public lands under outstanding mineral lease or permit; to the Committee on Interior and Insular Affairs.

H.R. 11531. An act to amend the act entitled "An act authorizing the Postmaster General to adjust certain claims of postmasters for loss by burglary, fire, or other unavoidable casualty," approved March 17, 1882, as amended, and for other purposes;

H.R. 12043. An act to amend sections 22, 23, and 24, title 13, United States Code, and for other purposes;

H.R. 12336. An act to amend section 507 of the Classification Act of 1949, as amended with respect to the preservation of basic compensation in downgrading actions; and

H.R. 12663. An act to preserve the rates of basic salary of postal field service employees in certain cases involving reductions in salary standing, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 11561. An act to authorize and direct the Secretary of the Army to convey part of lock and dam numbered 10, Kentucky River, Madison County, Ky., to the Pioneer National Monument Association for use as part of a historic site; placed on the calendar.

H.R. 12566. An act to amend section 4004 of title 38, United States Code, to require that the Board of Veterans' Appeals render findings of fact and conclusions of law in the opinion setting forth its decisions on appeals; to the Committee on Finance.

MODIFICATION OF TRUST INSTRUMENT EXECUTED BY JAMES B. WILBUR

Mr. AIKEN. Mr. President, I ask that the Chair lay before the Senate the amendments of the House of Representatives to Senate bill 1321.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1321) to authorize the Attorney General to consent, on behalf of the Library of Congress Trust Fund Board, to a modification of the terms of a trust instrument executed by James B. Wilbur, which were, on page 3, line 2, after "the", where it appears the second time, insert "United States and the", and on page 3, line 4, after "of", where it appears the first time, insert "The United States and."

Mr. AIKEN. Mr. President, this is a bill relating to a trust fund of the University of Vermont. I have discussed the matter with the majority leader and the minority leader. The House amendments are simply clarifying amendments.

I move that the Senate concur in the House amendments.

The amendments were agreed to.

MUTUAL SECURITY AND RELATED AGENCIES APPROPRIATIONS, 1961

The Senate resumed the consideration of the bill (H.R. 12619) making appropriations for mutual security and related agencies for the fiscal year ending June 30, 1961, and for other purposes.

Mr. DWORSHAK. Mr. President—

The PRESIDING OFFICER. How much time does the Senator from Idaho yield to himself?

Mr. DWORSHAK. Mr. President, acting under the authority of the minority leader, I yield to myself such time as I may require. I do not expect to use more than 30 minutes.

The PRESIDING OFFICER. The Senator from Idaho may proceed.

Mr. DWORSHAK. Mr. President, as we proceed to deal with the very important subject of our program of aid to other countries, I believe it important to stress the point that, in my opinion, although excessive sums have been requested by the administration and have been appropriated, no aspect of partisanship has been involved in the program.

I emphasize that before the executive branch can spend any funds for this program, those appropriations must have been voted by the Congress. So it is obvious that whatever may be the faults or the limitations of this foreign aid program, and however excessive may have been the appropriations made for it, certainly the program is bipartisan, because it has been continued for many years only because the executive branch and an overwhelming majority of the Members of Congress have been in accord with the basic principles, which were outlined more than a decade ago when the Marshall plan was first initiated.

I wish to emphasize that point, Mr. President, because I am somewhat hesitant to oppose the administration's program. Although I am very sympathetic as regards the needs of other countries which are real friends of ours, I cannot agree with the objective of this administration and its philosophy that by spending more and more billions of dollars, we shall win new friends everywhere and thereby generate more interest among the free nations in resisting aggression by Soviet nations.

Mr. President, I, too, wish to commend the distinguished senior Senator from Louisiana [Mr. ELLENDER] for his courageous efforts during the past several years to clarify the entire issue of foreign aid spending by our country. I believe he has been broadminded in his approach to this issue, because he, too, realizes that although the executive

branch spends the money for the program, the Congress itself makes the appropriations for it.

The Senator from Louisiana and I have served on the Appropriations Committee for a number of years; and during that service we have heard much testimony—although too much of it has been classified—dealing with our foreign aid operations, and also our relations with NATO. Likewise, the Senator from Louisiana and I have had the privilege of serving on the Appropriations Committee's Subcommittee on Appropriations for the Department of Defense, in connection with the defense budget, which this year amounts to approximately \$41 billion.

MODERNIZATION IS EXPENSIVE

Mr. President, I wish that all Members of the Senate could serve on the Appropriation Committee's subcommittee which handles the budget for the Department of Defense, for then every Senator would realize that in the transition to the atomic era and the missile age, we are constantly faced with the necessity of modernizing our Armed Forces.

In that respect there has been criticism in recent months by certain Members of this body because allegedly the Appropriations Committee did not recommend the appropriation of adequate funds to take care of modernizing and accelerating the missile program.

Mr. President, if we are getting the results we are entitled to get from the \$41 million we are spending on our defense program, certainly that sum is an adequate one. But, more important than that, we cannot justify spending billions of dollars to modernize the defense forces of our allies, particularly those in NATO. When we are facing the very sinister challenge which comes from behind the Iron Curtain, obviously we should endeavor to inspire our allies in NATO to make greater contributions to providing adequate manpower and financial support with which to implement the military program and the shield that NATO is presumed to be, in opposing the Soviet menace.

WARNING OF FINANCIAL CRISIS

Mr. President, just a year ago I made some remarks on the floor of the Senate, trying to forewarn Congress of the possibility that our rapidly dwindling supply of gold might create an emergency situation which could overnight become very acute, and subject this country to difficult problems and the possible loss of confidence and respect on the part of our allies.

A year ago in that speech I said I wanted to emphasize to the American people "that the security of their currency is being jeopardized by complacency in the handling of our gold reserves by the U.S. Treasury and indifference by Congress." I also pointed out that I thought Congress had a joint responsibility in meeting this challenge to preserve the solvency of our financial structure.

The record shows that in the intervening year this situation has not improved. In reality, it has worsened materially,

because gold is going out of this country in the last three or four months at a more rapid rate than in the previous year.

Mr. President, it is heartening to note that some publications of nationwide circulation are endeavoring to sound an alert and a warning to the American people that we cannot be indifferent to these trends without courting disaster.

I wonder how long we shall continue to be complacent, thereby actually encouraging these trends which will lead to utter financial destruction.

The U.S. News & World Report of August 15, 1960, calls graphic attention to a further deterioration in the gold situation since I made my statement.

It notes a decline of \$3.7 billion during the 31 months ending July 31, 1960, to a total of \$19.2 billion gold on hand July 31.

Possible claims of foreign individuals and governments were reported increased by \$3.6 billion, during the same period, to a total of \$18.5 billion.

On July 31, 1960, U.S. gold, free of foreign claims, was reported as \$700 million, or \$300 million less than \$1 billion.

On February 6, 1960, Senator ROBERTSON, chairman of the Senate Committee on Banking and Currency, directed this question, among many others to William McC. Martin, Jr., Chairman of the Federal Reserve System Board of Governors:

What is the total amount of gold required for the backing of our currency?

To which Mr. Martin replied as follows:

Twelve thousand one hundred and eighty-two million dollars (December 31, 1959; equal to 25 percent of Federal Reserve notes and deposit liabilities plus \$187 million reserve against U.S. notes, Treasury notes of 1890, and pre-1933 issues of gold certificates).

So today, while we have virtually only one-half billion dollars of gold in our reserves against which there are no foreign commitments or obligations, the Chairman of the Federal Reserve Board admits that, under the law, there should be \$12 billion worth of gold to back up our Federal Reserve notes. I wonder if we can justify this kind of financial manipulation?

DEMAND FOR GOLD INCREASES

I also want to refer to some comments appearing in the August 15 issue of U.S. News & World Report, based on statistics furnished by the U.S. Treasury and the Federal Reserve Board. In this article, which is headed, "Gold Flowing Out Again—What It Means," the publication says the following:

There's a new drain on U.S. supplies of gold. Reserves are at a 20-year low. Why? Demand for gold by foreigners has picked up. Some are moving funds out of low-yielding U.S. Treasury bills into foreign securities paying higher interest.

Is this a threat to the dollar? U.S. officials say there's no cause for alarm at the moment.

This is an introduction to a very informative article, telling the readers of the U.S. News & World Report, and Americans throughout our country, the grave implications and the possible im-

pact unless we can terminate, or minimize materially, the constant drain on our gold reserves.

The same publication on August 15 refers to some pertinent facts. I quote them:

Since the beginning of 1958:
U.S. gold reserve has shrunk by \$3.7 billion.

Gold on hand January 1, 1958: \$22.9 billion.

Gold on hand, July 31, 1960: \$19.2 billion.
Possible foreign claims against U.S. gold have increased by \$3.6 billion.

Foreign claims January 1, 1958: \$14.9 billion.

Foreign claims July 31, 1960: \$18.5 billion.
Gold left over, free of foreign claims, has diminished by \$7.3 billion.

Free gold January 1, 1958: \$8 billion.
Free gold July 31, 1960: \$7 billion.

But United States must have on hand now, as backing for money, \$11.9 billion in gold.

Thus, if all claims were presented for payment in gold, United States would not have enough gold to go around and still maintain the reserve required by law against currency and deposits.

Actually, it is highly unlikely that all these claims would be presented for gold. Nearly half of all the claims are privately held, and these would be paid in gold only if turned in through foreign central banks.

Still, with possible claims continuing to rise, and the gold outflow now taking another spurt, the trend is becoming a matter of official concern.

Mr. President, I should like to refer to another excerpt of that article, calling attention to the long-range outlook, as follows:

While U.S. Government officials and private bankers are not unduly disturbed by the recent rise in claims against U.S. gold, they are concerned about the longer term outlook for the U.S. economy—and the stability of the U.S. dollar—if this country continues to run a trade deficit year after year, or if future administrations resort to deficit financing on a large scale.

From Chairman John J. McCloy of Chase Manhattan Bank comes this comment:

"The plain fact is that a balance-of-payments deficit of \$3 to \$4 billion yearly is too much. It increases the claims against the United States at too rapid a rate, and it causes our creditors justifiably to take a close look at how we are managing things."

Mr. President, it seems to me the American people should give heed to this information. I recognize that usually Americans are long suffering and patient about financial matters; but it seems to me the trend in the past 2 or 3 years has pointed in the direction of undermining the financial stability of our country. What kind of challenge do we need? Do we need a financial debacle or upheaval, or some recession or depression, to awaken the American people to a full realization that we must stop this trend whereby we are constantly losing our gold reserves, so that within a year we may have no gold reserves remaining in this country for payment of foreign claims?

Mr. President, only a few weeks ago in the Appropriations Committee hearing with respect to the supplemental appropriation bill and the bill currently before the Senate we heard testimony from the Honorable C. Douglas Dillon, Under Secretary of the Department of State.

I ask unanimous consent at this point to have the questions and answers printed as a part of my remarks.

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

MUTUAL SECURITY AND RELATED AGENCIES APPROPRIATION BILL, 1961—ADDITIONAL SUPPLEMENTAL APPROPRIATIONS, 1961—WEDNESDAY, AUGUST 17, 1960, U.S. SENATE, COMMITTEE ON APPROPRIATIONS, WASHINGTON, D.C.

STATEMENT OF HON. C. DOUGLAS DILLON, UNDER SECRETARY

Chairman HAYDEN. The committee will be in order. This morning we hear the Under Secretary of State and associates on the need for \$1,042,000 to finance the State Department's portion of the President's export expansion program.

Senator DWORSHAK. Mr. Secretary, I recall that 2 years ago our balance of payment was unfavorable to the extent of about \$4 billion.

I think a year ago about almost \$3 billion.

What do you anticipate it will be this year?
Mr. DILLON. Two years ago it was about \$3.4 billion. It went up last year to the highest amount, which was \$3.7 billion, nearer \$4 billion.

My own anticipation, personal anticipation, which is about the same as the report of the Committee for National Trade Policy, which makes these reports every 6 months, is that it will probably be in the neighborhood of \$2½ billion at the end of the year.

Senator DWORSHAK. That is still an alarming deficit.

Mr. DILLON. I would agree, yes; it is higher than we can maintain.

It is not as alarming as the other figures. The trend is in the right direction. It has to go lower.

Senator DWORSHAK. You, of course, have been reading in the past few weeks as the rest of us have, that our gold reserves have dwindled to about one-half billion dollars and if the payment of credits held abroad were demanded in gold dollars, we would be virtually bankrupted as far as our gold reserves are concerned. How long are we going to continue to do this without facing a more serious situation which will obviously result in losing the respect and the confidence of our allies?

Mr. DILLON. We certainly are working very hard and have to work harder to improve that situation. That was the basic point of this export program that we are asking your assistance on.

Senator DWORSHAK. I thought that was one of the reasons, but it seems to me you are coming about 2 years too late for this request.

Mr. DILLON. That may be.

Senator DWORSHAK. Have you not had representatives abroad in the last 2 or 3 years that have been acquainted with this downgrade of the U.S. position?

Mr. DILLON. With no increase in funds we have more than doubled the number of officers in the State Department who were working on this type of thing abroad.

The thing that has happened relatively recently to make this a much more profitable opportunity is that it was only during the course of calendar year 1959 and the early part of this year that there were these substantial eliminations of quotas in the discriminations which prevented our goods in large measure from moving abroad.

That opened up the possibility for very substantial activity and beginning last fall we decided this should be our major effort.

Now, we want to present a well-thought-out program to the Congress, not something half baked, and that took a little time.

The export-study groups met. The basic report was completed in February. The President's message went up in March. We are still here for the appropriation.

Senator DWORSHAK. Next month you are going to initiate your meetings at Geneva under GATT supervision. What has GATT done in the last 4 or 5 years to help out the United States?

We have been making concessions which have been virtually a one-way street. If we had been gaining any real advantage comparable to the other countries with whom we have been dealing tradewise, then we would not be in this serious dilemma, would we?

Mr. DILLON. GATT has been very helpful in getting these discriminations removed. At their last session in Tokyo the GATT adopted a very strong resolution saying there was no longer reason, balance-of-payment reasons for maintaining these discriminations and they should be promptly eliminated.

They have been one of the, if not the, major means through which we have had our success in getting these dollar restrictions removed. So they have helped us.

Senator DWORSHAK. They have not been very successful or we would not be minus gold today. I do not think you justify success on these programs when we have been losing out constantly. The record shows we have not been making progress.

Mr. DILLON. I can claim that very easily, Senator. The record shows that during the first 6 months of this year that our exports increased by between \$2½ and \$2 billion over the year before.

Large parts of that were in specific commodities such as cotton when there was a special reason. But in addition there were very large increases in consumer products to Europe and to Japan which were the types of products against which there were discriminations before.

By getting discriminations removed, exports have already begun to move and we hope they will move much more rapidly by a program such as this.

Senator DWORSHAK. I hope that you will reverse the loss of gold which has been plaguing us for a couple of years because we cannot stand much more with only a half billion dollars remaining.

UNFAVORABLE PAYMENT BALANCE

Mr. DWORSHAK. Mr. President, I wish to emphasize that when I called the attention of Under Secretary Dillon to what I consider to be a real menace to our security, he said:

Two years ago (our unfavorable payment balance) was about \$3.4 billion. It went up last year to the highest amount, which was \$3.7 billion, nearer \$4 billion.

The Secretary said:

My own anticipation, personal anticipation, which is about the same as the report of the Committee for National Trade Policy, which makes these reports every 6 months, is that it will probably be in the neighborhood of \$2½ billion at the end of the year.

Mr. President, we have an official admission by the Under Secretary of State that we have had for several years an unfavorable balance of payments. This comes about not necessarily because we have greater imports than exports, but because we are exporting our gold dollars under the foreign aid program.

We are getting rid of these dollars for programs which could not be justified on the basis of their merit.

It is somewhat encouraging, Mr. President, to know that officials in the De-

partment of State and in the Department of the Treasury are cognizant of these trends. These officials recognize something must be done to reverse the trends, but unfortunately nothing—or very little—has been done during the past 2 or 3 years to correct this situation.

PSYCHOLOGY CREATES HAZARD

Mr. President, I realize the psychological situation we face throughout the world today. We have observed the failure of the summit conference, the uprisings in Latin America and in Asia, and the very serious and tragic situation in Africa. There probably is some justification for the claim which is made by members of the Appropriations Committee that it would cause unnecessary fear and apprehension if we were to make a reduction in the amounts available for foreign aid at this time—that we would discourage our allies and create the erroneous concept that possibly we are backing away from our financial responsibilities.

Mr. President, in this regard I wish to emphasize that if we are to make a success of NATO and of our alliances with the free nations in other sections of the globe, I contend there should be a diminution of the responsibilities placed upon the United States, because we are rapidly dissipating our financial resources. If our allies are in complete agreement with our objective—that we must do something to strengthen the free world—obviously, in view of the fact that their economies have greatly progressed since the end of World War II, we should be able to get a greater degree of participation on the part of those countries.

Mr. President, only recently we authorized the participation of the United States in the Inter-American Development Bank. Within the past few days we authorized the participation by our Government in conferences in Latin America to give assurances that we are willing to obligate the United States for another program—although we already have the Export-Import Bank, the Development Loan Fund under the ICA, and the Inter-American Development Bank—a new program which has been characterized by some of my colleagues as a new Marshall plan for Latin America.

Mr. President, if we are to be realistic we ought to recognize that more harm can be done by assuming responsibilities and financial burdens beyond our capabilities than if we were to try to convince our allies today that we are limited in what we can do in an era when we have many domestic problems to solve at home.

UNITED STATES ASSUMES TOO MANY BURDENS

I believe it is necessary to continue the leadership of the United States among the nations of the free world, but at the same time I contend we should not willingly assume burdens beyond our capacity to fulfill. I think we are moving entirely too fast, and that although we have motivations which are inspired by the friendship we have for free countries everywhere and for the Latin American countries in particular, we

should not wait until our gold reserves have been completely dissipated, and then face the very acute and urgent financial situation which inevitably would weaken our capabilities for leadership in the free world.

Mr. President, in conclusion, I wish to emphasize that for several years there has been an agitation on the part of some Members of Congress and of Americans who are alerted to these trends affecting our gold reserves that we ought to have a reappraisal of our foreign aid program. I emphasize that this is not a partisan issue. A Republican executive department and a Democratic legislative branch jointly are responsible for directing programs like this and for expending the billions of dollars required to implement such programs everywhere in the world.

Mr. President, I believe the Senate is not measuring up to its full responsibilities when it does not direct the appropriate committee of the Senate to undertake a full survey and study of the various problems involved in regard to the foreign aid program, and to give consideration also to the new responsibilities which we are willing to assume in Latin America.

CHALLENGE TO ALL AMERICANS

Mr. President, unless the American people realize the serious predicament facing our Nation today, where will the responsibility rest if we have a serious financial crackup in this country within the next few years? I say this is a challenge which every American ought to face, whether he is a Member of Congress or is serving in some other walk of life. It is also a real challenge for our allies, wherever they may be dispersed throughout the globe, for they must realize that if we fail at home in a domestic way, as we face these problems in our financial program, then certainly greater responsibilities will devolve overnight upon our allies.

It would be most tragic if we were to face a situation which would justify the forecasts made many years ago by Soviet leaders, that Russia would not necessarily have to resort to military aggression to subdue the United States, but would merely have to encourage us to follow the path of financial irresponsibility, because by doing so our country would be destroyed sooner than it would be by becoming embroiled in military warfare.

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

Mr. HAYDEN. I yield 5 minutes to the Senator from Mississippi.

Mr. STENNIS. My remarks on the bill will be brief. I have no extended argument to make. In fact, I have no argument at all to make. However, I do wish to point out that I voted for the authorization of one item contained in the bill which was adopted by the Senate only a few days ago. I refer to page 5 of the present bill, beginning on line 7, marked "Contingencies."

The amendment increased the President's special authority and contingency fund from \$150 million to \$250 million.

The chief justification for that item, before the Appropriations Committee had to do with the problem of the Congo in Africa, and particularly the furnishing of funds for the emergency program that is in effect there now. The funds would be used to evacuate those who are victims of assault, unrest, and the semi-civil war that has been going on there in various phases for the past several weeks.

Having voted for the authorization that is now contained in the bill, I emphasize that I favor that part of the appropriation, largely on the ground that it was an emergency and the activities are being carried on through the United Nations.

I do not think we have been presented with any facts or any plan which justify our going into another major phase of the so-called mutual security program or foreign aid program for this area. I do not wish this part of the appropriation bill to be pointed to later as a precedent. For that reason I thought some special remarks representing that point of view on this particular item should be made now.

I am informed that within the last few weeks, following attacks, assaults, and atrocities not fully publicized, more than 9,000 people have been flown out of that area and that many thousands of tons of equipment of various kinds have been brought out with our cargo planes. I am very glad indeed that we have been able to furnish support, and even more than our fair share of the funds to provide that program.

My concern is that many nations which are being created there are becoming independent nations, with all the rights and privileges of sovereignty, and yet at the same time they are unable to support an economy. They are unable to support a government. They are unable to take their places in the field of diplomacy and world affairs. They are unable to carry on or even to preserve order within their own governments.

I do not point out this development to the discredit of those nations, but I point it out as one of the gravest situations in the world. A sound program or policy in that area will require more than mere sympathy. Of course, all of us extend our sympathy.

I have been surprised, in viewing the grave consequences, that since 1950 so many nations have been recognized as sovereign nations and have been given membership in the United Nations. Certainly I would favor the giving of membership in the United Nations to any nation that is capable of maintaining an economy and a stable government.

In Africa alone, the following nations have gained independence and membership in the United Nations since 1950:

Libya (1951): U.N. Member since 1955.
Sudan (1956): U.N. Member since 1956.
Morocco (1956): U.N. Member since 1956.
Tunisia (1956): U.N. Member since 1956.
Ghana (1957): U.N. Member since 1957.
Guinea (1958): U.N. Member since 1958.

I also have a list of African countries that have gained their independence during the past year or expect to gain

it during this calendar year. They are Nigeria, Somalia, Cameroon, Togoland, and, of course, the Congo.

Moving toward independence now are several more. They are Sierra Leone, the Federation of Rhodesia, and another; numerous others have achieved autonomy within the French community.

The point I raise is that, without the proper preparation and showing that such nations can support themselves, or even that they can keep order, we are permitting those nations to be created and then elevating them to positions of power and responsibility, without any measure of the consequences should they fail, and without any plan of proper assistance or support if and when they should fail or need support.

Fortunately we do have a United Nations and we do have a plan that can operate in a crisis. But I believe that we are sowing seeds in that continent that will plague us and haunt us in the future, and will cause the most serious consequences in world affairs.

These problems cannot be solved merely by pouring money into that area of the world, as we may be asked to do. They cannot be solved by merely building transportation systems, other public service units or public service avenues. Those countries cannot be built into nations merely by spending great sums of money for material or internal improvements.

To be able to live in the family of nations they must know something of the lessons of austerity, personal sacrifice, and self-government. I believe we are rushing by a great number of red lights—ignoring the warning of history. Instead of improving the circumstances of people in that area and strengthening the position of the West in world affairs, we are going so fast, without heeding the warnings of history, that we might create far more problems than we have a chance to solve.

These problems will not go away. They will continue, and instead of becoming less they will multiply and fester, unless we solve the basic problems.

I hope we will be able to formulate plans and thinking in advance, before we take a part in creating these new nations and giving them responsibilities which they cannot carry, and admit them as full-fledged nations in the family of nations, before they can carry their burdens.

I am entirely willing, when they show their capacity and their economy and their strength, to have them take their places in world affairs. It is very distinctly my impression that they are traveling in the opposite direction.

I do not know what study is being made by the Department of State or by the Western World or by the United Nations. Certainly someone has been asleep at the switch, and did not anticipate the natural reaction of a great many of these people. The conditions have been growing not only steadily worse but rapidly worse. I hope that the small amount which is contained in the bill will be sufficient to meet some of the emergencies. I hope it will not

be interpreted as the forerunner or the initial payment or the beginning of a vast economic program of so-called relief, which I do not believe will have a chance to do any good until some of these fundamental questions have been solved.

Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks an article entitled "Eight African States Backed for U.N.," written by Lindesay Parrott and published in the New York Times of Wednesday, August 24, 1960.

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

EIGHT AFRICAN STATES BACKED FOR U.N.—SECURITY COUNCIL FAVORS THEM WITHOUT OPPOSITION—ASSEMBLY WILL ACT

(By Lindesay Parrott)

UNITED NATIONS, N.Y., August 23.—The Security Council voted today to admit eight new African states to membership in the United Nations.

The 11-nation body did so without opposition. The new countries, all of them former French colonies in central and north-west Africa, will be seated in the world organization after the General Assembly approves them, probably in September or October.

The Council acted after Armand Bérard of France had taken the members through a personally conducted tour of the new territories.

Generally, he pictured them as peace-loving states that could support themselves with natural resources ranging from diamonds to coffee and that were able and willing to fulfill their duties under the United Nations Charter.

UNDUE AID NOT EXPECTED

The French representative stressed that the new countries could support themselves without seeking emergency aid from the United Nations or elsewhere.

Many smaller states admitted to the United Nations or seeking to be admitted, will need some form of immediate economic help.

Generally, the French Ambassador drew a picture of the new African countries as little states that had been slowly brought from tribal rule to domestic autonomy and independence.

They had adopted such modern appurtenances, he said, as woman suffrage and the right to strike and had acquired roads, railroads, airstrips, hydroelectric power, and new breeds of crops and livestock.

ADMISSION ASSURED

No question existed here tonight that the new members of the French community would be granted admission to the United Nations. Just how the new members would vote or where they would fall in line, however, seemed to be another matter.

The admission by the Assembly of the newly proposed 8 states will raise the membership of the United Nations to 96. The Council already has recommended Cameroon, Togo, Mali, Malagasi, Somalia, and the Congo (formerly Belgian).

The states approved today were Dahomey, Chad, Niger, Upper Volta, Ivory Coast, the Congo Republic, Cabon, and the Central African Republic.

M. Bérard, told the Council the total area of these states covered at least a seventh of the total area of Africa. All, he asserted, are "truly democratic" as a result of efforts by France to educate native leaders.

Only three members of the new states listened to M. Bérard endorse them. Others still were in Africa or in Paris discussing

their future roles in the French community that has supplanted the former African empire.

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

Mr. STENNIS. I yield.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HAYDEN. I yield 1 more minute to the Senator from Mississippi.

Mr. GRUENING. I find myself in full accord with the sentiments expressed by the Senator from Mississippi. I ask him whether he does not think, in view of the increased urgency with which we are asked by this Administration to appropriate money for foreign aid that Congress has not exercised the responsibility which it has, namely, to inspect the programs before approval of the appropriations and to collaborate with the executive department in checking the programs, in the same way that we do with respect to domestic programs.

If the Forest Service wished to build a cabin in Mississippi, the Senator knows that that project would have to run the gamut of authorization and appropriation by the appropriate committees of both the House and the Senate, before it would be approved by both Houses of Congress. There is no such control in connection with appropriations for foreign projects.

I should like to ask the Senator whether he does not believe the time has come when Congress should exercise greater control with respect to these foreign aid expenditures than it has in the past.

Mr. STENNIS. The Senator is correct. The Senator from Mississippi made that point before the Committee on Appropriations, that there is a lack of surveillance in the executive branch of the government and also in the legislative branch of the government. It is something that we fail to carry out.

Mr. GRUENING. I hope the Senator will continue to press for such action.

Mr. STENNIS. I thank the Senator. Mr. HAYDEN. Mr. President, I yield 1 additional minute to the Senator from Mississippi.

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

Mr. STENNIS. I yield.

Mr. ROBERTSON. I commend our distinguished colleague from Mississippi for the statement he has made on the problems which face us, especially in Africa, as these new nations are suddenly brought into being and made members of the General Assembly of the United Nations, with an equal vote in the Assembly, and as those votes affect our destiny and the destiny of the world.

Certainly I shared his belief when I voted with him the other day to authorize \$100 million of contingency money, providing that not one dollar of it will go directly into the Congo, but is to be at the disposal of the President.

The Senator will recall that when the Senator from Arkansas [Mr. FULBRIGHT] presented the bill, he made it very clear that it was not a specific appropriation for the Congo, but was to meet what could develop into a very serious international problem unless the United Nations

was willing to cooperate. I associate myself with the splendid statement of the Senator from Mississippi.

Mr. STENNIS. I thank the Senator.

VISIT TO THE SENATE BY VIET-NAMESE PARLIAMENTARIANS

Mr. AIKEN. Mr. President, I ask unanimous consent that the Senator from Montana may be permitted to present to the Senate our distinguished visitors from Vietnam, without the time being charged to either side.

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

Mr. MANSFIELD. Mr. President, it is my privilege to present to the Senate a most distinguished group of parliamentarians. They come from a republic which a few years ago did not exist. They are representatives of a people with a long and brilliant history but who were, I regret to say, little known to us scarcely a decade ago.

That has changed, Mr. President. Within the past few years, the Republic of Vietnam has not only come into existence as a free nation but its progress as a free nation has caught the attention of the world and won for it a widespread and most deserved admiration.

The people of Vietnam are known to us now as friends and associates in the common cause of freedom. Through the mutual security program we have contributed to their efforts to build a strong and responsible nation. It has been a helpful association over the years and the people of Vietnam, under their outstanding President, Mr. Ngo Dien Diem, have achieved a great deal in the realm of defense, economic stability and the growth of responsible political institutions.

Having had the good fortune to be an early American observer of the founding of this new nation, having watched its rapid growth with great interest through the years, I take special pleasure in presenting to the Senate at this time these distinguished members of its parliament, these most welcome guests.

The leader of the delegation is Mr. Truong Vinh Le. He is a member of the Personalist Community, and President of the National Assembly of Vietnam. His office is the equivalent of our Speaker of the House and President pro tempore of the Senate.

Mrs. Nguyen Thi Xuan Lan, a member of the Foreign Affairs Committee. I understand that her name means Spring Orchid.

Mrs. Phan Thi Nguyet Minh is a member of the Foreign Affairs Committee. I understand that her name means Moon Light.

Mr. Co Van Hai, Chairman of the Agriculture Committee of the National Assembly, President of the Socialist Alliance, and Secretary General of the Vietnam Socialist Party.

Mr. Pham Duy Lan, Deputy Secretary General of the National Assembly and First Vice President of the Socialist Alliance. He is also a member of the Constitutional Committee.

Dr. Tran Sy Don is a member of the Cultural, Educational, and Youth Committee of the National Assembly, and is a former Chairman of the Defense Committee.

Mr. President, I want our guests to know that we are highly honored and deeply privileged to have this opportunity to greet them as colleagues.

[Applause, Senators rising.]

Mr. AIKEN. Mr. President, as a member of the minority party of the Senate, I wish to join our majority colleague, Senator MANSFIELD, in extending greetings to our distinguished visitors from Vietnam. We are very glad that they can be with us today, and we are very proud of our cooperation with that great country.

It is significant that this young nation of Vietnam should be represented here today by young people. We hope that as they grow older their nation will also grow stronger and more prosperous. The Senator from Montana has made reference to his visit with President Ngo Dien Diem. I had the privilege of accompanying the Senator from Montana on that visit to the President of Vietnam, about 2 years ago. I was very much impressed with what was being done to strengthen and improve the economy of the country of Vietnam.

It gives me great pleasure to join in welcoming these representatives of Vietnam today.

Mr. HUMPHREY. Mr. President, I join with the distinguished Senator from Montana [Mr. MANSFIELD] and the distinguished Senator from Vermont [Mr. AIKEN] in expressing a very warm and cordial welcome to these fine, distinguished representatives of the free country of Vietnam. It is reassuring to us to have them here. It brings a note of happiness and joy to realize that the representatives of this fine free country in Southeast Asia should be with us in the Chamber of the U.S. Senate today.

I feel that the comments which have been made about the purpose and the vitality of this nation, the youthfulness of its spirit, and its most recent experience in self-government, as well, are expressions which are well taken. There is no doubt in my mind that in Vietnam we have one of the staunch allies in the cause of freedom. We surely want to welcome to the United States the representatives of the parliamentary structure of a free government in a free country.

Mr. DODD. Mr. President, I wish to join with the able acting majority leader and other Senators in welcoming this distinguished delegation from Vietnam.

It is a genuine personal pleasure for me, because to my very pleasant surprise I discovered an old friend, Mrs. Phan Thi Nguyet Minh, or Pauline Tho, as she is known to her friends, who is a member of this delegation and is a member of the National Assembly of Vietnam. Pauline Tho lived among us in my State of Connecticut, where she was a student at Yale with her wonderful husband.

Pauline Tho is a great woman and a dear friend and a real fighter for freedom.

It is good to have these grand people with us. They are our friends. They are building a splendid country.

Again I say that I am happy to join with all the Senators in extending to them a most hearty welcome.

Mr. SPARKMAN. Mr. President, during this brief interlude, I should like to join with other Senators in expressing a welcome to these distinguished visitors from the national legislative body of Vietnam.

As has been so well said, free Vietnam represents one of the most recent experiences in free government. We all know how well the people of Vietnam have discharged the responsibilities of free government.

There is something else for us to keep in mind as these distinguished parliamentarians are among us today, and that is that free Vietnam constitutes, one might say, the keystone in the structure of Southeast Asia, an area which has been so greatly threatened by the onrush of communism over the past years. We know how well the Vietnamese have built their Government against the threat of communism. They have built institutions of government. They have reestablished and built their economy. They have taken care of a million refugees escaping from the Communist system of government in North Vietnam. How well they have done all that, we know. What a wonderful testimonial it is to that free government that they are holding a responsible, bulwark position in Southeast Asia.

It is a great day for us to have this delegation visit us. I believe it is the first parliamentary delegation which has come to visit us from this great little nation. I join with all other Senators in extending to them a hearty welcome.

MUTUAL SECURITY AND RELATED AGENCIES APPROPRIATIONS, 1961

The Senate resumed the consideration of the bill (H.R. 12619) making appropriations for mutual security and related agencies for the fiscal year ending June 30, 1961, and for other purposes.

Mr. HUMPHREY. Mr. President, would the distinguished Senator from Vermont be willing to yield to me 15 minutes on the bill?

Mr. AIKEN. I yield up to 15 minutes to the distinguished Senator from Minnesota.

Mr. HUMPHREY. I thank the Senator from Vermont.

Mr. President, I commend the Committee on Appropriations and its chairman, the distinguished senior Senator from Arizona [Mr. HAYDEN], for their judicious and statesmanlike consideration of the mutual security bill. The committee has done the Nation a great service by restoring a substantial percentage of the nonmilitary cuts made by the House. The headlines of the last several weeks underscore all the more severely the necessity of a substantial mutual security program.

Mr. President, I shall comment briefly on some specific items in the committee report.

The Mutual Security Authorization Act provides authority for the use of

\$10,000 for a study on the advisability and practicality of a point 4 youth corps. The House prohibited the use of any funds for this purpose, but the committee has very wisely deleted the House prohibition.

The point 4 youth corps is along the lines of my own peace corps bill, and I am a vigorous supporter of the study which the committee report calls for. The plan envisions the use of some of our most skilled and dedicated young people to serve overseas, as an alternative to the draft, on development projects. This would be a people-to-people program in the finest sense of the word, and it deserves serious study. I hope that our conferees will insist on the Senate Appropriations Committee action on this matter.

THE AMERICAN RESEARCH HOSPITAL FOR CHILDREN IN POLAND

I turn to page 7 of Senate Report No. 1849. I commend the members of the Committee on Appropriations for the excellent statement which they have presented there.

Not only did they wisely recommend \$1.5 million to be used to purchase foreign currencies for the proposed American research hospital for children in Poland, but they recommended that "\$100,000 of the foreign currencies be made available for an immediate start on engineering and preparatory work and that the remaining \$1,400,000 should be made available to the project during the fiscal year 1961 under an agreement between the International Cooperation Administration and the Committee for the American Research Hospital for Children in Poland."

Mr. President, I have long been interested in this hospital as a demonstration of the true meaning and true purpose of the United States in its foreign policy. I have sometimes reminded Senators that when the Russians occupied Poland, they set up, as a reminder of their occupation, a grotesque, ugly statue of Josef Stalin, which is to be found in Warsaw.

We Americans are contemplating the establishment of a splendid research hospital for children's diseases at the University of Krakow, in Krakow, Poland. Krakow is one of the great universities of Europe.

I believe these two tangible symbols of the respective countries indicate the difference between totalitarianism and freedom. The totalitarian from Moscow placed in Warsaw an ugly statue of Joseph Stalin. The freedom-loving heart of the United States of America makes available to the people of Europe, of the world, and, in particular, of the children of Poland, a wonderful medical research establishment at one of the great cultural institutions of the world, the University of Krakow.

"GREEN LIGHT" NEEDED

This is a most welcome "green light" for this great project.

Full speed ahead is necessary, because only thereby can we be assured of the hospital's availability in time for the celebration of the 600th anniversary of the University of Krakow in 1964.

The hospital in Krakow will be a great asset to the children of the world, not just the war-ravaged children of heroic Poland, but children of all lands who will benefit from its research.

And so, it is my earnest hope that the Senate-House conference committee in its report will reiterate the language of Senate Report No. 1849. To do less would, I believe, be really to weaken the purposes and the objectives of American policy.

BACKGROUND OF THE ZABLOCKI-HUMPHREY AMENDMENT

I may say that it has been my privilege since the inception of this concept to help advance it.

It will be recalled that this hospital is to be constructed under what has come to be known as the Zablocki-Humphrey amendment to the mutual security law of 1959.

Under that amendment and subsequent appropriations a sum of up to \$10 million in foreign currencies was authorized to be made available for assistance for American-sponsored hospitals abroad, with \$50,000 equivalent having been made available for planning purposes for this specific center.

Thus we turn the surplus of our agriculture into medical research, into university training, into public health for people all over the world. We have sold it to Poland for Polish currency, and a small portion of that currency now is being made available for a great hospital in that country.

PLAQUE TODAY FROM PULASKI FOUNDATION

On this very day it is my pleasure to receive from the Pulaski Foundation a plaque for this effort—an honor which has already been well conferred upon my able colleague of the House Committee on Foreign Affairs, Representative CLEMENT ZABLOCKI.

I wish to congratulate the members of the Appropriations Committee, and particularly the distinguished senior Senator from Louisiana [Mr. ELLENDER], for his interest in this hospital. Let me also express my gratitude for the support which has been given the project by my colleague on the Subcommittee on Reorganization of International Organizations, the distinguished Senator from Maine [Mr. MUSKIE], who at this time occupies the chair and is presiding over the Senate.

I acknowledge our sincere appreciation of the very valuable contributions made by these distinguished Senators and by many others.

I particularly want to commend the Appropriations Committee for granting the full \$700 million request for the Development Loan Fund, which is \$150,000 over the House amount. The Development Loan Fund, as all of us know, is to provide capital for long-term economic growth in the less-developed countries. The reasons for granting the full amount requested are even more pressing now than they were when the budget estimate was drawn up.

Further congratulations are due to the members of the committee for reporting the full requests of \$12 million for the United Nations Children's Fund, for the United Nations Expanded Program of

Technical Assistance, for recommending \$2.5 million for the American University at Beirut, Lebanon, and for deleting some of the restrictions put in by the House of Representatives.

In some instances, I do not think the committee went far enough. Referring now to pages 17 and 18 of Senate Report 1849, I regret that the committee cut \$12.5 million from the Special Assistance Fund, \$3.3 million from the Intergovernmental Committee for European Migration, \$200,000 from the program of the United Nations High Commissioner for Refugees, \$150,000 from the escapee program, \$2 million from the United Nations Relief and Works Agency, \$600,000 from the NATO science program, \$1.9 million from the atoms for peace program, and \$25 million from the President's special authority and contingency fund.

All these are urgently needed, vital, necessary programs; and I remind my colleagues that the next administration, whether it be Democratic or Republican, will have to start its operations with the funds that we appropriate here today. Furthermore, we have no way of knowing how much greater the needs may be 6 months from now.

I am aware that some of my colleagues would like to get out of the so-called aid business; but, realistically speaking, that is not possible. Furthermore, I suggest that we stop talking about foreign aid, and start talking about mutual security, for that is just what this program is.

We are concerned here with matters relating to our own best interest; and we are not talking primarily about aid to foreigners. We are considering the matter of security for ourselves; not giving money away, but gaining the defensive strength necessary for the preservation of peace; not offering one-way help, but the mutual efforts of free nations to promote economic progress, to further their joint welfare and to win the worldwide war against disease, famine, poverty, ignorance, and unemployment.

Before concluding, Mr. President, I want to urge that the next administration give more thought to long-term planning. We know that within the administration, the influence of the Bureau of the Budget in determining foreign policy through budgetary control is proportionate to the relative strengths of the Treasury Department and the Department of State, and that during the present administration the strength of the Treasury Department has increased steadily to a position of acknowledged dominance. The end result is that the sum made available for mutual security is determined more on the basis of what is estimated will be available than on what is known to be needed.

In view of the importance of the program, this can well be viewed as too haphazard a procedure. The business of mutual security is important enough to justify a businesslike approach to it, and this means, first of all, a careful scrutiny of the cost factor on a long-term basis.

This can be determined only by a series of thorough, competent economic and technical feasibility surveys, the aim

of which is to assess the totality of what is needed by our partner nations in financial, commodity, and technical assistance. The United Nations Special Fund can be of help in better planning.

A promising, though admittedly all too small, start has recently been made in this direction in the form of a survey of India and Pakistan, initiated at the suggestion of the Congress, and completed in the early months of this year.

Assisted by a staff of trained economists, a review was made of the present and proposed 5-year plans of India and Pakistan, evaluating them from the standpoint of the realism of their proposed goals, the accuracy of their figures, the reasonableness of the share of the economy devoted to military needs, the relationship of past economic performance to the possibility of realizing projected future growth, and the magnitude of the margin of safety proposed as a protection against droughts or floods which might jeopardize national food production. They predicted what was required by way of investment to produce a projected rate of growth; they listed available domestic resources, and calculated the amount of external financing required to achieve the desired rate of economic growth.

Many nations have announced 5-year plans for economic development. As with India and Pakistan, some of them reflect a high degree of economic maturity, but others represent little better than educated guesses or the sum total of things hoped for. It would be a mistake to take all of them at face value.

Consequently, the excellent, though belated, start made in the Indo-Pakistan international survey needs to be followed up with the remaining nations. We in the free world must have a complete and careful analysis of the expected costs of the job to be done if there is to be any reasonable answer to the problems arising from the revolution of rising expectations now sweeping the hitherto underdeveloped world.

Surveys as to cost factors must be followed by intelligent planning as to the most effective use of the available domestic and external resources, planning which requires full understanding between the nations being assisted and those doing the assisting.

Furthermore, Mr. President, we must plan in conjunction with our allies. I hope that one of the changes in the next few years will be that of multilateral development projects. It is highly important that we encourage our more wealthy friends to contribute much more toward the emerging areas, and, also, that we encourage economic confederations of new nations, when such confederations make economic sense.

I conclude by again emphasizing the need for more long-term planning, and the necessity of the multilateral approach to technical assistance and economic aid in the coming years.

FARM CREDIT

Mr. HUMPHREY. Mr. President, one of the pressing needs of modern-day agriculture is the expansion and improvement of the farm-credit facilities.

The next Congress should place at the top of the legislative priority list emergency credit assistance or a complete review and modernization of the farm credit structure.

The urgency of this matter has been pointed out in a recent letter that I received from Mr. Ed Christianson, president of the Minnesota Farmers Union. I ask unanimous consent that this letter be printed at this point in the RECORD.

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

MINNESOTA FARMERS UNION,
St. Paul, Minn., August 16, 1960.

HON. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR HUMPHREY: The provision of emergency credit assistance to tide farmers over until next year should be included in any farm action taken by the Congress.

The most recent report of U.S. Department of Commerce Survey of Current Business reports that total farm debt in 1959 was \$11.4 billion for operating credit and \$12.4 billion for farm real estate loans, a total of \$23.8 billion.

This is some \$400 million greater than the debt load a year earlier and constitutes an all-time high.

The 1959 figures compare with a total farm mortgage debt of \$7.2 billion in 1952 and farm operating loans of \$8 billion. In each instance, the farm debt load has increased more than 50 percent in the past 7 years.

The rapid increase in farm debt in recent years shows the extent to which farmers have gone into debt to stay in business.

Credit is being substituted for farm purchasing power to an alarming degree, a situation which will surely lead to disaster if there is not an early improvement in the farm price and income picture.

Therefore, provision for adequate credit at reasonable rates is an essential part of any program to bring about recovery in agriculture. This would help tide farmers over until a new administration and a new Congress can act early next year to improve farm prices and income.

There is before the Senate a House bill, H.R. 11761, which consolidates various farm credit laws. It might be fruitful if you would examine the possibility of amending this bill in the Senate to provide some emergency credit provisions. This would be economic emergency rather than natural disaster emergency loans.

Some of the points we have in mind are a directive to FHA to make available to any farmer, loans for production purposes, if the farmer cannot obtain such loans elsewhere at 5 percent interest or less.

Provide for spreading of repayment period on loans over 2 or 3 years for 1961 production loan and for present loans needing to be refinanced.

Provide for unsecured emergency production loans—3 percent—through FHA when the farm plant has the potential, but is already loaded with mortgage debt.

Provide for a debt adjustment program under FHA, making it possible for a farmer to consolidate his debt under a single payment program.

Provide ample funds for FHA to service this "economic emergency."

I believe the real crisis this fall will be the need for farmers to consolidate their debt, at reasonable interest rates, so that they can pay it off over a longer period of time.

I will be seeing you at Des Moines on Sunday.

Personal regards,
EDWIN CHRISTIANSON,
President.

CULTURAL EXCHANGE

Mr. HUMPHREY. Mr. President, Blanche Thebom, the great operatic singer, has written for the New York Times one of the most intelligent discussions of our cultural exchange program that I have read. I wish to quote one brief passage:

The program has cost the Government little more than \$2 million a year and has given value in helping keep the peace far more effectively than, say, an atomic submarine costing many times more. Nevertheless, it is not the kind of coordinated intelligence and long-range planning that is needed.

Mr. President, I ask unanimous consent that the article entitled "Improving Cultural Exchange," published in the New York Times of June 26, be printed at this point in the RECORD.

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

IMPROVING CULTURAL EXCHANGE

(By Blanche Thebom)

The State Department's cultural exchange program is of great importance, being able at the least, to counterbalance negative attitudes to us, and at the most, to create positive ones. But like most things that grow, not from farseeing plans, but in response to the pressures of the moment, it has some imperfections and has not always realized its full potential.

What are these imperfections and how can they be remedied? The answer lies in the matter of budget and in the matter of our press. The ANTA part of the program has for the last 5 years cost the Government little more than \$2 million a year, and has given value in helping keep the peace far more effectively than, say, an atomic submarine costing many times more. Nevertheless, it is not a budget that allows the kind of coordinated intelligence and long-range planning that is needed.

CRITICISM

I have heard criticism in the "field" about ANTA's planning, saying that the ticket prices are too high for the man in the street, who is the one we want to reach; that the majority of the attractions perform only in the capitals and larger cities, and that the individual artists or groups have too little time to spend informally in the important person-to-person contacts that are equal in value to the actual performances.

All these shortcomings are well known to the officials of ANTA, who are aware of the crippling handicaps of the unrealistic budget with which they must operate on a worldwide scale.

Tickets to Soviet touring good will attractions can be given to labor unions, to students, or to whatever other groups seem strategically important to the Soviet Ministry of Culture at a given moment and place, because its budget is unlimited. But when American attractions tour, their fees must be defrayed, at least in part, through the sale of tickets by the local impresario who presents them, and in many cases he must even raise his customary price scale.

Let us now briefly consider the other area that could enhance its effectiveness, the press. To the more sensationally oriented segment of our press, the quiet and efficient functioning of the American artists under the ANTA program throughout the world does not constitute news. The fact that I had been robbed in Taipei, Taiwan, during 1959 appearances in the Far East was carried in detail in every paper in this country. But very little appeared anywhere about the actual concerts or the popular reaction to them.

How much more valuable it would have been for our people to have been informed of those aspects of good will tours—of barriers broken down, of broken lines of contact mended, of warmth and respect created where only distrust and disregard existed before.

On my recent Rumanian trip I was invited to visit the Ministry of Fine Arts and Culture to discuss the possibilities and advisability of beginning a cultural exchange program with us.

It was embarrassing to have to admit that because we do not have a Department of Fine Arts, certain things possible for them are impossible for us. Since the U.S. Government does not pay the bill for the opera companies existing in this country, it is impossible to notify any of them that they must furnish a certain exchange artist with a specified number of performances of a particular role within a prescribed time.

INDIVIDUAL WILLINGNESS

Similarly, we have no control over orchestra soloists and must depend on the willingness and enterprise of our individual managers to engage these foreign artists and to secure representative performances for them. I can understand that such a way of doing things must seem a willy-nilly business to people from organized countries such as those in the Soviet bloc.

In the light of what I have learned during these years, I wish I had a magic lamp to grant me certain wishes. I would wish for the establishment of a Department of Fine Arts in our Government. I would wish for a realistic and long-range budget to expand the effectiveness of our cultural program abroad. Lastly, I would wish for a greater understanding from our press of its responsibility to inform Americans generally of our Nation's cultural achievements.

Mr. HUMPHREY. Mr. President, I thank the Senator from Vermont for his courtesy in yielding this time to me.

MUTUAL SECURITY AND RELATED AGENCIES APPROPRIATIONS, 1961

The Senate resumed the consideration of the bill (H.R. 12619) making appropriations for mutual security and related agencies for the fiscal year ending June 30, 1961, and for other purposes.

Mr. LAUSCHE. Mr. President—

Mr. COOPER. I yield 5 minutes to the Senator from Ohio [Mr. LAUSCHE].

The PRESIDING OFFICER. The Senator from Ohio is recognized for 5 minutes.

Mr. LAUSCHE. Mr. President, this afternoon, Senators have debated at various times the \$100 million increase in the President's contingency fund intended to be used with the United Nations in dealing with the Congo problem. I concur in the expressed view that this increase should not be interpreted as the establishment of a definite policy that we intend to continue this type of grant in seeking the solution of the many problems which may arise in Africa. I cannot subscribe to any yielding by our country to Lumumba, after his threats to the effect that if our country did not conform to his wishes, he would turn to an alliance with Soviet Russia. I think it would be dishonorable and contrary to good policy for us to yield to any intimidation attempts of that type. But that is what he said. If the \$100 million increase in the President's contingency fund were inter-

preted as being the congressional response to that threat—in other words, if other nations believed that, following that threat, we hastened to provide from our Treasury the \$100 million in an attempt to solve the problem within the Congo—certainly we would merely be giving encouragement to other nations to make such threats when similar conditions existed. Such a threat was made by Castro.

I believe the time has come when, in self-defense and in the interest of the preservation of our own honor, we cannot take action of this sort under such shotgun circumstances.

Seventeen nations are coming into existence in Africa. When this subject was discussed in the Foreign Relations Committee, I stated that in my opinion we should review the future prospects. I do not think we should approach these problems on an ad hoc, separate basis, and thus attempt to deal with each problem as it is presented to us.

How many similar situations are likely to arise in Africa? How many new nations have been created where the portents are that the people are not ripe for independence and that, by the creation of those independent nations, we create circumstances under which a vacuum is likely to occur?

It was for that reason that I suggested to the Foreign Relations Committee we ought to make a study of the prospective problems that will arise in Africa. Then, on the basis of an appraisal of all that is in prospect, we should formulate a long-range program.

The Senator from Minnesota made mention of that need, and I think it is indispensable. We cannot be running all over Africa under circumstances such as exist in the Congo, and try to deal with it solely on an ad hoc basis, a separate basis, without considering the entire context of problems that will confront us.

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

Mr. LAUSCHE. I yield.

Mr. HUMPHREY. I wanted the Senator to yield only for one purpose. I merely wish to say I fully subscribe to the general thought the Senator from Ohio is expressing. I happen to believe we are constantly rushing to the Treasury to find ways and means of trying to correct matters that are not going to be properly corrected just by another check or another cash contribution. The necessity for long-term, carefully designed plans cannot be overestimated; and I believe this is true not only in Africa, but, may I say, in Latin America. I am going to be very watchful when the appropriation comes up on the Latin American authorization, because there is not enough money in the United States of America to take care of the needs of all the people in the world, and, surely, the only way that money can be used properly is by careful and prudent planning and with the comprehensive thought that is required.

Mr. LAUSCHE. I now want to devote a brief period to the psychology of the practice which has rather widely developed of individual countries saying to

our country, "You will bow to our wishes, or we will go to the Communists for an alliance." I submit that, psychologically, we cannot allow the world to believe that such efforts will precipitate us into obedience of the demands made upon our country.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LAUSCHE. May I have 5 more minutes?

Mr. COOPER. I yield 5 minutes to the distinguished Senator from Ohio.

Mr. LAUSCHE. If an individual comes to me and, legitimately, says, "I am your friend. I have been your friend. I need help. Please give it to me," that is one thing. But if an individual comes to me and says, "I have to decide whether I am going to be your friend or the friend of X. X is your enemy. I am going to X unless you give me this help," I would have doubt about the intellectual and moral integrity of anyone who made a request of me in that way.

I need not remind the President that those situations are arising entirely too frequently. I have practically reached the state of mind that, when a situation of that type arises, I feel it would be better, at the very beginning, to say, "Under the gun, I will do nothing. Go wherever you please."

I should like to direct my attention for a moment to South America. The argument was made on the floor of the Senate, and it has been rather generally repeated, that we have done nothing for South America. Last Wednesday I placed in the RECORD a tabulation of figures which showed that under the mutual security program, under the program authorized by Public Law 480, under the export-import long-term loan program, and under miscellaneous U.S. economic programs, we have provided for the nations of South America \$3,971 million since 1946.

In addition to that amount, the World Bank has loaned to South American nations \$1 billion. We are participants, in the amount of 32 percent, in the capital structure of the World Bank.

I am not arguing that we have dealt adequately with South America on the basis of the mutual security program, but it ought to be made clear to the South Americans that we have provided practically \$4 billion of aid.

It has been suggested that \$600 million be made available for the South American program. I have no quarrel with it, except that we ought to make certain that any major part of the money will be loaned rather than given. We have sadly learned that gifts do not bring friendship. Frequently, when those gifts are discontinued, they bring antipathy to the benefactor, rather than friendship.

One further thought as to whether we should continue giving financial aid to countries with Communist governments. The Senator from Minnesota, a moment ago, made a statement with respect to aid we will give to Poland. On that score, I think we ought to take a look at this proposition: Aid to people within nations having unwanted Communist governments should be distinguished

from aid for the perpetuation of those governments themselves. I could not help feeling distressed and aggrieved when I read in the paper of the development in the United Nations when the question came up about having an impartial investigation of the plane incident in the northerly part of the Soviet, in which our Government asserted that Soviet planes had forced our plane over Soviet territory and then brought it down.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LAUSCHE. Will the Senator yield me 3 more minutes?

Mr. COOPER. I yield 3 more minutes to the Senator from Ohio.

Mr. LAUSCHE. The Polish representative at the United Nations voted against our Government and with the Soviets. I have no doubt that many citizens, when they read about that account, said to themselves, "We are giving financial aid to the Polish Government, yet its representative votes against us in the United Nations on a subject which is of great significance."

Were the Soviets telling the truth? Was the United States telling the truth? The limited investigation disclosed that we were in the right and the Soviets were in the wrong, but when the time came to authorize an impartial investigation the Polish representative turned his back on the United States in favor of Communist Russia.

We have given about \$1½ billion worth of aid to Yugoslavia.

From my standpoint, Mr. President, I am prepared to give aid to the Polish people. The Polish people are freedom-loving people. They believe in the Lord. They do not believe in atheistic communism. They wish to be on our side. When we give aid to Poland, I am in favor of it upon the basis that the aid will go to the Polish people and not to the Polish Government. My belief is that the Polish people understand the aid, and they know we are not giving it to perpetuate Gomulka and his philosophy.

In conclusion, Mr. President, I favor the bill, but I think the Committee on Foreign Relations will have to take a look at the entire African problem. We must take a severe and careful look at this program of aiding the Communist countries.

I thank the Senator from Kentucky very much for granting me this time.

Mr. COOPER. Mr. President, I yield 10 minutes to the senior Senator from New York [Mr. JAVITS].

The PRESIDING OFFICER. The Senator from New York is recognized for 10 minutes.

INVESTMENT INCENTIVE FUND PROGRAM

Mr. JAVITS. Mr. President, I wish to address myself to two matters with respect to the pending bill. First, I wish to discuss what is called the investment incentive fund program.

Mr. President, this program would set up an agency of the ICA engaged in stimulating, encouraging, and finding opportunities for private investment in the less developed areas of the free world which we are aiding under our program. I have been constantly connected with

the development of this idea and its expansion, because it is one of the most constructive and effective ways by which we can help the less developed areas. It represents permanent participation in their economies in a very constructive way in most cases, as well as an opportunity for training of the people, who can then develop their own economies based upon this example.

In addition, this program represents an opportunity for our friends to observe how, in our country, private enterprise contributes to the general welfare. It is, therefore, an object lesson in what we consider in this country to be a very important element of our freedom. That does not mean every country's social system has to follow ours or that private enterprise is the only way in which things can be done, but it means insofar as we can we shall not only help but we shall try to teach as well, in terms of the techniques which have been highly developed in this country.

It was therefore with very great distress, Mr. President, that I noticed the House of Representatives had put language in the bill stating that "None of the funds herein appropriated shall be used to finance any of the activities under the investment incentive fund program."

Let us remember that we cannot possibly give enough aid in terms of public funds to bring along less developed areas to the satisfactory stage of development at which they will be induced to feel that their best bet for the future is with the free world. In order to do this we must have private investment.

For example, our whole economic aid program is about \$2 billion a year. The net private investment of the United States now—and it should be materially increased—is \$3¾ billion a year. This is magnified all over the world. There must be encouragement of private enterprise in terms of overseas private investment. That includes the foundations, the nonprofit organizations, the colleges, the universities, and the religious organizations. All of this is absolutely indispensable.

Indeed, public investment is only the prelude, the way in which facilities are created. This is the climate. There are roads, ports, and sanitation facilities developed in order to attract private investment.

I was very glad to observe, and I compliment the committee upon, the fact that the committee has stricken out the restriction, which I think was very much against our interests. Now the bill will go to conference. I hope very much the Senate committee will stand by its guns and will not yield on this proposition of a very small sum—\$2 million, which is actually involved, though not recited in the bill—for the investment incentive fund program.

Mr. President, to bear out the efficacy of this program and to give some examples as to exactly what the program would do, in the specific countries it would reach, I ask unanimous consent to have a memorandum which I have prepared on that score, referring to activities in Thailand, Taiwan, India, and Ecuador, printed in the RECORD at this point.

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

INVESTMENT INCENTIVE PROGRAM

THE HOUSE BILL

Section 110 of the House bill provides that "none of the funds herein appropriated shall be used to finance any of the activities under the investment incentive fund program."

EXECUTIVE BRANCH POSITION

The executive branch opposes the House provision.

Within the appropriation requested for special assistance, the sum of \$2 million has been planned for the investment incentive program. This program is designed to stimulate local private enterprise in underdeveloped areas and to encourage private investment, domestic and foreign, in those areas. It consists of furnishing expert advice, surveys, and the like, not of providing capital for investment. It is conducted on a selective basis in particular countries or for specific projects where such assistance can be most effective. The program includes such activities as:

1. Advisory assistance in the establishment and operation of development banks which specialize in providing loan capital to new and expanding local private enterprise, especially small business to which international capital cannot readily be attracted.

2. Conducting surveys to assist interested countries in attracting private investment by identifying obstacles to such investment which can be removed, ascertaining the most promising fields for investment, and in some instances doing the more detailed technical and economic analyses necessary to show preliminarily the feasibility of investment in a particular field or industry, such as chemicals or aluminum.

3. Assisting in the establishment of investment centers to which local entrepreneurs can turn for expert technical help in planning and developing new or expanded business projects to the point where they are economically sound and can attract equity and loan capital.

A list of some of the activities undertaken under this program during the year is attached.

The investment incentive program is a direct outgrowth of the so-called Straus study conducted in 1958 pursuant to the specific directive of Congress enacted in section 413(c) of the Mutual Security Act. It is one of the means by which effect is given to the congressional declaration of policy in section 413 of the Mutual Security Act, headed "Encouragement of Free Enterprise and Private Participation."

Activities of the type covered by the investment incentive program have been conducted as part of the regular country programs of assistance from the earliest days of mutual security. The program itself, initiated a year ago, involves setting aside a sum, outside the amounts programed as part of the regular country programs, to be used to expand and reinforce such activities.

Section 110 of the House bill would, as the executive branch construes it, preclude the use of this special program technique as a means of expanding and emphasizing projects and activities of the type described above designed to stimulate and encourage private enterprise and investment abroad. As pointed out above, such activities also have been and are being conducted as part of the regular country programs of assistance (e.g., technical cooperation or special assistance) in the same way as are projects and activities in other fields such as agriculture or education. The executive branch does not construe the language of section 110 to affect such projects and activities programed and carried out as part of regular country programs.

But section 110, if enacted, would prevent setting aside an amount (\$2 million has been planned for fiscal year 1961) to be used to take advantage of emerging opportunities to conduct additional and intensified activities of this type. The executive branch believes that activities of the type described above to encourage private enterprise and investment deserve the special emphasis represented by the investment incentive program, and that this technique of earmarking an amount to expand and emphasize such activities is a sound one. It, therefore, opposes the prohibition in section 110 of the House bill.

REPRESENTATIVE ACTIVITIES OF INVESTMENT INCENTIVE PROGRAM DURING FISCAL YEAR 1960

Thailand

Under the investment incentive program, ICA financed an investment survey team of American businessmen which prepared recommendations on measures needed and feasible to expand local enterprise and foreign investment in Thailand. ICA also is financing the services of several experienced American banking experts who are furnishing advice to a new private Thai development bank established to make loans to local small business. Technical guidance is being provided for the establishment of an investment center in Bangkok to furnish special technical assistance to potential small-scale investors and to serve as a collection point and clearinghouse for economic and technical data of interest to persons considering going into private business or investing in Thailand.

Taiwan

ICA is financing advisory assistance in the organization of an investment center to aid in the preinvestment technical and economic analysis necessary to ready a project for financing, with a particular view to developing privately sponsored small and medium-sized enterprises which might qualify for loans from the new Taiwan development bank.

India

Under the investment incentive program, advisory assistance is being provided in the organization and initial operation of an investment center to carry on systematic professional efforts, in India and in the major capital markets of the world, to attract new private investment to India.

Ecuador

An ICA-financed team of American industry experts has completed a study of the feasibility of establishing a basic chemicals industry in Ecuador. A project agreement has been signed for the furnishing of advisory assistance in the establishment of an investment center in Quito, similar to those described above in Taiwan and India, for surveying specific private industrial investment opportunities and for preparing prospectuses to facilitate the transfer of certain government-owned plants to private ownership.

THE PROBLEM OF DICTATORS

Mr. JAVITS. Mr. President, I wish to speak also upon the subject of what we shall do about dictators, especially dictators in the Western Hemisphere, but dictators whatever may be their coloration—black or white, brown or red.

Two amendments have now been written into the bill. One of them proposes, with respect to the Castro regime in Cuba, to bar from our aid program any nation directly or indirectly giving or loaning military or economic aid to the Castro regime.

Then, on the other side of the medal, there is an amendment which proposes

we shall not give any aid to any nation which is supplying arms, munitions, or instruments of war to any country being subjected to economic and diplomatic sanctions by the Organization of American States. Specifically, since August 20, that means the Dominican Republic.

Mr. President, I think both of these provisions demonstrate a totally new position which our country has assumed, which will now be reflected in our law and certainly in our policy, of which we should be apprised as a part of the debate with respect to the bill.

We are no longer, obviously, engaged in "gunboat" diplomacy, which for years was our method in Latin America, very unhappily. We are not even engaged in the "good neighbor" policy any more, Mr. President, which in a sense implied a great, big, generous, powerful neighbor to the north being a "good neighbor" to younger brothers to the south.

Mr. President, today we are in a complete partnership. The United States, notwithstanding the enormous irritations to which it has been subjected and the enormous dangers inherent in the problems of Cuba and the Dominican Republic, has not moved without the concord of the other American States. We are in a new era, an era of regional partnership. This is the policy of the United States now with respect to Latin America, a great and a good policy.

Mr. President, this is the only even-handed way with which to deal with dictators. Certainly we have had strange contradictions in our policy. On the one hand we have dealt with Trujillo, and on the other hand we have condemned Communist dictators. The way in which to reconcile that and accord it with the national interest is to let the democratic consciences of all the nations in a region decide how a dictator is to be dealt with. The conscience of the Organization of American States has now decided in the case of the Dominican Republic, and will decide tomorrow or the next day in the case of Cuba.

Exactly as we have done in the United Nations, we should be one of the parties making the decision, but we should also be the greatest champion of the decision, the most willing to defend it with our enormous resources after it is made.

Mr. President, to bear out the fact that this idea is winning more friends among the Latin American nations, this morning's news gives us words uttered by the Foreign Minister of Colombia, Senor Turbay, of the most eloquent kind.

That is the most eloquent confirmation that at last our people are on the right road; that is the way to preserve the Monroe Doctrine. I know of few things that the President has done which have made a greater impact upon the people than his absolute determined stand on that issue. The way to do it is in partnership with the American Republics. This is what Senor Turbay said about Cuba:

In the opinion of Colombia, no nation in this hemisphere needs the political or military help of an extracontinental power in order to protect its independence and its sovereignty.

And then to fully confirm the validity of our new policy—and I call it a new policy advisedly—in Latin America, Senor Turbay went on to say:

If the present conflict were between the Government of Cuba and that of the United States there would be occasion for some popular sectors to express their enthusiasm for the leader of the Cuban revolution.

But in a conflict between America and Russia, or in other words between democracy and communism, we do not believe that the American nations have the right to be neutral.

This is a historic turn in the relations of our country with the nations of Latin America.

I hope the American people will hear this well and will not be swept away by the idea that we, the most powerful nation on earth, can tell everybody how to run things, and will rely upon the fact that just as we depend upon a majority here—win, lose, or draw—we fight, but when the decision is made, we all loyally support it. So we must all do the same in the regional organizations to which we adhere, of which the shining example is now the Organization of American States.

This is the true basis of American policy in the decade of the 1960's. I am very glad that Senor Turbay, in this most eloquent way, has confirmed it for all of us from a nation with the long-standing democratic traditions of Colombia.

I thank my colleague for yielding the time.

Mr. COOPER. Mr. President, I yield back the remainder of the time on this side.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask that the order for the quorum call be rescinded.

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

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of my time, and I ask for the yeas and nays on passage of the bill.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SYMINGTON (when his name was called). On this vote I have a pair with the senior Senator from South Carolina [Mr. JOHNSTON]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], and the Senator from South Carolina [Mr. JOHNSTON] are absent on official business.

I also announce that the Senator from Missouri [Mr. HENNINGS] is absent because of illness.

I further announce that the Senator from Pennsylvania [Mr. CLARK] and the Senator from Texas [Mr. YARBOROUGH] are necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Pennsylvania [Mr. CLARK], the Senator from Missouri [Mr. HENNINGS], and the Senator from Texas [Mr. YARBOROUGH] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Iowa [Mr. MARTIN] is absent by leave of the Senate on official business.

The result was announced—yeas 67, nays 26, as follows:

[No. 310]

YEAS—67

Aiken	Engle	McNamara
Allott	Fong	Magnuson
Anderson	Fulbright	Mansfield
Bartlett	Gore	Monroney
Beall	Green	Morse
Bennett	Hart	Morton
Bridges	Hartke	Moss
Burdick	Hayden	Mundt
Bush	Hickenlooper	Murray
Butler	Holland	Muskie
Byrd, W. Va.	Humphrey	O'Mahoney
Cannon	Jackson	Pastore
Capehart	Javits	Prouty
Carlson	Johnson, Tex.	Proxmire
Carroll	Keating	Randolph
Case, N.J.	Kefauver	Saltanostall
Case, S. Dak.	Kennedy	Scott
Church	Kuchel	Smith
Cooper	Lausche	Wiley
Cotton	Long, Hawaii	Williams, N.J.
Dirksen	Lusk	Young, Ohio
Dodd	McCarthy	
Douglas	McGehee	

NAYS—26

Bible	Gruening	Schoeppel
Byrd, Va.	Hill	Smathers
Curtis	Hruska	Sparkman
Dworshak	Jordan	Stennis
Eastland	Kerr	Talmadge
Ellender	Long, La.	Thurmond
Ervin	McClellan	Williams, Del.
Frear	Robertson	Young, N. Dak.
Goldwater	Russell	

NOT VOTING—7

Chavez	Johnston, S.C.	Symington
Clark	Martin	Yarborough
Hennings		

So the bill (H.R. 12619) was passed.

Mr. DIRKSEN. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. JOHNSON of Texas. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HAYDEN. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. MUSKIE in the chair) appointed Mr. HAYDEN, Mr. RUSSELL, Mr. CHAVEZ, Mr. ELLENDER, Mr. HOLLAND, Mr. STENNIS, Mr. BRIDGES, Mr. SALTANOSTALL, and Mrs. SMITH, conferees on the part of the Senate.

REVISION OF BOUNDARIES OF CORONADO NATIONAL MEMORIAL

The PRESIDING OFFICER (Mr. MUSKIE in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 2806) to

revise the boundaries of the Coronado National Memorial and to authorize the repair and maintenance of an access road thereto, in the State of Arizona, and for other purposes, which was, to strike out all after the enacting clause and insert:

That, in furtherance of the purposes of the Act of August 18, 1941 (55 Stat. 630), as amended, and to facilitate the administration and development of the Coronado National Memorial, Arizona, the boundaries thereof are hereby revised by the following additions and deletions of land:

(1) Inclusion in the memorial and exclusion from the Coronado National Forest of lots 2 and 7 and a portion of Homestead Entry Survey 310 situated in section 18, township 24 south, range 21 east, Gila and Salt River base and meridian, said portion of Homestead Entry Survey 310 being more particularly described as follows: Beginning at the southwest corner (identified as corner number 1), of Homestead Entry Survey 310, said point being located on the present boundary of Coronado National Memorial and marked by an iron pipe with a brass cap and a rock cairn placed by the United States Bureau of Land Management in 1955; thence north zero degrees thirty-three minutes west, one thousand two hundred ninety-four and twenty-six hundredths feet, more or less, along the west boundary of said tract, which line is also the present boundary of said memorial, to the northeast corner of lot 8, section 18, said point being marked by an iron pipe with a brass cap and a rock cairn placed by the United States Bureau of Land Management in 1955; thence north zero degrees twenty-three minutes east, two hundred thirty and eight-tenths feet, more or less, along the west boundary of Homestead Entry Survey 310 to a point on a circular curve marked by an iron pipe with a National Park Service brass cap, said point being located south eighty-one degrees forty-four minutes east, exactly one hundred forty feet from the point of curvature of said curve; thence southeasterly five hundred forty-eight and two-tenths feet along said circular curve to the right of radius one thousand seven hundred thirty-two and four-tenths feet and having a beginning tangent bearing of south eighty-four degrees three minutes east (from point of curvature to point of intersection), to the point of tangency of said curve; thence south sixty-one degrees sixteen minutes east, two hundred twenty-four and eight-tenths feet to the point of curvature of a circular curve to the right; thence southeasterly two hundred ninety-two and six-tenths feet along said circular curve to the right of radius six thousand twenty-nine and six-tenths feet to the point of tangency of said curve; thence south fifty-eight degrees twenty-nine minutes east, five hundred eighty-eight and seven-tenths feet to the point of curvature of a circular curve to the right; thence southeasterly two hundred twenty-five and nine-tenths feet along said circular curve to the right of radius two thousand two hundred nine and nine-tenths feet to the point of tangency of said curve; thence south fifty-two degrees thirty-eight minutes east, twenty-eight and eight-tenths feet to the point of curvature of a circular curve to the left; thence southeasterly two hundred sixteen and nine-tenths feet along said circular curve to the left of radius one thousand six hundred nine and nine-tenths feet to the point of tangency of said curve; thence south sixty degrees twenty-one minutes east, thirty and seven-tenths feet to the point of curvature of a circular curve to the right; thence southeasterly seven hundred thirteen and six-tenths feet, more or less, along said circular curve to the right of radius one thousand two hundred fifty-four and nine-tenths feet to a point on the southern

boundary line of Homestead Entry Survey 310 marked by an iron pipe with a National Park Service brass cap, said point also being located on the present northern boundary line of Coronado National Memorial thence north eighty-nine degrees forty-nine minutes west two thousand three hundred and sixty-one feet, more or less, along the southern boundary line of Homestead Entry Survey 310, which line is also the present northern boundary of the said memorial, to the point of beginning (all bearings referred to the true meridian).

(2) Inclusion in the Memorial and exclusion from the Coronado National Forest of lots 5 and 6 in section 20, township 24 south, range 21 east, Gila and Salt River base and meridian.

(3) Exclusion from the Memorial and inclusion in the Coronado National Forest of the north half southwest quarter northwest quarter section 13, and the north half southeast quarter northeast quarter section 14, all in township 24 south, range 20 east, Gila and Salt River base and meridian.

Sec. 2. The Secretary of the Interior is authorized to acquire lands and interests in lands within the revised boundaries of the Coronado National Memorial by purchase, donation, with donated funds, or by such other means as he may consider to be in the public interest. Lands and interests in lands acquired pursuant to this Act shall become a part of the Memorial and be administered by the Secretary of the Interior in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535), as amended, and pursuant to sections 2, 3, and 4 of the Act of August 18, 1941 (55 Stat. 630), as amended.

Sec. 3. The Act approved August 7, 1946 (60 Stat. 885), is hereby amended by substituting a semicolon for the period at the end of subsection (a), section 1, and inserting immediately thereafter the following: "repair and maintenance of the class 'C' road lying between the terminus of F. A. 383 at the east boundary of Coronado National Forest and the point where said class 'C' road enters Coronado National Memorial in the vicinity of Montezuma Pass, approximately 5.3 miles."

Sec. 4. There is hereby authorized to be appropriated the sum of not to exceed \$3,000 for the purpose of acquiring lands, interests in lands, and improvements thereon as may be necessary for carrying out this Act.

Mr. HAYDEN. Mr. President, the bill provides for the revision of the boundaries of the Coronado National Memorial and authorizes the appropriation of not to exceed \$3,000 for the purpose of acquiring lands, interest in lands, and improvements thereon as may be necessary for carrying out this act.

I move that the Senate concur in the amendment of the House.

The motion was agreed to.

COMMITTEE SERVICE—SENATOR MARTIN, OF IOWA, AND SENATOR YOUNG OF NORTH DAKOTA

Mr. DIRKSEN. Mr. President, I submit a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The resolution (S. Res. 370) was read, as follows:

Resolved, That the Senator from Iowa, Mr. MARTIN, is excused from further service on the Committee on Interior and Insular Affairs; be it further

Resolved, That the Senator from Iowa, Mr. MARTIN, be assigned to the Committee on Rules and Administration, and the Senator from North Dakota, Mr. Young, be assigned to the Committee on Post Office and Civil Service.

Mr. DIRKSEN. Mr. President, I wish to express the appreciation of the minority for the action on the part of the Senator from Iowa [Mr. MARTIN] in releasing his assignment on the Committee on Interior and Insular Affairs. The Senator from Iowa by reason of his membership on the Interior and Insular Affairs Committee was appointed by the President of the Senate as a member of the Commission on Outdoor Recreation Resources Review. As a Senator will no longer be a member of that Commission, I wanted the RECORD to show that because of the great interest which he has shown throughout his lifetime in recreation activities, the Commission will lose a valued member and an ardent supporter. It is my hope that when a final report is made by the Commission due credit will be given to the Senator from Iowa for his loyal and faithful service.

The PRESIDING OFFICER. Is there objection to the consideration of the resolution?

There being no objection, the resolution (S. Res. 370) was considered and agreed to.

COMMITTEE SERVICE—SENATOR BURDICK, OF NORTH DAKOTA

Mr. JOHNSON of Texas. Mr. President, I submit a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The resolution (S. Res. 371) was read, as follows:

Resolved, That the Senator from North Dakota, Mr. BURDICK, be assigned to service on the Committee on Interior and Insular Affairs and the Committee on Labor and Public Welfare.

The PRESIDING OFFICER. Is there objection to the consideration of the resolution?

The resolution was agreed to.

AMENDMENT OF MINERAL LEASING ACT OF 1920—CONFERENCE REPORT

Mr. O'MAHONEY. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10455) to amend the Mineral Leasing Act of February 25, 1920. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read, for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of August 23, 1960, pp. 17371-17375, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. O'MAHONEY. Mr. President, this conference report is an agreement between the two Houses on amendments to the Mineral Act of February 25, 1920. The bill is the result of 14 months of deliberations. On June 15, 1958, I introduced S. 2181, a general revision of the oil and gas sections of the Mineral Leasing Act. Part of the bill dealt with the relief of bona fide purchasers. This was an emergency provision which passed both the Senate and the House, and was signed by the President on September 21, 1959.

On February 4, this year, I introduced S. 2983, another general revision of the Mineral Leasing Act, recast in view of the facts which had been ascertained in the hearings on S. 2181. Representative WAYNE ASPINALL, chairman of the Committee on Interior and Insular Affairs of the House of Representatives, introduced a bill to the same effect on March 23, 1960. This eventuated in the passage of H.R. 10455 by the House of Representatives before the Senate Committee on Interior and Insular Affairs had an opportunity to deal with S. 2983. House bill 10455 was, therefore, taken by the Senate Committee on Interior and Insular Affairs as the measure which it would amend and report to the Senate, because in that way it would be easier to hold a conference.

The conference report by the Senate conferees, which I now submit, was unanimously agreed to by the Senate conferees. The House report which was passed by the House this afternoon was likewise unanimously agreed to by managers on the part of the House.

The measure is one of great importance. Four hundred million acres of the Western States are public lands. Except for the granite core of the great mountain ranges, these public lands embrace great sedimentary basins prospectively valuable for the deposits of oil which are locked within them.

Proceedings which have been instituted by the Department of the Interior, involving a large acreage, have, in effect, brought a stalemate in drilling. The revision contained in the conference report which I am presenting is designed to clarify the law and make it possible for oil operators, large and small, to resume their operations in compliance with the provisions of law which have been agreed upon by the Congress in consultation with responsible officials of the Department of the Interior.

The principal changes include:

First. A consolidation of the acreage limitations with respect to leases and options. Under present law, a person may hold 46,080 acres under lease and 200,000 acres under option in any one State, for a total holding of 246,080 acres. The conference report does not alter this overall limitation. It provides, however, that this acreage may be held either by lease or by option, except that not more than 200,000 acres may be held by option.

Second. An increase in minimum rental from 25 cents an acre to 50 cents has been authorized. In addition, the

present waiver of the second-year and third-year rentals had been deleted. This was done upon the emphatic recommendation of the Department of the Interior, which was accepted by the House, and was concurred in by the Senate Committee on Interior and Insular Affairs, upon the strong representations of several Senators. The increase in rentals was authorized to compensate for the decrease in the value of the dollar which has taken place since the last time the rental was set, and to bring the rental of public lands more in line with the rentals obtained by owners of fee lands under similar circumstances.

Third. Provision for a new type lease was added by the Senate. It is a tar sands lease. Under the bill as agreed upon by the conference, persons will be able to secure leases on not to exceed 7,680 acres in any one State, to exploit the hydrocarbons now locked in tar sands and recoverable only by mining methods.

There are other substantive changes, but not of a major order. In addition, there are numerous clarifying, modifying, and perfecting changes which operations under the present law have suggested. The changes substantive, clarifying and perfecting, are all designed to secure a more closely drawn law, to the end that exploration and production of oil and gas may proceed on the public lands in an orderly and effective manner.

Mr. President, I move that the report be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. ANDERSON. Mr. President, I desire to pay tribute to the able senior Senator from Wyoming [Mr. O'MAHONEY], who was the author of a Leasing Act 25 years ago, and who again has his name on another Leasing Act today.

I desire to pay tribute to the distinguished Senator from Wyoming for the outstanding work he has done in the committee over a long period of time, and particularly for the great contribution he has made to the preparation of this report.

PROTECTION OF FARM AND RANCH OPERATORS AGAINST LOSS OF CROPLAND ACREAGE AND ACREAGE ALLOTMENTS

Mr. ELLENDER. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 12849.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 12849) to protect farm and ranch operators making certain land-use changes under the Great Plains conservation program and the soil bank program against loss of cropland acreage and acreage allotments.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana?

Mr. CASE of South Dakota. Mr. President, what is the request?

Mr. ELLENDER. The request is to consider H.R. 12849, which is similar to a Senate bill which was passed a few weeks ago. It seems that the House overlooked the Senate bill when it passed the House bill. So it is my desire to have the House bill considered at this time.

Mr. CASE of South Dakota. Mr. President, reserving the right to object, the bill comes, I assume, from the House Committee on Agriculture.

Mr. ELLENDER. That is correct.

Mr. CASE of South Dakota. Does the Senator from Louisiana know of any other bill coming from the House Committee on Agriculture which will be presented to the Senate during this session?

Mr. ELLENDER. Yes; one came to my attention this morning. I do not know of any other bill except that one and the one which we considered yesterday at the regular meeting of the committee and reported to the Senate.

Mr. CASE of South Dakota. What is the other bill which has come to the Senator's attention and which may come over from the House?

Mr. ELLENDER. The Senator from California [Mr. ENGLE] presented the bill just a moment ago. It affects nuts and other products of California.

Mr. CASE of South Dakota. Mr. President, the Senator from South Dakota is always reluctant to object to any request which comes from the distinguished Senator from Louisiana, who is chairman of the Committee on Agriculture and Forestry. However, we confront this situation: Up to this good hour, the committee of conference has not adopted a comprehensive farm bill. It has not passed proposed legislation dealing with the wheat problem.

The Senate passed a bill which went to the House, and the House failed to pass it by a very few votes.

It has occurred to me that if action is to be obtained at this session on farm legislation, it is almost necessary that it be attached by way of amendment to some bill which will come from the House, through the House Committee on Agriculture.

If this is to be the only opportunity in which we can consider and deliberate upon farm legislation, it seems to me we ought not to miss the opportunity.

I had prepared an amendment to be offered in connection with some other legislation which I had hoped would come from the House Committee on Agriculture and Forestry, a bill dealing with the wheat problem. It proposed that with respect to the wheat support loans the support price be fixed at 77 percent of parity; that the reduction in acreage be established at 22 percent; and that the payment in kind be for 55 percent of the idle acres under the 22-percent reduction.

Up to this time, we have not had an opportunity to consider that proposal. I am reluctant to lose an opportunity to offer it in the consideration of any proposed legislation which may come over from the House Committee on Agriculture. Therefore, I am constrained to

object to the consideration of the bill at this time.

Mr. KUCHEL. Mr. President, will the Senator withhold his objection?

Mr. ELLENDER. Mr. President, the Committee on Agriculture and Forestry has been very diligent in an effort to develop a wheat bill which would be of benefit to farmers and at the same time reduce the cost of the program.

Because of the seriousness of the situation surrounding wheat, the committee decided to give priority to consideration of wheat legislation at the beginning of the 86th Congress.

As soon as the President's farm message was received in 1959, the Secretary of Agriculture was invited to appear before the committee and elaborate on the wheat problem. Meetings for this purpose occurred on February 16 and 17, 1959. After giving his views, he was requested by the committee to submit his proposal in bill form. Alternative proposals were received by the committee counsel on March 12, 1959. Arrangements were immediately made for hearings which were held during the period March 20 through 25, 1959. All major farm organizations and others interested in wheat were heard. Department of Agriculture officials also testified. All appearing before the committee agreed that some action was necessary, but presented different and in some cases divergent views as to what should be done to reduce the pressure of mounting wheat surpluses; and it was evident that no generally acceptable major changes in the program were possible.

Following these hearings the committee met in executive session and decided to hold further hearings on a committee print which had been developed as a stopgap measure to correct generally recognized deficiencies in the current program. These hearings were held on April 22, 1959. Again farm organizations, as well as the Department of Agriculture, presented divergent views to the committee. Following this, the committee held numerous executive sessions in an effort to develop a wheat bill which would prevent further accumulation of surpluses and be less costly to the Government, but, at the same time, provide farmers with necessary price protection.

On May 18, 1959, the Senate committee reported S. 1968, which provided a choice of price supports at 80 percent of parity coupled with a 20 percent reduction in acreage or price supports at 65 percent of parity with no reduction in allotments.

This bill was passed by the Senate with amendments. Subsequently the House amended S. 1968 to provide for price supports at 90 percent of parity with a reduction in acreage allotments of 25 percent and a one-third payment-in-kind on the reduced acreage.

A conference committee agreed on a 2-year bill with price supports at 80 percent of parity coupled with an acreage reduction of 20 percent and a one-third payment-in-kind.

The Senate agreed but the House rejected the conference report by a vote of 214 to 202. The Senate thereafter

accepted the House amendment—90 percent, 25 percent—but this was vetoed by the President.

On January 7, 1960, I introduced S. 2759 in the Senate.

Hearings were held on February 23, at which time the National Association of Wheat Growers and the National Farmers Union, with the tentative concurrence of the National Grange, proposed a program which was not yet in bill form, while the American Farm Bureau Federation indicated support for a different approach.

After a temporary suspension to provide time for the National Association of Wheat Growers to put their proposal in bill form and for the National Grange to determine its position, hearings were resumed on April 20 and 21 at which time the proposals of the various farm organizations, as well as a new proposal by the Department of Agriculture, were fully explored.

Executive meetings were held by the Committee on Agriculture and Forestry on April 26 and 27, during which time S. 2759 was amended and reported on May 2, 1960.

The bill was passed by the Senate. The House acted on June 21, 22, and 23, rejecting two attempts to substitute the Senate bill, and ended by finally defeating its own bill.

The pending measure is a very simple one. It affects the Great Plains and conservation reserve program.

My good friend, the Senator from North Dakota [Mr. Young], introduced the bill several months ago. It was voted on affirmatively by the Senate. The House passed a bill similar to the one the Senate passed.

All I desire is to have the House bill considered, for the simple reason that when the House considered the proposal, instead of substituting the Senate bill for the House bill, the House simply passed its own bill.

I am asking that the House bill which is similar to the one we passed a few weeks ago be acted on today—

Mr. CASE of South Dakota. But it comes to us now, under the request of the Senator from Louisiana, with a House bill number.

Mr. ELLENDER. That is correct.

Mr. CASE of South Dakota. Then, if we amend the bill, obviously it will go back to the House, either for its concurrence or for a conference. Obviously that is the only way we can obtain the enactment of agricultural legislation at this session.

I am not attempting to have action taken now only for agriculture; I am also attempting to have action taken now for both political parties, inasmuch as both political parties at their recent conventions spoke in detail and at length on the need for the enactment of agricultural legislation.

I understand that the distinguished Senator from Massachusetts [Mr. KENNEDY] went to Des Moines, Iowa, to attend a conference there, and at the conference pledged active support of agricultural legislation. In fact, as I recall, following the recent convention in Los

Angeles, the Democratic nominee for President announced he was taking the lead in presenting agricultural legislation before the Senate.

I am merely taking this opportunity to try to help him carry out his pledge and his promise. If the Senator from Massachusetts were here now, this would be his opportunity to attach to the bill coming to us from the House of Representatives the agricultural program he favors for the country, and this would be his opportunity to have it considered here.

Mr. ELLENDER. Mr. President, my request is made at the suggestion of another Member of the Senate; the Senator from North Dakota [Mr. Young] has made this suggestion. If the Senator from South Dakota wishes to object, that is his privilege. Obviously, in view of my previous comments anything we might try to do in the case of wheat would be futile.

Mr. JOHNSON of Texas. Mr. President, I hope the Senator from Louisiana will withdraw his request?

Mr. ELLENDER. Very well, Mr. President; I withdraw my request.

Mr. CASE of South Dakota subsequently said. Mr. President, I ask unanimous consent that the amendment I proposed to offer to House bill 12849, if it had been called up this afternoon, may be printed at this point in the RECORD. I have already sent the amendment to the desk, to be printed, for the information of Members of the Senate; but I also wish to have the amendment printed at this point in the RECORD.

There being no objection, the amendment submitted by Mr. CASE of South Dakota was ordered to be printed in the RECORD, as follows:

On page 1 after line 2 insert "Title I, Great Plains, Conservation Program", and renumber sections 1 and 2 as "101" and "102", accordingly.

Following title I add a new title reading as follows:

"TITLE II—PRICE SUPPORT AND ALLOTMENTS

"Sec. 201. Title I of the Agricultural Act of 1949, as amended, is amended by adding the following new sections:

"Sec. 107. (a) Notwithstanding the provisions of section 101 of this Act, for each of the 1961, 1962, and 1963 crops of wheat price support shall be made available as provided in this section. The support price for each such crop shall be 77 per centum of the parity price therefor. Price support under the foregoing provision of this section shall be made available only to cooperators, only in the commercial wheat-producing area, and only if producers have not disapproved marketing quotas for the crop. In case marketing quotas are disapproved, price support to cooperators shall be as provided in section 101(d)(3).

"(b) If marketing quotas are in effect for the particular crop of wheat, wheat of any such crop, and any other commodity produced on a farm to which a wheat marketing quota is applicable and in the calendar year in which wheat of any such crop is normally harvested, shall be eligible for price support only if—

"(1) the farm is in compliance with the farm wheat acreage allotment for such crop;

"(2) the total acreage on the farm devoted to the production of nonconserving crops as determined by the Secretary which

would normally be harvested in the calendar year in which such wheat crop is normally harvested does not exceed the total average annual acreage on the farm devoted to the production of such nonconserving crops for harvest in 1958 and 1959, less an acreage equal to 22 per centum of the farm acreage allotment for such crop of wheat which would be in effect for the farm except for the reduction thereof as provided in section 334(c)(2) of the Agricultural Adjustment Act of 1938, as amended; and

"(3) the producers on the farm in accordance with regulations prescribed by the Secretary—

"(i) designate an acreage on the farm equal to the 22 per centum reduction in the farm acreage allotment required under section 334(c)(2) of the Agricultural Adjustment Act of 1938, as amended, for the particular crop of wheat, and

"(ii) do not produce any crop thereon which is normally harvested in the calendar year in which the particular crop of wheat is normally harvested and do not graze such acreage during such year.

A farm shall be deemed in compliance with the requirements of clauses (1) and (2) if no crop not subject to acreage allotments is produced on the farm for harvest, and the farm is in compliance with the farm acreage allotments. In accordance with regulations prescribed by the Secretary, the acreage of such nonconserving crops for harvest in 1958 and 1959 may be adjusted to the extent the Secretary determines appropriate for abnormal weather conditions, established crop rotation practices for the farm, changes in the constitution of the farm, participation in soil bank or Great Plains programs, or to give effect to the provisions of law relating to release and reapportionment or preservation of history, and such other factors as the Secretary may deem appropriate. For the purposes of eligibility for price support a producer shall not be deemed to have violated any of the foregoing conditions unless the producer knowingly violated such condition, but the Secretary may provide by regulation for adjusting any payment in kind under subsection (c) or (d) on account of any violation of any such condition or any other condition of eligibility for such payment. For the purposes of this section a wheat marketing quota shall not be deemed to be applicable to any farm exempt from wheat marketing quotas under item (7) of Public Law 74, Seventh-seventh Congress, as amended (7 U.S.C. 1340(7)) or exempt from wheat marketing penalties under section 335(f) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1335(f)).

"(c) Producers of wheat meeting the foregoing conditions of eligibility for price support for any calendar year shall be entitled for such year to a wheat payment in kind from Commodity Credit Corporation stocks equal in value to 55 per centum of the average annual yield in bushels of wheat per harvested acre on the farm for the three years immediately preceding the year for which the designation is made, adjusted for abnormal weather conditions and as determined under regulations prescribed by the Secretary multiplied by the number of designated acres. Such wheat may be marketed without penalty but shall not be eligible for price support. The payment in kind shall be made by the issuance of a negotiable certificate which Commodity Credit Corporation shall redeem in wheat equal in value to the value of the certificate. The certificate shall have a value equal to the number of bushels determined as aforesaid multiplied by the basic county support rate per bushel for number one wheat of the crop normally harvested in the year for which the acreage is designated and for the county in which the designated acreage is located. The wheat redeemable for such certificate

shall be valued at the market price thereof as determined by Commodity Credit Corporation. The Secretary shall provide by regulation for the sharing of a certificate among producers on the farm on a fair and equitable basis. The acreage designated under this section shall be in addition to any acreage devoted to the conservation reserve program.

"(d) If marketing quotas are in effect for the 1961 crop of wheat and the producers on the farm agree to meet the requirements of subsection (b) for 1961, 1962, and 1963, and, in accordance with regulations prescribed by the Secretary—

"(1) designate an acreage on the farm equal to not less than 22 per centum nor more than 100 per centum of the acreage allotment which would be in effect for the farm for the 1961 crop of wheat except for the reduction thereof as provided in section 334(c)(2) of the Agricultural Adjustment Act of 1938, as amended, and do not produce any crop thereon which is normally harvested in the calendar years 1961, 1962, and 1963 and do not graze such acreage during such years, but devote such acreage to soil and water conserving uses;

"(2) reduce by the number of acres so designated the acreage of wheat on the farm in each such year below the acreage allotment which would be in effect for the farm for such year except for the reduction thereof as provided in section 334(c)(2) of the Agricultural Adjustment Act of 1938, as amended; and

"(3) reduce by the number of acres so designated the acreage of nonconserving crops on the farm in each such calendar year below the average annual acreage on the farm devoted to the production of such nonconserving crops for harvest for 1958 and 1959 adjusted as provided in subsection (b).

such producers shall be entitled to a wheat payment in kind, in lieu of the payment provided by subsection (c), for each such year from Commodity Credit Corporation stocks equal in value to 55 per centum of the average annual yield in bushels of wheat per harvested acre on the farm for the three years 1958 through 1960, adjusted for abnormal weather conditions and as determined under regulations prescribed by the Secretary, multiplied by the number of designated acres. Such wheat may be marketed without penalty but shall not be eligible for price support. The payment in kind shall be made by the issuance of a negotiable certificate which Commodity Credit Corporation shall redeem in wheat equal in value to the value of the certificate. The certificate shall have a value equal to the number of bushels determined as aforesaid multiplied by the basic county support rate per bushel for number one wheat of the crop normally harvested in the year for which the payment is made and for the county in which the designated acreage is located. The wheat redeemable for such certificate shall be valued at the market price thereof as determined by Commodity Credit Corporation. The Secretary shall provide by regulation for the sharing of a certificate among producers on the farm on a fair and equitable basis. The share of any producer in certificates issued under this subsection with respect to any year and with respect to all farms in which he has an interest, based on the face value of the certificates, shall not exceed the greater of (1) \$10,000, or (2) such producer's share of payments made under this subsection for acreage required to be designated either in 1961 or in such year as a condition of price support. If such producers fail to comply with the requirements of this subsection for all or any part of the three year period, such producers shall forfeit or refund in cash all or such part of the payments provided for by this subsection as the Secretary determines to be fair and

equitable and prescribes by regulation. The acreage on any farm which is determined under regulations of the Secretary to have been diverted from the production of wheat by reason of designation under this subsection shall be considered acreage devoted to wheat for the purposes of establishing future State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended. In applying the provisions of paragraph (6) of Public Law 74, Seventy-seventh Congress (7 U.S.C. 1340(6)), and section 326(b) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1326(b)), relating to reduction of the storage amount of wheat that part of the acreage designated under this subsection in excess of the 22 per centum reduction required under section 334(c)(2) of the Agricultural Adjustment Act of 1938 on any farm shall be regarded as wheat acreage on the farm of normal production as that term is defined in section 301(b)(9) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301(b)(9)).

"Sec. 108. Notwithstanding the provisions of section 101 or 107 of this Act or any provision of the Agricultural Adjustment Act of 1938, if marketing quotas are disapproved for the 1961 crop of wheat, the level of price support to cooperators and noncooperators for the 1961 crop and each subsequent crop of wheat shall be 50 per centum of the parity price of wheat and no national marketing quota or acreage allotment shall be proclaimed with respect to any subsequent crop of wheat: *Provided*, That if price support at 50 per centum of the parity price is in effect under this section, the current price support for wheat, for the purposes of section 407 of the Agricultural Act of 1949, as amended, shall be determined on the basis of a price support level for wheat of 77 per centum of the parity price therefor."

"Sec. 202. (a) Item (1) of Public Law 74, Seventy-seventh Congress, as amended, is amended, effective beginning with the 1961 crop of wheat, to read as follows:

"(1) If a national marketing quota for wheat is in effect for any marketing year, farm marketing quotas shall be in effect for the crop of wheat which is normally harvested in the calendar year in which such marketing year begins. The farm marketing quota for any crop of wheat shall be the actual production of the acreage planted to such crop of wheat on the farm less the farm marketing excess. The farm marketing excess shall be an amount equal to double the normal yield of wheat per acre established for the farm multiplied by the number of acres planted to such crop of wheat on the farm in excess of the farm acreage allotment for such crop unless the producer, in accordance with regulations prescribed by the Secretary and within the time prescribed therein, establishes to the satisfaction of the Secretary the actual production of such crop of wheat on the farm. If such actual production is so established the farm marketing excess shall be such actual production less the actual production of the farm wheat acreage allotment. Actual production of the farm wheat acreage allotment shall mean the actual average yield per harvested acre of wheat on the farm multiplied by the number of acres constituting the farm acreage allotment. In determining the actual average yield per harvested acre of wheat and the actual production of wheat on the farm any acreage utilized for feed without threshing after the wheat is headed, or available for such utilization at the time the actual production is determined, shall be considered harvested acreage and the production thereof in terms of grain shall be appraised in accordance with regulations prescribed by the Secretary and such production included in the actual production of wheat on the farm. The acreage planted to wheat on a farm

shall include all acreage planted to wheat for any purpose and self-seeded (volunteer) wheat, but shall not include any acreage that is disposed of prior to harvest in accordance with regulations prescribed by the Secretary."

"(b) Item (2) of Public Law 74, Seventy-seventh Congress, as amended, is amended, effective beginning with the 1961 crop of wheat, to read as follows:

"(2) During any marketing year for which quotas are in effect, the producer shall be subject to a penalty on the farm marketing excess of wheat. The rate of the penalty shall be 65 per centum of the parity price per bushel of wheat as of May 1 of the calendar year in which the crop is harvested."

"(c) Item (3) of Public Law 74, Seventy-seventh Congress, as amended, is amended, effective beginning with the 1961 crop of wheat, to read as follows:

"(3) The farm marketing excess for wheat shall be regarded as available for marketing, and the penalty and the storage amount or amounts of wheat to be delivered to the Secretary shall be computed upon double the normal production of the excess acreage. If the farm marketing excess so computed is adjusted downward on the basis of actual production, the difference between the amount of the penalty or storage computed on the basis of double the normal production and as computed on actual production shall be returned to or allowed the producer or a corresponding adjustment made in the amount to be delivered to the Secretary if the producer elects to make such delivery. The Secretary shall issue regulations under which the farm marketing excess of wheat for the farm shall be stored or delivered to him. Upon failure to store, or deliver to the Secretary, the farm marketing excess within such time as may be determined under regulations prescribed by the Secretary the penalty computed as aforesaid shall be paid by the producer. Any wheat delivered to the Secretary hereunder shall become the property of the United States and shall be disposed of by the Secretary for relief purposes in the United States or foreign countries or in such other manner as he shall determine will divert it from the normal channels of trade and commerce."

"(d) Item (7) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(7)), is amended to read as follows:

"(7) A farm marketing quota on any crop of wheat shall not be applicable to any farm on which the acreage planted to wheat for such crop does not exceed fifteen acres: *Provided, however*, That a farm marketing quota on the 1961 and subsequent crops of wheat shall be applicable to—

"(i) any farm on which the acreage of wheat exceeds the smaller of (1) twelve acres or (2) the highest number of acres planted to wheat on the farm for harvest in the calendar years 1956, 1957, 1958, 1959, or 1960; and

"(ii) any farm on which any wheat is planted if any of the producers who share in the wheat produced on such farm share in the wheat produced on any other farm."

"(e) Item (12) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(12)), is repealed, effective beginning with the 1961 crop of wheat.

"(f) Section 326(b) of the Agricultural Adjustment Act of 1938, as amended, is amended, effective beginning with the 1961 crop of wheat, to read as follows:

"(b) If a farm is in compliance with its farm acreage allotment for any crop of wheat and the actual production of such crop of wheat on the farm is less than the normal production of the farm wheat acreage allotment, an amount equal to the deficiency may be marketed without penalty

from wheat of previous crops stored by the producers on the farm to postpone the payment of marketing quota penalties.

"Sec. 203. The Agricultural Adjustment Act of 1938, as amended, is amended as follows:

"(a) Section 334 is amended by inserting '(1)' after '(c)' and adding a new subparagraph (2) following subparagraph (c) (1) to read as follows:

"(2) Notwithstanding any other provision of law, each old or new farm acreage allotment for the 1961 and subsequent crops of wheat as determined on the basis of a minimum national acreage allotment of fifty-five million acres shall be reduced by 22 per centum. In the event notices of farm acreage allotments for the 1961 crop of wheat have been mailed to farm operators prior to the effective date of this subparagraph (2) new notices showing the required reduction shall be mailed to farm operators as soon as practicable."

"(b) Section 334(e) is amended to read as follows:

"(e) If, with respect to any crop of wheat, the Secretary determines that the production of any kind of wheat will be inadequate to provide a sufficient quantity of that kind of wheat to satisfy the demand therefor, the wheat acreage allotment (and the number of acres which may be planted under item (7) (1) of Public Law 74, Seventy-seventh Congress, without making a farm marketing quota applicable to the farm) for such crop for each farm located in a county which has produced such wheat for commercial food products during one or more of the five years immediately preceding the year in which such crop is harvested, shall be increased by such uniform percentage as he deems necessary to provide for such quantity. No increase shall be made under this subsection in the wheat acreage allotment of any farm (or in the acreage which may be planted without making a farm marketing quota applicable to the farm) for any crop if any kind of wheat other than that for which the increase is made is planted on such farm for such crop. Any increases in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and such increases shall not be considered in establishing future State, county, and farm allotments. The provisions of paragraph (6) of Public Law 74, Seventy-seventh Congress (7 U.S.C. 1340(6)), and section 326(b) of this Act, relating to the reduction of the storage amount of wheat shall apply to the allotment for the farm established without regard to this subsection and not to the increased allotment under this subsection, except that any farm in compliance with its increased allotment under this subsection shall be considered in compliance with its farm acreage allotment for the purposes of said section 326(b). Any farm receiving an increased allotment under this subsection shall be excused from complying with clauses (2) and (3) of section 107(b) of the Agricultural Act of 1949 to the extent deemed appropriate by the Secretary to provide for the increase in allotment under this subsection, and no farm on which acreage is designated pursuant to section 107(b) (3) or 107(d) of the Agricultural Act of 1949 in a greater amount than required as a condition of price support for any crop shall be eligible for an increased allotment under this subsection for such crop."

"(c) Subsection (f) of section 335 is amended by striking out the semicolon at the end of item (1) and adding 'and shall not apply to other farms with respect to the 1961 and subsequent crops:'

"(d) Section 336 is amended to read as follows:

"Sec. 336. Between the date of issuance of any proclamation of any national market-

ing quota for wheat and July 25 of the year in which the proclamation is made the Secretary shall conduct a referendum by secret ballot to determine whether farmers favor or oppose such quota. Farmers eligible to vote in such referendum shall be farmers who were engaged in the production of the crop of wheat normally harvested in the calendar year immediately preceding the calendar year in which the referendum is held on a farm in the commercial wheat-producing area for such crop and on which more than twelve acres was planted to wheat of such crop if such crop was the 1961, 1962, or 1963 crop, or on which more than fifteen acres was planted to wheat of such crop if such crop was any crop other than the 1961, 1962, or 1963 crop. Any acreage considered as being devoted to wheat in establishing future allotments under applicable provisions of law shall be considered as wheat-producing acreage for the purpose of determining eligibility to vote. If the Secretary determines that more than one-third of the farmers voting in the referendum oppose such quota he shall prior to the effective date of such quota by proclamation suspend the operation of the national marketing quotas with respect to wheat."

"(e) Section 362 is amended by deleting the second sentence thereof.

"(f) Subsections (b) and (c) of section 335 are hereby repealed and subsection (d) of said section is repealed effective beginning with the 1961 crop of wheat.

"(g) The first proviso of section 377 is amended by striking out 'Provided, That beginning with the 1960 crop' and inserting in lieu thereof 'Provided, That beginning with the 1964 crop in the case of wheat and the 1960 crop in the case of any other commodity'.

"Sec. 204. Section 101(d) of the Agricultural Act of 1949, as amended, is amended by—

"(A) striking out paragraph (5); and
"(B) amending paragraph (7) to read as follows:

"(7) No price support shall be made available for any crop of wheat for which acreage allotments are not in effect and no price support shall be made available for any crop of wheat in any State designated under section 335(e) of the Agricultural Adjustment Act of 1938, as amended, as outside the commercial wheat-producing area for such crop."

JOHN A. SKENANDORE

Mr. JOHNSON of Texas. Mr. President, I ask that the Chair lay before the Senate the amendments of the House of Representatives to Senate bill 285, for the relief of John A. Skenandore.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 285) for the relief of John A. Skenandore, which were, on page 1, line 5, after "to" insert "the estate of"; on page 1, line 6, strike out "his" and insert "the"; on page 1, line 6, after "claim" insert "of the decedent"; on page 1, line 7, strike out "he" and insert "the decedent"; and to amend the title so as to read: "An Act for the relief of the estate of John A. Skenandore."

Mr. JOHNSON of Texas. Mr. President, while the House amendment is in the nature of a substitute, it merely changes S. 285 to provide that relief be granted to the estate of John A. Skenandore. During the time that the bill for the relief of Mr. Skenandore was pending, Mr. Skenandore died, and the House

amended the bill to provide for the payment of the amounts to his estate.

Mr. President, I move that the Senate concur in the House amendments.

The motion was agreed to.

ARTHUR E. COLLINS—CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4826) for the relief of Arthur E. Collins. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4826) entitled "An act for the relief of Arthur E. Collins," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered II.

That the House recede from its disagreement to the amendment of the Senate numbered I, and agree to the same.

JAMES O. EASTLAND,
PHILIP A. HART,
ROMAN L. HRUSKA,

Managers on the Part of the Senate.

THOMAS J. LANE,
HAROLD D. DONOHUE,
JOHN E. HENDERSON,

Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. JOHNSON of Texas. The Senate amended the House-passed bill (1) by inserting a change in the address of the claimant, and (2) by striking the 10-percent attorneys fee proviso. The House disagreed to the amendments, and requested a conference.

In the conference report now before the Senate, the conferees of the House agree to the first amendment of the Senate, and the Senate recedes from its second amendment. The conferees on the part of the Senate recommend that the conference report on H.R. 4826 be agreed to.

Mr. President, I move that the Senate agree to the conference report.

The motion was agreed to.

EXTENSION OF "ANTI-KICKBACK STATUTE" TO ALL NEGOTIATED CONTRACTS

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Arkansas [Mr. McCLELLAN]; and I appreciate very much his cooperation and courtesy in waiting until now to present the matter which he will submit.

Mr. McCLELLAN. Mr. President, I ask that the Presiding Officer lay before the Senate the amendment of the House of Representatives to Senate bill 3487.

The Presiding Officer laid before the Senate the amendment of the House of Representatives to the bill (S. 3487) to amend the "Anti-Kickback Statute" to extend it to all negotiated contracts, which was, to strike out all after the enacting clause and insert:

That the Act of March 8, 1946 (60 Stat. 37), entitled "An Act to eliminate the practice by subcontractors, under cost-plus-a-fixed-fee or cost reimbursable contracts of the United States, of paying fees or kickbacks, or of granting gifts or gratuities to employees of a cost-plus-a-fixed-fee or cost reimbursable prime contractors or of higher tier subcontractors for the purpose of securing the award of subcontracts or orders" is hereby amended to read as follows:

"That the payment of any fee, commission, or compensation of any kind or the granting of any gift or gratuity of any kind, either directly or indirectly, by or on behalf of a subcontractor, as hereinafter defined, (1) to any officer, partner, employee, or agent of a prime contractor holding a negotiated contract entered into by any department, agency, or establishment of the United States for the furnishing of supplies, materials, equipment or services of any kind whatsoever; or to any such prime contractor or (2) to any officer, partner, employee, or agent of a higher tier subcontractor holding a subcontract under the prime contract, or to any such subcontractor either as an inducement for the award of a subcontract or order from the prime contractor or any subcontractor, or as an acknowledgment of a subcontract or order previously awarded, is hereby prohibited. The amount of any such fee, commission, or compensation or the cost or expense of any such gratuity or gift, whether heretofore or hereafter paid or incurred by the subcontractor, shall not be charged, either directly or indirectly, as a part of the contract price charged by the subcontractor to the prime contractor or higher tier subcontractor. The amount of any such fee, cost, or expense shall be recoverable on behalf of the United States from the subcontractor or the recipient thereof by setoff of moneys otherwise owing to the subcontractor either directly by the United States, or by a prime contractor under any contract or by an action in an appropriate court of the United States. Upon a showing that a subcontractor paid fees, commissions, or compensation or granted gifts or gratuities to an officer, partner, employee, or agent of a prime contractor or of another higher tier subcontractor, in connection with the award of a subcontract or order thereunder, it shall be conclusively presumed that the cost of such expense was included in the price of the subcontract or order and ultimately borne by the United States. Upon the direction of the contracting department or agency or of the General Accounting Office, the prime contractor shall withhold from sums otherwise due a subcontractor any amount reported to have been found to have been paid by a subcontractor as a fee, commission, or compensation or as a gift or gratuity to an officer, partner, employee, or agent of the prime contractor or another higher tier subcontractor.

"Sec. 2. For the purpose of this Act the term 'subcontractor' is defined as any person, including a corporation, partnership, or business association of any kind, who holds an agreement or purchase order to perform all or any part of the work or to make or furnish any article or service required for the performance of a negotiated contract or of a subcontract entered thereunder; the term 'person' shall include any subcontractor, corporation, association, trust, joint-stock company, partnership, or individual;

and the term 'negotiated contract' means made without formal advertising.

"Sec. 3. For the purpose of ascertaining whether such fees, commissions, compensation, gifts, or gratuities have been paid or granted by a subcontractor, the General Accounting Office shall have the power to inspect the plants and to audit the books and records of any prime contractor or subcontractor engaged in the performance of a negotiated contract.

"Sec. 4. Any person who shall knowingly, directly or indirectly, make or receive any such prohibited payment shall be fined not more than \$10,000 or be imprisoned for not more than two years, or both."

Mr. McCLELLAN. Mr. President, I may state that the bill was passed by the Senate on June 18. The title of the bill is "To amend the 'Anti-Kickback Statute' to extend it to all negotiated contracts."

The bill has been passed by both Houses, and provides technical amendments which I think very appropriate.

There is no objection to the amendment.

Therefore, Mr. President, I move that the Senate concur in the amendment of the House of Representatives.

The motion was agreed to.

Mr. McCLELLAN. Mr. President, I thank the Senator from Texas for yielding to me.

ALASKAN VESSELS INSPECTION EXEMPTION ACT—CONFERENCE REPORT

Mr. BARTLETT. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield.

Mr. BARTLETT. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2669) to extend the period of exemption from inspection under the provisions of section 4426 of the Revised Statutes granted certain small vessels carrying freight to and from places on the inland waters of southeastern Alaska. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read, for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2669) to extend the period of exemption from inspection under the provisions of section 4426 of the Revised Statutes granted certain small vessels carrying freight to and from places on the inland waters of southeastern Alaska, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the amendment of the House, amend the Senate engrossed bill by striking out line 3 on page 2 and inserting in lieu thereof the following: Striking out "March

15, 1960" and inserting in lieu thereof "December 31, 1962"; and the House agree to the same.

CLAIR ENGLE,
E. L. BARTLETT,
JOHN MARSHALL BUTLER,
Managers on the Part of the Senate.

EDWARD A. GARMATZ,
FRANK W. BOYKIN,
FRANK M. CLARK,
JOHN H. RAY,

Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. DIRKSEN. Mr. President, I understand this has the concurrence of the distinguished Senator from Kansas [Mr. SCHOEPPLE] and all the minority conferees.

The PRESIDING OFFICER. The question is on agreeing to the report.

The report was agreed to.

AMENDMENT OF UNITED STATES CODE WITH RESPECT TO CONCEALMENT OF ASSETS IN CONTEMPLATION OF BANKRUPTCY

Mr. JOHNSON of Texas. Mr. President, I ask that the Chair lay before the Senate the message of the House of Representatives disagreeing to the amendments of the Senate to the bill (H.R. 5747) to amend section 152, title 18, United States Code, with respect to the concealment of assets in contemplation of bankruptcy and asking a conference with the Senate on the disagreeing vote of the two Houses thereon.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 5747) to amend section 152, title 18, United States Code, with respect to the concealment of assets in contemplation of bankruptcy, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. JOHNSON of Texas. Mr. President, at the meeting of Monday, May 16, 1960, of the Committee on the Judiciary, the committee considered the amendment which was offered to the bill on the floor, and the committee determined that the amendment so offered and adopted by the Senate was not germane to bankruptcy matters, inasmuch as the amendment would prescribe qualifications for Federal probation officers.

Information received from the Committee on the Judiciary, of the House of Representatives, discloses that there is now pending before that committee a separate bill embodying the probation officer proposal, which that committee is still studying.

In addition to this, the House Committee on the Judiciary has resolved to recommend that the House conferees accept only that portion of the bill dealing with bankruptcy matters.

Mr. President, in view of the fact that the House committee has before it a separate bill on the probation officer

proposal, which it is still studying, I move that the Senate recede from its amendments to H.R. 5747.

The motion was agreed to.

REDUCTION OF SENTENCES OF IMPRISONMENT IMPOSED UPON CERTAIN PERSONS

Mr. JOHNSON of Texas. Mr. President, I ask that the Chair lay before the Senate the amendments of the House of Representatives to S. 2932, to amend section 3568 of title 18, United States Code, to provide for reducing sentences of imprisonment imposed upon persons held in custody for want of bail while awaiting trial by the time so spent in custody.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2932) to amend section 3568 of title 18, United States Code, to provide for reducing sentences of imprisonment imposed upon persons held in custody for want of bail while awaiting trial by the time so spent in custody, which were: to strike out all after the enacting clause and insert:

That (a) section 3568 of title 18, United States Code, is amended to read as follows: "§ 3568. Effective date of sentence; credit for time in custody prior to the imposition of sentence.

"The sentence of imprisonment of any person convicted of an offense in a court of the United States shall commence to run from the date on which such person is received at the penitentiary, reformatory, or jail for service of said sentence: *Provided*, That the Attorney General shall give any such person credit toward service of his sentence for any days spent in custody prior to the imposition of sentence by the sentencing court for want of bail set for the offense under which sentence was imposed where the statute requires the imposition of a minimum mandatory sentence.

"If any such person shall be committed to a jail or other place of detention to await transportation to the place at which his sentence is to be served, his sentence shall commence to run from the date on which he is received at such jail or other place of detention.

"No sentence shall prescribe any other method of computing the term."

(b) Item 3568 of the analysis of chapter 227, immediately preceding section 3561 of title 18, United States Code, is amended to read as follows:

"3568. Effective date of sentence; credit for time in custody prior to imposition of sentence."

Sec. 2. The amendments made by the first section of this Act shall be effective only with respect to persons sentenced to imprisonment on or after the thirtieth day after the date of enactment of this Act.

And to amend the title so as to read: "A bill to provide for credit for service of sentence for time spent in custody for want of bail prior to the imposition of sentence by the sentencing court where the statute requires the imposition of a minimum mandatory sentence."

Mr. JOHNSON of Texas. While the House amendment is in the nature of a substitute, it merely changes S. 2932 to provide that credit be given for time spent in custody "prior to the imposition of sentence," rather than for time in custody "awaiting trial," and provides

that the application of the statute is only in those cases which involve the imposition of a minimum mandatory sentence.

Mr. President, I move that the Senate concur in the House amendments.

The motion was agreed to.

DEPARTMENTS OF STATE AND JUSTICE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION BILL, 1961—CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, I send to the desk the conference report on the Departments of State and Justice, the Judiciary, and related agencies appropriation bill, and ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today, pp. 17472-17474, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11666) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1961, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11666) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1961, and for other purposes.

As agreed to by the conferees, the bill provides for appropriations totaling \$705,032,567. This is an increase of \$28,467,760 over the House bill, and a decrease of \$13,236,580 from the Senate bill.

Most important of all, the amount contained in the conference bill is a reduction of \$27,997,828 from the budget estimates.

I am happy to state that both the conference bill and the conference report were agreed to unanimously by the conferees from both Houses.

The House has already adopted the conference report agreed to yesterday.

Furthermore, even though the final amounts approved were \$27,997,828 under the budget estimates, it was the judgment of all the conferees that this bill provides adequately for all the important functions of the agencies covered by the bill.

In conference, it was necessary to resolve 37 specific points of disagreement between the House and Senate bills. I must say that I have rarely seen a group of men attack complicated problems with a greater spirit of cooperation and a willingness to consider all points of view.

I would like to pay tribute, here on the floor of the Senate, to the Members of the other body who served as conferees on this bill. I refer to the distinguished subcommittee chairman, Mr. ROONEY and his distinguished colleagues, Mr. CANNON, of Missouri; Mr. SIKES, of Florida; Mr. BOW, of Ohio, and Mr. TABER, of New York. I know his colleagues will not misunderstand if I pay special tribute to my good friend, JOHN ROONEY, who demonstrates time and again why he is acknowledged to be one of the most thorough, diligent, able, and fairminded Members of the Congress.

I would also like to express my gratitude and appreciation for the outstanding contributions made by the other Senate conferees. A conference chairman is assured that the views of the Senate will be given full weight and consideration when the members of his team include such able and distinguished Senators as the Senator from Louisiana [Mr. ELLENDER], the Senator from Arizona [Mr. HAYDEN], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Iowa [Mr. HICKENLOOPER].

Mr. President, the actions of the conference committee constitute a gratifying demonstration that men of good will—regardless of political affiliation or the section of the country from which they are elected—can unite in acting for the national interest.

In considering the appropriations for the State Department and the U.S. Information Agency, the conferees were in full agreement concerning the importance of providing the financial resources necessary to carry forward the programs of these agencies effectively.

With respect to the State Department, the conferees agreed to provide \$115 million for salaries and expenses. This is \$2,700,000 above the 1960 appropriation, and \$1,500,000 above the amount in the House bill.

While the House conferees believed that the \$113,500,000 which had been provided for this purpose in the House bill was fully adequate, they agreed to provide an additional \$1,500,000 in order to assure that the State Department would have the necessary resources and flexibility to meet changing conditions and high priority problems. This additional amount will enable the State Department to open new posts and expand its political, economic, and consular activities in Africa and South America, as well as in other areas of the world. It will also permit the State Department to allocate funds for disarmament studies, in order to explore new possibilities of arms control, as had been provided in the Senate bill.

With respect to the U.S. Information Agency, the House bill had provided \$101,557,300 for salaries and expenses—the same amount as in fiscal year 1960. The Senate bill had increased this amount by \$2 million. The conferees agreed to an increase of \$1 million, which will enable USIA to proceed with its program of opening 10 additional posts in Africa and expanding its activities in Latin America. The con-

feres also endorsed the language in the Senate report, which stated:

The committee strongly recommends that personnel which is so greatly in excess of the needs, in areas such as Western Europe, be transferred to countries where their services can really be utilized. It is further recommended that more stress be placed upon binational centers, where the people of the countries in which the centers are operating have the primary responsibility for operating the centers, with U.S. personnel merely giving guidance and assistance.

Another item of particular interest to Members is the International Educational Exchange Program operated by the State Department. It was agreed to provide \$25,705,000 for this program in fiscal year 1961—an increase of \$2,495,000 over the 1960 appropriation.

We were able to provide only \$25,705,000 for these programs. The budget estimate provided for \$28,200,000. The House conferees wanted to leave the amount for the program at the amount provided last year. Finally, after much

discussion and exchange of views back and forth, we got them to go up approximately \$2½ million, and we came down approximately the same amount.

There was one item on which the House conferees were adamant, namely, the amendment introduced by the Senator from Connecticut [Mr. Dodd] and included as section 107 of the Senate bill. This amendment expressed the sense of the Senate that the Secretary of State should take such action as may be necessary to prevent the importation of military firearms into the United States for resale. Without reference to the merits of this provision, the House conferees felt that it was inappropriate to include it in this particular appropriation bill. It was therefore agreed to delete the provision from the appropriation bill, with the expectation that it would be presented to the Senate again. This was done earlier today in the form of an amendment to the mutual security appropriation bill, where it was suggested the amendment should go. The

distinguished chairman of the Committee on Appropriations accepted the amendment and took it to conference.

I am particularly pleased to report that the House conferees agreed with the Senate on providing \$10 million for the Center for Cultural and Technical Interchange Between East and West. I am proud of the part that I have played in the promotion of this program, and I am gratified at the bipartisan support that has been given to this unique opportunity for the free world to take a noteworthy step forward in the battle for men's minds.

Since this conference report has been unanimously agreed to, I do not propose to discuss the items in detail; unless Senators desire to ask questions about it.

I ask unanimous consent to have printed at this point in the RECORD summary tables covering this bill.

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

Summary of bill

Activity	1960 appropriation	1961 estimate	1961 House bill	1961 Senate bill	Conference action
State.....	\$229,802,564	\$262,361,610	\$223,769,754	\$257,471,954	\$247,172,754
Justice.....	266,935,000	283,200,000	278,220,180	280,320,180	280,320,180
Judiciary.....	49,120,300	52,714,865	49,800,045	50,836,445	50,149,065
USIA.....	118,234,746	125,158,920	116,988,980	121,354,720	119,354,720
Funds appropriated to the President.....	6,145,500	8,600,000	6,935,848	7,435,848	7,185,848
Civil Rights Commission.....	780,000	995,000	850,000	850,000	850,000
Total.....	671,018,110	733,030,395	676,564,807	718,269,147	705,032,567

TITLE I—DEPARTMENT OF STATE

Item	Appropriations, 1960	Budget estimates, 1961	House bill, 1961	Senate bill, 1961	Conference action
ADMINISTRATION OF FOREIGN AFFAIRS					
Salaries and expenses.....	\$112,300,000	\$119,850,000	\$113,500,000	\$117,377,000	\$115,000,000
Representation allowances.....	825,000	875,000	835,000	875,000	850,000
Acquisition, operation, and maintenance of buildings abroad.....	17,372,000	17,372,000	10,723,000	10,723,000	10,723,000
Acquisition, operation, and maintenance of buildings abroad (special foreign currency program).....		4,850,000	4,500,000	4,500,000	4,500,000
Emergencies in the diplomatic and consular service.....	1,500,000	1,000,000	1,000,000	1,000,000	1,000,000
Payment to foreign service retirement and disability fund.....	2,360,000	2,540,000	2,540,000	2,540,000	2,540,000
Extension and remodeling, State Department building.....	3,000,000	800,000	225,000	596,200	500,000
Total, administration of foreign affairs.....	137,357,000	147,287,000	133,323,000	137,611,200	135,113,000
INTERNATIONAL ORGANIZATIONS AND CONFERENCES					
Pan American Health Organization building site.....		1,000,000		875,000	875,000
Contributions to international organizations.....	54,533,064	49,380,000	48,700,754	48,700,754	48,700,754
Missions to international organizations.....	1,949,500	1,966,000	1,835,000	1,868,000	1,868,000
International conferences and contingencies.....	2,100,000	2,450,000	1,843,000	1,843,000	1,843,000
International tariff negotiations.....		900,000	600,000	700,000	650,000
Total, international organizations and conferences.....	58,582,564	55,726,000	52,978,754	53,986,754	53,936,754
INTERNATIONAL COMMISSIONS					
International Boundary and Water Commission, United States and Mexico:					
Salaries and expenses.....	573,000	578,000	578,000	578,000	578,000
Operation and maintenance.....	2,610,000	1,982,000	1,840,000	1,982,000	1,982,000
Construction.....	1,400,000	4,000,000	2,000,000	9,256,000	4,000,000
American sections, international commissions.....	345,000	385,000	365,000	365,000	365,000
International fisheries commissions.....	1,725,000	1,925,000	1,875,000	1,875,000	1,875,000
Total, international commissions.....	6,653,000	8,870,000	6,658,000	14,056,000	8,800,000
EDUCATIONAL EXCHANGE					
International educational exchange activities.....	23,210,000	28,200,000	23,210,000	28,200,000	25,705,000
International educational exchange activities (special foreign currency program).....	3,000,000	6,960,610	6,600,000	6,600,000	6,600,000
International educational exchange activities permanent appropriation (special foreign currency program).....		(1)	(2)	(2)	(2)
Total, educational exchange.....	26,210,000	35,160,610	29,810,000	34,800,000	32,305,000
OTHER					
Rama Road, Nicaragua.....	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Center for cultural and technical interchange between East and West.....		8,300,000		10,000,000	10,000,000
Presentation of a statue to Uruguay.....		18,000		18,000	18,000
Payment to the Government of Japan for Bonin Islanders claims.....		6,000,000		6,000,000	6,000,000
Total Department of State.....	229,802,564	262,361,610	223,769,754	275,471,954	247,172,754

See footnotes at end of table.

Summary of bill—Continued
TITLE II—DEPARTMENT OF JUSTICE

Item	Appropriations, 1960	Budget esti- mates, 1961	House bill, 1961	Senate bill, 1961	Conference action
LEGAL ACTIVITIES AND GENERAL ADMINISTRATION					
Salaries and expenses, general administration.....	\$3,695,000	\$4,010,000	\$3,805,000	\$3,805,000	\$3,805,000
Salaries and expenses, general legal activities.....	12,790,000	13,750,000	13,175,000	13,375,000	13,375,000
Salaries and expenses, Antitrust Division.....	4,500,000	4,760,000	4,760,000	4,760,000	4,760,000
Salaries and expenses, United States attorneys and marshals.....	22,700,000	23,900,000	23,010,180	23,310,180	23,310,180
Fees and expenses of witnesses.....	1,775,000	1,800,000	1,650,000	1,650,000	1,650,000
Total, legal activities and general administration.....	45,460,000	48,220,000	46,400,180	46,900,180	46,900,180
FEDERAL BUREAU OF INVESTIGATION					
Salaries and expenses.....	114,600,000	118,000,000	118,000,000	118,000,000	118,000,000
IMMIGRATION AND NATURALIZATION SERVICE					
Salaries and expenses.....	55,800,000	60,460,000	57,800,000	59,400,000	59,400,000
FEDERAL PRISON SYSTEM					
Salaries and expenses, Bureau of Prisons.....	42,350,000	43,545,000	43,045,000	43,045,000	43,045,000
Buildings and facilities.....	5,625,000	9,875,000	9,875,000	9,875,000	9,875,000
Support of United States prisoners.....	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000
Total, Federal prison system.....	51,075,000	56,520,000	56,020,000	56,020,000	56,020,000
OFFICE OF ALIEN PROPERTY					
Limitation on salaries and expenses, Office of Alien Property.....	(1,500,000)	(650,000)	(650,000)	(650,000)	(650,000)
Total, Department of Justice.....	266,935,000	283,200,000	278,220,180	280,320,180	280,320,180

TITLE III—THE JUDICIARY

SUPREME COURT OF THE UNITED STATES					
Salaries.....	\$1,335,600	\$1,370,000	\$1,370,000	\$1,370,000	\$1,370,000
Printing and binding Supreme Court reports.....	90,000	90,000	90,000	90,000	90,000
Miscellaneous expenses.....	74,000	87,000	69,800	87,000	69,800
Care of the building and grounds.....	347,400	290,800	287,200	290,800	287,200
Automobile for the Chief Justice.....	6,300	6,365	6,365	6,365	6,365
Total, Supreme Court.....	1,853,300	1,844,165	1,823,365	1,844,165	1,823,365
COURT OF CUSTOMS AND PATENT APPEALS					
Salaries and expenses.....	332,000	343,000	343,000	343,000	343,000
CUSTOMS COURT					
Salaries and expenses.....	748,000	879,300	799,260	799,260	799,260
COURT OF CLAIMS					
Salaries and expenses.....	875,000	886,000	886,000	886,000	886,000
Repairs and improvements.....	9,500	9,500	9,500	9,500	9,500
Total, Court of Claims.....	884,500	895,500	895,500	895,500	895,500
COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES					
Salaries of judges.....	9,185,000	9,397,000	9,200,000	9,200,000	9,200,000
Salaries of supporting personnel.....	21,501,000	23,168,000	22,035,520	22,235,520	22,035,520
Fees of jurors and commissioners.....	4,820,000	4,660,000	4,500,000	4,500,000	4,500,000
Travel and miscellaneous expenses.....	3,500,000	4,416,700	3,665,000	3,999,000	3,785,000
Administrative office, salaries and expenses.....	1,200,000	1,470,000	1,238,400	1,470,000	1,292,940
Referees, special account:					
Salaries.....	(2,006,500)	‡ (2,177,500)	(2,100,000)	(2,150,000)	(2,125,000)
Expenses.....	(3,050,000)	‡ (3,463,700)	(3,200,000)	(3,400,000)	(3,300,000)
Total, other courts and services.....	40,206,000	43,111,700	40,638,920	41,404,520	40,862,440
Total, the Judiciary, excluding special accounts.....	44,068,800	47,073,665	44,500,045	45,286,445	44,724,065
Total, the Judiciary, including special accounts.....	49,120,300	52,714,865	49,800,045	50,836,445	50,149,065

TITLE IV—RELATED AGENCIES

UNITED STATES INFORMATION AGENCY					
Salaries and expenses.....	\$101,557,300	\$105,800,000	\$101,557,300	\$103,557,300	\$102,557,300
Salaries and expenses (special foreign currency program).....	4,927,446	3,493,180	3,000,000	3,000,000	3,000,000
Acquisition and construction of radio facilities.....	9,000,000	9,200,000	8,740,000	8,740,000	8,740,000
Philippine-American Cultural Foundation.....		1,365,740		1,365,740	1,365,740
Payment to informational media guarantee fund.....	2,750,000	5,300,000	3,691,680	4,691,680	3,691,680
Total, United States Information Agency.....	118,234,746	125,158,920	116,988,980	121,354,720	119,354,720
FUNDS APPROPRIATED TO THE PRESIDENT					
President's special international program.....	‡ 6,145,500	8,600,000	‡ 6,935,848	7,435,84	7,185,848
COMMISSION ON CIVIL RIGHTS					
Salaries and expenses.....	780,000	995,000	850,000	850,000	850,000
Total, related agencies.....	125,160,246	134,753,920	124,774,828	129,640,568	127,390,568
Grand total, Departments of State and Justice, the Judiciary, and related agencies excluding special accounts.....	665,961,610	727,389,195	671,264,807	712,719,147	690,607,567
Grand total, Departments of State and Justice, the Judiciary, and related agencies including special accounts.....	671,018,110	‡ 733,030,395	676,564,807	718,269,147	705,032,567

‡ Permanent indefinite appropriation requested.

‡ Consolidated with "International educational exchange activities" (special foreign currency program).

‡ Budget proposed consolidation of "Salaries" and "Expenses" into 1 appropriation item.

‡ In addition, \$265,000 of unobligated, prior-year balances were authorized.

‡ In addition, \$104,652 of unobligated, prior-year balances were authorized.

‡ Includes \$13,226,640 budget amendments in S. Doc. 106 and \$6,000,000 in S. Doc. 107.

Summary of bill—Continued

TITLE V—ADMINISTRATIVE EXPENSES OF GOVERNMENT CORPORATIONS

Corporation	Authorization, 1960	Estimate, 1961	House bill, 1961	Senate bill, 1961	Conference action
DEPARTMENT OF JUSTICE					
Federal Prison Industries, Inc.....	\$1,268,000	\$1,415,000	\$1,415,000	\$1,415,000	\$1,415,000

Mr. JOHNSON of Texas. Mr. President, I believe this is a good bill, and I believe it is one which merits the support of all Senators. I would have liked to have had some of my views prevail. I spent several hours trying to get Members of the other body to accept my views, but in several instances they felt they could not yield, and would not yield, and this report represents the best agreement that the men who were present could produce.

I recommend adoption of the conference report.

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

Mr. JOHNSON of Texas. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I should like to confirm what the majority leader has said. As a conferee who was present during the entire conference, and who sat on the subcommittee that marked up the Senate bill, I am in accord with the conference report. It does not provide in several instances as much as I would like to have had and as much as I believe the State Department should have.

The House was adamant on several provisions. In other instances we were very successful. The report as a whole is satisfactory. I confirm what the majority leader has said.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. FULBRIGHT. Mr. President, I always dislike to disagree with a conference report. Unfortunately, due to a very important previous engagement, I was unable to attend the conference. I have attended the conferences in the last several years, and I have never been able to sign the conference report because of disagreement with the results of the conferences.

I disagree with the results of this conference. I would not have signed the report if I had been present.

I am not saying there is not much good in the bill. I congratulate the committee for what it did in several instances, as alluded to by the majority leader.

Once again we see a repetition of the pattern which has been set primarily by the House committee, of cutting down on the exchange program. It is a very strange thing that within the last week we have been called upon to vote a \$500 million emergency program for Latin America without any plan at all. One of the main reasons we had to do so is that we have not pursued, over a long period of time, an intelligent program to try to bring some order in this revolutionary era in which vast changes are taking place in both Africa and Latin America.

This is one hopeful program which has been authorized for some 14 years. It is

about the only program of importance which never receives the full budget request. We all know how difficult it is to get the Bureau of the Budget to agree to a request. In this instance, the Bureau of the Budget for the exchange program allowed \$28.2 million, and we are not able to get that from the Congress.

I sympathize with the majority leader. I have attended these conferences. I think the majority leader does all he can do. What I question is the basic wisdom of our approach to the whole international problem.

We have authorized the appropriation of \$500 million for Latin America.

We have increased the contingency fund in the mutual security bill from \$150 million to \$250 million to take care of we do not know what in Africa.

The only orderly way to approach the whole problem is to lay plans and to try to do something in advance, instead of, year after year, coming in on an annual basis and trying to cure the trouble after it has broken out.

I disagree with the cutting of the exchange program by some \$2½ million. I think it should have been given the budget amount. As a matter of fact, only a year or two ago the Bureau of the Budget allowed \$30 million, and because the House was unwilling to go along, and the Senate could not persuade the House to go along at that time, the next request was \$22 million. The budget representative said to me and to others, "There is no use in asking for any more, because you cannot get the House to go along."

We see the world crumbling about us. This is acknowledged at last by the administration, by its request for an additional \$600 million for Latin America and \$100 million for the contingency fund. Despite this, the House and the Senate are going along as if nothing is happening in the world at all. This is one program which might be calculated to do something about correcting the situation.

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

Mr. FULBRIGHT. I yield.

Mr. CAPEHART. Does the Senator understand, as I do from a most reliable information source, that the country of Venezuela has 1,000 students in Moscow in Russia at the moment receiving 4 years of college training, with all their expenses paid by Russia? I have been told that by people whom I believe.

Mr. FULBRIGHT. The program was announced last year. Russia has created a university to accommodate from 5,000 to 10,000 students, and Russia pays all expenses. I do not know whether that many are involved, but I know the Russians are drawing students from all over the world.

Mr. CAPEHART. I have been told by people whom I believe to be reliable

that there are 1,000 students from Venezuela in Moscow in Russia today.

Mr. FULBRIGHT. I think that is quite likely. Last spring in Cairo a request was presented to me, which I mentioned the other day in connection with the recent controversy over the African students, for permission to send 500 students to the United States. Those students, or some of them, had been in Moscow. There was no desire to have the students indoctrinated in communism, and the students wished to come to the United States. I will give our Government credit for doing all it could to find the money. The Government finally found enough money to bring 200 students to the United States, or less than half of the students who wished to come from Cairo.

Then we wonder why the Egyptians are sympathetic in some respects with the Communists. I do not think they wish to be Communists, but they are sympathetic as to economic collaboration, at least, with the Communists. I have an understanding of their attitude. They look at this country. They know we can afford the program. They observe that we appropriate \$500 million out of thin air. They see us appropriate \$41 billion without any trouble for our defense program. It is not that we do not have the money, we simply do not choose to put it in the right places.

I am quite confident that what the Senator says is true. If that is not the exact figure, it is a large number of students. That is true with respect to many other countries.

That is not the only reason I object to the conference report. I had intended to attend the conference, and I wished to comment on some of the language in the Senate report, which the administration is very likely to interpret as a limitation, I suppose.

I have the greatest of respect for my very dear colleague from Louisiana, but I understand he sponsored the language, and I cannot agree with the language. The language is:

The committee strongly recommends that this program be adjusted to provide for a greater exchange of scholarships between the United States and the countries of Eastern Europe, the Far East, and other areas of the world where the need is manifestly the greatest—

I do not object to that part of the language, but I object to that which follows: and that exchanges with Western Europe be sharply reduced.

I think it would be a catastrophe to do so. I think this is the wrong interpretation of the whole objective of the program.

This is not a relief program. This is not a grant program. This has nothing like the characteristics of the Public Law 480 program. I do not support this

program on the theory that we are giving something to these other countries. I support this program only on the theory that we are getting something; that is, we are getting young people to come to this country to study in this country and to understand this country so that in the years to come they will support the concepts for which this country stands in the way of organizing society. This is one of the few ways I can think of which over a long period of time might prevent the triumph of the Communist world.

These people of Western Europe, in spite of all the troubles we have had with them, are still the most advanced, the most intelligent, the most industrialized, the most powerful people, if they can get together—and they are getting together.

I wonder if Senators saw the report published in the Times of the day before yesterday, concerning the tremendous and unexpected success of the Common Market last year and the first 6 months of this year? There has been an unprecedented increase in industrialization and trade among those countries. There is no doubt in my mind that if we do not have a great catastrophe this area is going to become an even more powerful area.

What are we planning to do? Are we going to cut ourselves off from these countries? Do we wish to disassociate ourselves from England? From France? From Germany? From Italy? From Holland? I think nothing would be more shortsighted.

This program was not conceived on the idea that it is a charity program, to simply aid poor people who need it. It is not that kind of program at all. It may have some overtones of that nature. It is true that these people themselves, I think, will benefit from their association with us, but the real reason for the program is the benefit this country will receive.

I believe we benefit more, by having our young people go to these countries to learn in very advanced countries by associating with not only the nationals of those countries but also other people who are in those countries. In these countries we find foreign students from all the rest of the world.

There are many more teachers and students in France from Africa and Asia than one will find in any other country besides this.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. JOHNSON of Texas. I spent a good portion of my day yesterday attempting to work out the best agreement in conference that we could. Apropos of what the Senator from Arkansas has said about the distribution of funds for these governmental programs, in view of the fact that the House bill provided \$5 million less than did the Senate bill, is the Senator aware of the fact that the Department did not recommend that any of the additional \$5 million go to Western Europe?

Mr. FULBRIGHT. The language I am speaking of is interpreted to mean

that the Western European program will be sharply reduced, and I say it should not be sharply reduced.

Mr. JOHNSON of Texas. The Senator does not answer my question. I wish to point out to the Senator that the appropriation is being sharply reduced from the \$28 million that the Department requested. We are getting only \$25 million. The House provided only \$23 million. Is the Senator informed of the fact that the State Department does not expect any of the \$5 million difference to be used in Western Europe, and has not allocated any of those funds for Western Europe?

Mr. FULBRIGHT. I do not know about the \$5 million, but I know that the existing programs that are already in being should not be reduced. The language of the Senate report would indicate to me that they expect them to be reduced. In all honesty I did not expect to receive what was requested in the budget, because the House of Representatives has never given what the budget has requested.

I do not wish to complain about the role of the majority leader. I have been in conferences and I know what he is up against. But because of my regard and respect for the majority leader and also the Senator from Louisiana, I wish to have my say about what I think with respect to the wisdom of what the House of Representatives and the Senate finally does.

Mr. JOHNSON of Texas. I wish the RECORD to show that the Department is getting every dollar that it requested for Western Europe.

Mr. FULBRIGHT. What is the meaning of the language which states that exchanges with Western Europe are to be sharply reduced? That statement applies not only to the \$5 million, it apparently applies to the entire program.

Mr. JOHNSON of Texas. The Department stated that it would use the extra \$4,999,000, if they received it, in a certain way. They got but half of their request. Here is how they would redistribute it: \$708,000 to the American Republics. Western Europe would get nothing. Eastern Europe would get \$138,000. The Far East would get \$2,031,000. The Near East and South Asia would receive \$1,098,000. Africa would receive \$670,000.

Mr. FULBRIGHT. The Senator from Texas misunderstands me. It is the existing program that is already under way with which this language would seem to interfere, and I do not think it should. The money that those countries would receive in addition to funds for the program for the current year, I assume, would be used to enlarge their programs.

Mr. JOHNSON of Texas. I think it is their position, and will continue to be, that the whole \$28 million, together with \$6,600,000 for the purchase of foreign currencies, would still be appropriated. We have \$25 million instead. It was the feeling of the Senator from Louisiana [Mr. ELLENDER]—and I believe that feeling was shared by many other members of the conference—that of the extra

money we got, \$2½ million over and above what we received last year, and an amount over and above what the House had given, none of that money would go to Western Europe.

Mr. FULBRIGHT. I accept that proposal if we can make the legislative history here that that is what is meant by that language. I hope the Senator from Louisiana will agree that he meant and intended it to apply only to the additional money that might be granted above what is provided for the current program. If that be true, I accept the statement. But that is not the way the report reads.

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

Mr. FULBRIGHT. I yield.

Mr. ELLENDER. As was pointed out by the distinguished Senator from Texas, the amount of money provided for the 1960-61 request does not disturb the money to be allocated to Europe.

Personally, I believe that if there is to be a drastic cut in funds, some of the cut should be taken from Europe instead of our not allocating, let us say, to the American Republics.

I believe that an exchange program, if it is to be cut, should be cut deeper as to Western Europe than it would be for the American republics or for countries in Eastern Europe. I believe that that is how the committee as a whole felt.

Mr. FULBRIGHT. If the Senator from Louisiana is speaking only about the additional money the Department hoped to get above what is provided in the current appropriation, I shall not argue too much about it. What I say is that the integrity of the established program in Western Europe ought not to be disturbed in order to service some of the new countries which are coming in. If we are going to bring in new countries, extra funds for those countries ought to be provided in the appropriation.

I do not agree with the level of this program. I wish to make it very clear that I do not understand at all, and do not accept, the wisdom of putting \$500 million into the appropriation for an unknown purpose for the benefit of Latin America, where we have no program, while at the same time we are not able to provide the budgeted amount of \$28 million for a program which is worldwide. I think it is shortsighted, and, if we fail in our competition with the Communists, failure in this appropriation will be one of the principal reasons, in my opinion, because the rest of the countries will not have very much confidence in the wisdom of the leaders of our country.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. SALTONSTALL. Mr. President—

Mr. FULBRIGHT. I yield.

Mr. JOHNSON of Texas. I wish to finish my colloquy with the Senator from Louisiana, and then I shall yield to the Senator from Massachusetts.

Mr. ELLENDER. I should like to ask my good friend from Arkansas this question. Suppose there should be a cut greater than the one made in conference. Does not the Senator feel it more

advisable to provide more of these funds to the American Republics and to countries of Eastern Europe than to the countries of Western Europe?

Mr. FULBRIGHT. I do not.

Mr. ELLENDER. I would like to know why.

Mr. FULBRIGHT. There is a very good reason for that. I have already said that the most important countries at the moment for this country to continue to maintain and, I would say, to strengthen, are the western community of nations. We must work with those countries. We cannot allow the Western European countries, the Common Market Inner Six and Outer Seven, to drift away from us and to isolate us from their industrial, intellectual, and their scientific influence.

Mr. JOHNSON of Texas. We are not isolating. We have provided that 30 percent of the funds go to them.

Mr. FULBRIGHT. I disagree with the whole philosophy of that statement. There seems to be in it the philosophy that the need is manifestly greatest in other countries. The need is in these Western European nations. We need the cooperation of these countries if we are to combat the Communist world. It is not a charity program at all. I have never thought of it as handing out something. We are trying to get the active cooperation and understanding of these countries so that they will create economic, political and other alliances. In other words, the free world must work together equally as well as does the Communist world.

Are we going to disassociate ourselves from our most powerful partners? The whole philosophy is wrong.

Mr. JOHNSON of Texas. We are not disassociating, I submit to the Senator.

Mr. FULBRIGHT. The Senator from Texas would cut their appropriation. If we must cut, we should not cut out the countries most able to make a contribution to our defense, whether it be military, economic, or any other kind.

Mr. JOHNSON of Texas. I believe the Senator misunderstands us.

Mr. FULBRIGHT. One other point. We would get more for our money. These funds cannot be transferred. These dollar appropriations are only part of the picture. One dollar will generate \$5 of local currencies in the Western countries. They have their own resources.

They make a contribution far greater than the others. There is no way to transfer a program from Germany to Bulgaria or to any other Eastern European country. In the first place, they have not so far indicated any willingness to have a program, except Yugoslavia, and we ourselves turned down Yugoslavia.

Mr. JOHNSON of Texas. I share the Senator's high regard for Western Europe, but I am fearful that the Senator has not read the recommendation of the State Department in which it says, "If you give us every dime requested in the budget over and above the amount appropriated by the House, we will not spend one penny of it in Western Europe."

If the Senator, with his distinguished record in this field, is unable to convince the State Department, over which he has jurisdiction, that they should spend an extra dollar, it is pretty difficult for me to convince anyone else.

Mr. FULBRIGHT. I said a moment ago I do not understand the Senator's point of view. I am not arguing about the additional money we might receive. The language in the Senate report was called to my attention by the State Department. They said, "What does this mean? Will we be expected to live up to it?"

I intended to propose to insert after the words, "Western Europe" the words, "where feasible," to give them latitude, and not have the committee later say, "Why did you not transfer this money from Western Europe to Eastern Europe?"

Mr. JOHNSON of Texas. I would not expect the State Department to understand this, but the fact is that we have tried to restore \$708,000 for the American republics, \$138,000 for Western Europe, \$2,031,700 for the Far East, \$1,098,000 for the Near East and South Asia, and \$767,800 for Africa; as well as \$245,800 for administrative expenses.

They do not recommend one penny.

We attempted to get the entire budget amount restored, and the Senator realizes that that is not an easy job, because the State Department can reverse itself. After a great deal of effort we concluded that we would take back \$2½ million of the \$4,900,000 and not spend it, but divide it among the other countries, as specified in the chart. We thought we would make that recommendation to the State Department. Of course it is pretty difficult to follow them from day to day, because they do not usually stay hitched for very long. They turn down money one day and then grant it 2 or 3 days later, when they get a little pressure exerted on them.

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

Mr. FULBRIGHT. I yield.

Mr. SALTONSTALL. I should like to add one comment. I have always been sympathetic toward the program of the Senator from Arkansas. I have tried to help him. I have tried to help him with this program in the Committee on Appropriations, and in the Conference Committee. He is familiar with what happens because he has sat on conference committees. We do the best we can. This year the Senate appropriated the full amount requested by the administration both for the program itself and the administrative expenses connected with it. The House cut the budget request by \$4,900,000. We restored the full amount of money. We did not earmark the money for specific countries. We felt it should go to any country where the State Department felt it wisest to allocate it.

I also call attention to the fact that in the House bill the so-called Smith-Mundt program suffered to a greater extent than did the Fulbright program. The money, as I say, was put back, with no strings attached. The State Depart-

ment can use the additional amount over what was allowed by the House, as it sees fit.

Mr. FULBRIGHT. I appreciate the Senator's comments. I regret, however, that there is the possibility that the Department cannot continue the Western European program at least on the present level.

Mr. SALTONSTALL. It is my understanding that when the Senate Committee took up this matter, there was no intention to cut it all out in Western Europe. What we were trying to do was to emphasize that perhaps more money could be better spent in other areas. The language in our committee report was perhaps somewhat stronger in emphasis than I for one—and I believe the committee as a whole—intended.

The Senator from Arkansas may not agree with me on this, but I call attention to the fact that we have restored half of the House cut for international educational exchange activities, a program in which he is interested.

In addition, in this bill we have other programs relating to cultural matters. We appropriated \$10 million for a center in Hawaii for cultural and technical interchange between the East and West. This is a new program which is just starting.

Furthermore, we have appropriated the full amount requested to establish the Philippine-American Cultural Foundation. The Philippine Government is making available land worth \$900,900 and offering annual tax exemptions valued in excess of \$20,000. Private Philippine cash contributions are expected to provide approximately \$1 million more. This is another cultural foundation that is building up.

The Senate added a million dollars to the Informational Media Guarantee Fund. In conference we agreed to provide authority to use for this program in fiscal year 1961 \$500,000, instead of the Senate direct appropriation of \$1 million, of the \$1,365,740 appropriated to purchase the Philippine pesos for the Cultural Foundation. The IMG is also, you can say, another type of cultural program.

So I say to my friend from Arkansas these are all cultural programs which have been increased in each instance by the Senate and the conference committee over the amount allowed by the House. They are not strictly the Fulbright program. They are not strictly the Smith-Mundt program. But this is certainly an effort to broaden the total cultural effort.

Mr. FULBRIGHT. I am very pleased to learn that. All I say is that one of these days—and I do not believe it will be very far off—we will wake up, as we did in respect of Latin America, to the fact that we are too late with too little. I know this is not the fault of my friends, the Senate conferees, but this is the only place where I can complain about it and where I can register my disagreement with the action of the conferees, although I know who is responsible. I have been on conference committees myself.

Mr. SALTONSTALL. Mr. President, will the Senator yield further?

Mr. FULBRIGHT. I yield.

Mr. SALTONSTALL. I hope the Senator keeps on complaining, because I am heartily in sympathy with him. We do the best we can. I hope he keeps on complaining.

Mr. FULBRIGHT. What is happening in Latin America is a recent illustration. I do not want to be forced into a crash program, for example, to be asked for \$500 million. The Senate several times recommended, and on occasion passed bills on this subject, and we brought out of our committee only about a year ago a bill recommending a 5-year economic program, to try to prevent an emergency program. It always costs infinitely more when it must be done on that basis. Here is the same thing.

The Russians are moving into the educational exchange field. They recognize the importance of it. They are proceeding on a bigger scale than we are. Ours is a very small program, when it is spread all over the world. I am complaining about that. Ever since the program started, we have had budget difficulties. This is not the only restriction. The House also put in restrictions on the way in which they can use the currency. Ever since the Rabaut amendment was added, we have had difficulties because of the restrictions on use of foreign currency. They have tried to stifle the program—in fact, they have tried to prevent it from breathing.

There is a provision in the bill which prevents them from buying foreign currencies during the course of a year. Apparently what they are trying to do is prevent them from allocating local currencies as they may become available during the course of a year. In other words, the Department may be stuck with the plan as it begins on the first of the year. That destroys all the flexibility of the program. It may destroy the capacity to negotiate new agreements with any new countries during the year. I do not care whether it is the Fulbright program, the Public Law 402 program, or any other program. They are all important. All I say is that this is an activity which the newer nations, and many of the old ones, regard as very important. There is nothing these nations need today so urgently as they need trained personnel. That is true particularly of the Congo, which is an extreme example. In all the Congo, there are only 17 college graduates in a nation having a population of more than 12 million. Sixteen more such countries will soon be coming into being. Few of them will have adequately trained personnel.

The greatest need in those countries is trained personnel, not raw material. They do not lack minerals, water, or land. They need trained personnel. Those nations will have to train their personnel in some way. If such personnel are not trained in their own countries or in Western Europe, we know where they will be trained. I am looking—trying to look to the future. I am simply saying that if we continue the

shortsighted, minute program we are following today, in 8 or 10 years someone will say, "Give us \$500 million, and we will spend it in any way we can." And it will be wasted.

Worse than that, though, representatives of those countries have already gone to Russia, have already come home, and have said, "That is the way we want to be."

Mr. DIRKSEN. Mr. President, has the Senator from Arkansas finished?

Mr. FULBRIGHT. I should like to say one thing further. Is the Senator from Illinois impatient with my remarks?

Mr. DIRKSEN. Oh, no.

Mr. FULBRIGHT. Does he wish me to stop?

Mr. DIRKSEN. No. I wanted to ask an unrelated question of the majority leader.

Mr. FULBRIGHT. I merely wanted to bring to the attention of the Senate, and the public why I do not approve of the proposal that funds for Western Europe should be restricted. I think that is very important. If I understand correctly the language of the Senate report, it is not intended to be as severe as I have interpreted it to be.

Mr. SALTONSTALL. Certainly not.

Mr. JOHNSON of Texas. First of all, I do not know what the attitude of the State Department is on this subject; they have not talked with me about it.

Mr. FULBRIGHT. They have not talked with me about it.

Mr. JOHNSON of Texas. I think they would do well if they gave their views to the committee which considers their appropriation. The latest information we have is that they do not intend to take one cent of the increased amount which has been allocated to Western Europe.

Mr. FULBRIGHT. The language I am concerned about is in the Senate committee report, page 6, where, after the words "Western Europe," it was proposed to insert "where feasible."

Mr. JOHNSON of Texas. The Senator is talking about the language in the report when the report contained \$28 million for the exchange program.

Mr. FULBRIGHT. That is correct.

Mr. JOHNSON of Texas. That has nothing to do with the conference report. We have reduced the amount to \$25 million. The State Department has never suggested anything about an increase for Western Europe.

Mr. FULBRIGHT. Am I to continue to understand that the committee does not expect the State Department to transfer funds such as they have from Western Europe?

Mr. JOHNSON of Texas. If we could depend on it that they would not change their mind overnight, and would not be lobbying around outside, the Department would spend \$8,666,000 for the program in Western Europe. That is what they told us they wanted. They said they had a full budget request of \$4,900,000 additional, and they would not use any of it there. I am surprised that they would run around to other groups and discuss the question, but not consult with the committee about it.

Mr. FULBRIGHT. They do not run around. I asked them about this. The State Department people in charge of this program have been so maltreated by some members of committees of the House, particularly with respect to this program, that they are scared to death.

Mr. JOHNSON of Texas. They are not scared to tell us.

Mr. FULBRIGHT. They said they were told, "If you come up and ask us, we will cut your heads off."

Mr. JOHNSON of Texas. No one associated with our committee ever made such a statement.

Mr. FULBRIGHT. No; I did not say it was the Senator's committee. The Senator knows who it was.

Mr. JOHNSON of Texas. They started with a program of \$14 million in 1955. We raised the amount to \$18 million in 1956; to \$20 million in 1957; to \$22 million in 1959; and to \$23 million in 1960.

Now we have provided an extra \$2,500,000 this year. We provided it notwithstanding the Senator's absence. If he had been here, perhaps they could have secured an extra half million dollars.

Mr. FULBRIGHT. No; the Senator from Texas does much better; he understands the problem.

Mr. JOHNSON of Texas. We provided every cent the State Department wanted for Western Europe.

Mr. FULBRIGHT. It is a great record of increase when, within 2 months, the appropriation for Latin America has been increased from \$64 million to \$500 million. That has taken place since last May. I favored it, and so did everybody else. There was no difficulty about that.

Mr. JOHNSON of Texas. I was not aware that we had made any such appropriation.

Mr. FULBRIGHT. It is authorized. It has been voted for.

Mr. JOHNSON of Texas. Oh, yes; but there is a great difference between an authorization and an appropriation.

Mr. FULBRIGHT. I think there is no doubt that the money will be appropriated.

Mr. JOHNSON of Texas. I understood the Senator to say only last week that he planned to review the subject very carefully next January, and that the funds would not be appropriated unless a good case was made for them. As a matter of fact, the Senator left the impression with me that he would not take any action to appropriate at all; that he got the request only last Monday; and that the best way to deal with it was to proceed to authorize the appropriation, but to examine into the subject more fully next January.

Mr. FULBRIGHT. I explained that there was no plan for its expenditure. I voted in committee for the authorization of a 5-year program of \$3 million. They regret now that they did not get it. They are sorry they did not get it, because, before very long, they will be in very much more serious trouble than they are in now.

Mr. JOHNSON of Texas. The Senator from Texas went along with the views of the Senator from Arkansas.

Mr. FULBRIGHT. I know he did. I am not complaining about the part played by the Senator from Texas in any respect.

Mr. JOHNSON of Texas. But the State Department ran out on us then.

Mr. FULBRIGHT. The Treasury overrode the State Department.

Mr. JOHNSON of Texas. Someone else is always responsible for the actions of the State Department.

Mr. FULBRIGHT. I know what happened. The Budget and the Treasury persuaded the President to oppose it. The Senator from Illinois knows how that worked out. He knows how it was defeated on the floor.

Mr. JOHNSON of Texas. I want to make this point—

Mr. FULBRIGHT. I am not complaining about the part which the Senator from Texas played in this program. He knows I am not.

Mr. JOHNSON of Texas. I understand; but I point out to the Senator that the committee and the Senate provided every dollar the State Department requested for Western Europe. We are cutting \$2.5 million more off the amount for the rest of the world. If the Senator from Arkansas is concerned about Western Europe, he should understand that the committee has provided every cent which was requested.

Mr. FULBRIGHT. The Senator does not expect them to transfer what they ask for to some other nation.

Mr. JOHNSON of Texas. No. If the Senator will tell me who it is that it is upset about the question, I will call him up.

Mr. FULBRIGHT. No, no. These people do not come snooping around. I see them all the time. I try to help them in every way I can.

Mr. JOHNSON of Texas. I know that. We have extended an invitation to them to come before our committee. When they recommended \$8,666,000, and they got every cent of it, I do not think they ought to be going to someone else saying that somebody is running over them. They got every cent they asked for.

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

Mr. FULBRIGHT. I yield.

ORDER FOR RECESS UNTIL 11 A.M. TOMORROW

Mr. DIRKSEN. Mr. President, I am glad the Senator from Arkansas mentioned my name and my home State. I had to find something on which to hang a question. The Senator could town, or my State. Since the Senator did, I must now ask the majority leader have mentioned my name, my home—a question.

I should like to ask, first of all, whether it is contemplated that there will be a yea-and-nay vote on the conference report—and I enter the hope that we shall not have such a vote.

Mr. JOHNSON of Texas. No; that is not contemplated.

Mr. DIRKSEN. Second, I should like to ask the majority leader when he proposes to move to recess or adjourn, be-

cause I must leave shortly. I invited a number of other Senators to be my guests on a visit to the President. I think it is time for me to put on a clean shirt and a fresh tie and go downtown. So I thought we ought to find out at what time the Senate will convene tomorrow.

Mr. JOHNSON of Texas. Mr. President, I shall try to answer the Senator's questions in the order in which they were asked.

First, I do not anticipate any yea-and-nay votes.

Second, it is expected to have the Senate take a recess until 11 o'clock tomorrow morning.

Mr. President, I ask unanimous consent for an order to that effect now.

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

Mr. JOHNSON of Texas. Third, the Senator is free, so far as I am aware, to go home, put on his fresh shirt and clean tie, and get ready for his visit with the President. We will go on and complete the public business. If anything should develop during the evening about which the Senator should be concerned, I shall get in touch with him.

Mr. DIRKSEN. Does the Senator anticipate any further rollcalls this evening?

Mr. JOHNSON of Texas. Oh, no. I would not let the Senator leave to attend an important function, and then have rollcalls while he was gone, if I could avoid it.

Mr. DIRKSEN. Can the Senator assure me that there will be no fiery, reverberatory discussions?

Mr. GORE. Mr. President, that is going too far.

Mr. DIRKSEN. Mr. President, I want to give the majority leader my telephone number, so he will know just where to get me in case the atmosphere here takes on some temper. [Laughter.]

Mr. BUTLER. Mr. President, I am trying to do something nice for the majority leader now. What do Senators think we can do for him that will be very nice? [Laughter.]

DEPARTMENTS OF STATE AND JUSTICE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION BILL, 1961—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11666) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1961, and for other purposes.

Mr. FULBRIGHT. Mr. President, I wish to express my disappointment that, once more, we have been unable to bring this program up to the size it should be or make the progress which should be made on it. I think the country will regret it in the years ahead.

The PRESIDING OFFICER. The question is on agreeing to the report.

Mr. HUMPHREY. Mr. President, I wish to ask whether the item relating to funds for the arms control studies by the State Department was included or deleted.

Mr. JOHNSON of Texas. In my original statement I said that the agreement between the House and the Senate will permit the State Department to allocate funds for disarmament studies, in order to explore new possibilities of arms control, as had been provided in the Senate version of the bill.

Mr. HUMPHREY. I thank the Senator from Texas. I regret that I had to be away from the floor at that time; and I wished to make sure that this item had been included. I appreciate this reassurance.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have printed at this point in the RECORD the table previously referred to, which shows the exchange program distribution by countries.

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

Distribution of House allowance, by areas

	1960 estimate	1961 request	House allowance	House reduction and restoration request
Governmental program expenses:				
(a) American Republics.....	\$4,498,000	\$5,206,000	\$4,498,000	\$708,000
(b) Western Europe.....	6,868,000	6,866,000	6,866,000	—
(c) Eastern Europe.....	472,500	611,000	472,500	138,500
(d) Far East.....	4,313,300	6,347,000	4,315,300	2,031,700
(e) Near East and South Asia.....	3,397,800	4,496,000	3,397,800	1,098,200
(f) Africa.....	2,073,200	2,841,000	2,073,200	767,800
Grants for private U.S. programs.....	150,000	150,000	150,000	—
Administrative expenses.....	1,437,200	1,683,000	1,437,200	245,800
Total.....	23,210,000	28,200,000	23,210,000	4,990,000

The PRESIDING OFFICER. The question is on agreeing to the report. The report was agreed to.

WABASH BASIN INTERAGENCY WATER RESOURCES COMMISSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1907, Senate bill 3625.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The CHIEF CLERK. A bill (S. 3625) to establish a Wabash Basin Interagency Water Resources Commission.

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

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be not to exceed 1 hour of debate on the bill and not to exceed 30 minutes of debate on any amendment thereto, and that the usual form in connection with unanimous-consent agreements be followed.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The unanimous-consent agreement as subsequently reduced to writing is as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective on Thursday, August 25, 1960, at the conclusion of the call of the calendar, during the further consideration of the bill (S. 3625) to establish a Wabash Basin Interagency Water Resources Commission, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 30 minutes, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

ORDER FOR CALL OF THE CALENDAR TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that on tomorrow, following the morning business, we may have a call of the measures on the calendar, beginning with Calendar No. 1911, Senate bill 3524, for the taking of action on the measures to which there is no objection.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

RECESS UNTIL 11 A.M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, in accordance with the order previously entered, I now move that the Senate stand in recess until tomorrow, at 11 a.m.

The motion was agreed to; and (at 5 o'clock and 5 minutes p.m.), the Senate took a recess, under the order previously entered, until tomorrow, Thursday, August 25, 1960, at 11 o'clock a.m.

HOUSE OF REPRESENTATIVES

WEDNESDAY, AUGUST 24, 1960

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Galatians 6: 2: *Bear ye one another's burdens, and so fulfil the law of Christ.*
O Thou gracious Benefactor, we rejoice that daily Thou art supplying us

with many blessings but we confess with shame that we are often so thoughtless and selfish in our appropriation and use of them.

May we strive to solve the problems of economic distress and social maladjustment on the levels of a hallowed respect for the dignity of man, created in Thy own image and destined for immortality.

Show us how we may help to remove from the minds of men those attitudes of bigotry and prejudice which engender strife and may they be supplanted by the virtues of forbearance and good will.

To Thy name we shall ascribe all the praise. Amen.

THE JOURNAL

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

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 12580. An act to extend and improve coverage under the Federal Old-Age, Survivors, and Disability Insurance System and to remove hardships and inequities, improve the financing of the trust funds, and provide disability benefits to additional individuals under such system; to provide grants to States for medical care for aged individuals of low income; to amend the public assistance and maternal and child welfare provisions of the Social Security Act; to improve the unemployment compensation provisions of such act; and for other purposes.

The message also announced that the Senate insists on its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BYRD of Virginia, Mr. KERR, Mr. FREAR, Mr. LONG of Louisiana, Mr. WILLIAMS of Delaware, and Mr. CARLSON to be conferees on the part of the Senate.

SOCIAL SECURITY AMENDMENTS OF 1960

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 12580) to extend and improve coverage under the Federal old-age, survivors, and disability insurance system and to remove hardships and inequities, improve the financing of the trust funds, and provide disability benefits to additional individuals under such system; to provide grants to States for medical care for aged individuals of low income; to amend the public assistance and maternal and child welfare provisions of the Social Security Act; to improve the unemployment compensation provisions of such act; and for other purposes, together with Senate amendments thereto, disagree to the Senate amendments and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas? [After a pause.] The Chair hears none and appoints the following

conferees: MESSRS. MILLS, FORAND, KING of California, O'BRIEN of Illinois, MASON, BYRNES of Wisconsin, and BAKER.

CONFERENCE REPORT ON DEPARTMENTS OF STATE, JUSTICE, JUDICIARY AND RELATED AGENCIES APPROPRIATIONS, 1961

Mr. ROONEY. Mr. Speaker, I call up the conference report on the bill (H.R. 11666) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1961, 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 New York?

Mr. GROSS. Mr. Speaker, reserving the right to object, I trust that the gentleman from New York will take ample time before we are called upon to vote on the adoption or rejection of the conference report to explain what transpired in conference.

Mr. ROONEY. I most certainly shall do so.

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

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

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 2136)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11666) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1961, 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 6, 11, 12, 19, 25, 26, 33, and 35.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 9, 15, 16, 17, 18, 20, 21, 23, 24, and 34, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert "ten"; and the Senate 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 "\$115,000,000"; 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 "\$850,000"; 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 "\$500,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$2,000"; 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 "\$650,000"; 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 "\$4,000,000"; 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 "\$5,705,000"; 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 "\$1,568,750"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment 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 "\$22,085,000"; 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 "\$3,785,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$1,292,940"; 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 "\$2,125,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$3,300,000"; 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 "\$102,557,300"; 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 "\$7,185,848"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amend-

ment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$30,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 22.

JOHN J. ROONEY,
ROBERT L. F. SIKES,
CLARENCE CANNON,
FRANK T. BOW,
JOHN TABER,

Managers on the Part of the House.

LYNDON B. JOHNSON,
ALLEN J. ELLENDER,
CARL HAYDEN,
STYLES BRIDGES,
LEVERETT SALTONSTALL,
BOURKE B. HICKENLOOPER,

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. 11666) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1961, 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 STATE

Administration of foreign affairs

Salaries and Expenses

Amendment No. 1: Provides for the purchase of ten passenger motor vehicles instead of nine as proposed by the House and thirteen as proposed by the Senate.

Amendment No. 2: Appropriates \$115,000,000 instead of \$113,500,000 as proposed by the House and \$117,377,000 as proposed by the Senate.

Representation Allowances

Amendment No. 3: Appropriates \$850,000 instead of \$835,000 as proposed by the House and \$875,000 as proposed by the Senate.

Extension and Remodeling, State Department Building

Amendment No. 4: Appropriates \$500,000 instead of \$225,000 as proposed by the House and \$595,200 as proposed by the Senate.

International organizations and conferences

Missions to International Organizations

Amendment No. 5: Appropriates \$1,868,000 as proposed by the Senate instead of \$1,835,000 as proposed by the House.

International Tariff Negotiations

Amendment No. 6: Strikes out the proposal of the Senate for the purchase of one passenger motor vehicle.

Amendment No. 7: Provides a limitation of \$2,000 for representation instead of \$1,000 as proposed by the House and \$5,000 as proposed by the Senate.

Amendment No. 8: Appropriates \$650,000 instead of \$600,000 as proposed by the House and \$700,000 as proposed by the Senate.

International commissions

International Boundary and Water Commission, United States and Mexico

Amendment No. 9: Appropriates \$1,982,000 for "Operation and maintenance" as proposed by the Senate instead of \$1,840,000 as proposed by the House.

Amendment No. 10: Appropriates \$4,000,000 for "Construction" instead of \$2,000,000 as proposed by the House and \$9,000,000 as proposed by the Senate.

Amendments Nos. 11 and 12: Strike out the proposals of the Senate relative to "Con-

struction" since they were provided for in the Supplemental Appropriation Act, 1961.

Educational exchange

International Educational Exchange Activities

Amendment No. 13: Appropriates \$25,705,000 instead of \$23,210,000 as provided by the House and \$28,200,000 as provided by the Senate.

Amendment No. 14: Provides a limitation of \$1,568,750 for administrative expenses instead of \$1,437,500 as proposed by the House and \$1,700,000 as proposed by the Senate.

Center for Cultural and Technical Interchange Between East and West

Amendment No. 15: Appropriates \$10,000,000 as proposed by the Senate.

Presentation of a statue to Uruguay

Amendment No. 16: Appropriates \$18,000 as proposed by the Senate.

Pan American Health Organization Building site

Amendment No. 17: Appropriates \$875,000 as proposed by the Senate.

Payment to the Government of Japan for Bonin Islanders' claims

Amendment No. 18: Appropriates \$6,000,000 as proposed by the Senate.

General provisions—Department of State

Amendment No. 19: Strikes out the proposal of the Senate relating to the importation or reimportation into the United States of certain firearms.

TITLE II. DEPARTMENT OF JUSTICE

Legal activities and general administration

Salaries and Expenses, General Legal Activities

Amendment No. 20: Appropriates \$13,375,000 as proposed by the Senate instead of \$13,175,000 as proposed by the House.

Salaries and Expenses, United States Attorneys and Marshals

Amendment No. 21: Appropriates \$23,310,180 as proposed by the Senate instead of \$23,010,180 as proposed by the House.

Amendment No. 22: Reported in disagreement.

Immigration and Naturalization Service

Salaries and Expenses

Amendment No. 23: Appropriates \$59,400,000 as proposed by the Senate instead of \$57,800,000 as proposed by the House.

General provisions—Department of Justice

Amendment No. 24: Strikes out the proposal of the House relative to the compensation of certain Commissioners appointed in lands cases.

TITLE III—THE JUDICIARY

Supreme Court of the United States

Miscellaneous Expenses

Amendment No. 25: Appropriates \$69,800 as proposed by the House instead of \$87,000 as proposed by the Senate.

Care of the Building and Grounds

Amendment No. 26: Appropriates \$287,200 as proposed by the House instead of \$290,800 as proposed by the Senate.

Courts of appeals, district courts, and other judicial services

Salaries of Supporting Personnel

Amendment No. 27: Appropriates \$22,085,000 instead of \$22,035,520 as proposed by the House and \$22,235,520 as proposed by the Senate.

Travel and Miscellaneous Expenses

Amendment No. 28: Appropriates \$3,785,000 instead of \$3,665,000 as proposed by the House and \$3,999,000 as proposed by the Senate.

Administrative Office of the United States Courts

Amendment No. 29: Appropriates \$1,292,940 instead of \$1,238,400 as proposed by the House and \$1,470,000 as proposed by the Senate. Of the total amount allowed, \$79,540 is for the "Rules group."

Salaries of Referees

Amendment No. 30: Appropriates \$2,125,000 instead of \$2,100,000 as proposed by the House and \$2,150,000 as proposed by the Senate.

Expenses of Referees

Amendment No. 31: Appropriates \$3,300,000 instead of \$3,200,000 as proposed by the House and \$3,400,000 as proposed by the Senate.

TITLE IV—RELATED AGENCIES

United States Information Agency

Salaries and Expenses

Amendment No. 32: Appropriates \$102,557,300 instead of \$101,557,300 as proposed by the House and \$103,557,300 as proposed by the Senate.

Amendment No. 33: Provides a limitation of \$90,000 for representation as proposed by the House instead of \$135,000 as proposed by the Senate.

Philippine-American Cultural Foundation

Amendment No. 34: Appropriates \$1,365,740 as proposed by the Senate. The conferees are agreed that \$500,000 of this sum is to be made available in fiscal year 1961 to support the issuance of additional Informational Media Guarantee Contracts.

Payment to Informational Media Guarantee Fund

Amendment No. 35: Appropriates \$3,691,680 as proposed by the House instead of \$4,691,680 as proposed by the Senate.

Funds appropriated to the President

President's Special International Program

Amendment No. 36: Appropriates \$7,185,848 instead of \$6,935,848 as proposed by the House and \$7,435,848 as proposed by the Senate. The increase allowed is for the trade fair program including labor missions.

Amendment No. 37: Provides a limitation of \$30,000 for representation instead of \$25,000 as proposed by the House and \$70,700 as proposed by the Senate.

JOHN J. ROONEY,
ROBERT L. F. SIKES,
CLARENCE CANNON,
FRANK T. BOW,
JOHN TABER,

Managers on the Part of the House.

The SPEAKER. The gentleman from New York [Mr. ROONEY] is recognized.

Mr. ROONEY. Mr. Speaker, the pending conference report on the Departments of State and Justice, the Judiciary, and related agencies appropriation bill for 1961 fiscal year recommends funds in the amount of \$705,032,567. This total amount is \$27,997,828 below the amount of the total budget requests of \$733,030,395. It is \$28,467,760 above the House bill, unfortunately. However, there were supplemental estimates sent to the other body following the House action on this bill in the amount of \$19,226,640. The agreed-upon amount as compared with the Senate bill is \$13,236,580 less than it. Moneywise, the total amount arrived at represents trading at a ratio of 8 to 13. I think the House conferees did a pretty fair job of trading.

The following summary indicates last year's appropriations, the requests for 1961 fiscal year, the amounts contained in the House and Senate bills, and the conference action thereon:

Summary of bill H.R. 11666

Activity	1960 appropriation	1961 estimate	1961 House bill	1961 Senate bill	Conference action	Comparison of conference action with—		
						1961 estimate	House bill	Senate bill
State	\$229,802,564	\$262,361,610	\$223,769,754	\$257,471,954	\$247,172,754	-\$15,188,856	+\$23,403,000	-\$10,299,200
Justice	266,935,000	283,200,000	278,220,180	280,320,180	280,320,180	-2,879,820	+2,100,000	
Judiciary	49,120,300	52,714,865	49,800,045	50,836,445	50,149,065	-2,565,800	+349,020	-687,380
USIA	118,234,746	125,158,920	116,988,980	121,354,720	119,354,720	-5,804,200	+2,365,740	-2,000,000
President's fund	6,145,500	8,600,000	6,935,848	7,435,848	7,185,848	-1,414,152	+250,000	-250,000
Civil Rights Commission	780,000	995,000	850,000	850,000	850,000	-145,000		
Total	671,018,110	733,030,395	676,564,807	718,269,147	705,032,567	-27,997,828	+28,467,760	-13,236,580

¹ Supplemental estimates totaling \$19,226,640 were sent to the Senate subsequent to the passage of the bill by the House.

I now yield to the distinguished gentleman from Iowa [Mr. Gross].

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding. I see that the conferees did a fair job in offering some of the Senate increases, but \$28 million above the House figure is a pretty substantial increase.

Mr. ROONEY. I have just pointed out that there were supplemental requests, not submitted to the House, inserted in the bill by the other body, amounting to \$19,226,640.

Mr. GROSS. What does the gentleman mean by "supplemental requests"?

Mr. ROONEY. There were quite a number of such items. For instance, there was an item of \$6 million for payment to the Government of Japan, recommended by the Department of Defense, which every member of the conference agreed could not be reduced or deferred. I cite that as an example of just one of them.

There was an item of \$875,000 for acquisition of property for the Pan American Health Organization Building which was authorized by the House not too long ago.

There was an item of \$10 million for a center for cultural and technical interchange between East and West to be given as a grant to any appropriate agency of the new State of Hawaii. This is the brainchild of the distinguished majority leader of the other body, Sena-

tor LYNDON JOHNSON, of Texas. He has labored long and arduously to create such a cultural and technical interchange center, which I understand is to be located at the University of Hawaii. In the present state of international affairs this center for cultural and technical interchange between East and West is highly essential and can make an important long-term contribution to the promotion of better relations and understanding between this country and the people of the Far East. The amount \$10 million carried in the pending conference report is the first year's cost of a 3-year program which will total approximately \$31 million.

In giving Senator LYNDON JOHNSON this deserved credit to which he is entitled for the establishment of this cultural and technical interchange between East and West I should also say that he is a great American, one of the finest, fairest, and most capable men I have ever met in my life. As a "damnyankee" who has known him for over 16 years I can say that there is not an ounce of discrimination against any race, creed, or color in his ample Texas frame.

Incidentally, my good friend LYNDON JOHNSON has sure been one powerful representative of the State of Texas in his years in Washington. I have learned this appropriationwise after my years of service on the House Committee on Appropriations.

I assure my colleagues the House conferees did the best they could under all the circumstances to save some of the taxpayers' money.

Mr. GROSS. I notice that the liquor funds went up too.

Mr. ROONEY. With reference to representation funds, I shall say to the distinguished gentleman there was an increase by the other body of various representation items in this bill totaling \$134,700 over the House figures. The conference agreed to but \$21,000 over the House figures. I think that was a pretty fair trade.

Mr. GROSS. I thought they already had too much liquor to wallow around in, in the amount the House appropriated for that purpose.

Mr. ROONEY. This is only \$21,000 worth of wallowing.

Mr. GROSS. There is \$10 million for a cultural set-up in Hawaii added to this bill.

Mr. ROONEY. That is correct. I am 100 percent in favor of it. If we are going to have a cultural and technical interchange center for East-West relations it could not be better situated than at the University of Hawaii in Honolulu.

Mr. GROSS. Of course, I do not think we are in any position financially in this Government of ours to be spending \$10 million on a cultural center anywhere.

Mr. ROONEY. I am sure the gentleman will agree that a little culture will not hurt anyone.

Mr. GROSS. We have had quite a little culture, have we not? Then I notice a statement there is an additional \$225,000 for remodeling the State Department building. Was that because of an underestimate of their needs or some additions to that fancy top floor?

Mr. ROONEY. The conference amount is a reduction of \$96,200 below the Senate amount, as I recall.

All in all, we did the best we could on every item in disagreement and now bring you the result for your approval.

Mr. GROSS. I am sorry this bill is \$28 million above the House bill.

Mr. ROONEY. I assure the distinguished gentleman that I am too.

Mr. GROSS. Let the record show I am opposed to the bill.

Mr. ROONEY. I am pleased to announce to the House that the Senate conferees have agreed to completely delete from this bill section 107 thereof which stated that it was the sense of the Senate that in the administration of section 414 of the Mutual Security Act of 1954, as amended, the Secretary of State should take such action as may be necessary to prevent the importation or reimportation into the United States—other than for use by the Armed Forces of the United States—for resale of firearms manufactured for the armed forces of any country, or parts thereof for reassembly, except those which are curios or antiques or weapons of obsolete ignition incapable of using a fixed cartridge or fixed shotgun shell. This language might raise havoc with the small sporting goods dealers and gunsmiths all over the country.

Mr. ROONEY. Mr. Speaker, I yield such time as he may desire to the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Speaker, I ask unanimous consent to extend my remarks at this point on the conference report.

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

There was no objection.

Mr. SIKES. Mr. Speaker, on the occasion of the final passage of the fiscal year 1961 appropriation for the Department of State, I would like to emphasize the importance of the Department and its Foreign Service in these critical days. The conferees on this bill have agreed to some additional appropriations in support of the programs many of us consider to be of vital importance to our national interests. I refer particularly to the increases for the opening of new posts and the elevation of posts in seething Africa and to the funds for increased activity in Latin America. Certainly the increasing importance of Latin America and of Africa adds to the opportunities and the responsibilities of U.S. diplomacy.

This will be a momentous year for all of us. It will be a year of decision, domestically and internationally. It is a presidential election year. It is also the year when the entire membership of the House of Representatives and one-third of the membership of the Senate will be chosen by the people. It is

a year that will mark the end of the incumbent administration. In January of next year a new administration will take over. There will be new leaders in the executive branch. And there will be new faces in Congress.

Regardless of the political coloration of the new administration, regardless of the changes in Congress, we must continue to demonstrate to the free peoples of the world—and to the captives as well—that this great land of ours is resolute in the aspiration of peace and friendship in freedom.

Undoubtedly this is the great challenge of the new decade and I realize that, as Secretary Herter has said, it will take courage of a high order and strong nerves to construct a new relationship between antagonistic systems of free men and of communism, but that this must be done if civilization is to survive.

Recent events and daily headlines give emphasis to the need for supporting and strengthening the Department of State, which has the responsibility for the apparatus of American diplomacy.

The Department has been described as America's first line of defense in peacetime. We must be able to rely upon this diplomacy and this first line of defense to protect our well-being and our security as a nation.

Our efforts to strengthen and unify the free world economically or politically, and our attempts to cope with the diplomatic hoodlumism of the Soviets depend in large measure upon the apparatus of American diplomacy.

The machinery of the past will not serve us well today or in the future. The task of representing the United States abroad in today's highly technological world presents a challenge that increases in complexity with every passing day. Recent weeks have shown again and again the magnitude of the propaganda challenge.

Adequate representation abroad clearly demands adequate material support in matters ranging from housing and education of dependents to language training and the hiring of specialists in a wide variety of fields. Our representatives abroad contend with a range of problems from atomic energy to agricultural surpluses, from educational exchange to currency stabilization, from immigration matters to the impact of nationalism upon the climate of investment.

Almost hourly from all corners of the globe the Department is presented with problems of a most delicate character. Its farflung responsibilities and needs are with it 24 hours a day and 7 days a week. This big job is done on less than one-third of 1 percent of the total Federal budget.

Those who must assist in finding the answers have a very great responsibility. Manifestly, they should be provided with the means and facilities necessary for the execution of the tasks assigned them.

Many of us are at times critical of some aspects of the Department and its administration. There are oftentimes reasons for criticism. But it would be folly to deny that it is important for us to build up and support the State Department and to have a first-rate diplomatic corps

around the world. The Department of State carries out the Nation's foreign policy. It provides the President with the information he needs for major policy decisions. It negotiates treaties and trade agreements. It represents the United States at the United Nations and at most international conferences.

In these critical times there is need for a constantly improved State Department. Its job becomes more difficult all the time as new pressures are built up all around our perimeter by the Soviets. The Congress should provide adequate funds for the job that must be done. However, no amount of money is in itself sufficient to do this job. An understanding of the job, esprit de corps, and downright determination not to let this Nation be outraded, outmaneuvered, or outbluffed, are more essential than appropriations. There is the feeling that the United States is losing ground diplomatically in the worldwide contest with Communist forces. I hope before we are back here with another bill next year for funding State Department operations that we can say that trend has definitely and positively been reversed.

Mr. ROONEY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The conference report was agreed to and a motion to reconsider was laid on the table.

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

The Clerk read as follows:

Senate amendment No. 22: Page 20, line 1, insert: "Provided further, That of the amount herein appropriated not to exceed \$200,000 shall be available for payment of compensation and expenses of Commissioners appointed in condemnation cases under rule 71A(h) of the Federal Rules of Civil Procedure."

Mr. ROONEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ROONEY moves that the House recede from its disagreement to the amendment of the Senate numbered 22 and concur therein.

The motion was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. ROONEY. Mr. Speaker, I ask unanimous consent that all Members may have the privilege of extending their remarks on the conference report and including extraneous matter.

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

There was no objection.

GENERAL SUMMARY OF 15 APPROPRIATION BILLS

The SPEAKER. The Chair recognizes the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a summary of the 15 appropriation bills passed up to this time, including the conference report just presented by the gentleman from New York.

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

There was no objection.

Mr. CANNON. Mr. Speaker, so that the membership may have up-to-the-minute information on the status of the appropriation bills in comparison with the President's budget requests, I include a summary tabulation.

The 15 bills completed, including the conference report of today, are below the budget requests of the President. But the few remaining bills, hiked far above House totals by the other body, afford opportunity for substantial cuts.

The tabulation, limited to the regular appropriation bills, follows:

Status of the appropriation bills for the 86th Cong., 2d sess., as of August 24, 1960

	Bills compared with House	Bills compared with budget
Net total for the 15 session bills enacted.....		-\$32,328,403
Loan authorizations.....		(+211,400,000)
Pending:		
1. Labor-HEW, as passed by the Senate.....	+\$301,766,200	+465,566,950
2. Public works, as passed by the Senate.....	+115,211,620	+25,869,425
Subtotal.....	+416,977,820	+459,107,972
3. Mutual security, as reported by Senate committee.....	+399,304,000	-292,650,000
As the bills now stand (appropriations).....	+816,281,820	+166,457,972

NOTE.—Supplemental bill is yet to come.

SUPPLEMENTAL APPROPRIATION BILL MADE IN ORDER ON FRIDAY, AUGUST 26

Mr. CANNON. Mr. Speaker, I ask unanimous consent that it may be in order on Friday next for the Committee on Appropriations to submit and for the House to consider the last of the appropriations bills, the supplemental appropriation bill.

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

There was no objection.

AMENDING THE MINERAL LEASING ACT OF FEBRUARY 25, 1920

The SPEAKER. The Chair recognizes the gentleman from Colorado [Mr. ASPINALL].

Mr. ASPINALL. Mr. Speaker, I call up the conference report on the bill (H.R. 10455) to amend the Mineral Leasing Act of February 25, 1920, 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 Colorado?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 23, 1960.)

The SPEAKER. The question is on the conference report.

The conference report was agreed to, and a motion to reconsider was laid on the table.

Mr. ASPINALL. Mr. Speaker, the unanimous report of the conference committee on H.R. 10455 marks the culmination of the successful and cooperative efforts of many persons to further perfect the Mineral Leasing Act of 1920 and adapt it to the changing conditions.

This is another step ahead in the conservation and use of natural resources.

The author of the bill, our colleague from New Mexico [Mr. MORRIS], the senior Senator from Wyoming, Senator O'MAHONEY, and others too numerous to mention, deserve appreciation for the constructive results to be derived.

Representatives of the Department of the Interior, as well as industry spokesmen, have been helpful to the Committee on Interior and Insular Affairs in studying mineral leasing problems.

Under its policy of operation, this legislation was referred for hearings to the Subcommittee on Mines and Mining, under the chairmanship of our colleague from New York [Mr. POWELL]. During part of the hearings, the subcommittee met under the acting chairmanship of our colleague from Texas [Mr. ROGERS].

Six days of hearings were held on H.R. 10455 and similar bills. Full opportunity was given for the receipt of suggestions and comments from the public and all comments were carefully considered.

The bill reflects a wide area of agreement on the substantive points considered and fully modernizes four sections of the basic act.

It has been a personal satisfaction to me as committee chairman to have had a part to play in this constructive legislation.

Interest and activity under the Mineral Leasing Act is increasing constantly. As my colleagues know, mineral leasing, in addition to developing a natural resource, is a revenue-producing activity. Receipts in the year ended in June 1959, were nearly \$96 million. The major portion of this was from oil and gas rentals and royalties.

In approaching this legislation—H.R. 10455—it is well to bear in mind that mineral leasing is a highly technical operation. The laws, regulations, and procedures are very complex and the activity touches many States and many individuals. As of June 30, 1959, there were in effect over 141,000 mineral leases, permits, and licenses affecting nearly 117 million acres of Federal lands. Nearly 98 percent of these cases and over 95 percent of the acreage involve oil and gas.

This is legislation that the President should promptly sign to benefit not only those engaged in the mineral industry but the entire country.

Mr. THOMSON of Wyoming. Mr. Speaker, I am indeed pleased with the adoption of this conference report. This

represents a culmination of many months of effort on the part of Members of Congress and those in our oil and gas industry, to effect much-needed and necessary amendments to the Mineral Leasing Act of 1920.

The act is not exactly as I would have preferred, and I suppose the same might be said as to everyone else. It does, though, represent good and much-needed legislation. It will remove the confusion in the distinction between land chargeable directly under lease and indirectly under option, and by so doing, will prevent that confusion from thwarting the further exploration and development of oil and gas resources on the public lands.

Time does not permit reviewing the legislation in detail. There are, though, a couple of points that I would like to specifically mention.

In the first place, I would like to commend the conferees on the language they have worked out as a substitute for the Senate language contained in section 5, providing for a new "section 42" to be added to the act. Under the conference committee language, all suggestion that Congress gives approval to the theory of administrative cancellation or forfeiture of or title to any oil and gas lease, is removed. The Senate language expressly mentioned such administrative cancellation or forfeiture. The language worked out by the conferees deletes any such reference. The question of administrative cancellation or forfeiture is presently in litigation before the courts. As I covered at length when the bill was being considered in the House, on the basis of the legislative history and the action of this Congress, I am confident that the courts will find no such authority. It is my firm conviction that cancellation or forfeiture should only be by court action, as presently provided in the act.

I also want to commend the committee for adding the word "promptly" in the bona fide purchaser portion of section 3, amending section 27 of the act. This would cause section 27(i) to read "shall have the right to be dismissed promptly as such a party upon showing that he holds and acquired as a bona fide purchaser the interest involving him as such a party without violating any provisions of this Act."; and further, for the provision that—

No hearing upon any such showing shall be required unless the Secretary presents prima facie evidence indicating a possible violation of the Mineral Leasing Act on the part of the alleged bona fide purchaser.

It has recently come to our attention that regional solicitors and representatives of the Department in the field may be imposing unreasonable requirements upon those who are joined as party defendant, simply because they have had some dealings with the principal party accused of violation of the act. This should make clear the intention of Congress and bring a halt to any such practices. It is hoped that the Department, as time permits and in the near future, will work out regulations providing for a procedure for release of such a party,

upon their filing a statement of ultimate facts, showing them to be a bona fide purchaser and not to have been otherwise in violation of the act in the acquisition of the particular lease or leases involving them as a party. I am advised that the Department is working on this. This problem came to our attention only recently, and it was impossible to have spelled out such a procedure in the short time remaining for consideration of this legislation. If such action is not taken, it may well be that the Congress will have to further consider this in the next session. That, however, should not be necessary, for the intention of Congress to provide for a simple and prompt disposition is made clear by these amendments to the act of September 21, 1959.

Mr. Speaker, I repeat that this legislation provides amendments much needed for a healthy oil industry in the public land areas and the economic well-being of the Nation. It is deserving of support, and I urge the adoption of the conference report.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that any Members desiring to do so may have permission to extend their remarks immediately following approval of the conference report.

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

There was no objection.

ALASKAN VESSELS INSPECTION EXEMPTION ACT

Mr. GARMATZ. Mr. Speaker, I call up the conference report on the bill (S. 2669) to extend the period of exemption from inspection under the provisions of section 4426 of the Revised Statutes granted certain small vessels carrying freight to and from places on the inland waters of southeastern Alaska, 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 Maryland?

Mr. PELLY. Mr. Speaker, reserving the right to object, may I ask the distinguished gentleman from Maryland as to whether or not during the consideration of this conference report he intends to yield time so that anyone in opposition to the report may express their views?

Mr. GARMATZ. Mr. Speaker, I will yield such time as he may desire to the gentleman from Washington.

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

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 2086)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2669) to extend the period of exemption from inspection under the provisions of section 4426 of the Revised Statutes granted certain small

vessels carrying freight to and from places on the inland waters of southeastern Alaska, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the amendment of the House, amend the Senate engrossed bill by striking out line 3 on page 2 and inserting in lieu thereof the following: "striking out 'March 15, 1960' and inserting in lieu thereof 'December 31, 1962'"; and the House agree to the same.

EDWARD A. GARMATZ,
FRANK W. BOYKIN,
FRANK M. CLARK,
JOHN H. RAY,

Managers on the Part of the House.

CLAIR ENGLE,
E. L. BARTLETT,
JOHN MARSHALL BUTLER,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (S. 2669) to extend the period of exemption from inspection under the provisions of section 4426 of the Revised Statutes granted certain small vessels carrying freight to and from places on the inland waters of southeastern Alaska, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The bill as passed by the Senate amended section 2 of the act of August 23, 1958, to extend for four years (from March 15, 1960, to March 15, 1964) the provisions of present law granting an exemption from inspection and manning requirements otherwise applicable to certain vessels under 150 gross tons, owned by or demise chartered to any cooperative or association engaged solely in transporting cargo owned by any one or more of the members of such cooperative or association on a nonprofit basis between places within the inland waters of southeastern Alaska and between such places in the inland waters of southeastern Alaska and Prince Rupert, British Columbia, or places within the inland waters of the State of Washington.

The amendment of the House would have limited the extension of such exemption for two years (or until March 15, 1962).

The conference agreement extends the exemption granted under the act of August 23, 1958, until December 31, 1962.

EDWARD A. GARMATZ,
FRANK W. BOYKIN,
FRANK M. CLARK,
JOHN H. RAY,

Managers on the Part of the House.

Mr. GARMATZ. Mr. Speaker, I yield such time as he may desire to the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Speaker, the conference report on the bill S. 2669 should be rejected.

As the House passed this bill on June 24, 1960, it would have extended for 2 years the exemption from Coast Guard inspection granted to certain vessels under 150 gross tons operated by a cooperative association between the State of Washington and Alaska.

As passed by the Senate the bill called for an extension of 4 years.

This conference report represents a compromise. But there is no justification for a compromise.

Mr. Speaker, the Coast Guard opposed the original bill which granted exemption from inspection and safety regulations to vessels operated by the Ketchikan Merchants Cooperative Association. Likewise the Coast Guard is in opposition to S. 2669 and to an extension of that law.

As my colleague from the State of Washington [Mr. TOLLEFSON] and I stated in filing minority views on S. 2669, safety at sea and proper manning are not luxuries to be provided only when convenient, but rather are requirements imposed by law because they are necessary to the protection of life and property.

When S. 2669 was considered by the House Merchant Marine Committee I told my fellow members of the committee that anyone voting for this measure would have to accept responsibility in the event of an accident or disaster.

Well, Mr. Speaker, there has been a disaster. It occurred on July 19, 1960, less than 1 month after the House passed S. 2669.

The incident I refer to is the burning and total loss of the motor vessel *Coral Sea* which was one of the boats exempted from Coast Guard inspection by this legislation.

Fortunately no lives were lost, but Mr. Speaker, the report of the Coast Guard shows that the presumed cause of fire under usual Coast Guard safety requirements would have been corrected.

There is no justification of the Congress waiving safety requirements.

This conference report should be rejected.

Mr. Speaker, I include at this point a letter date August 17, 1960, of J. A. Hirshfield, vice admiral and acting commandant, to me regarding the loss of the *Coral Sea*.

And likewise I ask to include the report of the investigating officer and the finding of facts on the burning and loss of the uninspected freight vessel *Coral Sea*.

This conference report should be defeated. A 3-year lull would mean a continuation of this unwholesome situation. The 2-year lull at least could be justified somewhat on the basis of providing a reasonable period for the operator to adjust its affairs.

MV "CORAL SEA,"
August 17, 1960.

HON. THOMAS M. PELLY,
House of Representatives,
Washington, D.C.

DEAR MR. PELLY: In further reference to our telephone conversation of August 11, 1960, there is enclosed a copy of the Coast Guard investigation concerning the burning and loss of the MV *Coral Sea*, O.N. 254813.

The *Coral Sea* was being operated as an uninspected freight vessel, serving southeastern Alaskan ports in accordance with a waiver of the vessel inspection and navigation laws granted by section 2 of Public Law 85-739, which amended 46 U.S.C. 404.

The investigating officer, in his "conclusions," states that the fire originated in the engine room in way of the main engine exhaust piping. Under the provisions of our marine engineering regulations, it is probable

that the exhaust system of the *Coral Sea* did not fully comply with Coast Guard requirements.

Title 46, Code of Federal Regulations, section 57.10-5(d)(1)(iii) requires the woodwork within 6 inches of the exhaust pipe shall be protected by ¼-inch asbestos board covered with not less than No. 22 USSG galvanized sheet iron. Further, subparagraph 2 of this paragraph also requires that the exhaust pipe shall be properly supported by noncombustible hangers or blocks. Neither of these requirements were met on the *Coral Sea*, as pointed out in paragraph 4 of the investigating officer's findings of fact. Sincerely yours,

J. A. HIRSHFIELD,
Vice Admiral, U.S. Coast Guard,
Acting Commandant.

U.S. COAST GUARD,

Juneau, Alaska, July 27, 1960.

From: Investigating Officer, Juneau, Alaska.
To: Commandant (MVI).

Via: (1) Officer in Charge, Marine Inspection, Juneau, Alaska; (2) Commander, 17th Coast Guard District (m).

Subject: *MV Coral Sea*, O.N. 254813; burning and loss of.

FINDINGS OF FACT

1. On 19 July 1960 the *MV Coral Sea*, burned and was lost off Cape Fanshaw, Alaska. There were no injuries and no loss of life. Monetary amount of loss was given as \$82,000.

2. The *MV Coral Sea* was built of wood in 1943 and was of 148 gross tons, 96 feet in length, 21-foot beam, 10-foot depth, and propelled by a 400-horsepower oil screw engine. The vessel was owned by the *Coral Sea Boat Co., Inc.* (Washington), 509 East Northlake Avenue, Seattle, Wash., and at the time of the casualty was being operated under charter by Ketchikan Merchants Cooperative Association, Inc., Box 1051, Juneau, Alaska, formerly Ketchikan Merchants Charter Association.

3. The *MV Coral Sea* was being operated as an uninspected freight vessel, serving southeastern Alaska in accordance with a waiver of the inspection laws granted by section 2 of Public Law 85-739 which amended 46 U.S.C. 404.

4. At the time of the casualty the vessel was under way, without cargo, en route from Juneau to Wrangell, Alaska, with a crew of four. Firefighting equipment consisted of one 15-pound CO₂ extinguisher in the wheelhouse, one 15-pound CO₂ extinguisher in the galley, two 15-pound CO₂ extinguishers in each end of the lower engine room, and two 100-pound CO₂ extinguishers located outside of the engine room forward access door. These latter extinguishers were provided with a single length of hose and a horn for application of the extinguishing agent. The extinguishers were not connected together. This required that the hose be disconnected from the expended bottle and connected to the full bottle, in order to use both, an operation requiring approximately 1 minute. There was one separately driven, combination fire and bilge pump in the engine room with one hydrant and hose located on deck. There were also two fire axes. The engine room, all service spaces, and living quarters had been completely repainted recently, the painting having been completed approximately 1 week prior to the casualty. The main engine was in good operating condition, although in the past there had been some difficulty experienced with sticking valves which caused vibration in the main engine and its connected piping. The main engine exhaust pipe was approximately 8 inches in diameter and extended vertically from the engine room in an exhaust trunk to the muffler and stack. The exhaust trunk was about 3 feet square, constructed of wood

and covered with sheet asbestos. At the engineroom overhead and also at the top of the deckhouse the clearance between stack and woodwork reduced to about 3 feet forward and aft due to a shelflike projection to which the exhaust pipe supporting brackets were secured.

These brackets were connected to collars around the exhaust pipe and were not insulated from the exhaust pipe nor from the woodwork. The exhaust piping was covered with insulation material throughout its length. Approximately 2 years prior to this casualty, the woodwork in the exhaust trunk became charred from the heat of the hot exhaust gases escaping through a deteriorated section of the exhaust pipe in way of a flange. Following this incident, all the exhaust piping, flanges, muffler, and charred woodwork were replaced. Main engine exhaust temperature under normal operating conditions was about 650° F.

5. The weather at the time of the casualty was good, with a calm sea, light airs, low overcast, and good visibility.

6. At approximately 0345 on July 19, 1960, the vessel was under way in the waters of Frederick Sound approximately 3 miles due west of Cape Fanshaw, Alaska, with the following persons on board:

Master: Harold F. Green, license 201812, chief mate, steam or motor vessels, any gross tons, oceans.

Mate: Hardy Hofstad, MMD, Z-1006673, endorsed able seaman, any waters, unlimited.

Chief engineer: John A. Boberg, MMD, Z-1106800, endorsed ordinary seaman and wiper. Assistant engineer: Arthur M. Larson, MMD, Z-1067368, endorsed ordinary seaman and wiper.

7. Hofstad had the deck watch and was at the wheel. Larson had the engineroom watch. Green and Boberg had retired to their quarters. Larson customarily stood his watch by making a tour of the machinery spaces each half hour, attending to the propulsion machinery and auxiliary equipment as necessary. He had made his last round at 0330, finding all in order, and was in the wheelhouse talking to Hofstad, when they heard a popping sound from the engineroom. Larson went to the engineroom and found the overhead forward of the exhaust trunk to be on fire. He went back up the stairs, notified Hofstad, called Boberg, got a fire extinguisher from the galley and returned to the engineroom to fight the fire. Hofstad called the master and the three men fought the fire with the equipment they could reach, which consisted of both of the 100-pound CO₂ extinguishers and three of the 15-pound extinguishers. The flames spread rapidly and the heat and smoke became very intense forcing the men out of the engineroom. They then closed all hatches, secured the engineroom vent motor, and covered all ventilators and the stack with canvas and plywood to exclude the air. The master contacted the Coast Guard by radio, requesting help. CG-65401-D from Petersburg and CG-95301 from Juneau were ordered to assist. About 1 hour later smoke began issuing from the fuel tank vents and the crew abandoned ship in a skiff. At about 0615, no increase in fire activity being noted, the four crewmembers returned to the vessel. The deck was very hot in way of the stack. Efforts were made to keep it cool with buckets of water. At about 0800, the CG-65401-D arrived on the scene. The master gave permission to O/C CG-65401-D to take whatever action he thought necessary to put out the fire. Three coastguardsmen went aboard the burning vessel with one OBA and two firehoses with spray nozzles. Hatches were removed to provide access and the men entered the area and proceeded to fight the fire. However, the smoldering woodwork burst into flame almost immediately and the men were forced to back out and fight the fire from the deck.

The fire got progressively worse especially in way of the fuel tanks, and because of fear of an explosion, all hands went on board the CG-65401-D and pulled off to await the arrival of CG-95301, with additional firefighting equipment. At approximately 1000 the CG-95301 arrived and assumed on-scene command. Both vessels conducted combined firefighting operations. However when it became apparent that the vessel could not be saved, the master gave permission to beach the vessel in shallow water and attempt to flood it. The vessel was pushed aground on the beach in position 57°08' 2" N. and 133°24' W. at approximately 1500. The hull was holed at the waterline in several places and streams of water were directed on the burning vessel from portable pumps on the beach. The vessel continued to burn until all superstructure and most of the hull were consumed. At 2345, after all fire was out and the hulk was secure on the beach, CG-95301 left the scene and returned to Juneau with the four survivors.

CONCLUSIONS

8. It is concluded that the *MV Coral Sea* burned to a total loss off Cape Fanshaw, Alaska on July 19, 1960, as the result of a fire originating in the engineroom in way of the main engine exhaust piping. It is further concluded that the fire was the result of hot exhaust gases acting on the woodwork of the exhaust trunk; that the gases escaped from the pipe through a fracture in way of the flange at the bottom of the exhaust trunk; that the fracture was caused by metal fatigue from vibration, extreme temperature changes, and hot gas erosion; that the fact that all spaces had been freshly painted contributed to the rapid spread of the fire; that inability to operate the fire pump seriously hampered the crew's firefighting efforts; that the close proximity of the woodwork to the exhaust piping contributed to the cause; that none of the personnel of the Coast Guard or any other Government agency contributed to the casualty; and that no Coast Guard-approved or inspected equipment was involved.

RECOMMENDATIONS

9. It is recommended that no further action be taken and that the case be closed.
A. E. HAMPTON.

Mr. PELLY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

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

There was no objection.

Mr. RIVERS of Alaska. Mr. Speaker, I arise in vigorous support of the approval of this conference report on S. 2669 which would extend an existing waiver of Coast Guard inspection and manning requirements for another 2 years and 9 months with regard to a few small cargo boats operating between Seattle, Wash., and certain points in southeastern Alaska. Since these vessels include in their service certain small outports with virtually no other service, and since the forthcoming 2-year-and-9-month period is required for the effectuation of other arrangements, it appears obvious that this waiver should be granted, notwithstanding the fact that one of the small vessels recently suffered destruction by fire, which, as I understand it, could have happened even if that vessel had been under the Coast Guard requirements which I have mentioned. This matter has been carefully

considered by the appropriate committees of both Houses and overwhelmingly approved despite certain opposition. I urge that the House approve this conference report.

Mr. GARMATZ. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

CONTEMPT CITATIONS

The SPEAKER. The Chair desires to announce that, pursuant to sundry resolutions of the House, he has, today, made certifications to the U.S. attorney, District of Columbia, and the U.S. attorney, Commonwealth of Puerto Rico, as follows:

To the U.S. attorney, District of Columbia:

House Resolution 606, the refusal of Austin J. Tobin to furnish certain documents to the Committee on the Judiciary.

House Resolution 607, the refusal of S. Sloan Colt to furnish certain documents to the Committee on the Judiciary.

House Resolution 608, the refusal of Joseph G. Carty to furnish certain documents to the Committee on the Judiciary.

To the U.S. attorney, Commonwealth of Puerto Rico:

House Resolution 609, the refusal of Jose Enamorado Cuesta to answer questions before the Committee on Un-American Activities.

House Resolution 610, the refusal of Manuel Arroyo Zeppenfeldt to answer questions before the Committee on Un-American Activities.

House Resolution 611, the refusal of Consuelo Burgos De Saez Pagan to answer questions before the Committee on Un-American Activities.

House Resolution 612, the refusal of Juan Saez Corales to answer questions before the Committee on Un-American Activities.

House Resolution 613, the refusal of John Peter Hawes to answer questions before the Committee on Un-American Activities.

House Resolution 614, the refusal of Gertrudis Melendez Perez to answer a question before the Committee on Un-American Activities.

House Resolution 615, the refusal of Ramon Diaz Cruz to answer questions before the Committee on Un-American Activities.

House Resolution 616, the refusal of Frank Ruiz to answer questions before the Committee on Un-American Activities.

House Resolution 617, the refusal of Juan Emmanuelli Morales to answer questions before the Committee on Un-American Activities.

House Resolution 618, the refusal of Cesar Andreu Iglesias to answer questions before the Committee on Un-American Activities.

House Resolution 619, the refusal of Pablo M. Garcia Rodriguez to answer

questions before the Committee on Un-American Activities.

House Resolution 620, the refusal of Cristino Perez Mendez to answer questions before the Committee on Un-American Activities.

House Resolution 621, the refusal of Juan Santos Rivera to answer questions before the Committee on Un-American Activities.

DEPARTMENTS OF HEALTH, EDUCATION, AND WELFARE AND LABOR APPROPRIATION BILL, 1961

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a report on the bill (H.R. 11390), making appropriations for the Departments of Health, Education, and Welfare, and Labor for the fiscal year 1961.

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

There was no objection.

THE POSTAL SERVICE

Mr. WILLIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 2339), to revise, codify, and enact into law, title 39 of the United States Code, entitled "The Postal Service," with Senate amendments thereto, and concur in the Senate amendments. The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 8, in line 3 of section 705(e), strike the words "the Territory of".

Page 9, in the fourth line of § 710, strike the word "it" and insert in lieu thereof the word "they".

Page 26, in the fourth line, strike the word "termination" and insert in lieu thereof the word "determination".

Page 35, in the last line, strike the word "Controller" and insert in lieu thereof the word "Comptroller".

Page 47, in the first line of § 3313, following the word "and" insert the word "any".

Page 47, in the third line of subsection (a) (1) of § 3315, strike the words "spector or other special agent" and insert in lieu thereof the words "post office".

Page 47, in the second line of subsection (a) (3) of § 3315, following "spector", insert the words "or other special agent".

Page 112, in the second line of § 4053, strike the words "and a postmark".

Page 123, in the last two lines of § 4302(b), strike the words "He shall provide for the treatment of unpaid or short-paid air parcel post".

Page 124, in the second and third lines of paragraph (2) of subsection (d) of § 4302, strike the words "event shall it be less than the rate provided for first-class surface mail," and insert in lieu thereof the following: "case shall be less than 3 cents an ounce or fraction thereof."

Page 124, in line 1 of subsection (d) (3) (A) of § 4303, strike the word "continental".

Page 124, in line 1 of subsection (d) (3) (B) of § 4303, strike the word "continental".

Page 128, in the last two lines of subsection (c) (3) of § 4358, strike the words "the rates under paragraph (1) hereof" and insert in lieu thereof the words "those rates".

Page 129, strike out subsection (a) of § 4359 and insert in lieu thereof the following:

"(a) Except as provided in sections 4358, 4361, and 4362 of this title, the rates of post-

age set out in this section are applicable to copies of publications entered as second-class mail when (1) mailed by the publisher thereof from the post office of publication and entry or other post office where entry is authorized and (2) when mailed by news agents, registered as such under regulations prescribed by the Postmaster General, to actual subscribers thereto or to other news agents for the purpose of sale and (3) sample copies to the extent of 10 per centum of the weight of copies mailed to subscribers during the calendar year."

Page 129, in the third line of subsection (b) of § 4359, strike out "subsection" and insert in lieu thereof the word "subsection".

Page 129, in the last line of the table of rates contained in subsection (b) of § 4359, strike the words "Publications of nonprofit organizations" and insert in lieu thereof the words "A publication of a qualified nonprofit organization".

Page 129, strike out paragraph (2) of subsection (e) of § 4359 and insert in lieu thereof the following:

"(2) 'a publication of a qualified nonprofit organization' means a publication published by and in the interest of one of the following types of organizations or associations if it is not organized for profit and none of its net income inures to the benefit of any private stockholder or individual: Religious, educational, scientific, philanthropic, agricultural, labor, veterans', and fraternal; and".

Page 133, in the first line of § 4421, strike the word "that" and insert in lieu thereof the word "which".

Page 133, strike the word "are" in paragraph (4) of § 4421 and insert in lieu thereof the words "may be".

Page 133, in the first line of § 4422, strike the word "rates" and insert in lieu thereof the word "rate".

Page 133, in the third line of § 4422, following the word "title" insert the following: "when mailed in the manner prescribed by the Postmaster General,".

Page 134, in the first line of § 4452, strike the word "rates" and insert in lieu thereof the word "charge".

Page 134, in the second line of subsection (b) of § 4452, strike the word "rates" and insert in lieu thereof the word "charge".

Page 134, in the table in subsection (b) of § 4452, insert the word "qualified" immediately after the word "than".

Page 134, in the table in subsection (b) of § 4452, insert the word "Qualified" immediately preceding the word "nonprofit" in the second line of the table.

Page 134, in the footnote to the table in subsection (b) of § 4452, strike the word "rate" and insert in lieu thereof the word "charge".

Page 134, in the first line of subsection (d) of § 4452, insert the word "qualified" immediately preceding the word "nonprofit".

Page 135, in the sixth line of § 4452(e), strike the word "mail" and insert in lieu thereof the word "mailed".

Page 137, amend § 4554(a) (4) by inserting in the last line immediately following the word "answer" the following words: ", test scores, or identifying information recorded thereon in writing,".

Page 138, in the first line, strike the word "matter".

Page 138, in the first line of subsection (c) of § 4554, strike the words "film strips" and insert in lieu thereof the word "filmstrips".

Page 138, in the first line of subsection (c) of § 4554, insert a comma following the word "projection".

Page 159, in the third line of § 6211, strike out "economis" and insert in lieu thereof the word "economies".

Page 164, in paragraph (b) (3) of § 6352, strike the word "charges" and insert in lieu thereof the word "changes".

Page 164, in the second line of paragraph (b) (4) of § 6352, strike the word "services" and insert in lieu thereof the word "service".

Page 166, in the first line of subsection (a) of § 6403, strike out "(4)" and insert in lieu thereof "(5)".

Page 183, in the first line of section 11, strike "1959" and insert in lieu thereof "1960".

Page 195, under "1916-July 28" delete the last line.

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

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

SOCIAL SECURITY AMENDMENTS OF 1960

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the conferees on the part of the House have until midnight tonight to file a conference report to accompany the bill H.R. 12580.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. Mason] and myself have permission to extend our remarks with respect to the several bills that are about to be called up.

The SPEAKER. Without objection, it is so ordered.

EXCLUSION OF LOCAL ADVERTISING CHARGES FROM MANUFACTURERS SALE PRICE

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 12536) relating to the treatment of charges for local advertising for purposes of determining the manufacturers sale price, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4216 of the Internal Revenue Code of 1954 (relating to definition of price for purposes of the manufacturers excise tax) is amended by adding at the end thereof the following new subsection:

"(f) EXCLUSION OF LOCAL ADVERTISING CHARGE FROM SALE PRICE.—

"(1) EXCLUSION.—In determining, for purposes of this chapter, the price for which an article is sold, there shall be excluded a charge for local advertising (as defined in paragraph (4)) to the extent that such charge—

"(A) does not exceed 5 percent of the price for which the article is sold (as determined under this section by excluding any charge for local advertising),

"(B) is a separate charge made when the article is sold, and

"(C) is intended to be refunded to the purchaser or any subsequent vendee in reimbursement of costs incurred for local advertising.

In the case of any such charge (or portion thereof) which is not so refunded before the first day of the fifth calendar month following the calendar year during which the article was sold, the exclusion provided by the preceding sentence shall cease to apply as of such first day.

"(2) AGGREGATE AMOUNT WHICH MAY BE EXCLUDED.—In the case of articles upon the sale of which tax was imposed under the same section of this chapter—

"(A) the sum of (1) the aggregate of the charges for local advertising excluded under paragraph (1), plus (2) the aggregate of the readjustments for local advertising under section 6416(b)(1) (relating to credits or refunds for price readjustments), shall not exceed

"(B) 5 percent of the aggregate of the prices (determined under this section by excluding all charges for local advertising) at which such articles were sold in sales on which tax was imposed by such section of this chapter.

The preceding sentence shall be applied to each manufacturer, producer, and importer as of the close of each calendar quarter, taking into account the items specified in subparagraphs (A) and (B) for such calendar quarter and preceding calendar quarters in the same calendar year.

"(3) NO ADJUSTMENT FOR OTHER ADVERTISING CHARGES.—Except to the extent provided by paragraphs (1) and (2), no charge or expenditure for advertising shall serve, for purposes of this section or section 6416 (b) (1), as the basis for an exclusion from, or as a readjustment of, the price of any article.

"(4) LOCAL ADVERTISING DEFINED.—For purposes of this section and section 6416 (b) (1), the term 'local advertising' means only advertising which—

"(A) is initiated or obtained by the purchaser or any subsequent vendee,

"(B) names the article for which the price is determinable under this section and states the location at which such article may be purchased at retail, and

"(C) is broadcast over a radio station or television station or appears in a newspaper."

Sec. 2. The first sentence of paragraph (1) of section 6416 (b) of the Internal Revenue Code of 1954 (relating to credits or refunds for price readjustments) is amended by inserting after "or allowance," the following: "including (in the case of a tax imposed by chapter 32) a readjustment for local advertising (but only to the extent provided in section 4216 (f) (2) and (3))."

Sec. 3. The amendments made by this Act shall apply with respect to articles sold on or after the first day of the first calendar quarter beginning more than twenty days after the date of the enactment of this Act.

Mr. MILLS. Mr. Speaker, H.R. 12536, which was reported by your Committee on Ways and Means, without amendment, deals with so-called cooperative advertising arrangements under which manufacturers—or producers or importers—of products subject to the manufacturers' excise tax make a separate charge to, or agree to reimburse, the retailers—or other distributors—for all or a part of the costs incurred by the latter in locally advertising the manufactured products. The question is whether the amount paid for the local advertising is to be excluded from the manufacturer's price on which the tax is based, or in the

case of reimbursements for this advertising, whether the price on which the tax is based is to be readjusted for this amount.

In 1932 the Internal Revenue Service ruled that specific additional charges billed by a manufacturer to a distributor for advertising were to be excluded from the sales price for purposes of a manufacturer's excise tax. Since that time the Internal Revenue Service has issued numerous private rulings permitting readjustments of sales price for local advertising expenses incurred by retailers or other distributors.

Then in the forepart of 1956, in testimony before the Forand subcommittee on Excise Tax Technical and Administrative Problems, the Internal Revenue Service indicated that it was planning to issue a ruling with respect to cooperative advertising which in general would have excluded such amounts from the tax base, or permitted a private readjustment for them where the reimbursement procedure was followed. However, late in 1956 the Commissioner of Internal Revenue informed the subcommittee that it could no longer go forward with the publication of such a ruling. Finally in 1958, the Treasury Department issued a regulation denying taxpayers an exclusion from, or readjustment of, the sales price for advertising charges or expenditures. In the case of those who had specific private rulings, this applied only prospectively. However, many other taxpayers had not themselves obtained private rulings but instead relied on information generally available to the effect that cooperative advertising charges were excludable—or that price readjustments attributable to such charges would result in refunds of taxes. For them the new regulation was applied on a retroactive basis.

In addition, in May of this year the Court of Claims in General Motors Corp. against United States held that the taxpayer in that case could properly readjust its sales price for articles sold, to the extent of the amount it paid dealers for the cost of local advertising under a cooperative advertising plan.

Because of this confusion as to the status of advertising charges in determining the tax base for manufacturers' excise taxes, your committee has concluded that statutory clarification is needed on this point and also provision for some limitations on the extent to which advertising charges can be excluded from the tax base for purposes of the various manufacturers excise taxes.

Your committee concluded that it was appropriate to exclude from the manufacturers' sales price a reasonable amount of local advertising where such advertising is under the control of the local retailer—or other distributor—since such an expense customarily is one incurred by the retailer and not the manufacturer. Therefore, it is more appropriately reflected in the retail distributors' price rather than in the manufacturers' sales price.

Accordingly, the bill provides that where a manufacturer—or producer or importer—makes a separate charge for

local advertising of a taxable product, or reimburses the local retailer—or other distributor—for all of the part of the expenses incurred by the latter for local advertising of the taxable products, such charge is to be excluded from the manufacturers' sales price and hence excluded from the base of the manufacturers' excise tax. The amount excluded is limited to radio, television, and newspaper advertising, the cost of which does not exceed 5 percent of the sales price of the articles, excluding the local advertising charges where a separate charge is made. The bill provides that the 5 percent limitation is to be initially computed on the basis of sales made during a calendar quarter but also takes into account sales in prior quarters in the same year to the extent the 5 percent ceiling did not apply in those quarters.

The amendment provided in this bill is to apply with respect to articles sold on or after the first day of the first calendar quarter beginning more than 20 days after the date of enactment of this bill.

The Treasury Department has indicated that it does not object to the enactment of this bill.

Mr. MASON. Mr. Speaker, it is the purpose of the legislation to clarify the excise tax consequences of cooperative advertising arrangements. The bill would provide that amounts expended for local advertising under cooperative advertising programs may be excluded from a manufacturer's selling price for excise tax purposes and that amounts refunded to customers by manufacturers for local advertising are to be considered as price readjustments of the manufacturer's sales price.

This amendment providing a solution to the difficult problems arising from cooperative advertising arrangements has been worked out in close cooperation with the Treasury Department.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ACCEPTANCE BY GOVERNMENT OF GIFTS TO REDUCE THE PUBLIC DEBT

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 6292), to authorize the acceptance by the Government of gifts to be used to reduce the public debt, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to afford to the people of the United States an opportunity to make gifts to the Government of the United States to be used for the purpose of reducing the public debt—

(a) the Secretary of the Treasury is authorized to accept on behalf of the United States (1) any gift of money made on the

sole condition that it be used to reduce the public debt of the United States, (2) any gift of obligations of the United States included in the public debt of the United States, if made on the sole condition that the obligations be canceled and retired and not reissued, or (3) any gift of other intangible personal property made on the sole condition that it be sold, and the proceeds realized from the sale be used to reduce the public debt of the United States; and

(b) the Administrator of General Services is authorized to accept on behalf of the United States any gift of other property, real or personal, made to the United States on the sole condition that it be sold and the proceeds realized from the sale be used to reduce the public debt of the United States: *Provided, however, That the Secretary of the Treasury or the Administrator of General Services, as the case may be, is authorized to reject any gift under this section whenever he determines such action to be in the interest of the United States.*

SEC. 2. The Secretary of the Treasury shall convert into money, at the best terms available, any gift accepted by him under the provisions of paragraph (a) (3) of the first section of this Act; and the Administrator of General Services shall convert into money, at the best terms available, any gift accepted by him under the provisions of the first section of this Act.

SEC. 3. If under applicable law any gift accepted under section 1 is subject to a gift or inheritance tax, the Secretary of the Treasury or the Administrator of General Services, as the case may be, is authorized to pay such tax out of the proceeds of the redemption, or sale, of any such gift.

SEC. 4. There is hereby established on the books of the Treasury a special account into which shall be deposited all money received as gifts under this Act and all money received as a result of the conversion into money of gifts of property other than money received under this Act. The Secretary of the Treasury shall from time to time utilize the money in the special account for the payment at maturity or the redemption or purchase before maturity of any obligations of the United States included in the public debt of the United States. All obligations of the United States paid, redeemed, or purchased with money out of the special account shall be canceled and retired and shall not be reissued. All money deposited in the special account is hereby appropriated and shall be available for expenditure for the purposes of the Act.

Mr. MILLS. Mr. Speaker, H.R. 6292, which was introduced by our colleague, the gentleman from Florida [Mr. BENNETT], and which was unanimously reported by your Committee on Ways and Means, specifically authorizes the Secretary of the Treasury and the Administrator of General Services to accept gifts of money or other property which are made on the sole condition that they are to be used for the reduction of the public debt. This bill provides that gifts made on this condition shall be deposited in a special account on the books of the Treasury and the money in this account shall be utilized solely to retire obligations of the United States which are part of the public debt. However, both the Secretary of the Treasury and the Administrator of General Services are also given authority to reject any such gifts whenever they determine such action to be in the interest of the United States.

At the present time, when gifts of money or other property are made to the U.S. Government for the purpose of re-

ducing the public debt, no absolute assurance can be given that the gifts will be so used since such gifts are generally treated as unconditional gifts and have been deposited in the general fund of the Treasury. Your committee has been advised, however, that the donors of such gifts may prefer to provide specifically that their gifts shall be used solely for reduction of the public debt and not for incorporation in the general funds of the Treasury.

The Treasury Department has indicated that it has no objections to the enactment of this bill.

Mr. MASON. Mr. Speaker, H.R. 6292 provides specific authority for the U.S. Government to accept gifts which are to be used for the reduction of the public debt. Existing law gives to the Treasury Department no authority to use gifts that are given on condition that the gift be used to reduce the public debt. The absence of such authority leaves the possibility that a question could be raised by other possible claimants to property as to whether the Government was fulfilling the conditions of the gift. This legislation will clarify the authority of the Secretary of the Treasury to accept such gifts and devote the gifts to a specific purpose.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTIFICATION OF QUOTAS ON CERTAIN PHILIPPINE TOBACCO

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 3392), relating to duty-free imports of Philippine tobacco, which was unanimously reported favorably by the Committee on Ways and Means.

The clerk read the title of the bill.

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

There was no objection.

The clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the duty-free treatment provided for in paragraph 2 of article II of the agreement between the United States of America and the Republic of the Philippines concerning trade and related matters during a transitional period following the institution of Philippine independence, signed at Manila on July 4, 1946, as revised by the agreement of September 6, 1955, shall apply to only such Philippine articles falling within the class specified in item B in the schedule to that paragraph 2 of article II as are certified by the Government of the Republic of the Philippines to have been allocated for exportation to the United States of America free of duty under the paragraph.

SEC. 2. This Act will enter into force on the thirtieth day after the date of its enactment.

With the following committee amendment:

Page 1, line 3, strike out "in paragraph 2" and insert "scrap tobacco and filler tobacco described in item B in the schedule to paragraph 2."

The committee amendment was agreed to.

Mr. MILLS. Mr. Speaker, the purpose of H.R. 3392, which was introduced by our colleague on the committee, the Honorable JOHN WATTS, of Kentucky, is to limit imports of certain Philippine tobaccos that may be charged to the United States duty-free quota on such products to those Philippine tobaccos exported from the Philippines which have been specifically licensed by the Philippine Government for export to the United States under the quota.

In the trade agreement between the Republic of the Philippines and the United States, there is a provision for a duty-free import quota of 6,500,000 pounds of imported scrap and filler tobaccos of Philippine origin each year. This quota is to be progressively reduced until January 1, 1974, when the amount of the quota becomes nil. The present quota is 5,850,000 pounds per year.

There is no provision in the trade agreement or in the U.S. legislation authorizing the Philippine-U.S. trade agreement regulating the types of tobacco that can be entered duty-free under the quota, other than that the tobaccos shall be of Philippine origin and it shall be scrap and filler tobaccos. Historically the trade in Philippine tobaccos has been of the cigar-filler type and it was understood when the trade agreement was negotiated that the U.S. duty-free quota would be filled by the importation of this traditional type of tobacco. This was in the interest of U.S. cigar manufacturers and of domestic tobacco growers who were anxious to see that cigarette tobaccos would not be imported duty-free under the quota.

Recently, however, considerable quantities of low-quality, flue-cured tobacco, grown in the Philippines have been exported to the United States. Although such tobacco was not licensed by the Philippine Government it was shipped to a third country and later transhipped to the United States. The United States Customs authorities have not, under existing law, been able to exercise discretion and were obliged to admit such tobacco duty-free under the quota. As a result, the quantities of duty-free tobacco which licensed exporters in the Philippines might otherwise have shipped to the United States has been reduced. This has adversely affected the traditional trade in cigar tobaccos and has caused concern to the U.S. tobacco growers.

Your committee's bill would merely give effect to the basic purposes of the United States-Philippine trade agreement by providing that only those tobacco exports licensed by the Philippine Government for shipment to the United States would be eligible for admission into the United States under the duty-free quota applicable to Philippine tobacco. Any nonlicensed Philippine tobacco would be subject to duty.

Your committee was advised by the Department of State that the Philippine Government has requested assistance in administering its regulations on tobacco exports to the United States and that the enactment of your com-

mittee's bill would serve that purpose.

The Committee on Ways and Means was unanimous in recommending enactment of H.R. 3392.

Mr. MASON. Mr. Speaker, there is in effect between the United States and the Republic of the Philippines a trade agreement which among other things governs the amount of tobacco that may be brought into the United States from the Philippines on a duty free basis. The present quota is slightly less than 6 million pounds a year.

The Philippine Government has controlled exports of tobacco to the United States through an export licensing arrangement. Recently tobacco that has not been licensed for export to the United States by the Philippine Government was shipped to a third country and later transhipped to the United States. The transshipment of this tobacco under the quota arrangement served to reduce the duty free quantities which the licensed exporters in the Philippines might ship to the United States duty free. H.R. 3392 would prevent circumvention of the licensing procedures prescribed by the Philippine Government on exports of tobaccos to the United States. This would be accomplished by providing that U.S. customs authorities will admit duty free under the Philippine tobacco quota only such tobacco as has been licensed for export to the United States by the Philippine Government.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXCISE TAX ON CIGARS

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 10960) to amend section 5701 of the Internal Revenue Code of 1954 with respect to the excise tax upon cigars, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the portion of section 5701(b)(2) of the Internal Revenue Code of 1954 which follows paragraph (2)(G) thereof is amended to read as follows:

"In determining the retail price, for tax purposes, regard shall be had to the ordinary retail price of a single cigar in its principal market, exclusive of any State or local taxes imposed on cigars as a commodity. Cigars not exempt from tax under this chapter which are removed but not intended for sale shall be taxed at the same rate as similar cigars removed for sale."

With the following committee amendment:

That the next to the last sentence of section 5701(b) of the Internal Revenue Code of 1954 (relating to tax on cigars) is amended by striking out "exclusive of any State or local taxes imposed on the retail sale of cigars" and inserting in lieu thereof "ex-

clusive of any State or local taxes imposed on cigars as a commodity".

SEC. 2. The amendment made by the first section of this Act shall apply with respect to cigars removed on or after the ninth day of the first month which begins after the date of the enactment of this Act.

The committee amendment was agreed to.

Mr. MILLS. Mr. Speaker, H.R. 10960, which was introduced by our colleague on the committee, the Honorable SID HERLONG, and which was unanimously reported by your Committee on Ways and Means, with amendments, deals with the determination of the tax base for purposes of the imposition of the Federal excise tax on cigars. This bill provides that there shall be excluded from this tax base any State or local taxes imposed upon cigars as a commodity.

The Federal excise tax on cigars is paid by manufacturers but the amount of such tax is based on the intended retail price of the cigars. Although under present law any State or local retail sales taxes are excluded from this tax base, State or local taxes imposed at any other level, such as at the manufacturers' or wholesalers' level, are not excluded.

The bill provides that for the purposes of the imposition of the Federal excise tax on cigars, any State or local taxes imposed on cigars as a commodity, regardless of the level at which imposed, are to be excluded in determining the retail price at which the cigars are intended to be sold. This removes discriminatory Federal tax treatment of cigars based solely on the happenstance as to whether State or local taxes are imposed at the retail or wholesale or other level.

The Treasury Department has indicated that it is in favor of the enactment of this bill.

Mr. MASON. Mr. Speaker, under existing law the Federal excise tax applicable to cigars is affected by the differences in State or local taxes imposed on cigars. This has resulted in competitive discrimination in certain States and to remove this discrimination the Committee on Ways and Means has approved H.R. 10960 to provide that in determining the retail price of cigars for tax purposes the price shall be determined exclusive of any State or local taxes imposed on cigars as a commodity.

The Treasury Department has favored the enactment of this legislation and the Committee on Ways and Means was unanimous in reporting it favorably to the House.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PREPAID DUES INCOME OF CERTAIN MEMBERSHIP ORGANIZATIONS

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 11266) to amend the Internal Revenue Code of 1954 to permit the prepaid dues income of certain membership organizations to

be included in gross income for the taxable years to which the dues relate, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill. The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. HOFFMAN of Michigan. Reserving the right to object, Mr. Speaker, this refers to certain organizations. What organizations?

Mr. MILLS. Primarily it would apply to organizations like the Triple A that collect dues from members of the organization and render services over a 12-month or a 24-month period. The question arises, when do you report the income, in what taxable year? The bill would permit the income to be prorated over the period of time during which the service is to be rendered to the dues-paying members.

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

The was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subpart B of part II of subchapter E of chapter 1 of the Internal Revenue Code of 1954 (relating to taxable years for which items of gross income are included) is amended by adding at the end thereof the following new section:

"SEC. 456. PREPAID DUES INCOME OF CERTAIN MEMBERSHIP ORGANIZATIONS.

"(a) YEAR IN WHICH INCLUDED.—Prepaid dues income to which this section applies shall be included in gross income for the taxable years during which the liability described in subsection (e) (2) exists.

"(b) WHERE TAXPAYER'S LIABILITY CEASES.—In the case of any prepaid dues income to which this section applies—

"(1) If the liability described in subsection (e) (2) ends, then so much of such income as was not includible in gross income under subsection (a) for preceding taxable years shall be included in gross income for the taxable year in which the liability ends.

"(2) If the taxpayer ceases to exist, then so much of such income as was not includible in gross income under subsection (a) for preceding taxable years shall be included in gross income for the taxable year in which such cessation of existence occurs.

"(c) PREPAID DUES INCOME TO WHICH THIS SECTION APPLIES.—

"(1) ELECTION OF BENEFITS.—This section shall apply to prepaid dues income if and only if the taxpayer makes an election under this section with respect to the trade or business in connection with which such income is received. The election shall be made in such manner as the Secretary or his delegate may by regulations prescribe. No election may be made with respect to a trade or business if in computing taxable income the cash receipts and disbursements method of accounting is used with respect to such trade or business.

"(2) SCOPE OF ELECTION.—An election made under this section shall apply to all prepaid dues income received in connection with the trade or business with respect to which the taxpayer has made the election; except that the taxpayer may, to the extent permitted under regulations prescribed by the Secretary or his delegate, include in gross income for the taxable year of receipt

the entire amount of any prepaid dues income if the liability from which it arose is to end within 12 months after the date of receipt. An election made under this section shall not apply to any prepaid dues income received before the first taxable year for which the election is made.

"(3) WHEN ELECTION MAY BE MADE.—

"(A) WITH CONSENT.—A taxpayer may, with the consent of the Secretary or his delegate, make an election under this section at any time.

"(B) WITHOUT CONSENT.—A taxpayer may, without the consent of the Secretary or his delegate, make an election under this section for its first taxable year (1) which begins after December 31, 1959, and (2) in which it receives prepaid dues income in the trade or business. Such election shall be made not later than the time prescribed by law for filing the return for the taxable year (including extensions thereof) with respect to which such election is made.

"(4) PERIOD TO WHICH ELECTION APPLIES.—An election under this section shall be effective for the taxable year with respect to which it is first made and for all subsequent taxable years, unless the taxpayer secures the consent of the Secretary or his delegate to the revocation of such election. For purposes of this title, the computation of taxable income under an election made under this section shall be treated as a method of accounting.

"(d) TRANSITIONAL RULE.—

"(1) Amount includible in gross income for first election year. If a taxpayer makes an election under this section with respect to prepaid dues income, such taxpayer shall include in gross income, for the taxable year to which such election first applies, not only that portion of prepaid dues income received in such year otherwise includible in gross income for such year under this section, but shall also include in gross income for such year an additional amount equal to the amount of prepaid dues income received in the 2 preceding taxable years which would have been included in gross income in the year for which the election is made had the election been made 2 years earlier.

"(2) DEDUCTION OF AMOUNT INCLUDED IN INCOME MORE THAN ONCE.—A taxpayer who makes an election with respect to prepaid dues income, and who includes in gross income for the taxable year to which the election first applies an additional amount computed in accordance with subsection (d) (1), shall be permitted to deduct, for the taxable year to which the election first applies and for each of the 4 succeeding taxable years, an amount equal to one-fifth of the additional amount computed under subsection (d) (1), but only to the extent that the additional amount included in gross income under subsection (d) (1) was also included in the taxpayer's gross income during either of the 2 taxable years preceding the taxable year to which the election first applies.

"(e) DEFINITIONS.—For the purposes of this section—

"(1) PREPAID DUES INCOME.—The term 'prepaid dues income' means any amount (includible in gross income) which is received by a membership organization in connection with, and is directly attributable to, a liability to render services or make available membership privileges over a period of time which extends beyond the close of the taxable year in which such amount is received.

"(2) LIABILITY.—The term 'liability' means a liability to render services or make available membership privileges over a period of time which does not exceed 36 months, which liability shall be deemed to exist ratably over the period of time that such services are required to be rendered, or that such membership privileges are required to be made available.

"(3) MEMBERSHIP ORGANIZATION.—The term 'membership organization' means a corporation, association, federation, or other organization—

"(A) organized without capital stock of any kind, and

"(B) no part of the net earnings of which is distributable to any member."

(b) The table of sections for such subpart B is amended by adding at the end thereof the following:

"Sec. 456. Prepaid dues income of certain membership organizations."

SEC. 2. The amendments made by this Act shall apply with respect to taxable years beginning after December 31, 1959.

With the following committee amendments:

Page 3, line 16, strike out "An" and insert "Except as provided in subsection (d), an".

Page 4, strike out line 19 and all that follows down through line 21 on page 5, and insert:

"(1) AMOUNT INCLUDIBLE IN GROSS INCOME FOR ELECTION YEARS.—If a taxpayer makes an election under this section with respect to prepaid dues income, such taxpayer shall include in gross income, for each taxable year to which such election applies, not only that portion of prepaid dues income received in such year otherwise includible in gross income for such year under this section, but shall also include in gross income for such year an additional amount equal to the amount of prepaid dues income received in the 3 taxable years preceding the first taxable year to which such election applies which would have been included in gross income in the taxable year had the election been effective 3 years earlier.

"(2) DEDUCTIONS OF AMOUNTS INCLUDED IN INCOME MORE THAN ONCE.—A taxpayer who makes an election with respect to prepaid dues income, and who includes in gross income for any taxable year to which the election applies an additional amount computed under paragraph (1), shall be permitted to deduct, for such taxable year and for each of the 4 succeeding taxable years, an amount equal to one-fifth of such additional amount, but only to the extent that such additional amount was also included in the taxpayer's gross income during any of the 3 taxable years preceding the first taxable year to which such election applies.

Page 6, line 19, strike out the quotation marks and, after line 19, insert:

"(4) RECEIPT OF PREPAID DUES INCOME.—Prepaid dues income shall be treated as received during the taxable year for which it is includible in gross income under section 451 (without regard to this section)."

The committee amendments were agreed to.

Mr. MILLS. Mr. Speaker, H.R. 11266, which was introduced by our colleague, the gentleman from Wisconsin, the Honorable JOHN BYRNES, and which was unanimously reported by your Committee on Ways and Means, with amendments, provides that prepaid dues income of certain membership organizations may, at the election of such organizations, be included in their gross income ratably over the period of time during which such organizations are under a liability to provide services to their dues-paying members.

The membership organizations to which this bill applies are limited to those which have no capital stock and which make no distributions of net earnings to members. Furthermore, in order for this bill to apply, the liability of such

organizations to provide service to their members must extend beyond the end of the current year but may not extend beyond a period of more than 36 months. Finally, since under present law it has been held that such organizations must include the full amount of any prepaid dues in income in the year of receipt, in order to mitigate the effect of the revenue loss involved, the bill contains a special transitional rule which operates to spread the revenue loss attributable to any given year over a 5-year period.

The bill would be effective for taxable years beginning in 1960 and provides substantially similar treatment to that provided for prepaid subscription income in the Technical Amendments Act of 1958.

Mr. MASON. Mr. Speaker, the bill H.R. 11266 pertains to the way in which prepaid membership dues shall be treated for income tax purposes by the receiving membership organization.

It will be recalled that the Internal Revenue Code of 1954 as originally enacted contained section 452 which gave an election to taxpayers to report prepaid income over the period of time that the prepaid income was being earned. This section was subsequently repealed by the Congress retroactively. At the time of taking this retroactive action the Congress indicated its intention to give further study to the tax treatment of prepaid income as well as prepaid expenses with a view to developing appropriate accounting provisions for the tax treatment of these types of transactions.

In the Technical Amendments Act of 1958 an amendment to the Internal Revenue Code was approved which provided for the spreading forward of prepaid subscription income in the case of newspapers and periodicals. The bill that has just passed the House would provide that prepaid membership dues may be spread over the period during which there is a liability on the part of the membership organization to provide a service to its members. This tax treatment is limited to those membership organizations which have no capital stock and make no distributions of net earnings to members.

The Committee on Ways and Means was unanimous in reporting this legislation favorably to the House.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FOREIGN TAXES PAID BY CERTAIN PREDECESSOR CORPORATIONS

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 12036) to amend section 902 of the Internal Revenue Code of 1954 with respect to foreign taxes paid by certain predecessor corporations, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill. The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. GROSS. Reserving the right to object, Mr. Speaker, may we have a brief explanation of this bill?

Mr. MILLS. Yes; I will be glad to advise the gentleman as to that.

There is a provision of law which permits a domestic corporation to obtain an intercorporate deduction of 85 percent with respect to dividends received from another domestic corporation. In other words, one domestic corporation receiving a dividend from another domestic corporation is required to include only 15 percent of that dividend in income for tax purposes in order to avoid further doubling of the tax. However, in the case of dividends received from certain foreign corporations, there is at the present time a doubling of the tax since the intercorporate dividends received deduction does not apply to such dividends. This bill, introduced by the gentleman from New York [Mr. BOSCH], is designed to eliminate that situation where the profits out of which the dividends are paid by a foreign corporation were accumulated by a predecessor domestic corporation which was subject to the regular U.S. corporate income tax while such profits were being accumulated.

Mr. GROSS. Is it bad to have some of these foreign corporations paying a tax?

Mr. MILLS. They pay the tax, of course, in the foreign country, and the domestic corporation gets what is left. However, in the circumstances contemplated in this bill the profits out of which the dividend would be paid to the domestic corporation would, but for this bill, be taxed twice by the United States—once when accumulated by the domestic predecessor of the foreign corporation, and again when distributed to the U.S. parent.

Mr. GROSS. They are not taxed twice in the foreign country?

Mr. MILLS. No; but there could be a doubling of the U.S. tax in some instances.

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

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

Mr. BAILEY. Would the bill have anything to do with implementing the bill H.R. 5?

Mr. MILLS. Nothing whatsoever.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 902(c) of the Internal Revenue Code of 1954 (relating to credit for corporate shareholder in foreign corporation) is amended by adding at the end thereof the following new paragraph:

"(3) For purposes of this section, a foreign corporation shall be deemed to have paid any income, war profits, or excess profits taxes paid or deemed to be paid by any predecessor corporation to any foreign country or possession of the United States. For purposes of the preceding sentence, the term 'predecessor corporation' means any corporation all of the assets of which were acquired (subject to liabilities) by the foreign corporation."

Sec. 2. The amendment made by the first section of this Act shall apply to dividends received after the date of the enactment of this Act.

With the following committee amendment:

Strike out all after the enacting clause and insert "That section 243 of the Internal Revenue Code of 1954 (relating to deduction for dividends received by corporations) is amended by adding at the end thereof the following new subsection:

"(d) CERTAIN DIVIDENDS FROM FOREIGN CORPORATIONS.—For purposes of subsections (a) and (b) of this section and for purposes of section 245, any dividend from a foreign corporation from earnings and profits accumulated by a domestic corporation during a period with respect to which such domestic corporation was subject to taxation under this chapter (or corresponding provisions of prior law) shall be treated as a dividend from a domestic corporation which is subject to taxation under this chapter."

"Sec. 2. Section 861(a)(2) of the Internal Revenue Code of 1954 (relating to treatment of dividends as income from sources within the United States) is amended by striking out the period at the end of subparagraph (B) and inserting in lieu thereof ', or', and by adding after subparagraph (B) the following new subparagraph:

"(C) from a foreign corporation to the extent that such amount is required by section 243(d) (relating to certain dividends from foreign corporations) to be treated as dividends from a domestic corporation which is subject to taxation under this chapter, and to such extent subparagraph (B) shall not apply to such amount."

"Sec. 3. The amendment made by the first section of this Act shall apply to dividends received after December 31, 1959, in taxable years ending after such date."

The committee amendment was agreed to.

Mr. MILLS. Mr. Speaker, H.R. 12036, which was introduced by our colleague on the committee, the Honorable ALBERT BOSCH, and which was unanimously reported by your Committee on Ways and Means with amendments, would provide that the 85 percent intercorporate dividends received deduction shall apply to dividends received by a domestic corporation from a foreign corporation if such dividends are paid by the foreign corporation out of earnings and profits accumulated by a domestic predecessor of the foreign corporation during a period that such domestic predecessor corporation was subject to the regular U.S. corporate income tax.

This bill is designed to provide relief from double taxation in a situation in which a domestic subsidiary of a U.S. corporation which, after having accumulated profits abroad is merged into or is reincorporated as a foreign corporation for other than tax avoidance reasons such as a foreign government requirement of local incorporation. In such case, the accumulated profits or the predecessor domestic corporation are carried over to the successor foreign corporation. Under present law, any dividends paid from such profits by the foreign corporation to the U.S. parent are fully taxable even though such profits had previously been taxed to the predecessor domestic corporation during the period in which they were accumulated.

H.R. 12036 relieves this double U.S. taxation by providing that dividends paid by a foreign corporation out of the previously taxed profits of a predecessor domestic corporation shall be treated as if they had been paid by such predecessor domestic corporation. That is, the 85-percent intercorporate dividends received deduction is available for any dividend received from a foreign corporation which is paid out of profits accumulated by a domestic corporation during a period in which the domestic corporation is subject to the regular U.S. corporate income tax.

The amendments contained in this bill will be effective with respect to dividends received after December 31, 1959 in taxable years ending after that date. The Treasury has indicated that it does not object to the enactment of this bill.

Mr. MASON. Mr. Speaker, the bill which has just passed the House with amendment would provide that the 85 percent intercorporate dividend received deduction is to be available when a foreign corporation pays a dividend out of earnings and profits if such earnings and profits were accumulated by a predecessor domestic corporation which was subject to the regular U.S. corporate income tax.

The bill as originally introduced would have amended section 902(c) of the Internal Revenue Code by deeming the payment of taxes by a foreign corporation that was a successor to a predecessor corporation that paid the tax. The amendment adopted by the committee was developed in cooperation with the staff of the Treasury Department.

In discussing this matter the committee gave consideration to the problem that arises with respect to a successor foreign corporation and whether or not a foreign tax credit would be available to the extent that a predecessor foreign corporation had paid or was deemed to have paid a tax. In regard to this problem the committee was advised that existing law is adequate to provide relief for such situations that arise in connection with a change of corporate character in respect of wholly owned foreign subsidiaries of U.S. parent companies. For example, if a foreign corporation which has paid creditable foreign taxes transfers its assets to a new foreign corporation in a tax-free reorganization, such creditable foreign taxes would transfer over to the new foreign corporation. By recommending passage of the present bill it is not intended to disturb such relief available under existing law.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to amend the Internal Revenue Code of 1954 with respect to certain dividends paid by foreign corporations."

A motion to reconsider was laid on the table.

TAXES PAID BY STATE LIQUOR STORES

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 9000) to pro-

vide that States and political subdivisions which operate liquor stores shall not be required to pay more than one tax as a retail dealer in liquor, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 5123(b) of the Internal Revenue Code of 1954 (relating to application of special tax on retail dealers in liquor where business is conducted in more than one location) is amended by adding at the end thereof the following new paragraph:

"(3) LIQUOR STORES OPERATED BY STATES, POLITICAL SUBDIVISIONS, ETC. No liquor store which is operated by a State, by a political subdivision of a State, or by the District of Columbia, shall be required to pay any special tax imposed under section 5121 if such State, political subdivision, or District has paid the applicable special tax imposed under section 5121."

(b) Section 5113(b) of such Code (relating to application of special tax on wholesale dealers in liquor to liquor stores operated by States, political subdivisions, etc.) is amended—

(1) by striking out "or Territory" and "Territory," each place such terms appear, and

(2) by striking out "if such liquor store" and inserting in lieu thereof "if such State, political subdivision, or District."

(c) The amendments made by subsections (a) and (b) shall take effect on July 1, 1960.

With the following committee amendment:

Strike out line 8 on page 1 and all that follows through line 4 on page 2, and insert:

"(3) LIQUOR STORES OPERATED BY STATES, POLITICAL SUBDIVISIONS, ETC.—A State, a political subdivision of a State, or the District of Columbia shall not be required to pay more than one special tax as a retail dealer in liquors under section 5121(a) regardless of the number of locations at which such State, political subdivision, or District carries on business as a retail dealer in liquors."

The committee amendment was agreed to.

Mr. MILLS. Mr. Speaker, H.R. 9000, which was introduced by our colleague on the Committee on Ways and Means, Hon. WILLIAM GREEN, of Pennsylvania, as reported by your Committee on Ways and Means, with amendments, would provide that only one retail liquor dealer's tax must be paid by any State or political subdivision which operates retail liquor stores, regardless of the number of stores operated.

Under present law, States and political subdivisions that operate retail liquor stores are, like private retail liquor dealers, required to pay a retail liquor dealer tax for each store location. In the case of private liquor dealers, the requirement that a tax be paid with respect to each store location prevents discrimination in favor of dealers having multiple locations. However, since retail liquor stores operated by governmental entities are invariably operated on a noncompetitive or monopoly basis, a tax on each

store location is not required to prevent competitive discrimination.

Accordingly, effective July 1, 1960, H.R. 9000 merely requires that States and political subdivisions that operate retail liquor stores need only pay one retail liquor dealer's tax.

The committee was unanimous in ordering this bill reported.

Mr. MASON. Mr. Speaker, section 5121 of the Internal Revenue Code requires retail liquor dealers to pay an annual occupational tax of \$54 for each location in which they carry on their business. This occupational tax applies to State and local government stores as well as to stores that are privately owned.

The Committee on Ways and Means has learned that in 16 States retail liquor outlets are operated by the respective State governments and in two other States they are operated by county governments. The fact that the occupational tax is applicable to each retail outlet results in the imposition of a significant tax on the respective State and local governments involved. Under the bill, H.R. 9000, the tax as it applies to retail outlets owned by State or local governments will be changed so that the occupational tax would apply only once with respect to a State or political subdivision or the District of Columbia regardless of the number of locations of retail outlets.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LIMITATION ON DEDUCTION IN CASE OF CONTRIBUTIONS BY INDIVIDUALS TO CERTAIN CHARITABLE ORGANIZATIONS

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 6066), relating to the deduction for income tax purposes of contributions to charitable organizations whose sole purpose is making distributions to other charitable organizations, contributions to which by individuals are deductible within the 30-percent limitation of adjusted gross income, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 170(b)(1)(A) of the Internal Revenue Code of 1954 (relating to limitation on amount of deduction for charitable contributions by individuals) is amended by striking out "or" at the end of clause (ii), by inserting "or" at the end of clause (iii), and by inserting after clause (iii) the following new clause:

"(iv) a corporation, trust, fund, or foundation exempt under section 501 and not denied exemption under section 502 (relating to feeder organizations), 503 (relating to

organizations engaged in prohibited transactions), or 504 (relating to organizations accumulating income) which is organized and operated exclusively for the purpose of distributing its net earnings for any taxable year on or before the 15th day of the third month following the close of such taxable year and such portion of the principle as may be deemed desirable to one or more of the organizations referred to in clauses (i), (ii), and (iii) of this subparagraph."

(b) Section 170(b)(1)(B) of such Code is amended by striking out "any charitable contributions to the organizations described in clauses (i), (ii), and (iii)" and inserting in lieu thereof "any charitable contributions described in subparagraph (A)".

Sec. 2. The amendments made by this Act shall apply only with respect to taxable years beginning after December 31, 1958.

With the following committee amendment:

On page 22, line 22, strike out "1958" and insert "1960".

The committee amendment was agreed to.

Mr. MILLS. Mr. Speaker, H.R. 6066, which was introduced by our late colleague on the Committee, the Honorable Richard Simpson, and which was unanimously reported by your Committee on Ways and Means, with amendments, would increase the limitation on the amount that individual taxpayers are permitted to deduct as contributions to certain charitable organizations.

Under present law, individuals are generally permitted to deduct up to 20 percent of their adjusted gross income for contributions made to, or for the use of, charitable organizations. However, if such contributions are made directly to churches, operating schools or hospitals, or related medical research organizations, this limitation is increased to 30 percent of their adjusted gross income.

The bill provides that for taxable years beginning after December 31, 1960, this 30-percent limitation shall also apply to contributions made to charitable organizations which are organized and operated exclusively for the purpose of distributing currently their entire net earnings to charitable organizations to which, under present law, contributions are subject to the 30-percent limitation. This permits taxpayers to be subject to the same deduction limitation whether they make direct gifts or indirect gifts to the organizations that qualify as recipients entitling the taxpayers to the maximum 30-percent limitation.

Mr. MASON. Mr. Speaker, this legislation is concerned with the limitation on the deductibility of charitable contributions by individuals.

It will be recalled that under present law individuals may deduct up to 20 percent of their adjusted gross income for charitable contributions with this maximum increased to 30 percent if the additional 10 percent goes directly to churches, educational institutions, hospitals, or affiliated medical research organizations. H.R. 6066 would allow the additional 10-percent deduction to be available in the case of contributions to foundations if such foundations are organized and operated exclusively for

the purpose of giving to churches, educational institutions, hospitals, or medical research organizations. The Committee on Ways and Means was unanimous in reporting this legislation favorably to the House.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GIFT AND ESTATE TAX TREATMENT OF RELINQUISHMENT OF CERTAIN POWERS

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 12329) relating to the gift and estate tax treatment of the relinquishment of certain powers in the case of reciprocal and other trusts, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1000 of the Internal Revenue Code of 1939 (relating to the imposition of gift tax) is amended by adding at the end thereof the following new subsection:

"(h) CERTAIN RECIPROCAL AND OTHER TRUSTS.—In the case of property in a trust created prior to June 7, 1932, if and to the extent that such property may be deemed to have been transferred to such trust by the spouse of the nominal grantor of such property by reason of the fact that such spouse has furnished in whole or in part the consideration for the creation of such trust, a relinquishment by such spouse on or before December 31, 1961, of any interest in or power over such property or the income therefrom shall not be deemed a transfer of the property for the purposes of this chapter. This subsection shall not apply to the relinquishment of either an unconditional right to receive principal or income or a general power of appointment (as defined in subsection (c)(3) over principal for income exercisable by such spouse alone."

(b) (1) Subchapter B of chapter 12 of the Internal Revenue Code of 1954 (relating to transfers for purposes of the gift tax) is amended by adding at the end thereof the following new section:

"Sec. 2518. Certain Reciprocal and Other Trusts.

"In the case of property in a trust created prior to June 7, 1932, if and to the extent that such property may be deemed to have been transferred to such trust by the spouse of the nominal grantor of such property by reason of the fact that such spouse has furnished in whole or in part the consideration for the creation of such trust, a relinquishment by such spouse on or before December 31, 1961, of any interest in or power over such property or the income therefrom shall not be deemed a transfer of the property for the purposes of this chapter. This subsection shall not apply to the relinquishment of either an unconditional right to receive principal or income or a general power of appointment (as defined in section 2514 (c)) over principal or income exercisable by such spouse alone."

(2) The table of sections for such subchapter B is amended by adding at the end thereof the following:

"Sec. 2518. Certain reciprocal and other trusts."

(c) In the case of a decedent who relinquished on or before December 31, 1961, a power or interest described in section 1000 (h) of the Internal Revenue Code of 1939 or section 2518 of the Internal Revenue Code of 1954, such relinquishment, for the purposes of sections 2036, 2037, and 2038 of the Internal Revenue Code of 1954, shall be deemed not to have been made in contemplation of the death of such decedent and shall be deemed not to have been a transfer of property by such decedent if such relinquishment, by virtue of the enactment of this Act, is not deemed a transfer of property for the purposes of the gift tax. In the case of a decedent who died after August 16, 1954, and prior to December 31, 1961, without relinquishing such a power or interest, the existence of the power or interest shall not cause the trust property to be includible in the decedent's gross estate under section 2036, 2037, or 2038 of the Internal Revenue Code of 1954.

With the following committee amendments:

Page 2, line 3, strike out "on or before December 31, 1961."

Page 2, line 25, strike out "subsection" and insert "section".

Page 3, line 18, strike out "prior to" and insert "on or before".

The amendments were agreed to.

Mr. MILLS. Mr. Speaker, H.R. 12329, which was introduced by our colleague on the committee, the Honorable JACKSON BETTS, and which was unanimously reported by your Committee on Ways and Means with amendments, deals with the gift and estate tax treatment of certain interests in and powers over property which was transferred in trust prior to June 7, 1932, and which, under subsequent court decisions, was deemed to have been transferred to such trust by the spouse of the nominal grantor under the reciprocal trust doctrine.

The bill provides, with certain exceptions, that the release of any such deemed interest in or power over the trust property prior to December 31, 1961, shall not be considered a transfer for gift tax purposes, nor shall any such release be considered a transfer in contemplation of death for estate tax purposes. The bill further provides that if the holder of any such interest or power dies at any time during the period from August 16, 1954, to December 31, 1961, without having released his rights in the property, the property shall not be included in his estate for estate tax purposes.

The relief provided in this bill is somewhat similar to that provided in the Technical Changes Act of 1949 except that the 1949 act for the most part dealt with reciprocal trusts created after June 7, 1932, while this bill is concerned with trusts created before that date.

Mr. MASON. Mr. Speaker, the purpose of the legislation which has just passed the House is to alleviate a possible tax hardship by extending relief from gift and estate taxes to a person who is not the nominal grantor of a

trust but is considered the grantor because the trust was created by such person's spouse. The bill would permit such a person who is considered the grantor to relinquish the power of property or to relinquish an interest in property without incurring liability for gift tax. The bill also provides that if the power or interest is relinquished before January 1, 1962, the relinquishment will not be considered a transfer of the property by such person for estate tax purposes.

The bill is limited in its applicability to trusts created before January 7, 1932. The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF SECTION 902(B) OF INTERNAL REVENUE CODE

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 11681) to amend section 902(b) of the Internal Revenue Code of 1954 to allow a credit for foreign taxes paid by a foreign corporation 20 percent or more of the voting stock of which is owned by another foreign corporation in which a domestic corporation has a substantial stock interest, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, could we have a brief explanation of this bill since it deals with foreign corporations?

Mr. MILLS. Mr. Speaker, H.R. 11681, which was introduced by our colleague on the committee, the Honorable Victor Knox, and which was unanimously reported by your Committee on Ways and Means without amendment, deals with the allowance of the foreign tax credit in a situation in which a domestic corporation owns stock in a foreign corporation which, in turn, owns stock in a second foreign corporation or in a "sub-of-a-sub" as it is sometimes called.

Under present law, the domestic corporation cannot claim a credit for foreign taxes paid by the second foreign corporation unless the first foreign corporation owns 50 percent or more of the stock of the second foreign corporation. Your committee has been advised, however, that a number of foreign countries prohibit a 50-percent ownership of the stock of their corporations by other foreign corporations and that the present 50-percent requirement raised problems and inequities where there was multiple ownership of a foreign corporation by two or more other foreign corporations.

Accordingly, H.R. 11681 is designed to overcome these objections by reducing the present 50-percent stock ownership requirement in the second foreign corporation to 20 percent.

The change made by this bill is to be effective with respect to dividends received by domestic corporations in taxable years ending after date of enactment.

Mr. GROSS. I see the gentleman from West Virginia on the floor. Perhaps he would like to ask the question he did a moment ago with respect to the bill, H.R. 5.

Mr. MILLS. This has nothing to do with H.R. 5. The bill, H.R. 5, did not deal with foreign corporations. That bill, H.R. 5, dealt with the situation of an American corporation doing business in a foreign country.

Mr. GROSS. Yes.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 902(b) of the Internal Revenue Code of 1954 (relating to foreign tax credit for corporate shareholders in foreign corporations) is amended by striking out "50 percent" and inserting in lieu thereof "20 percent".

Sec. 2. The amendment made by the first section of this Act shall apply with respect to dividends received by domestic corporations described in section 902(a) of the Internal Revenue Code of 1954 in taxable years of such corporations ending after the date of the enactment of this Act.

Mr. MASON. Mr. Speaker, present law permits a domestic corporation owning 10 percent or more of the voting stock of a foreign corporation to claim a foreign tax credit for foreign income taxes paid by the foreign corporation. Present law also allows a foreign tax credit to a domestic corporation with respect to foreign taxes paid by a subsidiary that is owned 50 percent or more by another foreign corporation which in turn is owned 10 percent or more by the domestic corporation.

H.R. 11681 would reduce the 50 percent ownership requirement in the case of a subsidiary of a subsidiary to a 20 percent ownership test. It is the national policy in several foreign countries to preclude ownership by a non-national of as much as 50 percent interest in one of their domestic corporations. Such a policy makes it impossible for an American corporation to operate a foreign subsidiary in these countries and receive a foreign tax credit with respect to dividends of any foreign corporation. Another meritorious aspect of the change proposed in the bill H.R. 11681 is that it will provide to American business increased opportunity to participate in world commerce through the partial ownership of foreign economic enterprises.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNOUNCEMENT AS TO PROGRAM

Mr. MILLS. Mr. Speaker, those are the bills that will be called from the list read by the majority leader on Monday. It is not my purpose today to call up the bill, H.R. 3176, or the bill, H.R. 11584, which are two bills which are on that list, because notice has been served that there will be objections to those bills—one by the gentleman from Ohio

[Mr. AYRES] and the other by the gentleman from Indiana [Mr. HALLECK].

MARKING OF NEW PACKAGES FOR IMPORTED ARTICLES

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5054) to amend the Tariff Act of 1930 with respect to the marking of imported articles and containers, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 12, after "account." insert "This subsection shall not apply in cases where the Secretary of the Treasury finds that compliance with the marking requirements of this subsection would necessitate such substantial changes in customary trade practices as to cause undue hardship and that repackaging of the article in question is otherwise than for the purpose of concealing the origin of such article."

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

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

Mr. MILLS. Mr. Speaker, I ask unanimous consent to extend my remarks on the amendment at this point, and also that the gentleman from Illinois [Mr. MASON] may have the same permission.

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

There was no objection.

Mr. MILLS. Mr. Speaker, as the Members of the House will recall, H.R. 5054 amended section 304(b) of the Tariff Act of 1930, to provide that articles of foreign origin whose container must be marked, if removed from that container, repackaged, and offered for sale in the new package by an importer, jobber, distributor, dealer, retailer, or other person, such new package shall be marked in such a way as to indicate to the ultimate purchaser in the United States the English name of the country of origin of the article. The importer's liability would be limited to the repackaging done by him or for his account.

As indicated in the report of the Senate Finance Committee, as the bill passed the House, it could possibly result in hardship on some items, even though customary procedures were followed and there was no intent to conceal the country of origin of the imports. Accordingly, the Committee on Finance adopted an amendment, which was accepted by the Senate, which provides that in cases where the Secretary of the Treasury finds that compliance would necessitate such substantial changes in customary trade practices as to cause undue hardship and that the repackaging in question was otherwise than for the purpose of concealing the origin of the article, the requirements of H.R. 5054 would not apply. A number of cases would thus be excluded from the requirements of the

bill. For example, the cleaning and mixing of spices and subsequent repackaging in the same type of packages that have, for a long time, been recognized by ultimate purchasers and consumers, would not come under the purview of the bill as amended. The same would apply to the packaging of such items as tea, chocolate, mixed nuts, olive oil, and related products.

I urge that the House accept the amendment of the Senate.

Mr. MASON. Mr. Speaker, I have concurred in the request of the Chairman of the Ways and Means Committee that the House accept the Senate amendments to H.R. 5054. This amendment is essentially to improve the House bill and has been explained by my colleague from Arkansas [Mr. MILLS]. The Senate amendment would alleviate some hardships that might result from the House approved language and would improve the administrative requirements under the bill.

Mr. MILLS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

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

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

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

Mr. BAILEY. I understand you are clearing the calendar of the Ways and Means Committee on a series of pieces of legislation. I would just like to remind my colleagues in the House that I have had pending before the Ways and Means Committee since sometime in February a request for a hearing on House Concurrent Resolution 512, which would make no further reduction in our import duties for a period of 2 years. That request was signed by 42 Members who introduced the same sort of resolution, and it was also signed by 112 additional Members of Congress, making a total of 154.

I am curious to know why I have not been granted an opportunity to be heard by the Ways and Means Committee on legislation which is of so much interest.

Mr. MILLS. The committee has had a great many matters referred to it that it has not been able to consider, including the proposition discussed by the gentleman from West Virginia. The committee has spent all of its time on something during the year, but we have not been able to consider everything we have been asked to consider.

Mr. BAILEY. May I ask the gentleman that perhaps that be placed on the agenda of the committee when the Congress reassembles in January?

Mr. MILLS. Not for the remainder of this session, and I cannot make any statement as to the next session because I might not be here.

Mr. BAILEY. There will be some other present member of the committee who will be here.

Mr. MILLS. That person would have to make the statement.

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

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

Mr. ROOSEVELT. I notice that in the medical aid bill passed by the other body there is a provision for increasing the amount that may be earned.

Mr. MILLS. Without any provision for an increase in taxes. Yes.

Mr. ROOSEVELT. I would like to express the hope that the House conferees look with sympathy upon the Senate amendment, because I believe the amendment has considerable support in the House.

Mr. MILLS. We look with a great deal of sympathy on any suggestion by the other body.

U.S. CITIZENS COMMISSION ON NATO

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 587 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (S. J. Res. 170) to authorize the participation in an international convention of representative citizens from the North Atlantic Treaty nations to examine how greater political and economic cooperation among their peoples may be promoted, to provide for the appointment of United States delegates to such convention, and for other purposes. After general debate, which shall be confined to the resolution, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the resolution shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the resolution for amendment, the Committee shall rise and report the resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Indiana [Mr. MADDEN] is recognized.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 190]

Andrews	Kearns	Murray
Barry	Kee	Nix
Baumhart	Kilburn	Norrell
Bentley	Kirwan	Powell
Bolling	Landrum	Preston
Bowles	Lankford	Quie
Celler	Loser	Rogers, Mass.
Davis, Tenn.	McCulloch	Smith, Kans.
Dawson	McDowell	Smith, Va.
Durham	McSween	Spence
Grant	Macdonald	Thompson, La.
Healey	Magnuson	Thompson, N.J.
Hebert	Mahon	Tollefson
Hess	Mitchell	Vinson
Ikard	Morrison	Withrow

The SPEAKER pro tempore (Mr. HOLLAND). On this rollcall, 385 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

U.S. CITIZENS COMMISSION ON NATO

The SPEAKER pro tempore. The Chair recognizes the gentleman from Indiana [Mr. MADDEN].

Mr. MADDEN. Mr. Speaker, House Resolution 587 provides for the consideration of Senate Joint Resolution 170, a resolution to authorize the participation in an international convention of representative citizens from the North Atlantic Treaty nations to examine how greater political and economic cooperation among their peoples may be promoted, to provide for the appointment of U.S. delegates to such convention, and for other purposes. The rule is open with 1 hour of general debate.

Senate Joint Resolution 170 would create a Commission of not more than 20 private U.S. citizens to be appointed jointly by the President of the Senate and the Speaker of the House after consultation with the Foreign Relations and Foreign Affairs Committees. The Commission would be directed to seek to arrange and participate in a convention attended by similar Citizens' Commissions from the other NATO countries for the purpose of developing paths toward greater political and economic cooperation within the alliance.

Since the creation of the North Atlantic Treaty Organization 11 years ago, the principal focus of the organization has been on greater military cooperation and collaboration among the signatories. This was, and still is, a necessary function. During the past several years there has developed within the NATO community a recognition that such cooperation and collaboration should extend into the political and economic areas, not only to counter the stepped-up Soviet bloc economic offensive, but to add strength to NATO's military efforts.

It is clearly the intent of the Congress that the citizens appointed to the Commission are not to be spokesmen for the U.S. Government. The executive branch is the recognized channel for official communications between governments.

Members of the Commission would serve without compensation but would be reimbursed for their expenses. They would be authorized to employ and remunerate a staff of not more than 10 members. While in no way enabled to represent the United States officially, the Commission would report and account for its expenditures to Congress. Not to exceed \$300,000 would be authorized to be appropriated for the resolution's purposes; not more than \$100,000 of that sum would constitute the Commission's share of expenses in any international conference. The Commission would cease to exist on January 31, 1962.

Mr. Speaker, I urge the adoption of House Resolution 587.

I yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

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

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

Mr. GROSS. Does the gentleman have any idea where the pressure comes from for this junketing organization?

Mr. MADDEN. I have no idea where the pressure came from for the organization of these proposed conventions, but I think it has been too long delayed. It has been several years ago, when we had legislation on the floor pertaining to our foreign problems, when I made the suggestion that we should have some kind of a convention or committee of free nations to combine our efforts against the economic pressures of the Communists. This is similar to the organization we have under NATO against the military pressure of the Communist organizations.

Mr. GROSS. Can the gentleman tell us how many of these advisory commissions we already have in the international field?

Mr. MADDEN. I only know of one, and that has made a very valuable contribution to the cold war and that is the Atlantic Alliance. That organization has made a great contribution in combating the Soviets in the cold war, but I think we have delayed too long in having an organization of representatives of free nations working together to combat the political and economic encroachments of Communist nations. I think this is the beginning of a program that has been too long delayed.

Mr. GROSS. Does the gentleman know whether this is another General Draper proposition?

Mr. MADDEN. I do not think there would be any question but what the Members who know the purpose of this organization will believe that it will be highly effective in aiding our trade and international relations. It would not cost a great deal outside of the expenses of these conventions or meetings.

Mr. GROSS. The gentleman knows this will cost \$300 million?

Mr. MADDEN. I think compared with the \$40 billion that we appropriate annually for armament this represents a small contribution in an effort for preservation of the free world.

Mr. GROSS. General Draper is one of the main springs in promoting this.

Mr. MADDEN. I have no knowledge about General Draper, but I do know that the purpose of these conventions will certainly contribute a great deal toward curbing the Communist economic aggression.

Mr. GROSS. Is this the same General Draper who was or is chairman of the board of a power company in Mexico?

Mr. MADDEN. I would not be able to answer that.

Mr. GROSS. I hope before the debate is over somebody will give us a little information as to who is promoting this enterprise and the real reason for it.

Mr. MADDEN. I think it is a very laudable and economical program, compared with the billions we are spending on armament. We should spend a few

million dollars to help curb the global economic expansion of the Communists.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I might desire.

Mr. BROWN of Ohio. Mr. Speaker, as the gentleman from Indiana [Mr. MADDEN] has explained, this resolution makes in order consideration of Senate Joint Resolution 170, with 1 hour general debate, and it is an open rule.

The purpose of the Senate Joint Resolution 170 is to name a U.S. Citizens' Commission on NATO, made up of 20 individuals who will have no power to commit the U.S. Government, according to the resolution, but will be authorized, after they have been appointed by the Speaker of the House and by the President of the Senate, to enter into negotiations with other nations belonging to NATO for the holding of conferences and conventions to discuss matters affecting the NATO nations, although, as I said a moment ago, the Citizens' Commission will have no authority to commit the U.S. Government in any way.

The joint resolution further provides this special Commission of 20 citizens, which will have no power or authority to bind the United States in any way, according to the resolution, will be provided with a temporary professional and clerical staff of not more than 10 persons, whose compensation shall not exceed the maximum rates authorized for committees of Congress, which runs up to, I believe, \$16,000 or \$18,000 a year per individual.

It further provides the U.S. Government, through the Treasury, shall pay up to \$100,000, but not in excess of that amount, toward the cost of holding these joint international conferences of citizens representing the various NATO governments.

Finally, it provides the members of the Commission shall serve—that is, the 20 to be appointed—without compensation, but shall be reimbursed for, or shall be furnished with, travel, subsistence, and other necessary expenses incurred by them in the performance of their duties under this resolution, but not to exceed \$300,000.

Frankly, I am not as well informed on some of our foreign relations or our activities in the diplomatic field as I would like. I noted a moment ago the question was asked as to what Americans might be supporting this legislation. I notice in the committee report that Dr. Edward H. Litchfield, chancellor of the University of Pittsburgh, who I understand is a very able educator, is one; Percival F. Brundage, former Director of the Bureau of the Budget is another; and Clarence K. Streit who, I believe, was a sponsor of the "union now" movement, is another. If this resolution prevails, I hope it will not result in our giving up any of our national sovereignty under a "union now" arrangement of any kind. I notice Mr. HAYS, our colleague in the House, and an able member of the Committee on Foreign Affairs, was another witness. The committee also had statements filed by William L. Clayton, former Under Secretary of State, and others.

This is the type legislation I feel should be debated fully, freely, and frankly, so all the Members of the House may be well informed on it.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. The gentleman has been here a long, long time, and has rendered an exceptionally valuable service. The gentleman mentioned Mr. Streit. Does he happen to recall anything about his activities? The name has a familiar ring to me.

Mr. BROWN of Ohio. I said I understood he was the author of a number of books, and had also appeared before the Congress, in favor of some sort of a plan of union now, or an Atlantic Union, or something of that sort, in which there was some question involved as to whether or not the Government of the United States, by joining such a movement, might not surrender some of its sovereignty. Of course, that is something with which I cannot agree.

Mr. HOFFMAN of Michigan. That was some years ago. Is he the gentleman who advocated this one world organization that we had shown here on the floor some time ago?

Mr. BROWN of Ohio. That is my understanding, from the testimony given before the Rules Committee when this legislation was before that committee some time before the recess, or the present summer session of Congress was even thought of.

Mr. HOFFMAN of Michigan. Did he advocate that plan? The gentleman will remember that our great President Roosevelt had a birthday and at that time there came before the House a resolution to appropriate a million dollars to provide a sort of a constitution for that organization, then \$100 million to put it into effect. Is that the same outfit?

Mr. BROWN of Ohio. I am sure the gentleman's memory is much better than mine. I do not recall the details of the legislation mentioned, and I am certainly not an authority on all the many activities of Mr. Streit. I would not want to pose as an authority of Mr. Streit, or his position on American or world activities.

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

Mr. BROWN of Ohio. I yield to the gentleman from Iowa.

Mr. GROSS. I note on page 2 of the resolution this provision:

The U.S. Citizens Commission on NATO is not in any way to speak for or to represent the U.S. Government.

Now, is this not a strange situation wherein we have private citizens on private missions, paid for out of Government funds?

Mr. BROWN of Ohio. I think I made it clear in my statement that under the provisions of the resolution this Citizens Commission would have no authority to bind the U.S. Government in any way.

Mr. GROSS. Well, then, how, under the Constitution of the United States,

can Federal funds be used to pay the expenses of private citizens on private missions?

Mr. BROWN of Ohio. That is a matter the gentleman himself will have to pass upon. Sometimes I wonder if the Constitution is still in effect in this country. The gentleman will have to decide the answer to his question himself.

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

Mr. BROWN of Ohio. I yield to the gentleman from Ohio.

Mr. HAYS. I would like to say, to clear the matter up, that that was put in deliberately to make it crystal clear that while this Commission could make recommendations, it had no authority to commit the Government to those recommendations, and I think that is the way everybody would want it.

Mr. BROWN of Ohio. I believe such testimony was presented to the Committee on Rules, I may say to the gentleman.

Mr. Speaker, I now yield 5 minutes to the gentleman from Pennsylvania [Mr. CORBETT].

Mr. CORBETT. Mr. Speaker, I rise in support of this rule and this bill. I am fearful that too many Americans do not recognize that NATO is the sword and the shield of the free world and that everything possible that can be done to strengthen that alliance is a blow against communism.

Mr. Speaker, I know very definitely that the one thing that the Communist conspiracy would most like to accomplish is the destruction of the North Atlantic Treaty Organization. Consequently, when we have an opportunity to draw together responsible citizens from all of the NATO countries, and when we have an opportunity to benefit from their thinking on political and economic and social matters, and when we recognize that this can be done for a cost not to exceed \$300,000 it looks like a real bargain. In view of all of our numerous expenditures on foreign aid of all kinds, this resolution and this bill presents an opportunity that this Congress and this Nation cannot well afford to sacrifice.

There has been some questions raised about where this idea originated. I can tell you that in the Parliamentarian's Conference in 1957 it was unanimously recommended that such a conference as this be held and such a conference was held in 1959. Again, the Parliamentarian's Conference in 1959 reaffirmed the value of the citizens conferences and requested that such a conference be held in 1960.

Mr. Speaker, I recommend to this House that it act favorably upon the rule and upon the bill and in doing so recognize further that this is one of the finest things that the Congress can do to help stop the Communist threat in the free world.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Wyoming [Mr. THOMSON].

Mr. THOMSON of Wyoming. Mr. Speaker, I am impressed with many of the purposes that have been mentioned with respect to this proposed legislation.

However, whenever I find more commissions to be appointed, particularly commissions to serve without compensation, I must say I tend to have some misgivings. It seems to me that that experience shows that they tend to become a lobby for a certain position. I rather prefer to see people who are going to serve the Government of the United States paid for their services. Then I know that all people who are available to serve can serve. Further, they are then obligated to serve the interests of all the people of the United States who are paying them.

Another thing that concerns me about this legislation as I listen to this debate is this: As politics has become more intense, I have heard some Democrat critics of the foreign policy of this country charge that there is no positive clear position of this country. If such a body as this were appointed, one that is not responsible to anyone, speaks for no one, how can what they do be correlated with the activities of the State Department, with the activities of the executive branch? I do not mean that in criticism of anyone who may serve, but it seems to me that if we are going to have a clear and positive foreign policy, we must have a well coordinated management of our foreign affairs with clear lines of responsibility and authority.

Mr. Speaker, I would like to ask this question: Why cannot this work be done within the framework of our regularly constituted Government agencies? Why do we need what might be designated as rump organizations who may come up with separate and different ideas, are responsible to no one and speak for only themselves but are supported by all the taxpayers. May their positions not be fodder for Communist propaganda? I think this proposal needs to be explained and explained carefully. I shall vote for the rule and shall listen to the debate carefully, but I have a deep concern when I see a commission proposed to be appointed, such as this, without compensation and outside the direction of the people who are responsible for the foreign affairs of this country.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

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

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, I was just leaving the floor for an office appointment, when by the gentleman from Ohio [Mr. BROWN], speaking on the rule, my attention was drawn to the resolution itself and to the fact that its purpose was but another enlargement of what since 1942 and perhaps before has been an ever-growing and continuing effort to give away parts of our national sovereignty, to, in addition, distribute abroad what some might assume to be surplus dollars. In truth and in fact our national and our per capita debt and individual tax-

payers' burden are both greater than that of any other nation, any other people.

To those familiar with the history of our country, with the suffering, the sacrifices, the cost our people endured through 8 long years of the War of Independence, there would seem to be neither logic nor good sense in surrendering any part of the independence then won from George III.

The Boston Tea Party has been forgotten by those who now participate in social functions, and tea is no longer the favorite beverage.

One bill passed this session carried a million dollars for entertainment.

We have had so much personal freedom, enjoyed so many material benefits, forgotten so many fundamental principles, that the sacrifices of the people of those days seem to have been in vain, our lofty statements insuring man's opportunity, prosperity, security, wholly forgotten.

All that was then won has from time to time been frittered away and what is the argument that is advanced to justify past and proposed expenditures and surrender?

Not once but many times have I listened to its advocates attempt to point out the benefits which we as a people and as a nation have received from the policy which they have advocated and forced upon our citizens and the expenditures which we have incurred under it.

Today, there was handed to me a statement showing that we had contributed to Latin nations somewhere between \$800 and \$900 million since 1946.

How much we have spent in attempting to carry out foreign policy no one is able to accurately state. We do know that our expenditures and obligations are running close to \$100 billion.

Let me repeat—what are our advantages? What have we won? We are told that we have avoided war. True, we have not as yet engaged in a shooting war. Whether war would have come had we not followed this policy is problematical. The answer is not certain.

Boiled down, the argument of the advocates of this measure is that, had it not been for our international policy, for our expenditures, we might have fared worse.

Logically the argument sums up to the familiar one that, if the individual did not each day carry an umbrella and a raincoat, he would continually be all wet. Yet even the advocates of this measure will admit that it does not rain every day and that there can be no worse fate befall us or our Nation than the surrender of our independence, of opportunity, of the acceptance of a dictator.

Instead of being free from fear, instead of being secure both as a nation and as individuals, instead of being free to govern ourselves, we find that we are so far committed to cooperation with other nations that those in authority in Cuba, just off our shores, are able to defy us.

We find we can take no action to protect either our citizens or their property in that island until we have secured the

consent of other members of the agreement into which we have entered, it is said, for national defense and security.

And what do the papers of today tell us? Is there peace throughout the world? Almost everywhere there is trouble, one nation at the throat of another. Nation after nation, no matter how small, threatening to involve us in another world war which the advocates of this measure seem to think can only be avoided by the creation of another advisory body and the expenditure of additional funds. F. D. R. told us we had nothing to fear but fear itself. Fear is with us all the time, forcing us each day into unsound action.

Just a few days ago a native of the Congo, reportedly without funds to even pay for his own transportation to this country, defied the United Nations and told it to get out of that country.

True, a few days later, realizing his impudence, his total lack of power, he withdrew his threat. But there is still with us the prospect of another world war. In an early August issue of *Life* my attention was drawn to a picture of a young American fleeing pursuit by natives of the Congo who carried spears. What was he doing in the Congo? He was an officer—a pilot—in charge of a helicopter, likewise shown in the picture, sent in by the United States to rescue a missionary.

We have dropped into the habit, as individuals, of assuming and believing that the disasters of our foreign policy will not affect us as individuals. But this young man was the son of next-door neighbors in my small home town of Allegan, Mich., Mr. and Mrs. Rock Myers. It was their son, a companion of my grandsons—one in the Navy, another in the Army in Germany—born and reared in that little town, who was fleeing for his life from natives who apparently, from all we can learn, are not capable of enjoying the independence, the freedom, the liberty, the opportunities, which the international organization has forced upon them.

The incident shows that we cannot with safety delegate to other nations the solution of the problems which affect us, which are brought upon us by our vain attempt to, by law, confer liberty and independence upon people who do not know their meaning, or endow others with the benefits of the civilization which we now enjoy and have earned through years of hardship and effort.

The chosen representative of the Congo who has so recently assumed to tell the United Nations what it should or should not do; the ruler of Cuba, just outside our door, who defies us when we attempt to protect our citizens, as well as others, are emboldened, encouraged in their unjustifiable assumptions by the fact that we can no longer exercise our own authority for our own protection and the protection of our people without the consent of other nations. We have lost our independence.

We seem to have completely forgotten the statement of Robert G. Harper, a Member of Congress from South Carolina, who said: "Millions for defense but not a cent for tribute."

We seem to have forgotten that a Teddy Roosevelt ever existed. We seem to have surrendered everything we won at the Boston Tea Party, by the War of Independence. And there seems to be nothing that a minority of us can do to prevent the repeated creation of a new commission, a new agency, a new department, a new appropriation running into billions of dollars.

As long ago as January 27, and again on January 30, 1942, it was my privilege to call to the attention of the Members of Congress what I considered to be the unsoundness of the move then on foot to create a one-world organization, the United Nations, to which we now turn as does an alcoholic to his bottle.

What was then said will be found in the CONGRESSIONAL RECORD, volume 88, part 1, 77th Congress, 2d session, pages 744 to 745, January 27, 1942; and CONGRESSIONAL RECORD, volume 88, part 1, 77th Congress, 2d session, pages 886 to 889, January 30, 1942.

I sent to the office and obtained a copy and will insert it at this point to show that today's proposal is but another step on the long and ruinous road then pointed out:

DON'T HAUL DOWN THE STARS AND STRIPES
(Remarks of CLARE E. HOFFMAN of Michigan,
in the House of Representatives)
(Jan. 27, 1942)

Mr. HOFFMAN. Mr. Chairman, on the assumption that, following the Declaration of Independence, guided by the principles enunciated in the Constitution, our people have established here a nation where the average man enjoys a greater degree of material prosperity, intellectual advancement, and religious freedom than in any other part of the world, the people of these United States of America are fighting a war, so it is said, to carry those blessings to all other people.

That war, the cost of which no man can estimate and which, if carried on according to present plans, will take the lives of millions of American men, the President and his supporters tell us, is being fought to bring to other peoples the same right of independence and self-government which we have enjoyed.

The hypocrisy of those who claim that to be the purpose of our present involvement in this war is clearly demonstrated when we receive from them a petition to repudiate our own independence, surrender our existence as an independent nation, and become a part of a United States of the World.

It is quite true that, under our Constitution, men have the right of a free press and free speech; that, under the provisions of that Constitution and the security granted by it, they may advocate its repudiation. Therefore, the man Streit and all those who join with him in asking us to surrender our independence and become a part of a world nation are within their legal rights.

However, Hitler, Mussolini, Hirohito are, it is said, also seeking to destroy our independence and make us a part of a world group. Streit and his associates seek to accomplish the same end—the destruction of our independence—by a more subtle and a peaceful method, and they say for a different purpose.

Our Constitution was adopted in order that there might be formed a more perfect Union of the States. Streit and his adherents would destroy that Union. This Nation of ours is a Union of 48 States. The Civil War was fought to preserve that Union. Most of us many times have said:

"I pledge allegiance to the flag of the United States and to the Republic for which

it stands, one nation indivisible, with liberty and justice for all."

THEY WOULD BETRAY US

Streit and his associates now repudiate that pledge of allegiance to the Republic, "one nation indivisible," and would make it a part—and only a part—of a world nation.

Misapplied ambition is a ruinous thing. Unchecked, it destroys everything it touches, tearing down the good with the evil it seeks to end.

"To reign is worth ambition, although in hell. Better reign in hell than serve in heaven."

This country of ours, for more than 150 years, has not only been the haven but the heaven of those who in other lands were oppressed, enslaved, and denied opportunity. Yet Streit and Ickes and their associates, however distinguished they may be, would rather form and reign in a hell made up of all the nations of the world, of all the people of the world, than serve under the Constitution to which they have pledged allegiance, in a land where all have equal opportunity.

Ever since the President had his conference with Churchill on the high seas, we have been hearing from editorial writers, radio commentators, and New Deal spokesmen of the United Nations. Now comes a member of the President's Cabinet, Ickes; a member of the U.S. Supreme Court, Roberts; both of whom have sworn to uphold and defend the Constitution, and add their endorsement to the Judaslike betrayal of our people into and as one of a United States of the World.

While Germany, Italy, and Japan seek by force of arms to overthrow us as a nation, to make us subservient to a group of world powers headed by themselves, Streit and his associates seek, through propaganda, to accomplish the same thing and make us a part of a United States of the World, dominated by England, Russia, China, and whatever other nations may seek to participate in a world redistribution of the wealth of the United States and its people.

Alexander the Great wept because there were no other worlds to conquer. Is not Franklin Delano Roosevelt satisfied with being a third-time President of the United States, an honor which the patriotism of Washington forbade him to accept? Is he not satisfied with his opportunity of conquering the whole world, far greater than in Alexander's day? Are his spokesmen behind this move to surrender our independence, our national existence; become a part of a United States of the World, and make Franklin Delano Roosevelt the president of that world nation?

Yes; ambition is a cancerous growth and often in the past, as history discloses, has destroyed the one who harbored it. Alexander was ambitious. Caesar was ambitious. Napoleon was ambitious. Hitler was ambitious. But the people who were the playthings of their ambition suffered and died. So, too, if this move to make us a part of a world nation—and a subservient part at that—goes through, will our people suffer, our independence, our Nation die.

It is said that we are the richest nation in the world. It is undeniable that the average citizen of these United States of America enjoys more of everything that goes to make man contented and happy than the people of any other land or nation. And yet these men, like Judas, who betrayed his Master, would, before we are fairly in this war, betray our people; surrender our independence; connive to destroy our liberty and our freedom. They would surrender that for which the war is being fought—our national existence—before the war is fairly begun.

Let them be stripped of their hypocrisy. Let us expose them for what they are—enemies of the Republic, boring from within.

They seek to take advantage of our involvement in this war and while the attention of the people is directed to the winning of the war. They would do what the armies of the Confederacy could not accomplish—destroy us as a nation, one and indivisible; make us a part of the United States of the World, where the communistic Russian, who denies the existence of God, where the Chinese, the Hottentot, and the people of India would have equal voice in curtailing the liberties, spending the tax money, of American workers, farmers, and businessmen—a United States of the World where all the peoples of the world would be glorified participants in a WPA, a PWA, a Federal housing program, the triple A—a program to rebuild after the war all the cities, towns, and villages which may be destroyed in that war—and all at the expense of the American taxpayer.

Oh, that Streit and all his associates who are dissatisfied with our Declaration of Independence, with the working of our Constitution, with our country, would only go and take up permanently their residence in some one of the many countries whose system of government they evidently so greatly admire.

Let Streit go and live with the Chinese. Let Ickes go to Russia and live with the Communists, who tell us that religion is a fraud. Let Justice Roberts sojourn a while in India with Gandhi, who is demanding that Britain grant freedom to millions of the oppressed in his native land.

If the administration wants to win this war, let it put aside the ambition of the President's advisers to make him or one of themselves a president of the world. Let this administration get rid of the more than a thousand Communists on the Federal payroll—bloodsuckers seeking to destroy our national existence.

Let the ambitious politicians remember that the first thing, the important thing, is the winning of the war, and that the American people will only devote themselves enthusiastically and wholeheartedly to that purpose as they believe in our own Government, the maintenance of our own freedom and independence.

A BIRTHDAY GIFT (January 30, 1942)

Mr. HOFFMAN. Mr. Speaker, inasmuch as it is the President's birthday, it may not be out of place to call attention to the fact that a birthday gift has been requested of Congress for the Chief Executive.

The 4th day of July 1776 was the day when our Declaration of Independence was adopted. Here is an organization which undoubtedly has expended considerable sums, which now proposes to celebrate the President's birthday by having Congress adopt a resolution doing away with the Declaration of Independence. I do not know; I have not been able to learn, whether any Member of the House has introduced such a resolution.

I have introduced a resolution—it was introduced yesterday—House Resolution 425—asking for the appointment of a committee to investigate the purpose and ascertain who are the members of these two or three organizations which advocate the surrender of our independence and the sources from which they derive the funds which they are spending.

This movement to surrender our independence and become a part of a world supergovernment has the support of Cabinet Member Ickes, Justice Roberts of the Supreme Court, Federal Union, Inc., Red Christian Fronters, and Communists.

While we are celebrating today the President's birthday we should have this other movement in mind. There are many of us who in the past have bitterly opposed some

of the President's political policies. There are some of us who will continue to oppose those domestic policies while giving him support in the effort to win the war. There is none, however, who should in my judgment at least not be able and willing to join in the hope that God will grant him many happier returns of the day. We can all join in the request that God give him wisdom, and strength, and courage to frown upon such efforts as the one which is here suggested.

THE DAY FIXED FOR OUR BETRAYAL

The people will now back this administration in this war effort, they will give wholehearted support to the Army, the Navy, and the Air Force; but how about the future when the people learn that there is in administration circles, or at least entertained by one member of the Cabinet the purpose to destroy our independence?

The answer to that question depends upon whether they consider the war a just war; a worthwhile war; a war to preserve our independence; a war to perpetuate our Nation; a war to protect our freedom and our liberty.

At the present time, our people believe that this war must be won. They are willing, even though it cost billions of dollars, millions of lives; even though it means the lowering of the standard of living for many generations to come in order to meet the tax bills which will follow this war, to make whatever sacrifices may be necessary to win.

But let our people once discover or arrive at the conclusion, sound or unsound, that they are being betrayed; that their sacrifices are in vain, that at the end of the war they will have lost their independence, our constitutional form of government, our existence as a free and independent Nation destroyed, and no longer will this administration have their support.

Of our more than 130 million people, those who think believe in some vague way that we today, as our forefathers in the Revolutionary War, as in the days of the Civil War, are not only fighting for the preservation of our Nation, but that, when we win, the freedom of the individual, the independence of the Nation, will be rendered more secure and its permanency insured.

We know that Hitler, Mussolini, and Hirohito, at the heads of their respective nations, are our enemies. They would destroy our national existence. They, according to this administration, would enslave us, destroy what has been described as the American way of life. There are other enemies who would accomplish the same purpose. These others are a greater menace than are Hitler, Mussolini, and Hirohito, for they carry on their battle to destroy us, not directly, not openly, with announced purposes, but in an underhand, treacherous, traitorous way, pretending they would make secure the freedoms and liberties, the national existence which they seek to destroy.

Using the false plea that we can win the war and after it is over establish permanent peace throughout the world—a desirable objective—Federal Union, Inc., headed by Clarence K. Streit, by the expenditure of thousands of dollars, is carrying on a campaign of propaganda, the purpose of which is, while our attention is distracted by the war, to cause us to surrender our independence and our national existence and become the economic slaves of other world powers.

That organization would inveigle our citizens into a united states of the world where their property, their incomes, would be at the mercy of Old World politicians.

Federal Union, Inc., and World Fellowship, Inc., which has a similar objective, would make the American taxpayer the Santa Claus of the world; the peoples of Europe, Asia, and Africa glorified members of a world

WPA. We Americans—workers, farmers, merchants, industrialists, professional men and women, all of us—would furnish the money for the boondoggling and the warring of princes, dukes, kings, and dictators.

We would, in addition, furnish the cannon fodder for the war games which they might play when they grew tired of boondoggling.

Is the foregoing but a creature of the imagination? In full-page ads in newspapers of the East the campaign to do the things just mentioned is being carried on.

Yesterday, January 29, to me, as a Congressman, and no doubt to every other Congressman and to every Senator, from World Fellowship, Inc., came propaganda asking that, as a Member of the House of Representatives, I support a joint resolution which this organization asks be passed on the President's birthday, January 30, 1942, as, I quote, "a present to him, to us, to the world." The word "him" is capitalized. A proposal for a birthday gift which the President should lose no time in condemning.

That resolution proposes, as step 1, among other things:

"That the Congress of the United States of America does hereby solemnly declare that all peoples of the earth should now be united in a commonwealth of nations to be known as the United Nations of the World, and to that end it hereby gives to the President of the United States of America all the needed authority and powers of every kind and description without limitations of any kind that are necessary in his sole and absolute discretion to set up and create the Federation of the World, a world peace government under the title of the United Nations of the World, including its constitution and personnel and all other matters needed or appertaining thereto to the end that all nations of the world may by voluntary action become a part thereof under the same terms and conditions."

If you are an American citizen, willing to make the needed sacrifices to win this war, if you believe in the independence of our Nation, what do you think of this proposed grant of authority to the President of the United States to set up a United Nations of the World? Why should Congress grant to the President of the United States power to create a new world government, United Nations of the World, of which we would be a part?

By what stretch of the imagination can it be assumed that we, the people of the United States, have the right, or, for that matter, the power to set up a world government entitled "United Nations of the World," and to write and prescribe a constitution and to pick the officers of such a government?

If the President of the United States is not satisfied with the office which he holds, if he and his advisers and supporters or any of the rest of us are not content to live under the Constitution which we have sworn to maintain and uphold, then why does not he, his wife Eleanor, Ickes, Perkins, and the horde of Reds which surrounds him, and those of us who are not satisfied, emigrate to Russia, or to Germany for that matter—for Hitler has the same idea of uniting all the peoples of the world under his rule—and there establish the world government?

This proposed joint resolution contains this further provision:

"There is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated the sum of \$100 million or so much thereof as may be necessary to be extended by the President in his sole and absolute discretion to effectuate the purposes of this joint resolution."

Consider this language. This organization asks, in this time of war, when every dollar is needed to support the Army, the Navy,

and the Air Force, for an appropriation of \$100 million to be expended by the President of the United States without accounting to anyone in any manner, for the purpose of establishing a United Nations of the World.

The resolution contains this further language, immediately following the foregoing: "And in addition the sum of \$1 billion for the immediate use of the United Nations of the World under its constitution as set up and created by the President of the United States of America as provided in this joint resolution."

While MacArthur is fighting in the Philippines; while American soldiers and sailors are dying there and in many, many places throughout the world in the belief that they are fighting for the preservation of our Government; for the safety and independence of the folks at home; for their parents, their brothers and their sisters, here at home, in America, through the mails of the U.S. Government comes this propaganda, which would destroy all that these boys have fought and died to save.

The Treasury of the United States is not only empty of funds, but in it are stored obligations which call upon future generations for the payment of billions of dollars in taxes. Yet this organization, these men and women who sponsor it, whose purpose is the surrender of our independence, the destruction of our constitutional form of government, destroy the morale of our fighting men. They sap the courage of our citizens. They create the feeling that this administration, by permitting their efforts to go unrebuked, may be charged with not carrying on a war to preserve the American way of life, to protect our people, to render our Government secure and permanent, but, driven by ambition, seeks to make us a part of a world power.

Let this administration—let the President of the United States—without delay, assure the American people that he wants no part in the creation of a united states of the world—in the formation of a United Nations of the World.

Let him assure us that when this war is won—that when this war is over—our independence as a Nation will be sacredly preserved and that we will not become a part of any world political union.

I append hereto, as exhibit A, excerpts from the full-page ad of Federal Union, Inc.; also appended, as exhibit B, are excerpts from World Fellowship, Inc.

Yesterday I introduced a resolution—House Resolution 425—calling for an investigation of this movement. I ask that a copy of that resolution be printed herewith as exhibit C.

Here we are—a Nation billions of dollars in debt, needing every resource at our command, not only to carry on a war, as the President said, on every continent and in every sea, but to prepare for our own national defense here at home; and yet come these men and ask that we appropriate \$100 million to aid in forming a united nations of the world, and an added \$1 billion to be expended by that organization when formed.

They ask that we surrender our independence, appropriate \$1,100 million, and offer it to the President of the United States, Franklin Delano Roosevelt, as his birthday gift on January 30, 1942.

Yes; I wish the President many returns of this birthday of his. I hope that each of those days will bring less for him to worry about; that the morning sun of each of those days will rise upon a world at peace—upon a United States of America still independent—indivisible.

God grant that each of those birthdays of our President and the dawn of many succeeding centuries will see us as a people free, independent, our liberties secure; our National Government, the United States of America, a republic, still the refuge, still

the hope, of the oppressed throughout the world.

Oh, I ask you, I appeal to the leaders of the House, to the dean of the House as he sits here, because he said he believes in the independence of our country, our institutions, and our form of government, are we going to let pass unchallenged such appeals as these, which have been sent to every Member of the House, undoubtedly, and to every Senator? This same proposition is being advocated by full-page advertising in the great daily newspapers. I ask you, Mr. Sabath, chairman of the Committee on Rules, to give us a rule in support of the resolution which I have introduced, and let us learn who is back of this movement and who is paying for it.

EXHIBIT A

[From the Washington Evening Star of Jan. 5, 1942]

"IN UNION NOW LIES POWER TO WIN THE WAR AND THE PEACE—A PETITION"

"That the President of the United States submit to Congress a program for forming a powerful union of free peoples to win the war, the peace, the future;

"That this program unite our people, on the broad lines of our Constitution, with the people of Canada, the United Kingdom, Erie, Australia, New Zealand, and the Union of South Africa, together with such other free peoples, both in the Old World and the New, as may be found ready and able to unite on this federal basis;

"We welcome President Roosevelt's conferences with Prime Minister Churchill and the 'declaration of united nations'."

(Churchill is the man who said, "Give us the tools, and we will finish the job," and who, since these remarks were made on the floor of the House and after the fall of Singapore, said, referring to the entry of the United States into the war:

"That is what I have dreamed of, aimed at, and worked for, and now it has come to pass.")

Referring to this proposed supergovernment, the advertisement continues:

"Now the responsibility is ours either to create or defer too long that 'common community or state' whose importance Mr. Churchill stressed in the Senate December 26.

"Organizing the democracies effectively in a union need take no longer than organizing them in an ineffective alliance or supreme war council, and will safeguard their national rights far more securely and equally. There already exist carefully studied concrete plans for just the kind of emergency union that we need. These plans provide for representation responsible to the people and in proportion to self-governing population. They work out the details and assure the American people a majority in the union congress at the start."

THE SOVIET STATES HAVE A COMMON GOVERNMENT

(Note those who would pull down our flag and run up in its place the symbol of Union Now graciously tell us that, at the beginning, we are to have a majority vote in this new supergovernment. They fail to tell us that, shortly, outvoted by the more numerous peoples of Russia, the British Empire, and others, we would become but a vassal state.)

"We gain from the fact that all the Soviet republics are already united in one government, as are also all the Chinese-speaking people, once so divided. Surely we and they must agree that union now of the democracies wherever possible is equally to the general advantage."

(Yes, Union Now advocates suggest—in fact, they insist—that we now accept, as full partners and as participants, not only

in the carrying on of the war but in our domestic affairs, in our daily lives, Communists of Russia and the people of China.)

"Let us begin now a World United States.

"THIRTY MILLION AMERICANS FAVOR UNION

"Thirty million American adults, according to the December Fortune survey, already believe the United States 'after the war' should 'join a union of democracies in all parts of the world to keep order.'

"The surest way to shorten and to win this war is also the surest way to guarantee to ourselves, and our friends and foes, that this war will end in a union of the free. The surest way to do all this is for us to start that union now."

(In other words, surrender our independence; burn the Declaration of Independence and substitute in its place a declaration of interdependence. Pull down the Stars and Stripes and run up the flag of Union Now. That is the plea these men are making.)

The advertisement continues: "As citizens to our fellow citizens, we recommend this proposal to your serious consideration.

"Robert Woods Bliss, Grenville Clark, Gardner Cowles, Jr., Russell W. Davenport, Harold L. Ickes, Owen J. Roberts, Daniel Calhoun Roper, William Jay Schieffelin, John Foster Dulles.

"Inviting you to help create now a living, growing World United States.

"FEDERAL UNION, INC.,
"10 East 40th Street, New York, N.Y.

"(A nonprofit membership association)
"Please put me, an American citizen, on record as favoring your petition for union—now, as explained in your advertisement in the Evening Star, Washington, D.C., January 5, 1942.

"----- 1942.

"Name -----
"Street ----- City -----
"Check here for an enrollment card , literature , reprints of this advertisement .
"We need funds to carry on this campaign quickly. If everyone who believes in a World United States will give now what he can to help create it, we shall have it soon. Please insert here ----- the amount of any gift you enclose.

"Federal Union, Inc.: A. J. G. Priest, chairman; Clarence K. Streit, president; E. W. Balduf, director; P. F. Brundage, secretary; John Howard Ford, treasurer; Patrick Welch, acting director.

"Philadelphia, Architects Building. Washington, D.C., 726 Jackson Place, Republic 2425. Chicago, 135 La Salle Street. St. Louis, Arcade Building. San Francisco, Russ Building. Los Angeles, 1717 North Vine Street, Hollywood.

"National Headquarters, 10 East 40th Street, New York City."

EXHIBIT B

IN TIME OF WAR PREPARE FOR PEACE—WORLD FELLOWSHIP, INC.
(Started in 1918—the armistice year)

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

We ask the Members of the Senate and House to take the three steps presented here for your consideration.

We hope these two joint resolutions will be introduced and passed by Congress on the President's birthday, January 30, 1942. A present to him, to us, to the world.

STEP 1

To be enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

Joint resolution authorizing the President of the United States of America to set up and create a Federation of the World, a World Peace Government, under the title of the "United Nations of the World"

Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress of the United States of America does hereby solemnly declare that all peoples of the earth should now be united in a commonwealth of nations to be known as the United Nations of the World, and to that end it hereby gives to the President of the United States of America all the needed authority and powers of every kind and description, without limitations of any kind that are necessary in his sole and absolute discretion to set up and create the Federation of the World, a world peace government under the title of the "United Nations of the World," including its constitution and personnel and all other matters needed or appertaining thereto to the end that all nations of the world may by voluntary action become a part thereof under the same terms and conditions.

There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$100 million or so much thereof as may be necessary, to be expended by the President in his sole and absolute discretion, to effectuate the purposes of this joint resolution, and in addition the sum of \$1 billion for the immediate use of the United Nations of the World under its constitution as set up and created by the President of the United States of America as provided in this joint resolution.

The President may appoint such committees and summon such advisers, from any part of the world, as he may deem necessary to effectuate the foregoing purposes with all convenient speed.

EXHIBIT C

[H. Res. 425, 77th Cong., 2d sess.]

Whereas through full-page advertisements published in many great dailies, Federal Union, Inc., Clarence K. Streit, president, is now advocating the surrender of our national independence and our entrance into a United States of the world; and

Whereas World Fellowship, Inc., is now propagandizing Congress to appropriate \$1,100 million for the purpose of forming a United Nations of the world, which would involve the surrendering of our national independence; and

Whereas such activities tend to undermine the morale of our people and to raise in their minds a suspicion that there is on foot a powerful movement which, notwithstanding the winning of the war, would, if successful, result in the surrendering of our national independence, the destruction of the liberty of the citizen: Now, therefore, be it

Resolved, That the Speaker of the House of Representatives be, and he is hereby, authorized to appoint a special committee to be composed of five members for the purposes of conducting an investigation to ascertain—

(1) The extent, character, and objectives of Federal Union, Inc.; of World Fellowship, Inc.; and of any and all similar organizations, and the members of such organizations in the United States;

(2) The sources from which such organizations and individuals receive the funds which enable them to carry on their activities; the amount and the date of contributions made for that purpose; and the names, places of residence, and occupation of the persons contributing; and

(3) All other questions in relation thereto that would aid Congress in any advisable remedial legislation.

That said special committee, or any subcommittee thereof, is hereby authorized to sit and act during the present Congress at such times and places within the United States, whether or not the House is sitting,

has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, by subpoena or otherwise, and to take such testimony, as it deems necessary. Subpenas shall be issued under the signature of the chairman and shall be served by any person designated by him. The chairman of the committee or any member thereof may administer oaths to witnesses. Every person who, having been summoned as a witness by authority of said committee or any subcommittee thereof, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the investigation heretofore authorized, shall be held to the penalties provided by section 102 of the Revised Statutes of the United States (U.S.C., title 2, sec. 192).

Sec. 2. The committee shall file its report to the House on October 31, 1942, or may file same earlier in the event the House is not in session, with the Speaker of the House for printing as a public document.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania [Mr. FULTON].

Mr. THOMSON of Wyoming. Mr. Speaker, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Wyoming.

Mr. THOMSON of Wyoming. I would certainly appreciate it if the gentleman who is a member of the committee would explain why in the committee report there is no written report from the departments and executive agencies concerned. I have looked over the hearings quickly and I find that no one from the executive branch of the Government, charged with the administration of our foreign affairs, testified on this. Could the gentleman explain this?

Mr. FULTON. I will be glad to answer that. The Secretary of State has favored this resolution. Because this is a Senate resolution, it has come over to us in the House and we reported out Senate Joint Resolution 170. The Foreign Relations Committee of the Senate sought the opinion of the Department of State. No witness appeared for the administration in either the Senate or House committee. The position of the Department of State has been stated in two letters of William B. Macomber, Jr., Assistant Secretary of State dated May 28, 1959, and August 25, 1960, printed in the hearings of the Senate Foreign Relations Committee of January 19, 1960, on page 1 and page 2. Also there is on page 60 of the Senate hearings, a statement received subsequent to the hearings of January 19, 1960, the statement by Ivan B. White, Deputy Assistant Secretary of State for European Affairs.

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

Mr. FULTON. I yield.

Mr. PILLION. Does this resolution contemplate the formation or the formulation of a basis for the Atlantic Union type of government, the one government authority of the Atlantic nations?

Mr. FULTON. This resolution is really in conformity with article II of the North Atlantic Treaty. It is following out the purposes of that, not only to have a military organization of the Atlantic

countries, each of which are sovereign, but to have cooperation among them on an economic and political basis. Article II of the North Atlantic Treaty states, which was agreed to by the signing nations in 1949:

The parties will contribute toward the further development of peaceful and friendly international relations by strengthening their free institutions, by bringing about a better understanding of the principles upon which these institutions are founded, and by promoting conditions of stability and well-being. They will seek to eliminate conflict in their international economic policies and will encourage economic collaboration between any or all of them.

It has been pointed out by the gentleman from Pennsylvania [Mr. CORBETT] that this proposed conference is strengthening the North Atlantic Treaty Organization, which is one of the best defenses against aggression that we have. There are two facets: First, the economic and political cooperation under article II of the North Atlantic Treaty; and, second, cooperation in the context of what we could call the cold war.

Mr. PILLION. I thank the gentleman for the very general explanation and the general statement, but, specifically, does this contemplate a political union—one government of the Atlantic nations? Is that the purpose of this resolution—to formulate a base for that type of government? Could the gentleman answer me specifically and particularly with reference to that?

Mr. FULTON. This arose originally in the NATO Parliamentarians' Conference in 1957 not in connection with the Atlantic Union organization or the so-called union now. They unanimously recommended a conference with leading representative citizens from the NATO countries be convoked to examine this matter and make recommendations how greater cooperation and unity of purpose may best be developed.

In June 1959 the Atlantic Congress met for a week in London. I believe that various Members from this body were there. Its 650 delegates discussed a wide range of activities that could appropriately contribute to the end about which we are speaking. The Fifth NATO Parliamentarians' Conference in 1959 reaffirmed its proposal for a citizens' meeting. So, you see, the basis of the initiation of this Commission, as well as the proposed Conference, is much broader than any particular organization or any special sponsorship. I would say to you that the goals of this Commission and Conference are not set. The proposal contains the idea that the Commission be organized for citizens to be appointed so that they will be of an advisory and not of a compelling nature to the U.S. Government, nor shall there be power to commit the United States or any other participating nation to any or all recommendations of the Commission or the Conference.

Mr. BROWN of Ohio. Mr. Speaker, I yield the gentleman 1 additional minute.

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

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

Mr. HAYS. I think in all fairness the gentleman is entitled to an answer to his question. As chairman of the U.S. delegation, I thought I had made it clear in the Atlantic Congress resolution that that was not the purpose of it; that this commission was not to favor a union now, or anything of that kind. It was merely to explore how foreign nations could closer cooperate under article II of the NATO Charter. How they could have closer economic and cultural cooperation, as well as military cooperation. So a definitive answer to the gentleman's question is "No."

Mr. FULTON. The gentleman is correct as to the origin, but we must remember that the U.S. commission and the convention are private citizens free to express any opinion, and make any recommendation.

Mr. PILLION. We have a Department of Commerce and various bureaus who can presently and efficiently explore the economical and political operations with other countries.

Mr. FULTON. The Hoover Commission was appointed from our U.S. citizens for just such purpose of making recommendations and nonbinding proposals to our U.S. Government agencies. There is to—

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

Mr. BROWN of Ohio. Mr. Speaker, I yield the balance of the time to the gentleman from Texas [Mr. ALGER].

Mr. ALGER. Mr. Speaker, I take the floor because I do not understand this resolution and I am trying to get some information. To that end I have read the report, I have read the bill, and I read the rule, and I have listened to the debate thus far. These tell us little.

I realize that behind this could be a world of good will. The report says, "for the purpose of developing paths toward greater political and economic cooperation within the alliance."

That is wonderful. Then it says, "military cooperation and collaboration into the political and economic areas."

I thought we had a State Department to do that. Then on page 2 the report points out article II of the treaty which again sounds like the acknowledged purpose of the State Department. Maybe I am wrong. I do not know how the Hoover Commission gets in here except that the members served without compensation.

Then on the next page, page 3, we have an astounding thing, and I quote:

Some attention was given to the geographic extension of terms of the resolution in order to include representatives from countries other than the North Atlantic Community.

Geographic extension it is called. And the report says there was no basic opposition to that. When you talk about political and economic collaboration, does that mean that no one objected to taking in nations outside of the framework of free democracies, such as Socialist governments? I do not know what political and economic collaboration will be as it is used there, but I am very suspect about the political side. What is

political collaboration? What are we talking about? Are we suggesting here that we unite politically with other people, or is the course of the United States made stronger by protecting our sovereignty?

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

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

Mr. GROSS. I think the gentleman knows this is just another propaganda organization paid for by the taxpayers of this country.

Mr. ALGER. I would suspect that is possible.

Mr. GROSS. It is designed to propagandize Members of Congress as well as others. That is what it is for.

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

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

Mr. JUDD. The gentleman referred to the paragraph at the top of page 3. In committee I suggested an amendment to make it possible for the representatives of the various NATO countries on this Commission to invite representatives from other countries if they saw fit to do so. The reason was very simple. All wisdom and experience are not in the North Atlantic Community. One of the greatest difficulties we face in the total world is that the Communists are trying to organize all non-Caucasian peoples against all Caucasian peoples. I felt it might well be considered desirable to have on the Commission some other countries, outside the NATO area, which have demonstrated stability and cooperation and devotion to democratic values and processes.

Mr. ALGER. May I point out to the gentleman that the things he is expressing to us now would certainly have been a help in the report so that we know what it is we are asked here to do and the functions of this Commission. The Hoover Commission had guidelines and goals. We need guidelines and goals for this Commission.

Mr. JUDD. The members of this Commission are to be appointed by the Speaker of the House and the President of the Senate. I cannot imagine they are going to appoint any citizens to the Commission who are not outstanding in their fields. I see no reason to be concerned about the qualifications of the people who will be appointed to it.

Mr. ALGER. It is not their qualifications here before us; rather that they should have something to guide them to know what is expected of them.

Mr. JUDD. These will be high-grade people who will approach the problem with unprejudiced minds. Let them report back what they think ought to be done. The Commission will give us a chance to look at our total relationships afresh.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. MADDEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

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

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

The SPEAKER. Evidently a quorum is not present.

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

The question was taken and there were—yeas 349, nays 39, not voting 43, as follows:

[Roll No. 191]

YEAS—349

Abbutt	Daddario	Jackson
Abernethy	Dague	Jarman
Adair	Daniels	Jennings
Addonizio	Dawson	Johnson, Calif.
Albert	Delaney	Johnson, Colo.
Alexander	Dent	Johnson, Md.
Allen	Denton	Johnson, Wis.
Andersen,	Derounian	Jonas
Minn.	Derwinski	Jones, Ala.
Anderson,	Diggs	Jones, Mo.
Mont.	Dingell	Judd
Andrews	Dixon	Karsten
Arends	Donohue	Karsh
Ashley	Dooley	Kasem
Aspinall	Dorn, N.Y.	Kastenmeier
Auchincloss	Downing	Keams
Avery	Doyle	Keath
Ayres	Dulski	Kelly
Baker	Durham	Keogh
Baldwin	Dwyer	Kilday
Baring	Edmondson	Kilgore
Barr	Elliott	King, Calif.
Barry	Everett	King, Utah
Bass, N.H.	Evens	Kitchin
Bass, Tenn.	Fallon	Kluczynski
Bates	Farbstein	Knox
Becker	Fascell	Kowalski
Beckworth	Fenton	Kyl
Belcher	Fino	Lafore
Bennett, Fla.	Fisher	Laird
Bennett, Mich.	Flood	Lane
Betts	Flynn	Langen
Blatnik	Flynt	Lankford
Blitch	Fogarty	Latta
Boland	Foley	Lennon
Bolton	Forand	Lesinski
Bonner	Ford	Levering
Bowles	Fountain	Libonati
Boykin	Frazier	Lindsay
Brademas	Frelinghuysen	Lipscomb
Breeding	Friedel	McCormack
Brewster	Fulton	McCulloch
Brock	Gallagher	McDonough
Brooks, La.	Garmatz	McDowell
Brooks, Tex.	Gary	McFall
Broomfield	Gathings	McGinley
Brown, Ga.	Gavin	McGovern
Brown, Mo.	George	McIntire
Brown, Ohio	Gialmo	Machrowicz
Broyhill	Gilbert	Mack
Burke, Ky.	Glenn	Madden
Burke, Mass.	Goodell	Mailliard
Burleson	Granahan	Marshall
Byrne, Pa.	Gray	Martin
Cahill	Green, Oreg.	May
Canfield	Green, Pa.	Meador
Cannon	Griffiths	Merrrow
Carnahan	Gubser	Metcalf
Casey	Hagen	Meyer
Cederberg	Halleck	Michel
Celler	Halpern	Miller, Clem
Chamberlain	Hardy	Miller,
Chelf	Hargis	George P.
Chenoweth	Harmon	Miller, N.Y.
Chiperfield	Harris	Milliken
Church	Harrison	Mills
Clark	Hays	Moeller
Coad	Hechler	Monagan
Coffin	Hemphill	Montoya
Cohelan	Henderson	Moore
Collier	Herlong	Moorhead
Colmer	Hoeven	Morgan
Conte	Hogan	Morris, N. Mex.
Cook	Hollifield	Morris, Okla.
Cooley	Holland	Moss
Corbett	Holtzman	Moulder
Cramer	Horan	Multer
Cunningham	Huddleston	Mumma
Curtin	Hull	Murphy
Curtis, Mass.	Inouye	Natcher
Curtis, Mo.	Irwin	Nelsen

Norblad	Robison	Teague, Calif.
O'Brien, Ill.	Rodino	Teague, Tex.
O'Brien, N.Y.	Rogers, Colo.	Teller
O'Hara, Ill.	Rogers, Fla.	Thomas
O'Hara, Mich.	Rogers, Tex.	Thompson, Tex.
O'Neill	Rooney	Thomson, Wyo.
Oliver	Roosevelt	Thornberry
Osamers	Rostenkowski	Toll
Ostertag	Roush	Tollefson
Passman	Rutherford	Trimble
Patman	St. George	Tuck
Pelly	Santangelo	Udall
Perkins	Saund	Ullman
Pfost	Saylor	Vanik
Philbin	Schenck	Van Zandt
Pilcher	Scherer	Wainwright
Pirnie	Schneebeil	Wallhauser
Poage	Schwengel	Walter
Poff	Scott	Wampler
Porter	Selden	Watts
Powell	Sheppard	Weaver
Price	Shipley	Weiss
Prokop	Sikes	Whitener
Pucinski	Simpson	Whitton
Quigley	Sisk	Widnall
Rabaut	Slack	Wier
Rains	Smith, Iowa	Willis
Randall	Smith, Miss.	Willson
Ray	Smith, Va.	Wolf
Rees, Kans.	Spence	Wright
Reuss	Springer	Yates
Rhodes, Ariz.	Staggers	Young
Rhodes, Pa.	Steed	Younger
Riehlman	Stratton	Zablocki
Riley	Stubblefield	Zelenko
Rivers, Alaska	Sullivan	
Roberts	Taylor, N.C.	

NAYS—39

Alford	Felghan	Matthews
Alger	Forrester	Minshall
Bailey	Gross	O'Konski
Berry	Haley	Pillion
Bosch	Hiestand	Short
Bow	Hoffman, Ill.	Siler
Bray	Hoffman, Mich.	Taber
Budge	Holt	Utt
Byrnes, Wis.	Hosmer	Van Pelt
Davis, Ga.	Jensen	Westland
Devine	Johansen	Wharton
Dorn, S.C.	McMillan	Williams
Dowdy	Mason	Winstead

NOT VOTING—43

Anfuso	Ikard	Preston
Ashmore	Kee	Reece, Tenn.
Barden	Kilburn	Rivers, S.C.
Barrett	Kirwan	Rogers, Mass.
Baumhart	Landrum	Shelley
Bentley	Loser	Smith, Calif.
Boggs	McSween	Smith, Kans.
Bolling	Macdonald	Taylor, N.Y.
Buckley	Magnuson	Thompson, La.
Davis, Tenn.	Mahon	Thompson, N.J.
Grant	Mitchell	Vinson
Griffin	Morrison	Withrow
Healey	Murray	
Hébert	Nix	
Hess	Norrell	

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Reece of Tennessee.
 Mr. Anfuso with Mrs. Rogers of Massachusetts.
 Mr. Loser with Mr. Bentley.
 Mr. Shelley with Mr. Taylor of New York.
 Mr. Ashmore with Mr. Hess.
 Mr. Barrett with Mr. Kilburn.
 Mr. Nix with Mr. Quie.
 Mr. Kirwan with Mr. Smith of California.
 Mr. Morrison with Mr. Baumhart.
 Mr. Magnuson with Mr. Griffin.
 Mr. Boggs with Mr. Withrow.
 Mr. Thompson of Louisiana with Mr. Smith of Kansas.

Mr. BROOKS of Texas changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

Mr. ZABLOCKI. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (S. J. Res. 170) to authorize the participation in an in-

ternational convention of representative citizens from the North Atlantic Treaty nations to examine how greater political and economic cooperation among their peoples may be promoted, to provide for the appointment of United States delegates to such convention, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of Senate Joint Resolution 170, with Mr. Bass of Tennessee in the chair.

The Clerk read the title of the joint resolution.

By unanimous consent, the first reading of the joint resolution was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Wisconsin [Mr. ZABLOCKI] will be recognized for 30 minutes, and the gentleman from Minnesota [Mr. Judd] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. ZABLOCKI].

Mr. ZABLOCKI. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the resolution before the House, Senate Joint Resolution 170, was reported unanimously from the Committee on Foreign Affairs only after considerable thought and discussion. The events of the last few months, weeks, and days have pointed up the need for a more imaginative approach to the issues which confront our country today.

It must be readily apparent to even the most casual reader of the daily papers that the conduct of the Communist bloc places upon the nations of the non-Communist world a heavy responsibility to meet the challenges that are emerging on all sides. I say "Communist bloc" advisedly because we must consider Communist China, a rapidly developing threat.

Thus far much of the thinking on the ways and means by which we can counter the Communist threat has been in the military field. We and our North Atlantic allies have devised a strategy to combat military aggression. What we—and I include all the nations of the North Atlantic community—have neglected too long, is to devise a strategy that will be operative in times of peace. I am not arguing for a diminution of effort in the military field. On the contrary, I believe all of the nations must exert stronger efforts in that field. But we cannot rely on our weapons alone. They are necessary to defend that which we hold, but they are insufficient to advance the causes in which we believe. They are inadequate to meet the growing Communist threat in the economic and political fields.

The principal discussion within and outside of the North Atlantic Treaty Organization has understandably been on the military side. Everyone who has followed NATO's progress in military collaboration must be heartened by how much has been achieved. For us in this country who have never had the experience of peacetime military alliances, it represents a triumph for our leadership and support. I know that the military

alliance has its shortcomings. Nor are the efforts of all parties equal to their responsibilities. If its strength were put to the test, it might reveal deficiencies that have not been anticipated. But I stress that it is making progress.

What is often overlooked when one talks about NATO is that those who drafted that plan had the vision to recognize that cooperation in nonmilitary fields is no less important than cooperation in military matters. I quote article 2 of the North Atlantic Treaty:

The parties will contribute toward the further development of peaceful and friendly international relations by strengthening their free institutions, by bringing about a better understanding of the principles upon which these institutions are founded, and by promoting conditions of stability and well-being. They will seek to eliminate conflict in their international economic policies and will encourage economic collaboration between any or all of them.

The purpose of the resolution now before the House is to give more meaning to that article.

Let me restate briefly what this resolution proposes so that there will be no misunderstanding about its scope or its implications in our foreign affairs.

The resolution would authorize the appointment of a Commission of not more than 20 private American citizens to be appointed jointly by the President of the Senate and by the Speaker of the House of Representatives, after consultation with the Committee on Foreign Relations of the other body and the Committee on Foreign Affairs of the House of Representatives. This Commission would be directed to seek to arrange and to participate in a convention attended by similar citizens' commissions from the other NATO countries for the purpose of exploring and developing ideas that will result in greater political and economic cooperation by, with and among our allies. Members of the Commission would serve without compensation, but they would be reimbursed for their expenses. They would be authorized to employ and remunerate a staff of not more than 10 members. An amount not to exceed \$300,000 is authorized to be appropriated for carrying out the purposes of the resolution. Of that sum not more than \$100,000 would constitute the share of the Commission's expenses in any international conference. The Commission would report and account for its expenditures to the Congress. All funds it expends would be subject to the rules and regulations governing the accountability of obligations and expenditures made under the jurisdiction of the Department of State. That means they will be subject to review by the Comptroller General. Wherever it is possible for the Commission to meet its expenses through the use of local currency, the Commission will use appropriated dollars to purchase such currencies thereby reducing its dollar outlay. The Commission would cease to exist on January 31, 1962. I wish to repeat that this is not a continuing commission. The Commission would cease to exist on January 31, 1962.

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

Mr. ZABLOCKI. I yield.

Mr. GROSS. Then the gentleman is saying that he will not offer, nor does he anticipate anyone else will offer a resolution to continue this Commission?

Mr. ZABLOCKI. Future Congresses will have an opportunity to study and review the progress, success, or failure of the Commission. Then we will be in a position to determine what course of action we will take respecting the future of the Commission.

Mr. GROSS. But you do not expect it to be discontinued?

Mr. ZABLOCKI. We do not know what its future will be. This resolution specifically provides that the Commission will terminate on January 31, 1962. The Hoover Commission was continued only because it was successful. Personally, I would vote against the continuation of this Commission if it should prove to be a failure.

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

Mr. ZABLOCKI. I yield.

Mr. TABER. How could this Commission operate without interfering with the responsibility that rests with the State Department to look after our foreign affairs? Is it not going to get us into more trouble rather than to help the situation?

Mr. ZABLOCKI. Assuming that other nations signatory to the North Atlantic Treaty Alliance are willing to cooperate by selecting comparable unofficial delegations to participate in the deliberations sanctioned by the provisions of Senate Joint Resolution 170, it may be demonstrated that passage of such legislation will not seriously impede the normal conduct of foreign relations by the executive branch. Any recommendations emanating from negotiations in which such extra-legal commissions engage will be wholly advisory in character, and each member nation, including the United States, will retain undiminished freedom of discretion to accept or reject them as it sees fit.

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

Mr. ZABLOCKI. I yield.

Mr. PASSMAN. The gentleman said he would not vote to continue the Commission unless it is determined to be a success. Do you have a predetermined policy by which you are able to determine whether the Commission is a success or a failure? How are you going to judge the failure or success of the Commission?

Mr. ZABLOCKI. The Commission would make a report. If the Commission included in its report certain recommendations that were deemed to be unrealistic—or if it failed to make a report or any recommendation, it would be a failure. For example, if other foreign countries did not appoint comparable bodies or would not cooperate, then our Commission would not be in a position to meet in conference, and it would be a failure.

Mr. PASSMAN. If the gentleman will yield for one further question. What if

the Commission should recommend large additional expenditures within the United Nations; would that be accepted as a successful Commission?

Mr. ZABLOCKI. One would have to study carefully the reasoning behind any additional expenditures.

Mr. PASSMAN. But if they should recommend large additional expenditures, made some reason for the expenditures, would that be a credit to the Commission?

Mr. ZABLOCKI. Not necessarily. It would depend on the recommendation and to the extent that they are able to verify their findings and recommendations.

Mr. PASSMAN. Most of these commissions, as history will reveal, almost without exception have come back and have recommended huge additional expenditures. The Draper Committee is a recent example. It was supposed to make recommendations for savings, but it came back and recommended large additional expenditures. It was given much praise in certain quarters for that recommendation.

Mr. ZABLOCKI. I can assure the gentleman that whatever recommendations are made by this Commission, the proper committees of Congress will give proper attention to them.

Mr. PASSMAN. The gentleman understands these are procedures, and that some of the recommendations are quite expensive.

Mr. CORBETT. Will the gentleman yield?

Mr. ZABLOCKI. I yield.

Mr. CORBETT. I would like to say to the gentleman in reply to the remarks just made that we should remember that such a commission did exist in 1959. It made recommendations, and on the basis of the success of that body the NATO Parliamentarians' Meeting of 1959 recommended that another such conference should be held.

Mr. ZABLOCKI. The gentleman is referring to the Atlantic Congress?

Mr. CORBETT. Yes. So I am saying that we already have proof of the success of this conference by the renewed recommendation, and I would like to say to the gentleman, if he will yield further, that even if the United States did not participate in this conference in 1960 the conference would be held anyway.

Mr. ZABLOCKI. That is very likely.

The CHAIRMAN. The gentleman from Wisconsin has consumed 10 minutes.

Mr. ZABLOCKI. Mr. Chairman, I yield myself 4 additional minutes.

Mr. Chairman, the approach proposed by this resolution has been the subject of consideration at several sessions of NATO parliamentarians. Last year an Atlantic Congress of 650 delegates met in London and strongly endorsed the idea of a citizens' study group. It may be asked whether these and similar organizations are not adequate or sufficient to make the necessary studies and recommendations envisioned by this resolution and thus make unnecessary this resolution. I do not think they are. All of these other groups meet for relatively brief periods ranging from a few

days to a week. They are concerned with a multitude of other issues.

Democracy has many admirable qualities, not the least of which is the hospitality it gives to new ideas. Its participants are given every encouragement to think about and to debate these ideas fully and freely. Some may question whether those who will be appointed to this Commission will be wiser than those who participate in existing parliamentary organizations. That is not the issue. Wisdom is not the monopoly of any one group in a democracy. The purpose of this resolution is to tap the vast human resources of our country and of other countries. I do not know who the participants will be. But I expect that they will not approach their assignment with fixed dogmas and static ideas. As we state in our report they should have a depth of knowledge and understanding and a flexibility of approach that would make it possible to develop reasonable and intelligent recommendations to achieve the objectives sought.

Further, in the platform of both parties adopted at the recent conventions this proposal was endorsed. Let me read from the Democratic platform:

To our friends and associates in the Atlantic Community: We propose a broader partnership that goes beyond our common fears, to recognize the depth and sweep of our common political, economic, and cultural interests.

We welcome the recent heartening advances toward European unity. In every appropriate way, we shall encourage their further growth within the broader framework of the Atlantic Community.

The Republican platform of 1960 contains this statement:

We will encourage the countries to initiate appropriate regional groupings to work out plans for economic and educational development. * * * We would propose that such groupings adopt means to attain viable economies following such examples as the European Common Market. And if from these institutions, there should follow stronger economic and political unions, we would welcome them with our support.

Congress should support this proposal. Both the Presidential nominees support it.

I cannot repeat too strongly that these citizens will not speak for our Government. Nothing in the resolution will disturb the well-established principle of our Government that the Executive is the recognized and proper channel for official expressions of our Government.

There is some precedent for this kind of approach. The Hoover Commission is one example. The Harriman Commission was set up to study the requirements of aid as a preliminary to the creation of the European recovery program. State governments often establish citizen groups to examine pressing public problems by individuals outside the mainstream of active politics. The novelty of the resolution before the House is only that it extends into the international arena a pattern which we have used profitably at home.

Some weeks ago I read a stimulating article in which the author made a clear and succinct distinction between the free world and the Communist world. He

said that the free world has liberty but lacks unity. The Communist world, on the other hand, has unity but lacks liberty. He then observed that whichever of these two competing systems is the first to achieve both liberty and unity would win the struggle for men's minds.

This resolution is intended to strengthen the unity of the non-Communist world. Through the familiar democratic process of orderly examination and rational discussion I expect that our citizens commission and individuals similarly appointed by other countries will be able to advance the unity of the non-Communist world.

There has been some concern that the geographical limitations of the resolution will have an adverse effect upon our friends and allies elsewhere in the world. It was the thought of the committee that if modest but solid accomplishments could be made among those who have had some experience in mutual cooperation the geographical boundaries could be enlarged to include like-minded groups from other non-Communist countries. But that is for the more distant future. The immediate problem is to make progress in the North Atlantic area.

The fact that the approach of this resolution is a novelty in the international field is no argument against it. We are living in a time when innovations are more a norm of action than ever before. Certainly in the physical sciences innovation is the order of the day.

I do not say to the Members of the House that this resolution is the panacea for all that besets us. But I do believe it offers a modest possibility. If it does nothing else, it will make known to us the depth and degree of differences that separate the nations and to which our Government and our people must give greater attention if we are to continue to enjoy our liberties.

I strongly urge the adoption of Senate Joint Resolution 170.

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

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

Mr. HARDY. I appreciate the gentleman yielding. This will be a commission appointed by the joint action of the Speaker of the House and the President of the Senate, as I understand it. There would be no executive department participation in the formation of this Commission; is that correct?

Mr. ZABLOCKI. That is correct.

Mr. HARDY. Does the gentleman have any idea that the formation of such a commission might reduce some of the so-called ad hoc committees that the executive branch has been in the habit of appointing to send all over the world and to come back with predetermined reports to support a particular objective?

Mr. ZABLOCKI. The idea of the Committee on Foreign Affairs was that this would provide a new and fresh look. It would not be a commission that had a predetermination on what it was to report. We hope that the Commission

will make a complete factual finding in the area of better political and economic relations and offer such recommendations as it believes appropriate.

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

Mr. ZABLOCKI. Mr. Chairman, I yield myself an additional 4 minutes.

Mr. HARDY. The point is this: So many of us have often had the feeling that some of these commissions and committees that have been appointed by the executive branch have come back with a report designed to support a particular objective that the executive branch had before they went over, and it seems to me we ought to try to avoid that. If this is going to be an objective commission without any predetermined ideas, but one that is coming back to make a factual report based on what is necessary and what is needed, we should support it. I would hesitate to support this kind of a move if it is merely going to be another form of commission to support some special preconceived idea.

Mr. ZABLOCKI. I can assure the gentleman the committee does not want a commission that will report a preconceived idea. It will study all aspects and give the Congress a candid analysis of the problems with which it has dealt. Therefore, I strongly urge the adoption of Senate Joint Resolution 170.

Mr. JUDD. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, as my distinguished colleague from Wisconsin has stated, this joint resolution has been passed by the Senate unanimously, I think, and recommended by the Committee on Foreign Affairs unanimously.

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

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

Mr. GROSS. The vote in the Senate committee was 8 to 7, the vote on the Senate floor on passage, surprisingly, was 51 to 44, a 7-vote margin.

Mr. JUDD. I stand corrected. I appreciate the gentleman's giving the actual vote to the House.

Mr. Chairman, what are the reasons for a resolution to establish a Citizens Commission of this sort? All the common people in the world want peace, and no one wants peace more earnestly than the American people. From Old Testament times to the present, people have cried, "Peace, peace," but there was no peace. So many still seem to think peace is attainable by wishing for it or by legislating it, or by talking about it. But the hard fact is that there never has been such a thing as a stable and enduring peace without, first, the establishment of an order.

Peace is the byproduct of order. The problem is how to get a stable order. Basically there have been only two ways of establishing order: one, when it is imposed from the top, and the other, when it comes up from the bottom by agreement of sovereign states or nations, as was the case with our Original Thirteen States when they formed the order known as the United States of

America. There was Pax Romana for several centuries, imposed by Rome. There was Pax Britannia the last century during which the world had probably the best period of peace and development in the history of mankind. It was policed and maintained by the British Navy. It was necessary for the British to do it if they were to maintain their empire. It was advantageous to them. It was advantageous to us. Everybody that did not want something other than peace benefited from it. Now, that old order is disappearing. The British Government advised us in the spring of 1947 that it was no longer in a position to maintain the world order that it had maintained for more than a century. Britain was too weakened abroad and in too great trouble at home in the terrible winter of 1947.

The U.S. Government to the eternal credit of President Harry S. Truman and the Department of State at that time said, "We have got to take over; somebody has to maintain order." There was nobody else in the world that had the strength or the wealth or the capacity to do so.

Now, we have carried most of that responsibility during the last 13 years. Some of us from the very beginning warned that it could be only a temporary arrangement. No country is strong enough or wise enough or good enough to maintain order indefinitely in our kind of world today. We do not have an empire to protect and the incentives which the British had, and scores of peoples which were docile in those years are not docile now.

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

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

Mr. HAYS. I am just happy to hear the gentlemen give this credit to Mr. Truman, and I wish he had done it on television the other night.

Mr. JUDD. I have made the same statement many, many times, including here in the House. It was one of the great decisions of modern history, and Mr. Truman, fortunately, had a Republican Congress which cooperated, which adopted the legislation and put into operation the Greek program and the Marshall plan program which he proposed.

Now, the old order passeth away and the new order is not yet born. What is the new order to be, and how and by whom is it to be established? Well, there is in the world a force which knows the kind of order it wants to impose on the world and it has the will to do it. The Communist world conspiracy has organized, efficient, disciplined units in every other country.

When there is trouble in another country, its leaders do not say "We will pull out and go home." Rather, they rejoice that there is trouble and take advantage of it to try to impose their type of order which might be called "Pax Sovietica." It already controls one-third of the world. I do not hesitate to say that I must expect it to succeed worldwide, unless the free peoples of the

world, with imagination and determination, face up to this new situation. It is one that America in her whole 180 years of free existence has never faced before.

That is the reason for this piece of legislation. What kind of an order are we and other free peoples going to try, and please God, be able to set up by voluntary agreement in place of the old order in which we grew up and which is disintegrating with the breakup of the colonial system; and in place of the new Communist order which surely nobody here wants established?

I warned here back in 1948 that if we alone try to police the world and to support the world, we will not succeed, because no country has enough strength and resources for that. We could do it in the emergency, but we cannot do it indefinitely. I also said at that time that if we tried to do it indefinitely, we would wind up with most of the world hating us.

Just what is the future order going to be, and how is it to be established? I do not think anybody will stand up in this House and say he knows the answer. Is there any better thing for us to do than to authorize the Speaker of the House to choose 10 outstanding American citizens and the President of the Senate to appoint 10 outstanding citizens—not Government employees, not persons with axes to grind—but persons called to make a whole new study—to join with 80 similar persons from the NATO countries to constitute a temporary Commission to examine this total situation beginning with NATO? I have no idea what its recommendations will be. If I thought persons had recommendations already figured out ahead of time that they were going to try to find reasons to support, I would not recommend their being named to the Commission.

Surely the best place to begin is where there is already greatest experience in self-government, where there is already the greatest development—politically, socially, educationally, and economically. Most of the more highly developed countries in the world lie around the North Atlantic. On the west side, the United States and Canada have 200 million highly developed people, with stable institutions and economy, highly industrialized and all the rest.

On the other side of the North Atlantic, in Western Europe, are some 250 million people, as capable, as skilled, as experienced in self-government, and as well disciplined in orderly behavior as any people on the planet. Is it not good sense to explore ways to increase cooperation among these 200 million on our side and the 250 million on the other side? Surely we need to pool the strengths and experience of these 450 millions so that, instead of being divided, we may work more unitedly for a free-world order and against the type that a united enemy seeks to establish?

The Communist strategy everywhere is to try to divide the strong and subvert the weak. Our policy has to be to try to increase the unity of the strong and to help the weak become strong so that they then cannot be subverted, either.

In simple and broad terms, this is the rationale of this resolution. I do not know that anything useful will come out of the Commission's work. But when I see the kind of deterioration that is undeniably going on in much of the world, I cannot believe that it is wise for us to sit here and just continue to do what we have been doing in the past. It may have been adequate for a former day, but it is not adequate for this new day, especially with the new Soviet tactics since Paris. Surely no harm can come from setting up this kind of ad hoc commission to analyze, examine, study the whole situation, and perhaps come up with some new insights, some new approaches, some different strategies on our side. Our members on the Commission will then report to the Congress of the United States, with the citizens from the other countries reporting to their respective Parliaments with whatever proposals they may wish to recommend.

Maybe nothing important will come out of it; but I cannot see any possible reason for fearing that there is some concealed danger here. There is no commitment by the Congress or the executive branch. I cannot see any risk. For anyone to oppose this resolution because of something that he fears might happen under it is like the ancient comment of Jesus about those who strain at the gnat of what might happen while swallowing the camel of what most certainly is happening.

When I am faced with a malignant process, which is what the Communist cancer is, a new growth which encroaches on tissues that do not belong to it, which is never satisfied with the place where it starts and which spreads sometimes by direct invasion of neighboring organs, but preferably by metastases, daughter cells that spread to and work within other organs to weaken and consume them, when I am faced with such a malignant world process, proved by its doctrines and its history, I cannot sit down and do nothing. If there is risk in this proposal, the risk in just going on as we are is far greater. I cannot accept such a risk. So I urge approval of this resolution.

Mr. Chairman, if anyone wants to ask questions, I will be glad to answer them to the best of my ability. In essence, this is to be an ad hoc commission of distinguished private citizens appointed not by the State Department, not with preconceived ideas, but appointed by our own Speaker and by the President of the Senate to see what different or better ways might enable us to get greater security and surer peace at less cost and risk.

The need is real and the hour is late. It seems to me this is a sound step that we should take from which great benefit can come.

Now I yield to the gentleman from Ohio [Mr. Bow].

Mr. BOW. Mr. Chairman, I thank the gentleman for yielding to me. There are several questions I should like to ask him relative to the mechanics of this joint resolution. On page 3, in paragraph 3, it says:

To employ and fix the compensation of such temporary professional and clerical staff

as it deems necessary: *Provided*, That the number shall not exceed ten: *And provided further*, That compensation shall not exceed the maximum rates authorized for committees of the Congress.

I am wondering if the gentleman can tell us whether there is any difference in the maximum paid to members of the staffs of House and Senate committees; and what is that maximum? And how much could these 10 people be paid if the maximum were paid, disregarding the Civil Service rates?

Mr. JUDD. I am not aware that there is any substantial difference in the maximum compensation paid to clerical and professional staffs of the House and of the Senate. It certainly would not exceed the highest allowed by either body.

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

Mr. Chairman, it is my understanding there is no difference between the maximum salaries of House and Senate.

Mr. BOW. But can the gentleman tell us what the maximum is?

Mr. ZABLOCKI. I understand it is \$17,600.

Mr. BOW. So we can spend \$17,600 on salaries alone. I think there should be some limitation which would relate to the Civil Service laws.

My next question goes to paragraph 5 which says:

To pay its share of such expenses as may be involved as a consequence of holding any meetings or conferences authorized by subparagraph (2) above, but not in excess of \$100,000.

We do have a limitation of \$100,000, but what is our share? Do we mean by that that it will be pro rata according to the number of nations participating, or will our share be an arbitrary figure such as we run into in the case of some of these organizations, up to 90 percent?

Mr. JUDD. My understanding is that the total composition of the commission will be 100 members. The United States, as the largest member, will appoint 20. Other members will appoint roughly in proportion to their size. Maybe one will appoint 14, another 11, another 8. If the expenses are prorated according to the number of members, the separate nations have on the commission, our share would be one-fifth since we will have 20 out of 100 members, although there is no firm commitment of that sort. Perhaps the gentleman from Ohio [Mr. Hays] has a more definite answer. He was active at the parliamentary conference from which came the suggestion. I invite his contribution.

Mr. HAYS. It will be based on a prorating of NATO which is, I believe 24.2 percent for us, but not more than 25 percent. Our share would certainly not be more than that, and as much less as it would be possible for our delegation to get them to agree to.

Mr. JUDD. Approximately 24 percent?

Mr. HAYS. Yes.

Mr. BOW. I have two more questions, if the gentleman will yield further.

What is the basis of the travel and subsistence allowance under section 4? Would that be under the new regulations that have been adopted by the Congress this year on travel regulations?

Mr. JUDD. Yes, I would think so. The same regulations should apply to employees and members of this commission as apply to employees of the House Foreign Affairs Committee or the Appropriations Committee who are sent out on specific missions involving travel and expenses.

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

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

Mr. BARRY. Mr. Chairman, I rise in support of this resolution, and wish to associate myself with the remarks of the distinguished gentleman from Minnesota.

Mr. Speaker, we have before us a most important resolution which would authorize the participation in an international convention of representative citizens from the North Atlantic Treaty nations to examine how greater political and economic cooperation among their peoples may be promoted.

As a delegate from the United States to last year's NATO Parliamentary Conference, I have become increasingly concerned with the importance of cooperation among the peoples of the nations of the North Atlantic area. This resolution (S.J. Res. 170) stems from a proposal of the Third NATO Parliamentary Conference, held in 1957, and has been reaffirmed by that organization since. Meetings of prominent able Americans such as this resolution proposes to assemble can perform a different service than those appointed strictly as Government officials. The future of the Atlantic community can be discussed frankly and realistically by thoughtful people without the sometimes hampering responsibility of government position. Any practical ideas which might emerge from the proposed convention would then be available for the State Department, NATO, and the United Nations. The cause of North Atlantic unity can best be served if it is clear that in the research to be conducted that no government commitment is involved. The entire remarkable development of NATO is a new process in intergovernmental relations. It is in a state of growth and development. Many unprecedented things have already been accomplished by it. I should hope that the Congress would concur with the State Department and the Committees of the House and Senate which have reported this resolution. It is by such progressive and constructive action that the future of the free world is strengthened. Let us not leave bold and imaginative ideas to the Communists. Let us bring the thinking of able private individuals to the aid of free governments.

I urge that the Congress speedily approve this resolution.

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

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

Mr. BAILEY. At the top of page 2 appears this language:

Said Commission shall consist of not to exceed 20 U.S. citizens, not more than one-half of whom may be from any one political party, and who shall be appointed from private life.

One of the big handicaps Congress has had in meeting these international problems is the lack of information. Why do you deliberately bar Members of Congress, particularly members of the Committee on Foreign Affairs? Are you just setting up another commission here to ignore the Congress in the future, or shall we have a commission that really means something to the Congress?

Mr. JUDD. In committee I myself proposed an amendment to accomplish such an objective; in fact, I had several amendments which I thought would make the resolution a little tighter and more specific without in the least handicapping the ability of the Commission to have necessary flexibility and freedom to explore every possible avenue to strengthen political and economic cooperation within NATO. I thought that following the pattern of the Hoover Commission it would be advisable to have on this Commission, out of the 10 members appointed by the Speaker, two Members of the House, one from either party, and out of the 10 appointed by the President of the Senate two Members of the Senate. Perhaps our committee would have accepted that amendment if we had had more time, but this came to us from the Senate just before the end of June and it was thought then that Congress would adjourn sine die before the national conventions. The leadership in both bodies advised that if we wanted to get the resolution through we should accept the Senate language without amendments. If we had to send it to conference, we probably would not get it through. So I accepted the Senate language on that basis, and believe the House should do the same.

Personally, I think there are advantages in having on such a commission two Members of the House and two Members of the Senate who have had experience in what is legislatively attainable. Two questions must always be asked. First, what is sound and desirable—what is good? Second, what can we get? The Members of the House and of the Senate with practical experience are more likely to have good judgment at to what is attainable. They can be useful on such a commission by saying, where indicated, "That may be a wonderful idea but you cannot get it through the Congress; so do not try quite so much."

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

Mr. JUDD. I yield to the gentleman from North Carolina.

Mr. JONAS. Would the gentleman tell the Committee what the background of the thinking was that fixed upon 100 members, and 20 members from the United States? It seems to me, you are getting too many members on a commission here. My own experience indicates that more can be accomplished in preliminary discussions and exploring problems with a smaller group.

Mr. JUDD. My first answer is that this proposal did not come just from the United States. It came out of the North Atlantic Parliamentarians' Conference. The countries participating made preliminary studies and suggested the number of 100. We did not think it was our

job to try to change that figure and perhaps give the impression that they had to play according to our ideas or not at all. The whole group agreed on that figure and we thought it a good enough proposal. Would the gentleman from Ohio [Mr. HAYS] care to add to that?

Mr. HAYS. At the Parliamentarians' Conference, which was an organization or a meeting composed of 650 people, we found just exactly what you are saying prevailed. It was too unwieldy and too large and the meeting was far too short a time to do anything. The suggestion there, which brought this resolution about, was that the committee be composed of not more than 100 members and the idea was that it would be divided into 5 subcommittees to work in 5 different fields that the Atlantic Congress thought needed to be worked upon. That would make each committee about the size of a committee of the Congress or a little smaller.

Mr. THOMSON of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. THOMSON of Wyoming. I greatly respect the gentleman's position in this area of foreign affairs. I wondered when I heard the gentleman speak if I understood him correctly, that this conference would consider more or less world affairs and world organizations; is that correct?

Mr. JUDD. That is correct.

Mr. THOMSON of Wyoming. Then this is my concern, and I think I can express it sincerely to the gentleman in this way. Would not there be a danger that these people so meeting would come up with a recommendation that to relieve world tensions, we should admit Red China into the United Nations and use their position as a lobby to cause that position to prevail?

Mr. JUDD. That is conceivable, but I do not think that it is likely to happen. The experience that most of the countries have had with Communist China has not been very happy. But, I think they ought to be given carte blanche to make that or any other proposal that the majority, after study, considers a step forward. The members from other countries will be outstanding citizens, too. I do not think they will have to take second place to any of us here. I cannot believe that such persons are likely to go off the deep end and make unsound or dangerous proposals. They know the problems are tremendous.

The purpose of the Commission is not to increase the burdens upon the United States.

The purpose is to lessen the burdens, if you will, by pooling the strengths of all free peoples in this area. It is not to weaken the security of the United States, but to strengthen it. Therefore, I think we ought to vote for this resolution.

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

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

Mr. DOWDY. The gentleman mentioned that he wanted people on this committee with imagination. I know what imagination means so far as Members of Congress is concerned—it is the quality of being adept in imagining new ways to spend money. I wonder if it is

possible to get someone on this committee with imagination as to the ways of raising the money.

Mr. JUDD. I think that to appoint people with imagination who may find better ways of solving the problem is the best way to save money. Certainly, we are not doing it very cheaply under present arrangements.

Mr. DOWDY. Does the gentleman not agree that the imagination spoken of in all of these things is imagination to spend and to find new ways of spending money?

Mr. JUDD. Sometimes it is, but not necessarily so. I feel we have reached a point where we need to take a brand-new overall look at our total world situation and the position of the United States and the other free peoples in it. If we cannot safely begin such a fresh look with those who have the most at stake, and who have the greatest experience in self-government and self-support, and who are the most highly developed, and with whom we have historically the closest ties, then I do not know where in the world we can begin.

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

Mr. ZABLOCKI. Mr. Chairman, I yield such time as he may require to our distinguished chairman of the Committee on Foreign Affairs, the gentleman from Pennsylvania [Mr. MORGAN].

Mr. MORGAN. Mr. Chairman, I rise in support of Senate Joint Resolution 170. The purpose of the resolution is to utilize the services of private citizens in seeking ways and means of strengthening the NATO alliance. They would function in an advisory capacity in the international field in much the same way as did the Hoover Commission in the national area.

These private citizens would serve as a U.S. Citizens' Commission on NATO. There would be 20 from the United States, appointed by the Speaker of the House of Representatives and the President of the Senate. Although appointed officially, they would express their views as individuals and would not in any way speak for or represent the U.S. Government. They would supplement official consideration of NATO problems by the systematic infusion of the views and recommendations of responsible citizens representing a cross section of competent and experienced people. The resolution spells out their functions, which would be to arrange for and participate in meetings and conferences with similar citizens' commissions in the other NATO countries in order to explore means by which greater cooperation and unity of purpose may be developed and democratic freedom promoted by economic and political means.

NATO has been successful to a very measurable degree in building up the defensive strength of the western allies. The Soviets recognize its deterrent potential and continue to make it a primary target of their cold war efforts; their most savage propaganda attacks are aimed at dividing the western nations and breaking up the NATO alliance.

There is a very real need for application of the Hoover Commission-type ap-

proach to the problems we face. Although NATO has achieved a significant posture of defense, Western Europe is presently split into two rival economic groups—the European Common Market and the European Free Trade Association. If these two groups continue their divergent ways, the consequent military unity and economic disunity could turn NATO into an unworkable anomaly. It could weaken our joint defense and also harm our foreign trade.

This resolution has developed impressive support. It has already been approved by the Senate and was reported by the Committee on Foreign Affairs by unanimous vote. As stated in the committee report:

The strength of a democracy lies in an enlightened citizenry. The resources of a democracy include the ability to call upon its citizens to contribute their thinking to the common good.

The cost is small in comparison with potential savings that could be accomplished as a result of their efforts. Testifying in support of the resolution, the former Director of the Bureau of the Budget, Percival F. Brundage, estimated that "the overall saving, if we were to accomplish a real effective coordination to the extent of unified forces, common bases, common weapons, and a common master plan, could amount to more than \$10 billion a year." Mr. Brundage added that "the strength that lies in Atlantic unity has rightly been called our vast untapped reserve of power."

Mr. Chairman, I am convinced that the passage of this resolution will make possible a very effective additional effort to promote improved conditions in the North Atlantic community that will add materially and significantly to our collective defense strength. I urge its immediate adoption.

Mr. ZABLOCKI. Mr. Chairman, I yield to the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, when Dr. Streit appeared before our committee in advocacy of the resolution now before us he referred to the fact that the Constitution of the United States was not the product of a convention of specialists. It was indeed far from that. It is doubtful that a convention composed exclusively of the ablest political economists of the age could have produced the imperishable document that the experience of the decades has proved to be the place among the political documents of the ages of the Constitution of the United States of America. The men who wrote the Constitution of the United States came from all the walks of life, and they had had the experiences of men facing many problems in many activities of human existence. These human experiences gave them understanding, and above all an understanding of good intentions but coupled with human frailties and from this understanding came the Constitution of the United States.

Dr. Streit pointed out two members of our committee, one the chairman and the other a top ranking member of the minority, Dr. MORGAN and Dr. JUDD. They are both pre-eminent in the medi-

cal profession and they are both family physicians. It is no disparagement of the specialist and of the great contribution he has made to medical progress, but it is the family physician who keeps the family on its feet and who ministers to its need for medical attention, in minor and in major ailments the clock around and on every day of the calendar.

Dr. Streit's presentment and his analogy made a tremendous impression upon me. What the world most needs today is an assurance of peace. I am 78 and I have very much less to lose than a young man of 18. Yet the young man of 18 is in exactly the same position as am I at 78 if on a flash an atomic war is sprung. I am 78 and I want to live. I do not want my future, however short it might prove along the way of natural causes, made shorter by an atomic bomb. How much greater is the stake of the young man of 18.

Mr. Chairman, you get people together from all of the NATO countries, and this thought I know will be uppermost in their minds. They need not be specialists. The big thing is that they would be human beings with backgrounds of human experiences. They would have no authority to authorize any sort of a program. Their principal function would be to get together and to talk together, and, Mr. Chairman, when you get people with good hearts and with a common interest and from many countries getting together and talking and thinking things out you are going to make real progress in finding the path to peace. That is my faith. If one does not believe in people one cannot believe in God, and if one believes neither in God nor people he is hopeless.

I hope the resolution will be adopted overwhelmingly. It may mean spending a little money. Perhaps as much as the wee fraction of the cost of an atomic bomb or a battleship, a wee wee fraction thereof. But it will be one of the best investments for peace ever authorized by this Congress. I repeat, Mr. Chairman, that I am 78 and I want to go on a little longer. In voting for this resolution I am voting for something that I think is a real contribution to my chance of not having my life abruptly cut short by an atomic war at the early age of 78.

Mr. JUDD. Mr. Chairman, I yield to the gentleman from New York [Mr. LINDSAY].

Mr. LINDSAY. Mr. Chairman, I rise in support of this resolution to create a U.S. Citizens Commission to develop constructive and practical ideas toward greater political and economic cooperation between the NATO countries.

The unified cohesive force established by the NATO nations must be continually fortified and encouraged at all levels. The exploration of mutual political and economic problems discussed realistically by thoughtful and responsible citizens can be very useful and the combined thinking of all on these problems will inevitably enhance one of our foremost bastions against Soviet aggression.

I support this resolution enthusiastically.

Mr. ZABLOCKI. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. HAYS].

Mr. HAYS. Mr. Chairman, I had not anticipated using any time on this, but I think perhaps if I take 3 or 4 minutes I might answer some questions that seem to be in the minds of some Members as to how far reaching this may be.

When this was originally proposed, it was much more far reaching than the resolution before you today. While I do not wish to take any undue credit, I think I can honestly say I had as much or more to do with toning the matter down to the point where we think it will work on a problem that needs to be worked on; that is, the implementation of section 2 of the Atlantic Charter.

As I said in either the first or second of the NATO Parliamentary Conferences, the nations of the Atlantic Community have shown for the first time that they can have a military alliance which will hold together for a period of 10 years or more. It has been longer than that now, of course. But I think in the case of a depression or recession which reached worldwide proportions, other nations have not shown that they could stand together at all. On the contrary, as I said, they have not only not stood together but they have actually fallen apart, and they have blamed each other for their economic situation. I think all of us have heard often enough of the Communist propaganda that the way they expect to win is through economic pressure and the economic cold war. I think we have seen enough of Khrushchev's tactics to show that he is trying to divide the free nations on an economic basis.

We have a NATO organization set up. It has at least done the job it was supposed to do militarily, but what happens when economic pressure is being put on; and if we get it, coupled with a depression, then the opportunity for the Communists is ripe, and do we have any defense for it?

What I do hope this Committee would try to do is to seek some of the answers to that problem. That is why I tried to direct the resolution of the Atlantic Congress along those lines, and that is why I think we have a bill today which will do that.

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

Mr. ZABLOCKI. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. CORBETT. I just wanted the gentleman to emphasize that he agrees with the fact that the NATO alliance is the real alliance of the free world against the Communist world.

Mr. HAYS. I agree with the gentleman, and I think it is the one alliance in the world which has stood the test of time and which has shown that when among nations there is the will to make an organization work, it will work.

Mr. CORBETT. Would not the gentleman agree that if NATO could be broken up this would give the Russians as much pleasure as anything?

Mr. HAYS. I think that is most obvious in their propaganda, because you do not issue propaganda against something that does not bother you; you do not oppose something that is not doing you any harm, real or imagined; you do not want to disturb something that is not thwarting your purpose, but it seems the one thing they are most anxious to destroy is NATO.

Mr. ZABLOCKI. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the President of the Senate and the Speaker of the House of Representatives acting jointly are hereby authorized, after consultation with the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives, to appoint a United States Citizens Commission on NATO, hereafter referred to as the Commission. Said Commission shall consist of not to exceed twenty United States citizens, not more than one-half of whom may be from any one political party, and who shall be appointed from private life.

(b) Vacancies in the Commission shall not affect its powers. Vacancies shall be filled in the same manner as in the case of the original selection. The Commission shall elect a chairman and a vice chairman from among its members.

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

The CHAIRMAN. The gentleman from Iowa is recognized.

Mr. GROSS. Mr. Chairman, at the outset I should like to reemphasize that this resolution came out of the Senate committee by a vote of 8 to 7, the Foreign Relations Committee of the other body. It passed the Senate by a close vote, 51 to 44. I was amazed to see that kind of vote in the Senate where with the greatest of ease they usually pass resolutions of this kind.

I am sure that every Member of the House is for peace, and every Member of the House is against the spread of communism; but here we are about to set up a new commission to cost \$300,000. There are plenty of places in the Third District of Iowa where we could use \$300,000, and I am sure that this is true of Pennsylvania, Minnesota, and all the congressional districts of the country.

The passage of this resolution and the appointment of the commission would give it some flavor of official standing for 20 private citizens to go hither and yon over the face of the earth. Most of these advisory bodies, after touring the world, come back to this country and start propagandizing for bigger and better foreign giveaway appropriations, and so on and so forth.

I should like to ask somebody a question, and I do not care who answers it.

Mr. THOMSON of Wyoming. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. THOMSON of Wyoming. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and twenty-one Members are present, a quorum.

Mr. PASSMAN. Will the gentleman yield?

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

Mr. PASSMAN. About 2 years ago we had a man by the name of Draper who handled a committee. We thought Mr. Draper would go out and find ways to save money but, rather than finding ways to save money, he came back and recommended an increase of \$400 million in the military program. I wonder if Draper had anything to do with this commission, or did he testify for it in either the House committee or the Senate committee?

Mr. GROSS. The record shows that Mr. Draper was one of the principal witnesses in favor of this resolution before the Senate.

Mr. PASSMAN. I recommend that the House take a long look at the recommendation of this committee if Mr. Draper had anything to do with it, because ultimately we will wind up by spending more money.

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

Mr. GROSS. Perhaps the gentleman can answer the question as to what concrete contributions the NATO Parliamentary Conference or the Interparliamentary Union or any of the rest of these high-flying junketing outfits already in operation, have made to the cause of peace or stopping the spread of communism?

Mr. HAYS. They brought this resolution before the House. That is one concrete contribution.

Mr. GROSS. That is what I thought the answer would be.

Mr. HAYS. Another one is that the NATO Parliamentary Conference was instrumental in setting up in Brussels the international study graduate group, which is financed by contributions from industry. Not a dime of Government money in it. I can inform the gentleman of some more things.

I would like to speak about what the gentleman from Louisiana said. You cannot hold it against a bill because somebody you do not like testified for it, or against it. I am not going to desert the Democratic Party because the gentleman from Louisiana has deserted it, and I do not think the Democratic Party is going to founder because he is against it. Let us not get engaged in that kind of business.

Mr. PASSMAN. I want to say to the gentleman from Ohio that the Democratic Party deserted me, I did not desert the Democratic Party, and if they will come back where we started when we formed the Democratic Party they will find me there waiting.

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

Mr. PASSMAN. I would like to have the record show that I have no personal dislike for Mr. Draper. I am not dealing in personalities. I am talking about

American taxpayers' dollars. We expected Mr. Draper to come in with a recommendation that would save money when he testified for such before another committee, but rather than come in with a recommendation to save money he came in with a recommendation to spend more money, and I am afraid he will do likewise if this is passed.

Mr. GROSS. I have no personal antipathy toward Mr. Draper, but I wish he would stay down in Mexico where his power company is, and run that instead of propagandizing the Congress of the United States to spend additional billions on bigger and better foreign giveaway programs and more free trade, in both instances imposing added burdens on the taxpayers of this country.

Mr. HAYS. As far as General Draper is concerned, I have no brief for him or against him, but if this legislation passes the Speaker of the House is going to appoint a certain number, and the President of the Senate will appoint a certain number. If you people who object to any individual have any influence with the Speaker you are free to lay it before him. As far as I am concerned, I have a great deal of confidence in the judgment of the Speaker to appoint the right people, and I have the same confidence in the man who may be elected Vice President of the United States.

Mr. GROSS. I cannot yield further for a political discussion. You had your Democrat political convention out in Los Angeles.

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

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

Mr. ZABLOCKI. I am sure the distinguished gentleman from Iowa is sincere in his presentation. He has mentioned General Draper as being one of the prime sponsors. It is my understanding that General Draper was invited to testify in the other body. He did not seek to testify.

Mr. GROSS. I do not care whether he was invited or hauled in, it does not make any difference.

Mr. ZABLOCKI. He was there to report on the Atlantic Conference, and I hope the vote on this resolution will not depend on one individual. The gentleman mentioned that the committee of the other body voted 8 to 7.

Mr. GROSS. The trouble is, I will say to my friend from Wisconsin, that we find the same individuals, appearing before the committees all the time promoting the establishment of these advisory commissions which invariably become propaganda mouthpieces.

Mr. ZABLOCKI. The gentleman mentioned the vote that was taken in the other body.

Mr. GROSS. I would like to finish my statement. Can the gentleman get me a little more time?

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

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

There was no objection.

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

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

Mr. ZABLOCKI. The gentleman mentioned the very close vote by which this resolution passed the other body. I am sure the gentleman is cognizant that the vote was not on the merit of the resolution but the procedure in the Foreign Relations Committee in the other body. I hope that the resolution before us this afternoon will be acted upon on the merits rather than on the likes or dislikes of any individual.

Mr. GROSS. I cannot agree with the gentleman. If the gentleman will go to the CONGRESSIONAL RECORD of Wednesday, June 15, 1960, he will find plenty of debate in the other body as to the merits of this resolution. And, I can cite the pages to the gentleman, but I do not believe that is necessary.

Mr. THOMSON of Wyoming. Mr. Chairman, will the gentleman yield?

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

Mr. THOMSON of Wyoming. The subject came up of Mr. Draper being invited to testify, and I would like to read a brief statement from page 4 of the Senate hearings:

Neither our honorary chairman, Lewis W. Douglas, nor our genial chairman, Eric Johnson, can be in Washington today. If they could be present, they would both testify in favor of this resolution.

Now, it seems to me I remember a Mr. Johnson lobbying in support of some of these propositions. Is this an attempt to get another \$100,000 for lobbying?

Mr. GROSS. I am glad the gentleman mentioned Eric Johnson. He is a front runner in all of this sort of thing and one of the reasons is that he is employed by an industry which has a big financial stake in the exporting of movies.

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

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

Mr. HOFFMAN of Michigan. Why fail to mention Paul Hoffman? He is a bigger spender.

Mr. GROSS. I have seen his footprints in most of these deals.

Mr. HAYS. All I can say, if you quit berating Congressmen, then we can have a vote upon it.

Mr. GROSS. I have not berated any Member of Congress. Once in a while we ought to deal with things around here without reference to politics. Here we are dealing with the taxpayers' money. It is proposed to dig into the taxpayers' pockets for \$300,000 for a Citizens Commission, and I will say to the gentleman from Ohio that the NATO Parliamentary Conference apparently is not worth its salt or there would be no need to even suggest that a bunch of citizens be organized for the alleged purpose of giving advice.

Mr. HAYS. I will say to the gentleman if an atomic war comes and it is not prevented and it happens here, there will not be anybody around to worry

about the gentleman and the taxpayers and so on.

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

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

Mr. PASSMAN. Is it not true that in connection with mutual security and other foreign aid programs we now have 72 separate committees and everyone recommending additional expenditures in their reports?

Mr. GROSS. Yes. And, if you want to know how many international organizations we have, get this year's Appropriations Committee hearings on the Departments of State and Justice. Beginning on page 990, and page after page thereafter you will find listed the international organizations that the taxpayers of this country are supporting. You tell me what the citizens of this country get out of about 99% percent of these international organizations. Then, in Switzerland, U.S. taxpayers maintain an international organization to wet-nurse all international organizations. We are spending more than \$300,000 a year on this international set-up in Switzerland to provide liaison for the other international organizations. Incidentally, these hearings provide a list of assessments that have not been paid by other countries who are members of these international organizations. The NATO parliamentary organization is not yet old enough to have a record of unpaid assessments but give it time.

Mr. HAYS. The only country that has not paid this year up to date is the United States, and that is because of the recess, and the bill not being passed until this conference report was adopted today. So I presume that our contribution will be forthcoming. But everybody else in the organization has paid up to date, including 1960.

Mr. GROSS. Yes; there is not the slightest question that the United States will come up with its part of the funds; and with far more than any other country.

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

Mr. GROSS. I yield.

Mr. HOFFMAN of Michigan. How much of what the gentleman talks about did we loan or give them? Here is a sheet that just came out from downtown which shows that between \$80 billion and \$90 billion have been given them since 1946. These are their own figures.

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

Mr. GROSS. I yield; but before I do, I wish the gentleman would tell me why we maintain an international organization in Geneva to wet-nurse all these other organizations.

Mr. JUDD. I am not familiar with whatever one the gentleman has in mind.

The gentleman asked if anybody knew of any international organization that had not recommended greater spending. May I recall one to him. When the Marshall plan was proposed, the original amounts asked by the European countries were about \$31 billion for 4 years. Then there was set up the Office of European Economic Cooperation, OEEC consisting of recipients of the proposed aid.

They checked each other, reviewed the program and reduced the total requested to \$23 billion. Then they reviewed it again and got it down to \$17 billion. The Congress then authorized approximately that amount. But they used only about \$13 billion, as I recall. So a very substantial saving of almost \$20 billion was accomplished by that international commission.

Mr. GROSS. I had a letter the other day from a person who apparently would like to be on this commission, who said it might save \$10 billion. Does the gentleman think that this commission that he is proposing to establish would, by the wildest stretch of the imagination, save \$10 billion?

Mr. JUDD. If it makes some headway toward getting more security in the world, which would permit us to reduce our defense budget, that would be the best way, probably the only way, to make any substantial saving.

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

Mr. BARRY. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for 1 additional minute.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

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

Mr. GROSS. I yield.

Mr. BARRY. I would like to ask the gentleman if he has read the report of the Canadian Parliamentarians Conference held last year.

Mr. GROSS. No; but I anticipate that we will probably have to have a Citizens Commission for this new Canadian Parliamentarians Conference and also one for Mexico. Then will come Ghana, the Congo, and a host of others.

Mr. BARRY. I would like to ask the gentleman if he has read the report of the NATO Parliamentarians Conference here in Washington last year.

Mr. GROSS. I have read I think all or parts of most of the reports of these junketing organizations. I have yet to find one that was worth reading.

Mr. BARRY. I am familiar with both of those NATO Parliamentarian Conferences and I think they resolved many differences between this country and Canada.

Mr. GROSS. Name them.

Mr. BARRY. The boundary dispute between Canada and the United States.

Mr. GROSS. How much did we spend on that?

Mr. BARRY. It is not a matter of how much was spent. It was a matter of resolving differences.

Mr. GROSS. If the gentleman will go through the record he will probably find that we have had a longstanding Boundary Commission, and other groups dealing with Canada.

Mr. Chairman, there is absolutely no justification for the establishment of this new Commission, especially since there is already a parliamentary group as an adjunct to NATO, and we are surfeited with international organizations of one stripe or another. Is there no regard for

the taxpayers of this country and their ability to pay all these bills? This is one more vehicle to provide junkets for private citizens and soft jobs at top pay for a staff of employees. Let the record show that I am unalterably opposed to this creation.

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

Mr. Chairman, I am willing to let our Republican friends over there deal with their own intramural troubles. I am going to talk a little bit about ours. About the only opposition I have heard to this from our side has come from the gentleman from Louisiana [Mr. PASSMAN] who has disassociated himself from the party, wants it wiped out. The most important thing, he said in the press, was that the Democratic Party be defeated in 1960—if the press quoted him correctly. I understand that even up to and after the convention he was pretty active in the Democratic Party until some certain influences began to work on him. He told me the other day—he said, “I had to do this to save my seat.” Do you know something? I think we can spare him a lot easier than we can spare the Democratic Party. And I am not so sure that the rest of the Democratic Party will not feel the same way when we have our caucus next year. The gentleman has a perfect right to oppose this, but he has the right to oppose it on legitimate grounds. There is nothing in this resolution, in any way, shape, or form that says that it is going to make any recommendation about spending money. As a matter of fact, the idea of setting it up was that it would not make any recommendations about spending money but it would make recommendations about how the NATO nations could cooperate better with each other.

I do not care if the gentleman opposes it or does not oppose it, but I think the testimony the gentleman offers should be evaluated in the light of its worth. That is the point I make.

Mr. PASSMAN. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I am sure that the Democratic Party could spare me, but I doubt if they could spare the distinguished gentleman from Ohio who would read a life-long Democrat out of the Party because he refuses to support and embrace a philosophy the Democratic Party has not heretofore advocated.

Let me say for the record that I enjoy playing rough; however, I did not get into this discussion to argue Louisiana politics, but I would be willing to do so if it were not that we must get along with the business under consideration. I have no apologies to offer for the fight I have made in behalf of the American taxpayer during my 14 years in the Congress.

Our total expenditures in the so-called foreign-aid program considering all phases now amount to in excess of \$103 billion since the end of World War II. I mentioned earlier a total of 72 or 82 commissions that have been brought into being since the inception of the foreign-

aid program. So far as I know, not a one of them ever recommended reducing foreign aid expenditures. Without exception they recommended increasing expenditures.

I shall never have to apologize to the American taxpayer for the position I take politically. Inasmuch as my friend from Ohio had to bring that up, I stand on the statement I made, and I make no apologies. It will be up to the electorate of Louisiana to decide whether I shall remain in the Congress, and not the gentleman from Ohio. If he had worked as hard to save the American taxpayer's dollar as I have in my 14 years here, then we would not owe a public debt of \$288 billion, nor would we have foreign aid in 76 of the other 86 nations of the world.

At the proper time I shall place in the RECORD what I have said about the party, its platform and its nominees. I will not be quoted out of context, and I shall ask no mercy of the gentleman from Ohio or any others in the Democratic Party.

I have never voted the Republican ticket in my life and do not plan to do so at this time, but that does not necessarily mean that I will support the Democratic ticket and the strange philosophies set forth in the platform, and I shall make no apologies for what I said. The gentleman from Louisiana will be in a position to take care of himself next January and the January following that. Let that be understood. We can discuss legislation here without dealing in personalities by bringing in a statement that the gentleman does not know too much more about than I know about surgery. I will ask him to wait and read the entire statement, if he so desires.

When the Draper committee was set up more than 2 years ago, I thought he would bring in a recommendation that would save some money in the foreign aid program, but he brought in a recommendation that resulted in more than \$400 million being spent in that year. The time has come when we should think about the American taxpayer. The other body upped the House bill by almost \$500 million, and just during the 5 weeks' respite from our legislation here the administration thought of ways by which they could spend an additional \$700 million over and above what they requested earlier. It is time to stop being a rubber stamp around here and stand up and fight some of these commissions and committees that ultimately bring in recommendations for larger and larger expenditures. This is the position I shall take as long as I am a Member of this Congress.

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

The Clerk read as follows:

Amendment offered by Mr. FLYNT: Page 2, line 4, after “political party” strike out “and who shall be appointed from private life” and insert “five of whom shall be appointed from the United States Senate, five of whom shall be appointed from the United States House of Representatives, and ten of whom shall be appointed from private life.”

Mr. FLYNT. Mr. Chairman, I have listened attentively to the discussion of Senate Joint Resolution 170. I listened to the debate on the rule and I have listened to the general debate on the resolution itself. There is not a Member of the House of Representatives who does not concur in the objectives stated in the title of this joint resolution. We all yearn for the political and economic development of the Western allies which comprise NATO. Yet, I share the apprehension that has been expressed by a number of my colleagues on both sides of the aisle that the net result and the end result of this Commission will be to spend more money without bringing a justifiable return in any way—in security, or world peace, or in domestic tranquillity, or in the form of any financial returns to this country. I think it could, perhaps, under some circumstances perform a great service. I voted for the rule because I wanted to hear it debated. I am not certain at this time whether I shall oppose the resolution, but I am confident in its present form I shall not support Senate Joint Resolution 170. If I understood the discussion during general debate, I think I heard gentlemen from both sides of the aisle say that at the time this was before the House Committee on Foreign Affairs one or more of them desired to have a provision written into this resolution that one or more members of this Commission should be from the House of Representatives and that one or more should be from the U.S. Senate. If I misunderstood that, I certainly will yield for a correction at this time.

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

Mr. FLYNT. I am glad to yield to the gentleman from Minnesota.

Mr. JUDD. I said my proposal was that two Members be appointed from each of the two congressional bodies, assuming that one Member would be a Democrat and the other a Republican. The main purpose of that was the same as in the Hoover Commission. The Hoover Commission was a tripartite body—one group of members designated by the President, one by the Speaker of the House of Representatives, and one by the President of the Senate. Each of the two groups appointed by the presiding officers of the Senate and House of Representatives had two Members of the House or Senate respectively. It seemed to us at that time, and I think it is wise now, to have two Members from each House on any such commission. I think the gentleman's proposal of five is too many. Not many of us have time to give the sustained attention to these matters and to make as thorough a study of them as the situation requires. But, two Members from each body, I think, would strengthen the committee and make it more practical in its recommendations.

Mr. FLYNT. I thank the gentleman for his contribution. I think he has made the best argument that could be made for my amending which would provide for five Members from the House and five Members from the Senate on this Commission. The gentleman from

Minnesota knows the situation that prevails with the legislative program in Congress and that if we have only two Members from the House, one Democrat and one Republican, then it would be sometimes virtually impossible to have this body represented at a meeting of the Commission.

It is my purpose in having five from the House and five from the Senate that there would be reasonable certainty that the Congress of the United States would be represented whenever this Commission was in session.

I hope the gentleman from Minnesota and the gentleman from Wisconsin will support my amendment.

Mr. THOMSON of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. FLYNT. I yield to the gentleman from Wyoming.

Mr. THOMSON of Wyoming. If Members of Congress who are paid a salary of \$22,500 would not have time to devote to this, I wonder how somebody serving without compensation is going to find time to do it.

Mr. FLYNT. I think the gentleman has made a very interesting observation, and I agree with his remarks.

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

Mr. FLYNT. I yield.

Mr. BARRY. I would like to know if other countries have parliamentary representatives on this Commission.

Mr. FLYNT. I do not know, but I will say for one that I am interested in the national interest of the United States first and foremost and above any other nation on earth.

Mr. BARRY. Do you think that your amendment would be duplicating the NATO Parliamentary Conference where Members of this Congress and members of other Parliaments congregate? The Commission we are setting up here is a layman's group.

Mr. FLYNT. I will say to the gentleman from New York that if this Commission is going to perform any good, effective purpose on behalf of the people of the nations, it is worthy of having at least one member from each party from each House of the Congress in attendance whenever this Commission is meeting. I think the presence of Members of Congress from this and the other body would have the effect of strengthening this Commission in the event it is enacted into law.

Mr. BARRY. I am inclined to agree, but I think the ratio is a little high. You have got it very heavily weighted in favor of the legislative branch.

Mr. FLYNT. I will say to the gentleman in answer to the remarks made by the gentleman from Minnesota [Mr. JUDD] that I thought he made as good an argument as I am doing now for the fact that we should have at least a proportion in order to guarantee that there would be a representative of Congress present whenever this Commission was in session.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. FLYNT] has expired.

(By unanimous consent, Mr. FLYNT was granted 3 additional minutes.)

Mr. BARRY. Will the gentleman yield further?

Mr. FLYNT. I yield.

Mr. BARRY. Should the gentleman have the assurance that the members appointed from Congress were as devoted to this assignment as they are to their committee assignments, would he then be willing to reduce the number from the Congress and increase the number of public members?

Mr. FLYNT. I would not, because I feel this amendment probably would guarantee a proportionate membership.

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

Mr. FLYNT. I yield.

Mr. GROSS. How does the gentleman justify this on any basis? If you put Members of the House and Senate on this Commission you have only duplicated the junketing which already exists.

Mr. FLYNT. I will have to say that I have not justified it yet. The resolution may pass and I want it to be in the best possible form in the best interests of the American taxpayers, if it does prevail.

Mr. GROSS. Let us lay the whole thing at rest and plant a bouquet on it and call it over.

Mr. FLYNT. I hope the gentleman will support my amendment.

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

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

Mr. KYL. You hit very close to a vital matter, because the matter we are debating originated in an ex officio group. Then we are told this proposed conference will be held whether we are present or not. We are either obligated to go along with this or we give the appearance that we are not cooperating. I fear that each time we create another agency or function of this kind, we go further to getting our hands tied. We are forced to go along with the decisions made by ex officio groups.

I agree with the gentleman's thought. We have got to consider the national welfare of our own country first, then the welfare of these other nations.

Mr. FLYNT. I certainly thank the gentleman from Iowa for his observation.

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

Mr. HAYS. Mr. Chairman, I ask unanimous consent that the gentleman from Georgia [Mr. FLYNT] be allowed to proceed for 5 additional minutes.

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

There was no objection.

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

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

Mr. HAYS. Mr. Chairman, may I say to the gentleman I am in sympathy with the general idea. One of the prime reasons I supported this resolution in the beginning was because I have found that in these international meetings which are planned to last a week or 10 days, they do not have the time to give the study to the propositions which may be advanced that the propositions need.

The gentleman knows there is a lot of criticism of Congress because it does not get its work completed in 5 or 6 months, but the gentleman also knows that the committees give very careful scrutiny and observation to the matters coming before them.

Can the gentleman tell me how the ideal of setting up this Commission, which was that it should meet for 3 or 4 months, if necessary, to give the proposals the kind of study, scrutiny, debate, and discussion they need, if he can tell me how Members of Congress can get away for such a length of time? That is the problem we are up against; how do you solve it?

Mr. FLYNT. I thank the gentleman for asking that question; it is a good question and I am going to try to answer it. First of all, I will say that the objective of having 10 Members of Congress of this Commission, 5 from this body and 5 from the other body, was to meet such a contingency and would be the only way possible through which there would be practically 1 Member of Congress, preferably 1 from each body, in attendance at every session that is held.

I believe the gentleman knows from his own able experience in participating as U.S. representative on the NATO interparliamentary group—and I congratulate him for the work he has done on it—I think that he certainly agrees that the experience which he and other Members of this body have gained and have learned in participation in this NATO group to which I just referred, that such experience would be of incalculable value to the best interests of the United States whenever this Commission meets. I certainly think that many Members of this House could serve a very great purpose if selected to serve on this Commission and I certainly include my friend from Ohio.

Mr. HAYS. I thank the gentleman for the very complimentary things he has had to say about me and my colleagues, and I am inclined to agree with him that people who have had such experience would be valuable members of such a Commission, but I am confronted with the practical situation of how a Member of Congress could get away for the length of time that would be necessary.

Mr. FLYNT. Does not the gentleman feel that the interests of the United States would be increased and enhanced by having men of parliamentary experience representing this Nation on that commission?

Mr. HAYS. I do not think there is any question about it. But there are people available in private life who have had such experience, and it would be desirable that such people be picked. I certainly agree with the gentleman in principle but I am overwhelmed by how to solve the problem that is involved of a Member's getting away for such a long period of time.

Mr. FLYNT. I thank the gentleman from Ohio for his contribution and I hope he, too, will support my amendment.

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

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

Mr. PILLION. I certainly congratulate the gentleman on his amendment. It seems to me the importance of the amendment does not lie in the fact that you need Members of the House or the Senate engaged in the associations or the preliminaries.

The important part of the gentleman's amendment is these Members of the House and Senate would have the power to refuse the recommendations which will be made eventually to this Congress. That is the important part of the gentleman's amendment, and I agree with him.

Mr. FLYNT. I feel it is an important part of the technical amendment which I have offered.

Mr. ZABLOCKI. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Georgia.

Mr. Chairman, as has been pointed out in general debate, a similar proposal was given full consideration and study in the committee. The amendment was not adopted because at this late stage in the session the measure would die in conference. I am sure that the gentleman from Georgia will agree that any amendment offered at this time to the proposal in effect will kill the resolution.

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

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

Mr. HALEY. Just because the gentleman thinks it is so late in the session we cannot work this thing out, we should pass bad legislation?

Mr. ZABLOCKI. I disagree with the gentleman.

Mr. HALEY. Why not go ahead and defeat it now?

Mr. ZABLOCKI. I disagree with the gentleman that it is bad legislation. Since it has been announced that the session may end within a week, the gentleman will agree with me that it would be impossible to have a conference report before adjournment.

In reference to membership on this commission of Members of the Senate and the House, I call to the attention of the gentleman from Georgia the fact that we have many able former Members of Congress who could serve on this commission. It is my understanding that in the Chamber at the present time is the distinguished former chairman of the Committee on Foreign Affairs, Mr. Richards, who would be an excellent member and would serve with distinction on this commission.

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

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

Mr. JUDD. I want to associate myself with the views expressed by my colleague from Wisconsin [Mr. ZABLOCKI]. As has been said heretofore, I prepared an amendment in committee to have two Members from the House and two from the Senate on this commission. But we are faced with a practical situation. I

accepted that situation in committee, and I accept it here. The main thing is to pass this legislation. If we accept amendments here today, the whole thing is likely to fall by the board. Therefore, I hope these amendments will not be adopted, and that any other amendments that may be offered will not be adopted. I hope the House will accept the bill as passed by the Senate, and recommended by our committee, and then we can go ahead and make some progress, I hope, in this important field.

Mr. ZABLOCKI. I thank the gentleman.

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

Mr. ZABLOCKI. I yield to the distinguished gentleman from Ohio.

Mr. HAYS. I would like to point out that we have an excellent man sitting back here, a distinguished former chairman of the Committee on Foreign Affairs, the gentleman from South Carolina, Mr. Richards, who would make an ideal member of this commission. He has had experience in Congress, he has had experience as an ambassador. He is the only man I ever knew that they sent out to give away money, some \$200 million, and who brought some of that back with him. That would answer the economy end of the argument.

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

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

Mr. PASSMAN. Are we admitting that we have legislation that should be amended and could be amended, but on account of the lateness of the session we have to take it as is on account of getting a resolution through?

Mr. ZABLOCKI. I am not saying anything of the sort. I am pointing out that this is a meritorious piece of legislation. It received the unanimous approval of the House Committee on Foreign Affairs. Perhaps it could be perfected. The question is whether a minor perfection should be adopted at the expense of the loss of the entire resolution.

Mr. PASSMAN. We cannot perfect the legislation on account of the lateness of the session, is that what the gentleman in effect said?

Mr. ZABLOCKI. I said in effect, if we want to see the resolution passed, all amendments should be rejected. In my opinion any amendment would very likely kill the proposal for this session.

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

Mr. ZABLOCKI. I yield to the gentleman from Georgia.

Mr. FLYNT. I would like to ask the chairman of the subcommittee, is it not true that several members of the committee in committee sessions expressed approval of the objective of my amendment?

Mr. ZABLOCKI. Yes; but over and above the acceptance of the amendment the sponsors and committee considered the meritorious features and passage of the proposal during this session of Congress. Certainly, we do not want to lose the resolution at the expense of an amendment.

Mr. THOMSON of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. I yield to the gentleman from Wyoming.

Mr. THOMSON of Wyoming. What is the urgency here after we have gotten along for 150 years without commissions of this kind?

Mr. ZABLOCKI. I wish to call the gentleman's attention to my remarks in general debate. I pointed out that we are living in a critical era. We need the counsel and assistance and wisdom of informed citizens. It is our hope that such citizens would be appointed to this commission. I am confident that the deliberations, discussions, and recommendations of the commission proposed by this legislation would be helpful in coping with world problems. I am sure that the gentleman will agree that the situation in the world is not very harmonious.

Mr. THOMSON of Wyoming. Does the gentleman feel that is best served by expediency?

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

The question is on the amendment offered by the gentleman from Georgia [Mr. FLYNT].

The question was taken; and on a division (demanded by Mr. FLYNT), there were—ayes 33, noes 59.

So the amendment was rejected.

Mr. THOMSON of Wyoming. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I stated at the outset during consideration of the rule, I was willing to listen to the debate on this resolution and to consider it with an open mind. I have done that, and I have listened attentively. But, when we reach the point where we say that no amendment should be considered because it might defeat the bill, then we have reached the point where we should consider letting this important and novel proposal go over until such time as we can consider it with the due deliberation it deserves.

Now, Mr. Chairman, this is an important matter, because it is going to set a pattern, as I will show you. In the first place, if I understood the gentleman from Pennsylvania correctly in response to my question when he was discussing the resolution, it was indicated that the Department of State was strongly in favor of it. Is that correct?

Mr. FULTON. I did not use the word "strongly." I said there had been no witness that the Department of State had favored it. I might say there was no witness from the Department of State or the Government that came up to the Hill before either committee—

Mr. THOMSON of Wyoming. I refuse to yield further, Mr. Chairman.

Mr. FULTON. The Department's position is contained on pages 1 and 2 of the Senate hearings and on the last page.

Mr. THOMSON of Wyoming. I am glad the gentleman mentioned that.

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

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

Mr. BOW. Mr. Chairman, reserving the right to object, and I do not intend to object, I have three amendments pending at the desk, and I do not want to find myself again in the position today that I was in in the past, where many Members took additional time and I was not given sufficient opportunity to present my amendments.

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

Mr. CORBETT. Mr. Chairman, further reserving the right to object, and I will not object at this time, since the gentleman from Illinois is not present, I will object to any further requests for additional time.

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

Mr. HALEY. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HALEY. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN (after counting). One hundred twenty-two members are present, a quorum.

Is there objection to the request of the gentleman from Wyoming?

There was no objection.

Mr. THOMSON of Wyoming. Mr. Chairman, I appreciate the gentleman from Pennsylvania clarifying his statement that the Secretary was in favor of this and calling our attention to the Senate hearings, because I have looked at the Senate hearings and I have found this to be the fact. By letter of May 28, 1959, Mr. Macomber, Assistant Secretary in the Department, replied that:

The NATO Parliamentarians Conference is itself a new institution and the forthcoming Atlantic Congress is an even more recent initiative. In fact, the entire very remarkable development of NATO in the last few years, particularly in the field of political consultation, is a new process in a state of growth and development.

And then in italic is this statement:

The Department therefore suggests that action on Senate Concurrent Resolution 17 be deferred.

Then under date of August 25, 1959, just 4 months later we see another letter from the same gentleman, Mr. Macomber, being written and this letter says:

The Department has no objection,

They continue to kick it back and forth some time. I shall not read the letter at length, but I have here the colloquy in the Senate immediately after its insertion in the record.

Senator GREEN. Are these letters favorable?

The CHAIRMAN (the Senator from Arkansas). They are not unfavorable. In brief, the Department takes the position that they have no opposition.

Senator GREEN. They are noncommittal?

The CHAIRMAN. The nearest I can state is that they say they have no opposition to the resolution.

Senator GREEN. This means it is favorable.

The CHAIRMAN. The letter speaks for itself.

Then we find that it gets down to this. The State Department says that the executive wants no part of this. They say in effect, if you leave us out entirely we will not interpose opposition. In other words, the executive is not about to turn over its affairs to some 20 people from among the citizenry of the United States. I submit, why should the elected Representatives of those people, the Congress of the United States, turn its powers or responsibilities over to any such group? And why should they do it by giving the taxpayers' money to such a group to go out and hold this Congress or convention or whatever you want to call it and give these 20 citizens full discretion as to whether they report at all and to whom they report, and so forth. If the executive branch is not going to turn its powers over to them and is afraid of such a situation as this, does not want anything to do with it, why should we as the elected Representatives of the people be willing to create such an agency, using the taxpayers' money, and give them the authority of Congress to go out, then come back with a report or reports if they in their sole discretion so elect and set up another lobby such as we had set up after our more recent commissions, to carry out their recommendations.

I suggest to you that the lobby is already at work. The lobby went to work between the dates of these two letters from the State Department in May and in August, to get the Department to change its position and at least interpose no objection. I suggest to you that those people are already at work, figuring out, getting recommendations of who might serve. They are very fine people, but they are not elected to represent the United States. They are not agents of the U.S. Government. And here is the great danger, as I see it. It is this: If there is one thing we need, and I agree in this respect with some critics of our foreign policy, it is to have clear-cut lines of authority and lines of responsibility. But how are you going to maintain or obtain that when you have people that are not responsible to the Congress although they are appointed by it, and who have nothing to do with the executive, meeting in a convention and coming up with reports and recommendations?

How many of you remember the Conference on Education and how it was used and manipulated to lobby for Federal aid to education. Yes; the Hoover Commission as the first such a commission did a splendid job, but there we had a committee formed to carry out the recommendation of the Hoover Commission. Others seeing the success have seized upon this as a vehicle for getting through about every pet scheme imaginable. This becomes a taxpayer-paid lobby to lobby the Congress, and

we are appropriating the taxpayers' money to pay for it. If you please we are hiring a lobby to lobby the Congress in many instances.

Look at what this joint resolution sets up. There are no guidelines as to what they shall do or anything else. They are responsible to no one. They are required to report only as they themselves see fit. The joint resolution states that the Commission is "to submit such reports as it deems appropriate."

I admire the gentleman from Minnesota. He made a very persuasive argument about the need to discuss world situations and how they could possibly come up with some solutions. But I find that original Senate Resolution 17 expressly provided that this Commission would be "designed to achieve more effective and democratic unity in advancing economic and political affairs, joint defense, and the aims of world peace and individual freedom."

In the joint resolution before us "aims of world peace and individual freedom" have been stricken from the bill. The only thing they can do, as is stated on page 2 of the joint resolution, is to hold conferences to explore means by which greater cooperation and unity of purpose may be developed to the end that democratic freedom may be promoted by economic and political means. The rest is stricken.

Then I begin to wonder who is promoting this. I find Mr. Draper, Eric Johnston, and others who have contacted me on one occasion or another. I am happy to have their opinion. I do not happen to agree with them. They are the ones who are promoting this economic and political cooperation. I think that is fine, but their idea of such seems to be more foreign aid at our taxpayers' expense and giving up more of our American products and jobs to foreign imports. I wonder if there are going to be some recommendations for more economic cooperation whereby this country opens further its trade doors and other countries shut theirs to us. I wonder which one of these NATO countries it is that needs this economic help I heard mentioned. It seems to me they are all doing great. Their economies are advancing, with one exception, and I recognize that one exception. In that case they do not now have a legislature to appoint anybody to go to this convention. But look at Italy, Germany, England, and so forth. Their economies are going up, up, up. So I think we have been doing pretty well in helping them.

I am very happy to see us develop greater political cooperation and greater economic cooperation, but I should like to see it done within the framework of the Constitution of the United States of America by an executive department that is elected by the people with the regular appointive officers and with treaties confirmed by the Senate of the United States. Above all, I do not want to see the Congress of the United States give up its power by adding agencies and commissions like this, appointed with no responsibilities or guidelines, to make policy, to write reports, and propagandize at taxpayers' expense as they

see fit. There are no controls on the spending of this \$300,000. So my position is simply this: that I think we would do well to let this go over until next session and give us time to give it the deliberate consideration it deserves. If it is to be considered at all, we should know more about it. I fear it embarks us on a dangerous course that might well threaten our very liberty and our constitutional government.

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

Mr. Chairman, I should like to recall some history for you. I am sure all of you remember the Hague Conference of 1949. That was a citizens' group from all the countries that are now the NATO nations. It met at a time of strict military emergency. One of the recommendations which came out of that and which was ultimately enacted into a working organization was what is now called NATO. This simply proposes a smaller, more workable group of people to sit down and give some thought to the problems confronting these NATO nations in a different field of activity.

I certainly do not envisage that this organization will call upon us to make any contributions to the NATO countries. I would think it would be more likely it would call upon the NATO countries to join with us and carry some of the burden of fighting this economic cold war. I have been led to believe by what I have read in the press and by what I have heard in other places that some of these countries are willing to do this if there is some kind of meeting of the minds as to how to do it. Now the gentleman expresses great fears because this is a nongovernmental body. I am sure he is sincere. I think that is a legitimate point to be raised. I happen to be chairman of the subcommittee on the State Department and one of the things that these people tell our subcommittee in the Committee on Foreign Affairs many times is that they do not have the time to sit down and give the thought to some of these problems that they would like to because they are so busily involved in the day-to-day operation of the Department of State. I would like to say to the gentleman in all honesty and sincerity, in answer to what I know is an honest fear, that this specifically spells out that we are not going to bind the executive to anything and we are not going to bind the Congress to anything, and that we are going to try to have these people, and I would hope that some of them would be the kind of people we had at the Atlantic Congress, like the president of the University of Pittsburgh and the president of the University of Minnesota and the president of the University of Alabama, who are three that I remember, who would give of their fine brains and of their time to think out some proposed solutions to some of these problems to lay before the Congress and to lay before the executive. Then, if we do not like them, we do not have to take any of them. But I think the gentleman will agree that all of us are pressed for time to think about these problems. This is an effort to get the job done by some of the best people that we can talk into doing this for the good

of the country and for the good of the free world. It is just as simple as that.

Mr. THOMSON of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I am glad to yield to the gentleman from Wyoming.

Mr. THOMSON of Wyoming. Does the gentleman envision this as a continuing setup?

Mr. HAYS. No; the gentleman does not envision this as a continuing setup. The gentleman envisions this as a one shot or, at most, a two-shot operation; perhaps, a meeting and then a recess for the national delegations to get together and then a final meeting and recommendations. I certainly would not ever envision it as being a continuing body. I do not think very many people in the Atlantic Congress who proposed the resolution so envisioned it. I heard nobody express an opinion that it would be a continuing body.

Mr. THOMSON of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Wyoming.

Mr. THOMSON of Wyoming. Dr. Litchfield testified on page 6 of your hearings. He was the leadoff witness on this and he said:

What one such convention would do I think is limited. I think it would do a great deal to help citizens in the various parts of these countries to talk together.

He further said:

I think this is another of many, many steps that are essential in gradually building a Western culture into a closer understanding.

Mr. HAYS. Of course, he has the right to speak his own opinion, but I just do not feel that a continuing organization of this kind is what we want to set up. I do not envision that as being set up by this resolution. I agree thoroughly with the gentleman from Wisconsin [Mr. ZABLOCKI] that I would not be in favor of continuing it unless it can show some overwhelming progress and some overwhelming reason to continue it for another year.

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

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

Mr. JUDD. The gentleman has correctly stated that this commission would have no authority to speak for any governmental body, either legislative or executive, of these United States. And, certainly, we want it that way. But, is it not also true that the Congress would not in the slightest degree be delegating on limiting any of its powers when it appoints this commission?

Mr. HAYS. Of course, it would not. It would be just like the Foreign Relations Committee of the other body when they hire universities and other organizations to make studies of certain facets of foreign policy matters. The Members do not have the time to make such studies themselves. There are a great many things that I would like to have my subcommittee study. We have two or three proposed studies before us, but the problem is when can we get them done?

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

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

Mr. Chairman, I would like to add one point—that there are many good precedents for this sort of ad hoc commission. Next January there will be a conference here in Washington called by the President to consider the problems of the aging. This is also a citizens' group, set up by the executive branch, to study all the facts and facets and factors of the problems of our elderly citizens. It will have no authority. It will make recommendations, which I hope the Congress will find useful. They will be considered by the proper committees of the Congress. If the committees approve them, they will formulate appropriate bills, report them to the Congress, and the Congress then can vote them up or down as the majority deems wise.

We had the Hoover Commission a decade ago to study the various agencies within our own Government and the relations between them. The Congress did not surrender any power when it established that Commission. The findings of the Hoover Commission were studied by the proper committees of the Congress. The recommendations which the committees thought to be desirable were worked into legislation and brought before the Congress and the Congress worked its will.

I cannot see how anybody can find any danger in this proposal to appoint 20 distinguished, public-minded, public-spirited citizens of the United States to sit down with 80 citizens of other NATO countries to study our relations with the other countries of the NATO area in terms of our present world situation. It is not in any sense to increase the burden the United States is carrying. It is an attempt to share the burden by pooling our strengths, that is, to get help in carrying the burden. The dangers are infinitesimal compared to the benefits that may be gained. So I hope we will go ahead and pass this resolution.

Mr. ZABLOCKI. Mr. Chairman, I ask unanimous consent that all debate on this resolution and all amendments thereto close at 4:30.

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

Mr. BOW. Mr. Chairman, I object.

Mr. ZABLOCKI. Mr. Chairman, I move that all debate on the resolution and all amendments thereto close at 4:30.

The question was taken, and the motion was agreed to.

The CHAIRMAN. The gentleman from Illinois [Mr. O'HARA] is recognized.

Mr. O'HARA of Illinois. Mr. Chairman, my approach to this legislation is one of trust in peace. I think we are living in very serious times. I think if we are going to find a solution we must go not to the legislative halls but to the grass roots. So I welcome this suggestion that 20 Americans, not Americans in public office, Americans perhaps in the ministry, in education, in the professions

in the various fields, to meet with people from other lands in the countries friendly to us, and in their talks together perhaps find a solution for our own problems.

I am not in favor of study groups. They get nowhere, only kill time. I am not in favor of expenditures of money unnecessarily, but it seems to me, just as a matter of commonsense, that while we still have hope of reaching our objective of peace we should encourage this bringing together—not dressing them up with authority—they are only getting together as people talking together. Certainly I think this is only commonsense that we should view with sympathy and pass this resolution.

Mr. BOW. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. Bow moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

The CHAIRMAN. The gentleman from Ohio is recognized for 5 minutes.

Mr. BOW. Mr. Chairman, I regret very much that time for debate has been limited. I have three amendments I sincerely believe will improve this bill.

Time after time there has been an extension of time here again today in general debate by members of the committee and others, yet when we come down to reading the bill there is an attempt to cut off debate. I think it is unfair and unjustified especially to Members who have amendments they wish to offer. At the proper time when the Clerk reaches that portion of the bill I shall offer my amendments but I will explain them briefly at this point.

Paragraph 3 on page 3 of the bill provide that there shall be 10 employees of this commission and that compensation shall not exceed the maximum rates authorized for committees of the Congress. That would mean that under that provision \$176,000 could be used for the employment of personnel.

My amendment would limit it and provide that the total payment shall not exceed \$50,000. Fifty thousand dollars is enough to spend and give them enough money to hire experts and their stenographic staff.

My second amendment is in paragraph 5 which provides that the United States shall pay its share of the expenses and limits the amount to \$100,000. My amendment would add to that "or not over 20 percent of the total." With the number of nations in this we should not pay over 20 percent of the total.

My third and last amendment is to section 4 and would require the members of the commission to make the same report on travel as Members of Congress are required to make under the bill which we passed not long ago.

It seems to me these are proper amendments of limitation of funds.

Look at the resolution. The total authorized to be appropriated is not to exceed \$300,000. The gentleman from Ohio [Mr. Hays] has said these people may sit for 3 or 4 months. If they sit for 3 or 4 months being paid a per diem,

travel expenses, especially if they are 3 or 4 months traveling abroad, staying at high-priced hotels, that \$300,000 will melt away and they will be back in a supplemental for additional funds.

It seems to me proper at the very start that we have definite limitations on what they can spend. I know from my own experience as a member of a Subcommittee on Appropriations where we have to deal with money authorizations for commissions. We appropriate the full amount, but it is not long before they come back with a supplemental and with additional authorization for an increase in the payments. I think these amendments are needed; I think they are liberal. They would allow them \$50,000 for clerical and professional staff; limit to 20 percent of the total our contribution; and the members of the commission are required to file the same kind of reports to the House as Members are required to file under the legislation we passed before the recent adjournment.

The CHAIRMAN. The question is on the motion of the gentleman from Ohio.

The motion was rejected.

The CHAIRMAN. Does the gentleman from Ohio care to offer his amendments?

Mr. BOW. I did not know the Clerk had reached that portion of the resolution.

The CHAIRMAN. Without objection the balance of the resolution will be considered as read and open to amendment at any point.

There was no objection.

(The balance of the resolution follows:)

SEC. 2. (a) It shall be the duty of such Commission to endeavor to arrange for and to participate in such meetings and conferences with similar citizens commissions in the NATO countries as it may deem necessary in order to explore means by which greater cooperation and unity of purpose may be developed to the end that democratic freedom may be promoted by economic and political means.

(b) The United States Citizens Commission on NATO is not in any way to speak for or to represent the United States Government.

SEC. 3. To promote the purposes set forth in section 2, the Commission is hereby authorized—

(1) to communicate informally the sense of this resolution to parliamentary bodies in NATO countries;

(2) to seek to arrange an international convention and such other meetings and conferences as it may deem necessary;

(3) to employ and fix the compensation of such temporary professional and clerical staff as it deems necessary: *Provided*, That the number shall not exceed ten: *And provided further*, That compensation shall not exceed the maximum rates authorized for committees of the Congress;

(4) to submit such reports as it deems appropriate; and

(5) to pay its share of such expenses as may be involved as a consequence of holding any meetings or conferences authorized by subparagraph (2) above, but not in excess of \$100,000.

SEC. 4. Members of the Commission, who shall serve without compensation, shall be reimbursed for, or shall be furnished, travel, subsistence, and other necessary expenses incurred by them in the performance of their

duties under this joint resolution, upon vouchers approved by the Chairman of said Commission.

SEC. 5. Not to exceed \$300,000 is hereby authorized to be appropriated to the Department of State to carry out the purposes of this resolution, payments to be made upon vouchers approved by the Chairman of the Commission subject to the laws, rules, and regulations applicable to the obligation and expenditure of appropriated funds. The Commission shall make semiannual reports to Congress accounting for all expenditures.

SEC. 6. The Commission shall cease to exist on January 31, 1962.

Mr. BOW. Mr. Chairman, I offer my amendments and ask that they be considered en bloc.

The Clerk read as follows:

Amendments offered by Mr. Bow: On page 3, line 8, after "Congress", insert a semicolon and the following: "Provided, further, That the total compensation shall not exceed \$50,000."

Page 3, line 14, after "\$100,000" insert "and not to exceed 20 percent of the total cost."

Page 3, line 20, after "commission", insert "and shall be subject to the provisions of section 105 of the Legislative Branch Appropriation Act, 1961".

Mr. FULTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FULTON. Mr. Chairman, I favor the last amendment, but oppose the first two. I do not believe the chairman put to the Committee the question whether there was any objection. I do object.

The CHAIRMAN. The gentleman from Ohio [Mr. Bow] offered three amendments, and he asked unanimous consent that they be considered en bloc.

Mr. FULTON. That was not put to the Committee.

The CHAIRMAN. That question has not been put to the Committee. Is there objection?

Mr. FULTON. I object to their being considered en bloc.

The CHAIRMAN. The gentleman from Ohio is recognized.

Mr. BOW. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BOW. That is, on the three amendments?

The CHAIRMAN. That is on all three amendments, under the unanimous consent agreement already entered into.

(By unanimous consent, Mr. FLYNT yielded the time allotted him to Mr. Bow.)

(By unanimous consent, Mr. Dowdy yielded the time allotted him to Mr. Bow.)

Mr. BOW. Mr. Chairman, I shall repeat what I said in the well a few minutes ago as to this amount, particularly the first amendment, which I think is very important.

The provision says they may have not to exceed 10 staff members. There is no limitation. It has not been stated that they shall be appointed according to the Civil Service classifications or rules, or the classifications of the State Department. It simply says they may have 10 and that the compensation shall not

exceed the maximum rate authorized for committees of the Congress.

The maximum rate authorized by the committees of Congress is \$17,600. So you see we do have a chance of spending \$176,000 of the total of \$300,000 to be used for payment of the staff. My amendment limits this to \$50,000 a year. They can hire experts with that, and stenographers and clerks, and that is sufficient to carry on the work.

We know there are certain instances of groups where the United States is paying much more than its fair share for the maintenance of these commissions. I know one that appeared before our committee where we are paying 98 or 99 percent of the total cost. It seems to me that just saying "we shall pay our share" is not sufficient. We should say what that share shall be. This is an important amendment, the second one. We say that share shall not exceed 20 percent of the total.

We have that \$100,000, which is a limitation, but still we should get down to the 20 percent and let the other countries know how much we would be able to contribute.

Number 4, on the reports of the commission. We should make them provide the same reports that Members of Congress make on travel expenses.

Mr. Chairman, the argument is going to be made again that if any amendments are adopted to this bill, there will be no bill. I must join with others who have said that we have a bill that should be amended. We should spell out the facts in the bill. Certainly we should not pass it if it is a bad bill merely because we are close to the end of the session. That is no reason for passing bad legislation.

If we pass this today, these are simple amendments and it would be a very simple thing to call the Senate conferees, get them together and agree or disagree to an amendment such as this. I cannot understand why we cannot pass this bill today with amendments, get the conferees together and clear it up. It can be done and it should be done in order to have legislation that is proper so that we can understand the manner in which the taxpayers' funds are going to be used.

Mr. JUDD. Mr. Chairman, I rise in opposition to the amendments.

Mr. Chairman, I am in sympathy with what the gentleman from Ohio is seeking to do. But I think that his amendments are unnecessarily restrictive. The first amendment sets a limit of \$50,000 on the salaries of up to 10 people to do the staff work. That is too small. The commission will be crippled and ineffective unless it has good staff workers. This would allow \$5,000 each per year. Now, just where can you get competent and able persons at \$5,000 apiece?

Or if three top grade staff men were appointed for the salary necessary for such men, they would have no secretarial help. The limitation of \$300,000 on total expenditures is surely adequate to prevent extravagance. If we are to set up a commission and expect it to

do a good job, it seems to me it ought to have flexibility within the overall limitation to decide how much should go for staff and how much for travel expenses and how much for per diem for commission members, and so on. I cannot believe that when we consider the world dangers for which we are appropriating some \$44 million each year to try to maintain our security in peace, we should skimp on how much of the total is to go for technical staff. I do not want to set up a commission at all unless it is able to hire the very best people available. I cannot think of anything more penny wise and pound foolish than to put in this limitation which might save \$10,000 here or \$40,000 there at the possible cost of losing several billion dollars in the end.

So, first, I think the amendments are too restrictive and, second, if we add amendments today, we are practically dooming this legislation to an untimely death as far as this session of the Congress is concerned. For those two reasons, I hope the amendments will be voted down.

The CHAIRMAN. The question is on the first amendment offered by the gentleman from Ohio [Mr. Bow].

Mr. FLYNT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FLYNT. Was not objection made to the request that they be voted on en bloc?

The CHAIRMAN. The Chair is now taking a vote on the first amendment offered by the gentleman from Ohio [Mr. Bow].

Mr. FLYNT. Mr. Chairman, I ask that the amendment be again read by the Clerk.

The CHAIRMAN. Without objection, the amendment will again be read.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. Bow: On page 3, line 8, after "Congress", insert "And provided further, That the total compensation shall not exceed \$50,000."

The question was taken; and on a division (demanded by Mr. Bow) there were—ayes 38, noes 55.

So the amendment was rejected.

The CHAIRMAN. The Clerk will report the next amendment offered by the gentleman from Ohio [Mr. Bow].

The Clerk read as follows:

Amendment offered by Mr. Bow: On page 3, line 14, after "\$100,000" insert "and not to exceed 20 percent of the total cost."

The CHAIRMAN. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. Bow) there were—ayes 40, noes 58.

Mr. BOW. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. Bow and Mr. ZABLOCKI.

The Committee again divided, and the tellers reported that there were—ayes 45, noes 76.

So the amendment was rejected.

The CHAIRMAN. The Clerk will report the next amendment offered by the gentleman from Ohio.

The Clerk read as follows:

Amendment offered by Mr. Bow: On page 3, line 20, after "Commission", insert "and shall be subject to the provisions of section 105 of the Legislative Branch Appropriation Act, 1961."

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Chairman, may I point out that the funds under this resolution will be expended on vouchers signed by the chairman of the commission. Further, all funds expended will be subject to the rules and regulations governing the accountability of obligations and expenditures made under the jurisdiction of the State Department. Such accounts are subject to review by the Comptroller General. Wherever it is possible for the commission to meet its expenses through the use of local currency, the commission will use appropriated dollars to purchase such currencies.

So we do have adequate control. I looked this up after the amendment was offered, and there is adequate control.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. Bow].

The amendment was rejected.

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

The Clerk read as follows:

Amendment offered by Mr. Gross: On page 4, line 3, strike the period, and insert a colon in the following: "Provided, That no part of any appropriation contained in this resolution or of the funds available for expenditure for any individual included in this resolution, shall be used for publicity or propaganda purposes designed to support or defeat legislation proposed or pending before Congress."

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, this is the same amendment I have offered to a number of appropriation bills in this session of Congress and in previous sessions of Congress. In almost every instance they have either been accepted by the chairmen of the committees or adopted by the House. I would hope that the chairman of this subcommittee and the ranking minority member would accept this amendment. It would make certain that this outfit could not be used for propaganda purposes, at least with respect to Congress.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. Gross].

The question was taken; and on a division (demanded by Mr. Gross) there were—ayes 43, noes 65.

So the amendment was rejected.

Mr. HOSMER. Mr. Chairman, it is not without reservation that I oppose this measure. Its purposes are all to the good. However, it is my general feeling that diversification and decentralization of the conduct of our international affairs leads to confusion.

Matters which have to do with this country's relations with other countries that fall within the general purview of international law I feel should be handled by our Department of State which has been established constitutionally for this purpose. It is in adherence to that principle of organization that I oppose the measure.

Mr. CARNAHAN. Mr. Chairman, the breakdown of personal diplomacy in the conduct of our foreign affairs during these past several weeks has sharpened the ideological, political and economic struggle now going on throughout the entire world. The situation is grave indeed, but not without real hope. Perhaps two things of positive good in the interest of freedom and justice across the face of the earth can yet be accomplished as a result of the diplomatic disappointments of the past several weeks: First, it might well be that we have had pointed out to us in a way more dramatic than otherwise might have been possible the aims and tactics of the international Communist movement. Writing in his book, "The Real Soviet Russia," the late Joseph Stalin said:

Words must have no relation to actions—otherwise what kind of diplomacy is it? Words are one thing, actions another. Good words are a mask for the concealment of bad deeds. Sincere diplomacy is no more possible than dry water or wooden iron.

Certainly the events from Camp David to the ill-fated summit meeting in Paris, to the postsummit events in the Far East, bear out in bold detail this statement. Second, it could bring about at an even earlier date than might have otherwise been thought possible a convention among NATO members to explore further NATO cooperation in the vitally important fields of economic and political action.

I believe, Mr. Chairman, that NATO is strong militarily and prepared for the military defense of Western Europe. However, all is not so muscular with other aspects of NATO endeavor and I refer to such matters as the various economic, monetary and political problems of the North Atlantic Treaty Organization. These economic, monetary and political factors are equally as important to the functioning of NATO as is the military strength of NATO. All of these facets are interrelated and go to make up the whole pattern of North Atlantic defense. The argument may be put forward, Mr. Chairman, that we have held numerous other NATO conferences and this is true. However, the fact is that these previous conferences have tackled the problem piecemeal and none have tackled them as a whole. If NATO is ever to function as an integrated entity with all its component parts making their own peculiar and significantly needed contribution to this defense alliance, we need a "Committee on the Whole" which will wrestle with the problems involved from the beginning to the end as a whole and not on a piecemeal basis.

I urge affirmative action on this proposal. If we seek strength today in the unity of the North Atlantic community

we shall show Moscow that we are in no frame of mind to make huge unilateral concessions. Visible and within our grasp, we have the possibility of building such military, economic and moral strength that the Communists will not dare challenge our position of freedom in the North Atlantic community. We can yet prove this union to be one of the world's most potent influences toward peace.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose, and the Speaker having resumed the chair, Mr. Bass of Tennessee, Chairman of the Committee of the Whole House on the State of the Union reported that that Committee having had under consideration the joint resolution (S.J. Res. 170) to authorize the participation in an international convention of representative citizens from the North Atlantic Treaty nations to examine how greater political and economic cooperation among their peoples may be promoted, to provide for the appointment of U.S. delegates to such convention, and for other purposes, pursuant to House Resolution 587, he reported the joint resolution back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the third reading of the Senate joint resolution.

The resolution was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the Senate joint resolution.

Mr. GROSS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the resolution?

Mr. GROSS. I am unequivocally opposed to it, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. GROSS moves to recommit Senate Joint Resolution 170 to the House Committee on Foreign Affairs with the following amendment: On page 4, line 3, strike the period and insert a colon and add the following: "Provided, That no part of any appropriation contained in this resolution or of the funds available for expenditure for any individual included in this resolution, shall be used for publicity or propaganda purposes designed to support or defeat legislation proposed or pending before Congress."

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the joint resolution.

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

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

The SPEAKER. Evidently, no quorum is present.

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

The question was taken; and there were—yeas 289, nays 103, not voting 39, as follows:

[Roll No. 192]

YEAS—289

Adair	Foley	Miller, Clem
Addonizio	Forand	Miller,
Albert	Ford	George P.
Allen	Frazier	Miller, N.Y.
Anderson,	Frelinghuysen	Milliken
Mont.	Friedel	Moeller
Anfuso	Fulton	Monagan
Arends	Gallagher	Moore
Ashley	Garmatz	Moorhead
Aspinall	Gathings	Morgan
Auchincloss	George	Morris, Okla.
Avery	Gialmo	Moss
Ayres	Gilbert	Moulder
Baker	Granahan	Multer
Baldwin	Gray	Mumma
Barr	Green, Oreg.	Murphy
Barry	Green, Pa.	Natcher
Bass, N.H.	Griffin	Nelsen
Bass, Tenn.	Griffiths	Norblad
Bates	Gubser	O'Brien, Ill.
Becker	Hagen	O'Brien, N.Y.
Beckworth	Halleck	O'Hara, Ill.
Bennett, Fla.	Halpern	O'Hara, Mich.
Bennett, Mich.	Hardy	O'Neill
Blatnik	Hargis	Oliver
Boggs	Hays	Osmers
Boland	Hechler	Ostertag
Bolton	Hemphill	Patman
Bonner	Henderson	Perkins
Bowles	Hogan	Philbin
Boykin	Holifield	Pilcher
Brademas	Holland	Poage
Breeding	Holtzman	Porter
Brewster	Horan	Powell
Brooks, Tex.	Huddlestone	Price
Broomfield	Inouye	Prokop
Brown, Ga.	Irwin	Pucinski
Brown, Mo.	Jackson	Quigley
Broyhill	Jarman	Rabaut
Burke, Ky.	Johnson, Calif.	Rains
Burke, Mass.	Johnson, Colo.	Randall
Burleson	Johnson, Md.	Ray
Byrne, Pa.	Johnson, Wis.	Rees, Kans.
Cahill	Jonas	Reuss
Canfield	Jones, Ala.	Rhodes, Pa.
Carnahan	Judd	Riehlman
Chamberlain	Karsten	Riley
Chelf	Karth	Rivers, Alaska
Chenoweth	Kasem	Rivers, S.C.
Chipperfield	Kastenmeier	Roberts
Church	Kearns	Robison
Clark	Keith	Rodino
Coad	Kelly	Rogers, Colo.
Coffin	Keough	Rooney
Cohelan	Kilday	Roosevelt
Collier	Kilgore	Rostenkowski
Conte	King, Calif.	Roush
Cook	King, Utah	Santangelo
Cooley	Kluczynski	Saund
Corbett	Knox	Schenck
Cramer	Kowalski	Schneebell
Cunningham	Lafore	Schwengel
Curtin	Laird	Selden
Curtis, Mass.	Lane	Shelley
Daddario	Langen	Sheppard
Dague	Lankford	Shipley
Daniels	Latta	Sisk
Delaney	Lennon	Slack
Dent	Lesinski	Smith, Iowa
Denton	Levering	Smith, Miss.
Derounian	Libonati	Spence
Diggs	Lindsay	Springer
Dingell	Lipscomb	Staggers
Dixon	McCormack	Stratton
Donohue	McCulloch	Stubblefield
Dooley	McDonough	Sullivan
Dorn, N.Y.	McDowell	Taylor, N.C.
Doyle	McFall	Teague, Calif.
Dulski	McGovern	Teller
Durham	McIntire	Thomas
Dwyer	Macdonald	Thompson, Tex.
Edmondson	Machrowicz	Thornberry
Elliott	Mack	Toll
Everett	Madden	Tollefson
Evins	Maillard	Trimble
Fallon	Marshall	Udall
Farbstein	Martin	Ullman
Fenton	May	Vanik
Fino	Meader	Wainwright
Fisher	Merrrow	Wallhauser
Flood	Metcalf	Walter
Flynn	Meyer	Wampler
Fogarty	Michel	Watts

Weaver
Weis
Widnall
Willis

Wilson
Wolf
Wright
Yates

Young
Younger
Zablocki
Zelenko

NAYS—103

Abbitt
Abernethy
Alexander
Alford
Alger
Andersen,
Minn.
Andrews
Ashmore
Bailey
Baring
Belcher
Berry
Betts
Blitch
Bosch
Bow
Bray
Brock
Brooks, La.
Brown, Ohio
Budge
Byrnes, Wis.
Cannon
Casey
Cederberg
Colmer
Curtis, Mo.
Davis, Ga.
Derwinski
Devine
Dorn, S.C.
Dowdy
Downing
Feighan

NOT VOTING—39

Barden
Barrett
Baumhart
Bentley
Bolling
Buckley
Celler
Davis, Tenn.
Dawson
Fascell
Glenn
Grant
Harris

Flynt
Forrester
Fountain
Gary
Gavin
Goodell
Gross
Haley
Harmon
Harrison
Herlong
Hiestand
Hoeven
Hoffman, Ill.
Hoffman, Mich.
Holt
Hosmer
Hull
Jennings
Jensen
Johansen
Jones, Mo.
Kitchin
Kyl
McGinley
McMillan
Mason
Matthews
Mills
Minshall
Montoya
Morris, N. Mex.
O'Konski
Passman
Pelly

Morrison
Murray
Nix
Norrell
Preston
Quie
Rogers, Mass.
Smith, Kans.
Taylor, N.Y.
Thompson, La.
Thompson, N.J.
Vinson
Withrow

So the bill was passed.
The Clerk announced the following pairs:

On this vote:
Mr. Hébert for, with Mr. Taylor of New York against.
Mr. Bentley for, with Mr. Hess against.
Mr. Celler for, with Mr. Baumhart against.
Mr. Buckley for, with Mr. Kilburn against.
Mr. Kirwan for, with Mr. Withrow against.

Until further notice:
Mr. Morrison with Mr. Glenn.
Mr. Thompson of Louisiana with Mr. Quie.
Mr. Loser with Mrs. Rogers, Mass.

Mrs. MAY changed her vote from "nay" to "yea."
The result of the vote was announced as above recorded.

The doors were opened.
A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks on Senate Joint Resolution 170 just prior to its passage.

The SPEAKER. Without objection, it is so ordered.
There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. McGown, one of its clerks, an-

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

H.R. 12619. An act making appropriations for mutual security and related agencies for the fiscal year ending June 30, 1961, and for other purposes.

The message also announced that the Senate insists on its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HAYDEN, Mr. RUSSELL, Mr. CHAVEZ, Mr. ELLENDER, Mr. HOLLAND, Mr. STENNIS, Mr. BRIDGES, Mr. SALTONSTALL, and Mrs. SMITH to be the conferees on the part of the Senate.

MUTUAL SECURITY APPROPRIATION BILL, 1961

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 12619), making appropriations for mutual security and related agencies for the fiscal year ending June 30, 1961, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

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

The Chair hears none, and appoints the following conferees: Messrs. PASSMAN, GARY, CANNON, TABER, and FORD.

LEGISLATIVE PROGRAM

Mr. HALLECK. 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 Indiana?

There was no objection.
Mr. HALLECK. Mr. Speaker, I would like to inquire of the majority leader if he can tell us as to the program for tomorrow, either definitely or as a probability.

Mr. McCORMACK. I am glad the gentleman made that inquiry. I have no legislative business or program for tomorrow, as I announced earlier. I do not know what the situation will be in connection with conference reports. I know of none now, although the committee handling Health, Education, and Welfare has until midnight tonight to file a report. Of course, those may be brought up at any time.

In the event that the Rules Committee should report a resolution to take from the Speaker's desk and send to conference the minimum wage bill, then the leadership on both sides of the aisle—this colloquy is for that purpose—alerts Members that that rule may be brought up tomorrow.

Mr. HALLECK. May I say to the gentleman that, as far as I am concerned, and I am sure his attitude is the same, we would want to discuss that with our members on the Rules Committee to determine whether or not if a rule is reported such action would be in line with what they want done. As far

as I am concerned I would be glad to go along with any such arrangement if a rule is reported.

Mr. McCORMACK. The gentleman's position is clearly understood and it is a very fair and proper one. This colloquy between the gentleman from Indiana and myself is simply to let the Members know and be on their guard that there is a reasonable if not strong probability that if a rule is reported out it may be brought up tomorrow.

I understand also that the Committee on Ways and Means has until midnight to file a report on a bill.

Conference reports can be brought up at any time. We just want to advise the Members about the probability of sending the minimum wage bill to conference.

Mr. HALLECK. I thank the gentleman.

DISTRICT OF COLUMBIA

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may have until midnight tonight to file certain reports.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

GEORGE WASHINGTON CARVER CENTENNIAL COMMISSION

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent—and I make this request not only for myself, but for my distinguished friend, the gentleman from Iowa [Mr. JENSEN], who filed a companion resolution—for the immediate consideration of House Joint Resolution 799, establishing a George Washington Carver Centennial Commission.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, what is this going to cost?

Mr. McCORMACK. Mr. Speaker, the gentleman knows that George Washington Carver was not only one of the great Americans, but one of the great men of all time. On the occasion of his 100th anniversary, the resolution provides for the establishment of a commission to be known as the George Washington Carver Centennial Commission. The number of members is provided in the joint resolution. The authorization is \$249,000.

Mr. GROSS. Does the gentleman anticipate that that will take care of this Commission, and there will be no further requests for money?

Mr. McCORMACK. I would prefer that the gentleman from Iowa [Mr. JENSEN] answer that question.

Mr. JENSEN. I may say to the gentleman from Iowa [Mr. Gross] that there will be no further requests for this purpose. It is a most worthy cause. George Washington Carver, as the gentleman knows, was a person of great fame not only to every colored person in America but every person in America. We worship his memory. July 13 of this year was the 100th anniversary of the birth

of this great American. I trust there will be no opposition to this legislation.

Mr. McCORMACK. May I say to the gentleman from Iowa [Mr. Gross] that we cleared this with the chairman of the Committee on the Judiciary, the ranking member, and the minority leader. It has all been cleared. If we are going to do this at all we have to do it now, otherwise next year it will be too late.

Mr. JENSEN. If the gentleman will yield further, may I say that I introduced this joint resolution a few days ago and was pleased and proud when the gentleman from Massachusetts [Mr. McCORMACK] said to me that he would be proud to have the privilege of introducing a similar resolution, which he did. He has carried this thing along now. I know that every American who has known of the great work of George Washington Carver will be proud of the Congress of the United States for doing this thing.

Mr. GROSS. I would say only this, that I think there is more justification for the passage of this joint resolution than the one passed just a few moments ago.

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

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

Mr. BAILEY. For many years George Washington Carver was on the faculty of West Virginia State College. He was one of the three or four outstanding Negroes of his generation. He carried on many experiments that led to the development of the peanut and other industries while he was on the faculty of West Virginia State College. Later he moved his activities to Alabama. I am very much in favor of the joint resolution introduced by the gentleman from Massachusetts.

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

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

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) (1) There is hereby established a Commission to be known as the "George Washington Carver Centennial Commission" (hereinafter referred to as the "Commission") which shall be composed of sixteen members as follows:

(A) Five members who are outstanding Americans, to be appointed by the President;

(B) Two members who are Members of the Senate, to be appointed by the President of the Senate;

(C) Three members who are Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives;

(D) One member from the Department of the Interior who shall be the Director of the National Park Service, or his representative, and who shall serve as executive officer of the Commission; and

(E) Five members to be appointed by the President after consideration of such recommendations as may be made, upon the request of the President, by the George Washington Carver National Monument Foundation.

(2) The President shall, at the time of appointment, designate one of the members appointed by him to serve as Chairman, and two of the members appointed by him to serve, upon the recommendation of the George Washington Carver National Monument Foundation, full time under the direction of the Chairman in carrying out the functions of the Commission. The two members of the Commission serving full time shall receive compensation at a rate fixed by the Chairman and shall be reimbursed for their actual and necessary traveling and subsistence expenses incurred in the discharge of their duties. The other members of the Commission shall receive no salary but shall be reimbursed for their actual and necessary traveling and subsistence expenses incurred in the discharge of their duties.

(b) The functions of the Commission shall be to develop and to execute suitable plans for the celebration of the 100th anniversary of the birth of George Washington Carver. In carrying out these functions the Commission is authorized to cooperate with and to assist the George Washington Carver National Monument Foundation to plan a centennial celebration of the birth of George Washington Carver, and to invite all of the people of the United States to join therein.

(c) The Commission may employ, without regard to civil service laws or the Classification Act of 1949, such employees as may be necessary in carrying out its functions.

(d) (1) The Commission is authorized to accept donations of money, property, or personal services; to cooperate with patriotic and historical societies and with institutions of learning; and to call upon other Federal departments or agencies for their advice and assistance in carrying out the purposes of this section. The Commission, to such extent as it finds to be necessary, may, without regard to the laws and procedures applicable to Federal agencies, procure supplies, services, and property and make contracts, and may exercise those powers that are necessary to enable it to carry out efficiently and in the public interest the purposes of this section.

(2) Expenditures of the Commission shall be paid by the executive officer of the Commission, who shall keep complete records of such expenditures and who shall account also for all funds received by the Commission. A report of the activities of the Commission, including an accounting of funds received and expended, shall be furnished by the Commission to the Congress not later than June 30, 1962. The Commission shall terminate upon submission of its report to the Congress.

(3) Any property acquired by the Commission remaining upon termination of the celebration may be used by the Secretary of the Interior for purposes of the national park system or may be disposed of as surplus property: *Provided*, That any property so acquired which may be requested by the George Washington Carver National Monument Foundation to assist it in carrying out its functions and purposes shall be donated to the Foundation. The net revenues, after payment of Commission expenses, derived from Commission activities, shall be deposited in the Treasury of the United States.

(e) There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for the Commission, for necessary expenses in carrying out its functions under this section, \$249,000.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

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

further ask that all Members who desire to do so may have 5 legislative days in which to extend their remarks on the joint resolution just passed and with regard to the late George Washington Carver.

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

There was no objection.

Mr. McCORMACK. Mr. Speaker, in an age dominated by scientific achievement, there are many great names to consider and many great deeds to praise. Even so, there is no doubt that some stand alone in their magnificence, no matter how worthy the others may be.

In such a category do we find Dr. George Washington Carver, a giant among giants in his field.

Born a slave in the Civil War era, Dr. Carver rose above the traditional barriers and pitfalls of poverty, plus that of race, to wholly revolutionize the field of agricultural chemistry.

His contributions to the field have earned for him such names as the "Wizard of Tuskegee." Nor has he worked for science alone. Indeed, his discoveries have so elevated the economic value of the once-neglected peanut, to the point where it stands today as one of the greatest money crops in the southern United States.

A benefit to science, to agriculture, and to economic prosperity, Dr. Carver merits the praise he receives today, from every corner of the land.

Mr. Speaker, may I say further that I have talked to two of our colleagues, one from North Carolina and the other from South Carolina, about the joint resolution just passed, and the words of praise they had for the late George Washington Carver were certainly inspirational to me. I know each of them has indicated to me that he wants to insert his remarks in the RECORD in relation to this great man.

Mr. Speaker, I have ready to file in this august legislative body this day, a copy of House Joint Resolution 787, dated August 22, 1960, on that day introduced by the distinguished gentleman from Iowa [Mr. JENSEN] establishing a George Washington Carver Centennial Commission. This copy of Mr. JENSEN's resolution was presented to me yesterday by Mr. Phillips, of the distinguished Tuskegee Institute, with the request that I join in sponsoring House Joint Resolution 787.

In view of the fact that our distinguished majority leader has this day done another of the very fine, exemplary legislative acts which are his custom, and has called this resolution to the floor for action at this time, I, of course, will not file House Joint Resolution 787 as I intended to do before the close of legislative business today.

But, may I say that I heartily approve this resolution and the very appropriate and timely purpose thereof; for, the resolution provides that the Commission therein provided for is to be constituted by five outstanding Americans to be appointed by the President; two members who are Members of the U.S. Senate, appointed by the President of the Senate; three members who are Members

of the House, appointed by the Speaker of the House; one member from the Department of the Interior who shall be the Director of the National Park Service, or his representative, who shall serve as executive officer of the Commission; and five members to be appointed by the President of the United States after consideration of such recommendations as may be made, upon the request of the President, by the George Washington Carver National Monument Foundation.

Subdivision (b), on page 3 of House Joint Resolution 787 provides, as follows:

The functions of the Commission shall be to develop and to execute suitable plans for the celebration of the 100th anniversary of the birth of George Washington Carver. In carrying out these functions the Commission is authorized to cooperate with and to assist the George Washington Carver National Monument Foundation to plan a centennial celebration of the birth of George Washington Carver, and to invite all the people of the United States to join therein.

Mr. CUNNINGHAM. Mr. Speaker, I join in support of this resolution in honor of George Washington Carver. In addition to all those things we know of this eminent statesman and scientist, he was also an author. For more than 20 years I have had a framed enlargement of his famous poem hanging on my office wall. It is entitled "You Have What It Takes," and it is the most inspirational message delivered in modern times.

Mrs. BOLTON. Mr. Speaker, it is a very special satisfaction to me as a long-time member of the board of trustees of Tuskegee Institute where Dr. Carver did much of his invaluable research to vote for this timely resolution introduced by the majority leader [Mr. McCORMACK] and the distinguished Member from Iowa [Mr. JENSEN].

This resolution establishes a George Washington Carver Centennial Commission and authorizes the expenditure of \$249,000.

The research, largely in the agricultural field, has benefited hundreds of thousands of our people. All America is grateful to this humble dedicated scientist as are many nations overseas. It is fitting indeed that we do him honor.

Mr. RIVERS of South Carolina. Mr. Speaker, the late George Washington Carver, noted Negro scientist, was outstanding in the field of agriculture. As the present decade marks the 100th anniversary of his birth, it is, indeed, appropriate that we pause to recall his accomplishments and pay tribute to his greatness.

Dr. Carver, eminent in the field of science, and especially chemistry, was for many years an honored educator at Tuskegee Institute in Alabama. It was Booker T. Washington, great Negro educator, who induced George Washington Carver to join in the work for the youth of his race which he was undertaking.

The boy George Carver, born of slave parents, was taken into the home of kindly people disposed to give room to his eagerness for learning. He learned from the field and wood and soon developed a sense of deep economy of the trees and flowers. As a young lad he determined to get a good academic education and, further, to take part in the

work of educating his people. When he arrived at Tuskegee he was caught up in the opportunity he faced to meet their fundamental needs.

With a zeal almost evangelical, George Washington Carver began right off to try to turn the interests from cotton planting to peanut planting. He knew there was a large market awaiting peanuts; and, besides, it was a plant good for the soil. It was enriching.

Reluctantly the Negro farmers followed him. They raised so many peanuts that subsequently there was no market for them. But Dr. Carver was determined not to betray the confidence of his people in his efforts.

Then followed weeks alone in his laboratory. He had only the crudest type of equipment, but out of his earnest prayers, his unflinching courage, and his skill came forth uses for the peanut that opened up market after market for the planter.

It is not to be wondered that this man became familiar among the world's men of learning and the recipient of medals and doctorates from many learned societies.

His friend Thomas A. Edison once offered him the facilities of the New Jersey Edison Laboratory for his work, but Dr. Carver chose to stay at his beloved Tuskegee Institute. It was there he died in 1943.

Presidents, statesmen, leaders of industry, and the humble called at Carver's laboratory. Henry Ford visited an exhibit in Carver Memorial Museum to view the peanut-oil massage display. In 1936 Dr. Carver experimented with peanut oils as a massage for after-treatment of infantile paralysis. Prior to 1936 he had developed numerous everyday uses for sweetpotatoes, peanuts, cornstalks, and blossoms. For the products of the South's red clay he developed milk, ink, plastics, cosmetics, paper, and paints.

Besides being chief of research and experiment at Tuskegee Institute, Dr. Carver was closely connected with the research work of the U.S. Department of Agriculture.

While he was best known for his contributions to agriculture, Dr. Carver was also listed among the artists of his age.

Near the close of his career, Dr. Carver was asked if his labors did not seem arduous, considering how alone he worked to prove his beliefs in his experiments. He denied this emphatically with the following comment:

No, I am just an interpreter. I have only to listen for God's voice, and to do what He tells.

Mr. Speaker, I consider it an honor to pay tribute to this great American, George Washington Carver, who rose from the ashes of the unfortunate institution of slavery to become one of the world's great scientists.

Mr. TOLL. Mr. Speaker, as the unquestioned giant of this and all future generations, science has come to dominate the attention of the world. And America is justly proud to find so many of her sons dedicated to scientific pursuits.

Among our men of science, a few stand out in exceptional splendor, for service to a cause worthy only of the clearest intellect. Included in the group—as one of a select, special nucleus comprising the most ingenious of all—stands George Washington Carver, the “Wizard of Tuskegee,” and the miracle man of agricultural chemistry.

Entering American society as a slave of the Civil War era, George Washington Carver rose quickly to academic recognition, and upon joining the staff at Tuskegee Institute, Ala., soon claimed the attention of the scientific world.

The work of Dr. Carver centered in the preservation of our soil and to this end he proposed the planting of peanuts as a substitute for cotton. Certain of the scientific principles involved, Carver was also a practical man, and therefore set out to improve the economic status of the peanut; a course which carried him not only into the field of economics, but medicine, as well.

When finally he concluded his experimentation, Dr. Carver had developed hundreds of new uses for the peanut, including an oil for the cure of paralysis. In consequence, the farmers of the Southern States found a wide market for peanuts, which soon became a major money crop in the southern economy.

Captivated by so astonishing a performance, the Royal Society of Arts of London admitted Dr. Carver to its councils in 1916, and the scientific community hailed him as one of their most distinguished leaders. Thereafter, Dr. Carver was showered with honors and hired as an expert in his field to advise in the operation of a branch of the U.S. Agriculture Department.

A pioneer in the professional sense and a hero in the personal sense, he has earned the appreciation he receives today from every corner of the globe. All America is proud to join in honoring this man of genius and conscience whose service to mankind shall never be forgotten.

PROPOSAL FOR AN OFFICE OF AGING WITHIN THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Mr. LANE. 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. LANE. Mr. Speaker, with 16 million senior citizens in the United States, and with the number increasing in proportion to the whole population, it is clear that we need an office within the Department of Health, Education, and Welfare to correlate all efforts in their behalf.

Because we did not anticipate the extent and the seriousness of this problem of security in old age, we met each challenge with a piecemeal solution, tacking on new responsibilities to existing agencies.

In the beginning, we thought that old-age and survivors insurance benefits,

and old-age assistance benefits would provide an overall solution. But then we learned that special public housing units must be built for some of the aged. We are presently concerned with the design of a suitable health insurance program for them.

This step-by-step improvisation has resulted in too much overlapping and duplication that has obscured other problem areas where the aging need our advice and help. A single office to serve as a clearinghouse for information, for research and training programs, and to provide clear leadership and direction, will coordinate Federal, State and community action in behalf of a comprehensive yet unified approach to the whole problem. In addition to the meeting of prime needs of sufficient retirement income, suitable housing, and health insurance, we must achieve greater fulfillment for the aged by reaching the following objectives:

Full restorative service for those who require institutional care.

Equal opportunity to employment with no discriminatory personnel practices because of age. Furthermore, the present limitation of \$1,200 on earnings by those who are receiving old-age insurance, should be raised to \$1,800 or \$2,400 before the recipient starts to forfeit his monthly benefits.

Retirement in health, honor, dignity after years of contribution to the economy.

Pursuit of meaningful activity within the widest range of civic, cultural, and recreational opportunities.

Efficient community services which provide social assistance in a coordinated manner and which are readily available when needed.

Immediate benefit from proven knowledge which can sustain and improve health and happiness.

Freedom, independence, and the free exercise of initiative in planning and managing their own lives.

The establishment of an Office of Aging within the Department of Health, Education, and Welfare, to promote these objectives, will expedite progress toward solution of the problems of aging. It will give our aged something to look forward to, and it will help our legislators and our public officials to implement plans with constructive action.

The modest appropriations for planning grants; project grants; and grants to institutions and organizations; under the terms of the bill I have introduced, will earn human dividends in greater security and happiness for those whose years of full-time work are behind them.

A U.S. Office of Aging will help to bring comfort and dignity in the harvest-time of life to those who have contributed so much to the progress of our Nation.

RUSSIAN EDUCATION

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

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

There was no objection.

Mr. ELLIOTT. Mr. Speaker, in recent years there has been much publicity in the American press dealing with the Soviet education system. During the same time, there has been a spirited reappraisal of education in the United States.

In light of these developments, and under leave to extend my remarks, I call to the attention of my colleagues an article appearing in the July 4, 1960, issue of the U.S. News & World Report entitled “The Truth About Soviet Education.” The article sets forth the views of two vocational educators, Dr. Mark Nichols and Dr. Hoyt H. London, former presidents of the American Vocational Association, who spent several weeks in Russia during April and May of 1960. The article follows:

Question. What overall conclusion did you draw from your intensive study of Soviet education?

Answer. Here is our conclusion: You see, Russia, by our standards, is a poor country. You walk down the street and there'll be 10,000 people and you can't hear a belly-laugh among them. They just walk in silence. Education is conceived by the people at the top, the parents, the kids, everybody, as the one and only ladder that leads from poverty and commonness right up through the ceiling to a life of achievement and respectability. Every person is trying to climb it.

Question. Is education the only way to the top in Russia?

Answer. An education is indeed the ladder to economic achievement in Russia. For instance, if a boy drops out of school at the seventh or eighth grade in America, he may get into business ultimately—in fact, he may become a millionaire. The opportunities are his to use his abilities.

If a boy drops out of school in Russia, he becomes a manual worker at that grade, and so his opportunities for achievement and a better standard of living are based on his education.

The boy who comes out of the trade school will not do as well with his job salarywise as the boy who comes out of the technical school. And the young man or the young woman who gets up to the technical institute will do far better than any of those. The individuals who get to the university seem to have top priority.

Educational competition in Russia is terrific among young people. That is a basis for the seriousness that we observed in the students.

Question. Do the Soviets try to give everybody a college education?

Answer. Not now. Since the change in their educational system in 1958, they are doing a thing we should consider very seriously in this country. That is to train every individual as much as possible for production proficiency in terms of his native ability and the needs of society. Apparently the 1958 change was a shift away from emphasis on higher education toward more emphasis on vocational training.

Question. Why was that shift made?

Answer. Apparently because of their lack of capital and consumer goods—a great lack—and the need of vocational education for training productive workers to make consumer goods available in larger quantity.

You see, Russia has three main problems—they'll tell you frankly. One problem is housing, and another is farming. Roughly 47 percent of their labor force is buckled down on their farms at a time when they've challenged America and the other capitalistic countries for the industrial markets of the world.

They realize, if they are going to win this economic struggle, they've got to increase the efficiency of agriculture so they can release a great bulk of their farm labor to go into industry. And, secondly, they've got to train people to build not only more houses but better houses.

And, then, their third problem, we are told, is finance. They're manipulating their money system now, trying to correct this somewhat.

Question. How do these problems affect Soviet education policies?

Answer. They look upon vocational and technical education as a means of providing the skilled manpower that will enable them to turn out both capital and consumer goods, and thus surpass America.

Just walk, drive or fly around any place in Russia, and you can see these problems glaring everywhere. Russia is 50 years, at least, behind America or the Scandinavian countries, but they know where they are going and they are coming up fast.

They have recognized that, although science, mathematics, and languages are important to an educated people, you just cannot run a competitive economy with everybody trained for a job at the top. And they are meeting that head on—realistically through vocational and technical education.

Question. By training workers?

Answer. Yes. And so they're dignifying the life of the worker. In the May Day parade, we saw 600,000 workers march 100 to 125 abreast—across Red Square, singing, carrying banners and artificial flowers. Many were singing the workers' song, "Moscow in May"—apparently happy and proud of the fact that their industry had exceeded its assigned quota.

The Russians are glorifying, to a very great extent, what we would call the "blue collar" worker in America, as distinguished from the "white collar" worker.

Question. They glorify him, but apparently they don't let a worker into college unless he has exceptional academic abilities?

Answer. He can't make it, no—in the face of their terrific competitive emphasis in education.

Question. Does the government decide who goes to college?

Answer. There is an examination, we discovered, after the seventh grade in the 10-year school and again after the 10th grade. It was our observation—we at least deduced by innuendo—that students who do not do too well academically in these exams at the seventh year go, or are sent, into trade schools. A trade school is a one-specialty affair where a student spends from 10 months to a year and a half—or 1 to 2 years—in a specialty; and, in the second year, a lot of time is spent out on the job.

The first-year instruction is devoted about 70 percent to skill training and practice, and about 30 percent to theory or related instruction. Students in these trade schools are rather young boys—and a few girls.

Question. What must a Soviet youngster do in order to get to college?

Answer. He must make a good grade—academic grade—from the 10-year school, and pass the entrance examinations, which are pretty comprehensive, we were led to believe, for the institutes and the universities.

Question. Isn't this creating a "class" in Russia? Communists talk about a classless society—

Answer. We thought we saw a distinctly "class" society.

Question. What were the classes?

Answer. The intelligentsia—the scientists, the professors, the engineers, the designers, the planners. By the way, one of us said to a fellow, "What would you do with me in Russia? I happen to have a Ph. D." He said, "Why, we'd put you on the payroll." I said,

"What for?" "Well, just because you have a Ph. D.; we would find some use for you."

Question. Is the top layer the intelligentsia?

Answer. Yes, and then they've got a management group. Next come the factory workers, and at the bottom they have what they call "peasants" running collective and state farms.

Question. What kind of teachers do the Russians have?

Answer. Teachers are of two kinds in most of the schools we saw. A "teacher" teaches the theory; an "instructor" teaches the practice. The instructors are graduates of "technicums" (something like American trade high schools) and the teachers are graduates of technical institutes or universities.

The instructors who teach the skill processes in the schools follow their students into the factories to see that they become adjusted to their jobs and to give some orientation training on the job—a good idea, we thought.

Each one of the "technicums" has what is known as a patron factory, and they plan their manpower supply realistically to meet current and future needs.

To illustrate, if you are putting down a foundation for a house and you have 50 half-inch bolts to fasten the sill to, then you need 50 nuts of that size and with a thread that matches to go on them.

Apparently the Russians study their manpower needs in industry just like that, and they structure or pattern their educational program accordingly—just like making half-inch nuts for half-inch bolts. We've got nothing like that in America.

Question. Is that a good thing?

Answer. To a degree, it's a good thing. It doesn't follow that we've got to do it as they do, but it gets at something that is a big problem in American education of all sorts—not only in vocational education, but in professional education at the higher level as well.

For example, according to the American Association of School Administrators, we need 800 men per year for school superintendents to replace those who die or retire.

But how many are we training? Eight hundred? No, not at all. We have 300 or 400 institutions in America training literally thousands to be superintendents of schools. And so you've got a great discrepancy between what's really needed and what's being prepared, and little if any attention is given to it.

That's not only true in school administration. Take medicine—we seem to have a great shortage of qualified physicians and dentists in this country. What are we doing about it? Practically nothing, except maintaining the status quo.

And so the Russian system is vastly different from ours in this respect, and much more realistic, we are convinced.

Question. Does the Russian system take all initiative away from the students? Are the students told what to study?

Answer. No, not directly. That was a point that interested us greatly and we questioned Russians at length about it. They insist that the parent and the student have some choice—and they do, within a degree or range.

But the fact is, as we got it from our observations and what we were told, the series of examinations given after the seventh grade is a determining factor, along with the academic achievements. If students do well on these examinations, they are encouraged; if they do not do well, they are directed toward occupations that make use of their type of ability and where there is a recognized need.

Question. But if a Russian boy wants to be a biologist, he isn't told that he has to be a medical doctor?

Answer. Oh, no. We didn't see any evidence of that.

WHAT STUDENTS MAY DECIDE

Question. Is he allowed to follow his own bent?

Answer. He has the choice within the scope of his demonstrated achievements.

Question. Then, how do they make sure they get enough biologists and not too many medical doctors?

Answer. That was a stumper to us, and yet they maintained that it was relatively simple to solve. The incentives given, the stipends paid, and other encouragements of various kinds, are used to regulate this. We have never seen a society anywhere that had so many different types of devices used to motivate people.

Question. What are some of those motivating devices? Do they depend on guidance counselors?

Answer. We didn't find in any school that they had guidance counselors, as we have in our schools. But apparently in Russia the school principals are very much concerned, the teachers are concerned, and then they have individuals at the city level, at the republic level and I would say at the national level, too, very much concerned about manpower needs—and the schools work very closely with them.

We did not get the answer conclusively to our satisfaction, but they did point out that they used three devices to get students into desired areas.

In the first place, if there's an occupation where they have a shortage—and they claim they have shortages in nearly every occupation and that the difference is a matter of degree—then they offer a higher stipend to youngsters going into training for that occupation.

Secondly, if the industry needing the workers is out in Siberia, say, and most of the people want to live in the city because the standard of living is higher, then they raise the wages to attract the person who has been trained to go to Siberia to work and live.

And, thirdly, they manipulate the allotments of housing. Housing is one of their big problems, and everywhere people are crowded. A young fellow going out into one of these new industrial areas in Siberia would, as we understand it, be given a housing preference, whereas if he stayed in Moscow, say, he wouldn't have it.

Finally, and this has a bearing on Russian scholarship: The students who do well may receive a stipend of up to 25 percent more because of excellence, so there's a pay incentive.

ENCOURAGING BETTER WORK

Question. Is this stipend what they are paid to live on while going to school?

Answer. Perhaps—at the technical schools. The trade-school pupils don't receive a stipend, nor do they in the 10-year school. But in the technical schools they receive a stipend of an average of 275 rubles per month—that's \$27.50 per month—and it may go up to 297, or it may go down as low as 235. So it's regulated. There is, then, an incentive for a student to do well.

Question. Did the students live at these schools?

Answer. They did not live at the technical school which we visited. But they live at the University of Moscow and some of these other schools. They have a series of universities and what they call technical institutes and technicums.

Students in the university and those in technical institutes are all paid stipends, we were told—or practically all. They said

about 80 percent of the students at the University of Moscow receive stipends. And that is manipulated, as explained earlier, to attract people into fields where the need is greatest, and also to promote scholarship.

If a student does better, he gets an additional sum of something like 45 rubles a month. They think of the money as scholarships, rather than stipends.

Question. In other words, the state reaches into the lives of each of these schoolchildren, just as it affects everything else?

Answer. Oh, there's no question about that. But it's not as harsh as we've been led to believe. People there have more freedom than Americans generally think they do.

Question. What kind of extracurricular activities are there in Soviet schools?

Answer. They have extracurricular organizations that work in cooperation with the schools. For example, they have what they call Palaces of Culture for the Young Pioneers, and they have Clubs for Labor Reserves—youths in their late teens and early twenties. These agencies are run in close cooperation with the schools, and they emphasize music, dramatics, athletics, and so on. In other words, they've somewhat divorced these things from the school. And the school is a pretty formal affair—you walk in the room and the students jump up, and sit down when they're told to—getting factual information and drilling for examinations.

All over the country—in every school we visited in Russia—on the billboards and fences in Moscow and Leningrad and other cities, and on the cowbarns in rural areas, are plaques with Lenin's picture at the top followed by the basic principles of the 7-year plan, all urging the people to be more productive so they can beat the capitalistic world. This is their crusade. And the goals—they live by goals, the goals of the 7-year plan. The students constantly receive the goal indoctrination in the schools. They take production goals very seriously—they're very much concerned about achieving them.

Question. Critics of U.S. schools have said that Soviet schools have higher standards than ours and that Russian youngsters are crammed full of science and mathematics and foreign languages practically from the time that they can walk. How much truth is there to that?

Answer. A good deal of that is fiction. There is no question about their emphasis on math and science and foreign languages. But we had an opportunity on several occasions to visit freely with young Russians, and we did. We were astonished to find how few of them, really, could speak English—or German or any other language except Russian.

Yet our observation in the 10-year schools that we visited was that they were emphasizing math and physics and chemistry to quite an extent. We saw, for instance, organic chemistry being taught in a 10-year school, and you don't observe that organic chemistry is being taught in too many high schools in America.

Question. Are Soviet teaching methods superior to ours?

Answer. We would say generally not, although we saw some instruction devices that were unique and different from what we have in this country, and better. But on the whole our methods of teaching would compare favorably and in our better schools probably would excel theirs. We saw one instructional device of illustrative panels at the front of classrooms which we hadn't seen in our country and which we thought was excellent.

Question. Otherwise, are the teaching methods much the same?

Answer. Yes, in their shops and drawing classes. The teaching is very formal. The teacher-student relationship is far more formal than ours and appeared to us to be somewhat stilted. But the seriousness on the part of the students to learn was strikingly noticeable and observable in all the schools that we visited.

Question. Do all Russian students have to meet certain national standards? Pass nationwide tests?

Answer. Admiral Rickover, for example, and other critics of American education have led us and perhaps other people to believe that Russia has a system of national standards and that they measure everybody by standardized tests on which they do better than American students. Well, we were visiting a 10-year school, and in looking through a boy's chemistry textbook, we found a copy of the national examination for chemistry.

One of us questioned the boy and his teacher in great detail, and here's what they told us about these examinations:

They do have such standards, and they have examinations that are worked out at the national and republic levels. But—note this—they give the boy in the 10th grade and also his teacher a copy of the examination in September (start of the school year) along with the textbook, and he has it to study by all year, and the teacher has it to teach by. Comes the following June, and he takes the examination. Why shouldn't he do well?

Question. Do you mean, then, that a Soviet student studies just to answer questions which have been posed for him in advance and that he doesn't do free study?

Answer. No, you couldn't say that entirely. But the impression has been given to the people of this country that, at the end of a school year, Russian youngsters are descended upon and given a comprehensive examination on which they do better than our youngsters do. We just don't believe this is a true picture.

EXAMS AS A STUDY PLAN

Question. Would you compare the Soviet system with the case of an American student who crams for an examination to which he has stolen the questions from the teacher's desk?

Answer. Well, you wouldn't say it's quite that simple because these examinations are made by subject-matter specialists, and we were told that they're pretty comprehensive. Obviously, they give the student something definite to study for and the teacher something definite and concrete to teach.

Question. Do you think this approach takes anything out of education that might be important?

Answer. Oh, it may take out of education some of the training and ability that comes from independent research, investigation, and reading. We didn't see much evidence of the free type of reading that goes on in an American high school—although in fairness it must be said that we were astounded to find many youngsters who seemed to know more about Mark Twain and Jack London than most Americans, including those who have read a great deal of both.

Question. Did you notice any of the so-called "frills" in their school buildings? Do they have cafeterias, gymnasiums, and other things that some people call "frills"?

Answer. We saw some cafeterias, but we didn't see in any school a gymnasium as we know it in American high schools. We saw some rather small playrooms, or recreation rooms, but not gymnasiums.

Question. Do the Soviets put any emphasis at all on sports in their schools?

Answer. Sports aren't emphasized over there to the extent that they are here. And there is no sea of shiny new automobiles around every school in Russia, as you see

parked around the average American urban high school. There were no student-owned automobiles, and in most instances we saw no bicycles—they walk to school 6 days per week.

And, with their formal-discipline procedure, they're studying specialties pretty narrowly. We didn't see students smile very often, either. That's a significant thing.

Question. Are Russian schools coeducational?

Answer. Yes.

Question. Did you see more men teachers than women teachers?

Answer. Yes, we saw more men than women teachers in the vocational schools. In the general schools, we would say there are more women than men, as is true in our country.

HOW SUMMERS ARE SPENT

Question. Do Soviet students get a summer break?

Answer. Yes, but the students in all general and vocational schools, so we were told, are required to work 25 days during the summer either on a collective or state farm or in a factory—that's what they call "polytechnic education" in their reorganized system. They are convinced that work education is essential, and they conceive of their vocational and technical schools as the instruments through which to recruit, upgrade and use their manpower to outproduce the capitalistic world.

Students at the 10-year school we visited in Moscow work for 25 days on collective farms after the eighth year and after the ninth year they work for 25 days in factories during the summer.

Question. What do Soviet students do at home?

Answer. What they do at home is a question. The Russians have built thousands of huge apartment houses. We visited one, and had dinner in the apartment of one school principal. We were told that there were 110 families living in that apartment house. They said each individual is entitled to eight square meters [86 square feet] of floor space, and that isn't very much. So home life for young people apparently isn't too good from the standpoint of ample space.

And so we saw tens of thousands of people out walking on the streets—just walking and with no observable loud talking or laughter.

Question. Out walking to escape from crowded homes?

Answer. Eight families, we were told, use one bath and one kitchen in many instances. That is the workers. Those that have better positions—one school principal, for instance, had a kitchen, a living room, a bedroom and a bathroom as a part of his apartment.

Question. How would you compare a Soviet school with a first-rate American high school?

Answer. You can't compare an American high school with a Russian school of any sort. They're too different. The buildings are different. Teaching is different. Time is scheduled differently. Their schools are managed differently.

Question. Who learns the most—a Russian student or an American student?

Answer. We got the impression that, as far as our vocational and technical schools are concerned, the American student does very well, and, if he isn't superior, then we've been fooled.

Question. What explains that?

Answer. The American student has better equipment to work on. And again and again we got the impression that the course of instruction given in the trade schools of this country is superior to that in Russia. The Russians might disagree with this.

Question. But just how is the American system superior?

Answer. It's more comprehensive. They narrow the Russian students down to a very, very narrow range—and in America we give a broader type of training. Now that has some advantages because it makes for versatility. Apparently, they don't want versatility over there. They want to train each student to fill a specific manpower need.

Question. On the whole how would you compare the Soviet system with the American system of education?

Answer. So far as vocational education is concerned, the idea of a systematic study of manpower needs and an efficient approach to training the number of people needed—not wasting your time and money on those that aren't needed—makes sense.

In all honesty, we must admit, they're more realistic and more efficient than we are in this respect. Now, that doesn't mean that, if we were trying to improve this phase of our education, we'd have to do it as they do. But we learned something from the Russians on that score.

In the second place, this idea of recognizing fully that, if a nation is to compete successfully in the markets of the world, it must take every last individual and make him as productive as possible is sound. They've done that.

The idea of incorporating work experience with theory is also good. As far as buildings are concerned—and teachers, curriculum, content—we wouldn't say they're superior to us in any respect, except in the one school previously mentioned where we saw some unusually fine visual-education materials.

Question. Do you think that education has just become so readily available in this country that Americans don't appreciate it?

Answer. There may be something to that; yes. We just take it for granted, and, for some, going to college is a social achievement. In our colleges we have football teams and fraternities and all that type of thing that may detract from education or at least academic learning. Somebody has said that football has the same relationship to education that bullfighting has to agriculture. In Russian higher education, this is conspicuous by its absence.

MORE CONTRASTS WITH UNITED STATES

Question. What other differences did you find?

Answer. One of the significant differences was a recognition of individual differences in pupils. It seems to us that, in America, we school people generally give lip service to it, but Russia has an education program which does something constructive about individual differences.

Question. You mean differences in aptitude?

Answer. Aptitude, yes. They are recognizing these differences, and giving every student the greatest possible opportunity to achieve in terms of them. In America it's socially so desirable, and parents generally are so very anxious to have their children attend college or universities—that's regarded as a great achievement in and of itself.

Russia recognizes that only those should go to universities who have the academic abilities to profit from such an experience. But they recognize the many other abilities besides academic ability and have adjusted their school programs to make the most of them. This is one of the significant differences between American and Russian educational philosophy and procedure. And, then, as has already been stated, their matching of educational programs with manpower needs is a surprising achievement.

Question. Do you think the United States should adopt the Soviet school system?

Answer. We don't think that, in America, we should follow the Russian system, but we can give far more recognition to the vocational facets of guidance in our public schools than we're doing today. We have

guidance programs, but the vocational facets of guidance are lacking as compared with our emphasis on psychological and clinical guidance. That's the No. 2 difference.

And then, No. 3, there's a great difference, as already mentioned, between the Russian formal procedures and our American procedures of instruction and course content as well as our concepts about what students should be taught and learn.

We apparently have recognized competitive athletics as an important and integral part of the American educational system or we wouldn't have spent the millions of dollars on gymnasiums and football fields. Russia does not do that. And this is another difference.

Question. Do they put less emphasis on the social side of education?

Answer. They do not recognize the social facets of life in the same light that we do. Yet they seem to be doing much in helping youth to make a sound occupational choice and to profit by work experience.

At present, Russia is prescribing some work experience for every last kid from elementary school up through the university, and if that is sound, then they may have something that is very desirable.

Perhaps that is a procedure that we can emulate more in America.

If a youngster is taught to work and knows what it means to sweat in the earning of a dollar, he should be a wiser spender and have a greater appreciation for our economic way of life.

We haven't gotten around to recognizing this as an important facet of secondary education in America. Student work experience in our competitive capitalistic economy must be implemented in a different way than in Russia—but to recognize the importance of student work experience and to implement it into action for its maximum educational contribution is a challenge for those of us engaged in education leadership in this country.

We have done a lot in promoting good recreational programs. We still have much to do in providing desirable work-experience programs as an integral part of education.

Question. What changes in the American system do you think should be made as a result of what you saw in Russia?

Answer. Well, No. 1, a greater attention to the vocational facets of guidance. That's the No. 1 need in American secondary and higher education.

No. 2, recognizing that work—some kind of productive work experience—on the part of secondary-school youth is a desirable thing for good citizenship.

And, thirdly, we should put more emphasis on the study of economics. It appears that every youth in Russia understands the Russian economic system. That is not the case in America. We need much more emphasis on economics. We need a crusade in this country to convince our young people of the values inherent in our economic system and of the elements essential to its success in our democracy.

LET'S GET THE FACTS: CHOLESTEROL—HEART ATTACKS

Mr. REUSS. 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 Wisconsin?

There was no objection.

Mr. REUSS. Mr. Speaker, cholesterol is a term which, in the last few years, has come out of the laboratory and entered the vocabulary of untold millions of Americans.

Cholesterol is much in our minds today because many medical doctors and scientific researchers believe that a high level of cholesterol in the blood is a contributing cause of diseases of the heart and the arteries.

We in the Congress must be concerned not only with the health of ourselves and our families but of our whole population. Having the facts on cholesterol, its causes, and its effects is of tremendous interest and importance to the American public and, therefore, to the Congress.

We cannot help but be concerned about heart disease. It is the No. 1 killer in the United States today. It annually snuffs out the lives of more than 800,000 Americans. Hardening of the arteries—known in its severe form as atherosclerosis—is the principal cause of heart disease. Atherosclerosis is the artery condition underlying heart attacks and strokes. Heart attacks killed 6,549 persons in Wisconsin in 1958, nearly 18 percent of all deaths in the State.

No further statistics are needed to point up the problem. The question is where cholesterol enters the picture, and to what extent.

Our newspapers and magazines have been filled with articles on the subject of diet, cholesterol, and heart attacks. Despite the fact that these articles, in most cases, have carefully pointed out that the whole truth is far from being known, much of the public has reached the following conclusions:

Heart attacks are caused by atherosclerosis; atherosclerosis is caused by cholesterol; cholesterol is caused by fats in the diet, particularly the saturated fats in dairy products, fatty meat, eggs and certain other foods; therefore, to avoid having a heart attack, you should give up whole milk, butter, cream, eggs, and animal fats generally.

How many Americans have reached this kind of extreme conclusion? We do not know. Numbers have taken up the no-fat diet, although this in itself can lead to grave nutritional difficulties.

We have not experienced a huge drop in consumption of dairy products and meat—which indicates that the great majority of our people are receiving the news of cholesterol research with reason, not panic. But we have experienced some decline in the consumption of these foods, and it is reasonable to assume that this can in part be attributed to public reaction to the diet-cholesterol-heart attack publicity, and to people cutting down on certain fats either on the basis of competent medical advice or self-prescription.

It is clear, however, that medical findings—one way or the other—concerning diet and cholesterol can have a serious effect on the dairy industry, which is of such vital importance to Wisconsin and other States, and on agriculture generally.

Therefore, both from the health standpoint and from the economic standpoint, we need the answers—the sooner the better—on the exact relationships between dietary fats and cholesterol, and the exact relationship, if any, between cholesterol and heart disease.

Mr. Speaker, at this point I should like to insert in the RECORD several articles which represent current thinking on the subject.

The following article from the Milwaukee Journal of June 14, 1959, summarizes the opinion of heart experts, given at the annual meeting of the Wisconsin Heart Association:

"EAT LESS FAT," PATIENTS TOLD—HEART VICTIMS ADVISED

A panel of heart experts Saturday agreed that patients who had had heart attacks should sharply curtail their consumption of butter, cream, and other fatty dairy products.

Several members of the panel, speaking at the annual meeting of the Wisconsin Heart Association went further than that. The meeting was at the county general hospital.

Dr. W. Ford Connell, Kingston, Ontario, chairman of the Department of Medicine at Queens University Medical School, said he advised patients with high levels of blood cholesterol to reduce their butter and meat fat consumption. He said he also advised them to supplement their diet with corn oil or some other vegetable oil.

(Cholesterol is a fatty substance made by the body. Some studies indicate that diets high in animal fats cause the body to make more cholesterol, which circulates in the blood. Some researchers believe this leads to formation of fatty plaques in the walls of arteries, causing heart and blood vessel diseases.)

ADVICE FOR PATIENTS

Dr. Connell made it clear that his advice was for patients rather than for well persons. He said it was "suggestive," but not yet proved that too much animal fat in the diet was a contributing cause of the high rate of coronary artery disease in the United States.

Dr. Connell suggested that dairy farmers, instead of bragging about the high butterfat production of their cows, try to breed animals that give milk with more proteins.

"I'm a great advocate of skim milk," he said.

Dr. John S. La Due, New York City, associate professor of medicine at Cornell University, said he kept "seeing one more nail struck in the coffin" on the importance of dietary fats in heart disease. Animal fats, he said, may increase the clotting tendency of the blood, besides clogging the arteries with cholesterol.

Dr. La Due said he advised his patients to reduce the animal fat in their diets to 25 percent of total calories, and for those over 40 to use vegetable oil as freely as they like.

HE USES CORN OIL

Dr. A. Carlton Ernestene, chief of medicine at the Cleveland, Ohio, clinic and president-elect of the American Heart Association, said: "We give about the same advice."

Both Drs. Ernestene and La Due were asked whether they themselves had changed their dietary habits.

"I have practically cut out eating butter," Dr. Ernestene said, "and reduced my amount of cream and animal fats."

Dr. La Due said he had reduced dairy products and animal fats and was using corn oil to supplement his diet. He said that enzymes could be used experimentally to dissolve blood clots that block arteries, causing heart attacks and strokes. But the enzymes now available are too crude, unstandardized and expensive for use in human patients.

Dr. Clark H. Millikan, Rochester, Minn., associate professor of neurology at the Mayo Foundation, said treatment with drugs that slow blood clotting often could prevent progression of a developing stroke. Surgery also may be useful, he said.

Next, I submit two articles, dated August 22 and 29, 1959, about heart attacks, by the Milwaukee Journal's very able medical writer, James C. Spaulding:

[From the Milwaukee Journal, Aug. 22, 1959] IS HEART ATTACK TIED TO CERTAIN KIND OF FAT?—MAJORITY OF MEDICAL AUTHORITIES BELIEVES QUESTION CANNOT BE ANSWERED YET

(By James C. Spaulding)

A single question raises what is probably the most vital health issue in the United States today: Does too much of a certain kind of fat in the diet cause the excessive rate of heart attacks among middle-aged men?

Reputable medical scientists can be found who will answer flatly either yes or no. But the majority of more respected researchers and heart specialists believe that the question cannot be answered yet. A flat answer may never be possible.

They say that 5 to 10 more years of research will be needed. They admit, however, that in the meantime something has to be done. They are trying to adopt an attitude that will provide the most chance of protection with the least risk of harm.

PUBLIC IS CONCERNED

Public concern is evident. Patients ask their doctors to order blood cholesterol tests. Sales of unsaturated fats, chiefly corn and cotton oils, are increasing.

Atherosclerosis, the artery condition underlying heart attacks and strokes, is the major cause of death in the United States. Heart attacks killed 6,549 persons in Wisconsin last year, nearly 18 percent of all deaths in the State. Many of those who died were in the prime middle years from 40 to 65. Thousands of others were hospitalized with nonfatal heart attacks.

Since 1900 the life expectancy at birth has increased about 20 years. But in the same time expectancy at age 50 has risen only 2.2 years, despite great medical advances. The major reason is the increasing death rate from atherosclerosis, chiefly heart attacks.

COMMON IN 30-40 GROUP

A Milwaukee cardiologist said that heart attacks used to be so rare in the 30 to 40 age group that doctors wrote articles for medical journals about them. Now they are common.

In Wisconsin last year there were at least 10 such fatal attacks among men 25 to 29 (1 among women), and 18 among men 30 to 34. There were 45 heart attack deaths in the 35 to 39 age bracket for men.

Women are thought to have relative immunity to heart attacks before the menopause because of a protective effect of female sex hormones in the body. After the menopause, the heart attack rate in women increases sharply and becomes nearly as high as for men.

In atherosclerosis, fats and cholesterol (a fatlike substance that is a normal constituent of the blood) become deposited in patches within the lining of a blood vessel wall.

LESIONS "NARROW" VESSEL

These atheromatous lesions narrow the diameter of the vessel. The lesions tend to become invaded with tiny blood vessels that bleed and swell the lining of the artery. The lesions also are apt to slough, ulcerate and become the site for formation of blood clots.

The heart muscle obtains the nourishment it needs to pump blood from two large coronary arteries that branch and divide into many smaller arteries.

Unfortunately, the coronary arteries are a favorite site for the lesions of atherosclerosis. When such a lesion suddenly blocks a branch of one of these arteries, part of the heart muscle is deprived of nourishment.

If the infarcted (blocked) area is small, the heart goes on beating and the injured spot eventually heals with scar tissue. If the area is large or the infarct affects the nerve conduction system in a certain way, the heart may stop, causing death.

LESIONS BY AGE 25

Autopsies of soldiers killed in Korea showed that by age 25 many American men had obvious atherosclerosis of the coronary arteries. Chinese and Korean soldiers had no such lesions.

By age 45 or 55, coronary atherosclerosis is severe in the majority of American men. Many do not develop heart attacks, of course, but the essential underlying condition is there.

There have been four chief indications that fat in the diet is related to atherosclerosis:

The artery lesions have a high fat and cholesterol content.

Atherosclerosis can be produced in animals by anything that raises the blood cholesterol level.

The incidence of human atherosclerosis is higher among persons suffering from diseases in which fat metabolism is abnormal.

Studies of populations all over the world seem to show that atherosclerosis is associated with diet, including its fat content.

The best evidence favoring the nutritional theory is the observation that in humans premature atherosclerosis is commoner when the level of cholesterol and fats in the blood is excessive for long periods of time. This is believed to account for the greater incidence of atherosclerosis in diabetes, for instance.

Population studies so far have shown low heart attack rates where the usual diet has been low in animal and dairy fats and animal proteins, low in refined carbohydrates (sugar), and high in roots and grains. This applies to lower economic groups in Spain, Egypt, Japan, and South Africa, among others.

The epidemiologic studies seem to show, also, that population groups eating relatively large amounts of vegetable oils, the so-called unsaturated fats, also have a lower heart attack rate than is found in the United States.

SOLID OR LIQUID

The usual American diet is said to derive 40-50 percent of its calories from fats, mostly of dairy and animal origin. These are the saturated fats.

The terms "saturated" and "unsaturated" when applied to fats indicate the relative number of hydrogen molecules not bound chemically to carbon molecules.

For practical purposes, saturated fats are solid at room temperature and unsaturated fats are liquid. Vegetable oil shortenings that have been solidified by hydrogenation are relatively saturated. There are exceptions to the rule. Coconut oil, for instance, is saturated, although liquid.

Some researchers report that they have been able to lower patients' blood cholesterol levels significantly by reducing the total fat of the diet and substituting vegetable oils for animal and dairy fats to a certain extent.

MULTIPLE CAUSES?

Some go so far as to say that by reducing the percentage of dietary fat calories to 30 or 35 percent and substituting vegetable oils, they can lessen a person's chance of developing a heart attack.

More conservative scientists say there is no proof of this. Many of them doubt that it is true. They say that much of the evidence is only suggestive or inconclusive. Some is simply shaky.

The majority of cardiologists believe that coronary atherosclerosis has multiple causes, both environmental and hereditary.

Stocky, thick chested heavily muscled men, for instance, seem more likely to have heart attacks than those of thinner build.

High blood pressure and obesity are known to predispose to heart attacks. Emotional stress, smoking, and lack of physical activity are other suspected factors, besides dietary fat.

[From the Milwaukee Journal, Aug. 29, 1960]

HEART ATTACKS, STROKES HAVE HEREDITARY BASIS—EVIDENCE ALSO MOUNTS THAT A HIGH DIET OF ANIMAL FAT MAY BE A BIG FACTOR, TOO

(By James C. Spaulding)

Evidence is accumulating that a diet high in dairy and animal fats may be a major factor in the process leading to heart attacks. But other factors appear important, also.

Probably the most important single influence on the process of atherosclerosis, which underlies heart attacks and strokes, is heredity—the individual's inborn characteristics.

Blood pressure, body weight, metabolic rate, level of physical activity, occupation, emotional makeup, and possibly smoking, besides diet, all apparently affect the process of atherosclerosis.

This makes it difficult for cardiologists to give any general advice to American men, who are particularly susceptible to heart attacks in middle age.

HEART MUSCLE NEEDS BLOOD

On the basis of what is known currently, the heart and nutrition experts do not recommend now that all men reduce their intake of dietary fat. But they believe that certain men should.

In atherosclerosis, fat and fatlike cholesterol become deposited in plaques within the walls of blood vessels. These deposits swell the vessel wall and narrow the inner diameter. Ulceration, sloughing, and clotting tend to occur at the site of the lesion.

Atherosclerosis has a predilection for the two coronary arteries, which supply the heart muscle with the blood it requires for nourishment. When a coronary artery or one of its branches suddenly is blocked, part of the heart muscle is injured. This is a heart attack. Twenty to thirty percent of first heart attacks are fatal. About 18 percent of all deaths in Wisconsin last year were caused by heart attacks.

INCREASES CHOLESTEROL

The dietary fat theory of heart attacks, somewhat oversimplified, is this: Eating excessive amounts of dairy and animal fats increases the amount of cholesterol in the blood and the amount deposited in the arteries. This accelerates the process of atherosclerosis and leads to earlier heart attacks.

Another aspect of the theory is that so-called unsaturated fats, principally liquid vegetable oils, tend to lower the amount of cholesterol in the blood when substituted for solid animal and dairy fats.

Some doctors think that this may protect against premature development of atherosclerosis and heart attacks. The majority, however, believe that there are too many other contributing factors to rely on diet alone.

Population studies in different countries suggest that blood cholesterol levels are higher where the diet contains the most animal and dairy fats.

INTERPRETATION IS DIFFICULT

The rate of heart attacks appears low in underdeveloped countries, where the diet is skimpy or lacking in dairy products, meat fats, and sugar.

But these findings must be viewed skeptically. In most of the studies, diets were

estimated on the basis of food available for consumption, rather than food eaten.

The concept of what constitutes a heart attack differs from one country to another. Accuracy in reporting causes of death varies, also.

Interpretation of dietary studies is difficult. The same population that subsists on a diet low in animal and dairy fats is likely to be one in which most of the labor is still performed by human muscle.

Diet studies fail to show a direct correlation between the amount of dietary fat and the heart attack rate. Austria and the United States have diets containing about the same amount of animal and dairy fats. But the heart attack death rate is 300 per 100,000 population in Austria and 739 in the United States.

SMOKE MORE, WALK LESS

There is no question, however, that Americans today smoke more cigarettes and walk less than 50 years ago.

Dr. Jeremiah Stamler, director of the heart disease control program of the Chicago board of health says that "the fact that many persons eating a typical American diet for decades reach old age without evidence of atherosclerosis—this fact alone refutes any attempt to imply (simple) cause and effect relationship between diet and disease."

However, Dr. Stamler believes that a high-fat diet is a prerequisite to development of atherosclerosis and heart attacks.

Obesity, high blood pressure, diabetes, a family history of early heart attacks, a high blood cholesterol level and heavy smoking are danger signs for middle-aged men, according to Dr. Stamler.

OBESITY IS A FACTOR

When large groups of men, originally free from heart disease, are observed from month to month, it turns out that the risk of heart attack is definitely proportional to body weight, blood pressure, and blood cholesterol, Dr. Stamler said.

"It can be roughly estimated," he said, "that a low risk middle-aged man, normal in weight, blood pressure, and serum cholesterol, has 1 chance in 20 of developing clinical coronary heart disease during the age period from 45 to 64.

"In contrast, a middle-aged man with two or three abnormalities (obesity, high blood pressure, high blood cholesterol) stands almost one chance in two."

A highly respected Milwaukee cardiologist was asked whether he thought that men generally should reduce the amount of animal and dairy fat in their diet and substitute vegetable oils when possible.

WATCH FAMILY HISTORY

He replied that dietary changes did not seem justified for all men, but that such changes would be wise for any young man who has had a heart attack or suffers from angina pectoris, the painful ailment caused by lack of enough blood to the heart muscle.

Others for whom dietary fat reduction is desirable, the cardiologist said, are men with a family history of heart attacks, strokes, diabetes, and high blood pressure.

Men with this family history probably should have a blood cholesterol test made, the heart specialist said, even though results of cholesterol tests are difficult to interpret.

There are additional valid reasons for reducing dietary fat consumption. Fat is the most concentrated source of calories. Avoiding it helps prevent obesity. Obesity adds to the risk of developing atherosclerosis.

INCREASE CLOT RISK

Fatty meals shorten the time it takes blood to clot. This has the effect of increasing the risk that clots will form in an artery affected by atherosclerosis.

By training, doctors are conservative in their treatment and advice. They find fads distasteful in medical science, and the fat-cholesterol-heart attack theory has attracted health faddists.

A consensus seems to be that moderate reduction of dietary fat might be a worthwhile hedge until researchers find more conclusive evidence about the multiple causes of heart attacks.

Regular exercise, organization of living activities to avoid excessive anxiety, and moderation in smoking habits might be equally worthwhile precautions.

Mr. Speaker, I want to point out that I have been interested in the cholesterol problems for many years, being one of many Members of Congress who has been put on a regimen of unsaturated fats. In 1957 I had the Legislative Reference Service of the Library of Congress prepare a study on the subject of diet, cholesterol, and atherosclerosis, covering research done in all parts of the world:

DIET, CHOLESTEROL, AND ATHEROSCLEROSIS

(By Warren W. Morse)

The leading cause of death in this country is coronary atherosclerosis, the causes and etiology of which are not definitely known. It is known that persons who have had atherosclerosis or a myocardial infarct often have above normal levels of serum cholesterol, but many persons with such high levels never have a serious coronary disease, and the level of serum cholesterol is not of value diagnostically.

In terms of national groups, it has been observed that recorded rates of atherosclerosis are highest in those countries whose typical diets contain the highest proportions of fats. Population groups whose diets have a high fat content are also characterized by high average serum cholesterol levels. From these facts it is inferred by many investigators that it is reasonable to assume a causal relationship between diet and atherosclerosis.

Numerous investigations have established that changes in the fat content of the human dietary can cause changes in average serum cholesterol levels. To eliminate the possible influence of race, it has been established in experiments with natives of Japan and South Africa that their normal low levels of cholesterol can be elevated by adding fats to their dietary, while a study of serum cholesterol levels in infants born to native African and European mothers in South Africa showed that there were no differences at birth although the European mothers had higher levels than did the native Africans. It has also been found that within a given country, as in Yugoslavia, serum cholesterol average levels in different sections reflect broad dietary differences.

The question has been raised as to whether the serum cholesterol level may not be related to some factor in the diet other than its fat content such as its cholesterol or protein content. Keys established through studies in Minnesota and Sardinia that variations in the cholesterol content of the diet had no detectable effect on serum cholesterol levels. Populations customarily living on low fat diets tend also to be low in protein intake. To test whether or not the protein content of the diet might be related to serum cholesterol levels, Keys and associates tested reactions in physically healthy schizophrenic patients to diets varying between high and low protein content. No relation was found between serum cholesterol levels and dietary protein.

Although there is no conclusive evidence of a causal link between serum cholesterol and atherosclerosis, the relationship is such

that various researchers advocate a low-fat diet as a preventive to coronary heart disease. Among those who hold that diet is the chief clue to the causes of atherosclerosis there is a sharp disagreement between those who hold that it is related to the total fat content of the diet, those who see the cause of atherosclerosis in the relative proportions of saturated to unsaturated fats in the diet, and those who believe coronary heart disease is caused primarily by a lack of certain "essential fatty acids" (EFA).

A South African study found that serum cholesterol levels were correlated with dietary intake of animal fats, but not with vegetable fats. Ingestion of animal fats (which are saturated) and saturated vegetable fats (i.e., unsaturated fatty acids converted through hydrogenation to saturated fatty acids, as in margarine) raised these levels, while the unsaturated or natural vegetable oils, such as olive oil, sunflower seed oil, or ground nut oils, and marine oils, had a reverse effect. On the basis of this study, Bronte-Stewart and associates believe that "a possible common difference between animal fats and hydrogenated vegetable fats, on the one hand, and natural vegetable oils and marine oils, on the other, is not the cholesterol, sitosterol, vitamin, or protein content but is in some way connected with the proportion of highly unsaturated fatty acids in the fat concerned."

In commenting on the study by Bronte-Stewart and associates, the *Lancet* said that if the findings were "substantiated, coronary-artery disease becomes in part a preventable disorder—but at the cost of a complete revolution in our present day dietary habits. The hydrogenation plants of our modern food industry may turn out to have contributed to the causation of a major disease."

The article points out, however, that little is known about the relative proportion of saturated and unsaturated fats in the diet, or of the proportion of essential to total fatty acids consumed, or of the nature of total fats consumed.

Keys has made a study of the effects of different types of fats on serum-cholesterol levels. He cites numerous studies to support the statement that the serum cholesterol level in man can be lowered by substituting carbohydrates for the common meat and dairy fats in the diet, and that this effect does not depend on the intake of cholesterol itself. Different food fats, however, differ in their effect, and certain vegetable oils may depress the serum cholesterol levels.

One researcher had found corn (maize) oil particularly effective, deducing from this that the effect of dietary fats on serum cholesterol levels was due to the relative degree of saturation of their constituent fatty acids. But, Keys noted, corn oil has a relatively high content of the essential fatty acid linoleic acid, and he considers the theory that hypercholesterolemia (i.e., an excess level of serum cholesterol) reflects a deficiency of essential fatty acids in the diet, rather than the presence of saturated fats. From a practical, dietary point of view, the question would be whether to eliminate one class of fats from the diet, or add another to the one already consumed. It was decided to compare the results of using sunflower seed oil, richer in linoleic acid than corn oil, and fish oil, which is practically deficient in linoleic acid but is the most unsaturated food oil, and corn oil itself. These oils were to be compared to each other, and also to butter, which is known to increase serum cholesterol levels, for their effects in depressing serum cholesterol levels. Groups of men took 100 grams daily for 2 weeks of each of these fats, in addition to a normal, controlled, matched diet. Corn oil had a greater depressing effect than either sardine oil or

sunflower seed oil. This indicates to Keys the possibility that neither linoleic acid nor a high proportion of unsaturated fatty acids in the diet is chiefly responsible for depressing serum cholesterol levels, but that corn oil "is remarkable in some way not measured by either of these two characteristics." Keys feels that a high serum cholesterol level is not simply an inverse function of the essential fatty acid content or the degree of unsaturation of the fatty acids in the diet. He finds that serum cholesterol levels rise in groups as fat consumption rises, and that when this happens consumption increases for both saturated and unsaturated fats. It seems obvious to Keys that rather than attempt to effect a complete change in our dietary habits it would be wise simply to reduce consumption of all fats. To the argument that our diet may be deficient in essential fatty acids, Keys replies that he doubts the possibility of this, since it is very difficult to supply such diets even to experimental animals.

In the study made in Yugoslavia by Brozek and associates diets of the three groups chosen for analysis were characterized respectively by a high animal fat content, a low fat content of mixed source (animal and vegetable), and a high vegetable fat content (olive oil) with almost no animal fats. Serum cholesterol levels were highest in the high animal fat diet group and lowest in the high vegetable fat diet group, although in total fat content these groups were practically identical. Inasmuch as animal fats are relatively saturated, while olive oil fats are relatively unsaturated, these findings tend to support the theory that the proportion of saturated fats in the diet has more effect on the serum cholesterol level than does total fat content.

The most controversial figure among those who hold diet responsible for coronary artery disease is H. M. Sinclair, who directly disagrees with the position of Keys that total dietary fat of whatever kind is related to atheroma and coronary thrombosis. "Since then I have come to realize that Keys' hypothesis is not correct: What matters in atheroma is, I believe, the amount and structure of the dietary fatty acids."

Sinclair believes that modern methods of food preparations, involving the hydrogenation of vegetable fats and the extraction of essential oils from flour lead to deficiencies in the essential fatty acids, in vitamin B₆, and in vitamin E. The significant factor in atherosclerosis and coronary thrombosis, he feels, is not the total levels of cholesterol, but the deficiency of fatty acids needed for proper metabolism of fats, so that the esterified cholesterol collects, clogs, hardens, and eventually leads to clotting of the arteries.

Citing a variety of studies on experimental animals, Sinclair sees increasing evidence for the theory that a dietary deficient in essential fatty acids, or with an excess of unusually saturated or unnatural (i.e. artificially produced) fatty acids, predisposes not only to coronary artery disease, but also to cancer of the lungs and leukemia. His arguments for including bronchial carcinomas and leukemia are as follows: "Thirdly, EFA-deficient animals are much more sensitive to noxious agents such as ultraviolet light (mild doses of which we found to produce complete necrosis of an irradiated paw), to X-irradiation including probably its carcinogenic action, and perhaps to chemical carcinogens. In your columns (of the *Lancet*) Dr. Nyrop has argued for EFA-deficiency increasing the sensitivity of males particularly, to a chemical carcinogen in tobacco smoke and so contributing to bronchial carcinoma, and in general I endorse his views. Aortic atherosclerosis is unusually common in persons dying of bronchial carcinoma." He also feels that increases in the death rates from leukemia may be influenced by a dietary essential fatty

acid deficiency which increases sensitivity to the carcinogenic action of X-rays.

To test the relation of the essential fatty acids to atherosclerosis, Rinehart and Greenberg subjected 40 monkeys to a synthetic diet deficient in vitamin B₆ (pyridoxine, an essential fatty acid). The monkeys developed alterations in the blood vessels which resembled arteriosclerosis as it develops spontaneously in man, as well as fatty metamorphosis and cirrhosis of the liver, and a high rate of dental caries. Calling attention to the essentiality of vitamin B₆ in metabolism, particularly of proteins, the authors state that it is problematical whether the average daily intake of pyridoxine in man (1.5 mg.) is adequate to meet metabolic needs. They raise the question of whether or not long-term suboptimal intake of pyridoxine may be a contributory factor in the pathogenesis of important human diseases—arteriosclerosis, dental caries, and cirrhosis of the liver.

In an experiment with young men who had arteriosclerotic heart disease, Farquhar and associates found that the administration of beta sitosterol resulted in highly significant reductions in serum cholesterol and beta-lipoprotein lipid. The apparent lack of deleterious effect, coupled with the observed changes, suggested to them that sitosterol might be a therapeutic agent, although its value has not been established clinically.

In another study Pollak found that simultaneous feeding of sitosterol and cholesterol to rabbits results in complete inhibition or mitigation of the hypercholesteremia commonly resulting from feeding cholesterol alone to rabbits. Pollak also found that the administration of sitosterol to man will reduce the serum cholesterol level without harming health, or interfering with metabolism of any foodstuff other than cholesterol. Sitosterol is found in the oils of wheat germ, the common bean, rye germ, and corn germ, in corn gluten, in the dry hull of hempseed, and in the leaves of kale and broccoli.

Pollak doubts the significance of the fact that populations on low fat and cholesterol content diets have relatively low serum cholesterol values, holding that it is not clear what causes the low serum cholesterol. Although it is possible, as usually assumed, that it may be the result of lowered fat intake, it is also possible that a relatively high intake of proteins leads to relative hyperalbuminemia and stabilization of plasma colloids, including lipoproteins and cholesterol. This phenomenon could be due, he states, to an intake of sitosterol sufficient to prevent resorption of dietary cholesterol. "Much attention is being paid to the foodstuffs missing from the diet of those persons, but little attention is paid to the relative or absolute increase of other nutrients. * * * It would be interesting to learn the sitosterol content of diets in people with low blood cholesterol values."

In still another approach to the relation between diet and health, a group of over 400 British physicians and dentists sponsored a public declaration on soil, food, and health. This public declaration, which was a call for further research, points to experimental farm work tending to show that foodstuffs raised on land fertilized either exclusively or in part by chemical fertilizers have the effect of altering the chemical composition of that food, or of stock fed on it, to the detriment of its nutritive value. Seeing a possible connection between the increased use of commercial fertilizers and the incidence of degenerative diseases, the framers of the declaration make the following statement:

"In our view, the recent suggestion of the importance of the essential fatty acids to the circulatory and nervous systems and to the carcinoma barrier points to the kind of knowledge which is becoming essential to us as practitioners."

L. C. Filios and his coworkers produced gross atherosclerosis in rats by feeding them a synthetic diet containing cholesterol, sodium cholate, and thioracil for periods up to 363 days. They noted that although "the mechanisms involved in the atherogenic process are still subject to speculation, the bulk of experimental evidence favors the theory that the occurrence of atherosclerotic lesions is associated with impaired cholesterol metabolism." In their study, they felt that the dietary cholate may have interfered with cholesterol-to-cholic acid conversion in the liver, with resulting hypercholesterolemia. In addition, they feel, the sodium cholate feeding may have facilitated the absorption of the dietary cholesterol and this in turn contributed to the increased serum cholesterol levels. The cholate feeding may also have added to the depletion of body organic sulfur stores. Sulfur amino-acid deficient diets facilitate or enhance induced hypercholesterolemia.

There have been other studies indicating that atherosclerosis and hypercholesterolemia may be related to a disturbance in cholesterol metabolism that is not, in itself, the result of a high fat content in the diet. A genetic study of patients with atherosclerosis led Adlersberg and associates to the conclusion that "it appears that the common factor for most patients with atherosclerosis may be a hereditary disturbance of cholesterol metabolism manifested by elevated serum cholesterol." Gertler and White also conclude that coronary heart disease is a familial disease, and believe that the implications of studies indicating this are of "utmost importance for the control of the disease."

Gertler and White are doubtful that diet plays so important a role in atherosclerosis. Noting that there is practically no correlation between amount of cholesterol ingested and serum cholesterol levels, they suggest that "a major source of cholesterol could possibly be endogenous." When atherosclerotic patients are put on a low cholesterol diet, they note, serum cholesterol levels drop off at first, then resume former levels, indicating that when exogenous source is cut off, the endogenous source eventually takes up the slack. They also note that the phospholipids may act as colloidal stabilizers by maintaining the serum cholesterol in suspension, preventing its tendency to be attracted to the intimal tissues and thus be deposited there. Hence, a disturbance in the colloidal state of the blood may be one of the most important factors in atherosclerosis.

They discount the value of comparative studies of different national groups. Autopsies of Okinawans, they say, show that about 12 percent have atherosclerosis, which figures are comparable to United States data. The low rates of death from atherosclerosis of national groups on poor diets may not be a sign of health: "actually, ill-nourished individuals and chronic alcoholics are more prone to other diseases at an early age and hence do not always attain the age at which degenerative diseases manifest themselves."

They question also the comparability to humans of data obtained from rabbits and dogs. The cholesterol levels induced in laboratory animals are much higher than man would have; lesions in the arteries produced by excessive cholesterol are mainly in the distal arteries, not in the coronary arteries, meaning that the human disease process has not actually been reproduced in animals.

In March 1957 the American Medical Association's Council on Foods and Nutrition held a symposium to sum up present knowledge of the interrelationships of fats, serum cholesterol, and atherosclerosis. In the words of the journal editorial commenting on this symposium, "the one definite conclusion that resulted from this investigative meeting is

that quite a bit more study concerning dietary fats will have to be done before the average American's eating habits are to be drastically altered."

No reason is seen, the editorial states, for nonoverweight persons with normal serum cholesterol levels and without a familial history of early death from heart disease to make any change in diet. Obese persons with cholesterol levels that are not elevated might do well to reduce, they believe, but "at the present time this is the only diet modification that can be recommended for such persons." Individuals with consistently elevated serum cholesterol levels would "have somewhat more reason" to attempt to lower them, particularly if they have family histories of early death from cardiovascular disease. It is emphasized, however, that the present state of knowledge is inconclusive.

I submit also an article on atherosclerosis by Dr. Donald S. Fredrickson of the National Heart Institute, National Institutes of Health:

CURRENT ATTITUDES ABOUT ATHEROSCLEROSIS

(By Donald S. Fredrickson, M.D.)

(Evidence grows that fat metabolism is causally related to atherosclerosis. Susceptible persons can sometimes be singled out by doing blood lipid or lipoprotein measurements. And for some patients, dietary instruction appears to be in order—instruction that includes (1) proper caloric intake, (2) curtailment of saturated fat. To date, there is no drug therapy that deserves unqualified recommendation.)

At present it is more accurate to consider the problem of atherosclerosis, especially its clinical management, in terms of attitudes rather than in terms of established facts about the causes, prevention and cure of this disease. The chronic nature of atherosclerosis, the awkward uncertainties in premortem diagnosis, and the requirement that man be the ultimate experimental subject make it very difficult to satisfy the demand for categorical answers from the brilliant but limited research advances which have been so recently made. The result is an understandable and, no doubt, temporary chaos, from which the physician is, nevertheless, expected to extract something worth while for his patient's care and comfort.

It may be refreshing to review a few questions concerning atherosclerosis along with some answers apt for the time of this writing. While the answers will be meant to reflect a majority opinion of those closely studying this disease, they must be taken for what they are—current attitudes about atherosclerosis.

Question 1. Are we any closer to understanding the cause of atherosclerosis than we were, say, 5 years ago?

Answer. Yes, we are. At least evidence has grown much stronger which tends to incriminate fat—either fat in the diet or some wayward aspect of fat metabolism—as casually related to atherosclerosis.

Up to 5 years ago, almost all the evidence supporting this relationship had been obtained by direct experiments with animals. The work is now about 45 years old which first showed that the feeding of cholesterol to rabbits could lead to development of typical lesions in their arteries. In recent years this has been extended to other animals, up to and including the monkey. But such experiments still fall short of the critical animal, man. Because of the obvious difficulties of performing this last and most important experiment, more recently the evidence has been sought indirectly, through epidemiologic studies. These have taken several forms. One has led to incontrovertible evidence that groups of patients with good clinical evidence of coronary artery

disease have higher blood lipids than comparable groups of normals. This is certainly true for Americans, and it appears to be valid for some other population groups as well. In the study of populations on a worldwide basis, it is also strongly suggested that the nature of the diet is correlated with the plasma lipid levels and the incidence of atherosclerosis. It may be tentatively concluded, at least, that diet is more important than race, for example.

Most of these studies have concentrated upon the amount, and more recently, the kinds of fat eaten by one group as opposed to another. They have succeeded in demonstrating that populations eating larger amounts of animal fat seem to have more atherosclerosis. They have not proved a cause and effect relationship and have not attempted to rule out all other variables even in the diet.

Finally, although most advances have been made in correlating lipid metabolism with atherosclerosis, there are other areas, some unrelated, of progress. There is now convincing statistical evidence that hypertension accelerates development of atherosclerosis. Intimal injury and other local effects have been demonstrated to be of importance, and various aspects of blood-clotting mechanism are being given increasing attention.

Question 2. If most Americans have higher values for blood cholesterol than, say, the South African Bantus, does measurement of blood lipids constitute a worthwhile clinical test for screening patients for atherosclerosis in this country?

Answer. Yes. Blood lipid measurements do help single out patients prone toward accelerated development of atherosclerosis. However, every physician is aware that many patients may still have severe atherosclerotic coronary artery disease with blood lipid values well below the considered upper limit of normal for our population.

Question 3. Aren't cholesterol measurements old fashioned, and isn't it better to measure the plasma lipoproteins or the atherogenic index?

Answer. First, let us review several helpful points about lipid transport. All the fats in the blood circulate bound to protein. The cholesterol, phospholipids, and the triglycerides, sometimes called neutral fat, are present in plasma and lymph in association with globulins, or as "lipoproteins." The small amount of lipid remaining, the unesterified fatty acids, are largely bound to albumin. The lipoproteins contained in the plasma of a normal fasting human may be considered for convenience in two great groups, arbitrarily called the "low density" and the "high density" lipoproteins. Each group contains several subspecies of lipoproteins. The low density lipoproteins have been divided into classes by means of ultracentrifugal techniques first described by Gofman and his colleagues. They are denoted by S_i numbers which indicate the rate of flotation of the lipoproteins, a property inversely related to their densities. The "atherogenic index," introduced by these workers, is a mathematical term derived from the sum of the weighted concentrations of certain S_i classes. They have shown that the average "atherogenic index" of a group of patients with coronary artery disease is significantly higher than a group of similar age and sex who are free of clinical evidence of atherosclerosis. Strictly speaking, measurements of plasma cholesterol and plasma low-density lipoproteins are not the same. With the lipoproteins one also indirectly obtains a measurement of other lipids, particularly the triglycerides, which make up more of the lipoprotein molecules of lower density (and higher S_i values). About two-thirds of the cholesterol normally pres-

ent in plasma is carried in the low-density lipoproteins. For reasons only poorly understood, it happens that an elevation in plasma cholesterol usually expresses itself in a raised concentration of some or all of the low-density lipoproteins. Hence measurement of cholesterol gives a rough index of low-density lipoprotein levels. It alone does not distinguish between which S₁ classes of lipoproteins may be elevated. Gofman and his group have stressed that these latter measurements, which constitute the "atherogenic index" are necessary for accurate diagnosis of patients with an atherosclerotic tendency, and, more recently, for proper dietary management of such patients.

Recently a careful study of the relative diagnostic values of cholesterol and lipoprotein determinations was published. It unfortunately involved only a 2-year period of observation, a short interval for study of atherosclerosis. The results failed to convince the majority of the workers involved that the more sophisticated lipoprotein measurements were any more successful than cholesterol measurements alone in helping select those patients likely to soon develop coronary artery disease. This by no means disproved the possibility that certain lipoproteins have more to do with the cause of atherosclerosis than cholesterol alone. The present evidence makes it extremely difficult, however, to recommend to a physician that he use the more expensive ultracentrifugal analyses as a routine diagnostic procedure.

Question 4. What is the exact relationship between dietary fat, the blood cholesterol, and the atheroma?

Answer. The exact relationship between these three parameters is still a major unsolved problem. A relationship of the dietary fat to atherosclerosis is strongly suggested by epidemiologic studies. On the basis of good experimental studies, a relationship of dietary fat to plasma cholesterol likewise seems to be established. There is not enough evidence to be absolutely certain that these three factors are sequentially involved, i.e., that dietary fat is related, through elevating the plasma cholesterol, to the development of atherosclerosis. Despite the studies that indicate that some fats have differing effects on the plasma cholesterol, there is yet no experimental evidence in man, or in animals for that matter, that different kinds of dietary fat will have a different effect on the development of atherosclerosis. The evidence to forge this important link in the chain must still be obtained.

Question 5. What exactly is currently meant by dietary fat in relation to atherosclerosis? Is this the amount of cholesterol in the diet or is it something else?

Answer. It has been shown that the amounts of cholesterol per se likely to be found in the American diet do not influence the plasma cholesterol level. Emphasis has passed from cholesterol to the triglycerides or esters of fatty acids and glycerol, which make up most of the body and dietary fat. These dietary constituents have been shown to affect plasma cholesterol.

The triglycerides consist mainly of fatty acids which may differ chemically in several ways. One important difference is the degree of saturation with hydrogen of the bonds linking carbon atoms in the fatty acid chain. Acids containing double bonds are called unsaturated acids, because they still can be saturated with more hydrogen at these linkages. The saturated acids have no carbon-to-carbon double bonds.

It is convenient to define the degree of unsaturation in terms of the iodine number, in other words, by the amount of iodine which can be added to existing double bonds. The more iodine, the higher the iodine num-

ber, and the greater the degree of unsaturation.

Question 6. What are the sources of the saturated and unsaturated fats?

Answer. With the exception of one vegetable fat, coconut oil, most saturated fats are of animal origin, such as milk and egg fat, lard and other meat fats. Most unsaturated fats such as olive, peanut, cottonseed, corn, soybean and safflower oils come from plants. Some of the most unsaturated fats such as the fish oils again may be animal in origin. Commercially, hydrogen is added to many naturally unsaturated fats to protect against rancidity and alter their texture for various purposes.

Good evidence, based strictly on experimental diets, indicates that there is a very real difference between the effect of certain dietary fats on the plasma cholesterol. When given in large amounts (50 to 100 grams per day) those fats which are saturated will raise the plasma cholesterol. When these fats are replaced by large amounts of unsaturated fats, such as corn oil, the cholesterol level is lowered. There is no question about these experimental facts at the present time, although it is not certain that degree of saturation is the only factor involved in results obtained with these diets.

Question 7. Is, then, vegetable fat (oleomargarine) healthier than animal fat (butter)?

Answer. This question has been raised to make a point. The actual answer is unknown. Oleomargarine usually consists largely of a mixture of naturally unsaturated cottonseed and soybean oils. However, partly because the housewife may not like her spreads to run at room temperature, and for other reasons, oleomargarine is partially hydrogenated. While few if any studies have been made using oleomargarine as the only source of fat, extensively hydrogenated vegetable oils appear to have the same effect on plasma cholesterol as do the saturated animal fats. Hence the origin of fat is less important than the subsequent handling, if this includes hydrogenation.

Question 8. The so-called essential fatty acids like linoleic acid are unsaturated and come largely from vegetable sources. Is not atherosclerosis then a deficiency disease, a deficiency of essential fatty acids or of vitamins?

Answer. However attractive this hypothesis may be, it has not been buttressed as yet by much experimental data. Most nutritionists believe there is no evidence of an absolute deficiency of essential fatty acids in the American diet. It has also not been shown that essential fatty acid deficiency in animals will produce atherosclerosis.

Question 9. Does the present state of knowledge warrant the use of diet therapy to prevent or cure atherosclerosis?

Answer. No one knows with certainty whether altering the fat in the diet in any way will reduce the amount of atherosclerosis in our population. The reluctance of most nutritionists to recommend sweeping changes in the diet of everyone on the basis of what we now know is understandable. We also do not know if radical changes in the diet in humans will cause atherosclerotic lesions to regress. But, for some patients, dietary instruction appears to be in order.

Our best working hypothesis today is based on the observations that elevated blood lipids are related in some way to atherosclerosis and that blood lipids can be affected by diet. The modifications in diet necessary to produce presumably desirable changes in blood lipids have also not been demonstrated to be potentially harmful. It therefore seems unreasonable to ignore the information now available in the care of those patients who bear a greater threat of an untimely death from atherosclerosis.

Question 10. Who are these patients to whom attention to diet should be recommended?

Answer. This group properly includes patients with so-called essential elevations in blood cholesterol or low-density lipoprotein levels. There is a prevailing attitude that it should also include any patient with coronary artery disease or a family history which is suggestive of hypercholesterolemia, xanthomas or a tendency to accelerated development of atherosclerosis, even though these patients may have normal cholesterol levels.

Ideally every patient over 40, with a suggestive history or not, should have a determination made of plasma lipids. The minimum examination of blood lipids must be made on blood taken after an overnight fast. It includes: (1) Observation, preferably by the physician himself, of the clarity of the serum or plasma. If even faint turbidity is present, one may be fairly certain that the triglycerides, and concomitantly the levels of the lower density, triglyceride-rich lipoproteins are elevated. (2) Determination of plasma cholesterol by a reputable laboratory capable of furnishing its own limits of normal in terms of age and sex. Every physician caring for this type of problem should arrange for the proper execution of these two simple, inexpensive tests. If more elaborate information is desired, serum may be sent to a specialized laboratory for lipoprotein analyses. With the finding of an elevated cholesterol level or turbidity in fasting serum with or without marked elevation in cholesterol (or the finding of abnormal low-density lipoprotein values), the patient deserves some nutritional instruction from his physician.

Question 11. What dietary changes should be recommended to these patients?

Answer. Diet instruction in atherosclerosis lies in an area at present so controversial that the most conservative attitude is justifiable. In the experimental studies so far reported, however, three conclusions stand out which can be incorporated into a reasonable dietary approach. These are: that a diet high in saturated fat will result in higher cholesterol levels than diets high in unsaturated fats; that a diet very low in all kinds of fat, and therefore usually high in carbohydrate, may tend to raise, rather than lower, some of the low-density lipoprotein levels; that any diet containing excess calories, even if these include large amounts of unsaturated fat, will adversely affect plasma lipid levels. It has been adequately shown that obesity is associated with greater incidence of coronary artery disease.

Therefore, for the patients chosen for attention to diet: (1) The proper number of calories to maintain ideal weight should be prescribed. A balanced reduction diet may have to be used initially. (2) Major sources of saturated fat should be curtailed. This means that visible fat on meats is to be left uneaten and the use of lean meats such as chicken and baked fish is to be encouraged. The use of whole milk products should be sharply reduced and skim milk, a valuable source of protein and calcium, should be substituted. Butter and oleomargarine should be used sparingly, one pat a day, for example. If an egg is eaten, the daily ration of lean meat should be reduced. Fruits and vegetables are freely permitted. Unsaturated oils, like corn, cottonseed, soybean, safflower, peanut, and others, which are inexpensive and widely available, should be used liberally and with all ingenuity. Such oils may be used not only as salad dressing but for cooking and some baking as well. For some patients, the use of palatable commercial preparations of vegetable oils may be advisable as a dietary supplement, but never to caloric excess. There is

no evidence whatever to suggest the capsules containing a gram or less of linoleic acid will offer anything of benefit when added to the above balanced diet. The same is true of small quantities of vitamins available in certain special vitamin preparations, although adequate multivitamin supplement is a wise addition to any reduction diet.

Such general dietary instruction represents a practical formula designed to give appropriate patients the benefit of current developments in research. It may not cure atherosclerosis, and in some cases it may even fail to lower elevated blood lipids. However, dietary management of this type represents a positive approach of potential benefit—about all that we have to offer at the present time.

Question 12. What about drugs in addition to diet? Specifically, heparin, sitosterols, or estrogens?

Answer. Sitosterols are cholesterol-like sterols found in plants. Careful experiments have shown that daily ingestion of large amounts of sitosterols can lower serum cholesterol. A few experimentalists believe that some of the vegetable oil effect on serum cholesterol may be due to presence of sitosterols. There is evidence to indicate they may interfere with absorption of cholesterol in the diet, and endogenous cholesterol secreted into the gut. However, it is general experience that sitosterols will usually effect not more than a 10- to 15-percent fall in serum cholesterol, and this is not consistently obtained. A major problem, as with all drugs, is the apparent necessity of continued administration for continued effect. This alone limits enthusiasm for wider use of sitosterol preparations.

There are two possible rationales for using heparin. One is its anticoagulant effect. The other is the interesting fact that heparin causes the release into the blood stream of "clearing factor," or "lipoprotein lipase," an enzyme catalyzing hydrolysis of triglycerides. Such enzyme activity may change hyperlipemic blood from a creamy to a clear state. Heparin is being used in several large experimental studies. It has been reported to increase the longevity of patients following myocardial infarction. It is still unknown whether this is due to the anticoagulant effect or to the effect on "clearing factor." We are going to hear much more about heparin and other anticlotting agents in the future, but at the present time it is still expensive, requiring parenteral administration, and it is not entirely without hazard. Long-term clinical trials with heparin for patients surviving myocardial infarction are justified. Its use in patients with abnormal blood lipids but without coronary artery disease is still experimental.

Finally, estrogens. There is no question but that giving estrogens will revert the lipoprotein pattern of a male to that of a premenopausal female. There is also no doubt that the young female enjoys more immunity from atherosclerosis. However, all estrogenic preparations must be pushed to the point where the patient has the usual unsatisfactory side effects before appreciable changes in blood lipids are observed. There are several long-term studies in progress on the effect of the estrogens on the longevity of patients surviving myocardial infarction. They have not yet produced significant conclusions. The use of estrogens in uncomplicated hyperlipidemia is also still restricted to experimental studies. For obvious reasons, present estrogenic preparations will never be applicable to a large population of patients.

In effect, there are today no drugs to be unqualifiedly recommended to the practitioner for treatment of atherosclerosis per se. For elevated blood lipids accompanying diabetes or hypothyroidism, insulin or thy-

roid preparations, of course, have a distinct place in therapy.

These are some current attitudes about atherosclerosis. Some of them may soon be discarded; all are subject to change. This changeability itself expresses our expectation of gradually finding more definitive means of affecting the development of this important disease.

Finally, I submit an article from the Milwaukee Journal of June 26, 1960, demonstrating the concern of the Nation's dairy industry over this problem:

DAIRY FOODS SURVEY MADE—DOCTORS QUESTIONED

CHICAGO, ILL.—News stories linking dairy products to heart disease have not undermined doctors' confidence in those foods, an official of the National Dairy Council said Saturday.

Gaylord P. Whitlock, director of the council's health education program, said that in a survey of 1,000 physicians, only 10 percent said they had been affected by such reports. Less than half of these said the reports had affected their dietary recommendations.

Whitlock spoke at the closing session of a summer conference of the nutrition research organization.

"The big story centered around the fat-heart disease controversy," said Whitlock. "Only about 10 doctors out of the 1,000 expressed concern about strontium 90 (nuclear fallout)."

FOURTEEN PERCENT URGE LESS FAT

The survey, taken by the council, showed that only 6 out of each 10 doctors surveyed make any diet recommendations to their patients. More than one-third of these doctors do not restrict the use of dairy products, while 10 percent do restrict certain dairy products and 14 percent recommend reduction of fat in the diet.

"Two-thirds to three-fourths of all doctors recommend whole milk for all age groups, varying from infants to senior citizens, and recommend milk in amounts that are generally acceptable to the nutrition authorities—more than three glasses per day for youngsters and about two and one-half glasses per day for oldsters," said Whitlock.

Where doctors did not recommend dairy products, other than whole milk, their reasons were primarily that the diet could be balanced without them, and to reduce fat.

"I'D LIKE SOME ANSWERS"

A sense of urgency in settling the questions raised about milk products was shown by the board chairman of the council, a Kentucky dairy farmer.

John A. Moser of Louisville, who also is treasurer of the American Dairy Association, said in an interview that "scientists are troubled and I'd like some answers myself." This is the feeling of other farmers, too, he said.

"We can't cram down the throats of the consumers anything that they don't want, especially if the doctors say it is not good for them," Moser said.

As a Holstein breeder, Moser said he had been asking himself if he should be breeding for 4-percent fat content in milk, when some experts are saying that a 2.5-percent milk is what the public wants.

Moser said he didn't want to call the professional men wrong in the weight problem, but he felt there was "a difference in human beings—just like a beef calf puts on more meat than a dairy calf."

Moser noted that researchers had reported at a recent meeting of the American Medical Association that: "There are plenty of factors, other than diet, implicated in heart disease, including heredity, sex, obesity, exercise, hypertension, and stress."

Moser rapped food faddists for making a "favorite target" out of milk or dairy foods.

What do we or can we conclude from these samplings on the subject of diet, cholesterol, and heart disease?

It adds up to the fact that we do not know nearly all that we need to know to protect the health of our people or to guide the future of the dairy industry and agriculture.

There is evidence to show that a diet high in saturated fats will result in a high level of blood cholesterol. There is evidence indicating that excessive blood cholesterol may produce atherosclerosis, which may in turn produce coronary artery disease, heart attacks, and death.

There is other evidence, of equal importance, showing that heredity, blood pressure, body chemistry, obesity, lack of exercise, nervous tension, and even smoking, are of as much or more significance in producing atherosclerosis.

Diet may be a factor in producing heart diseases—but it is at most only one factor. How much weight should be placed upon diet in this context is a matter of debate between the most eminent medical scientists. Some give it no weight, others think it the most important factor.

When the experts disagree so widely, when different doctors give different advice to patients as to whether they should or should not eat dairy products or meat, and how much or how little, can the public be expected to do the right thing?

Is the dairy cow a much-maligned animal? Are her butter and cream good for us, or not? Is milk the perfect food it has been thought to be?

Personally, I am inclined to think that the cow and her products have been overly insulted—that the saturated fat-cholesterol-atherosclerosis link up has been overpublicized and overrated.

However, we want to be, and we must be, realistic; we are dealing with something which might affect the life span of millions of people.

If animal fats and the dairy cow are shown to be the villain in producing heart attacks, I shall admit it. But I do not want to wait 5, 10, 15, or more years to get the facts.

The current haziness on saturated fats, unsaturated fats, and cholesterol needs to be dispelled promptly. We want the truth, and the whole truth.

To that end, I suggest the following program of action:

First. Continuing, and greatly accelerating, basic research by the National Institutes of Health in cooperation with other research institutions into the composition and effect of cholesterol, its relation to saturated fats in the diet, and its relation to atherosclerosis and other diseases.

Second. Continuing, and greatly accelerating, research to discover drugs and medicines which will safely reduce the blood cholesterol level in human beings.

Such work is now being done by the National Institutes of Health and by many pharmaceutical companies. I have been advised, for example, that the William S. Merrill Co. of Cincinnati now has available for doctors' prescription,

a drug called MER/29, which reduces high blood cholesterol levels. Other companies have developed or are working on other drugs of this nature. The National Institutes of Health should promptly test these drugs for safety and side effects, so that the best possible products will be available to the public.

Third. An all-out effort by the Department of Agriculture, in cooperation with such groups as the National Dairy Council and the American Dairy Association, to discover means of reducing the saturated fat content of the foods we eat and drink.

A number of researchers have experimented with means to reduce the fat content of meat and milk, without affecting the taste or flavor of the product. This work should be stepped up, and should have the support of the Department of Agriculture and of the industries involved.

The dairy industry particularly needs to be realistic. Unlike the tobacco industry, which has tended to scoff at the evidence of a connection between smoking and cancer, the dairy industry can, I believe, gain popular good will if it seriously engages all along the line in scientific effort to bring out the facts concerning diet, cholesterol, and heart disease.

I am writing the Secretary of Health, Education, and Welfare, and the Secretary of Agriculture, urging them to implement the program referred to above.

I hope that HEW, Agriculture, and the industries involved will work closely together to attack this problem promptly and with coordination.

The public deserves the facts, and we in the Congress have a duty to see that they get the facts quickly.

TRANSFER OF NIKE SITES TO NATIONAL GUARD

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. DULSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. DULSKI. Mr. Speaker, during the recent recess of the House, I had occasion to visit the Nike-Ajax Orchard Park—East Aurora Site No. 34. This is one of the sites adjacent to the city of Buffalo, N.Y., which was turned over to the New York State National Guard by the Army recently.

Upon my arrival I was met by the commanding officer and escorted to a briefing room. After the briefing, a tour was arranged for me to go through the facilities by the following officers:

Capt. Earl Close, commanding officer, Battery D, 2d Missile Battalion—Nike-Ajax—106th Artillery, New York Army National Guard.

First Lt. Owen B. Schnitzer, commanding officer, Battery A, 2d Missile Battalion—Nike-Ajax—106th Artillery, New York Army National Guard.

Maj. James F. Swist, information officer, 209th Artillery Group—Air De-

fense—New York Army National Guard.

Capt. Thomas Pierino, intelligence officer.

Capt. Edmund J. Dietzel, chaplain.

First I was shown the electrical devices which are the integral part of the operation. These were manned by soldiers, and the details were explained by the officer-in-charge.

Following this inspection of the base, our entire party was driven to the missile location.

In viewing the operation of this facility and observing a practice alert, I found that the men who operate this well equipped defense installation are familiar with the equipment. They handle it with expertness and ease—which creates confidence in the people whose safety, homes, and lives may depend upon this capability in the event of enemy attack. The assumption of the operation of these bases by the National Guard places this organization in an active, day-to-day role in the defense area. This transfer plays an important part in the overall military policies of the United States. Furthermore, this transfer of operational responsibilities releases Regular Army personnel, who manned these facilities previously, for reassignment elsewhere.

This maximum utilization of manpower is an excellent method of stretching our defense dollars to meet the ever-present threats and dangers of the existing cold war.

This visit to one of the segments of the defense of my immediate congressional district was an enlightening experience. While we, in Congress, concern ourselves mainly with the overall defense of our country, it is well to maintain contact with matters close at home so that we can get a more clear picture.

OPERATION UNDER DONABLE SURPLUS PROPERTY PROGRAM

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. McCORMACK] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. McCORMACK. Mr. Speaker, I am advised by the Secretary of the Department of Health, Education, and Welfare that public health, education, and civil defense organizations received, at acquisition cost, \$97,860,585 worth of personal and real property pursuant to the donable surplus property program during the period April through June 30, 1960. The Secretary's press release states:

Property transferred to the States includes such items as school and hospital building sites; buildings suitable for college dormitory or faculty housing; motor vehicles; hospital, school, and office furniture; hand and machine tools; motion picture projectors; laboratory equipment; and school and office supplies.

A breakdown of the property distribution by States follows:

Department of Health, Education, and Welfare—Personal property received by State surplus Property agencies for distribution to public health and educational institutions and civil defense organizations and real property disposed of to public health and educational institutions, Apr. 1 through June 30, 1960

States	Personal property	Real property	Total
Total.....	\$89, 578, 615	\$8, 281, 970	\$97, 860, 585
Alabama.....	3, 682, 872	.....	3, 682, 872
Alaska.....	838, 825	114, 452	953, 277
Arizona.....	1, 284, 278	.....	1, 284, 278
Arkansas.....	1, 114, 282	.....	1, 114, 282
California.....	10, 388, 641	225, 543	10, 614, 184
Colorado.....	849, 557	5, 953, 441	6, 802, 998
Connecticut.....	819, 762	.....	819, 762
Delaware.....	306, 484	.....	306, 484
Florida.....	4, 020, 580	.....	4, 020, 580
Georgia.....	2, 001, 579	500	2, 002, 079
Hawaii.....	282, 165	.....	282, 165
Idaho.....	535, 072	.....	535, 072
Illinois.....	3, 640, 471	.....	3, 640, 471
Indiana.....	3, 610, 633	.....	3, 610, 633
Iowa.....	547, 718	4, 000	551, 718
Kansas.....	999, 883	179, 250	1, 179, 133
Kentucky.....	1, 651, 957	17, 245	1, 669, 202
Louisiana.....	1, 853, 873	.....	1, 853, 873
Maine.....	488, 921	.....	488, 921
Maryland.....	1, 756, 412	77, 817	1, 834, 229
Massachusetts.....	2, 760, 243	.....	2, 760, 243
Michigan.....	2, 334, 400	6, 469	2, 340, 869
Minnesota.....	1, 997, 408	.....	1, 997, 408
Mississippi.....	1, 720, 900	.....	1, 720, 900
Missouri.....	819, 319	.....	819, 319
Montana.....	218, 775	8, 000	226, 775
Nebraska.....	495, 437	24, 000	519, 437
Nevada.....	287, 992	.....	287, 992
New Hampshire.....	199, 724	.....	199, 724
New Jersey.....	1, 740, 599	1, 750	1, 742, 349
New Mexico.....	905, 679	86, 975	992, 654
New York.....	5, 738, 176	.....	5, 738, 176
North Carolina.....	1, 713, 387	51, 000	1, 764, 387
North Dakota.....	178, 756	260, 757	439, 513
Ohio.....	3, 158, 522	777, 796	3, 936, 318
Oklahoma.....	1, 979, 700	15, 130	1, 994, 830
Oregon.....	853, 017	2, 650	855, 667
Pennsylvania.....	2, 049, 961	72, 750	2, 122, 711
Rhode Island.....	314, 572	.....	314, 572
South Carolina.....	961, 702	53, 203	1, 014, 905
South Dakota.....	275, 462	.....	275, 462
Tennessee.....	2, 413, 996	36, 018	2, 450, 014
Texas.....	5, 707, 252	97, 249	5, 804, 501
Utah.....	1, 372, 358	.....	1, 372, 358
Vermont.....	314, 704	.....	314, 704
Virginia.....	2, 761, 275	105, 782	2, 867, 057
Washington.....	1, 880, 902	94, 380	1, 975, 282
West Virginia.....	767, 088	.....	767, 088
Wisconsin.....	1, 857, 569	.....	1, 857, 569
Wyoming.....	288, 455	.....	288, 455
District of Columbia.....	368, 582	.....	368, 582
Puerto Rico.....	503, 738	25, 813	529, 551
Virgin Islands.....	.....	.....	.....

AREA DEVELOPMENT: A TRAGEDY IN THREE ACTS

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that the gentleman from West Virginia [Mr. SLACK] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. SLACK. Mr. Speaker, as we near the close of this session, all of us who have been so vitally interested in the adoption of a program to begin rehabilitation of areas now depressed by long-term unemployment must face the sad realization that we will return to our districts emptyhanded. When this second session convened in January most of us were convinced that the need for area redevelopment legislation was so great, and was so widely recognized, that we could confidently anticipate the enactment of an appropriate measure to place in the law of the land a mark of

Federal interest in the problem, and authorization of the first tangible efforts to correct it.

What we have witnessed instead has been the drawing of the final curtain on a tragedy in three acts. The first act ended on a note of disappointment for the people residing in depressed areas with the Presidential veto of a measure passed by the 85th Congress. The second act was climaxed by a second Presidential veto of an area redevelopment bill passed at this session of the 86th Congress which added to the disillusionment of the unemployed.

The final act was played to a foregone conclusion last week when the Secretary of Commerce appeared before a Senate subcommittee and testified for 3 hours. This meeting was called to seek a compromise among differing viewpoints. No compromise was reached, and none was possible under the circumstances.

The congressional majority which passed S. 722 in this 86th Congress was bipartisan, and it supported a reasonable approach to a serious national problem. It was never said by any responsible person that the contents of S. 722 offered a full and complete answer to the conditions created by long-term technological unemployment. Any bill passed by the Congress which is designed to deal with a situation without precedent is bound to be experimental by the very nature of the matter. And this is a situation without precedent—the existence of pockets of heavy unemployment in a time of generally high wages, new highs in personal income, and rising costs and prices.

The administration has consistently, during the past 5 years, viewed area redevelopment as if it were a new form of pork-barrel activity designed to distribute Federal funds at random and without justification. The Secretary of Commerce has repeatedly projected himself in the image of Old Mother Hubbard, pointing at an empty cupboard and wailing piteously that we can't afford to make the effort to reverse the economic cycle in areas which today do not contribute their proper share of productive activity to our economy.

They take the position, apparently, that some 3 million citizens and their families who have not had gainful employment for a year or more, and who reside in communities where employment prospects have evaporated, will suddenly, by a wave of a magic wand, become substantial employed persons again, without any investment of time, thought, planning, or money by anybody.

The administration was specifically requested by the Congress, through the medium of the passage of S. 722, to indicate a willingness to approach this problem of area redevelopment with an open mind. The bill contained sections which would have caused activity to be generated at several levels—in urban areas, in rural areas, in worker retraining, in public works tied to the creation of industrial attractiveness and utility. Admittedly, some of these approaches might have been found ineffective, and might have been dropped or superseded by others. In any case, we would have learned something about a problem

whose solution has defied us for over 10 years.

The answer to the passage of S. 722 was a veto. The answer to the effort to compromise was insistence upon a narrow program offering minimum hope of success, unworthy of support by the Congress. The areas of long-term unemployment were offered a gesture, a collection of crumbs off the table of national plenty.

Until recent weeks, there was a general disposition to consider area redevelopment on a bipartisan basis. Recently, however, we have been treated to a wave of oratory, especially from persons who do not serve in the Congress, which is designed to spread the belief that a so-called practical area redevelopment bill could have received White House approval. The word "practical" is not defined in this oratory, but those of us who have studied the problem know that the only practical approach is one offering the greatest hope of success at its point of application.

As matters stand, we will adjourn soon and file out of these halls after the conclusion of an area redevelopment tragedy with overtones of farce. We will have reached a zenith in impracticality in dealing with the problem. No remedial legislation will have been enacted, and everybody will lose—the unemployed, the merchants and businessmen of the affected communities, the employed persons who must pay for public services to the unemployed, and even the Federal Treasury, whose income depends heavily on the withholding tax from employed persons.

Clearly the issue must be joined again in the new climate of a new Congress, and joined it will be. As to the authorship of the tragedy, that will be determined by the people in November, and I have every confidence that they will lay the burden of guilt precisely where it belongs.

THE LATE HONORABLE OSWALD WEST

Mrs. GREEN of Oregon. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, on Monday, August 22, a very grave loss was suffered by the people of Oregon. The Honorable Oswald West, one of Oregon's greatest Governors, died at the age of 87. Os West, as three generations of admiring Oregonians have called him, was Governor for only one term, from 1911 to 1915. But in that one term, his devotion to government in the public interest changed the face of our State.

Governor West was responsible for initiating Oregon's State highway system, for enacting Oregon's pioneering workman's compensation law, and for the creation of the State board of control. Perhaps his most enduring contribution to Oregon, his greatest gift to Oregon's people, and his own most lasting memorial is the principle of public ownership of Oregon's 400 miles of ocean beach—on

which there are no private preserves, no stretches to which the public can be denied access to this day.

Os West, Mr. Speaker, was a Democrat, and as a Democrat I am proud of that fact. But he never hesitated to criticize his fellow Democrats when, in his eyes, they went wrong. His devotion to the welfare of Oregon, and his concern for the reforms which he established in his tenure as Governor, went far beyond party lines.

Os West, Mr. Speaker, was one of Oregon's authentic great men. His courage was boundless. His passion for justice was unlimited. His wit, his integrity, his understanding of the purposes of democracy will be sorely missed.

OLD CURRENCY LEGISLATION

Mr. MOORE. Mr. Speaker, I ask unanimous consent that the gentleman from Washington [Mr. WESTLAND] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. WESTLAND. Mr. Speaker, 3 years ago I introduced the old currency bill which would save the taxpayers of this country somewhere between \$3 and \$5 million each year. Early in the 86th Congress, I again introduced my bill, H.R. 5691. This legislation, although noncontroversial, has not even been the subject of hearings in the Banking and Currency Committee. I believe this indicates that the majority members of the committee are not interested in a sound financial approach to problems of the Treasury and are not interested in saving money for the taxpayers.

Early in July I had hopes of favorable action by the House. It was at that time the Senate passed S. 3712, a bill that would accomplish the same purpose as H.R. 5691. Unfortunately, my anticipation that this Congress would finally approve this money-saving measure disappeared yesterday when the Banking and Currency Committee voted to table S. 3712.

Mr. Speaker, the responsibility for preventing the Federal Treasury from receiving the benefits of an immediate cash improvement totaling \$98.3 million and for robbing our taxpayers of better than \$3 million annually rests with the majority members of the committee. The vote in committee that has effectively killed the old currency bill was 13 to 9. Thirteen Democrats voted to table S. 3712. Two responsible Democrats and seven Republicans voted to report it out to the House.

Before I present figures that show the amount of money lost because of dilatory action during the past 3 years, I want to refresh the memories of Members of the House as to how this proposed legislation came about and again give credit to the man who brought the situation concerning old currency to light.

On January 12, 1957, Mr. Charles E. Putnam, of Seattle, Wash., asked the Secretary of the Treasury for an analysis of outstanding paper currency carried on the books of the Treasury. Mr. Putnam learned, for example, there was

\$1,143,198 in Treasury notes of 1890 outstanding, yet only about one-tenth of 1 percent was being returned for cancellation each year. He reached the conclusion it would take more than 1,000 years to cancel this obligation, during which time the Government would have to pay interest on the outstanding balance each year.

The results of such an unbusinesslike approach were obvious, so he wrote to me May 16, 1957, and suggested that I cooperate with others in the Congress and the Treasury Department to find the proper action to take.

Treasury officials informed me legislation was needed to get to the heart of the problem, so we worked out a bill which I introduced August 26, 1957, with hope of early enactment. Now, 3 years have passed since Mr. Putnam suggested this way of saving the American people a minimum of \$10,000 a day. Action by the Congress 3 years ago could have saved more than \$6 million, by the most conservative estimates, and possibly as much as \$13.5 million.

Earlier, I mentioned this proposal would have the effect of improving the Treasury's cash position by \$98.3 million. This would include \$31.2 million in gold now held as security for outstanding gold certificates, \$30 million in silver held as security for old silver certificates and \$37.1 million to be received from Federal Reserve banks to discharge their liability on account of the old large-scale Federal Reserve notes. The increase from these sources would enable the Treasury to decrease by corresponding amounts our outstanding interest-bearing marketable public debt obligations with an annual saving in interest costs of \$3 to \$3.5 million at current interest rates.

Mr. Speaker, I want to emphasize that each day the old currency bill is delayed, money that could be used for defense or other operations of the Government is being lost. The action of the committee in refusing to report S. 3712 to the House is an example of futility in extending this session of the Congress unnecessarily beyond July. It is a clear-cut example that when political maneuvering takes precedence over constructive, responsible legislation it is the American people who suffer. The example of fiscal irresponsibility exhibited yesterday by the Democratic majority on the Banking and Currency Committee is one which will be remembered by the voters on November 8.

THE THREAT OF COMMUNISM

Mr. MOORE. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Hiestand] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. Hiestand. Mr. Speaker, we in these legislative halls have a keenness and awareness of the problems which face our country. The American people have given us the daily assignment to grapple with these problems, both large and small, and somehow find ways to resolve them.

We labor under the U.S. Capitol dome, a glowing symbol of a free people in a free Nation.

Above our Capitol, and our Nation, hangs the scourge of communism, a wicked symbol of domination and greed. Its leaders are greedy men; they hunger for the control of our minds and bodies.

Some will tell you that this angry cloud is but a ghost. But we must not believe that, although the scourge may be shrouded in lofty slogans or pious oratory.

The aggression of communism is our most serious, most deadly and most immediate concern. It is a grave danger. And a danger, too, is the attitude of some on ways to resolve this greatest of all conflicts.

As the Communists wage war, they would have us wage peace. As the Communists seek victories, they would have us seek appeasement. As the Communists strike out to dominate the world, they would have us pamper other lands and peoples.

Mr. Speaker, there is only one clear-cut goal for the United States in this cold war. And that goal is not a plateau of stalemate; that goal is victory. If we do not win this war, we shall lose it. Our policies must reflect our goal of victory.

I have introduced a resolution which puts us on the inside lane of the first bend in that road to victory. I believe it should be the sense of Congress to break off diplomatic relations with the Soviet Union and other Communist dominated countries.

Almost by the hour, the Communist regime hurls an insult, breaks an agreement, assaults our citizens and property, or throws added sparks into the cold war. The recent shooting down of an Air Force RB-47 is but one example of Communist arrogance.

Let us show this gangster regime that we are not going to merely sit back and smile. Severance of relations would reflect a tough U.S. attitude. And is there anything wrong with that? Of course not, it is exactly what I believe the American people want.

The move would serve as a firm and forthright example to other countries of our disapproval of Communist tactics and perfidy.

The Communists harass our diplomats, shoot down our aircraft, kidnap our citizens, enforce their threats with espionage and blackmail. And, with diplomatic relations, they are provided an opportunity to carry out these programs within our very borders.

Severance of diplomatic relations would shut off the huge Communist network of espionage, headquartered here in the embassies of our Nation's Capital. It would halt a large influx of Communist agents into the United States. Many of these are now protected by diplomatic immunity.

And, aside from these reasons, if the American people felt that—with such action—the U.S. Government felt that strongly about it, there must be something important about this communism business, after all.

We do not recognize Red China and our reasons for not doing so apply to Soviet Russia and her satellites. Against

this entire evil bloc we must direct our thoughts of victory. Why favor our opposition with moral support?

CIVIL RIGHTS

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

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

There was no objection.

Mr. Lindsay. Mr. Speaker, last week I introduced a civil rights bill which I ask the House to enact. Most of this bill is not new. It picks up where we left off last May in our work on the Civil Rights Act of 1960. That was a good piece of legislation. But the House will recall that certain additional proposals, contained in bills that I and others introduced, did not survive House deliberation. Three of these proposals are now renewed in the bill that I have introduced. The fourth is a new proposal.

The Congress chose to stretch out its session in order to complete unfinished business. Among the items of unfinished business is civil rights. As I have stated, most of what I now propose was rejected by the Congress before the political conventions. However, at the conventions both parties in their platforms pledged performance on each of these points. Therefore, how can we now avoid our responsibility to finish the job?

The bill first, recognizes and grants congressional sanction to the Supreme Court's school desegregation case by providing technical assistance to those communities that are making efforts to comply with the law; second, calls for the creation of a statutory Commission on Equal Job Opportunities on Government Contracts with statutory powers; third, authorizes the Attorney General to bring actions for school desegregation when economic coercion or threat of physical harm is used to deter persons from going to court to establish their rights.

Each of the above proposals were contained in legislation which I introduced a year and a half ago.

And, fourth, the bill calls for strengthening of existing efforts to guarantee the right to vote to all qualified citizens by providing that completion of six primary grades in a State accredited school is conclusive evidence of literacy for voting purposes. This is a new proposal. It is in the Republican platform. There have been mass denials of the right to vote under the 15th amendment by discriminatory applications of State literacy tests or by lack of objective standards. This is born out by the reports of the Civil Rights Commission and of the Attorney General of the United States.

We have heard many promises in the recent party conventions on the subject of Federal civil rights legislation. We have the promises; now let us have performance.

PORT OF NEW YORK AUTHORITY

Mr. MOORE. Mr. Speaker, I ask unanimous consent that the gentleman

from New York [Mr. GLENN] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. GLENN. Mr. Speaker, yesterday, during the hearings on House Resolutions 606, citing Austin J. Tobin; 607, citing S. Sloan Colt; and 608, citing Joseph G. Carty, for contumacious conduct before a subcommittee of the Committee of the Judiciary, it was necessary that I leave the floor for a short period on urgent committee business. I therefore did not hear the remarks of my colleague from New Jersey, FRANK OSMERS, but I have now had the opportunity of reading his remarks in the RECORD.

I subscribe to and support his statement that when the New Jersey delegation decided in February to ask the Committee on the Judiciary for a staff study of the Port of New York Authority's compact to determine the authority's legal right to construct an airport in Morris County, N.J., it was not our thought, nor did we give any support to a resolution that would request the subcommittee of the Judiciary Committee to make a full investigation of the Port of New York Authority. In fact, this point was raised in the discussion and assurance was given that such was not the purpose of the meeting of the New Jersey delegation inasmuch as there were some of the members of the delegation who were not in accord with or in favor of a fishing expedition type of investigation of this bistate authority.

I was one of those present who so felt.

I join with my learned colleague the gentleman from New Jersey [Mr. OSMERS], in his very sound and logical reasons for his stated opposition to these citations, and I am sure that when the proper tribunal passes on the constitutional grounds under which these citations were issued, they will be quashed and the matter will be adjudicated properly, as could have been done previous to this time by a declaratory judgment settling the jurisdictional controversy and without any harm to the reputation and standing of three very outstanding citizens who now stand cited for criminal contempt proceedings, which are altogether uncalled for.

JAPANESE AND ENGLISH COMPETITION IN PURCHASES BY THE FEDERAL GOVERNMENT

The SPEAKER pro tempore [Mr. Flood]. Under the previous order of the House, the gentleman from Pennsylvania [Mr. DENT] is recognized for 30 minutes.

Mr. DENT. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and to include extraneous matter, including tables.

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

There was no objection.

Mr. DENT. Mr. Speaker, I want to discuss a serious matter before this Congress today. Recently I sent the follow-

ing letter to the Department of the Interior.

AUGUST 17, 1960.

U.S. DEPARTMENT OF INTERIOR,
CONGRESSIONAL LIAISON OFFICE,
Washington, D.C.

DEAR SIR: The following is a direct quote of an article recently appearing in one of our local papers:

"A Japanese company for the first time was chosen to supply electricity-generating equipment for a Federal power project. The Interior Department named Hitachi New York, Ltd., to supply two turbines for a power plant near Redding, Calif., for \$664,860. The agency also picked English Electric Export & Trading Co., Ltd., of New York, a British concern, to build two turbines in a plant near Lewiston, Calif., for \$832,830. In both cases, the difference in bids by the foreign companies and those by U.S. firms was greater than the 6-percent differential which the 'Buy American Act' requires."

I would appreciate, at your earliest convenience, any information concerning the above—as to details on the bids for these two purchases, who the bidders were, and any other pertinent information you may be able to send me.

Thanking you in advance for your prompt attention in this matter, I am,

Sincerely yours,

JOHN H. DENT,
Member of Congress.

[Department of the Interior, Information Service Release, Aug. 12, 1960]

RECLAMATION AWARDS CONTRACTS FOR TURBINES FOR FOUR PROJECT POWERPLANTS

Award of contracts to manufacture nine hydraulic turbines required for four major hydroelectric powerplants on Bureau of Reclamation projects in California and Utah was announced today by the Department of the Interior.

The four contracts, involving work totaling \$3,421,240, were awarded as follows:

The contract for three 50,000-horsepower turbines for the Flaming Gorge powerplant, on the Green River in Utah near the Utah-Wyoming border, was awarded to James Leffel & Co., of Springfield, Ohio, on its bid of \$798,550.

Two 105,000-horsepower turbines for the Spring Creek powerplant, to be located about 2 miles north of Keswick Dam in Shasta County, Calif., will be built by Newport News (Va.) Shipbuilding & Dry Dock Co. for \$1,125,000.

Two 93,500-horsepower, 225-revolutions-per-minute vertical shaft hydraulic turbines for Clear Creek powerplant, near Redding, Calif., will be built by Hitachi New York, Ltd., a Japanese firm, at a bid price of \$664,860.

Two 85,000-horsepower turbines for Trinity powerplant, near Lewiston, Calif., will be built by English Electric Export & Trading Co., Ltd., of New York City, an English firm, for \$832,830.

Bidding was heavy on each contract, with participation in each bid invitation by both foreign and domestic manufacturers.

The Hitachi firm which has its main fabricating plant at Ibaragi-Ken, Japan, became the first Japanese firm to win a Bureau of Reclamation turbine contract. It was low among seven bidders for the contract to build the turbines for the Clear Creek unit of the Central Valley project's Trinity River division. The installation, to be constructed on Clear Creek approximately midway between Redding and Lewiston, Calif., will consist of two 67,000-kilowatt generators, each driven by a 93,500-horsepower turbine.

English Electric also won its first Bureau of Reclamation turbine contract with its low bid for the Trinity powerplant turbines, in competition with four other bidders. The installation, on Trinity River about 8 miles northeast of Lewiston, Calif., will include

two 50,000-kilowatt generators, each driven by a vertical shaft Francis-type hydraulic turbine. Each turbine will have two interchangeable runners—one to deliver 85,000-horsepower at a 426-foot head and the other to deliver 70,000-horsepower at a 334-foot head.

Assistant Commissioner of Reclamation N. B. Bennett, Jr., explained that the award of these contracts at this time would require the concurrent production of nine turbines for four major and important powerplants of the Bureau of Reclamation. He explained that it would not be in the interests of the Bureau under these circumstances to award more than one major turbine contract to each of the two firms that have not heretofore manufactured turbines for the Bureau, pending demonstration that technical standards of Bureau specifications did not present obstacles to satisfactory contract performance.

Based on this decision, Hitachi's bid for the Flaming Gorge turbines was rejected in favor of Leffel's second low bid of \$798,550. The powerplant installation at Flaming Gorge Dam, approximately 60 miles south of the city of Green River, Wyo., will consist of three 36,000-kilowatt generators, each driven by a 50,000-horsepower, vertical shaft Francis-type hydraulic turbine. The 490-foot-high Flaming Gorge Dam is the second largest feature of the Colorado River storage project. Work on the dam was started in mid-1958.

The Bureau's decision was applied in the bidding for the two Spring Creek turbines. Bids of the Hitachi and English Electric firms were rejected and the third low bid of Newport News firm was accepted. The Newport News bid was 13 percent below the engineer's estimate.

The Spring Creek powerplant, located on the west bank of Keswick Reservoir, will be connected with the Whiskeytown Reservoir by the 2.9-mile Spring Creek power conduit. The powerplant installation will consist of two 75,000-kilowatt, 225-r.p.m. generators, each driven by a 105,000-horsepower turbine.

Bids for the generators for the Trinity powerplants and the Flaming Gorge plant will be invited this fall. The three major Trinity Division powerplants (Trinity, Clear Creek, and Spring Creek) will have a total installed generating capacity of 384,000-kilowatts. These plants are expected to generate an average of 1.27 billion kilowatt-hours of hydropower annually for the Central Valley project power system. Completion of the project construction is scheduled for late 1963.

Pursuant to this information I issued the following public release:

Congressman JOHN H. DENT today condemned the administration's 6-percent-differential ruling in Government procurement. He blamed the loss of two turbine generators to Japanese manufacturers and two more to English manufacturers on the unrealistic unsound differential established by this administration which reduced the differential between foreign and American turbine manufacturers from 25 percent to 6 percent.

"This isn't enough to make up the difference in cost of production mandated by our Federal laws on social security, unemployment compensation, and other costs not encountered by foreign manufacturers. I warned 2 years ago after the loss of millions of man-hours of work for American workers that the 6-percent differential would be an open invitation for all low wage, low economy, low standard producers in foreign countries to take over the entire need of the United States for electrical generating facilities.

"It is apparent that this is fact becoming the rule rather than the exception when Japan, a country that has been a buyer of turbines from us, now sells their products to our Government.

"With the unemployment situation as it is in my area amongst this type of manufacturing it becomes a serious and dangerous matter. We can no longer ignore warnings that stand out both in our economic as well as our defense programs.

"This country can ill afford the luxury of government mandated unemployment and economic depression," concluded DENT.

Now, Mr. Speaker, I submit an analysis of the real differential that exists in actual transactions in Government procurement:

PURCHASES BY THE FEDERAL GOVERNMENT—DOMESTIC VERSUS FOREIGN

Question: "In instances where the Federal Government has the opportunity to purchase required goods of equal quality either from a foreign producer or from a domestic producer at a higher price, which purchase is the most economical for the Federal Government?"

The accurate answer to this question can not be determined by just applying the usual business approach of "when goods are of equal quality, buy on price." In fact, from a business standpoint, this axiom certainly does not apply in Federal Government transactions.

With the objective of proving that buying foreign goods at a lower price is not economical when compared with purchasing the same quality goods from a domestic producer, an analysis has been made of the flow of money resulting from both a foreign transaction and a domestic transaction.

The main point of this analysis is the inescapable fact that when any money is put to work within the United States it produces tax revenues for the Federal and State Governments. When money is paid directly to a foreign entity, no tax revenue is generated for the benefit of the United States.

For example, a domestic corporation receives an order from the Federal Government for \$100,000 of goods. To fill the order the corporation purchases its raw materials from suppliers; it purchases certain services necessary for its operations; it pays the wages of its employees and it pays for transporting the goods to their destination. The profit on the transaction is distributed as income taxes, as dividends to its stockholders and, in some instances, a portion is used to purchase new property and equipment.

Each of the above steps made by the domestic corporation results in the generation of revenue for some taxing entity; i.e., the supplier of materials must go through a similar process in his business; the companies and individuals furnishing services have business cycles which generate tax revenues; the employees receiving wages pay taxes directly and also contribute to the tax generating business of the merchants and others who serve them and their families.

This tax generating phenomenon is not activated when funds are paid directly to a foreign entity.

The following analysis shows that on the original transaction of selling \$100,000 of goods to the Federal Government, an average domestic manufacturing corporation will pay Federal and State taxes of \$6,250 or 6.25 percent of the gross sales value.

The taxes paid by the suppliers and employees on revenue paid to them by the average domestic manufacturing corporation, amount to an additional \$9,199.

At this point, of the original payment by the Federal Government for the \$100,000 purchase, Federal and State taxes aggregating \$15,449 have been generated.

The analysis carries the example transaction further so as to complete two cycles of money turnover. At the end of the second cycle, Federal and State tax generation amounts to \$36,014 or 36.014 percent of the original \$100,000 outlay.

ANALYSIS OF FEDERAL AND STATE TAX GENERATION RESULTING FROM A \$100,000 PURCHASE BY THE FEDERAL GOVERNMENT FROM A DOMESTIC MANUFACTURING CORPORATION

Only the following taxes have been considered:

1. Federal and State income taxes.
2. Federal excise taxes.
3. State sales taxes.
4. Federal old-age benefit taxes (social security).
5. Federal and State unemployment taxes.

No consideration was given to:

1. Various State and local taxes such as franchise, ad valorem, personal property, gross receipts, etc.
2. Tax generation resulting from taxes paid, i.e., salaries of Federal and State Government employees paid from tax receipts.
3. Tax generation which would result from the purchase of new or replacement manufacturing equipment by the domestic corporation.

Exhibit A sets forth, in summary, the tax generation for an average domestic corporation within various manufacturing groups. (The average corporation for each group was determined by reference to "Statistical Abstract of the United States.")

Exhibit B sets forth, in detail, the tax generation for an average domestic manufacturing corporation. (The average corporation was determined by reference to "Statistical Abstract of the United States.")

References to specific source data are set forth in "Notes" and cross-referenced to exhibits A and B.

NOTES

Only two reference works have been used for basic data; namely:

Internal Revenue: "Statistics of Income" by Internal Revenue Service as published in "Statistical Abstract of the United States" by U.S. Department of Commerce; references are to the "Abstract", number in front of reference represents edition year.

United States: "U.S. Income and Output" by U.S. Department of Commerce, edition 1958.

1. One hundred thousand dollar contract award:

The assumed payment made by the U.S. Government to a domestic manufacturing corporation. When foreign competition is involved it may be assumed that the size of the contract is such that only businesses with a corporate financial setup will be able to compete.

2. Federal corporation income tax on an average manufacturer:

Nineteen hundred and fifty-nine Internal Revenue, page 380, table No. 482, "Active corporation income tax returns, 1956," total compiled receipts from returns with and without net income for manufacturing, line 18, \$319,313,746,000; income tax, \$12,289,618,000; computed tax rate, 3.84 percent on receipt.

3. State corporation income tax: Nineteen hundred and fifty-nine Internal Revenue, page 379, table No. 481, "Corporation income tax return, 1956," total compiled receipts, \$679,868 million for returns with and without income.

United States, page 165, table III-2, "State and local government receipts, 1956," line 9, corporate profits tax accruals, \$1,041 million.

Computed tax rate: 1,041 plus 679,868 equals 0.15 percent on receipt.

4. Excise and sales taxes, corporate and noncorporate taxpayers:

Although the Federal Government cannot be taxed, most State laws consider the Government contractor the consumer and subsequently charge him for the tax.

	<i>Million</i>
United States, p. 164, table III-1, "Federal Government receipts and expenditures, 1956," line 10, indirect business tax and nontax accruals before refunds.....	\$11,726
United States, p. 165, table III-2, "States and local government receipts, 1956," line 11, sales tax.....	7,989

Total excise and sales taxes... 19,715

	Amount	Computed ratios	Type of taxpayer
1958 Internal Revenue, p. 488, table No. 606, "Sole Proprietorships, Partnerships, and Nonmanufacturing Corporations, Gross Receipts, 1956":			
Sole proprietorships.....	<i>Million</i> \$117,100	} 22.02	Noncorporate.
Partnerships.....	75,000		
Note 3, 1st paragraph total compiled receipts for corporations.....	679,868	77.98	Corporate.
Total gross receipts.....	871,968	100.00	

Computed tax rate: 19,715 plus 871,968 equals 2.26 percent on receipt.

5. Distribution of dividends and salaries and wages by average manufacturer:

Nineteen hundred and fifty-nine Internal Revenue, page 380, table No. 482, "Active corporation income tax returns 1956," line 18, manufacturing:

	Amount	Computed ratios
Total compiled receipts.....	\$319,313,746,000	<i>Percent</i> 100.00
Dividends paid.....	7,177,397,000	2.26
United States, p. 201, table VI-2, "Wages and salaries by industry, 1956," line 12, manufacturing.....	77,697,000	24.33

6. Individual Federal income tax: Twenty percent is the lowest tax bracket for individuals. It is assumed that wages resulting from the contract transaction would be subject, at least, to this lowest tax rate.

Computed tax rate: 1,580 + 268,584 = 0.59 percent on dividends, wages, and salaries received by stockholders and employees.

7. Individual State income tax: Nineteen hundred and fifty-nine Internal Revenue, page 377, table No. 478, "Individual Income Tax Returns With Income, 1956," adjusted gross income, \$268,584 million.

8. Unemployment insurance tax: United States, page 170, table III-6, "Contributions for Social Insurance":

	<i>Million</i>
1956; line 4, State unemployment insurance.....	\$1,475
1956; line 5, Federal unemployment tax.....	326

Total..... 1,801

United States, page 201, table VI-2, "Wages and Salaries, By Industry, 1956," line 1, all industries, \$227,304 million.

Computed tax rate: 1,801 plus 227,304 equals 0.79 percent on wages and salaries.

9. Social security taxes:

Six percent is the actual rate effective January 1, 1960, being paid equally by employer and employee. "Business Statistics" 1957 bi-annual edition, U.S. Department of Commerce, page 69, shows as weekly earnings in 1956 \$86.31 for durable goods industry and \$71.10 for the nondurable goods industry, or approximately \$4,800 and \$4,000 respectively, per year. Subject earnings are well below the \$4,800 annual social security base.

10. Federal income tax for average U.S. corporation:

Nineteen hundred and fifty-nine Internal Revenue, page 379, table No. 481, "Corporation income tax return, 1956," returns with and without income:

	Million
Total compiled receipts.....	\$679,868
Total tax liability.....	21,364

Computed tax rate: 21,364 plus 679,868 equals 3.14 percent on funds distributed to corporate suppliers, etc.

11. Federal income tax for business entities other than corporations:

Nineteen hundred and fifty-eight Internal Revenue, page 488, table No. 606, "Sole proprietorships, partnerships, and nonmanufacturing corporations, 1956":

[In billions]

	Gross receipts	Net profit before taxes
Sole proprietorships.....	\$117.1	\$14.8
Partnerships.....	75.0	7.9
Total.....	192.1	22.7

Computed: Profit to gross receipts 22.7 plus 192.1 equals 11.82 percent. At the lowest individual tax rate of 20 percent, the tax rate on gross receipts is 11.82 percent times 20 percent equals 2.36 percent on funds distributed to noncorporate suppliers, etc.

12. Distribution of dividends and salaries and wages by average U.S. business entity:

	Amount	Computed ratios
Note 4, total gross receipts computed.....	Million \$871,968	Percent 100.00
Note 8, wages and salaries, all industries.....	227,304	26.06
U.S., p. 206, table VI-8, net corporate dividend payments, 1956, line 1, all industries.....	12,038	1.38

EXHIBIT A.—Direct taxes generated for use by the Federal and State Governments and the economic cost to the United States from a \$100,000 contract award to individual U.S. manufacturing groups as compared with contracts awarded to foreign entities

	Contract to U.S. manufacturer			Actual cost to the United States for foreign purchase under a 7-percent margin	Percentage increase of cost to the United States when buying "foreign" as compared to "domestic," after only 2 cycles have been completed. The percent of excess cost will increase as more cycles are being added
	Accumulated tax generation		Economic cost to the United States after completion of only 2 cycles		
	Through 1st cycle	Through 2d cycle			
Stone, clay, and glass products (highest tax generation within the manufacturing group).....	\$24,324	\$39,143	\$60,857	\$92,999	53
Machinery, other than electrical.....	22,960	38,046	61,954	92,999	50
Paper and allied products.....	22,379	37,578	62,422	92,999	49
Chemical and allied products.....	21,953	37,237	62,763	92,999	48
Transportation equipment.....	21,851	37,154	62,846	92,999	48
Primary metal industries.....	21,801	37,113	62,887	92,999	48
Electrical machinery and equipment.....	21,502	36,868	63,132	92,999	47
Rubber products.....	20,134	35,775	64,225	92,999	45
Textile mill products.....	19,230	35,092	64,908	92,999	43
Petroleum and coal products.....	18,988	34,851	65,149	92,999	43
Tobacco (lowest tax generation within the manufacturing group).....	18,882	34,763	65,237	92,999	43

NOTE.—The same bases and ratios have been used as in exhibit B to accumulate above data, except that the 1st cycle reflects bases and ratios characteristic for the individual group. The sources are the same as those used for compiling the data for exhibit B.

EXHIBIT B.—Direct taxes generated for use by the Federal and State governments and the flow of funds resulting from a \$100,000 contract award to an average U.S. manufacturing corporation

	See note	Distribution base	Total funds available	Distribution of funds by taxable categories				Tax generated per turnover	Accumulated tax generation
				Dividends	Wages and salaries	For supplies, services, etc., paid to—			
						Corporate entities	Noncorporate entities		
1ST CYCLE									
Original distribution of funds by the Federal Government to a domestic manufacturer.....	1		\$100,000						
Which receipt is taxed at the following rates:									
Federal corporation income tax.....	2		1 3.84						
State corporation income tax.....	3		1 1.15						
Excise and sales taxes.....	4		1 2.26						
Giving a total tax rate of.....			1 6.25						
And tax generation in the amount of.....							\$6,250	\$6,250	
The balance of the funds, namely, \$100,000 less \$6,250 for taxes, is distributed by the manufacturer to its employees, stockholders, suppliers, etc.									
The ratio of distribution to employees and stockholders is based on the original receipt of \$100,000 to the employer.....	5	\$100,000		1 2.26	1 24.33				
While distribution to suppliers, etc., is the remainder of the funds, namely:									
Original contract receipts.....		\$100,000							
Less: Taxes.....		\$6,250							
Dividends (2.25 percent of \$100,000).....		2,260							
Wages and salaries (24.33 percent of \$100,000).....		24,330			32,840				
Funds available to suppliers.....		67,160							
Since suppliers, etc., may be both corporate and noncorporate entities, the amount, \$67,160, is broken down in the ratio of.....	4	67,160				1 77.98	1 22.02		
Resulting in the following tax bases.....			\$98,750	\$2,260	\$24,330	\$52,371	\$14,789		

See footnotes at end of table.

EXHIBIT B.—Direct taxes generated for use by the Federal and State governments and the flow of funds resulting from a \$100,000 contract award to an average U.S. manufacturing corporation—Continued

	See note	Distribution base	Total funds available	Distribution of funds by taxable categories				Tax generated per turnover	Accumulated tax generation
				Dividends	Wages and salaries	For supplies, services, etc., paid to—			
						Corporate entities	Noncorporate entities		
The balance of funds, etc.—Continued									
Since suppliers, etc.—Continued									
Which are taxed at the following rates:									
Individual Federal income tax.....	6			1 20.00	1 20.00				
Individual State income tax.....	7			1 .59	1 .59				
Unemployment insurance tax.....	8				1 .79				
Social security taxes.....	9				1 6.00				
Federal corporation income tax.....	10					1 3.14			
State corporation income tax.....	3					1 .15			
Federal noncorporation income tax.....	11						1 2.36		
The sum of the tax rates is applied against the tax bases.....									
And results in tax generation of.....				1 20.59	1 27.38	1 3.29	1 2.36	\$9,199	\$15,449
Before the funds revert back to usage by business, the suppliers, etc., pay their employees and stockholders in the ratio based on:									
Corporate tax base.....		\$52,371							
Noncorporate tax base.....		14,789							
Total distribution base.....	12	\$67,160		1 1.38	1 26.06				
Which give a tax base of.....				\$927	\$17,502				
Applying the tax rates used in the preceding distribution.....				1 20.59	1 27.38				
A total tax generation results in the amount of.....								4,982	20,431
2D CYCLE									
The stockholders and the wage earners buy consumer goods, etc., while the suppliers acquire new inventory items, capital goods, and services, bringing the funds distributed in the 1st cycle back into business. Since it is difficult to ascertain the distribution of taxes collected by tax authorities, the only funds considered available are the original receipt in the 1st cycle, \$100,000, less tax generation up to this point, \$20,431, leaving \$79,569 for further distribution.									
The 1st tax generation under the 2d cycle arises from the receipts, \$79,569, by business; however, as previously a distribution by corporation and noncorporate taxpayers must be made in the ratio of.....									
Resulting in the tax bases of.....	4	79,569				1 77.98	1 22.02		
						\$62,048	\$17,521		
To which the following tax rates are applied:									
Federal corporation income tax.....	10					1 3.14			
State corporation income tax.....	3					1 .15			
Federal noncorporation income tax.....	11						1 2.36		
Excise and sales taxes.....	4					1 2.26	1 2.26		
Resulting in total tax rates of.....						1 5.55	1 4.62		
And tax generation in the amount of.....								4,253	24,684
When business has paid direct taxes, \$4,253, on its receipts of \$79,569, a balance in the amount of \$75,316 is left for further distribution to employees, stockholders and suppliers, etc.									
The basis and ratios for percentage distribution is the receipt, \$79,569 less tax \$4,253, of the employers.....									
While distribution to suppliers, etc., is the balance, namely:	12	75,316		1 1.38	1 26.06				
Original receipts.....									
Less: Taxes.....		\$4,253							
Dividends (1.38 percent of \$79,569).....		1,039							
Salaries and wages (26.06 percent of \$79,569).....		19,627							
		24,919							
Funds available to suppliers.....		54,650							
But, as suppliers, etc., may be both corporate entities, the amount of \$54,650 is broken down in the same ratios as used in the 1st cycle, namely.....	4	54,650				1 77.98	1 22.02		
The following tax bases are the result.....			\$75,316	\$1,039	\$19,627	\$42,616	\$12,034		
Which are taxed at the same total rates as used in 1st cycle.....				1 20.59	1 27.38	1 3.29	1 2.36		
Resulting in tax generation of.....								7,275	31,959
As in 1st cycle, the suppliers, etc., pay their employees and stockholders in the same ratios used in 1st cycle but based on above distribution of:									
Corporate entities.....		\$42,616							
Noncorporate entities.....		12,034							
Total distribution base.....	12	54,650		1 1.38	1 26.06				
Which give a tax base of.....				\$754	\$14,242				
And applying the tax rates used in the preceding distribution.....				1 20.59	1 27.38				
Total taxes are generated in the amount of.....								4,055	36,014

¹ Percent.

² This amount of \$36,014 represents direct taxes generated from the \$100,000 contract through the 2d cycle and since taxing continues indefinitely, this amount will continue to increase. Compare this to a contract awarded to a foreign entity where under the

current regulations of a so-called 7-percent margin would cost the United States as much as \$92,999, and stay fixed. A full margin of 25 percent, as has been discussed by some Members of Congress, would still leave as uneconomical a contract awarded to a foreign entity.

Mr. Speaker, at this point let me acquaint the House with Russia's policy on imports. No product imported in Russia can be sold to the consumers at a price less than that charged for a similar or like product produced in Russia—authority—U.S. News & World Report.

Compare this to the disastrous policy followed in our American market.

FANTASTIC FAILINGS

To those of us whose lives are closely knit to our homes, our communities, our neighbors and our country, the realities

of our conditions here and abroad seem like something out of a fairy tale.

To sit by and watch community after community become almost entirely dependent upon Government surplus, unemployment compensation, relief, social security and local charities is as

unbelievable as anything that has happened to this Nation in all of its history.

This is not a report based upon fiction but one that is based entirely upon facts and figures that are substantiated by the record. It is a sad record but a true one.

Recently, Dewey Anderson and associates covered the subject of depressed areas and used as a base for their article a special report by Julius Duschka from the Washington Post. Let me quote some of the findings and observations from this report as well as some of my own facts gathered by going through many pages of Government reports and news items in our leading journals.

Quote: "A scandal that will not die—From the Blue Ridge Mountains of Virginia to the trail of the Cumberland Gap in Kentucky, tens of thousands of Americans live in appalling poverty. Live? No, they hardly exist."

This is not the exaggeration of a "do-gooder" or a "bleeding heart" or a labor "boss" out to get a bigger cut of dues money, as the chamber of commerce would say. No, it is the calm statement of a special reporter for the Washington Post sent by his newspaper into the Appalachian region of the United States to tell the story of what is happening to thousands of our fellow Americans in the chronically depressed areas.

How long will it be before the conscience of our people is moved to the point where we do something for the whole counties that "are precariously held together by a flour-and-dried milk paste of surplus foods," counties of proud mountain folk for whom "relief has become a way of life"?

The answer may well lie in the present session of Congress which has so much crucial legislation to cram into the relatively few days that lie between us and the election campaign. Will anything be done? Why has it not been done before? Has our failure as a people to act been an example of cruel indifference? Does it lie in violently conflicting theories of political philosophy? Are there actually powerful, selfish interests in our country who simply do not want to pay higher taxes for the benefit of those in need?

The tragic truth lies in a combination of all these reasons—a combination that for 5 years and through two presidential vetoes has thwarted every effort to bring aid to the depressed areas.

What are the facts?

There are hundreds of communities in southern New York State, Pennsylvania, West Virginia, Kentucky, Virginia, and New England that have become ghost towns or are inhabited by people living in abject poverty, people who exist only by virtue of relief and Federal handouts of surplus agricultural products that are given away not because they constitute a decent diet but because this is one way to get rid of them. For one reason or another the basis of their industry has dried up. They need help to get a new start.

For 5 years Congress, under the dogged leadership of Senator PAUL H. DOUGLAS, Illinois Democrat—supported by the majority in Congress, including your Con-

gressman—has tried to do something for these people. In 1958 Congress adopted legislation that would have extended massive aid to the distressed areas. The President vetoed it. Again this year Congress passed a second bill calling for roughly \$250 million in aid. The President vetoed it for the second time.

Why? An excellent case can be made for the fact that the American people have not been adequately aroused to the real tragedy of the depressed areas. The Washington Post story is one of the relatively few firsthand reports that we have had. "Yet," says Reporter Julius Duschka, "one cannot forget the faces that have been hungry for so long, the houses that have been unpainted for even a longer time and the sense of despair which lingers over so many of the valleys and ridges. It is hard for a visitor to forget people whom the Nation has so easily put as far out of mind as they are out of sight."

There are others, however, for whom it is easy to forget—like the National Association of Manufacturers and the United States Chamber of Commerce, which have been battling the Douglas bills with vindictive persistence.

"Why should the successful be taxed to reward the unsuccessful?" they ask. "Why help the depressed areas to compete with your areas?" "Why don't these people move out and get jobs elsewhere?" "Why don't they help themselves?" "Why try to save areas that are done for, anyway?" In brief, "Root, hog, or die."

Why? One can honestly ask that question when he reads in every newspaper of the President's great concern for underdeveloped countries, for the economic aid to every nation on earth, directly or indirectly. No one denies the need for aid to help the world and the many friends we hope to make and keep in a world torn by conflicting ideologies.

Somehow, though, it does not rest well to know our own needs in so many areas and yet be called upon in the name of humanity and patriotism to spend billions in tax money to help foreign countries as well as opening up our market-places to floods of cheap, low-wage manufactured consumer goods which in a great measure are responsible for some of the distress right here at home, even in our own backyard in Westmoreland County.

The answer is not simple, but one thing is sure—we cannot continue the present policy without courting serious economic disaster.

Recently one of our best-known district industries sent me a report on foreign competition with its disastrous effects upon their ability to stay in business.

These local citizens, both labor and management, have always supported our foreign-aid program, believing, as all of us have believed, that this was the open road to peace on earth, good will to men.

However, let me quote from this letter:

DEAR JOHN: There are several enclosures accompanying this letter which I think you will find very interesting. At the present time here at — Steel, we have laid off

about 25 percent of our work force, and the enclosures will explain, to a large degree, why.

The two price sheets speak for themselves, as does the letter from one of our salesmen to Mr. Dahl, vice president in charge of our sales. The importation of foreign steel, particularly by Bohler, is quite serious. They are taking over many, many small accounts throughout the United States; and the paragraph which I have marked on the copy of our salesman's letter shows what they are trying to do with our big accounts. The M-2 type mentioned in the letter is responsible for the largest sales in our high-speed steel, and you can see there's a difference of 24 cents per pound in base prices and, in addition, they do not charge any extras.

All of our laid off employees are constituents of yours, and so, I am sure you will do everything possible in their favor to see if some relief can be granted in the future.

Coupled with our reciprocal trade program as administered with the Tariff Commission being guided in its decisions by the international trade and tariff organization—GATT—the results are becoming disastrous.

This Nation has foolishly measured its foreign export and import balances upon dollar volumes with little or no regard to the serious deficiencies in manhours and payroll dollars as well as dividend incomes to stockholders.

It is easy to figure who gets hurt when we sell Japan \$100 million worth of raw goods—cotton, and so forth—and buy back \$100 million worth of finished goods to be sold to our consumers. The difference in manhours and payroll dollars is tremendous.

I recently compiled a partial list of items that are flooding our American market and the increase in just 4 years is beyond reason when you figure the difference in our costs for wages, taxes, and payroll deductions forced upon our cost of production by Government edict.

Let us look at just a few items for comparison. Even the U.S. News & World Report has taken serious notice of this grave situation:

Automobiles—here is a striking illustration of what has happened to U.S. trade. Sales of American cars abroad have dwindled year after year, now amount to less than half of what they were in 1955. Demand for foreign cars in the United States, at the same time, has skyrocketed. In just the last 3 years, the foreign share of total auto sales in the United States has jumped from less than 2 percent to more than 10 percent—1956 imports, 108,000 cars; 1959 imports, 668,000.

Tires—cars, trucks, other vehicles are rolling on foreign-made tires as never before. Many of these tires are products of U.S. firms operating abroad. In 3 years, tire imports have multiplied by 8, not counting those on the wheels of imported cars—1956 imports, 149,000 tires; 1959 imports, 1.2 million.

Typewriters. Most of the big manufacturers of typewriters have set up plants abroad. Some figure they can sell foreign-built machines in the United States for about half the price of similar models made here. Italian, Swiss, German, and Japanese firms are selling more and more typewriters in the United

States. Exports of U.S. typewriters have dropped sharply—1956 imports, 276,000 typewriters; 1959 imports, 470,000.

Machine tools. With a price advantage on their side, foreign producers have been stepping up sales of these important industrial machines. Trade sources estimate that a machine tool costing \$6,250 to make in Germany would cost \$10,000 here. Why? Mainly because a machine-tool worker averages 60 cents an hour in Germany, \$2.40 in the United States—1956 imports, \$25 million; 1959 imports, \$35 million.

Steel. Last year's steel strike pushed demand for foreign steel to record highs, and much of this lost market is not expected to be recaptured by U.S. steel-makers. Industry officials estimate imports this year at 3½ million tons, nearly triple the imports of 1956—1956 imports, 1.3 million tons; 1959 imports, 4.4 million.

Shoes. Americans are buying a record number of leather shoes; boots and slippers made in factories abroad—1956 imports, 5.3 million pairs; 1959 imports, 13.8 million.

Farm machinery. In 1959, nearly 15,000 tractors were shipped into the United States—about double the number only 3 years ago. Some 13,000 combines were imported—also double the 1956 total. Other farm machines show a similar trend.

Barbed wire. This item was invented in the United States. Yet, in 1959, more than 60 percent of all the barbed wire used in this country was made abroad—1956 imports, 62,000 tons; 1959 imports, 78,000 tons.

Trucks. Imports of trucks have not increased at anything like the rate of foreign auto imports. Still, trucks have been coming into this country at an accelerating pace. Imports were less than one-half of 1 percent of U.S. truck production in 1956. By 1959, truck imports equaled nearly 2 percent of domestic production—1956 imports, 2,800; 1959 imports, 22,000.

Clothing and textiles. Overall imports of cotton, wool, and silk goods went up nearly one-third in just 3 years. Examples: Imports of cotton shirts reached 2.2 million dozen in 1959—nearly double the 1956 total. Japan exported no suits to this country in 1956; last year it shipped 30,000, and this year the total may reach 80,000. About 2.5 million dollars' worth of corsets and brassiers came into this country from Hong Kong in 1959; in 1956, there were no U.S. imports of these items from the British Colony—1956 imports, \$340 million; 1959 imports, \$446 million.

Optical instruments. Imports of binoculars, microscopes, telescopes, and the like have nearly doubled in 3 years. U.S. exports of these products have dropped—1956 imports, \$14 million; 1959 imports, \$24 million.

Electrical machinery. U.S. industry has stepped up its buying of imported generators, transformers, switches, and motors. Foreign makers increased their sales to the United States by 50 percent in just 3 years—1956 imports, \$22 million; 1959 imports, \$33 million.

Hand tools. Local hardware stores are displaying a growing variety of hammers,

saws, screwdrivers, wrenches, and so forth, made in foreign countries. They usually sell at prices considerably below those made in the United States—1956 imports, \$15 million; 1959 imports, \$25 million.

Nuts and bolts. While U.S. exports of nuts, bolts, screws, and rivets have been dropping off, imports have doubled. Congress was told earlier this year that indicated imports of these items in 1960 would require 130,000 tons of steel to produce. That amount of steel, if made in the United States, would provide jobs for 1,000 workers, according to the testimony—1956 imports, \$9 million; 1959 imports, \$18 million.

Office equipment. Here, again, imports have about doubled in 3 years. Many American firms are setting up plants in Europe to take advantage of cheaper labor—in some cases only a third as high as in the United States. The figures do not include typewriters—1956 imports, \$14 million; 1959 imports, \$27 million.

Steel cutlery. U.S. exports of knives, forks, and spoons made of steel were only \$800,000 in 1959, a third as much as 3 years earlier. Imports in the same period about doubled—1956 imports, \$8 million; 1959 imports, \$14 million.

Remember, this has happened since 1956. When you compare these figures with 1952, the first Eisenhower year, you receive a real shock.

We have proven one thing—our money can help distressed and underdeveloped nations; then why cannot we try the same medicine here at home in the thousands of American communities where the coal is worked out, where industries have moved out, where the community needs help to rehabilitate its utilities, widen streets, build facilities, and, in general, do here what we have done abroad? The issue is still there. The tragedy of hungry Americans in a land that boasts day and night of its opulence cannot be brushed aside. It must haunt men of good will day and night until it is resolved. This next session of Congress gives us a new chance to show whether we mean business or not.

Recently I had a group of visitors in my Washington office—most of them from my hometown and district. They were in Washington to appear before the Tariff Commission pleading for fair treatment by GATT in regards to the importation of window and plate glass.

Those of us living in and around Jeannette, Arnold, and Belle Vernon know what has happened to our jobs, as well as to our local businessmen, because of the failure of this administration to afford relief under the escape clause of the Reciprocal Trades Agreement.

Here, in part, is the testimony presented to the Commission by Enoch R. Rust, vice president of the United Glass & Ceramic Workers of America:

My appearance here is to plead for the cessation of any further tariff cuts and to argue for a protective quota system to be established for glass and ceramic products.

The Glass & Ceramic Workers Union normally consists of approximately 57,000 members and nearly 228,000 people directly dependent upon our industries. Due, how-

ever, to automation and imports, that figure has been drastically cut. Thousands of our glass and ceramic workers are walking the streets today and many thousands of their dependents face poverty. These Americans are confused and bewildered. They cannot understand why their breadwinner's job has been exported overseas. They are even more confused by the fact that often these jobs have gone to the nation which they understand to be the outstanding enemy of our way of life, the Soviet Union.

Certain business interests with the aid of political friends of both parties are playing a devious role in using imports to undermine the high standard of living enjoyed by Americans in every State of our great Nation. All too often the same capitalists who seek union cooperation and assistance in meeting foreign competition are actually financing that foreign competition. The relatively higher wage levels which prevail in the American continent should and do serve as a stimulant to workers in other lands. Certain big business interests, however, give the appearance of making a concentrated effort to use imports as a means of lowering the standard of living for working people at home.

The United Glass & Ceramic Workers have always favored reciprocal trade with friendly nations. Our organization has always supported policies calling for a fair and equitable trade program. We believe that the continuous flow of goods in and out of the United States could be a great contributing factor to the assurance of world peace. Reciprocal trade means that all parties entering into a mutual agreement will trade equally with one another. Today we find ourselves faced with a trade program that has all but lost any resemblance to reciprocity. Instead it tends to take on the appearance of a vast program initiated and designed to club the American workers into submission by flooding our markets with goods produced by cheap, and in some cases perhaps, slave labor.

In the United States the imports of window and plate glass alone equal the full-time output of at least 4,100 production and clerical workers. This means in effect an export of a payroll of approximately \$34,012,000 annually to nations all over the world. Among these nations are Poland, Czechoslovakia, and the Soviet Union. The impact is equally as bad in the ceramic field. Approximately 3,000 such jobs with a possible payroll of \$18,720,000 annually have been exported.

If, however, Mr. Mitchell's statement at the Rotary convention were to come to pass, "such industries as watches, bicycles, glass, pottery, and certain textiles are threatened with extinction because of comparative wage levels abroad," we would find that the window and plate glass industries alone would displace 13,162 workers between the ages of 40 and 65.

It is clear then, gentlemen, that we are not merely dealing with jobs or business, but that our primary duty is to protect the well-being of our own people. It is with these people in mind that we ask for a cessation of tariff cuts and for protective quotas. The facts and figures are plain but the policies behind these facts and figures are often hard to understand. Over 425 million square feet of window glass was imported into America in 1959. That means that over 2,600 choice American jobs were exported. In March 1960, 500 tons of window glass arrived from Russia. Approximately 500 choice American jobs thus went to the Soviet Union. How can we explain that to American glassworkers? Thirty-eight million feet of plate glass was imported along with the millions of square feet that arrived in the 668,000 imported automobiles. For that we exchanged nearly 2,000 of our best jobs. Forty-six million square feet of floor and wall tile were

imported in 1959. Between 3,000 and 4,000 jobs in the floor and wall tile industry left our country in those transactions. In 1960 it will certainly be worse, unless we act, and we must act now.

Gentlemen, our international union has supported a reciprocal program. Now, however, we find ourselves faced with a fight for survival. In many instances we find that we are fighting with our friends who have not yet awakened to the stark reality of the trade situation.

The very purpose behind foreign trade and the foreign aid program is being defeated in Europe today.

These programs, since their inception, were to work as economic aids to the nations of the world, especially those of the free world bloc. But today, we find the reciprocal trade program working in reverse; in fact it is retarding the economic growth of European nations.

We must take a firm and positive position to create a quota system that will protect our old established industries from extinction and that will insure the worker the security he once envisioned as a young man. We must inaugurate a fair trade program. If we do not begin such a program soon, the pendulum will swing once again far to the right. We will again be faced with the high and unfair tariff barriers which may well have been the foundation for both World Wars. This we do not want.

Mr. Khrushchev has said that Russia would bury us economically. By importing 500 tons of window glass and exporting 500 American jobs to the Soviet Union we have begun to assist him in making his prediction a reality. Why must we help him do it?

Next the Commission heard from Marshall Lewis representing the National Association of Mirror Manufacturers in behalf of the industry side of the picture. A few excerpts from his statement shows the same worry, the same problem and futility faced by the workers:

The purpose of this appearance is to express opposition of the association to further tariff reductions on mirrors which are dutiable under tariff paragraphs 223, 224, and 230(b), all of which have been included in the list of items which it has been announced will be considered for tariff reduction.

The hearing and investigation to establish the peril point on tariff paragraph 223 was held in October 1959. And now, before the results of the other proceeding have been announced, we find this commodity again listed for possible tariff concessions.

There should be some end to litigation. The mirror industry believes it is being treated rather harshly by being placed in the position of continually having to defend itself against additional tariff reductions.

Japan is the principal country supplying U.S. imports of mirrors not over 144 square inches in size. Exhibit III indicates the large percentage of imports in this category which come from Japan. Imports from Japan have been increasing rapidly under tariff paragraph 230(b), particularly since the rate of duty has been reduced.

Labor cost, it is estimated, constitutes approximately 60 percent of the cost of finished plate glass mirrors.

We have been unable to obtain exact comparisons of the wage rates in the glass industry manufacturing in Belgium and in Japan in comparison to those in the United States.

However, generally U.S. wages in manufacturing are approximately four times those prevailing in Belgium and many times the rates in Japan.

Most U.S. mirror manufacturers are located in small towns with the plants being important to the economic life of these

communities by providing the means of livelihood for many families as well as tax revenue for the towns themselves.

We are convinced that the present rates of duty assessable under paragraphs 223 and 224 are not adequate to cover the differences in costs of production here and abroad.

The protection remaining to the American mirror industry is in effect only a figure of speech in view of the wide difference in wage rates and other elements in costs of mirror manufacture which operate to the disadvantage of the highly competitive American industry—which at best is operating mainly on a marginal profit basis with a very substantial number of concerns actually operating at a loss.

The U.S. productive capacity of mirrors is far in excess of demand which results in competition being very severe. Imports have been increasing even though the average unit value of imports has been declining materially. A further lowering of the rates of duty would only accentuate the amount of imports which already are at an increasing rate and threaten serious injury to the domestic mirror manufacturing industry. Total value of imports of mirrors of all sizes for 1952, \$423,343; for 1959, \$2,031,461.

The same story is told by the manufacturers of tennis balls, sporting goods and all other lines. Typical of how we are becoming enmeshed in a system of American enterprise abroad with unemployment growing here at home is the following late news on developments that have a serious bearing on our future:

Pressure is building up in Europe at two strategic points—productive capacity and the labor supply. Most countries, but particularly Germany, simply cannot build new plants fast enough to cope with current and anticipated demand. At the same time, the labor supply is being stretched to the breaking point.

Typically, we've heard of a U.S.-owned firm in Germany which is putting new plants in remote villages chiefly because untapped local labor was available. There are now about 10 vacancies for every 4 unemployed workers in Germany as a whole.

In Britain, job openings about equal the number of unemployed. Allowing for "frictional" unemployment and turnover, this means some areas are in for a worsening pinch. Even Italy has been hit by a shortage of trained technicians and engineers.

Switzerland reports more than twice as many vacancies as unemployed.

An agreement between Ford Motor and Toyota of Japan is said to be imminent. The joint venture calls for capital investment of \$1.1 million by each of the companies. Toyota will provide equipment, buildings, and labor and Ford will supply engineers, machine tools and prototypes. The plan (if it is approved by the Japanese Government) is to build Falcons or a new midget car that has been perfected but not yet produced by Ford. Most of the Japanese-made Fords would be earmarked for sale in Japan and throughout Asia. Toyota already sells small cars in the United States and South America.

Toyota's chief rival in Japan, Nissan Motors (Datsun), has closed a deal with Mexican interests for establishment of the first full-process car production plant in Mexico. Mexico puts a tariff of almost 100 percent on American cars.

Mr. Speaker, what does it all add up to? Simply this, we are putting more of our tax dollars into nonproductive incomes. These incomes are limited and naturally tend to buy goods at the cheapest prices which in turn brings into the

United States more cheaper made goods and puts more Americans out of work.

The millions of Americans who are not producing today and living on limited incomes runs up into the millions.

As a partial list, let us add a few figures: 17 million on social security; 3 million on private or personal retirements; 7 million on relief recipients; 5 million unemployed—formerly employed; 3 million unemployed—not recorded as such, youths, handicapped, and so forth; total, 35 million Americans living at below payroll incomes.

Add to this about 9 million more persons who are employed in governments at all levels, plus the hundreds of thousands of farmers who receive a partial Government income from subsidies, soil bank payments, and so forth, and finally the number of workers in private industry whose income stems from Government spending in both military and non-military procurements, and you have a picture of the American economy that ought to cause every real American to sit up and take notice of our serious economic condition.

Yesterday I introduced House Resolution 622, and I quote from its contents:

Whereas there has been a continuing and growing unrest in certain industries of the United States because of the operations of the General Agreement on Tariffs and Trade over the Reciprocal Trade Agreements Act; and

Whereas the administration of the Buy American Act has been detrimental to the American economy; and

Whereas there is a continuing and chronic unemployment of approximately five million workers in the United States: Now, therefore, be it

Resolved, That the chairman of the House Committee on Education and Labor appoint a select committee of a proper number of members of the committee, said membership to be at the discretion of the chairman, to immediately start a full investigation of the operations of reciprocal trade agreements and all of the allied operations, the economic developments under the foreign and mutual aid programs, the rulings and operations of the Buy American Act and the Small Business Administration Act to determine the effects on the economics of this country; and be it further

Resolved, That a study be made by this same committee on the direct or indirect relationship of foreign trade on domestic employment; and be it further

Resolved, That this resolution become effective immediately upon passage.

Mr. Speaker, too many of the Members of Congress refuse to even look at the picture of unemployment from the base of foreign import labor displacement and yet some of the most ardent supporters of foreign aid and reciprocal trades agreements are finally seeing the dismal results of our overzealous and unrealistic policies in these fields of administrative and congressional action.

I quote now from the National Independent Labor Journal on the "Effect of Foreign Competition on the American Economy:"

EFFECT OF FOREIGN COMPETITION ON THE AMERICAN ECONOMY

Did you know that metalworking is the largest of all industries? Sales last year were in excess of \$150 billion. This industry accounts for 43 percent of all manufacturing employment in the country.

Did you know that we are not only importing larger quantities of metalworking products into this country, but we are losing export sales which formerly was a large part of the metalworking industry's market.

Did you know that traditionally, we have exported more finished steel products than we have imported, but the tide has turned. During the past 3 years, the increase in imports has resulted in 7 million tons of finished steel not being produced in American mills by American labor. This is equal to 10 million tons of ingots or 11 percent of last year's domestic production.

Did you know that had this 7 million tons of steel been produced in this country, it would have provided employment for 56,000 more people in the steel industry. (This calculation is based on the industry's experience of 16 man hours required to produce a ton of finished steel.)

Did you know that last year, we imported 625,000 foreign built passenger cars, while our export of American built passenger cars dropped to 115,000. This means we lost the production of over 700,000 passenger cars, annually, which would have required an additional 1½ million tons of finished steel and would have provided job opportunities to 65,000 additional American workers. This is only the direct job losses in steel mills and automobile plants. If we were to roll back labor requirements for making an automobile all the way to the farms and mines 700,000 cars would represent the labor of 350,000 people.

Did you know that in 1953 we imported 16 million pounds of metal fasteners and last year imports reached 70 million pounds with a sharp and steady decrease in exports. The indicated imports of metal fasteners in 1960 would require more than 130,000 tons of steel to produce. This loss to American industry would provide employment for another 4,000 American employees since the production of metal fasteners requires 40 to 50 man-hours per ton.

Did you know that during 1950, we imported 153,000 sewing machines and last year we imported 1,229,400 units. There are many who will shrug off the loss of this industry, just as we shrugged off the loss of the watch industry, bicycle industry, the typewriter and business machine industries, but we cannot shrug off the loss of the machine tool industry because of its economic and security implications.

In the forties the machine tool plants sold abroad 40 percent of their total output. Today, less than 10 percent of American tool production is being sold abroad. Foreign machine tools are invading the domestic market and has now reached 18 percent of our total consumption.

Did you know that in an attempt at self-preservation, many machine tool builders and other manufacturers have acquired manufacturing facilities in foreign countries to take advantage of the cheaper labor available there and the more favorable tax policies existing there.

Did you know that surveys indicate that half of all the companies building machine tools now have or are in the process of acquiring manufacturing facilities in foreign countries. This presents a threat in the event of a national emergency, such as we faced in the last war.

Did you know that we are so vulnerable to foreign competition because:

1. We have aided financially the establishment of modern industrial plants for them through our foreign aid program.
2. We have shared our technological know-how with countries who are our industrial competitors.
3. In our preoccupation with foreign aid, we have neglected domestic aid which other governments have granted their industries. For example, the overhauling of depreciation rules and regulations to encourage modern-

ization and efficiency of industry, the extension or guarantee of credit, the protection of home markets to import quotas, and restrictions.

4. Our industries pay wage rates which are fantastically higher than those paid by our foreign competitors. For instance, in the machine-tool industry the average rate for production rate workers in America, exclusive of fringe benefits, is \$2.40 an hour. In England, 85 cents per hour, Germany, 60 cents per hour; Italy 35 cents per hour. This explains why Western European machine-tool builders can manufacture products in their modern plants, ship them to this country, pay freight, insurance, tariff, and still undersell domestic builders by 30 percent.

Did you know that in the steel industry, exclusive of fringe benefits, the average hourly earnings in the United States in 1959 were \$3.11 per hour; in Germany, 67 cents; England, 80 cents; Belgium, 77½ cents; Japan, 41 cents?

This disparity in wage rates has been increased by the wage contract signed this year in the basic steel industry. That contract raised the cost of labor 40 cents an hour over the term of the contract. Meanwhile, foreign steelworkers have settled for increases approximating 5 cents per hour.

It takes about 16 man-hours to finish a ton of steel. Under the present wage rates, that means that the cost of labor input per ton of steel in this country is now \$60 a ton. In Western Europe the labor input cost is around \$12 to \$14 a ton, and in Japan it is in the neighborhood of \$7 to \$8 per ton.

The steelmaking facilities of those countries are as modern, if not more modern, than ours. With a labor savings of \$50 per ton, it is no wonder that foreign steelmakers can flood world and American markets with steel at prices \$30 to \$40 a ton under the cost of manufacture in our mills. The narrowing margin of American technological superiority cannot overcome such an enormous cost advantage.

It is an obvious conclusion that our competition from foreign countries has made inroads on the steel industry that poses a national problem and should be recognized as such.

The Government must modernize their depreciation system to encourage increasing production efficiency and take all proper steps to aid American industry to maintain a competitive position in world trade.

Source: Report by Walter J. Campbell, editor, Steel magazine, before the House Appropriations Subcommittee on Foreign Operations.

Mr. Speaker, does this point up the need for the investigation I am asking for or are we going to put our heads in the sand like the ostrich that refuses to see the dangers that threaten our very existence?

Too often the only motive behind the expansion of American investments abroad is to make exorbitant profits, get away from American governmental regulations and safety laws, run away from union contracts, and to get out from under the close scrutiny of their accounts by the Revenue Department.

Does this sound like the high-toned aims of the public proclamations by the President, the State Department, and the free traders and foreign aiders we hear on the floor of Congress?

Time magazine in June published the following article on profits that ought to interest every Member of Congress:

PROFITS FROM IMPORTS—BUSINESS GOES ABROAD TO SELL IN THE UNITED STATES

The rising challenge of bargain-priced foreign imports has sparked a profound—and

controversial—change in the strategy of many U.S. businesses. To meet the competition, hundreds of U.S. firms are going abroad to manufacture or buy products to sell in U.S. markets. Already U.S. firms import or manufacture overseas an estimated \$1 billion worth of products each year for U.S. customers—and the trend is growing fast.

The shift overseas has raised a storm of protest at home. Some businessmen use it as an argument for higher tariffs; chambers of commerce often consider it downright disloyal; unions complain that it exports U.S. jobs, cuts employment. David Dubinsky, president of the International Ladies Garment Workers, says: "Expansion is legitimate, but expansion at the expense of American workers is illegitimate."

Few firms go abroad with the prime intention of making products for the U.S. market. They usually begin by buying cheaper components abroad to put into U.S.-made products, or by setting up plants overseas to compete better in growing world markets. Once overseas, an increasing number of firms, undercut at home by foreign imports, find their cheaper, foreign-made goods just the thing to fight competition in U.S. markets. Royal McBee set up a typewriter plant in Holland in 1953 as part of its world marketing program, but heavy competition in the United States from foreign-made, lightweight typewriters forced it to begin shipping a similar, Dutch-made model into the United States.

Chief reason for manufacturing abroad is low foreign wages, which some manufacturers find are 25 cents an hour in Japan, 60 cents in Germany against \$2.25 in the United States. International Harvester, which imports its small diesel tractors from a British subsidiary, sells them for \$2,800, compared with an estimated \$3,400 they would cost if made in the United States. Hamilton Watch bought a factory in Switzerland last year, now makes its lowest-priced watch there.

There are other reasons besides wages for going abroad. The International Telephone & Telegraph Corp., which announced last week that it may soon resume sales of foreign-made consumer equipment (radios, appliances, etc.) in the United States, is already bringing in automatic post office equipment made by its Belgian and German subsidiaries. Reason: I.T. & T. says that the equipment is technically superior to any available in the United States. Manhattan's Lafayette Brass Manufacturing Co., producing overseas since 1953 for the U.S. market, has found cheaper tool costs abroad enable it to change designs more frequently than in the United States, keep its products up to the minute. Other firms set up abroad to be near raw materials.

Moving overseas is not always easy. Many countries, such as Brazil and Peru, have tough labor laws that make it almost impossible to fire an incompetent worker, and others exercise strict control over investment. In some countries the problem is payola for government licenses, etc. Blueprint standards have to be changed, laws and languages learned.

For many U.S. firms the move is almost a matter of survival. Singer Manufacturing Co. is the only major U.S. manufacturer left in the household sewing machine industry, where cheaper Japanese and European imports have captured 65 percent of the U.S. market. Part of Singer's secret of survival: it makes its two lower priced models at its factory in Scotland.

Nevertheless, firms that go overseas often fear U.S. public reaction, often market foreign-made products under their own U.S. labels and play down their overseas operations. Some businessmen make no secret about their foreign imports, vigorously defend the practice.

U.S. News & World Report had this to say on the subject:

International Telephone & Telegraph plans to invade the U.S. consumer goods field with products made abroad.

Beginning next year, International Telephone & Telegraph will import, under its own label, consumer products made by foreign subsidiaries and affiliated companies.

That is a reversal of policy. International Telephone & Telegraph has been manufacturing abroad—but only for sale in foreign markets.

First items to be imported: radios and tape recorders from Japan and Germany. Some products will be assembled from components made in several countries.

In every field we find the same complaint, we can't do business under American standards and compete in the marketplace.

It has been pointed out that when we talk of our inability to compete with imports we always want to blame the American wage standard for our trouble.

It is true that we have a higher wage level and that our workers enjoy a higher standard of living. It is also true that this has always been the case. Even if you go back 50, 40, 30, 20, or 10 years you'll find that the American worker received compensation far in excess of the wages paid in foreign countries.

What really makes the problem so pronounced and serious today is a combination of wages, taxes, foreign investments by Americans, Government handouts to competitor nations, foreign operations unrestricted by antitrust laws, antimonopoly practices, Walsh-Healey, Davis-Bacon, social security, hospitalization, unemployment compensation.

Some of these humane and social acts are necessary to our way of life and competitively are not the difference between success or failure in trade.

The real culprit lies in our mistaken policy of putting profit above people both here and abroad.

Are we really helping our friends by building up American industries abroad, syphoning off a great deal of our foreign aid into a few pockets, both American and foreign, rather than spreading it out over the entire populace of an aided nation.

I've said before and I repeat again that our present foreign policy can be summed up in two short sentences, "Blame everything on Khrushchev and the Communists and send every nation more money."

Recently, Hon. Spruille Braden had this to say about "friendships for sale":

Of course, as usual, when confronted with the Cuban situation, Washington had no courage or imagination and so reverted to the wornout, frayed solution of trying to buy friendship.

Some of my Latin American friends are insulted at our assumption that their friendship is for sale. An Argentine friend writes me: "I hope I'm wrong, but I fear that with the aid of North American dollars we will follow the same path as Yugoslavia, Czechoslovakia, Poland, Bolivia, and so many others who have fallen under Communist tyranny with the aid of dollars taken under compulsion from the North American people."

Too often the second step in our diplomacy has been to grant trade concessions with the same hope of buying friendship. Money and trade concessions have brought us nothing but failure.

Another example of the growing awareness to the seriousness of the problem is highlighted by this news story:

GARMENT UNION MAY BOYCOTT CLOTH IMPORTS

MIAMI BEACH, May 30.—The Amalgamated Clothing Workers of America threatened today a union-enforced boycott of Japanese fabrics and finished garments.

The threat of direct union refusal to work on Japanese goods represented a major tactical shift in the Amalgamated's campaign to check invasion of the domestic market by sweatshop imports from the Far East. Up to now the union has relied primarily on Government aid in negotiating trade quotas.

WARNS AT CONVENTION

The warning was given by Jacob S. Potofsky, president of the Amalgamated, at the opening of its 22d biennial convention here.

Representatives of the union's 385,000 members in the men's clothing industry cheered his assertion that the workers could not be compelled to commit economic suicide by working on goods made in low-wage countries abroad.

He disclosed that the union would confer with leading manufacturers in New York on June 8 on specific measures to enforce the import cutoff.

At this time I want to present certain statistical and logical arguments presented to the tariff commission on this serious subject.

Foreign imports started out as an encroachment upon the American market but has now become a full fledged invasion.

I now quote from the presentation of the Pittsburgh Plate Glass Co. and the Admiral Corp.:

STATEMENT OF ROBINSON F. BARKER, VICE PRESIDENT, GLASS DIVISION, PITTSBURGH PLATE GLASS CO., BEFORE U.S. TARIFF COMMISSION, AUGUST 17, 1960

My name is Robinson F. Barker. I am vice president and general manager of the glass division of Pittsburgh Plate Glass Co., and have been in the glass business for 25 years.

First, I wish to thank you for the opportunity to appear here.

My company—PPG—has previously filed with you three confidential memoranda in opposition to further reductions in existing tariff rates—one relates to sheet glass, one to plate glass, and the third to optical glass.

Because of limitations of time and, more important, because sheet glass constitutes our most acute problem, I shall rely upon the memoranda we have filed in the cases of plate glass and optical glass and confine my remarks here to the crucial sheet glass problem.

I appear to present facts which will demonstrate the complete lack of justification for any further reduction in existing tariff duties and the absolute need for the granting of relief at the earliest practicable date by invoking the escape clause provisions of the Trade Agreements Act.

The problem can be stated simply—the U.S. sheet glass industry is losing the domestic market. We respectfully submit that this should concern not only the U.S. Tariff Commission and the Committee for Reciprocity Information, but also the American public at large.

Of course, we are mindful of the desirability of reciprocal trade relations among the nations of the world, and it is not our purpose to quarrel with the wisdom of the concept underlying our country's overall international trade policy.

But, we are also mindful of the fact that loss of the U.S. sheet glass market to foreign producers necessarily jeopardizes thousands of jobs as well as sizable investments which people in this country have made over a long period of years.

I feel that I am qualified to speak about loss of jobs for the reason that one of my major company responsibilities is that of supervising all our glass manufacturing operations. In that capacity, I know from day to day which of our facilities are operating and what the status is of our factory labor force.

It is not pleasant to report to you that commencing with August 1959 each succeeding month, with but one exception—December 1959—has witnessed a decline in the number of our factory workers employed. It has now reached the point where nearly 25 percent of our normal complement of 2,900 sheet glass factory workers are unemployed. My company is not unique in this respect, and we believe that our experience is typical of all domestic sheet glass producers.

The principal markets for sheet glass include the building construction, automotive (including laminating and tempering), sash and door, mirror and specialty manufacturing, and glass jobbing industries. According to the U.S. Department of Commerce, the total volume of sheet glass shipped in 1959 by the domestic producers was \$134,502,000 (U.S. Department of Commerce facts for industry series BDSAF-375-09, Feb. 18, 1960).

The following companies manufacture sheet glass in the United States:

1. American St. Gobain Corp.: Sheet glass plants at Arnold, Pa., Jeannette, Pa., and Okmulgee, Okla.
2. Blackford Window Glass Co.: Sheet glass plant at Vincennes, Ind.
3. Ford Motor Co.: Sheet glass plants at Dearborn, Mich., and Nashville, Tenn.
4. Harding Glass Co.: Sheet glass plant at Fort Smith, Ark.
5. Libbey-Owens-Ford Glass Co.: Sheet glass plants at Charleston, W. Va., and Shreveport, La.
6. Pittsburgh Plate Glass Co.: Sheet glass plants at Clarksburg, W. Va., Henryetta, Okla., Mt. Vernon, Ohio, and Decatur, Ill.
7. Rolland Glass Co.: Two sheet glass plants at Clarksburg, W. Va.

I have listed these companies alphabetically and not according to size. Parenthetically, we believe that PPG produces about one-third of the sheet glass manufactured in this country.

Having asserted that the U.S. sheet glass industry is losing the domestic market, I should state the bases for this assertion. If my assertion is correct, as I firmly believe it to be, then this forum presumably will wish to know how this came about, what role the tariff has played, what domestic damage has resulted, and—finally—what can or should be done about it.

Let's begin with some basic facts.

IMPORT IMPACT

In 1950 foreign imports of sheet glass into the United States totalled a modest 31.7 million pounds. In 1959 these imports had risen to the staggering figure of 502.6 million pounds. This represents an increase over 1950 of 1,485 percent.

This phenomenal growth in the absolute amounts of imports over the past 10 years is shown graphically in a chart we have

prepared. With the permission of the chairman I shall hand up copies of the chart with the request that it be designated as an exhibit, and made a part of the record.

You will observe that this chart, which we have entitled "Foreign Invasion of U.S. Sheet Glass Market," records imports in terms of millions of 50-foot single strength equivalent (SSE) boxes rather than in pounds. Fifty-foot SSE boxes constitute the standard unit for measuring sheet glass quantities and that unit is used by the Bureau of Census, Department of Commerce, in the statistics it compiles respecting this industry.

The impact of this absolute volume of imports upon the domestic sheet glass producers is readily discernible from our next chart.

Our second chart, which we also request be made an exhibit, shows—as the title indicates—"Foreign Penetration of the U.S. Market as a percent of U.S. Sheet Glass Production".

The rate of penetration of this market by imports has been fantastic. In 1950 foreign sheet glass imports were equivalent to 2½ percent of the total estimated domestic production. In 1959, imports increased to over 31 percent.

I cannot refrain from observing that in the 10-year period in which this foreign penetration occurred there were a series of reductions in the U.S. rates of duty applicable to imported sheet glass—the 1951 Torquay reduction and the subsequent Geneva reductions in 1956, 1957 and 1958—all on top of prior severe cuts together aggregating 62 to 67 percent.

The two exhibits I have handed up demonstrate that the amount of imports as well as the ratio of total U.S. production supplied by imports increased each year over the previous year shown, with but one exception—1957. Although we do not pretend to have the complete explanation for the 1957 decline in imports, we do know that the domestic demand was off sharply in that year. This is in contrast with a preceding 2-year period of unprecedented demand which undoubtedly led to some scare buying in 1956. With U.S. demand down in 1957 it is logical to assume that the foreigners concentrated more on other markets in that year in preference to the United States.

DECLINE IN EXPORTS

During the 1950-59 period U.S. sheet glass exports have declined substantially. As shown in our revised table 6, U.S. exports in 1950 were 13.4 million pounds, or 231,837 SSE 50-foot boxes (U.S. Department of Commerce (FT-410) reported 8,586,534 square feet). By 1955 U.S. exports had declined to 7.2 million pounds, or 124,026 SSE 50-foot boxes (U.S. Department of Commerce, 4,593,535 square feet), and in 1959 to only 4.8 million pounds, or 74,046 SSE 50-foot boxes (U.S. Department of Commerce, 2,742,437 square feet). Thus, the 1959 exports amounted to only three-tenths of 1 percent of total U.S. production. Contrasted with imports amounting to over 31 percent of domestic production, the picture is certainly a dismal one for this American industry.

One further word about exports from the United States—in recent years we have seen our export markets slowly dwindle away for the reason that more and more countries are establishing their own sheet glass plants. These plants not only serve their own respective domestic needs but also create additional sources of imports to the United States. As a result, during the 1956-59 period, over 30 countries shipped sheet glass into this country.

The foregoing might well be captioned "The Problem Confronting the U.S. Sheet Glass Industry."

At this point you might properly ask: "Well, how did this come about?"

In answering this question, I will first summarize the reasons which have occasioned the loss of a substantial part of our market to the foreigners and then take up each in some detail. The reasons are as follows:

1. There is equality of technology, labor skills, and productivity among foreign and domestic producers;
2. Ocean freight rates constitute no barrier to importation into the United States;
3. Most important is the fact that the foreigners have an overwhelming cost advantage over the domestic producers. This permits the foreigners to cut well below domestic prices.
4. Finally, successive reductions have increased the ineffectiveness of our tariffs in equalizing or offsetting in any way the foreigners' cost advantage.

EQUALITY OF TECHNOLOGY

Considering, first, equality of technology, labor skills and productivity, I am mindful that there is a line of thought in this country that American industry can always meet—and beat—foreign competition simply by the adoption of production-line techniques and mass mechanization. Possibly that line of thought might have application to some domestic industries—I don't know. But, I do know that it does not apply to sheet glass.

It must be remembered that the flat-glass industry had its origin in Europe and over the years a large number of European companies entered the flat-glass manufacturing business. Today, many of those old, established companies are of great size (even by American standards) and they operate internationally.

Those European companies have large research and engineering organizations and their plants are highly mechanized. Many of the European sheet glass facilities have undergone extensive enlargement and modernization since the end of World War II. Unquestionably the Europeans possess sheet-glass technologies equal to those used in this country. Moreover, the quality of their product is comparable to that produced in the United States.

These same observations, only to a slightly lesser degree, are applicable to the Japanese sheet-glass industry. And, in this connection I respectfully urge that you mark well the fact that in 1959 Japan, which has been steadily increasing its position as a world sheet-glass supplier, moved up to second place in the foreign invasion of the U.S. sheet-glass market.

In summing up this point, it is indeed fair to state that by reducing our sheet-glass tariffs this country has not been giving needed sustenance to small, weak foreign glass manufacturers; rather it has given vast, powerful, international companies more fat.

OCEAN FREIGHT RATES

The second reason why we are losing the U.S. market to foreign competitors is that ocean freight rates constitute absolutely no barrier to importation. A few illustrations will make my point.

Using Boston as our first example, you will be interested in learning that the freight rate from Antwerp to Boston is 84 cents (\$0.8391) per hundredweight. This is to be compared with the rate of \$0.86 per hundredweight which is applicable to shipments from our nearest plant at Clarksburg, W. Va., to Boston.

Another illustration—the rate from Liverpool to Miami is 73 cents (\$0.7344) per hundredweight. This compares with the rate of \$1 from Clarksburg to Miami, Clarksburg again being our nearest plant.

Turning to the west coast for our final illustration, we find that the rate from Yokohama to San Francisco is \$1.24 (\$1.2375)

per hundredweight. This is 38 cents (\$0.3825) lower than the \$1.62 per hundredweight rate from our nearest plant, Henryetta, Okla., to San Francisco.

FOREIGN COST ADVANTAGE

By far the most important reason underlying the success of the foreigners in invading the U.S. market is the overwhelming cost advantage they possess over the domestic producers.

This cost advantage applies not only to the cost of labor, by far the most important component of total cost, but also to the cost of raw materials.

Let's examine now what this cost advantage amounts to.

LABOR COSTS

Turning first to comparative labor costs, the advantage possessed by the foreign producers over us is aptly demonstrated by this chart which is entitled "Glass Workers Average Hourly Wages, 1959." We ask that it also be designated as an exhibit.

You will observe that in 1959 the average hourly wages in Japan, excluding fringe benefits, were 33 cents and that such wages (including fringe benefits) were 69 cents and 75 cents, respectively, in West Germany and Belgium.

On the other hand, our average hourly wages in that year were \$3.72. Thus, our wage rates were four times those of Belgium, five times those of West Germany, and eight times those of Japan.

While no data were available respecting Japanese fringe benefits, it is unlikely that such benefits would increase the Japanese 33-cent figure above a maximum of 40 cents.

With respect to our PPG figure of \$3.72, I should mention that labor contracts we have negotiated in recent months have provided for increases which will raise the \$3.72 figure as follows: February 1960, \$3.82; September 1960, \$3.87; February 1961, \$3.92.

The significance of this almost insuperable labor cost advantage held by the foreigners is best appreciated when it is realized that our labor content represents more than 50 percent of our total costs in making sheet glass. (See p. 7, PPG memorandum, for a more precise labor content percentage figure—a figure I do not wish to disclose to my competitors.)

RAW MATERIALS COST

Is the foreigners' labor cost advantage offset by higher cost of raw materials? The answer is no. In fact they have an advantage here too.

This advantage is reflected in a chart entitled "Raw Materials Costs—Belgium and United States." (Costs of five principal ingredients in 1 ton of sheet glass batch). We request that a copy be marked as an exhibit.

In our memorandum—page 11—we had listed a cost comparison between Belgium and the United States of four principal materials needed in the manufacture of sheet glass. Since the memorandum was filed we have obtained comparable costs of a fifth principal material—dolomite—and, accordingly, this additional information is also reflected in this chart which now accounts for 96 percent of the batch composition.

This raw materials cost comparison shows that PPG's costs are approximately 14 percent higher than those of the Belgians. So, here again we are at a marked disadvantage in competing against them.

We are frequently reminded by those who are interested in lowering still further the tariffs on sheet glass that the European producers suffer a great cost disadvantage because of the relatively high price of gas-producing coal in Europe. The fact of the matter is that producer gas is not the principal fuel used in the manufacture of sheet glass abroad. The principal fuel used is oil,

and it is a fact that the delivered cost of oil in Belgium is less than in the United States so that during those winter months when natural gas service is interrupted in domestic plants, the Belgian fuel cost is actually less than that of the U.S. manufacturers. During the months of the year when natural gas is available in the United States the domestic producer does have a fuel cost advantage over his Belgian competitor, but too small to offset the raw materials cost advantage enjoyed by the foreigners.

OTHER ADVANTAGES OF FOREIGNERS

But, these are by no means all of the foreigners' cost advantages.

Replacement and repair costs, and research and development expenses are appreciably lower abroad primarily because of the lower labor costs they enjoy.

Then, too, the foreigners have greatly reduced marketing expenses in selling their sheet glass in the United States. Each of the domestic manufacturers advertises extensively. Although this advertising produces certain benefits, it obviously costs money. Unfortunately the foreigners get a "free ride" from the extensive domestic advertising and they derive substantial benefits from it.

For example, a few years ago we promoted at our expense the use of heavy sheet glass in jalousies, a new product. Within a short period of time the foreigners, by means of deep price cuts which their substantially lower costs permitted, took over this new market entirely and without any promotion expense of the kind incurred by us.

Looking ahead, it is evident that the European producers within the Common Market can look forward to further advantages which will flow from the economic integration of the member countries. Moreover, utilization of the St. Lawrence Seaway will enable the foreign producers to invade our inland domestic markets on an even more economical basis than formerly was the case.

From the foregoing it is crystal clear that the foreigners have an overwhelming cost advantage over the U.S. producers. In this cold, hard fact lies the principal explanation why they have been able to invade the U.S. market successfully.

It is equally clear that our tariff has been completely ineffectual in equalizing or offsetting this tremendous cost advantage.

Since the Tariff Act of 1930 there have been absolute reductions from the basic rates of duty ranging from 62 percent to 67 percent. Moreover, the ad valorem equivalents have declined from 62 percent in the 1936-39 period to only 14.8 percent in 1959. And, in the case of very thin sheet glass, the ad valorem equivalent is down to about 5 percent.

Under these circumstances no reasonable basis exists for consideration of any further reductions in our tariff duties.

The latest in the series of tariff reductions to which we have been subjected became effective as recently as July 1958. In the full year 1958, imports of sheet glass into the United States were approximately 300 million pounds. In 1959, the first full year after the latest reduction, imports zoomed to 502 million pounds—an increase of 67 percent.

DOMESTIC PRICE DISADVANTAGE

With their tremendous cost advantage obviously the foreigners can and do undersell us consistently in this market. Furthermore, as I will demonstrate, regardless of the level of domestic prices at any given time, the foreigners are able to sell at prices ranging from 8 percent to nearly 25 percent below us.

At this point permit me to hand up copies of our revised tables 8 and 9. The information set forth in these tables is identical to that contained in tables 8 and 9 at pages

18-19 of our memorandum except that we have added price data for a typical inland city—Pittsburgh. You will observe that revised table 8 compares the laid-down prices—prior to April 25, 1960—of Western European producers with our prices. You will note that for this comparison we selected such major ports as New York, Chicago, Miami, New Orleans, and Seattle and, as I noted above, Pittsburgh.

As revised table 8 shows, during the period prior to April 25, 1960, the Western European producers laid-down prices ranged from 7.8 percent (Chicago and Miami) to 12.3 percent (New Orleans) below PPG. And, during that period, the prices of Japanese sheet glass laid down on the west coast were approximately 16.5 percent below our prices.

Effective April 25, 1960, we cut our delivered prices to meet this competition and for a brief period we were quoting at approximate parity with the European producers. This, however, was short lived and in a matter of days the foreign producers announced reductions which effectively restored and in some cases even exceeded their previous differentials under our prices.

The results of our abortive attempt to narrow the foreign producers' price differentials are reflected in revised table 9. This table shows at a glance what happened after April 25 in the same port cities—and Pittsburgh—which are shown in our revised table 8. Thus, you will observe that the post-April 25 differentials of the Western European producers below PPG on "B" quality glass ranged from a low of 9.9 percent (Chicago) to a high of 11.1 percent in Seattle (port city) and 11.9 percent in Pittsburgh.

Japanese prices for single and double strength glass on the west coast after April 25, 1960, have ranged from 16 to 19 percent below our delivered prices and in Miami their prices are now approximately 23 percent below ours. This evidences their ability to quote even lower prices whenever they wish to invade a particular market.

It is apparent, therefore, that our April 25, 1960, price reductions did not effect any significant shrinkage in the differentials in favor of the foreign producers. In fact, in important instances, those differentials were further widened.

Since the date of the filing with you of our memorandum, there has been a price development which I should bring to your attention.

On or about July 14 at least one U.S. importer sent telegrams to its U.S. glass jobber customers indicating that its Western European factory sources were about to increase their sheet glass prices approximately 6 percent. Shortly after that date a number of the European sheet glass producers published such increased prices. I do not know at this time whether those new prices have actually been put into effect. Nor do I know what has motivated this action. I cannot help but observe, however, that this foreign price activity occurred on the eve of the issuance of the witness schedule which lists those who are appearing before you in connection with this extremely vital tariff matter. Whether this is a mere coincidence, I do not know.

In addition we realize, of course, that there is nothing whatever to stop the foreign producers from reestablishing the same deep price cuts as soon as these hearings are concluded.

In any event, we learned just last week that one of the domestic producers has also recently announced slightly higher sheet glass prices. A comparison of the new prices announced by the European producers with those of that domestic producer indicates that were such prices to stick there would be a moderate narrowing in the differentials which previously obtained. The amount of

this narrowing seems to approximate 3.7 percent.

My company has not changed its prices and is studying most carefully these recent developments.

Obviously, these price gyrations have not materially altered the basic disadvantages which confront us. Foreign sheet glass continues to be sold at considerable price differentials below domestic prices. And, foreign producers continue to possess substantial advantages in every significant element of cost.

INVASION OF AUTOMOTIVE MARKET

Proponents of tariff reductions in sheet glass from time to time contend that the domestic producers have a significant advantage in making sales to the large volume domestic automobile manufacturers. This is not the fact.

Chrysler Corp., which fabricates half of its glass parts, is presently purchasing 70 to 80 percent of its raw sheet glass requirements from foreign producers. Similarly, the Ford Motor Co., both a producer and fabricator of glass, has contracted to buy sheet glass heavily from abroad. Such glass is used by Chrysler and Ford for fabricating side lights and rear windows. Also independent fabricators of auto glass parts are purchasing a large volume of their sheet glass requirements from foreign producers.

The all-important product for automotive glazing when tempered is 7/32-inch "A" quality heavy sheet glass. Prior to April 25, 1960, the published prices of the Western European producers for this product laid down in Detroit were 12 percent lower than ours. This was 4½ to 5 percent greater than the differential those producers were quoting in Detroit on "B" quality SS and DS window glass, which products are not generally used in automotive glazing.

After April 25, 1960, the differential in most bracket sizes of 7/32-inch "A" quality heavy sheet glass was increased from 12 percent to 14 percent, and in the case of the bracket size needed for automotive side vents to 17.5 percent. These differentials are to be compared with a differential of 8 percent which the European producers applied after April 25 in sales of SS and DS "B" quality window glass in Detroit.

Manifestly these prices, on their face, show that the Western European producers are engaging in an all-out effort to capture the large volume domestic automotive market.

I am informed that PPG's sales and profits in recent years were the subject of comment in a brief filed by one of the importers that is urging for another tariff reduction. For that reason, I feel that I should speak to this subject.

In 1959 PPG had net sales of nearly \$607 million and net earnings of \$44.1 million. Comparable figures in 1958 were \$513.7 million and \$32 million. We have recently reported sales of nearly \$324 million and net earnings of about \$25.7 million for the first 6 months of 1960. Viewed abstractly these are large amounts of money but let us examine for the moment their sources.

For competitive reasons PPG, like most diversified companies, does not disclose its sales and profits for separate products. For the most part PPG derives its sales and earnings from the operations of its five major divisions, namely glass, paint and brush, fiber glass, merchandising, and chemicals and cement (through a wholly controlled subsidiary).

Each of these divisions in turn deals in multiple products. For example, sheet glass is only one of the many products handled by our glass division. Other such products would include plate glass, laminated glass, tempered glass, multiple-glazed units, structural glass, storefront metal, and special glass products for national defense purposes.

Presumably reference to PPG's consolidated sales and earnings are made to suggest that each of its many product lines is relatively profitable. This, of course, is not the case. And, with respect to sheet glass, it should be obvious that no industry with a heavy investment can make a satisfactory profit contribution when operating at 55 percent of capacity in a market fraught with intense price competition of the type I have described.

By way of summary, the tariff on sheet glass declined from 60 percent in 1939 to 14.8 percent in 1959. The absence of effective tariff rates, coupled with excessively low wage rates, has enabled European producers to sell in the United States at prices 8 percent to 17½ percent below domestic producers and has permitted Japanese producers to sell as much as 25 percent below. As a result, imports of foreign sheet glass increased from 2 percent to 31 percent of domestic production in the short span of 10 years—from 1950 through 1959. In the absence of vitally needed tariff relief there is every reason to believe that this steady loss of markets will continue unabated. It should be kept in mind that many cost disadvantages of the domestic producer are the direct result of rules and regulations which have been established by our Government to attain the high standard of living which prevails in this country. I have in mind here our laws relating to minimum wages, collective bargaining, social security and taxes—to name a few. After helping American workers to secure a fair wage, it cannot be the policy of the Government to promote buying abroad to avoid the resulting higher wage costs of domestic producers. These cost disadvantages materially affect our ability to compete.

At present, we are producing at only 55 percent of our capacity with nearly 25 percent of our normal number of sheet glass factory workers out of work. Operating at such a low rate sharply increases our per unit cost of production, which in turn places us at an even greater competitive disadvantage. In addition, our inventories of sheet glass have been steadily increasing even at our current low rate of operations. Today our inventories are at an all time high and nearly double what they were a year ago. We believe that our experience in this regard is typical of all domestic producers.

In conclusion, I invite your careful attention to one of the most alarming situations which faces us—namely, the steady loss of our position in the American market and the substantial denial of participation by us in the increased demands of the U.S. market for sheet glass. It is my understanding that there is agreement in many quarters that the decade in the sixties will open a golden period of dynamic growth in American industry. Based upon our research and development, and market studies we have every reason to believe the market for sheet glass will be an expanding one. However, under the conditions which presently exist, and which I have endeavored to outline to you, we have no present hope or expectation of sharing in that growth.

We do not believe that it is the purpose or policy of our Government under the Trade Agreements Act or any other provision of law to deny to any American industry—and in this instance particularly to the sheet glass industry—the opportunity to participate in the indicated steady economic growth of our country. That participation, we fear, may be difficult if not impossible unless prompt action is taken to place us on some basis of equality with the foreign sheet glass producers in the U.S. market. We do not ask for, nor expect, an embargo—we ask only for a fair opportunity to compete.

For all these reasons we respectfully submit that this Commission should report to

the President of the United States that the peril point for sheet glass has been reached and exceeded, and that pursuant to the provisions of the Trade Agreements Act this Commission institute on its own motion an escape clause investigation in order that action may be taken at the earliest practicable date to extend essential relief to this industry.

BACKGROUND MEMORANDUM ON JAPANESE ELECTRONIC EXPORTS TO THE UNITED STATES FROM ADMIRAL CORP., AUGUST 1960

The tidal wave of Japanese electronic products continues to flood U.S. markets. First quarter statistics from the U.S. Department of Commerce indicate that electronic exports from Japan to this country were nearly double the level of last year. In some categories, first quarter shipments were nearly as great as those during the entire year 1959.

More than 4 million Japanese transistor radios (with three or more transistors) were sold in the United States in 1959, while nearly 500,000 tube radios were shipped here. These radios were produced by Japanese earning from 12 to 16 cents an hour, a wage level which existed in this country some 60 years ago.

It is of interest to note that there is no limit on the number of Japanese radios that can be landed in the United States because of this country's wide-open-door policy. The U.S. duty is only 12½ percent, compared with an 18-percent duty imposed on any American radios shipped to Japan.

On the other hand, although American labor rates in the electronics industry average \$2 and more per hour, the Japanese government restricts the importing of American radios by subjecting them to licensing which is rarely granted. According to the U.S. Department of Commerce, only 835 American-made radios were exported to Japan during the entire year of 1959.

In addition to their extremely low wage levels, it should be noted that Japanese electronic plants also are automated to a high degree. The wide discrepancy in wage rates of American and Japanese workers is made even greater by the many fringe benefits including social security and unemployment compensation offered in this country.

In calling for an immediate reevaluation of American trade policies with Japan, Ross D. Siragusa, president of Admiral Corp. of Chicago, said,

"We recognize the need for foreign trade, but we do not believe American workers and industry should be forced to suffer because of our Government's wide-open-door policy and lack of restrictions."

What are American manufacturers doing to combat the heavy Japanese electronic imports? Most of them have taken the line of least resistance and are buying components or complete Japanese radios for marketing under their own brand names (Motorola, Emerson, Bulova, OE, etc.).

Admiral has followed a buy American program and has steadfastly refused to use Japanese components or otherwise cheapen its radios or television receivers. Suppliers, who have been concerned about shrinking employment as well as diminishing business, have cooperated wholeheartedly in the Admiral effort to be competitive in today's market.

Admiral radio cartons proudly carry this identification: "Made by American craftsmen with guaranteed quality American components." RCA and Zenith also are using similar slogans.

Admiral's advertising mentions "100-percent American quality—100-percent American made." The company has carried its fight against Japanese inroads to its big Times Square spectacular sign in New York City

which now calls attention every 60 seconds to buy American.

The Electronic Industries Association, Washington, D.C., asked the Office of Civil and Defense Mobilization last year to take action without apparent results.

While in favor of protecting the American electronics industry, EIA is split within its organization by the many companies that are buying finished Japanese radios or are using Japanese components in radios assembled in the United States.

Proof that the foreign imports are hurting American employment is evidenced by a statement from M. Frank Darling, president and business manager of Local 1031, International Brotherhood of Electrical Workers, pointing out that the number of employed members in his Chicago area local has dropped 14,000 over the past 3 years.

Local 1031, largest in the United States with some 42,000 members, carries this message on a huge sign in front of its headquarters building on West Madison Street:

BUY AMERICAN-MADE PRODUCTS—THE JOB YOU SAVE MAY BE YOUR OWN

The union sponsored a 26-week series of spot announcements recently on WGN radio, urging listeners to buy American-made goods and support U.S. industry.

The United States is not the sole target of Japanese radios. Canada, too, has been feeling the effects of heavy imports. The Electronic Industries Association of Canada blames the Federal Government's inaction as "rapidly forcing the Canadian electronics industry out of business."

In Canada Japanese radio imports have increased 769 percent since 1957; Japan has taken 32.5 percent of that country's electronic market; employment at receiving tube plants has dropped 24 percent in 1 year as a result of Japanese imports.

Stuart D. Brownlee, retiring president of EIAC and president of Canadian Admiral Corp., Ltd., of Port Credit, Ontario, said that the 395,000 Japanese radio receivers imported by Canada in 1959 represented 2,370,000 man-hours of labor lost. Quotas seem to offer the only real solution, he added.

In Australia, where Japanese radio imports began to flood dealers about a year ago, the Government took prompt and effective action to stem the tide. A \$22.50 duty was imposed on every imported product with transistors no matter where it came from. The result: no more imported radios and no more problems.

Radio industry manufacturers in the United Kingdom are especially concerned about Japanese sets flooding their market. One industry official (Norman Dodd) while speaking recently in the House of Commons said it was regrettable that the government increased the quota last month.

"Japanese components are being imported in Austrian and Italian transistor sets. As a result of the Irish Government's favorable terms to a Japanese subsidiary we are likely to get more shipments from the free port of Shannon. The main components of these transistors are not the raw materials but labor—they have a high labor content."

It was pointed out that in addition to direct imports from Japan there were other imports of receivers with a large Japanese content coming from the Continent and Hong Kong.

A spokesman estimated the Japanese transistor radios would corner 20 percent of the expected United Kingdom market in 1960 "at a time when our industry is just beginning to get the market going here. The United Kingdom Government must be aware of what has happened to the transistor radio industry in the United States, Canada, and elsewhere. Similar circumstances may face the United Kingdom radio industry."

A few months ago the Research Clinic of Woodbury College conducted a survey for Admiral among 2,500 families in the Metropolitan Los Angeles area. More than 72 percent indicated a preference for American-made transistor radios despite higher retail prices. According to the survey, these results point up the greater confidence of consumers in American quality and workmanship.

Within the next few months the Japanese will embark on another electronics invasion of the United States—with television receivers. Ross D. Siragusa, the president of Admiral, does not believe the Japanese will enjoy anywhere near the same success with their TV sets as they did with radios.

"The American public realizes that television is a complex electronic instrument," Siragusa pointed out. "I am confident that when the consumer buys a TV set he wants to be certain he can get it repaired and obtain replacement parts anywhere, should they be required. I also want to mention that at the present time no Japanese TV sets carry the Underwriters Laboratories' seal which assures the safety of electrical products in regard to fire and shock dangers."

Incidentally, Japanese TV sets will be taxed at the rate of only 10½ percent when they begin to arrive in this country. Any American TV sets which are licensed for shipping to Japan are hit with a 25-percent duty.

Mr. Siragusa said there is growing evidence of attempts to delude the American public with highly questionable marketing practices for Japanese radios. He called attention to a new brand name for transistor radios—Americana—announced by Sanshin Jitsugyo Co., Ltd., Tokyo, and also referred to a full-page advertisement of Transistor World Corp. in the August 2, 1960, issue of Home Furnishings Daily.

The ad by the distributor of Toshiba radios in the United States carries this headline: "Acceptance Built on Integrity," and features a large photographic illustration of the Mount Rushmore National Monument (South Dakota) showing Presidents Washington, Jefferson, Roosevelt, and Lincoln.

The shipment of electronic components from Japan to the United States in the first 3 months of 1960 shows alarming increases in every category: Receiving tubes, up 383 percent; loudspeakers, up 233 percent; transistors, up 1,059 percent.

It is obvious that these increases cannot continue for long without inflicting serious and permanent damage on American suppliers.

Therefore, Admiral Corp. hopes the administration in Washington will make an immediate reappraisal of American trade policies with Japan, especially in the area of electronics.

Mr. Speaker, I also include a press release from my office dated August 23, 1960:

Congressman JOHN H. DENT today prevailed upon Congress to pass a resolution calling for an investigation of the administration of the Buy American Act, the reciprocal trades program, and the influence of GATT on the American economy.

DENT cited the long list of American industries and American labor groups that have been spending high sums of money and many days of futile efforts in protesting tariff cuts and quota liberalizations before the Tariff Commission in vain.

The added weight of the import lobby, the Presidential veto power, the State Department's blending of foreign affairs with tariff concessions, the new reciprocal trade agreements fraud, perpetrated by the inter-

national trade groups that control GATT are just too much for many American industries.

The vigorous protest of the American glass manufacturers and American glass and ceramic workers seems to fall on deaf ears year after year and in the meantime, we've made Japan the world's largest glass producer, particularly for the U.S. market. Glass isn't alone in its protest. I've received vigorous statistical protests from steel, paint, window glass, coal, steel producers, flint glass, ceramic, sporting goods, toy, tire and tube manufacturers from my own district showing absolute proof that they cannot compete with foreign producers with our tax structures and American standards of living. Steel, rubber goods, toys, tennis balls, watches, and in fact, all of the consumer goods are in serious trouble with foreign imports.

Our Government can't expect anything but chaos and more unemployment, factory closings, and main street bankruptcies unless it starts right at the top and enforces the Buy American Act in Government procurement. The unrealistic 6-percent differential established by the Eisenhower administration in Government procurement practically closes the door upon American industry and the American workman. Actually, if carried out to its ultimate, not one American car would be sold to our Government, not one American rifle or uniform, not one American piece of equipment because by actual competition the American producer doing business with our Government starts off with 36.014 percent against him since this much out of every gross dollars worth of business with our Government is paid back to the Government in only five categories of Government payroll and profit taxes.

If all local and raw material supplier taxes are computed, the amount the Government assesses against every American bid is fantastic, especially so when you figure the unrealistic differential allowed Americans.

THE MEXICAN MIGRANT LABOR PROGRAM

The SPEAKER pro tempore (Mr. FLOOD). Under the previous order of the House, the gentleman from New York [Mr. SANTANGELO] is recognized for 60 minutes.

Mr. SANTANGELO. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter and tables.

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

There was no objection.

Mr. SANTANGELO. Mr. Speaker, on June 29 of this year the House passed H.R. 12759, which extends Public Law 78 which permits the use of migrant labor on American farms. We have seen that approximately 440,000 Mexican nationals, known as braceros, are working on American farms producing food and fiber. Approximately 60 percent, or 260,000, are working on cotton farms. Most of the braceros are working in five States: Arizona which has 24,630; Arkansas, 27,387; California, 136,012; Texas, 205,959; New Mexico, 18,290.

During the consideration of the bill, I became greatly concerned about the charges made against this program. I heard talk about the slave wages being paid these braceros, the horrible housing conditions which were provided by the

growers who hire these men and the lack of sanitary conditions. I also heard about the immorality of hiring braceros and migrant workers and how domestic workers were being ousted from employment by these migrant workers. Representatives from the Southwest and Far West on the other hand claimed that these accusations were untrue, that braceros earned more than \$1 an hour and that also it was imperative for growers to hire these braceros in order to harvest their crops.

As a matter of fact, I was impressed by the argument as to the dire need of the bracero program and was also impressed by the dangers of exploitation inherent in hiring cheap foreign labor. I introduced an amendment, which because of a limitation of time, received little consideration. My amendment provided that the Secretary of Labor should not authorize the entry of Mexican nationals for farm labor except for the cultivation and harvest of food supplies. This would exclude the use of braceros on cotton farms, which is in surplus which our Government subsidizes and which is costing our Government storage charges because of the surplus. That amendment was defeated, but not my interest in this growing subject of migrant labor. I decided to see for myself.

As a member of the Appropriations Committee Subcommittee on Agriculture, I visited several areas in California and in Arkansas during the week of July 18, 1960, shortly after the debate. I was accompanied by a staff officer, Ross Pope and Congressman ROLAND LIBONATI, of Illinois, a member of the Judiciary Committee, who was deeply interested in the immigration aspects of the importation of these braceros. We sought to observe the type of agricultural conditions in these areas and to study farm labor problems with respect to both domestic farmworkers and Mexican nationals—braceros. Throughout my trip I was accompanied by representatives of the Department of Labor and the Department of Agriculture. They were very helpful and cooperative.

I take this opportunity to report to you what we found in California and in Arkansas, what we learned and what conclusions I have drawn. I shall discuss the wage rates, the housing conditions, the employment opportunities, the pending litigation, the employer-company store, and my conclusions and recommendations. The conclusions that I have drawn are my own. I do not bespeak the sentiments of the other members of the Appropriations Subcommittee on Agriculture. Their views may or may not accord with mine. I shall pull no punches and shall praise or criticize this program without fear or without bias.

REPORT: SANTANGELO CALIFORNIA AND ARKANSAS TRIP

It seems to be the thinking of the majority of those who hire braceros that a Mexican national—bracero—is fortunate to find employment in the broiling sun at 100 degrees or better at 50 cents

an hour, and that housing discomforts and insanitary facilities are necessary evils. Because these housing discomforts are endured for a short period of time and are temporary in character and that these braceros are accustomed to poverty, insecurity, and inequality, it is felt that a standard of living which is at a level slightly higher than the standard of poverty to which they are accustomed is a benevolence. Such a viewpoint cannot be accepted by a humane society and a nation which rejects the notion that poverty is inevitable. No group of people which believes in the dignity and worth of a human being can tolerate the degrading housing conditions and lack of sanitary facilities which exist in certain areas. The Department of Labor must see to it that a decent standard of living considering the circumstances must be maintained. This program no matter how necessary it is to growers should be permitted to continue only if clean housing and sanitary facilities are provided.

CALIFORNIA

The schedule in California included visits to a number of farms and ranches in the San Joaquin, Santa Clara, and Napa Valleys as follows:

First. We visited the DiGiorgio Farms at Arvin, near Bakersfield. This property covers 10,000 acres, 6,000 of which are in vineyards. This operation supports some 900 people on an annual basis and about 2,000 at peak periods, including around 300 Mexican nationals. We were told that the labor turnover rate was very high.

The farm workers average 50 hours per week in busy periods and 40 hours per week during slack periods. The rates of pay for picking grapes were \$1 per hour. Where grapes are both picked and packed in the field, the rate was \$1 per hour, plus 10 cents per box. Thompson seedless grapes are produced in the main. For picking plums and peanuts, the rates were \$1.25 per hour. Packers in the packinghouse receive \$1 per hour for grapes and a piecework rate for plums which averages at least \$1 per hour. One packing house was completely air conditioned.

We were told that these rates applied to both domestic workers and Mexican nationals. The charge for room and board was \$2 per day for domestics and \$1.75 for nationals.

Second. We visited the Coit Ranch at Mendota, near Fresno. This is an 11,000-acre property with 4,000 acres devoted to the production of cantaloupes. They are delicious and succulent. Considerable acreage is planted to cotton also. This operation employs 100 to 150 domestics on a year-round basis, with 150 to 200 Mexican nationals on a seasonal basis. Here we observed the cantaloupe fields and inspected the domestic labor camp and single workers' camp—primarily for Mexican nationals.

Third. We visited the G. Oberti and Sans olive processing and canning plant at Madera, near Fresno. This organization has about 800 acres planted to olives on 9 ranches. One orchard totals 320

acres, the largest olive orchard in the United States. It uses about 600 seasonal workers, both domestic and Mexican nationals, for 6 to 8 weeks each year during the harvesting period.

The group visited the canning plant and inspected the farm labor camp which was unused and looked structurally sound and airy.

Fourth. We visited the Progressive Growers Farm Labor Association at Santa Clara. This is an association of Santa Clara Valley growers which is responsible for obtaining both domestic and foreign labor for the individual member growers. Last year it used some 4,000 braceros at peak periods, with an average of 500 for 8 to 10 months of the year. It also provided employment through its members for an average of 2,000 to 2,500 domestic workers for 8 to 10 months of the year. Here we reviewed the payroll and picking records of Mexican nationals and domestic workers. It was interesting to note that generally the Mexican nationals were more productive than the domestic workers. We also inspected the Walter Brown Labor Camp which houses 425 single workers used by various growers in the area, and the L. G. Farms, a small user of farm labor.

Last year on September 16, 1959, the Secretary of Labor, James P. Mitchell, made a surprise visit to Santa Clara farm labor camps, and ordered one to be closed down and ordered some others to clean up or shut down. One of the barracks belonged to the Progressive Growers Association camp. I am happy to report that the barracks which I observed belonging to the Progressive Growers Association were acceptable in my opinion. It provided tolerable housing accommodations, running water, sanitary facilities, and also a community playroom where I observed braceros playing pool, listening to Spanish music on a juke box and playing cards.

Fifth. We visited the Louis Martini winery at Rutherford, north of San Francisco. This winery was founded in the early 1900's and has over 600 acres of vineyards. The group toured the winery and observed various operations from crushing of grapes to final bottling and labeling. Also, the group inspected the farm labor housing—60-man capacity—and some of the vineyards.

Sixth. We visited the C. E. Herrick Farms at Napa, north of San Francisco, a large prune ranch employing some 10 workers. Here we observed the prune orchards, visited the farm labor housing—12-man capacity—and inspected an automated prune dehydrating plant just installed. Housing was adequate, but sanitary facilities could be improved upon.

Seventh. The group also visited the main office in San Francisco of the DiGiorgio Fruit Corp., which owns and operates in California six large fruit ranches, one of which has been discussed earlier in this report, three processing plants, several wineries, a bottling plant, and a lumber and box plant. It

also has two properties in Florida. Here we conferred with Mr. J. S. DiGiorgio, president of the company. We were told that this company declared dividends of 3 percent last year, that farm labor turnover had averaged 500 percent last year and that wages throughout the organization for farm workers had averaged \$2.50 to \$2.75 per hour for Japanese workers; \$2 to \$2.50 per hour for Mexican nationals; and \$1.35 to \$1.75 per hour for domestic workers. Mr. DiGiorgio pointed out that his organization employed every domestic worker referred to them, despite their poorer production record and their general unemployability. He stated, however, that during peak periods they had to depend on foreign workers to get the crops harvested.

ARKANSAS

The visit to the Mississippi Delta area near West Memphis, Ark., included the following stops:

First. The Kuhn plantation, near Lepanto, Ark., a 4,000-acre cotton farm. Here we inspected a farm labor camp with a capacity of 50 men. Living conditions were very poor here, with outdoor sanitary facilities and no running water. Such camps as these should not be permitted to continue and should be closed down unless sanitary conditions are immeasurably improved. We so indicated our feelings to the farm manager and to the authorities, and the Mexican nationals were moved out—see report of Roy L. Haynes to his supervisor dated August 2, 1960, attached herewith. We have been informed that these housing facilities will no longer be used unless and until the unsanitary conditions are corrected.

Second. A group of farmer cooperative associations which use 1,500 to 2,000 Mexican nationals each year, at Lepanto, Ark. These associations included the Lepanto Growers Association, the Citizens Independent Growers Association, and the Parkin Growers Association. These organizations are paying 50 cents per hour for "cotton chopping" for both domestics and braceros and \$2.50 to \$3 per hundred pounds for cottonpicking. It was pointed out that most of the domestic workers are women, children, and older people who are not as productive as the braceros. It was also pointed out that, on occasion, the local wage rates for domestics are less than the rates paid the Mexican nationals.

Here we visited the farm labor housing facilities of several member growers, including the J. P. Gooch plantation and the Joe Roy Nash plantation, both near Lepanto. The Gooch property has 250 acres of cotton and employs about 10 Mexican nationals in the spring and around 40 in the fall of the year. The Nash property covers 160 acres, of which 55 are in cotton, and employs three braceros in the spring and eight in the fall. The housing facilities inspected here were in poor condition, very much like those found on the Kuhn plantation. Sanitary conditions would have to be improved and maintained; otherwise, it is our recommendation that the housing

should be closed down—see report of Roy L. Haynes to his supervisor, dated August 2, 1960, attached herewith. These conditions, in any charitable sense, could not be labeled livable. We have been informed that had sanitary conditions have been corrected.

Generally the buildings are those which were previously used by tenant farmers and have been converted for this purpose. Housing is usually furnished free of charge and each person is expected to furnish his own meals with stoves in the houses. We were told, however, that many Mexican nationals prefer this type of housing where they can live in small groups to the large labor camps in Texas and California which are more like military camps.

The group also observed the recontracting of Mexican nationals who had finished their work in Arkansas for further farm work in Michigan and Wisconsin.

Third. We visited the Robert Wilson Co., of Wilson, Ark. This is a large company with sizable holdings, including most of the town of Wilson. It operates some 25,000 acres, largely planted to cotton. It employs some 450 permanent domestic workers and as many transient domestics as it can get during the peak cotton picking period; it also uses as many as 2,000 Mexican nationals. The group consulted with the owner, R. E. L. Wilson 3d, and the manager, Jim Germany. The wage rates are generally the same as paid in the rest of the area—50 cents per hour for cotton chopping and \$2.50 to \$3.50 per hundred pounds for cotton picking. Mr. Wilson stated that the average worker can make from \$25 to \$45 per week picking cotton. We inspected the hourly work sheets, which confirmed the company's representations that the workers were being credited the hourly minimum wages. The records also indicated that most of them were working in excess of 8 hours per day at 50 cents per hour, 5 days per week, on the cotton farms doing hoeing or chopping. Mr. Wilson also stated that "Mexicans are wonderful workers and can usually exceed \$25 to \$45 per week." When braceros chop or hoe cotton, it is unlikely that they can earn more than \$40 per week.

He further pointed out that the organization expects to increase its production of vegetables in the future to provide more continuous employment for 8 to 10 months of the year. He indicated that this type of operation should provide permanent employment throughout most of the year for some 350 to 500 farmworkers. The company has several farm labor camps which can accommodate from 25 to 200 workers. The group inspected one of these facilities and found it to be very satisfactory, much like those found in California.

SUMMARY OF FINDINGS

First. Wage rates: Farm labor wage rates in California are generally \$1 per hour or more for most operations, except in the Imperial Valley. The more experienced workers can earn considerably

more than this on a piecework basis. I am attaching a Department of Labor release showing average hourly earnings of Mexican nationals in various counties in California during May 1960.

Reports which we have received regarding wages and employment conditions in the Imperial Valley of southern California indicate that growers request a greater supply of braceros than their farm needs require. Of the 14,000 in this area, over 9,000 work on cotton farms. Consequently, many braceros find their modest maximum income reduced by part-time employment, by the cost of food consumption during their enforced leisure hours, and by reductions for medical care. Weekly wages after deductions in the Imperial Valley of southern California have amounted on occasions to a paltry \$2 or \$3 per week. Complaints have also been received that the medical treatments guaranteed by the medical insurance programs in time of need have not been forthcoming or are inadequate. We did not go into this matter, but the Agriculture Committee, if it has not done so, should do so.

Wage rates in Arkansas are much less than those in California—50 cents per hour for cotton chopping in the spring to perhaps 75 cents to \$1.25 per hour picking cotton. It must be realized, however, that all income levels are lower in Arkansas and that living costs are much lower, particularly for housing and utilities.

In most areas, Mexican nationals and domestic workers are paid the same wages for similar work. In some instances it appears that domestic workers in Arkansas earn slightly less than braceros on some occasions.

Second. Housing conditions: Farm labor housing in Arkansas is very inferior to that observed in California from the standpoint of cleanliness, comfort, eating facilities, and recreational opportunities. Most labor camps in California are relatively new and are easier to maintain. Since the number of persons housed is much larger in camps on the typical California ranch, central eating facilities are provided with excellent menus. In Arkansas, most of the farms are small, employing only a few workers. The housing provided there is usually reconverted tenant housing with outside sanitary facilities and no running water. The occupants are provided with cooking facilities and are required to provide their own meals which are less costly to the worker but far less satisfactory. The Mexican national is charged \$1.75 per day for meals and lodging in California—\$12.25 per week. We were told that the average Mexican could feed himself for around \$5 to \$6 per week in Arkansas with no charge for housing.

The DiGiorgio Fruit Corp. representatives in California showed us plans for improved housing to accommodate 4 braceros in a cottage instead of 7 barracks accommodating 50 or more Mexican nationals.

In Arkansas, in the main, the lack of running water is a degradation to the

farmworker who returns home after an 8- or 10-hour workday in the broiling sun. In my opinion, the regulations by the Department of Labor should require running water for toilet and bathing facilities as a condition precedent to certification by the Department of Labor that the housing conditions are acceptable for the importation of braceros.

Third. Employment opportunities: Despite a 5- or 6-percent unemployment rate in California, it appears that the growers there are employing all domestic workers referred to them. In addition, they are using many Mexican nationals during the peak seasons to enable them to meet their planting, growing, and harvesting schedules. Because of the large variety of crops produced in California, with the periods of harvesting staggered throughout the year, there is a need for farmworkers for nearly 10 months of the year from March through December. The growers contacted generally felt that there is a need for additional sources of farm labor, in view of the deficiencies of domestic workers.

Agriculture in Arkansas is limited to fewer crops, generally cotton and soybeans, which means that the need for itinerant domestics and Mexican nationals is limited to a few months in the spring and again in the fall. As indicated earlier, there is some effort being made to introduce additional crops to lengthen the season, stagger peak periods of work and stabilize income. If such trend becomes widespread, more continuous employment opportunities will be possible for both domestic and foreign workers.

Fourth. Pending litigation: Presently there is litigation pending in the courts involving the right to enforce the regulations by the Department of Labor as to the minimum wages payable and the acceptable working conditions.

The program of importing Mexican nationals in my opinion cannot be justified unless decent housing conditions and sanitary facilities are provided and maintained by the growers. An enforcement of the regulations must be effective. Two attempts have been made to stop the enforcement of the Department of Labor regulations. The first involved a group of agricultural employers in the lower Rio Grande Valley of Texas, who instituted legal action to restrain certain officials of the Department of Labor from requiring them to pay Mexican workers in their employ more than \$2.30 per hundredweight for picking cotton. The second involved an association of agricultural employers which sought a temporary injunction enjoining certain officials of the Department of Labor from placing the name of the association upon a list of employers not eligible to contract Mexican workers because the employers failed to keep accurate payroll records. The background and status of these cases is set forth in a memorandum attached herewith.

Fifth. The employer company store: Complaints have been heard that the infamous company store operated by

mine owners and gouging employers has found its appearance in the Southwest of the United States and that braceros were being overcharged in the purchase of food commodities far in excess of their true value or comparable prices in non-company stores. We requested and obtained a comparison of prices which braceros are required to pay in the so-called company store and the prices which obtain in the nearby markets out of the area of the employers' premises and in the neighboring sections.

Attached herewith is a summary of commodities most used by Mexican nationals working in the area of Wilson, Ark., and which are purchased in the company and noncompany stores. A reading of the report indicates that in the Wilson Grocery and Market in Wilson, Ark., that in 10 out of 13 commodities, the company charged a difference from 1 to 5 cents over the average selling price in the adjoining areas. In two of the commodities, the noncompany stores on the average charged about a penny more than the price which was being charged in the company store. It appears, therefore, that the complaints have very little substance in this regard in this area.

I am attaching a letter from Robert C. Goodwin, Director of the U.S. Bureau of Employment Security, dated August 12, 1960, in which he sets forth a summary of the litigation pending in the U.S. District Court in the Southern District of Texas, the tabulation of findings of the prices of food commodities current in the area of Wilson, Ark., and the action taken by the Department of Labor in regard to the housing conditions which we observed and which we complained about. The Department of Labor has taken effective action, but it is recommended that more frequent inspections be made, and in the event that personnel be insufficient, that additional personnel be engaged to make periodic and frequent inspections.

U.S. DEPARTMENT OF LABOR,
BUREAU OF EMPLOYMENT SECURITY,
Washington, D.C., August 12, 1960.
HON. ALFRED SANTANGELO,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN SANTANGELO: During your recent visit to Arkansas you requested Mr. Ray Haynes, of our Dallas regional office, to secure and furnish you with information concerning the injunction suit in the Lower Rio Grande Valley of Texas and a summary of our findings on a study of food costs (selected items) in the towns of Lepanto, Osceola, and Wilson as compared to charges made on the same items at stores (commissaries) on the Lee Wilson Plantation, particularly at Marlon and Wilson, Ark.

In compliance with this request I am enclosing copies of the "Summary of Litigation Pending in the U.S. District Court in the Southern District of Texas," and a tabulation of our findings of the "Prices of Food Commodities Most Used by Mexican Nationals Working in Area of Wilson, Ark."

I am also enclosing excerpts from Mr. Haynes' report to his supervisor, W. B. McFarland, dated August 2, 1960. These excerpts summarize the action taken concerning housing deficiencies observed during your visit.

I am pleased to provide you with this information and if I can be of any further service please let me know.

Sincerely yours,

ROBERT C. GOODWIN,
Director.

SUMMARY OF LITIGATION PENDING IN THE U.S. DISTRICT COURT IN THE SOUTHERN DISTRICT OF TEXAS

A group of agricultural employers in the Lower Rio Grande Valley of Texas instituted legal action to restrain certain officials of the Department of Labor from requiring them to pay Mexican workers in their employ more than \$2.30 per hundredweight for picking cotton. The background to this litigation is as follows:

Section 503(2) of title V of the Agricultural Act of 1949, as amended, prohibits the Secretary of Labor from making Mexican nationals available for agricultural employment in the United States unless he can certify that their employment will not adversely affect the wages and working conditions of similarly employed domestic agricultural workers.

Until 1958, no studies had been made of the earnings produced by the various piece rates paid to Mexican workers in the many agricultural activities in which they were employed. In 1958, the Department of Labor conducted a survey of the earnings produced by the piece rates paid to Mexican workers employed in the vegetable harvest in the Lower Rio Grande Valley of Texas. This survey revealed that on the basis of the then prevailing piece rate paid to Mexican workers their earnings averaged 33 cents per hour. The Secretary of Labor thereupon determined that he could not, consistent with the statutory responsibility imposed upon him under title V of the Agricultural Act, certify the employment of Mexican workers, working at piece rates producing earnings of less than 50 cents an hour, where under the statute he would be placing domestic agricultural workers in competition with such Mexican workers. Accordingly, in order to carry out his statutory responsibilities, the Secretary adopted the "90-10" wage policy. This policy requires, as a condition precedent to the determination and certification called for by section 503, that the piece rate offered by an employer to Mexican agricultural workers must afford to at least 90 percent of the employer's Mexican workers of normal competence and diligence, within a given pay period, average earnings of not less than 50 cents per hour.

For a number of years, in the Lower Rio Grande Valley of Texas \$2.05 per hundredweight was the rate paid by growers for employment in cotton picking. Studies in 1953 disclosed that at least \$2.30 was necessary to meet the provisions of the "90-10" wage policy and growers in the area advised that the Secretary of Labor would not be able to certify that a rate less than \$2.30 per hundredweight would not result in adverse effect. Because the information obtained was inconclusive as to whether \$2.30 per hundredweight was adequate to meet the "90-10" wage policy, the growers were at the same time advised that a further study would be made at the end of the 1959 cotton harvest season to determine the adequacy of the piece rate.

Prior to the beginning of the 1959 cotton harvest season, the Department of Labor held a series of conferences with the growers who assured the Department that they would, on a do-it-yourself basis, comply with the "90-10" wage policy.

At the end of the 1959 cotton harvest, a study was undertaken of the earnings that

the \$2.30 per hundredweight had produced. The Department examined the payroll records of 35 employers who had employed 36,574 Mexican workers in cotton picking during the 1959 cotton harvest in the lower Rio Grande Valley. This examination revealed that 29 of these employers, employing 34,395 workers, had not maintained adequate and accurate records of the hours worked by Mexican workers employed by them in the cotton-picking harvest. It was thus impossible for the Secretary to determine the actual hourly earnings of the Mexican workers. Accordingly, it became necessary for the Secretary to develop pertinent information from the best sources available to the Department of Labor. Therefore, the Secretary caused an examination to be made of the payrolls of employers of Mexican workers similarly used in cotton picking during the 1958 and 1959 cotton harvests in the El Paso and trans-Pecos areas of west Texas and in 13 counties in Arkansas.

This investigation revealed that in the El Paso and trans-Pecos areas of west Texas where the per acre production of cotton is more than double the per acre production of cotton in the Lower Rio Grande Valley of Texas the earnings of Mexican workers barely met the requirements of the "90-10" wage policy at piece rates of \$2.05 and \$2.25 per hundredweight for short staple cotton and \$3 to \$4 per hundredweight for long staple cotton; that in the 13 counties of Arkansas, where the average per acre production of cotton in 1959 was approximately 20 percent higher per acre than the production of cotton in the four counties of the Lower Rio Grande Valley of Texas, the prevailing rate paid to Mexican workers employed in cotton picking ranged from \$2.50 to \$3 per hundredweight. Consequently, on the basis of this investigation, the Secretary of Labor determined that he was unable to certify under section 503 of title V of the Agricultural Act of 1949, as amended, that the employment of Mexican workers in the cotton harvest in the four counties of the Lower Rio Grande Valley of Texas at wage rates less than \$2.50 per hundredweight for picking cotton did not adversely affect the wages and working conditions of domestic agricultural workers similarly employed.

It was this decision of the Secretary of Labor that he could not certify that there would be no adverse effect unless a piece rate of \$2.50 per hundredweight was paid that precipitated the aforementioned litigation. In this case, the U.S. district court has issued a preliminary injunction and an appeal by the Department is pending at the present time.

In another case, pursuant to the provisions of the Migrant Labor Agreement of 1951, as amended, an association of agricultural employers had been declared ineligible to contract Mexican workers because of the failure of the association to keep accurate payroll records. The association has obtained a preliminary injunction temporarily enjoining certain officials of the Department of Labor from placing the name of the association upon a list of employers not eligible to contract Mexican workers and from requiring the association to terminate its contract with Mexican workers now employed and under contract to the association.

AUGUST 2, 1960.

W. B. MCFARLAND,
ROY L. HAYNES.

(Visit to northeastern Arkansas by U.S. Congressmen ALFRED SANTANGELO and ROLAND LIBONATI on July 22, 1960.)

Reference is made to my report dated July 25, 1960, to Tracy Murrell on "Visit to Northeastern Arkansas by U.S. Congressmen

ALFRED SANTANGELO and ROLAND LIBONATI, July 22, 1960."

The West Memphis district office has made a follow-up reinspection of housing units at Marion and Lepanto, Ark., which is summarized, as follows:

I. MRS. R. T. KUHN HOUSING

Located 3½ miles west of Marion, Ark., on U.S. Highway 61, across the highway from Kuhn store, consists of 4-room frame house, good roof, sidewalls, and floor; outdoor privy, pit type; separate building 12 feet by 12 feet for bathing; hand pump on well 60 feet from cooking area. Basic standards had been met but entire quarters were dirty and unsanitary when inspected by Congressmen SANTANGELO and LIBONATI on July 22.

At request of District Supervisor Dave Foster, workers were removed on July 23. All nationals (15) were returned to Mexico. (Contracts had been completed on July 21.) A recheck made on July 25 by FLSR masters of the West Memphis district office, confirmed removal of workers. Employer will not be permitted to use the facilities again for Mexican nationals until the sanitary conditions are corrected, after reinspection has been made and housing approved.

II. CITIZENS INDEPENDENT GROWERS ASSOCIATION, LEPANTO, ARK.

J. I. Gooch, user-member. Housing located 1 mile south of Lepanto, Ark., tenant-type frame, four rooms, maintained in poor condition, particularly bad drainage of grounds and unsanitary interior of house at time of inspection on July 22.

A total of 14 deficiencies were noted. Ten workers were living in the quarters at the time of inspection. Employer made immediate correction on July 23 and 24. A followup inspection was made on July 25 and the following had been done:

1. Tabletops had been covered with new surface.
2. Stoves had been scrubbed with steel wool and thoroughly cleaned.
3. One back room had been set aside as the cooking and eating area and all stoves were moved into this room.
4. Two sleeping rooms had been papered with new wallpaper.
5. Bathroom (separate unit) was moved to a distance of 50 feet from living quarters and a deep drainage ditch was dug. This will be covered as required by the regulations.
6. Fill dirt was placed around the outside of the living quarters to eliminate any pools of standing water after rains.
7. Floors of house (living quarters) were scrubbed with soap.
8. Loose sections of screen doors were repaired.
9. New steps erected at front entrance of house.
10. New mattresses replaced some that were worn out; clean covers provided for all mattresses with assurance they will be laundered by employer at least once a week.
11. Gravel walk provided to toilet.
12. Self-closing device (spring) installed on privy door.

III. CITIZENS INDEPENDENT GROWERS ASSOCIATION, LEPANTO, ARK.

Joe Roy Nash, user-member. Housing located three-fourth mile south of Lepanto. Two-room frame house with front porch. Three workers were housed in this unit at time of inspection on July 22, 1960.

Reinspection was made on July 25 and all workers were removed on that date. The following action had been taken by employer even though workers had been recontracted and sent to Michigan employers:

1. Screen doors had been repaired.
 2. Kitchen had been cleaned.
 3. Weeds had been cut around house.
- By July 27 he had scheduled correction of following deficiencies:
1. Provide smooth, hard-surface tabletops.
 2. Provide storage space for utensil storage.
 3. Clean or paint kitchen ceiling.
 4. Provide one window to bathroom, two lights and bench.
 5. Provide drainage for bathroom.
 6. Provide walk to toilet and bathroom.
 7. Remove all dirty, wornout mattresses and provide clean mattress covers.
 8. Cut weeds around toilet; provide vent in roof; install self-closing device on door; provide lime for privy.

The regional office and the West Memphis office will conduct a series of meetings before cotton harvest season to discuss with employers, housing and transportation regulations, particularly their responsibilities of keeping accurate records on employment of contracted nationals.

Average hourly earnings of Mexican nationals in all activities paid at piece rates by county, by activity for employment during the month of May 1960

County ¹	Activity	Hourly rate for activity	Total wages paid	Total hours worked	Average hourly earning	County ¹	Activity	Hourly rate for activity	Total wages paid	Total hours worked	Average hourly earning
Alameda	Strawberries, harvest	\$1.00	\$5,713	4,770	\$1.20	Orange	Oranges, pick		\$205,880	217,574	\$0.95
Butte	Peaches, thin	1.00	3,713	3,742	.99		Parle, bunch	\$0.90	12,480	8,862	1.40
	Sugar beets, thin	.90	395	319	1.24		Parsnips, top	.90	3,264	2,744	1.18
Colusa	do	1.00	26,532	21,241	1.25		Rhubarb, harvest	.90	365	214	1.70
Contra Costa	Asparagus, cut	1.00	123,071	123,719	.99		Rutabagas, top	.90	1,744	1,263	1.38
	Sugar beets, thin	1.00	576	576	1.00		Turnips, top	.90	6,032	4,666	1.29
El Dorado	No activities paid by piece rates					Placer	No activities paid by piece rate				
	do					Riverside (East)	Carrots, harvest	.75	4,202	4,076	1.03
Fresno	Sugar beets, thin	.90	2,182	2,249	.97		Citrus, harvest		18,580	14,530	1.47
Glenn	Carrots, harvest	.75	59,576	61,906	.96		Dates, tie bunches		384	252	1.45
Imperial	Grapefruit, pick		3,101	2,532	1.22		Onions, harvest and dry	.75	35,962	37,776	.95
	Onions, harvest and dry	.75	32,624	40,761	.80		Green onions, harvest	.75	1,145	1,271	.90
	Miscellaneous vegetables, harvest	.75	665	476	1.18		Tomato plants, pull and bunch	.75	18,810	17,603	1.06
Kern	Cucumbers, harvest	.90	6,792	7,325	.93	Riverside (West)	Apricots	1.00	1,558	1,344	1.16
Kings	No activities paid by piece rate						Grapefruit, pick		6,933	5,492	1.08
	do						Lemons, pick		11,272	10,325	1.09
Lake							Oranges:				
Los Angeles	Beets, table, pull and tie	.90	285	239	1.19		Navel, pick		868	808	1.07
	Grapefruit, pick		2,376	2,425	.98		Valencia, pick		37,644	35,299	1.06
	Green onions, bunch	.90	6,893	6,566	1.05	Sacramento	Asparagus, cut	1.00	27,776	32,625	.85
	Lemons, pick		24,162	24,469	.99		Sugar beets, thin	1.00	8,243	6,524	1.26
	Moving sprinkler irrigation pipe	1.00	8,410	6,471	1.29		Hops, string	1.00	2,621	2,199	1.15
	Mushrooms, harvest and cultivate	1.00	5,341	4,223	1.26		Peas, harvest	1.00	7,967	6,690	1.20
	Oranges, pick		28,829	30,101	.96	San Benito	Strawberries, harvest	1.00	9,920	8,913	1.11
	Radishes, pull and tie	.90	2,478	1,717	1.43	San Bernardino	Grapefruit, pick		10,184	9,150	1.11
	Rhubarb, harvest	.90	888	538	1.09		Lemons, pick		25,868	24,947	1.03
	Spinach, pull and tie	.90	152	142	1.07		Oranges (Valencia), pick		58,136	55,592	1.05
	Turnips, bunch	.90	192	194	.90		Rhubarb	1.00	433	297	1.46
Madera	No activities paid by piece rate					San Diego	Grapefruit, harvest		615	531	.97
	do						Lemons, pick		2,762	3,012	.92
Mendocino	Peaches, thin	1.00	114,721	106,524	1.08		Oranges, pick		32,386	31,906	1.02
Merced	Sugar beets, thin	.90	260	320	.81	San Joaquin	Asparagus, cut	1.00	841,228	840,335	1.00
Modoc	No activities paid by piece rate						Sugar beets, thin	1.00	18,948	16,808	1.13
Monterey	Broccoli, harvest	.90	4,071	3,780	1.08		Boysenberries, pick	1.00	99	120	.83
	Peas, harvest		5,127	5,049	1.02		Cherries, pick	1.00	3,174	2,719	1.17
	Strawberries, harvest	.90	51,876	50,959	1.02		Onions, top	1.00	357	342	1.04
Napa	No activities paid by piece rate					San Luis Obispo	Strawberries, pick	1.00	88,530	80,455	.99
Nevada	do					San Mateo	Celery, harvest	.90	3,823	2,548	1.50
Orange	Carrots, top	.90	11,429	9,552	1.19		No activities paid by piece rate				
	Lemons, pick		13,146	13,916	.95	Santa Barbara	Broccoli, harvest	.90	414	371	1.12
							Lemons, pick		116,154	104,530	1.11
							Lettuce, loading	.90	761	488	1.55
							Miscellaneous vegetables ²	.90	4,036	3,606	1.11

¹ The 43 counties listed are those in which Mexican nationals were authorized in 1959 or 1960 to date. The 15 counties in which Mexican nationals were not authorized in 1959 or 1960 to date are: Alpine, Amador, Calaveras, Del Norte, Humboldt, Inyo, Lassen, Marin, Mariposa, Mono, Plumas, San Francisco, Sierra, Trinity, and Tuolumne.

² Miscellaneous vegetables include: Cutting endive, lettuce harvest, cut-load cabbage, and carrot harvest. Of the 3,606 hours shown, 1,234 was spent cutting endive and harvesting lettuce; 1,691 for cutting and loading cabbage, and harvesting lettuce; 139 for cutting endive; 542 for carrot and lettuce harvest. The Oso Flaco district of San Luis Obispo County also included in this report.

Average hourly earnings of Mexican nationals in all activities paid by piece rates by county, by activity for employment during the month of May 1960—Continued

County	Activity	Hourly rate for activity	Total wages paid	Total hours worked	Average hourly earning	County	Activity	Hourly rate for activity	Total wages paid	Total hours worked	Average hourly earning
Santa Clara	Cherry, pick	\$1.00	\$91	81	\$1.12	Ventura	Cabbage: Pack	\$0.85	\$589	350	\$1.68
	Raspberry, pick	1.00	1,259	1,363	1.92		Thin	.85	19	14	1.30
	Strawberries, harvest	1.00	103,903	92,791	1.11		Carrots: Harvest	.85	116	118	.98
Santa Cruz	Peas, pick	1.00	451	352	1.28		Load	.85	114	57	2.00
	Strawberries, pick	1.00	1,062	940	1.13		Flowers, cut and harvest	.85	4,355	2,581	1.68
Shasta	No activities paid by piece rate						Lemons, harvest	.85	410,011	396,394	1.03
Siskiyou	do						Lettuce, thin	.85	252	158	1.60
Solano	Asparagus, cut, sled	1.00	65,701	62,929	1.04		Oranges, pick	.85	22,880	23,993	.95
	Sugar beets, thin	1.00	11,848	9,639	1.23		Spinach, cut and crate	.90	185	92	2.00
	Strawberries, harvest	1.00	2,496	2,479	1.00	Yolo	Tomato plant, pull	.85	17,603	14,984	1.17
Sonoma	Sugar beets, thin	1.00	431	423	1.02		Asparagus, cut, sled	1.00	17,461	20,347	.86
Stanislaus	Peaches, thin	1.25	9,752	6,661	1.46		Sugar beet, thin	1.00	38,388	31,937	1.20
	Strawberries, pick	1.00	27,071	27,938	.97		Peas, harvest	1.00	1,907	1,729	1.12
	Sugar beets, thin	.90	409	399	1.03		Hops, string	1.00	12,947	11,207	1.16
Sutter	Peaches, thin	1.00	61,883	44,793	1.38	Yuba	Peaches, thin	1.00	4,864	4,277	1.14
	No activities paid by piece rate										
Tehama	Potatoes, harvest	1.00	8,445	6,808	1.24						
Tulare											

Source: "Employer" payroll records, California.

Prices of food commodities most used by Mexican nationals working in area of Wilson, Ark.

	Pinto beans per pound	Sugar per pound	Canned milk (Pet) large	Rice per pound	Coffee per pound (Folgers)	Potatoes per pound	Fresh hot peppers 1/2-pound jar	Flour 25-pound bag	Eggs (large) per dozen	Oatmeal (large box)	Pure lard per pound	Bread (small loaf)	Vermicelli
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Portis Super Market, Lepanto, Ark. (17 miles from Wilson, Ark.)	Cents 16.0	Cents 13.0	Cents 16.0	Cents 16.0	Cents 80.0	Cents 10	Cents 25.0	\$2.42	Cents 55.0	Cents 55.0	Cents 15.5	Cents 2-33	Cents 21.0
Ferrells Grocery, Marie, Ark. (13 miles to Lepanto), (15 miles to Osceola)	15.0	11.0	15.0	15.0	87.0	8	27.0	2.30	50.0	55.0	16.0	20	20.0
Wilson Grocery Market, Wilson, Ark. (12 miles to Osceola), (17 miles to Lepanto)	17.0	11.0	17.0	18.0	85.0	8	29.0	2.49	55.0	57.0	17.0	21	20.0
National Food Store, Osceola, Ark. (12 miles from Wilson)	15.0	10.5	15.0	17.0	77.0	7	29.0	2.39	49.0	53.0	17.0	17	17.0
Big Star Grocery, Osceola, Ark. (12 miles from Wilson)	15.0	11.5	15.5	15.0	75.0	7	39.0	2.30	55.0	47.0	16.0	2-33	19.0
Average cost	15.7	11.4	15.7	16.2	80.8	8	29.8	2.416	52.8	53.4	16.3	18	19.4

Source: Compiled by FLSR Oscar E. Masters, West Memphis district office, July 25, 1960.

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

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

Mr. SISK. Mr. Speaker, I appreciate very much the gentleman from New York yielding at this time, and I want to take this opportunity to express my deep appreciation to my colleague from New York for the statement he has made. I think it has been an outstanding one, and I feel a very factual statement.

I am deeply impressed by his apparent zealously in analyzing the problems he had an opportunity to see. I may say to the gentleman from New York, I hope that more people will go out and actually observe what is taking place in this program. I realize the discussions that went on here some weeks ago at the time we voted on an extension of Public Law 78 were not conclusive. I realize a committee acts and talks sometimes without understanding all of the situations that exist. That is why I say I appreciate what I believe to be a very factual statement on his part. I frankly admit now that there have been abuses of this program from time to time. There are among our farmers those who would take advantage, as we have business in other areas who will take advantage of a situation and do things that are outside the law. There is no question in my

mind but what we have had abuses in California, and we have had them from time to time in other areas. It has been my position that if the law was strictly enforced as Public Law 78 is written, we would have less difficulty.

I may say that I agree with the gentleman there should be more regular inspections and these inspections very closely and rigidly followed out in order to require that the law be met and complied with.

I am concerned primarily with the well-being and welfare of our domestic workers, as I think my colleague is. This is of far more concern than that of the imported workers. We are all concerned to see that our American workers, the people in this country, have the very best living conditions and working conditions that can possibly be made available to them. I am concerned with them, as I know my colleagues from California, Arkansas, Texas, and other areas are concerned.

So, in closing, I would hope that we might have more people who have the willingness to go out and spend time and effort as our distinguished friend from New York has done, and actually see what is taking place, because I believe that if we work together with the program, we can make better progress. We may adjust the program, we may amend

the law if the facts justify, to make a more workable program, something that is fair to our domestic people as well as fair to our farmers who, as I say, and as I think my colleague has agreed, in certain instances will need certain foreign workers.

Mr. SANTANGELO. I thank the gentleman for his remarks.

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

Mr. SANTANGELO. I yield to the gentleman from Arkansas.

Mr. GATHINGS. I want to say to the gentleman I wish more of the committees would come back to the House and make a report such as the gentleman has made. It is most informative. It is a reasonable report. The report he brings here from my State does show that some of our housing is not of the very best—that is, our farm housing. But our folks are not rich. We do not have running water in some instances. It would be well if we did. But the housing that we have over in Arkansas is far superior to the housing that the Mexican nationals have been accustomed to in their own country, and corrections are being made all the time, and we are bettering the housing conditions in Arkansas right along.

For example, the Phillips County Farmers Association, which is to the

south of where the gentleman visited, have rigid rules and requirements for their members; and, if a member of that association does not comply, they will drop that member and will not allow him to obtain Mexican nationals for his use. So, the housing conditions are being improved right along in that area. I appreciate the fact that the gentleman has brought us this factual report. As to the amount of money paid for the picking of cotton, the cottonpickers, both domestic and Mexican, in our area make from \$7 to \$10 a day. This bracero program is a great program. These Mexicans come over and they are able to send money back home to Mexico so that they can move into the village and give their children an opportunity to go to school. It is a great program. It helps build good will between the two countries as well. It is the second biggest medium for bringing in more dollars to Mexico. I appreciate the gentleman's approach to this problem and the report that he has made.

Mr. SANTANGELO. I thank the gentleman for his comment. But, I would like to observe that in Arkansas there is an outstanding company, the Lee-Wilson Co., which is cooperating with the Department of Labor to improve its housing facilities. But, I cannot say the same thing for the other growers who neglect the housing facilities where the braceros are housed. To me the conditions there were deplorable and degrading. And, even though the conditions might be a little better than the conditions in which the bracero finds himself in Mexico, the standard is not the standard that we in America think that a human being should be compelled to live in.

Mr. GATHINGS. You can find right here in the shadow of the Capitol some most undesirable housing. We find that situation everywhere. And, there is need for improvement, that is true, but at the same time the gentleman ought to bear in mind that the farmer down there does not make much money from his operations, and it is very difficult for him to comply every time with these standards set up by the Department of Labor. In so many instances those standards are better than the farmer himself has for his own family.

Mr. SANTANGELO. I would like to state that if the farmer is not making so much money under conditions which exploit braceros, he should not be permitted to let these people harvest his crops. I believe the braceros should have decent housing, and the farmer, whether he is a large or small farmer, should not exploit them for profit. I have not seen the rest of the country, but the fact that we have had housing in the District of Columbia is no excuse for maintaining bad conditions.

Mr. GATHINGS. According to the report, there is no exploitation of the Mexican bracero.

Mr. SANTANGELO. I said as far as the chopping or hoeing of cotton is concerned, they make a maximum of 50 cents an hour, and I pointed out that the average earnings on piecework is a little higher than 50 cents an hour.

Mr. GATHINGS. The report of the Committee on Agriculture showed that in some instances, in those areas in Arkansas, where they did not use Mexican braceros, the wage rate was less than in those areas where the braceros are employed.

Mr. SANTANGELO. That is right. There is where the 50-cent maximum hourly wage raises the wage of the domestics. Where the bracero is not there to earn that minimum wage, the domestic sometimes is paid 30 or 40 cents an hour. However, a 30- or 40-cent an hour wage these days is no wage for any person to earn. I think wages like that will send them on the relief roll.

Mr. GATHINGS. You did not find any 30- or 40-cent-an-hour wage in Arkansas, did you?

Mr. SANTANGELO. There were instances we found where the domestics were getting 40 cents an hour.

Mr. GATHINGS. Farm wage rates, I will say to the gentleman from New York, have increased more than any other classification in this period.

Mr. SANTANGELO. It is interesting to observe that in the picking of cotton, 10 years ago they were getting \$3½ a hundredweight or 3½ cents a pound. Today in Arkansas they are getting maybe \$2.50 a hundredweight or 2½ cents a pound to pick cotton.

Mr. GATHINGS. I should like to say that in 1946 I was in the implement business for a short time. At that time it took the gross proceeds of seven bales of cotton to buy a tractor. Today it takes the gross proceeds of 17 bales of cotton to buy the same tractor. So there are quite a number of considerations involved.

Mr. SANTANGELO. The worker is getting less today and the dollar does not purchase as much.

Mr. GATHINGS. The price of the commodity has gone down.

Mr. SANTANGELO. I read the report of the gentleman from Arkansas and it is quite detailed and complete. But I do think an effort should not be made to frustrate the Department of Labor in the enforcement of its regulations, but that there should be some cooperation with the Department to see that the regulations are enforced so that the standard of living of these people may be raised; so that they may have a decent place to live, with sanitary facilities and with running water. Perhaps the gentleman's own people, the domestic workers, as well as the growers themselves, may be able to sink pumps and get running water.

Mr. GATHINGS. It would be wonderful if that situation could be improved all across the land. I think good living conditions are desirable everywhere, even right here in the Nation's Capital.

Mr. SANTANGELO. I went through the desert heat in California, which got up to 110 degrees, and where they have had to dig deep for water. The gentleman may be able to do the same thing in Arkansas.

Mr. GATHINGS. I appreciate the fact that the gentleman brought out the point that it is difficult to get domestic labor to do this work in this intense

heat. That is true. They do not like that stoop labor. So there is a shortage of domestic workers. We only bring this labor in here as a supplemental supply. We do not bring that labor in unless it is absolutely essential. It costs the farmer, out of his own pocket, \$42.10 to bring the labor up from the Mexican border to Arkansas, a distance of 1,000 miles, and to get him back. That is \$42.10 that he, the farmer, has to pay and which is not reimbursable. He would not bring that labor up unless it were absolutely necessary and needed badly.

Mr. SANTANGELO. I thank the gentleman for his contribution.

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

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

Mr. SAUND. Mr. Speaker, I, too, wish to compliment the gentleman for the fine spirit he has shown, along with his colleagues, who went with him to visit these camps. I think he has made a very fine report. Let me say that the gentleman is not the only one who is concerned about abuses in the operation of Public Law 78. I have been a Member of this Congress for 4 years and I have been waging a continuous and unrelenting fight to get rid of the abuses, at least in my district. Mr. Speaker, I wish to read to the gentleman the last few paragraphs of a Washington report which I sent out to my people in July of this year.

Public Law 78 will expire on June 30, 1961, unless it is extended by Congress prior to that date. During the busy days preceding the recent recess of Congress, a bill to extend the program to June 30, 1963, was passed by the House of Representatives. It is now pending before the Senate. Rough going for final passage of this bill is foreseen by both the proponents and opponents of the Mexican national program.

Then my concluding paragraph:

I have been informed that areas where Mexican nationals are now being used, including Riverside and Imperial Counties, will be under very close scrutiny by committees of Congress and the Department of Labor during coming months. There should be no mistake about that. I earnestly hope that the business and farm leaders in these two counties will get together to lay out a plan and program of community effort, whereby local merchants will be protected from the abuses of the past and American citizens will be assured of their right to obtain employment on American farms at decent wages.

I think the gentleman from New York realizes that my feelings in this matter are the same as his.

I make this statement, that even the gentleman has made a good study of the program, he has made some rather erroneous statements. He made the statement that in some instances the payment was \$2 a week. How many payrolls did the gentleman or his committee examine to come to that conclusion?

Mr. SANTANGELO. I observed not only some of the payrolls but I had some affidavits in which the checks themselves were presented to me in which not less than two dozen checks indicated take-home wages of about \$2. One was

for 36 cents. These were wage checks for workers in the Imperial Valley.

Mr. SAUND. What were the wage rates per hour?

Mr. SANTANGELO. Fifty cents per hour for chopping or hoeing, but because of the lack of employment, because of the surplus of workers in that area, the workers were not able to get a full week's work. They were making \$15 a week, but out of that they ended up with \$2 or \$3.

Mr. SAUND. That is what I have been saying to the Department of Labor. I went there 2 years ago and told the Secretary, when he was going to write out regulations, that he did not have to sit in Washington writing regulations, that he should use the money given to him by Congress to enforce the statutes already on the statute books.

The gentleman says there were 14,000 Mexican nationals at one time employed in Imperial County?

Mr. SANTANGELO. That is correct.

Mr. SAUND. The number 14,000 multiplied by 10 weeks would be 140,000. Out of that you found two checks. They are showing two checks 3 years old. There are three or four people in my county who go out and collect these checks. If the committee will look at them, those checks go back 5 years. These people keep them as samples to show.

Let me assure the gentleman we are trying everything we can. It is not true that in that county they get \$2.50 a week. They get a guaranteed wage. I agree with the gentleman that we should do more to enforce the regulations than we are doing. I am willing to cooperate with the gentleman in every way possible, but I must make the statement that that is not an accurate representation of the condition existing in Imperial Valley.

Mr. SANTANGELO. For workers in the Imperial Valley of California I have photostatic copies of these checks which came into my possession, checks which came from people who claim they were doing part-time work and consequently taking home \$2 or \$3 per week. The reason they give is that they could not get a full week's employment because of the lack of employment. This indicates that too many braceros have been permitted to come into that particular area, consequently only some of them get work.

I am aware of the gentleman's fight to try to improve conditions long before I interested myself in this problem. I commend him on the work he has done in his area. I have no quarrel with him on that score. But surely the gentleman does not condone these employers who give low wages because there is a surplus of labor.

Mr. SAUND. I do not condone that at all; in fact, I hope the gentleman will cooperate with me in seeing that the regulations are enforced and that no more braceros are certified than the need exists and calls for. But I again maintain that it is not a fair statement to say that \$2.50 is the net pay of Mexican nationals in Imperial County. I know; I live there. They send their

money home. We try to help them all we can, but conditions can be improved, and the Department of Labor should enforce the regulations.

Mr. SANTANGELO. The gentleman will have my cooperation.

Mr. SAUND. Did the gentleman find a need for Public Law 78?

Mr. SANTANGELO. I found not only that there was a need by the food producers and growers but that they would like to get many more braceros. It is just like a snowball, it is going to grow bigger. If the wages of the domestics were increased, perhaps many of those who have gone into industry would return to the farm, but at the wage structure of 50 cents an hour in a heat of 100° to 110°, working 8 or 10 hours a day, conditions are not conducive to having people leave the factories where they are making \$1.50 an hour or higher. We cannot expect men to leave industrial jobs at \$1.50 per hour to do work on a farm at 50 or 75 cents or \$1 an hour.

Mr. SAUND. Is there a need for Public Law 78? I do not condone the abuses. If the abuses are removed and the law is properly enforced, does the gentleman find a need for such a measure?

Mr. SANTANGELO. I found need for it so far as the harvesting of food is concerned, but I was not so definitely certain as to the need with reference to the cotton harvest. I recognize the fact that some of the larger cotton growers could not produce as much. But, I will agree with my colleague that in connection with the cultivation and harvesting of food, there is a definite need. I am not able to subscribe wholeheartedly to the proposition that there is a need so far as the production of cotton is concerned.

Mr. SAUND. I am not talking about cotton. I mean the need for Public Law 78 because a word from you means a great deal since I know you have made a thorough study.

Mr. SANTANGELO. I am dividing the thing into two categories—one, the need for producers of food supplies, and, two, the need for producers of cotton. I state definitely now that I find a need for this program in connection with the cultivation and harvesting of food.

Mr. SAUND. I thank my colleague very much.

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

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

Mr. GIAIMO. Would there be as much of a need for Public Law 78, if our immigration laws were relaxed somewhat?

Mr. SANTANGELO. If some of the gentlemen from the South and Southwest would vote for a liberalization of the immigration laws, which would permit many people from Europe and all over the world to come into the United States, there would be a lesser need for braceros. In that way, many people who are real farmworkers could come into the United States and be able to help the farmers of America.

Mr. GIAIMO. I thank my colleague.

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

Mr. SANTANGELO. I yield to the gentleman from Illinois.

Mr. LIBONATI. I am sure our colleague, the gentleman from New York, in speaking of these conditions in generalities does not mean that these conditions are such which in a sense a provision of law would cure. The observations made by the gentleman from New York are in reference to specific areas where, through personal observation and questioning, certain facts from conditions observed were evident. Is that correct?

Mr. SANTANGELO. That is true. The gentleman from Illinois, our colleague, who was with me, recognizes that we have made our observations with respect to those areas which we visited and where we observed the conditions that exist. We make no assertion or any charges against areas which we did not study or observe.

Mr. LIBONATI. In other words, these isolated instances may not be the general rule but may be the exception. So that when you spoke of Arkansas and the gentleman representing that district, you did not intend those remarks to be a generalization of conditions in that section of the country or in his congressional district.

Mr. SANTANGELO. I specifically referred to those places which we observed and my comments and conclusions were with respect to such places. I do not intend to make any reference or generalization regarding areas that were not visited or where conditions were not observed or studies made.

Mr. LIBONATI. As I understand, you did point out that sometimes the practices of individuals themselves contributed to unsanitary conditions; is that correct?

Mr. SANTANGELO. That is correct.

Mr. LIBONATI. I congratulate the gentleman from New York on his fairness.

Mr. SANTANGELO. I would like to make this observation. The gentleman from Illinois pointed out to one of the growers that the conditions under which he was permitting the Braceros to live were intolerable and that if the growers continued such practices, the Congress would not permit this program to continue and that even the friends of this program would be opposed to it.

Mr. LIBONATI. That is very true.

Mr. SAUND. Did the gentleman from New York meet Mr. Goodwin?

Mr. SANTANGELO. No, I did not. I met Mr. Roy Haynes. In fact, we met many men. There were eight or nine representatives of the agriculture and labor departments.

Mr. SAUND. I know that Mr. Goodwin is charged with the enforcement of that public law and I have had Mr. Goodwin in my office at least a dozen times in the last 4 years. On each occasion I have actually begged Mr. Goodwin to please enforce Public Law 78. He comes back every year with excuses. In fact, one time I had Mr. Goodwin in the office of our colleague, the gentleman from Rhode Island [Mr. FOGARTY] because I thought Mr. FOGARTY would have more influence over him than I since Mr. FOGARTY is the man who holds the

pursestrings inasmuch as he is chairman of the subcommittee on appropriations, having jurisdiction of this program.

But nothing was done, however. Mr. Goodwin may have come and made a report, but let me assure you Mr. Goodwin and his department has collaborated with the people who have abused Public Law 78 and come over here just to excuse their own mistakes and lay the blame on somebody else.

Mr. SANTANGELO. Mr. Speaker, I yield back the balance of my time.

REPORT ON NATO INSPECTION TOUR

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Pennsylvania [Mr. CLARK] is recognized for 2 hours.

Mr. CLARK. Mr. Speaker, on July 30, eight Members of this body departed Washington as members of the NATO Parliamentarians' Conference, for the purpose of visiting the major NATO headquarters and selected NATO troop units in Europe. The distinguished gentleman from Ohio [Mr. HAYS] as the permanent U.S. member of the standing committee of the conference was chairman of the U.S. delegation. Unfortunately, the press of business in the United States would not permit the gentleman from Ohio [Mr. HAYS] to make the entire tour. He returned to the United States after the initial meetings at SHAPE and NATO headquarters in Paris, leaving me in charge as acting chairman of the U.S. delegation. It is in this capacity that I rise to address the House today.

In addition to the gentleman from Ohio [Mr. HAYS], and myself, the U.S. delegation included the gentleman from California [Mr. SAUND], the gentleman from Nebraska [Mr. WEAVER], the gentleman from New Jersey [Mr. CAHILL], the gentleman from Michigan [Mr. BROOMFIELD], the gentleman from Connecticut [Mr. MONAGAN], and the gentleman from Ohio [Mr. HENDERSON]. On completion of my remarks, I shall yield such time as these Members may require in order to make known their own views on the matters brought to light during the trip.

I should like to render a brief report of our itinerary, activities, and some general impressions concerning the NATO alliance and the state of readiness of the forces which support it. I point out at the outset that this parliamentarians tour is conducted annually under NATO auspices, and this year included three parliamentarians from France, two from the United Kingdom, and one each from the Federal Republic of Germany and the Netherlands, in addition to the U.S. delegation.

Our tour took us to SHAPE and NATO headquarters in Paris, to Northern Army Group 2d Allied Tactical Air Force Headquarters in northwestern Germany; to 4th Allied Tactical Air Force and Central Army Group Headquarters in central Germany; to Allied Forces South Headquarters in Naples, Italy; and to Headquarters, Allied Forces Mediterranean on the Island of Malta. In addition to those

headquarters mentioned, we visited British, Canadian, French, German, and American ground and Air Force units, in garrison and in the field.

One cannot complete a tour such as this, even in the brief time available in this instance, without being profoundly impressed with the formidable, versatile, and responsive combat force which has been forged under the able and inspiring leadership of General Norstad, as Supreme Allied Commander, Europe.

The spirit of full and freely given cooperation evident in the high NATO military headquarters cannot fail to impress even the casual visitor. The most optimistic internationalist of 1945 would not have had the temerity to suggest that by 1960, officers from France, Germany, the United States, the United Kingdom, Italy, Greece, Belgium, Turkey, and the Netherlands would be living and working together under one command. The organization and operation of these NATO staffs give us a practical demonstration of effective international cooperation at the working level. The NATO forces strive collectively, rather than individually, to confront the Soviet leaders with a deterrent force so powerful as to make clear to the most expansionist-minded commissar that the cost of waging an aggressive war would be prohibitive. Their success is made abundantly clear by the intemperate and vitriolic attacks on the NATO alliance made periodically by Khrushchev and his spokesmen.

Continued U.S. participation in, and support of, the NATO alliance is, of course, essential to its survival. Happily, the burgeoning economy of Western Europe now permits much greater financial participation by most members of the alliance than was possible at its inception, with a corresponding reduction in the percentage of U.S. expenditures. Some members, such as Turkey and Greece, must continue to receive substantial support in money and materials from the stronger members of the alliance, since their internal economic situations preclude the self-sufficiency of their armed forces.

I, for one, was very pleased at the receptions accorded the parliamentarians at all troop units, whether air or ground, of whatever nation, which we visited. They appeared genuinely glad to receive us, and answered our questions candidly and promptly, without equivocation. There are well recognized problems confronting the NATO military leaders—the same ones which have confronted all the great captains of history. They boiled down to men, material, and money.

Our 7th U.S. Army in Germany makes up the best trained and most combat-ready peacetime army in our history. Units of the 5th U.S. Army Corps in Grafenwoer, the great U.S. training area near the Czech border, gave the parliamentarians a demonstration of combat troops in action which filled the U.S. delegation with justifiable pride. The fact remains, however, that we in the United States have developed better tanks, better small arms, and machineguns, better personnel carriers than were in the

hands of our 7th Army troops. This is our NATO army—deployed along the borders of Soviet satellite nations in Eastern Europe—our first line of defense. I urge the prompt modernization of this 7th Army with the best weapons this great Nation can make available. The modernization of our Air Force units in Germany has already begun. The parliamentarians were shown one of our AF missile bases—one which is operational and ready. Again the U.S. delegation was justly proud.

In the Mediterranean, the NATO sea, air, and ground forces, under the able leadership of U.S. Adm. "Cat" Brown, as commander in chief, south, form the southern anchor of freedom of the Western World. It is regrettable that the time available did not permit the parliamentarians to visit the magnificent U.S. 6th Fleet—another U.S. contribution to NATO in which we, and all our fellow Americans, can take quiet pride and satisfaction.

Before terminating these remarks, I should like to express the appreciation of the entire U.S. delegation for having had the opportunity to meet, travel, and exchange views with these parliamentarians from other nations of the NATO alliance: Senator Dechevigny and Representatives Palewski and Noiret of France; Members of Parliament Dudley Williams and John Peel of the United Kingdom; Vice Admiral Heye, retired, of the Bundestag; and Col. W. Wierda, retired, Member of Parliament of the Netherlands.

We are also appreciative of the efforts of Mr. Otto Van H. Labberton, executive secretary of the NATO Parliamentarians' Conference, who coordinated the itinerary and made travel arrangements for the full group within Europe.

In conclusion, the NATO tour we have recently completed was informative, instructive, and well worth the time, effort, and funds expended. It is regretted that the Senate's schedule did not permit any Members of that body to participate. I hope they will be able to do so in the future. My own faith in the NATO alliance has been fortified, and I shall continue to support it with confidence and vigor.

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

Mr. CLARK. I yield.

Mr. SAUND. Mr. Speaker, I had the privilege of traveling with this group of which the gentleman from Pennsylvania [Mr. CLARK] was chairman. I wish to compliment him on the fine way in which he managed the trip and the accommodations and other facilities provided to us through his hard work. He made an excellent chairman and was a very great credit to the Congress of the United States. He had a clear understanding of the work to be done and was tireless in his efforts. I hope the next time I have to make a trip it may be under the same kind of genial, hardworking, cooperative chairman as the gentleman from Pennsylvania [Mr. CLARK].

Mr. CLARK. I thank the gentleman from California.

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

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

Mr. HENDERSON. Mr. Speaker, I had the privilege of accompanying this group. It was a very extensive and very intensive inspection trip. There are a great number of impressions that the members of the committee received. I think, by and large, the greatest impression was that of the magnitude of the strength and the degree of training of the NATO forces. I had an opportunity to make personal observation of just a fraction of the American might, and it would dispel any misconception that ours is a weak, decadent, or second-class military force. Our forces combined with those of other nations form a massive military array, a forceful deterrent to the Iron Curtain combine, a remarkable preserver of political equilibrium, a source of hope and fountain of inspiration for nations which are on the very no man's land of a war which but for NATO might have already occurred.

There is more to NATO than arms and men; there is a NATO spirit, an alliance of like-minded peoples. It is an experiment that is working. Old national rivalries and hatreds are being laid aside while former enemies are working in cooperation for a common cause.

It is not all brightness, not all sweetness and light; there are difficulties, shortcomings, and obstacles. You cannot hope to wipe away overnight national similarities and peculiarities. Differences of supply, differences in weapons, strategy, have all played a part in keeping the path of NATO from being a perfectly smooth one. There are political considerations in each of the member nations that must be recognized. There are internal and external problems which may temporarily focus national attention away from the NATO objectives.

No, I am not so naive as to believe that there are not many dark recesses which we could not or were not permitted to examine in which there are added difficulties. But what I do wish to say and to bring to the attention of my colleagues is that NATO machinery is in operation. As a deterrent it has been outstandingly successful. It appears to be able to perform further missions if called upon. It deserves sympathy, cooperation, and assistance of this Congress. Not without criticism, not without scrutiny, not without question. Blank checks are fashionable these days, but I do not advocate them. We as a member country need to do our part; but by the same token we must insist that other nations do theirs, do far more than they have in the past.

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

Mr. CLARK. I yield to the gentleman from New Jersey.

Mr. CAHILL. Mr. Speaker, I, too, would like to spread upon this record a few observations that I have as a member of this inspection force to the NATO countries. It was a great education, and I am sure every Member of the U.S. Congress who visited NATO came back with a deeper appreciation of the danger of the Soviet threat and an appreciation of

the preparedness of the allied forces to meet that threat.

Personally, I was very much impressed not only by the numerical number of the forces but by the quality of the troops and by the quality of the equipment. We saw at first hand the firing of atomic cannons, Honest John missiles; we saw at first hand the operation of tanks and the Air Corps and all manner and form of military machines. We were all deeply appreciative of what America is doing to preserve peace throughout the world through our cooperation in NATO.

More than that, it was my impression that NATO is indeed the best insurance that the United States has against communism. The best proof of the value of NATO is that since 1951 there has been no further aggression by Soviet Russia throughout Europe. It is interesting to note that our troops were all happy and most of the ones I talked to, at least, of all foreign assignments the one in Germany was indeed the best.

I would like to close my remarks by paying personal tribute to the gentleman from Pennsylvania [Mr. CLARK] who is not only an able chairman but was a most considerate one. I would like to say, too, that as far as the members of the committee were concerned, I found their company not only interesting, but I feel I have profited by the many discussions that we had at dinner and at organizational meetings when we were able to exchange ideas.

To me as a freshman Member of this Congress it was indeed an honor to have been appointed in the first place as a member of the committee, but I feel I have come back, Mr. Speaker, a much better Representative for it, and I feel I will be by reason of this experience better able to serve the people of my district.

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

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

Mr. MONAGAN. Mr. Speaker, I, too, had the privilege of being a member of this NATO group that has been referred to. First of all, I want to congratulate the gentleman from Pennsylvania [Mr. CLARK] for giving us this opportunity to make a record of our reactions as members on this trip, because, certainly, one of the reasons for the trip has been to give us a chance to view the whole NATO program and to bring back to our various parliaments our own personal reactions.

I would like to say, too, that the gentleman in acting as chairman of the group certainly performed a service in the highest standards of the Congress, and not only in organizing the trip and in his relations with members of the other parliaments who were represented, he did an outstanding job. I congratulate him at this time for the work that he did.

There are a few reactions I personally experienced that I would like to record.

First of all, the importance of having an opportunity to talk and exchange views with members of other parliaments is one of the importance of which cannot be overestimated.

I think that all of us profited from that experience. I wish all those who

discussed NATO on the floor of this House could have had the same opportunity that we had, for I am sure that in many cases their views would have changed. With reference to NATO, the most significant thing, it seems to me, is that for the first time in history a peacetime combination of this size and magnitude has existed, and that is a token of success, it seems to me, for the future. If the gentleman will recall, when we were at Paris I asked General Norstad if NATO was out of date, if it was an anachronism. He said definitely not; that it has performed the job at the present time in holding back the Communist threat and that, even though there may be a new development of long-range missiles and new weapons, nevertheless this alliance has a very vital and important function to maintain. As the gentleman from Michigan said, there are problems that have to be solved in this alliance. The coordination must be increased. Weapons must be made more uniform. The scope must be broadened. But, the experience that we had, with all of these 15 nations working together, their officers working and living together, the members of the families living together, certainly is an aura for a successful future. And, I hope, as Mr. Spaak suggested, that the alliance will be able to move from the purely military into the political and into the cultural field, because in these fields tremendous advances can be made that in my opinion could be of equal importance to that of the military development. I thank the gentleman.

Mr. CLARK. I thank the gentleman from Connecticut.

Mr. MOORE. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. BROOMFIELD] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. BROOMFIELD. Mr. Speaker, not too many years ago, if the average American had been asked what NATO stood for, he probably would have hazarded a guess that it was the name of a Japanese movie star or possibly a new brand of household detergent.

Today, an increasing number of Americans are aware of the valuable part that the North Atlantic Treaty Organization is playing in protecting the free nations of Europe from the insidious encroachments of communism.

Last week, I returned from a tour of inspection of our NATO bases in Europe, along with a number of my colleagues in the House: Representatives WAYNE L. HAYS of Ohio, FRANK M. CLARK of Pennsylvania, D. S. SAUND of California, JOHN S. MONAGAN of Connecticut, PHIL WEAVER of Nebraska, JOHN E. HENDERSON of Ohio, and WILLIAM T. CAHILL of New Jersey. May I thank the Speaker for giving me an opportunity to participate in the NATO Parliamentarians' Conference inspection and briefing tour and the Honorable FRANK M. CLARK, acting chairman of the U.S. delegation, for his inspired leadership.

Like many, my impression of NATO before this trip was of a strictly military alliance, a loose confederation of divisions, naval units and aircraft, a sort of marriage of convenience of military units, shoved together out of necessity and lacking cohesion and general purpose.

Instead, I found splendid cooperation and coordination among the forces of 14 nations, a sense of purpose and a common goal. That goal is the protection of the vital nations of free Europe from the creeping paralysis of communism.

It is an eerie feeling to see former officers in the German Luftwaffe, our enemies just a few short years ago, and find them working in close cooperation with Americans, French, Belgians, Canadians, Dutch and Norwegians. It must have been very strange to one of our fellow parliamentarians from Denmark, who lost all his teeth in a beating in a Nazi concentration camp.

There was a great sense of pride and security in visiting the elaborate control centers far underground in which a constant check is kept on air activity over Europe.

There was awe as I watched an Honest John rocket start a noisy trip toward the Iron Curtain from a point only twenty miles from the Czech border. Naturally, the rocket's target was on our side of the Iron Curtain.

Everywhere I visited, on Malta, in Germany, France and Italy, I found a fusion of NATO fighting forces into a solid mass of strength, cool efficiency in the performance of their complicated tasks, and calm coordination and dedication in purpose, the purpose of individual freedom and world peace.

Although the rockets, the arms, the fighting forces are important to NATO, this organization is more than a simple sword and shield for the free nations of Europe.

The battle against the spread of communism is being carried on by NATO on the political, economic, scientific and educational fronts as well.

The Soviet Union has made repeated attempts to split the 15 member nations away from each other so that each can be gobbled up more easily by the Communist offensive. On the political front, there have been promises and threats, sweet words of peace and bullying boasts of atomic annihilation of all those who cooperate in mutual protection against communism.

There have been attempts to outflank NATO defense installations through political offensives in the Mideast and in North Africa.

The Soviet Union has made repeated attempts to obtain "conditioned responses" from individual NATO nations by alternate threat and promise much in the manner of Pavlov's famous dog. But the Reds have found the Western World refuses to perform as a trained dog act to Soviet sirup and strychnine. We and our allies in Europe have stood together strongly in the face of Communist propaganda warfare and we will continue to do so in the future.

On the economic front, NATO nations have never been stronger. It is difficult to believe that only a few years ago our

friends in Europe were attempting to pull themselves up out of the rubble and devastation left in the wake of World War II. But in this short time, most signs of this utter devastation are gone. New homes have been built. Entire new cities have been created. New industries are booming. The economy of Europe is growing at a tremendous rate.

Its people are working as they have never worked before. There are more jobs and at better pay than at any time in history. They are enjoying a constantly rising standard of living which is one of the most telling weapons against Communist plans for expansion and infiltration from within. Communist parties in Italy and France, for instance, have shriveled to shadows of their former selves because free men have demonstrated that living standards can rise most quickly outside a totalitarian system.

Despite these improvements, the military has not been neglected. From its humble beginnings in December 1950, when General Eisenhower was appointed the first NATO Supreme Allied Commander in Europe, the NATO force has grown from 12 divisions to 50, from 400 aircraft to 6,000. Arms and armaments are standardized and interchangeable. Communications for NATO have been built into a complex net of 26,500 miles. NATO forces are equipped with the most modern and up-to-date weapons and equipment, including atomic artillery and guided missiles.

Some 160 jet airfields now ring the Soviet Union and its satellites behind the Iron Curtain, a constant warning to the Reds that we are ready should world tensions threaten to erupt into war.

These modern weapons of war—capable of almost unimagined destruction—are our best hope of peace in the former battleground of Europe.

We have deterrent strength to check Soviet aggressive moves, and we have let the Reds know that we know how to use this strength if necessary.

Perhaps the best test of NATO is in performance. Since its creation not a single inch of ground has been lost to the Communists in Europe, despite an unceasing propaganda and pressure campaign against the West. In Europe, I believe there is more calm self-assurance in the powers of NATO and the forces of freedom than there is here in the United States, despite the fact that the Iron Curtain, at the most, is only a few minutes away by jet or missile.

The soldiers, statesmen, economists, technicians and scientists of free Europe are learning to work together in more than cooperation—perhaps coordination is a better word—toward the common goals of peace and freedom, and they find they like it.

Each nation in NATO is still its own master. Each decision by NATO must have unanimous approval of all participating nations, including ourselves. Decisions have been made forcefully and fearlessly. Europe is stronger. The United States is stronger because of this alliance of free men and women working toward a universal and common objective.

Mr. WEAVER. Mr. Speaker, I would like to join my colleagues at this time in discussing the situation and the problems which we found on a recent tour of North Atlantic Treaty Organization bases in Europe. I took part in this inspection trip at the urging of the minority leader of the House, the gentleman from Indiana [Mr. HALLECK]. I was pleased to take part in this important inquiry into the conduct of NATO affairs also because of my position on the Subcommittee on Department of Defense Appropriations. I learned a great deal of valuable information about our potential and about the manner in which our NATO defense dollars are being spent. This information will be of great value to me in my capacity as a member of that Subcommittee in the consideration of defense matters.

Mr. Speaker, at the outset of these remarks I would like to congratulate the chairman of our group, the Honorable FRANK CLARK, of Pennsylvania, for the very fine manner in which he represented the Congress of the United States while in Europe. He did a splendid job.

Mr. Speaker, I found that our position in Europe is a good one, a strong one and a remarkably flexible one. The position is especially good considering the frequent turnover of governments in some parts of Europe, such as France and Italy.

I found the morale of the troops I visited to be excellent, both American and foreign troops included. We can be proud of the leadership within NATO and I congratulate General Norstad and our other military commanders most highly.

I found the morale of the people whom I visited and with whom I talked to, to be good. They are particularly impressed by the stability of the United States and the steadfastness of our purpose in defending the free world against the encroachment of communism.

From this trip I find that the affairs of the free world, particularly as they are reflected in Europe, are better today than ever before in recent history. Although there are tensions of the cold war and these tensions are apparent, there is a growing recognition among the people of Europe that the Communist cause is weakening. There is a general recognition that the antics of the Communist leaders prove that they are disturbed and that they realize the road they have been following leads them nowhere. They realize that the flamboyant actions and statements of the Communist leaders are nothing more nor less than a propaganda cover for the fact that communism has failed to make the kind of advances in Europe that had once been expected.

The Eisenhower administration through its efforts with NATO and similar organizations has shown that we can work and spend money for peace to a better advantage than through the destruction of world war or even limited warfare. One great saving that has been overlooked is the saving of life under this type of program. The costs of human life and maimed human bodies cannot be estimated and cannot be gaged in terms of dollars and cents.

There is one point concerning the present NATO forces which I would like to emphasize and that is that they must be armed with the most modern weapons available. If NATO troops are to serve as frontline fighters in the continuing struggle against world communism, they must be armed to meet the aggressor.

In some instances, Mr. Speaker, I found that our allied troops were still armed with original Marshall plan grant weapons. This must be repaired. These weapons must be replaced with modern, effective, and efficient weapons as rapidly as possible. This is being done, but not on the needed scale.

I would like to comment on another aspect of diplomacy at this time.

We in the United States have been blessed with bumper crops year after year. Our farmers through their ingenuity and their determination and their use of new techniques have been able to supply far and away more food than our own country can at this time consume. This food has been stored and has become surplus. It has become costly to the American taxpayer and a burden to the American farmer. It has tended to depress farm prices and to destroy the morale of our farm citizens.

And yet, Mr. Speaker, even in some parts of Europe there are people who are hungry. We must not permit malnutrition to be the accepted standard of living.

These conditions do exist to a degree in some parts of Europe. I know from personal experience that they exist to a much greater degree in other parts of the world. In some areas the situation is not only critical, it is disastrous.

It is my suggestion here that the United States undertake through diplomatic means to break down the international barriers that prevent the use of this surplus American food as a great weapon of peace. It is my thinking that our surplus wheat and corn, butter and eggs, milk and soybeans can and should be used to feed the starving peoples of the world. It is my thinking that this would mean a great stride in the direction of stabilizing the forces which are loose in the world and which tend to cause dissension and distrust. We can and should use our abundance and our ability to produce even more abundantly for world peace.

I plan to make this suggestion officially and formally to the adviser on agriculture to Vice President Nixon, Secretary of the Interior Fred A. Seaton. I shall also discuss this with other leaders in the Republican Party and I hope that it can be incorporated in the Republican agricultural program as it is developed.

WABASH VALLEY FLOOD CONTROL

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. MACK] is recognized for 5 minutes.

Mr. MACK. Mr. Speaker, I have today introduced a bill to authorize the establishment of a Wabash Basin Interagency Water Resources Commission to coordinate Federal, State and local plans for development of one of America's

most fertile—and most neglected—river valleys.

The Wabash Valley is rich in soil and mineral resources but much of it is a distressed area because of heavy and chronic unemployment in its cities.

Floods that destroy life and property are an annual problem. All this surplus water in flood season could become an asset instead of a liability if stored in reservoirs. As it is, many towns have to haul water during dry seasons and the river runs uncontrolled.

Coordinated planning for the future is imperative if the Wabash Valley is to share the prosperity that most other parts of the country have enjoyed during the postwar years.

My bill would make possible the preparation of a comprehensive, integrated plan for developing the land and water resources of the basin. This approach is a proved and effective one. It has been used with success in the New York-New England region, in the Arkansas-White-Red River Basins and in other large areas with similar problems.

The Commission to be created by this legislation would be composed of both State and Federal representatives.

The President would appoint the Federal members, representing the Army Corps of Engineers, the Soil Conservation Service and such other Federal agencies as have a substantial interest in the work to be undertaken.

The Governors of Illinois and Indiana would be authorized to nominate members representing their respective States. In addition, there would be a representative of the Illinois-Indiana compact which I cosponsored and Congress approved in 1959.

The Wabash River drains a total area of more than 33,100 square miles of which 320 are in Ohio, 24,220 in Indiana and 8,560 in Illinois. This area has a population of more than 2½ million. One of the principal tributaries of the Wabash is the Embarrass River, which is in Illinois and flows through a section of my congressional district.

Floods have taken a tremendous toll of life and property over the last century. Damage to crops alone in the States of Illinois and Indiana exceeded \$48½ million in 1957 and 1958. Again this year black headlines in newspapers throughout the valley told a sad story of ruined farm crops and washed-out bridges.

Mr. Speaker, I hope that this comprehensive study may be authorized without undue delay because the need is great.

PLIGHT OF THE DAIRY FARMERS IN SOUTHWEST MISSOURI

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Missouri [Mr. BROWN] is recognized for 10 minutes.

Mr. BROWN of Missouri. Mr. Speaker, once again I want to call the attention of this Government to the serious plight of our dairy farmers in southwest Missouri, and ask that the House join the Senate in a last-ditch effort to get remedial action.

A good dairyman told me last week that he and his wife and five children milk 50 cows, but they cannot even begin to break even. He has better dairy equipment than ever; he has better cows; he works harder and more efficiently; but he is losing money, and he can show you his books to prove it.

This man, and thousands more who are in the same boat in our area, are second-class citizens in 1960 America; and they are at a loss to understand why.

There is no serious overproduction of milk. In fact, milk production has increased only 1 percent a year in recent times, while population has increased considerably faster than that.

Government-held surpluses are not overhanging the market, keeping prices down. The Government does not have enough dairy products to carry on a good school lunch program, much less a market-depressing surplus. As of today, Government supplies of butter and dried milk total only \$85,000 worth; and Government supplies of cheese are about \$3,000 worth—an infinitesimal amount.

Consumers are paying recordbreaking prices for milk, about 5 cents a quart more than 8 years ago. Yet, farmers are receiving 18 percent less for milk and 22 percent less for butterfat than they received in 1952.

It seems that every time the consumer price goes up, the farm price goes down; and slowly but surely, the dairy farmer has been driven to the wall by a cost-price squeeze that is insufferable.

In the past 12 years, dairy farmers' cash expenditures have increased more than 33 percent; the prices of all the items that go into the operation of a farm have skyrocketed—motor vehicles are up 47 percent; farm machinery, up 58 percent; and farm real estate taxes, up 94 percent. Similar increases have occurred in the prices paid for other production items, as well as interest on farm mortgages.

The average dairy farmer is getting 40 cents an hour for his labor.

The law of supply and demand is not functioning justly; and only the Government can correct this serious inequity.

To correct a similar situation that prevailed in the 1920's and to prevent it ever happening again, Congress passed Federal laws in the 1930's empowering the Secretary of Agriculture to prevent unjust farm prices.

Under those laws, the Secretary of Agriculture could correct the present dairy depression, in quick order, if he wanted to do it. He has the authority to step in and raise minimum price support levels on manufacturing milk from the present \$3.06 level to as much as \$3.67 per hundred, at the farm; and he could raise butterfat prices to farmers from the present 56.6 cents a pound to 59.6, if he so desired. And any increase in manufacturing milk prices would result in corresponding increases in grade A blend prices.

But for 7 years now, the Secretary of Agriculture has devoted his time to lowering the farmer's milk prices, not in raising them to reasonable levels. The dairy farmer's legal protector has deserted him; and we have witnessed the

incongruous situation where Congress has to pass laws to protect the farmer from the farmer's Secretary.

In 1957, we passed a bill in Congress to prevent the Secretary of Agriculture from lowering milk price supports below \$3.25 per hundred on manufactured milk.

We warned the Secretary at that time that any further reductions in raw milk prices would not be passed on to consumers, that per capita consumption of dairy products would not increase, that the only result would be to gyp the farmer and leave a void for distributors and processors to absorb.

Secretary Benson ignored those warnings and got the President to veto that 1957 bill. Then he proceeded methodically to lower farm milk price support levels from \$3.25 to \$3.06 per hundred. From that day forward, we have been reaping the harvest of what the Secretary of Agriculture sowed: Depression and disposal sales in the best dairylands in America.

After the sad veto experience of 1957, it is understandable that Congress despaired of any dairy programs until we could get a Secretary of Agriculture who cared about the welfare of the farmer.

We have hoped against hope that, once Government supplies of dairy products were disposed of and Government acquisitions became negligible, the present Secretary would see that the law of supply and demand would not assure justice for the dairy farmer, because of today's semi-monopolistic marketing conditions.

Processors and distributors have so much more economic power than any individual farmer or group of farmers that dairy farmers cannot hope to get a just share of the milk dollar unless Government protects them with minimum level price floors.

This year, supplies are in balance with demand. No appreciable amount of dairy products is flowing into Government warehouses. Yet, the farmer still cannot get a reasonable price for his milk.

On August 19, 1960, the Senate passed an emergency bill that would raise present minimum support prices on grade C manufacturing milk—grade C—from the present level of \$3.06 to \$3.22 per hundred and raise minimum floor levels on butterfat from 56.6 cents per pound to 59.6 cents.

I urge the House to pass the Senate bill and send it to the White House for the President's consideration.

By this formal action, we could at least get the dairy farm depression before the President personally, so the President himself could review the policy or lack of policy of his Secretary of Agriculture and take proper action.

As a dairy bill, the Senate measure is certainly no long-range solution to the dairy problem and no one even pretends that it is. The low minimum levels in the bill are nowhere near what the farmer deserves; but if it will get the dairy situation in front of the President himself, it could serve a worthwhile purpose.

Also, it would hold the line against any further decreases in the dairy

farmer's income and protect him from further injustices.

Even in areas such as ours, where some farmers are being paid a premium for milk in tanks, there is no ironclad assurance that the grade C price will not go to \$3.06 next year, as long as \$3.06 is the support price level.

So, lest a bad situation get worse, let us at least hold the line at \$3.22 cents a hundred on manufacturing milk and 59.6 cents on butterfat.

The side effects of passing this bill could be good. In areas like southwest Missouri and Tennessee, where even grade A milk is bringing only a little more than \$4, an increase in base support prices should increase grade A blend prices to farmers immediately. All milk prices are constructed on grade C levels, with premiums added for production under grade A conditions. So, better grade C price means better grade A price, also better blend price.

In our own area I have tried for many, many long months to get the Secretary of Agriculture to reopen the marketing order applicable to our section to see what could be done to improve our grade A prices.

But the Secretary sees no justification for reopening the marketing order; and here again his inaction is inexcusable. In summary, our dairy farmers have been in serious trouble for a long time. Our pleas for justice have fallen on deaf ears. Our acts in Congress have been vetoed. And we are desperate.

The consumer pays a fair price, but the farmer does not get a fair share; and the Government, the only agency big enough to correct the situation, refuses to correct the inequity.

Mr. Speaker, let us pass the Senate dairy bill and, by this formal action, call the dairy situation to the attention of the President himself and hope that he personally will do what his Secretary of Agriculture refuses to do—let farmers share in this country's general prosperity.

THE SCHOOL TEACHER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from West Virginia [Mr. STAGGERS] is recognized for 5 minutes.

Mr. STAGGERS. Mr. Speaker, our Founding Fathers based their hopes for the continuance and the success of a government of free peoples on nationwide literacy. They knew that knowledge is power, and that command over the written and spoken word was the only thing that enabled a people to choose between right and wrong, between wisdom and foolishness, between unenlightened selfishness and respect for the public interest. Hence they promoted free schools and a liberal education.

It is improbable that they could foresee a time in this Republic when the free schools would not only give the youth of the land the power to choose, but actually to set the standards of right and wrong, wisdom and foolishness, benevolence and selfishness. It is a far more important thing to be able to set standards than merely to judge actions by standards imposed by other agencies of society. And it is true that

the schools exercised their original functions so well that society has entrusted them with ever increasing responsibilities. Today the whole world of the child almost from infancy to adulthood revolves around the school. He remains under its influence from the early formative years of the nursery school and the kindergarten until he is called to man the defensive forces of the Nation or to fill the workshops, offices, and professions. His waking hours are filled with tasks and activities and thoughts connected with his school life. The nature and the direction of his training in the school will determine his life attitudes and practices, whether in the field of politics or economy or social understanding.

The power and the prestige of the school as an institution tends somewhat to eclipse the individuals who direct the learning process. The teacher who sits behind the desk in the classroom actually holds the throttle which controls the mighty engine of progress in the arts and sciences, in national and international relationships, in ethics itself. Whether we shall go forward safely and surely toward a better world, or be wrecked on the obstructions of evil and uncertainty and doubt depends on the skill and judgment of the teacher. An institution, after all, is only the lengthened shadow of a man. The teacher is the school, and the school holds the key to the future of America. And that future, as has often been said, is a race between education and catastrophe.

Two things stand in the way of full realization of the potentialities of the school. They are, simply: prestige for the teacher; and money.

In this country, we assume that prestige must be earned for anyone. We do not accord prestige because of the accident of birth or because someone has managed to insinuate himself into office, public or private. Prestige is earned through skill in performance of duty, through complete devotion to the demands of one's calling, and through unwavering integrity and dependability. I insist that teachers have already earned that prestige, and it should be accorded them. One of the few criticisms of American education made by visiting teachers from foreign countries is that teachers in this country fail to receive the prestige due them.

My reasons for making these statements here in the Congress of the United States is that I feel every elected representative of the people has a definite responsibility in the field of education. I, in common with many of my colleagues in this body, know something of the teaching profession, of its frustrations as well as its accomplishments, having been a teacher myself on both the high school and the college level. I have two sisters, a brother, an uncle, and an aunt now serving the public schools of my native State. Further, my wife and I have six children enjoying the unparalleled advantages of a public school system. We want them to grow daily in knowledge and virtue, and we crave an equal opportunity for every child in the land.

I do not know of any specific legislative enactment which could confer prestige on the teaching profession. But I do feel that we need to combat by word and thought whatever anti-intellectualism may exist in this country. We must treat the whole educational process with the gravity it needs to preserve a free government of free people. Given an outspoken understanding and a wholehearted sympathy with the difficulties of the schools and of teachers on the highest national level, we may hope to raise immeasurably the prestige that rightly belongs to the schools of our Nation.

As for the financial needs of the schools, the Congress is in a position to do something definite. Incessant wranglings over amounts that should be appropriated, over methods of distribution, over control of final expenditure, serve only to confuse the real issue, which is that we must spend much more money on education. Whether the money originates in the tax offices of the Nation, the State, or the locality, it all comes from the same American taxpayers. It is folly to assume that a centralized control of the expenditure of every last dime on the local level could be as judicious as community management without a vast bureaucracy of unimaginative and unadaptive pseudo-educators. I favor immediate dedication of a much more realistic share of our national income to the vital cause of public education, lest by saving a little in the name of economy, we may lose all in the breakdown of our entire system of communicating the achievements and the aspirations of the past to the rising generations.

DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES, APPROPRIATION BILL

Mr. FOGARTY submitted a conference report and statement on the bill (H.R. 11390) making appropriations for the Departments of Labor and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1961, and for other purposes.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. THOMPSON of New Jersey (at the request of Mr. FOUNTAIN), for today, August 24, 1960, on account of official business.

Mr. BENTLEY (at the request of Mr. HALLECK), for August 24, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. MACK, today, for 5 minutes.

Mr. BROWN of Missouri, for 10 minutes, today, and to revise and extend his remarks.

Mr. STAGGERS (at the request of Mr. McCORMACK), for 5 minutes, today, and to revise and extend his remarks.

Mr. REUSS, for 1 hour, on tomorrow.

Mr. COFFIN, for 15 minutes, tomorrow, and to revise and extend his remarks.

Mr. MADDEN, for 30 minutes, on Wednesday next.

Mr. BAILEY, for 30 minutes, on Friday next.

Mr. PUCINSKI, for 30 minutes, on Wednesday next.

(At the request of Mr. MOORE, the following Members were granted special orders:)

Mr. RHODES of Arizona, for 1 hour, on Monday next.

Mr. CURTIN, for 15 minutes, on August 25.

Mr. AVERY, for 1 hour, on August 29, Monday.

Mr. POWELL (at the request of Mr. ZABLOCKI), for 1 hour, on tomorrow, and 1 hour, on Saturday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. HOFFMAN of Michigan in two instances and to include extraneous matter.

Mr. GARMATZ.

(At the request of Mr. MOORE, the following Members were granted permission to extend their remarks in the CONGRESSIONAL RECORD and to include extraneous matter:)

Mr. TOLLEFSON.

Mr. BERRY in two instances.

(At the request of Mr. ZABLOCKI and to include extraneous matter the following:)

Mr. DINGELL.

Mr. McDOWELL.

Mr. JOHNSON of Maryland.

Mr. TOLL.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 5789. An act to incorporate the Agricultural Hall of Fame.

ADJOURNMENT

Mr. CLARK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 24 minutes p.m.) the House adjourned until tomorrow, Thursday, August 25, 1960, 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:

2418. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation entitled "A bill to amend and extend the provisions of the Sugar Act of 1948, as amended"; to the Committee on Agriculture.

2419. A letter from the Assistant Secretary of Agriculture, transmitting reports on four violations of section 3679 of the Revised Statutes, as amended, by officers of the Forest Service, Department of Agriculture, pursuant to subsection (1)(2) of the Revised Statutes; to the Committee on Appropriations.

2420. A letter from the Administrator, Foreign Agricultural Service, U.S. Department of Agriculture, transmitting a report concerning agreements concluded during July 1960 under title I of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, 83d Cong.), as amended, pursuant to Public Law 85-128; to the Committee on Agriculture.

2421. A letter from the Administrator, General Services Administration, transmitting the report of the Archivist of the United States on records proposed for disposal under the law; to the Committee on House Administration.

2422. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, relative to the case of Elias Alvanos, also known as Louis Alven, ~~XXXXXXXX~~ involving suspension of deportation, pursuant to the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

2423. A letter from the Attorney General, transmitting a report containing a review of the status of this Department's current survey relating to the Defense petroleum procurement and of the outstanding voluntary agreements and programs established, pursuant to section 708(e) of the Defense Production Act of 1950; to the Committee on Banking and Currency.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COOLEY: Committee on Agriculture. H.R. 12491. A bill to authorize the Secretary of Agriculture to convey certain lands in the State of Wyoming to the county of Fremont, Wyo.; without amendment (Rept. No. 2138). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. S. 3146. An act to authorize the Commodity Credit Corporation to donate dairy products and other agricultural commodities for use in home economics courses; without amendment (Rept. No. 2139). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. S. 3416. An act to provide for the restoration to the United States of amounts expended in the District of Columbia in carrying out the Temporary Unemployment Compensation Act of 1958; without amendment (Rept. No. 2144). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. S. 3727. An act to authorize the bonding of persons engaging in the home improvement business, and for other purposes; without amendment (Rept. No. 2145). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 13053. A bill to increase the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia, the U.S. Park Police, the White House Police, and for other purposes; without amendment (Rept. No. 2146). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 12993. A bill to amend the District of Columbia Teachers' Salary Act of 1955, as amended; with amendment (Rept. No. 2147). Referred to the Committee of the Whole House on the State of the Union.

Mr. FLYNT: Committee on Interstate and Foreign Commerce. S. 1740. An act to amend section 202(b) of the Communications Act of 1934, in order to expand the Federal Communications Commission's regulatory authority under such section; with amendment (Rept. No. 2148). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. S. 1964. An act to amend the act requiring certain common carriers by railroad to make reports to the Interstate Commerce Commission with respect to certain accidents in order to clarify the requirements of such act; with amendment (Rept. No. 2149). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 11535. A bill to amend the District of Columbia Alcoholic Beverage Control Act to provide that class C and D licenses shall not be prohibited from serving alcoholic beverages in their establishments on New Year's Day when New Year's falls on Sunday; without amendment (Rept. No. 2150). Referred to the House Calendar.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 12775. A bill to increase the relief or retirement compensation of certain former members of the Metropolitan Police force, the Fire Department of the District of Columbia, the U.S. Park Police force, the White House Police force, and the U.S. Secret Service; and of their widows, widowers, and children; without amendment (Rept. No. 2151). Referred to the Committee of the Whole House on the State of the Union.

Mr. FOGARTY: Committee of conference. H.R. 11390. A bill making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1961, and for other purposes (Rept. No. 2152). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the

Clerk for printing and reference to the proper calendar, as follows:

Mr. COOLEY: Committee on Agriculture. S. 882. An act for the relief of the heirs of J. B. White; without amendment (Rept. No. 2140). Referred to the Committee of the Whole House.

Mr. COOLEY: Committee on Agriculture. S. 3759. An act authorizing the Secretary of Agriculture to convey certain lands to Auburn University, Auburn, Ala.; without amendment (Rept. No. 2141). Referred to the Committee of the Whole House.

Mr. McMILLAN: Committee on the District of Columbia. S. 2306. An act to exempt from taxation certain property of the National Woman's Party, Inc., in the District of Columbia; without amendment (Rept. No. 2142). Referred to the Committee of the Whole House.

Mr. McMILLAN: Committee on the District of Columbia. S. 3415. An act to exempt from taxation certain property of the American Association of University Women, Educational Foundation, Inc., in the District of Columbia; without amendment (Rept. No. 2143). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAKER:

H.R. 13132. A bill to amend the Internal Revenue Code of 1954 to provide for the bracket method of depreciation, and for other purposes; to the Committee on Ways and Means.

By Mr. BENNETT of Michigan:

H.R. 13133. A bill to amend the Tariff Act of 1930 by transferring wood charcoal from the free list to the dutiable list; to the Committee on Ways and Means.

H.R. 13134. A bill to amend the Tariff Act of 1930 by adding nutshell charcoal and lignite briquets, to be sold for cooking purposes, to the dutiable list; to the Committee on Ways and Means.

By Mr. DEROUNIAN:

H.R. 13135. A bill to amend a provision of the Railroad Unemployment Insurance Act relating to days of unemployment; to the Committee on Interstate and Foreign Commerce.

By Mr. MILLS:

H.R. 13136. A bill relating to the dutiable status of certain articles containing foreign material which come into the United States from its insular possessions; to the Committee on Ways and Means.

By Mr. MASON:

H.R. 13137. A bill relating to the dutiable status of certain articles containing foreign material which come into the United States from its insular possessions; to the Committee on Ways and Means.

By Mr. HALPERN:

H.R. 13138. A bill to amend the Internal Revenue Code of 1954 to provide an additional \$2,400 exemption from income tax for amounts received as annuities, pensions, or other retirement benefits; to the Committee on Ways and Means.

By Mr. MACK of Illinois:

H.R. 13139. A bill to establish a Wabash Basin Interagency Water Resources Commission; to the Committee on Public Works.

By Mr. OLIVER:

H.R. 13140. A bill to establish within the Housing and Home Finance Agency a new program of mortgage insurance to assist in financing the construction, improvement, expansion, and rehabilitation of harbor facilities for boating and commercial craft; to the Committee on Banking and Currency.

By Mrs. MAY:

H.R. 13141. A bill to amend and extend the provisions of the Sugar Act of 1948, as amended; to the Committee on Agriculture.

By Mr. BYRNE of Pennsylvania:

H. Con. Res. 726. Concurrent resolution expressing the sense of Congress in favor of granting relief to the domestic carpet industry; to the Committee on Ways and Means.

By Mr. DORN of South Carolina:

H. Con. Res. 727. Concurrent resolution expressing the sense of Congress in favor of granting relief to the domestic carpet industry; to the Committee on Ways and Means.

By Mrs. SULLIVAN:

H. Res. 623. Resolution relative to the operation of the Panama Line; to the Committee on Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KILDAY:

H.R. 13142. A bill for the relief of Kwan Chung Yin; to the Committee on the Judiciary.

By Mr. ROBERTS:

H.R. 13143. A bill for the relief of Lee Dock On; to the Committee on the Judiciary.

By Mr. TABER:

H.R. 13144. A bill for the relief of Georg Puffal; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Discriminating Against the Worker

EXTENSION OF REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1960

Mr. HOFFMAN of Michigan. Mr. Speaker, in the Senate, Senators KENNEDY and JOHNSON, respectively Democratic candidates for President and Vice President, with a two-thirds Democrat majority back of them and Senator JOHNSON in the powerful position of ma-

ajority leader, are pushing S. 2643, introduced by Senator KENNEDY—H.R. 9070 in the House—in an effort to please a few labor leaders and so capture the so-called labor vote.

At the same time, they are insisting upon legislation which they say will give equal rights to all. On equality they blow hot and cold.

It needs but a glance at S. 2643 and H.R. 9070 to show rank inconsistency. The purpose of both bills is to amend the present labor law so as to enable a minority group on a construction job to tie up the whole job.

Example: A partnership at Port Chester, N.Y., contracted to build a home

for a man in Greenwich, Conn. The partnership used its own employees on all but the electrical installation. That they subcontracted to an employer who had two nonunion men on the job. Other workers by a strike tied up the whole job. The U.S. Supreme Court held (*Electrical Workers v. Labor Board* (341 U.S. 694)) that it was not lawful to throw all the other workers out of their jobs just because the two electrical workers did not belong to the union.

Now Senator KENNEDY and Senator JOHNSON insist the law be changed to enable union officials to do just that.

Where hundreds of union workers are employed on the construction of an

apartment building, an office building, or an industrial plant or home, they can be thrown out of work just because a comparatively small minority is dissatisfied.

In this day and age when there are several million out of work in this country, when workers from other countries are coming here, when politicians are insisting upon equal rights for all, is there any consistency or advantage in advocating legislation which will enable a few (in the case decided by the Supreme Court they numbered but two) to throw hundreds of other workers who are satisfied with their working conditions and their wages out of their jobs and onto the unemployment rolls where the rest of us must contribute to their support?

Yet that is just what S. 2643 and H.R. 9070, sponsored by Senators KENNEDY and JOHNSON, the Democratic candidates for President and Vice President, would permit if it became the law of the land.

In my judgment, after spending 38 years trying jury lawsuits, 25 years here in Washington, it seems the height of folly to enact legislation which will permit any small group to injure and deprive other citizens, several million of them, of their right to earn a livelihood.

This proposed legislation is not designed to protect the worker against his employer.

It is designed to permit a few union employees—a very few—and a very few union officials, to tie up any construction job. Its enactment would permit a few dissatisfied union workers to throw all other workers—union and nonunion—on the job out of their jobs, halt construction.

Apparently, the advocates of the legislation have forgotten the slogan over the Supreme Court door, "Equal justice under law."

I shall vote against the bill—vote to protect the worker against discrimination by a union would-be dictator.

H.R. 9866

EXTENSION OF REMARKS

OF

HON. E. Y. BERRY

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1960

Mr. BERRY. Mr. Speaker, the vote on the bill, H.R. 9866, to authorize the spending of \$100,000 for five agricultural employees in the island of Guam is typical of what has been happening under the leadership of the Democrat majorities in Congress. The Department already has about 30 employees serving the island of Guam in an agricultural area about 37 square miles or, in other words, about the area of one township.

Only the day before yesterday afternoon I appeared on the same platform with my colleague, GEORGE MCGOVERN, who blasted the amount of spending of the Department of Agriculture and told how much it was costing the taxpayers

to operate this Department as compared with a few years ago. He left that meeting by plane, flying directly to Washington, and upon his return yesterday afternoon one of the first bills upon which we were called to vote was this bill requiring the Department to spend an additional \$100,000 on a project as unnecessary as any project could possibly be and yet he and his New Deal colleagues voted for it.

My opponent in this campaign has many times said he would vote exactly as MCGOVERN has voted. Just how can they make sense out of blasting spending one day and voting additional spending on the very next day?

"Traffic Safety," Speech by Hon. Samuel N. Friedel, of Maryland, at "Clean Sweep" Luncheon, Safety First Club

EXTENSION OF REMARKS

OF

HON. EDWARD A. GARMATZ

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1960

Mr. GARMATZ. Mr. Speaker, it is a privilege to be able to insert in the RECORD the text of a speech made by my colleague, SAMUEL N. FRIEDEL, of the Seventh Congressional District of Maryland, before the Safety First Club of Maryland, at its "Clean Sweep" luncheon held in Baltimore on August 19. The luncheon marked the endorsement received from the Governors of all 50 States for the organization's nationwide campaign for the issuance of a commemorative traffic safety postage stamp.

Mr. FRIEDEL was the author of the original bill introduced in Congress to establish a Special Subcommittee on Traffic Safety, and he was appointed a member of that committee. It functioned so effectively that its work is being continued at the present time and the results of its efforts will be felt nationwide. The speech follows:

TRAFFIC SAFETY

Mr. Chairman, members of the Safety First Club, and friends, it is indeed a pleasure for me to be with you today for this "clean sweep" luncheon. I know how gratified each of you must be in the knowledge that you made a clean sweep of all the 50 States Governors in your drive to obtain support for the issuance of a special traffic safety stamp. This is a real accomplishment.

No one knows better than I do the terrific amount of work that has gone into this project. At this time I would like to commend the chairman of this drive, Harry Abell, the president of the Safety First Club, J. O. Shuger, as well as Morris Kasoff, Sam Abrams, Dr. Leo Kline and the secretary, Maurice Shochatt. Without the untiring efforts of these public spirited citizens we would not be here today to mark a clean sweep of all our State Governors in support of this worthy cause.

It has been my privilege from time to time to assist the executive committee for the special traffic safety stamp in whatever way they deemed appropriate. When your committee passed a resolution last August, call-

ing for the issuance of a special stamp, I was very enthusiastic about using this means of calling to the attention of all our citizens the importance of driving safely on our Nation's streets and highways. In fact, I thought so much of this project that I spoke about it on the floor of the House of Representatives on August 20, 1959, and called upon the Postmaster General to issue a special traffic safety stamp. I pointed out then, and I would like to repeat now, that our most precious asset is the people of our country.

On March 30, 1960, it was my pleasure to announce on the floor of the House of Representatives that the Safety First Club of Maryland had been successful in obtaining the support of the Governors of 48 States in their drive for this special stamp. At that time I asked my colleagues in the House to get behind this drive and assist in every way possible to have such a stamp issued. Today it is a great pleasure for me to note that we now have the support of the Governors of all our States and this could not have been accomplished without the persistent efforts of the members of this club.

As you all know, the Postmaster General has advised me that a special traffic safety stamp cannot be issued this year. However, on Wednesday of this week, I was assured that this proposal will be considered when the decision is made as to the special stamps to be issued in 1961. Our present Postmaster General has made the decision regarding the stamps to be issued in the first 3 months of 1961. However, I hope we will have a new Postmaster General for the balance of next year and that he will be a man who is aware that anything we can do to stop the killing of our citizens on the highways is a moral obligation we all face. I still maintain that if we can issue special stamps calling attention to the need for soil conservation, water conservation, and such other matters, we can certainly find a way to issue a stamp calling attention to the need for conserving human lives. You can rest assured that I will continue my efforts in this direction.

I have stated many times over that traffic safety is everybody's business, yet this continues to be one of our unsolved national problems. Many fine organizations, such as the Safety First Club of Maryland, have expended great effort to bring this problem to the attention of the public and to make people safety conscious. However, much more work is needed if we are to stop the slaughter on our Nation's highways. Just this past weekend our Governor the Honorable Millard Tawes, proclaimed his desire that this be a "deathless weekend" on Maryland highways. Yet, in less than 3 hours after the start of the weekend we had two deaths resulting from accidents on Maryland highways. This makes it look as though we are not getting our message across to the driving public.

I think all of you here realize that we must exert even more effort to make every automobile driver aware of the great necessity for driving safely. We must make him understand that accidents do not always happen to the other fellow—they can happen to us. Each individual driver must do his part by obeying traffic laws and watching the other fellow as well as himself when he is behind the wheel.

I know that each of you here today are doing a great deal to help solve this traffic safety problem, but I think you will agree that the need for safety on our Nation's highways cannot be brought to the attention of the American people too often. Wide circulation of a traffic safety stamp would be very useful in our campaign to stop the needless loss of the lives of so many of our citizens. Again, let me assure you that I will continue to do everything in my power to have such a traffic safety stamp issued next year.

Thank you for giving me this opportunity to address the Safety First Club of Maryland today. Now that we have made a clean sweep in obtaining the support of Governors for our special traffic safety stamp campaign, let us use this support in every possible way so that all our citizens will be made aware of their social responsibility, respect the rights—and the lives—of others. In this way, I believe we can ultimately stop this disgraceful slaughter on the highways.

Anniversary of the Ukrainian Congress Committee of America

EXTENSION OF REMARKS OF

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1960

Mr. DINGELL. Mr. Speaker, in this period of our history of conflicting ideals and sometimes lack of definite purpose it is encouraging to find an organization of 2½ million Americans united in one single, overpowering aim. The Ukrainian Congress Committee of America is just that. I take pride in congratulating it on its anniversary for 20 years of holding the ideals of freedom and independence from tyranny before the American public and all the world. It is indeed rare to find such a group that works selflessly and tirelessly to prove to those of us who have sometimes taken our liberties for granted that there are hundreds of millions of people today that do not and have never had such liberties. The members of the Ukrainian Congress are ideally suited to make us aware of these facts, for the history of the Ukraine is the history of liberty hard fought for, hard won, and then hard lost.

In 1918, the Ukrainian peoples declared themselves independent from the newly formed Soviet Government. Two years later it capitulated to the forces of the Soviet, after more than a year of resistance against overwhelming military odds. There followed the suppression by force of the Ukrainian culture and the Ukrainian heritage under the militant Communist regime, which confiscated the produce and resources of the Ukraine. Collectivization was enforced; Ukrainian nationalist leaders were persecuted; and the Ukrainian Autocephalous Orthodox Church was dissolved. Thus was the Ukraine drawn into the Soviet Union, no longer to have a voice in the world except through such agencies as the Ukrainian Congress.

The Congress was organized in 1940 for one major purpose—to be the voice of the 40 million Ukrainians who are not free to inform the world of their captive condition. The membership of the Congress is composed of 2½ million Americans of Ukrainian ancestry. Ultimately they hope to see once again an independent Ukraine. In the interim they devote their time to exposing to Americans and to the world the methods and atrocities of Russian tyranny, so well exemplified in the history of the Ukraine in the last 40 years. They speak on behalf of all

captive nations and captive peoples. In their publications, local organizations, public programs, and promotion of the annual Captive Nations Week their message has become more and more startlingly clear. Soviet goals and methods are diametrically opposed to everything the United States stands for. Sometimes it takes an organization like the Ukrainian Congress, with ties and interests in a country subjected to Communist rule, to remind us of our own purpose and beliefs.

An Investment in the People—Educational Television

EXTENSION OF REMARKS OF

HON. HARRIS B. McDOWELL, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1960

Mr. McDOWELL. Mr. Speaker, a significant study by the U.S. Chamber of Commerce, "An Investment in the People" concludes that the country or the State with the highest per capita income is the one with the best educated people. Obviously, if a people are not educated, they cannot take advantage of the resources of a country no matter how rich it potentially may be.

In educational television we have a new and highly important tool for bringing America's educational system abreast of the times.

It is the hope of many Delawareans that the Federal Communications Commission will assign the now silent channel 12 to Delaware for purposes of educational television broadcasting. This is a step which I have strongly supported in the past and will work for in the future with all the means at my disposal. I have, in addition, cosponsored with Senators MAGNUSON and SCHOEPPFEL legislation on the subject of educational television which would give financial assistance to get this important program off the ground. In this connection it is important to recognize the tremendous support which the Federal Government has given to American railroads, to the airlines, and to shipping, and highway transportation. Certainly, educational television is equally deserving and is equally important to the welfare of the people of this great Nation.

I include here, as part of my remarks, the text of my weekly radio broadcast to the people of Delaware the week of August 23, 1960, over seven Delaware radio stations:

My subject for this week's report from Congress is one which I know is of great interest to the people of Delaware, and one which has occupied a great deal of my time these past 2 years as a Delaware Congressman. This subject is educational television.

But first, since this is my last report, I want to thank all of the listeners in Delaware who have heard my bimonthly broadcasts, and especially I want to thank your radio station which has made these public service broadcasts possible.

On May 12 and 13, 1959, hearings were held before the Subcommittee of the Committee on Interstate and Foreign Commerce on a number of bills, including one which I had introduced on the subject of educational television.

On April 13, 1959, the Senate had passed such legislation introduced by Senators MAGNUSON and SCHOEPPFEL. I am going to quote to you from the testimony of two prominent educators who testified before the committee. Their views coincide with my views on this important and vital new media which is available to the American people, and more specifically of interest to Delawareans is the assigning of the now silent channel 12 to Delaware for educational television broadcasting.

Raymond D. Hurlbert, general manager of the Alabama Educational Television Commission, had this to say:

"Many of you are familiar with U.S. Chamber of Commerce study, 'An Investment in the People.' This study points out that it is not the country or the State with the greatest natural resources which has the highest per capita income, but the one with the highest literacy, the best educated people. Our State is rich in natural resources, but our great need is to raise the per capita income through education.

"We are on the threshold of tremendous advances in the field of education. Should we ask the question, Has the time come for updating the educational system of schools in America and if so, as an aid, do we not have an available tool in educational television? In fact, we have a providential tool to help make the hurdle of leaping from the traditional to the modern needs in education. What does industry do when it is time for a retooling job? Is not expense for retooling considered essential in the light of future efficiency and greater production, and are not new methods inaugurated? There is no question as to what business would do in such a case. Should we not apply just as much good business to the education of our youth? As stockholders in this big business of education, should we not test the potential in educational television, and its ability to bring increasingly valuable dividends?"

Donald H. McGannon, president, Westinghouse Broadcasting Co. had this to say:

"It is an interesting thing about educational television, that while it is in the sixth academic year and represents a \$60 million investment, it has achieved the outstanding goals it has, but far more lies in the future than in the past. As I have indicated, I believe that to be true of television in general but the educational phase represents a dimension without which the medium cannot achieve its full potential or capacity. Commercial television as a medium of entertainment, information and advertising requires the pure research and laboratory techniques and opportunities of educational television, working hand in hand to achieve the degree of fuller enlightenment every one of us in the industry feel can and even must be achieved. Much has been accomplished in less than a decade but far more need be accomplished in this world of nuclear physics and international hypertension.

"In other more blunt words, get the educational station on the air in order that the whole evolutionary and developmental process of qualitative programing can be undertaken and perfected. The longer this is delayed, the longer these vital frequencies are left unused, the longer the American people are deprived of such educational opportunity; yes, the longer our already strained educational system and overburdened municipal finances are denied this dynamic and collateral aid. Then, too, will our ability to achieve the blessings and opportunities of the ultimate public service educational system be forestalled.

"The United States must improve and increase the use of all educational means at our disposal but surely television and radio, occupying so prominent a place among the interests of our people, have a great opportunity and a still greater obligation in this regard."

Many other prominent officials of public and private institutions gave similar testimony in support of Federal participation in the promotion of educational television broadcasting. It is my belief that it is only a question of time before public demand will bring about a more complete use of the vast potential of educational television. There is no mistaking that the most overwhelming fact today is that we no longer have the enormous luxury of time—we must adjust our institutions and methods of democracy to the life or death demands of a speeding world where there can be few mistakes, few revisions and few fumbblings. Complete and total education of all of our people is our greatest secret weapon in the cold war struggle of democracy versus communism.

Enter Ye in at the Strait Gate: for Wide Is the Gate, and Broad Is the Way, That Leadeth to Destruction

EXTENSION OF REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1960

Mr. HOFFMAN of Michigan. Mr. Speaker, today, Tuesday, July 26, 1960, Republicans in Chicago are writing their party platform and tomorrow will name their candidate for President—the Democrats recently finished that job.

You now have an opportunity, a duty, to consider seriously the kind of Government you will bequeath to your children and their descendants.

We differ in our decisions as to methods and policies we should follow which will give to our people the greatest possible opportunity for prosperity, happiness, and freedom, as to the course we should follow in dealing with other nations.

Differences in opinions are not only permissible, but unavoidable. However, there is no excuse for the mentally indolent individual who fails to think and act when opportunity is given to personally, effectively participate in solving questions which vitally affect not only his own welfare, but that of all, as well as the future security of our Nation.

By 8 long years of hardship, suffering, sometimes death, our forefathers won our freedom, and for the first time in the world's history, established a Government of principles which, if religiously followed, mean freedom and happiness to us as individuals, as well as security for our future existence.

Billy Graham, today's evangelist, might well have used the words uttered last night by Herbert Hoover who, in substance, told us that insuring our moral and spiritual future is just as, if not more important than attaining temporary material prosperity. It is obvious that unless we give more and effective thought

and action to the principles underlying our Government, the United States of America will follow the road to ruin down which every nation has traveled since the dawn of civilization when its people preferred idleness, pleasure, and wasteful practices to methods and policies which called for courage, endurance, and thrift.

The nation, as well as the individual, which seeks "the wide gate, the broad way" is, as was written so many years ago, doomed ultimately to failure.

Reading the Chicago Tribune this morning, I learn that Republican politicians are striving for a platform which will assume to give the greatest degree of civil liberty to each of us, regardless of race, creed, or state of origin. That is all to the good, and to that principle, all can subscribe.

However, on the same page stretches a headline reading "One Thousand Goons Besiege Plant." The caption reads "State Refuses Protection in Racine," and the story discloses that "a mob of 1,000 strike goons and sympathizers besieged the struck plant, without deterrence by State authorities or Gov. Gaylord Nelson." Is anyone concerned about the civil liberties of colored, yellow, or white who desire to work?

Eager to secure votes in November, the Democratic Party platform and presumably the Republican platform to be adopted today, will go far to protect some civil rights, to prevent certain discrimination, but why deny the right of any one to earn a livelihood as at present is the practice? Why boast about efforts to prevent discrimination in some fields of activity while sanctioning it by failure to act in others? Why yield to political expediency rather than adhere to principle?

All civil rights of everyone should be protected.

Statement to the Annual Convention of the Maryland, Delaware, and District of Columbia Moose Association

EXTENSION OF REMARKS

OF

HON. THOMAS F. JOHNSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1960

Mr. JOHNSON of Maryland. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include my statement to the annual convention of the Maryland, Delaware, and District of Columbia Moose Association held in Washington, D.C., on August 19-21, 1960:

Fellow members of the Loyal Order of Moose, as the Representative of the First Congressional District of Maryland, and as a member of the Salisbury Lodge, No. 654, Loyal Order of Moose, I welcome you to our Nation's Capital.

The Loyal Order of Moose, an international fraternal society composed of more than 1,700 lodges with a total membership of nearly 1 million men, is dedicated to the service of his fellow man and loyalty to his country.

Moose lodges throughout our Nation have distinguished themselves by supplying leadership, manpower, and financial aid for worthwhile community affairs, with particular emphasis on youth activities.

All of us are proud of Mooseheart, situated in the Fox River Valley of northern Illinois, 40 miles west of Chicago. Since Mooseheart was founded in 1913, more than 5,000 children of deceased members of the Loyal Order of Moose have benefited by its educational and training program.

All of us are proud of Moosehaven, located in Orange Park, Fla. This model home for our senior citizens stands as an epitaph of our concern for the aged and a challenge to all organizations to equal.

True democracy can only survive so long as all men practice humanitarian service to his fellow man. You have pioneered in child welfare, education, and care for the aged. You will carve new frontiers in service, because you are loyal members to the Loyal Order of Moose. I wish you a most successful convention.

America's Military and Economic Strength Is Great

EXTENSION OF REMARKS

OF

HON. THOR C. TOLLEFSON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1960

Mr. TOLLEFSON. Mr. Speaker, for the benefit of those Members who have not had an opportunity to read them, I am inserting herewith in the CONGRESSIONAL RECORD excerpts from President Eisenhower's speech at Chicago last month. He pointed to our economic and military strength, and to our position in the world today. What he said merits the attention of everyone who has concern over these matters.

The excerpts follow:

To this convention I bring no words of despair or doubt about my country—no doleful prediction of impending disaster. Whoever misleads by calculated use of some but not all the facts, whoever distorts the truth to serve selfish ambition, whoever asserts weakness where strength exists—makes a mockery of the democratic process and misrepresents our beloved country in the eyes of the watching world.

The irrefutable truths are that the United States is enjoying an unprecedented prosperity; that it has, in cooperation with its friends and allies, the strongest security system in the world, and that it is working ceaselessly and effectively for a peace with justice, in freedom.

Our own mounting living standards, and the history of these Republican years, provide the proof that these are facts.

THE ECONOMY

There are more Americans today employed, at higher wages and with more take-home pay, than ever before in our history. They have more confidence in the stability of their money than they have enjoyed in three decades.

In these past 7½ years, the annual gross national product has increased by \$100 billion or 25 percent. This figure, though stupendous, is asserted by some to be unnecessarily low. But what would they say if they knew that during the almost 8-year duration of the prior Democratic administration, the gross national product actually declined in every single peacetime year, save one.

During all the years of this administration, I've heard much from the opposition, especially from its free-spending clique, about increasing the rate of economic growth by depending principally on governmental activity, with vastly increased Federal expenditures.

We reject the argument that healthy growth can thus be bought from the funds of the Federal Treasury.

We believe profoundly that constant and unnecessary governmental meddling in our economy leads to a standardized, weakened, and tasteless society that encourages dull mediocrity, whereas private enterprise, dependent upon the vigor of healthful competition, leads to individual responsibility, pride of accomplishment and, above all, national strength.

Inflation—the most insidious and cruel form of taxation ever devised—drove prices up 48 percent in the previous administration, thus robbing millions of our people of savings and of purchasing power.

In the last 7½ years, we have succeeded in keeping the total price rise below 11 percent. And, at least this is my fixed opinion, this record could have been even better if I might have had the privilege of working all these years with a Republican Congress.

SECURITY

In the sum of our capabilities we have become the strongest military power on earth. But just as the Biblical Job had his boils, we have a cult of professional pessimists who, taking counsel of their fears, continually mouth the allegation that America has become a second-rate military power. This extraordinary assertion amazes our friends in the world who know better; it even bewilders many of our own people who have examined our 7½-year record of military expansion and who are not used to hearing their gigantic defense efforts so belittled.

Defense expenditures during the 12 months preceding the outbreak of the Korean war were less than \$12 billion. Today we are spending, after 7 years without hostilities, over three times that much, more than \$41 billion annually on a powerful, flexible and adequate defense establishment, which commands worldwide respect.

The United States today possesses a military establishment of incalculable power. Combined with the strength of our NATO, SEATO and other allies, the free world is prepared to meet any threat and, by its retaliatory strength, to face any potential aggressor with a mighty deterrent.

All this—all this—has been brought about by vigorous and imaginative leadership, the genius of our scientists, the skill of our Armed Forces, and by the sacrifices of the American people. To belittle this might, and the prestige, pride, and capabilities of these groups does such violence to my sense of what is right that I have difficulty in restraining my feelings of indignation.

If we can be blessed with experienced and steady leadership in Washington, the possibility of the outbreak of future war will be minimized and we can eventually win the peace.

THE WORLD

In the pursuit of world peace, I have personally journeyed more than 90,000 miles during the past year and visited the people of more than a score of nations on four continents. I have heard the insistent demands of multitudes for the right to live their lives in peace, and I have seen and taken part in many impressive American initiatives directed toward this crucial goal. The United States has made proposal after proposal, each in good faith, in an effort to reduce tension in the world and to lessen the economic burden of armaments. Moreover, we are prepared always to consider any reasonable proposal made by others.

Only a few months ago the men in the Kremlin were calling for complete and total disarmament. But suddenly thereafter, they began devising one crisis after another.

They brutally wrecked the summit conference.

They have threatened us with missiles. And today, they cold-bloodedly boast of shooting down one of our planes legitimately traveling over intercontinental waters.

The Soviet dictator has said that he has, in his recent journeys and speeches, succeeded in damaging the prestige of America. Now, this is indeed an empty boast.

Concerning this matter of comparative national prestige, I challenge him to this test: Will he agree to the holding of free elections under the sponsorship of the United Nations to permit people everywhere in every nation on every continent to vote on one single simple issue?

And that issue is: Do you want to live under a Communist regime or under a free system such as is found in the United States?

My friends, are the Soviets willing to measure their world prestige by the results of such elections? Well, you know the answer to that.

But the United States would gladly do so.

THE PARTY

The people expect and demand honesty, integrity, and moral courage from the men and women who bear public responsibilities. They know that political office should be, and demand it be, a position of trust and honor; qualification for it must comprehend more than mere personal ambition. They realize, as never before, that the stakes in today's world are too high to risk their futures to the hands of frivolous, irresponsible, or inexperienced government.

In the successes of the past 7½ years you have a solid foundation on which to build toward new levels of attainment.

The Scheinfeld Address on Underdeveloped Countries

EXTENSION OF REMARKS

OF

HON. HERMAN TOLL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1960

Mr. TOLL. Mr. Speaker, on Tuesday of this week the Honorable HENRY S. REUSS, of Wisconsin, presented to the House the address of Aaron Scheinfeld, chairman of the board of Manpower, Inc., one of the Nation's thinking business leaders on the subject of "Industrial and Business Development of the Underdeveloped Countries of the World."

His suggestions may well be considered by the business leaders of the country, because they offer a method of developing free countries as friends of the United States and eventually saving the taxpayers of our country subsidies and contributions which are now needed to keep as much of the world as possible independent and free.

Congressman REUSS is to be commended for bringing to the attention of the Members a report of such great interest; that their constituents may read with great profit to themselves and to their neighbors one of the most help-

ful solutions ever offered for the problems affecting the world today.

The address can be found on pages 17378-17380 of the CONGRESSIONAL RECORD for Tuesday, August 23, 1960.

He Refuses To Conform

EXTENSION OF REMARKS

OF

HON. E. Y. BERRY

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1960

Mr. BERRY. In the totalitarian states of the world, the central government assumes the responsibility for the care and security of everyone from the cradle to the grave. To shoulder this responsibility means that the central government must at the same time be able to regulate the amount of work the individual shall do to compensate for such lifelong security. This is known as the "work norm."

By the same token, if the individual "refuses to conform," the state must have some leverage, some power, or some control to force such conformity. In some states this method of persuasion is called the Gestapo. Others have their particular name for persuaders, but in each the purpose and result is the same. Conformity must be compulsory in a totalitarian state. Any state which guarantees security, which compensates each individual according to his need, must also be able to compel conformity.

TOTALITARIANISM

The founders of this Nation came to these shores to free themselves from conformity. They came here to free themselves from central government security. They came here seeking only opportunity for the individual, opportunity to provide for his today and his tomorrow through the fruits of his own efforts and ability.

But, despite the good purposes of the Founding Fathers, there has grown up within these borders the totalitarian philosophy. Central Government planners have moved into each breach and have established their foreign philosophy, not as much through laws passed by Congress, because Congress is responsible to the voters and dare not authorize these steps directly, but instead Congress has given a free reign to the bureaucrats who in turn socialize through the Federal rules and regulations.

THE INDIAN PROBLEM

There are few totalitarian states where the central government forces conformity of the individual more strictly than on the Indian reservations of the United States. This system has created what is popularly known as the "Indian problem."

There is no Indian problem, there is only a totalitarian or "socialist" problem. There are many examples; I shall relate but one.

BACKGROUND

Years ago Congress provided for the allotment of lands on many of the In-

dian reservations to the individual Indian, this on the theory that the Indian was found on the land and it was assumed that all of them should be farmers and live from the soil.

For years the tendency of the Department of the Interior, which was given guardianship over the property of the individual Indian, was to increase the freedom of the Indian. The Indian was given the right to lease his land and to use the proceeds of such lease rental to help provide his livelihood. When the Department of Interior determined that he was competent to handle his own affairs, he was permitted to sell and dispose of his allotment and to use the proceeds thereof as any individual would.

Then under the so-called New Deal there came a strange philosophy into this free Nation, a move back toward the totalitarian state from which the forefathers had come. The plan of subjection of the individual to the state was slower among the non-Indians because with the return of crops and production and good times, the individual demanded a return of his freedom. The return of that freedom has become a political issue and is the dominant issue in the present election. The voters in the November 1960 election shall decide whether they wish "security with conformity" or whether they want "individual freedom with opportunity."

The Indian, however, has no alternative, he must accept "security with conformity" at least so long as he chooses to live on or near an Indian reservation, or until the Congress repeals the Wheeler-Howard Act enacted in the early days of the New Deal.

EXAMPLE

The Bureau of Indian Affairs at the Washington level is adamant in their stand that an Indian allottee is free to handle his own land so long as he conforms to the regulations, the regulations being that he himself must work his own land unless he turns complete authority to the Bureau.

Under the policies of the Bureau all land on the reservation is classified to

determine the best "use" to which such land shall be put. In grazing areas, all land in a certain tract, whether it is tribal or allotted, goes into a "grazing unit" and the allottees in that area must sign a power of attorney authorizing the Department to handle the rental of their land for them.

If an allottee—who by the way is supposed to be a free American—refuses to conform, refuses to give a power of attorney or attempts to revoke one already given, he is required to fence his own land out of the unit and handle the use of that land himself. He dare not rent it. He cannot contract to have the hay put up and sold. He cannot contract to have the work done on shares so that he gets his portion of the crop. He must do the work himself, or he must hire the work done and pay the cost himself out of his own pocket. Then he can sell the crop and pay the cost of having someone who does have the harvesting machinery do the work. If he refuses to conform, the Bureau steps in and forces conformity.

Yesterday, I received a frantic call from an Indian allottee on one reservation in my congressional district. I shall not mention his name or the name of the reservation for fear of reprisals either upon the Indian or the employees involved. The allottee told me he had hired a non-Indian rancher to cut and bale the hay on his allotment, which he had refused to put into a grazing unit because it was an especially good hay quarter and was worth more for hay than the normal rental for grazing purposes. Those allottees who conform in a grazing unit receive the same rental as all other allottees in the grazing area, regardless of the productivity of the allotment, because under this system, as in all totalitarian states, "equal compensation shall be provided for all."

The allottee told me that he did not have the cash to pay for the cutting and baling of the hay, so he had contracted with the non-Indian to do the work with the understanding he would sell the hay to the non-Indian who owned the haying equipment for \$15 per ton, first to pay the cost of harvest and the remainder to

be his cash rental return for the production of his allotment.

He told me that the Department had stepped in, taken over the baled hay and was selling it to someone else, proposing to deposit the proceeds of his account in the Agency office to be paid to him as they decided it should be disbursed. He asked me what chance an Indian had to establish his own credit, to get started in the ranching business, if his contracts were to be summarily revoked by the Great White Father at the will of the Great White Father.

When I called the Superintendent I was advised that it appeared the contract with the non-Indian was a fraud, that instead of the Indian making a contract to hire the hay cut and baled, then sold to the rancher at the price of \$15 per ton to pay the cost of harvesting the hay and the balance to go in cash to the allottee, it was apparent to the Department that the contract had been made to harvest the hay on a share basis with the rancher taking a certain share for harvesting the hay and then buying the share of the allottee, which, the Bureau official advised, was strictly against the regulations of the Department.

I was told that the Bureau was having trouble with this Indian "because he refuses to conform."

I was also advised that this procedure becomes necessary because the Bureau has the "responsibility of protecting the property and the income of the Indian people."

When the Founding Fathers established a system of government which provided the utmost of individual freedom and opportunity, they failed to take into account that certain forces would in later years be at work guaranteeing security to certain groups and that with that guarantee of security comes the responsibility of the "work norm," or the "rental norm" in this case, which compels "conformity" of all, and that with this compelled conformity, individual rights, individual privileges and individual opportunity is sacrificed. Socialism? Totalitarianism? Where? Here in America.

SENATE

THURSDAY, AUGUST 25, 1960

(Legislative day of Wednesday, August 24, 1960)

The Senate met at 11 o'clock a.m., on the expiration of the recess, and was called to order by Senator RUSSELL B. LONG, of Louisiana.

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

O God, who hast given us this good land for our inheritance, deepen our gratitude, this day, that so much is bestowed upon us. We are grateful for its sheer beauty, all decked in summer glory—hills and valleys, fields, meadows and woodlands, lakes and mountains, and

wide rivers carrying their commerce to the seas.

Yet, we thank Thee more for the heritage our fathers have bestowed upon us—with liberty, justice, and the sacredness of human rights.

In the joy and blessedness of this time, daily fenced about with devotion, make quiet our fears and revive our spirits within us. Let no ungenerous thought find lodgment in our minds today as we deal one with another.

May no intent or purpose that would unduly hurt or wound a comrade's spirit be given room. Let no motive sit in the saddle of our words or deeds, for which we would blush with shame if it stood revealed before all men.

Stay our hands when we attempt to postpone into the future the justice waiting to be done today.

So may we work today, for the night cometh when we can no longer work. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, August 24, 1960, was dispensed with.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., August 25, 1960.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. RUSSELL B. LONG, a Senator