

search institutes of the Academy and at other colleges and universities.

Research institutes in specialized fields of science are to be established, among them an Institute of Meteorology, an Institute of Oceanography, an Institute of Astronautics, an Institute of Medicine, and others deemed necessary.

A limited number of foreign nationals from friendly countries may be admitted, provided they pass a security check, but their number shall not exceed 10 percent of the total number of science trainees attending the Academy.

The proposed Science Center would be non-military in nature and would emphasize the peaceful pursuits of the United States in the sciences, which can and must be separated from military scientific research. It would compete with the so-called Freedom University in Moscow by inviting foreign students to come to the United States to study and to develop into mature scientists able to help their underdeveloped countries. Here they could pursue their studies and research in freedom, observe our way of life, and become convinced of our peaceful intentions.

"GAP"

The Science Center would fill a gap presently existing in trained scientific personnel by providing education and train-

ing for young men and young women who, under present circumstances, could not obtain such an education. Outstanding graduate students and noted scientists from all over the country would be attracted to the Academy and its research institute. Creation of a science career service would elevate the scientist's stature in the public eye as a man interested in the promotion of human welfare and peace. At the same time, the U.S. Government would be guaranteed of a sufficient supply of scientists in this fast-moving era of world competition.

The research institutes, which we would strive to make the largest in the world, would provide the most modern facilities available for research. The best scientific brains from our own country, as well as selected scientists from abroad, would be invited to work there.

There is no need to stress the importance of the basic and engineering sciences in the world today. My bill would go a long way toward meeting our most urgent national problems in science and engineering: The shortages of trained manpower (and womanpower) for private and public employment, of qualified science teachers, and of facilities and funds for scientific research. The bill would also help to overcome our lag compared with the U.S.S.R. in the annual

number of graduates both in engineering and in many forms of natural science.

REDS AHEAD

In 1959, for example, the U.S.S.R. produced about three times as many graduate engineers as the United States. The figures given by our National Science Foundation show 38,000 graduating in the United States, compared with 106,000 in the U.S.S.R. More surprising still, the United States is lagging even in the total number of professional engineers: 850,000 compared with the Soviet figure of 894,000. In graduates specializing in purely scientific studies, apart from engineering, the only field in which we lead the U.S.S.R. at the present time is the physical and mathematical sciences.

The Science Academy and its research institutes would serve to stimulate the people of the underdeveloped countries in furthering their economic growth, in improving their national health, in developing their human and material resources, and in attaining a higher standard of living. In this way, we could be instrumental in creating through science a world of abundance where no people need be in want. In the years to come, this important institution would pay for itself in many ways through better education, advanced research, scientific progress, and good will.

SENATE

WEDNESDAY, MARCH 29, 1961

The Senate met at 10 o'clock a.m., and was called to order by STROM THURMOND, a Senator from the State of South Carolina.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O Thou God of life and light, our glad hearts thrill at the risen glory of the awakening earth robed in the blooming garb of spring.

As common bushes, lately so bare, are now aflame, and the time for the singing of birds has come, may a spiritual springtime make our own hearts even as the garden of the Lord, where barren branches may be clothed with the beauty of holiness, and the flowers of humility and charity lift their fair petals above the fallow ground.

Prepare our hearts for the solemn glory of a malefactor's cross and for the splendor of an empty tomb. By the sign of that cross, on which Thy Son gave His deathless spirit to Thy keeping, strengthen us with might for the good fight we must wage against the gates of hell, knowing that joy is the fruit of sorrow; that strength comes out of weakness, and triumph out of failure; that song comes through sacrifice, gain through loss, and life through death.

In that faith may we fare forth, greeting the unknown with a cheer, sure that the third day cometh.

In His conquering name we pray. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

Mr. THURMOND. The clerk will read a letter from the President pro tempore.

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., March 29, 1961.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. STROM THURMOND, a Senator from the State of South Carolina, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. THURMOND thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, March 28, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT

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

FIFTH SEMI-ANNUAL REPORT OF SECRETARY OF INTERIOR—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was referred to the Committee on Interior and Insular Affairs:

To the Congress of the United States:

I transmit herewith the Fifth Semi-annual Report of the Secretary of the Interior prescribed by section 5 of the act of August 21, 1958, entitled "To provide a program for the discovery of mineral reserves of the United States, its Territories and possessions by encouraging ex-

ploration for minerals, and for other purposes."

JOHN F. KENNEDY,
THE WHITE HOUSE, March 29, 1961.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

H.R. 5954. An act making appropriations for the Treasury and Post Office Departments, and the Tax Court of the United States for the fiscal year ending June 30, 1962, and for other purposes; and

H.J. Res. 32. Joint resolution to designate the first day of May of each year as Law Day, U.S.A.

HOUSE BILL REFERRED

The bill (H.R. 5954) making appropriations for the Treasury and Post Office Departments, and the Tax Court of the United States for the fiscal year ending June 30, 1962, and for other purposes, was read twice by its title, and referred to the Committee on Appropriations.

LIMITATION OF DEBATE DURING THE MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual

morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

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

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the following subcommittees or committees were authorized to meet during the session of the Senate today:

The Freedom of Communications Subcommittee of the Committee on Interstate and Foreign Commerce;

The Internal Security Subcommittee of the Committee on the Judiciary;

The Foreign Relations Committee;

The Constitutional Rights Subcommittee of the Committee on the Judiciary.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following communications and letters, which were referred as indicated:

HOUSING AND URBAN IMPROVEMENT

A communication from the President of the United States, transmitting a draft of proposed legislation to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes (with accompanying papers); to the Committee on Banking and Currency.

NATIONAL OCEANOGRAPHIC PROGRAM

A communication from the President of the United States, relating to a proposed national oceanographic program (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

APPROPRIATIONS TO NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

A letter from the Administrator, National Aeronautics and Space Administration, Washington, D.C., transmitting a draft of proposed legislation to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes (with an accompanying paper); to the Committee on Aeronautical and Space Sciences.

AUTHORIZATION FOR SECRETARY OF A MILITARY DEPARTMENT TO SELL CERTAIN GOODS AND SERVICES

A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation to amend title 10, United States Code, to authorize the Secretary of a military department to sell goods and services to the owner of an aircraft or his agent in an emergency, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

REPORT BY DEPARTMENT OF THE NAVY ON MILITARY CONSTRUCTION CONTRACTS AWARDED WITHOUT FORMAL ADVERTISING

A letter from the Assistant Secretary of the Navy (Installations and Logistics), transmitting, pursuant to law, a report by that Department on military construction contracts awarded without formal advertising, during the 6-month period from June 30, 1960, to December 31, 1960 (with an accompanying report); to the Committee on Armed Services.

AMENDMENT OF ACT RELATING TO HEIGHT OF BUILDINGS IN THE DISTRICT OF COLUMBIA

A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation to amend the act entitled "An act to regulate the height of buildings in the District of Columbia," approved June 1, 1910, as amended (with an accompanying paper); to the Committee on the District of Columbia.

DISPOSAL OF CERTAIN SURPLUS REAL PROPERTY

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting a draft of proposed legislation to repeal a certain provision of the Independent Offices Appropriation Act, 1960 (74 Stat. 434), regarding the disposal of surplus real property (with an accompanying paper); to the Committee on Government Operations.

AUDIT REPORT ON UNEMPLOYMENT AND SICKNESS INSURANCE PROGRAM, RAILROAD RETIREMENT BOARD

A letter from the Comptroller General of the United States, transmitting an audit report on the unemployment and sickness insurance program, Railroad Retirement Board, fiscal years 1959-60 (with an accompanying report); to the Committee on Government Operations.

REPORT OF FEDERAL MARITIME BOARD AND MARITIME ADMINISTRATION

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report of the Federal Maritime Board and Maritime Administration, for the fiscal year 1960 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

REPORT OF GIRL SCOUTS OF THE UNITED STATES OF AMERICA

A letter from the president, and interim national executive secretary, Girl Scouts of the United States of America, New York, N.Y., transmitting, pursuant to law, a report of that organization, for the fiscal year ended September 30, 1960 (with an accompanying report); to the Committee on Labor and Public Welfare.

PETITIONS AND MEMORIALS

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

By the ACTING PRESIDENT pro tempore:

Petitions signed by Kiichiro Nakama, chairman of the Kin Son Assembly, and sundry other officials and citizens of the Ryukyu Islands, praying for the enactment of legislation to provide compensation for damage to or loss of private properties used by U.S. Armed Forces and for personal death or injury suffered by Ryukyuan individuals caused by U.S. Armed Forces personnel before the effective date of the Japanese Peace Treaty, and so forth; to the Committee on Foreign Relations.

CONCURRENT RESOLUTION OF MICHIGAN LEGISLATURE

Mr. HART. Mr. President, I ask unanimous consent to have printed in the Record Senate Concurrent Resolution 20, adopted by the Senate and the House of Representatives of the State of Michigan, the latter action having been taken March 23, 1961. The resolution reflects, I feel, the overwhelming judgment of all segments of the Michigan community. I hope it will persuade my colleagues of the necessity for the action proposed.

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

SENATE CONCURRENT RESOLUTION 20

Concurrent resolution relative to the repeal of the Federal excise tax on automobiles

Whereas the automotive industry has experienced a serious sales depression, which has created a grave situation of consequent curtailment of production, unemployment, economic hardship and exploding demands on tax-supported public services. It has been disruptive of Michigan's and the Nation's economy; and

Whereas repeal of the Federal excise tax on automobiles is urgently needed to reverse these trends and regain State and National prosperity; Now, therefore, be it

Resolved by the senate (the house of representatives concurring), That the Michigan Legislature respectfully requests the Congress of the United States to effect public hearings by the U.S. House of Representatives on the proposition of the repeal of the Federal excise tax on automobiles; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, the President of the Senate, and the Speaker of the House of Representatives, and to each member of the Michigan delegation to the U.S. Senate and the House of Representatives.

Adopted by the senate, March 15, 1961.

FRED I. CHASE,

Secretary of the Senate.

Adopted by the house, March 23, 1961.

NORMAN C. PHILLES,

Clerk of the House of Representatives.

RESOLUTIONS OF CENTRAL COOPERATIVES, INC., SUPERIOR, WIS.

Mr. WILEY. Mr. President, I present, for appropriate reference, a series of resolutions adopted at the 44th annual meeting of the Central Cooperatives, Inc., Superior, Wis., held March 20 and 21, 1961. I ask unanimous consent that the resolutions may be printed in the RECORD.

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

To the Committee on Finance:

"RESOLUTION 1

"Resolution on withholding of income tax

"Whereas the State governments of Wisconsin and Minnesota are confronted with the problem of equitably collecting the State income tax; and

"Whereas certain groups and individuals are avoiding the payment of their full share of State income tax; and

"Whereas this assembly, representing consumers, has by its previous actions stood for equitable taxation in all its forms: Be it

Resolved, That we go on record in support of the withholding method of collecting State income taxes, just as Federal income taxes are now withheld."

"RESOLUTION 5

"Resolution on sales tax

"Whereas the Legislatures of Wisconsin and Minnesota are faced with the issue of sales tax; and

"Whereas a sales tax would be a heavy burden on low income families, and would place the bulk of the tax load on those least able to pay: Be it

Resolved, That this delegation go on record continuing our opposition to a sales tax."

To the Committee on the Judiciary:

"RESOLUTION 2

"Resolution on Co-op Month

"The more than 100,000 families who own and participate in the cooperatives in the States of Michigan, Minnesota, Wisconsin, North and South Dakota represented by delegates at this 44th annual meeting of Central Cooperatives, Inc., wish to express their sincere appreciation to the Governors of our Midwestern States who in 1960 proclaimed the month of October as Co-op Month.

"These proclamations were deeply appreciated as a sincere recognition of the fact that cooperatives are important and respected parts of our free enterprise system, and permit people to organize and control their own businesses.

"We hope to see this recognition of cooperatives continued and extended to all States in these United States."

"RESOLUTION 8

"Resolution on monopoly

"Whereas in keeping with the concept of abundance of production at the lowest possible cost, this annual meeting of Central Cooperatives, Inc., stands opposed to unregulated monopoly in all its forms; and

"Whereas a unit of government, for reasons of efficiency, grants monopolistic privileges in the form of franchises, or other types of exclusive or semiexclusive rights, such monopolistic practices must be closely regulated and supervised in order to prevent abuses: Therefore be it

"Resolved, That we stand for fair, vigorous, and impartial enforcement of the anti-trust laws and other measures such as those creating the various Federal and State regulatory agencies which have the authority and power to assure the protection of the rights of consumers; and

"Furthermore, among the best ways to provide a yardstick by which efficiency of monopolistic production can be measured is to encourage the growth of all cooperatives. The existence of the cooperative type of organization in all economic fields can serve to increase productive efforts and also provide a standard against which the consumer can measure costs, prices, and service."

To the Committee on Labor and Public Welfare:

"RESOLUTION 3

"Resolution on youth program

"Whereas youth of today will lead co-ops tomorrow; and

"Whereas CCI has a scholarship program as one method of developing interest of youth in cooperatives and in higher education: Be it therefore

"Resolved, That this scholarship program be continued; and be it further

"Resolved, That additional methods of developing youth interest be earnestly sought by CCI and local co-ops; and be it further

"Resolved, That local co-ops be encouraged in every way to send youth delegates to CCI annual meeting and report back to the local association."

"RESOLUTION 6

"Resolution on 'The Word for Co-ops'

"Whereas the Cooperative League of the United States of America has published a booklet entitled 'The Word for Co-ops'; and

"Whereas 'The Word for Co-ops' is an informative and inspirational outline; and

"Whereas every co-op manager could benefit personally by reading this booklet; and

"Whereas the contents of this booklet can be used advantageously in creating a better image of co-ops in the minds of the public: Be it therefore

"Resolved, That CCI see to it that at least one copy of 'The Word for Co-ops' be pro-

vided each CCI affiliated co-op (manager), with all haste, so that he and members of his board may use it in furthering better public relations for his local cooperative and cooperatives in general."

To the Committee on Interstate and Foreign Commerce:

"RESOLUTION 4

"Resolution on true simple interest

"Whereas Central Cooperatives, Inc., has always represented the interests of consumers and has helped protect the consumer against inflation and business abuses; and

"Whereas the consumers' interest is always underrepresented in the conflict of pressure groups in legislative bodies of our National and State Governments: Be it

"Resolved, That this annual meeting go on record in support of legislation to force lenders to state their charges in terms of true simple interest."

To the Committee on Agriculture and Forestry:

"RESOLUTION 7

"Resolution on watered ham

"Whereas the U.S. Department of Agriculture saw fit to issue on last December 29, without prior notice, an arbitrary decree permitting all meat packers in interstate commerce to pump up to 10 percent water into smoked hams, pork shoulders, shoulder picnics and shoulder butts beginning January 1, 1961; and

"Whereas consumers were not asked their opinion via a direct public hearing, and the objections since it became known have been very lively, proven by a storm of protest in our co-op stores and supermarkets; and

"Whereas the water becomes expensive to buy inside of a ham, and is actually a form of adulteration; and

"Whereas the sale of water in hams adds nothing to hog producers' income but rather, further detracts from it; Therefore be it

"Resolved, That we forthrightly condemn such practice and the manner in which the ruling was carried out; and that besides sending area Congressmen copies of this resolution we urge all co-op members and patrons to write their Congressmen asking for whatever steps are needed to repeal this ruling; and we further ask for suitable legislation to also stop this practice in intrastate commerce."

Ordered to lie on the table:

"RESOLUTION 9

"Resolution on expression of appreciation

"We, the delegates of the 44th annual meeting of Central Cooperatives, Inc., appreciate the forward-looking message of Representative JOHN A. BLATNIK last evening and thank him for it.

"We express our appreciation to the management and staff of Hotel Duluth for the fine facilities, their courtesy, and accommodations.

"We also wish to extend our recognition and appreciation to the Cooperative Guilds for their service with the coffee break, to Mrs. Ingrid Bartelli for her informative luncheon speech, to our beloved Jerry Voorhis, and to our foreign guest, Olavi Solonen of O.T.K. Cooperative, Finland, for their greetings, and to the judges of the co-op scholarship contest: Sister Mary, College of St. Scholastica; Dr. Orville Manion, Wisconsin State College; Dr. Harold Hayes, UMD; Mrs. Lydia Peterson, Northland College."

RESOLUTION OF NASSAU COUNCIL OF CHURCHES, HEMPSTEAD, N.Y.

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Nassau Council of Churches, of Hempstead, N.Y., relating to the role of the Government in education.

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

Whereas the people of this Nation are at the present time witnessing a struggle on our national scene dealing with the role of Government in education; and

Whereas committees of our National Congress are now considering, and ultimately the Congress itself will consider the whole problem of Federal aid to education: Now, therefore, be it

Resolved, by the house of delegates of the Nassau County Council of Churches in their regular meeting of March 21, 1961, That we register our belief in public education as an important part of the foundation of our democracy and are happy when it can be strengthened.

We support proposed legislation which will grant aid to public education and we deplore the endeavor of any group to secure support for private or parochial schools, because we believe it is in opposition to our heritage of separation of church and state and divisive in character.

RESOLUTIONS OF THE TOWN OF VESTAL, N.Y.

Mr. KEATING. Mr. President, I ask unanimous consent to have printed in the RECORD two resolutions from the town of Vestal, N.Y., pointing up the need for better coordination and cooperation between Federal and local programs for sewage disposal and sewer treatment.

Many towns are facing problems similar to those outlined in these two resolutions. I sincerely hope that action can be taken on the local and Federal level to facilitate the solution of this problem and to abate rather than increase the serious problems of many communities regarding water pollution and sewage disposal.

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

RESOLUTION ADOPTED MARCH 1, 1961

Whereas the town of Vestal has previously hereto undertaken the construction of a sewage treatment plant to serve sewer district No. 1 in the town of Vestal; and

Whereas the town of Vestal is currently studying the feasibility of the construction of an additional sewage treatment plant to serve sewer district No. 4 in the town of Vestal; and

Whereas the study for sewer district No. 4 includes the possibility of a single sewage treatment plant to serve sewer district No. 4 and Endwell sewer district of the town of Union; and

Whereas this board has familiarized itself with the costs of sewage treatment plants and the costs of construction and operation of sewage treatment plants to serve the needs of the citizens of the town of Vestal; and

Whereas to the knowledge of this board it appears that the costs of construction and operation of sewage treatment plants to serve the citizens of this town are such as to create a substantial additional tax burden upon its citizens; and

Whereas the pollution abatement program for the Susquehanna River is of benefit to numerous communities and municipalities in addition to the town of Vestal; and

Whereas the Federal Government has an existing program for aid to local municipalities for construction of sewage treatment plants; and

Whereas this board has given due and proper consideration to all of the relevant facts and circumstances appertaining to the construction of sewage treatment plants; and

Whereas the program of pollution abatement of streams and rivers is a desirable and commendable program and to the benefit of the citizens and industries of this town as well as other communities and municipalities; and

Whereas the State and Federal Governments have for the most part preempted the sources of revenues that are or might be available to local municipalities; and

Whereas this board considers it to be in the public interest to continue its program so as to effect complete compliance with the orders and directions of the water pollution control board and the department of health within the near and foreseeable future: Now, therefore, be it

Resolved, That the town of Vestal record by resolution in the minutes of this meeting that it recommend to Hon. Howard Robison, Member of Congress, from this congressional district, and Hon. Jacob Javits and Hon. Kenneth Keating, Senators from this State, as well as Hon. George Ingalls, State assemblyman from this State assembly district and Hon. Warren M. Anderson, State senator from this senatorial district, the early enactment of legislation at both the State and Federal levels for the participation by the State and/or Federal Governments in a program of increased aid to local municipalities for the construction of sewage treatment plants and for the payment of the operating costs thereof and for debt reduction incurred in connection therewith; and be it further

Resolved, That this board recommend to the aforesaid members of the legislative bodies hereinbefore referred to, the early enactment by the State and/or Federal Governments of a program of Federal and/or State aid which will recognize and aid two or more municipalities that combine for the construction of a single sewage treatment plant to serve their combined needs by permitting such projects that serve more than one municipality to receive a grant equal to the pro rata total of each project's allowable grant; and be it further

Resolved, That this resolution shall take effect immediately and that the town clerk shall be authorized, empowered and directed to furnish certified copies thereof to the State and Federal legislators hereinbefore named and set forth.

RESOLUTION ON VESTAL-UNION SEWAGE TREATMENT PLANT

Whereas previously hereto the town of Union on behalf of Endwell sewer district and town of Vestal on behalf of sewer district No. 4 have held joint conferences and made various studies concerning the proposition of constructing a sewage treatment plant in the town of Vestal to serve both municipalities; and

Whereas the town board has received and studied the Wegman report relating to the joint project and has received and studied a copy of the so-called Blatnik bill presently pending before the Congress; and

Whereas the town board has received assurances that the Blatnik bill will in all probability receive favorable action within the next few months and during the present session of the Congress; and

Whereas the town board has given careful study and consideration to all of the relevant facts and circumstances pertaining to this matter, including the feasibility of constructing a plant to serve only sewer district No. 4, town of Vestal: Now, therefore, be it

Resolved, That the Town Board of the Town of Vestal record in its official proceedings the following declaration of its policy with relation thereto:—

1. That based upon the Wegman report and the assumption of favorable action and passage of the Blatnik bill by the Congress

within the next few months and at the current session thereof, the town of Vestal finds that it would be in the best interest to join with the town of Union for the construction of a sewage treatment plant in Vestal, N.Y., to serve both Endwell sewer district and sewer district No. 4, town of Vestal;

2. That the town of Union should construct the improvement and that the town of Vestal enter into a long-term contract for the use thereof at a rate for its proportional use not in excess of the rate paid by the town of Union for its proportional use;

3. That the town board will recommend the abatement of all real estate taxes upon the improvement to be assessed by the town of Vestal and Vestal Central School District;

4. That the town of Vestal reserve the right after August 1, 1961, if this project for the construction of a joint facility is not consummated prior to that time, or if there is a change in circumstances, to proceed with the design and construction of its own sewage treatment plant on its site in Vestal in accordance with the preliminary plans therefor already filed with the New York Department of Health for sewer district No. 4, town of Vestal; and be it further

Resolved, That the town clerk be authorized, empowered and directed to forward certified copies of this resolution to persons and agencies as directed by the supervisor; and be it further

Resolved, That this resolution shall take effect immediately.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations, with an amendment:

S. 1067. A bill to amend Public Law 503, 84th Congress, so as to provide annuities for the widows of certain Foreign Service officers who retired prior to the effective date of the Federal Employees Group Life Insurance Act of 1954 (Rept. No. 129).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, without amendment:

S. 108. A bill to amend the Indian Long-Term Leasing Act (Rept. No. 133);

S. 200. A bill to amend the act entitled "An act relative to employment for certain adult Indians on or near Indian reservations," approved August 3, 1956 (Rept. No. 134); and

S. 1294. A bill to supplement and amend the act of June 30, 1948, relating to the Fort Hall Indian irrigation project, and to approve an order of the Secretary of the Interior issued under the act of June 22, 1936 (Rept. No. 135).

By Mr. CHURCH, from the Committee on Interior and Insular Affairs, without amendment:

S. 1295. A bill to authorize the use of funds arising from a judgment in favor of the Nez Perce Tribe of Indians, and for other purposes (Rept. No. 136).

By Mr. CHURCH, from the Committee on Interior and Insular Affairs, with an amendment:

S. 1299. A bill to amend the act of June 4, 1953 (67 Stat. 41), entitled "An act to authorize the Secretary of the Interior, or his authorized representative, to convey certain school properties to local school districts or public agencies" (Rept. No. 137).

REPORT ENTITLED "CONSTITUTIONAL AMENDMENTS" (S. REPT. NO. 130)

Mr. KEFAUVER. Mr. President, from the Committee on the Judiciary, I sub-

mit a report entitled "Constitutional Amendments," pursuant to Senate Resolution 239, 86th Congress, 2d session, as extended. I ask that the report be printed.

The PRESIDING OFFICER (Mr. Dobb in the chair). The report will be received and printed, as requested by the Senator from Tennessee.

REPORT ENTITLED "IMMIGRATION AND NATURALIZATION" (S. REPT. NO. 131)

Mr. EASTLAND. Mr. President, from the Committee on the Judiciary, I submit a report entitled "Immigration and Naturalization," pursuant to Senate Resolution 237, 86th Congress, 2d session, as extended. I ask that the report be printed.

The PRESIDING OFFICER. The report will be received and printed, as requested by the Senator from Mississippi.

REPORT ENTITLED "TRADING WITH THE ENEMY ACT" (S. REPT. NO. 132)

Mr. EASTLAND. Mr. President, from the Committee on the Judiciary, I submit a report entitled "Trading With the Enemy Act," pursuant to Senate Resolution 236, 86th Congress, 2d session, as extended. I ask that the report be printed.

The PRESIDING OFFICER. The report will be received and printed, as requested by the Senator from Mississippi.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session, The following favorable reports of nominations were submitted:

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

Gen. Carter Bowle Magruder, Army of the United States (major general, U.S. Army), to be placed on the retired list in the grade of general;

Lt. Gen. Emerson Charles Itschner, Army of the United States (major general, U.S. Army), Lt. Gen. Robert Milchrist Cannon, Army of the United States (major general, U.S. Army), Lt. Gen. Thomas Leonard Harold, Army of the United States (major general, U.S. Army), Lt. Gen. Gordon Byrom Rogers, Army of the United States (major general, U.S. Army), and Lt. Gen. John Albert Dabney, Army of the United States (major general, U.S. Army), to be placed on the retired list in the grade of lieutenants general;

Lt. Gen. Guy Stanley Meloy, Jr., Army of the United States (major general, U.S. Army), to be assigned to a position of importance and responsibility designated by the President, in the rank of general; and

Maj. Gen. Andrew Thomas McNamara, U.S. Army, Maj. Gen. John Knight Waters, U.S. Army, and Maj. Gen. Hugh Pate Harris, Army of the United States (brigadier general, U.S. Army), and to be assigned to positions of importance and responsibility designated by the President, in the rank of lieutenants general.

Mr. CANNON. Mr. President, from the Committee on Armed Services, I report favorably the nominations of two lieutenant generals in the Marine Corps

and one lieutenant general in the Air Force, and ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. The nominations will be placed on the Executive Calendar.

The nominations were placed on the Executive Calendar, as follows:

Lt. Gen. Thomas A. Wornham, U.S. Marine Corps, to be placed on the retired list in the grade of lieutenant general;

Maj. Gen. Alan Shapley, U.S. Marine Corps, for commands and other duties determined by the President, in the grade of lieutenant general while so serving; and

Lt. Gen. Donald N. Yates (major general, Regular Air Force), U.S. Air Force, to be placed on the retired list in the grade of lieutenant general.

Mr. CANNON. In addition, I report favorably 412 nominations in the Army in the grade of major and below and 2,487 nominations in the Navy and Marine Corps in the grade of lieutenant commander and lieutenant and below. These names have already appeared in the CONGRESSIONAL RECORD. In order to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Vice President's desk, for the information of any Senator.

The PRESIDING OFFICER. The nominations will be received and will lie on the desk, as requested by the Senator from Nevada.

The nominations ordered to lie on the desk are as follows:

Harry W. Miller, and sundry other officers, for promotion in the Regular Army of the United States;

Vincent J. Ciccone, and sundry other persons, for appointment in the Regular Army;

James J. Lane, and sundry other persons, for appointment in the Regular Army of the United States;

R. C. Clack, and sundry other distinguished military students, for appointment in the Regular Army of the United States;

Edwin V. V. Sutherland, for appointment as professor of English, U.S. Military Academy;

William W. Watkin, for appointment as professor of earth, space, and graphic sciences, U.S. Military Academy;

Richard V. Aamodt, and sundry other Naval Reserve Officers, Training Corps candidates, for permanent appointment in the line of the Navy;

James C. Belleson, and sundry other Naval Reserve Officers, Training Corps candidates, for permanent appointment in the Supply Corps of the Navy; and

Charles E. Harbison, and sundry other officers of the Marine Corps, for temporary promotion in the Marine Corps.

BILLS INTRODUCED

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

By Mr. ENGLE (for himself and Mr. KUCHEL):

S. 1462. A bill to amend the act of September 2, 1960 (74 Stat. 734), in order to authorize the Secretary of Agriculture to establish minimum standards of quality for any variety of grapes and plums covered by such act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HART:

S. 1463. A bill for the relief of Traian Radulescu;

S. 1464. A bill for the relief of Wolfgang Stresemann; and

S. 1465. A bill for the relief of Philip Ignatius Veira; to the Committee on the Judiciary.

By Mr. KEATING:

S. 1466. A bill to amend title V of the Agricultural Act of 1949, as amended, to require terms and conditions of employment comparable to those offered Mexican workers be offered domestic agricultural workers, and for other purposes; to the Committee on Agriculture and Forestry.

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

By Mr. MUSKIE:

S. 1467. A bill to amend section 314 of the Public Health Service Act of 1944; to the Committee on Labor and Public Welfare.

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

By Mr. WILLIAMS of Delaware:

S. 1468. A bill to provide deductions in computing gain from operations of life insurance companies for certain mutualization distributions made in 1960 and 1961; to the Committee on Finance.

By Mr. BURDICK:

S. 1469. A bill to amend the National School Lunch Act to provide for a more equitable distribution of the funds available under such act, and for other purposes; to the Committee on Agriculture and Forestry.

S. 1470. A bill to include the holders of star route and certain other contracts for the carrying of mail under the provisions of the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

By Mrs. SMITH of Maine:

S. 1471. A bill for the relief of Marie McPherson Elghemey; to the Committee on the Judiciary.

By Mr. KEFAUVER:

S. 1472. A bill for the relief of Norma Coup-land; to the Committee on the Judiciary.

By Mr. YOUNG of Ohio:

S. 1473. A bill for the relief of Athol Alfred Layton and his wife, Leah Kett Layton, and their children, John Gordon Layton and Christopher Thomas Layton; to the Committee on the Judiciary.

By Mr. KEFAUVER:

S. 1474. A bill to curb monopolistic control of professional boxing, to establish with the Department of Justice the Office of the National Boxing Commissioner and for other purposes; to the Committee on the Judiciary.

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

By Mr. LONG of Louisiana:

S. 1475. A bill to amend and strengthen the Federal Water Pollution Control Act to provide for flow regulations for water pollution and quality control and other purposes; to the Committee on Public Works.

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

By Mr. LONG of Louisiana (for himself and Mr. ELLENDER):

S. 1476. A bill to restate terms of the grant covering the Rockefeller Wildlife Refuge and Game Preserve to permit it to comply with current Louisiana law; to the Committee on Interstate and Foreign Commerce.

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

By Mr. HRUSKA:

S. 1477. A bill to amend section 144 of title 28 of the United States Code; to the Committee on the Judiciary.

By Mr. SPARKMAN (by request):

S. 1478. A bill to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes; to the Committee on Banking and Currency.

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

By Mr. METCALF (for himself and Mr. MANSFIELD):

S. 1479. A bill to authorize assumption by the various States of civil or criminal jurisdiction over cases arising on Indian reservations with the consent of the tribe involved; to permit gradual transfer of such jurisdiction to the States; and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CANNON:

S. 1480. A bill for the relief of Erkki K. Kerttula; to the Committee on the Judiciary.

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

S. 1481. A bill to extend and to provide additional funds for the veterans' direct home loan program; to the Committee on Banking and Currency.

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

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

S. 1482. A bill to authorize loans to private nonprofit schools for the construction of elementary and secondary school facilities; to the Committee on Labor and Public Welfare.

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

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

S. 1483. A bill to extend the veterans' guaranteed home loan program; to the Committee on Labor and Public Welfare.

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

AMENDMENT TO TITLE V OF AGRICULTURAL ACT OF 1949

Mr. KEATING. Mr. President, I introduce, for appropriate reference, a bill to require that terms and conditions of employment comparable to those offered Mexican workers be offered to domestic farmworkers under Public Law 78. I offered this amendment on August 30 of last year as an amendment to the bill extending Public Law 78. In light of the need to act on this measure before the present 6-month extension expires, I again offer the same amendment in the form of this bill in order that others will have an opportunity to study and review this proposal.

There are a number of bills now pending in the Senate which would provide new programs and rights for migrant farmworkers. I have studied these measures carefully, and am a cosponsor of a bill to provide for the registration of migrant farmworker crew leaders, under similar provisions as those which now apply in New York State.

The plight of migrant farm workers is of serious concern to a great many Americans. While I think there is much that can and should be done, I offer my

amendment as a logical and constructive first step in creating better working and living conditions for migrant farmworkers.

Under present provisions of the program for supplementation of the domestic agricultural labor force with workers from Mexico, the Secretary of Labor now has authority to require employers to offer domestic workers wages and standard hours of work comparable to those offered to foreign workers. Under the international agreement negotiated with the Republic of Mexico, however, growers must provide, at their own cost, workmen's compensation or occupational insurance coverage for the Mexican farmworkers, as well as free transportation, free housing, written contracts and work guarantees.

These provisions have resulted not only in the failure to make farm employment attractive to domestic workers, but also in the preemption of their employment opportunities by foreign workers. Many employers make only limited efforts to attract domestic workers to available farm employment. They prefer to rely upon the ready supply of foreign workers.

My bill would assist in correcting this situation by requiring that, before the Secretary of Labor can make the certification required in making foreign workers available in an area, he must find that the employers are offering domestic workers, not only wages and hours of work, but also other conditions of employment comparable to those offered the foreign workers.

This amendment does not require that precisely the same terms and conditions be offered as are extended to Mexicans. It is contemplated that there would be some recognition of the differences between the situation of the domestic workers and the foreign workers. For example, where employees have their own homes in the area of employment, it would not be reasonable to require the employer to offer free housing to domestic workers. The same thing would be true of an offer of free transportation. Under the amendment, however, an employer could be required to offer workmen's compensation or on-the-job insurance to the domestic worker, just as he offers it to the Mexican worker.

The employer could also be required by the Secretary of Labor to offer the domestic worker, as he now does the Mexican worker, a written contract and to guarantee the domestic worker employment during at least three-quarters of the time covered by the contract. He could likewise be required to offer the domestic worker subsistence on days when he could not offer work.

To sum up, my amendment would require the employer, and permit the Secretary of Labor the opportunity, to attract and recruit domestic workers under conditions at least comparable, but not identical in all respects, with the conditions offered to the foreigners. It could be used by the Secretary to insure that a true labor shortage was the basis for admitting the foreign workers and

not the unwillingness of employers to make reasonable job offers to Americans.

In light of present high unemployment and in light of the unsatisfactory living and working conditions of migrant farmworkers in many areas, I think this is a reasonable and logical first step. New York State has done a great deal to provide adequate living conditions for migrant farmworkers. My bill would give to the Secretary of Labor the necessary authority to match the great strides which New York and other States have made in meeting this problem.

I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

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

The bill (S. 1466) to amend title V of the Agricultural Act of 1949, as amended, to require terms and conditions of employment comparable to those offered Mexican workers be offered domestic agricultural workers, and for other purposes, introduced by Mr. KEATING, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That clause (3) of section 503 of the Agricultural Act of 1949, as amended, is amended to read as follows: "(3) reasonable efforts have been made to attract domestic workers for such employment at terms and conditions of employment reasonably comparable to those offered to foreign workers."

AMENDMENT OF SECTION 314 OF PUBLIC HEALTH SERVICE ACT OF 1944

Mr. MUSKIE. Mr. President, I introduce, for appropriate reference, a bill which would simplify Federal grants-in-aid to States for public health services and provide greater flexibility in the allocation of certain categorical public health service funds in the States. Similar legislation has been introduced in the House of Representatives. I ask unanimous consent that the bill remain at the desk through Thursday, April 6, 1961, to enable additional Senators to give consideration to joining as cosponsors.

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

Mr. MUSKIE. Mr. President, the proposed legislation was drafted as the result of the second report to the President of the Advisory Commission on Intergovernmental Relations, of which I am a member. Two weeks ago I introduced a bill—S. 1344—proposed by the Commission to remove inequities in the Federal credit for inheritance and estate taxes paid to States. This proposal was recommended in the first report of the Advisory Commission.

The proposed legislation which I have introduced today would amend the Public Health Service Act of 1944, to permit States, at the discretion of the Governor

in each case, to transfer up to one-third of the Federal funds granted in any one of five health categories to one or more of the other four such categories. The following five categorical grants are involved: general health assistance, cancer control, heart disease control, tuberculosis control, and venereal disease control. The bill would not affect the remaining categories of mental health, maternal and child health, and crippled children's services.

In addition, the bill would establish a uniform allotment and matching formula for Federal grants to States in the special categories listed above. A number of different formulas now apply to these five categories.

Under the bill, funds would be allocated to the States on the basis of population, with matching requirements established according to per capita income in the individual States. Matching requirements would range from one-third State funds to two-thirds Federal funds for the lowest income States, to two-thirds State funds to one-third Federal funds for the highest income States. This formula follows the general principle established under the Hill-Burton program.

This proposed legislation, Mr. President, is designed to improve the flexibility of federally supported public health service programs administered by the States, without removing the present overall direction of these programs in accordance with the priorities set by Congress. Initially, several of these categories were established to allow the Federal Government to stimulate State activity. Today the major cost is borne by the States, with the Federal Government playing an important supporting role.

By allowing the States to transfer up to one-third of the funds in the five categories listed, we would provide sufficient flexibility for State administrators in meeting peculiar and changing local needs, without endangering the integrity of the overall program. It should be noted that the proposed allowance for transfers would not be applied to the categories of mental health, maternal and child health, and crippled children services, since functional lines of responsibility between the Federal Government and the States do not coincide in these categories.

This legislation, Mr. President, represents the considered opinion of members of the Advisory Commission on Intergovernmental Relations, State and territorial health and budget officers, and other experts in this field. It offers a sensible improvement in an important facet of intergovernmental relations. I hope a number of Senators will join me in sponsoring this legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD at the conclusion of my remarks.

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

The bill (S. 1467) to amend section 314 of the Public Health Service Act of

1944, introduced by Mr. MUSKIE, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 314 of the Public Health Service Act of 1944 is amended (1) by striking out of subsection (d) thereof the following: "(2) the extent of the venereal-disease problem, the extent of the tuberculosis problem, and the extent of the mental health problem and other special health problems, respectively, and (3)" and inserting in lieu thereof "and (2)"; and (2) by adding at the end thereof the following:

"(m) To enable the Surgeon General to assist, through grants, States, counties, health districts, and other political subdivisions of the State, and public and non-profit agencies, institutions and other organizations, in establishing and maintaining organized community programs of cancer control, including grants for demonstrations and the training of personnel, there is hereby authorized to be appropriated for each fiscal year such sums as may be necessary for such purposes. The Surgeon General shall, in accordance with regulations, from time to time make allotments from sums appropriated under this subsection to the several States on the basis of (1) the population, and (2) the financial need of the respective States. Upon making such allotments the Surgeon General shall notify the Secretary of the Treasury of the amounts thereof.

"(n) Not more than one-third of the amounts allotted to any State pursuant to subsections (a), (b), (c), (e), and (m) of this section may, at the option of the State concerned, subject to matching from funds of the State and its political subdivisions pursuant to subsection (h) of this section, be transferred among such programs."

Sec. 2. Subsection (h) of section 314 is amended by striking out "and (e)" and inserting in lieu thereof "(e), and (m) (including amounts transferred to such purposes pursuant to such subsection (n)).", and by striking out "an amount determined in accordance with regulations" and inserting in lieu thereof the following: "an amount determined by the Surgeon General, on the basis of the financial ability of the respective States, of not less in the case of the State having the least financial ability, than one-third of the total amount spent from such allotments and funds of such State and its political subdivisions, and not more, in the case of the State having the greatest financial ability, than two-thirds of the total amount spent from such allotments and funds of such State and its political subdivisions".

RESTRICTION OF MONOPOLISTIC CONTROL OF PROFESSIONAL BOXING

Mr. KEFAUVER. Mr. President, I introduce for reference to the appropriate committee a bill to curb monopolistic control of professional boxing, to establish within the Department of Justice the Office of the National Boxing Commissioner, and for other purposes.

I ask unanimous consent that the bill lie on the table until the close of business on Tuesday, April 4, 1961, and I invite other Senators to join with me in the sponsorship of this most needed piece of legislation.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from Tennessee.

The bill (S. 1474) to curb monopolistic control of professional boxing, to establish within the Department of Justice the Office of the National Boxing Commissioner, and for other purposes, introduced by Mr. KEFAUVER, was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. KEFAUVER. Mr. President, I have a statement explaining the provisions of the bill, outlining the need for its adoption, and containing the text of the bill. I ask unanimous consent that the statement and the text of the bill be printed at this point in my remarks.

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

STATEMENT BY SENATOR KEFAUVER

The Washington Post of March 15, 1961, carried a UPI dispatch stating that the heavyweight boxing champion, Floyd Patterson, may defend his title against the No. 1 contender, Sonny Liston, in September of this year. If this match is held, and Liston wins, we face the ugly prospect of having the heavyweight championship revert to mob control.

There was compelling evidence presented at the December 1960 boxing hearings of the Antitrust and Monopoly Subcommittee that Liston was controlled by three powerful racketeers—Frank "Blinky" Palermo, John Vitale, and Frank Carbo—operating through a "front" manager, Joseph "Pep" Barone. There has not been the slightest evidence since the December hearings that Liston has cleaned house.

I attach to this statement an article which appeared in the Washington Post of March 15, 1961, and a column appearing in the New York Journal on March 16, 1961.

This unwholesome situation makes clear the present state of professional boxing and the urgent need for the legislation which I will introduce today.

Underworld domination of professional boxing was the subject of extensive hearings before the Antitrust and Monopoly Subcommittee in June and December of 1960. These hearings produced overwhelming evidence of the decay and degeneration of a major sport. At the root of this evil condition was a massive conspiracy between racketeers and other undesirables to suppress competition and maintain monopoly control over major boxing contests throughout the country.

At the close of the December hearings I announced my firm intention to introduce corrective legislation. Accordingly, I am now introducing a bill to establish the Office of the National Boxing Commissioner within the Department of Justice.

The primary purpose of the present bill is to aid the States in their efforts to drive the racketeers out of boxing and, thus, to end their monopolistic control of one of our most popular sports.

I am convinced that only through a nationwide licensing system can we accomplish this end.

Of course, the success of such a licensing system depends upon adequate criminal sanctions and investigative facilities. With these factors in mind, I have included, within the bill, criminal penalties for violation of the act and provisions to utilize the services of the Federal Bureau of Investigation.

The interstate nature of major boxing contests is well established in law. In *United States v. International Boxing Club of New York* (348 U.S. 236), decided January 31, 1955, the Supreme Court held that the promotion of championship boxing contests on a multistate basis and the sale of rights to televise, broadcast, and film such matches for interstate transmission constituted trade and commerce among the States within the meaning of the Sherman Act.

On August 25, 1959, Gov. Edmund G. Brown, of California, stated that "professional boxing smells to high heaven" and recommended a congressional "cleanup." This statement by Governor Brown confirmed my own observations, and on the following day I directed the subcommittee to conduct an investigation of the monopoly aspects of the boxing business.

The hearings before the subcommittee reduced to cold facts material which had previously been in the realm of suspicion and rumor. The subcommittee members were shocked and dismayed to learn that officials of the giant International Boxing Club, leading promoters for a decade and more, were allies of Frank Carbo, the underworld czar of the sport. The IBC is no longer in existence, and Carbo is on trial in a Federal court for extortion. The outcome of that trial, and the demise of the IBC, will be of little consequence, however, unless we stamp out the Carbos of tomorrow before they attain positions of such awesome influence and affluence.

I will now explain some of the more important provisions of the bill, and the reasons for their inclusion.

Section 4 establishes, within the Department of Justice, an office to be known as the Office of the National Boxing Commissioner, to be headed by a Commissioner with rank and compensation equal to that of an Assistant Attorney General. My advocacy of a one-man commission was greatly influenced by the success of Judge Kenesaw Landis as commissioner of professional baseball. And, it must be remembered that the situation in boxing today is somewhat analogous to the period after baseball's Black Sox scandals when Judge Landis assumed office. Since the Office of Commissioner will be vitally concerned with the criminal and antitrust aspects of professional boxing, it is logically situated within the Justice Department.

Section 6 provides the Commissioner's Office with jurisdiction over all licenses issued pursuant to the act. Professional boxers, managers, promoters, and matchmakers engaging in interstate bouts are required to obtain a license. I believe it prudent for the Commissioner's Office to restrict its licensing provisions to those persons who perform the most important functions in the boxing business. Burdening the Commissioner with an avalanche of licenses to process and supervise would defeat the purposes of the bill.

The powers of the Commissioner are defined in section 5. Under this section, the Commissioner is given broad authority to carry out the mandates of the act. I wish to call particular attention to subsections (d) and (e) of section 5. Subsection (d) authorizes the Commissioner, with the approval of the Attorney General, to utilize the services of such employees of the Department of Justice as the Commissioner may deem necessary or desirable to enable him to effectively carry out the provisions of the act. Of course, this subsection will enable the Commissioner to utilize the much needed services of the Federal Bureau of Investigation. The subcommittee's inquiry established that most State and local commissions' investigative staffs were woefully

inadequate or nonexistent. Witness the testimony before the subcommittee of Mr. Harry Falk, a distinguished member of the California commission:

"We investigate the applicants (for licenses) at some considerable length.

"I think, at least to the extent of making a thorough investigation, that very few of the States do that.

"I am hopeful that in California we are somewhat effective in keeping out the hoodlums and doing good for boxing. I believe several of the national magazines and national newspapers even have complimented California on doing an excellent job in that regard.

"However, I want to confess to the committee that, assuming that California has the proper attitude and assuming California is doing a good job, we cannot cope with the problem. We admit that we are not effective in controlling boxing or eliminating the hoodlums."

Under subsection (e) of section 5 the Commissioner is authorized to obtain from any department, agency or independent instrumentality of the United States any information he deems necessary to carry out his duties under the act. This provision should facilitate free exchange of information between the Commissioner's Office and such agencies as the Bureau of Narcotics and the Bureau of Internal Revenue.

Section 5(f) allows the Commissioner, with the approval of the Attorney General, to establish regional offices. It may prove to be highly impractical to conduct the nationwide business of the Commissioner's Office through one office situated in Washington, D.C.

Despite many suggestions to the contrary, I have decided to limit the life of the Commissioner's Office. Under section 15, the act will terminate 5 years from the date of its enactment. It is my fervent hope that at the conclusion of that period boxing will be rid of its present underworld control and that further Federal supervision will be unnecessary.

I wish to emphasize that this bill in no way preempts either the State's authority or responsibility to regulate professional boxing. By law, the Office of Commissioner has no jurisdiction over bouts of a purely intrastate nature. By the provisions of the bill, the Commissioner's Office is primarily a licensing authority and is largely excluded from the administration, supervision and conduct of boxing matches, whether they be interstate or intrastate in nature.

Section 14 reads, "Nothing contained in this Act shall be construed as prohibiting any board, commission, or other agency, created by or pursuant to the law of any State, Commonwealth, or possession of the United States, from exercising any of its powers, duties, or functions with respect to the regulation or supervision of professional boxing or professional boxing contests." This section makes it patently clear that the bill merely requires that certain participants in interstate bouts—boxers, managers, promoters, and matchmakers—must be licensed by the Office of the National Boxing Commissioner; other agencies are not precluded from supervision of such contests as may occur in their jurisdictions.

Section 3 defines the terms "professional boxer," "manager," "promoter," and "matchmaker" as used in the act. May I direct your attention to subsection (5) which includes within the definition of "promoter" any person or corporation engaged in the making or transmitting of a closed circuit telecast of an interstate boxing match. Testimony before the subcommittee disclosed that a new type of boxing promoter—the closed circuit TV magnate—has arisen in recent years. The purses of Floyd Patterson and Ingemar Johansson in their heavyweight championship bouts were mainly de-

rived from the closed-circuit TV revenue. Corporations engaged in closed circuits TV wield immense power over the conduct of major boxing contests; yet, they are neither licensed nor regulated by the Federal Government—as are the regular TV networks. The exclusion of these companies from the jurisdiction of the Commissioner's Office would hamper and weaken the regulation and control of interstate bouts.

Section 6(b) provides standards for the issuance and renewal of licenses. By virtue of this section, the Commissioner is given latitude in determining whether an applicant is a proper licensee. Under the bill I am introducing, the Commissioner's refusal to issue or renew licenses is, of course, subject to a hearing and judicial review.

Section 8 sets forth the conditions under which a license may be suspended or revoked. Here again, provisions are made for a hearing and judicial review as prescribed in section 15.

Sections 7, 9, and 10 of the bill can be properly classified as the full disclosure sections. I am most anxious to eliminate the undercover payments and covert arrangements which now plague professional boxing. The subcommittee heard testimony that the International Boxing Club channeled over a quarter of a million dollars to the wife of gangster Frank Carbo, a notorious bookmaker named Max Courtney, and a freewheeling unlicensed promoter, Jack Kearns. No State or local commission knew of these transactions. The bill's disclosure provisions are designed to enable an alert Commissioner to detect the "secret deal" and the under-the-table payoff. Section 7 states that any contract which is entered into by a licensee of the Commissioner's Office, and which relates directly or indirectly to any professional boxing contests, shall be in writing and filed with the Office of the Commissioner. By the provisions of section 9, boxers, managers, promoters, and matchmakers must submit detailed financial reports concerning boxing contests in which they have participated, and section 10(a) requires each licensee to keep accurate and comprehensive records of all financial transactions relating to interstate matches. Subsection (b) of section 10 makes these records available to the Commissioner's Office for examination and inspection.

Section 13 provides criminal penalties for willful failure to comply with the disclosure provisions and false statements in any application or report filed with the Commissioner's Office. In each case malefactors face a maximum penalty of 5 years imprisonment and a heavy fine.

As I previously stated, there was a testimony before the subcommittee that Frank Carbo, John Vitale and Frank Palermo, a trio of undercover boxing racketeers, were arranging important matches for the No. 1 heavyweight contender, Sonny Liston, and sharing in his purses. Under subsection (a) of section 13, all three of these underworld figures could be prosecuted for acting as managers-in-fact without first procuring a license under the act. Violation of this subsection, which is primarily directed against the behind-the-scenes manipulator in professional boxing, may result in 5 years imprisonment.

Our investigation has established that the undercover elements in professional boxing constitute a veritable "Who's Who in Gangland"—Russell Bufalino, Mickey Cohen, Jimmy Doyle, and Tony Ducks, to name a few. In fact, most of the racketeers turned up in the boxing investigation had appeared before the old Senate Crime Committee or more recently before the Rackets Committee, headed by Senator McCLELLAN. It is clear that the criminal provisions of this bill provide the Attorney General with an arsenal of weapons in the drive against organized racketeering.

Cleaning out the hoodlums must be the first order of business for boxing's Commissioner. However, we should not neglect the other problems which sorely beset professional boxing. Therefore, under section 11 of the act, I have provided for a five-man Boxing Advisory Board. By subsection (e), the Board is charged with the responsibility of making recommendations to the Commissioner for the improvement of boxing and the welfare of its participants. The Board might well consider such matters as the advisability of interstate compacts, pension and insurance plans for boxers, the adoption of uniform rules and regulations by the States and the developing of young boxing talent. Board members will serve without compensation.

I do not support the many proposals to abolish professional boxing. We do not cure the cancer by killing the patient. However, the plain fact is that boxing cannot survive as a major sport unless some drastic steps are taken.

I am not asking Government to intrude in a sport which has never been regulated or controlled. According to the Ring Record book, there are 51 State and local commissions in existence throughout the country. I am asking that simultaneous jurisdiction over a restricted area of boxing regulation—the licensing of boxers, managers, promoters, and matchmakers engaged in interstate bouts—be given to a national authority as well as to State and local governments. I am doing so at the request of many State authorities who recognize that major boxing contests, because of their interstate character, are presently beyond the power of any State to regulate fully and effectively.

On February 21 of this year, at the conclusion of the second series of boxing hearings, Governor Brown stated in a letter to me: "We in the State find ourselves helpless to control boxing to the fullest extent necessary. Our State athletic commission has done a substantial job on regulating boxing within the borders of California, but the problems of the business are interstate in nature.

"The fact is that no matter how stringent are the rules, our State commission adopts, it cannot eliminate the hoodlum influences from the boxing business without Federal assistance.

"We do not ask for Federal control of boxing, but we do ask for Federal help.

"I recommend most earnestly the creation of a Federal Boxing Commission with power to license all participants in interstate boxing matches. I am pleased that my views in this matter coincide with your own.

"Only through such a nationwide licensing procedure can we successfully hope to counteract the criminal forces which have to a startling degree exerted power in the boxing business."

Governor Brown also stated:

"I believe that I speak for most of the people of California in expressing the hope that Congress will pass such needed legislation at this session."

I have been most impressed by Governor Brown's statement. California has been in the forefront of the States fighting organized crime in boxing. If the California authorities, with all their vast resources, cannot cope with the hoodlum problem without Federal assistance, how are the smaller States faring?

Evidence at the hearing indicated that not only are the individual States helpless in combating interstate racketeers but efforts to have the States band together for their common protection have been futile and unrewarding. Commissioner Alfred Klein, of Pennsylvania, representing that State and an organization known as the National Boxing Association, spoke of the fierce competition between the States for revenue-producing bouts; and Harry Falk, a member of the California commission and

former vice president of the NBA, said that there were no prospects for interstate compacts in the near future.

In introducing this bill, I am keenly aware of the contributions made by boxing to the sports tradition of our Nation. This awareness, has strengthened my resolve that boxing must not pass from the national scene.

If we are to succeed in reviving this sport we must see to it that our youthful athletes are not victimized and corrupted by unscrupulous managers and promoters; not tempted by bribe offers; not obligated to engage in sham or collusive matches; not required to pay homage to the underworld; not judged by their criminal connections rather than their abilities; and do not end their careers in poverty, broken in mind and spirit.

In no other sport today would such conditions be tolerated. We should no longer tolerate them in boxing. I therefore ask for support of this bill.

[From the Washington Post, Mar. 15, 1961]

MIAMI BEACH, FLA., March 14—Heavyweight Champion Floyd Patterson, about \$800,000 richer after Monday night's knockout over Ingemar Johansson, made a declaration of independence today and confirmed that he will fight again this year for Feature Sports, Inc.

"I will pick the opponent for my title defense," said the champion with the small white brow-patch over his swollen left eye. "I expect to defend between June and September."

He said he would prefer to defend in New York City, his home ballwick. That is a stock Patterson statement.

Nevertheless, the United Press International learned authoritatively that Patterson will make his next defense at Philadelphia against top contender Sonny Liston in September.

He said Liston of Philadelphia must clean house before he can expect to get a title shot, must sever his connections with the questionable men associated in his ownership.

"I know who those men are," he continued, "and they'll have to take a back seat." But when asked to name them, he chuckled and replied, "I'm not lookin' to get bumped off."

SONNY LISTON'S CASE

MIAMI BEACH, FLA., March 16.—I asked Sonny Liston what he thought of Floyd Patterson.

"I think he is a great champion," he replied as if he had rehearsed this falsehood with an actor's care.

He noticed my astonishment. The laughter made his immense body tremble.

"You don't mean that?" I said. "No," he said. "He's afraid of me. I view it this way. He's just using any excuse so that he don't have to fight me. He's worrying about who manages me. I ain't worried about who's managing him."

The mob is supposed to own Liston who has done jail-time for crimes of violence. He is considered the best heavyweight in the effete division. But Patterson will not fight him, the champion has stated, unless he is handled by people whose respectability is guaranteed.

"Is Blinky Palermo your undercover manager?" I asked.

"I have a contract with Pep Barone," he said. "That's who I signed with and that's who I get my orders from. I mean who I get the fights off."

"Have you asked Barone to sell your contract?"

"What can I do?" he asked.

PUBLIC OPINION

We were sitting at a table in the coffee shop of the Haddon Hotel on the beach. Although Liston has difficulty reading and

writing, a red-tipped ballpoint pen was clipped to the pocket of his blue plaid sports shirt which bulged with a notebook.

"Patterson's got a contract with Cus D'Amato," said Liston. "Cus' name's on it. I'm quite sure he don't sit up all night and watch Cus. He don't sleep with Cus all night to see what he's doing every minute." "Are you going to stick with Barone?" I asked.

"He's been good to me as far as it goes," Liston said. "I've found nothing wrong with him. He helped me this far."

"You have no future," I said, "as long as Barone manages you."

"I'll keep fighting," he said. "With whom?" I asked.

"I don't know," he answered. "I think public opinion should force Patterson to fight me. They can see he is making excuses. I done time. But after a man pays his debt to society, I don't see why he should pay with the rest of his life. Anyway, I'm the one whose going to be fighting him. Just the two of us is fighting, no one else."

He glanced at the diamond ring on his left pinky which is as large as a ball park hotdog.

"He didn't have them other guys investigated," Liston said. "He should of investigated Pete Rademacher who was an amateur. An amateur fighting a professional, he could get hurt bad. Did he investigate that?"

THE ANGLES

Barone sat down at the table, a tense, graunt-faced man.

"He don't want to fight my guy," the manager said. "He's just using all them angles."

"He must be the NBA," Liston said. "They take away Archie Moore's title, they take away Ray Robinson's title. They don't fight certain guys. But him, he don't want to fight me, he does what he wants."

"Have you had any offers for Liston's contract?" I asked Barone.

"I've had people ask me if I wanted to sell," Barone said, "I had one offer—some guy named Reilly from New York. He wanted to give up \$100,000 for a million-dollar proposition."

"Are you Blinky Palermo's front man?" I asked.

"I have a contract with Sonny," he said. "Sure, I done business with Blinky. I was promoting in Allentown. Blinky had all the good fighters. I had to deal with him. Who else in the boxing business didn't?"

"Would you sell the contract if you had a good offer?" I addressed the manager.

"I'm no piece of furniture," said Liston, suddenly angry. "I'm no hog or dog to auction off. You want Cus to be my manager? I feel Pep took a chance when he first got me. I was doing nothing then. Am I supposed to make him pick his friends, my manager? Am I to tell him who to talk to?"

"If Sonny's in St. Louis he'd still be in trouble," Barone said. "They were laying on him out there. He kept in trouble because the cops were picking on him. He lived in Philadelphia a year with his wife. What about the money I spent?"

"What does your wife think of this situation?" I asked.

"She says it takes time," he said.

"I read an interview in which Ingemar Johansson said he would fight you," I said.

"Sure," Liston said, "he ain't got the title now. Ain't Patterson saying he would fight me when he ain't got the title?"

FAST HANDS

The conversation drifted to the Patterson-Johansson fight.

"The mandatory eight count helped Patterson," he said. "In the first round when he got knocked down, it could of won it for him. Johansson, he run out of gas. He didn't get his second wind. Patterson, he's not as big as most heavyweights. He's little.

I hear about those fast hands. They don't bother me. I just keep sticking him."

In his last important fight, Eddie Machen lasted 10 rounds with him.

"Machen run," Liston said. "But I don't think Patterson would run like him. Ain't Patterson got pride? Ain't that what they say? If he's got pride, why ain't he fighting me? How could he have pride without fighting me?"

He sat there, big and uncomfortable in the coffeeshop chair and I said he looked fat.

"Im 220," he said. "If I'm fighting, I'd weigh 211."

He has never been knocked down. "I've never even been wobbled up," he said. "Cleveland Williams, he hit me good, right on the nose. But I don't wobble up."

He is a slow-moving pug who comes behind a left jab and uses a clubbing right.

"I'm fighting Machen and the referee keeps telling me keep the punches up," he said. "If I could of worked on his body, I'd of wore him down."

"Isn't Patterson easy to hit with a right hand?" I said.

"You know why I ain't going to hit Patterson with no right hands?" he said.

"No," I answered.

"Because he ain't going to get in there and fight me," he said.

He laughed, as if this were very funny.

S. 1474

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The National Boxing Commissioner Act."

DECLARATION OF POLICY

SEC. 2. The domination and monopolistic control of professional boxing contests by racketeers and other undesirable persons has become a matter of serious concern to the Congress and the Nation. These boxing contests, because of their interstate character, are presently beyond the power of any State to fully and effectively regulate. It is therefore the sense of the Congress that there is a need to establish for a period of five years within the Department of Justice the Office of the National Boxing Commissioner to license participants in professional boxing contests in or affecting interstate commerce.

DEFINITIONS

SEC. 3. As used in this Act—

(1) The term "professional boxing contest" means any boxing contest, exhibition, or match in or affecting interstate commerce between contestants who receive, or who by contract, agreement, or other arrangement are authorized to receive, monetary or other consideration for their services;

(2) The term "professional boxer" means any individual who participates in or undertakes to participate in any professional boxing contest as a contestant for monetary or other consideration;

(3) The term "manager" means any individual or corporation which (A) undertakes, offers to undertake, or has undertaken to represent in any way the interest of any professional boxer in the procurement, arrangement, or the conduct of any professional boxing contest in which such boxer is to participate as a contestant; or (B) receives or is entitled to receive 15 per centum or more of the gross purse of any professional boxer for any services relating to any professional boxing contest in which such boxer has participated or is to participate as a contestant;

(4) The term "purse" means any financial guarantee or any other compensation, or part thereof, which any professional boxer receives or is entitled to receive for participating as a contestant in any professional

boxing contest, without regard to the source of such guarantee or compensation;

(5) The term "promoter" means any individual or corporation which (A) undertakes, offers to undertake, or has undertaken to arrange for the conduct of any professional boxing contest; (B) undertakes, offers to undertake, or has undertaken to arrange for the making or transmitting of a closed circuit telecast of any professional boxing contest; or (C) receives or is entitled to receive 10 per centum or more of the gross promotion proceeds resulting from any professional boxing contest for any services relating to any such contest;

(6) The term "promotion proceeds" means any financial guarantee or any other compensation, which any promoter receives or is entitled to receive for participating as a promoter in any professional boxing contest, without regard to the source of such compensation;

(7) The term "matchmaker" means any individual who undertakes, offers to undertake or has undertaken, on behalf of any promoter, to render any services incident to the arrangement of the conduct of any professional boxing contest;

(8) The term "corporation" means any corporation, partnership, association, or other business entity existing under or authorized by the laws of the United States, any State, Commonwealth, or possession thereof, or any foreign country;

(9) The term "questionable individual" means any individual who (A) has pleaded guilty, or entered a plea of nolo contendere, or has been found guilty by a judge or jury with respect to any criminal offense punishable by imprisonment for any period exceeding six months in any jurisdiction; (B) while licensed under this Act, has violated any provision thereof or any rule or regulation promulgated pursuant thereto for which such license was suspended for a period exceeding thirty days or revoked; or (C) has by act or omission conducted himself in a manner detrimental to the best interests of professional boxing; and

(10) The term "questionable corporation" means any corporation which (A) has in its service any officer, director, or stockholder possessing the beneficial ownership of 20 per centum or more of its stock in any class who is a questionable individual; (B) while licensed under this Act, has violated any provision thereof or any rule or regulation promulgated pursuant thereto for which such license was suspended for a period exceeding 30 days or revoked; or (C) has by act or omission conducted itself in a manner detrimental to the best interests of professional boxing.

ESTABLISHMENT OF THE OFFICE OF THE NATIONAL BOXING COMMISSIONER

Sec. 4. There is hereby established in the Department of Justice an office to be known as the "Office of the National Boxing Commissioner" (hereinafter referred to as the "Office of the Commissioner"), to be headed by a Commissioner with rank and compensation equal to that of an Assistant Attorney General. The Commissioner shall be appointed by the President by and with the advice and consent of the Senate, and shall serve at the pleasure of the President during the life of the Office of the Commissioner.

POWERS AND AUTHORITY OF THE COMMISSIONER

Sec. 5. (a) The Commissioner is authorized to establish such rules and regulations; prescribe such forms of applications, reports, contracts, entries, and other papers; issue such instructions; and perform such other acts as he may deem necessary in the administration or enforcement of the provisions of this Act.

(b) The Commissioner is authorized to assist any State or local athletic commission (1) by making available such informa-

tion or other data acquired by him under this Act, and (2) by providing such legal and other assistance, as may be requested by any such commission.

(c) The Commissioner is authorized, in accordance with the civil service laws and regulations and the Classification Act of 1949, to appoint such employees of the Office of the Commissioner as he deems necessary in order to carry out the provisions of this Act.

(d) The Commissioner is authorized, with the approval of the Attorney General, to utilize the services of such employees of the Department of Justice as the Commissioner may deem necessary or desirable to enable him to effectively carry out the provisions of this Act.

(e) The Commissioner is authorized to obtain from any department, agency, or independent instrumentality of the United States with the consent of the head thereof any information he deems necessary to carry out his duties under this Act; and each such department, agency, and instrumentality is authorized to furnish such information to the Commissioner upon his request.

(f) The Commissioner is authorized, with the approval of the Attorney General, to establish offices of the Office of the Commissioner whenever, in the opinion of the Commissioner, the establishment of such offices is necessary to accomplish the purposes of this Act.

(g) The Commissioner, or any officer or employee of the Office of the Commissioner designated by the Commissioner, is authorized to hold such hearings, sit and act at such times and places, administer such oaths, and take such testimony as the Commissioner or such officer or employee may deem advisable. The Commissioner shall have such powers of subpoena and compulsion of attendance of witnesses and production of documents as are conferred upon the Securities and Exchange Commission by subsection (c) of section 18 of the Act of August 26, 1935 (15 U.S.C. 79r), and the provisions of subsection (d) of such section shall be applicable to all persons summoned by subpoena or otherwise to attend or testify or produce such documents as are described therein before the Commissioner or his designee; except that application to any court for aid in enforcing any such subpoena may be made only by the Commissioner. Subpoenas may be served by any person designated by the Commissioner.

LICENSES

Sec. 6. (a) The Commissioner may issue to any individual or corporation a license to participate as a professional boxer, manager, promoter, or matchmaker in any professional boxing contest. No individual or corporation may on or after the sixtieth day following the date of the enactment of this Act participate, directly or indirectly, as a professional boxer, manager, promoter, or matchmaker in any such contest unless such individual or corporation holds an unsuspended and unrevoked license issued by the Commissioner under this Act.

(b) A license may be issued or renewed under this Act only upon the determination by the Commissioner that the issuance or renewal thereof is in the public interest and in the interest of the lawful conduct of activities in professional boxing. Each individual or corporation which makes application for the issuance or renewal of any license under this Act may be required to furnish evidence satisfactory to the Commissioner to demonstrate, in the case of an individual, that he is not a questionable individual, and in the case of a corporation, that it is not a questionable corporation.

(c) Any individual or corporation which is denied a license under this section shall, upon his or its request filed in writing with the Commissioner within ten days following any such denial, be entitled to a

hearing with respect thereto. Any such hearing shall be conducted by the Commissioner in accordance with the applicable provisions of the Administrative Procedure Act.

(d) Any license issued or renewed under this Act shall expire on the 31st day of December next following the date on which it was issued or renewed.

FILING OF CONTRACTS

Sec. 7. Any contract, including any amendment, change or modification thereof, entered into on or after the sixtieth day following the date of enactment of this Act by the holder of any license issued by the Commissioner, which relates directly or indirectly to any professional boxing contest, shall be made in writing and shall be filed with the Commissioner within five days after it has been entered into.

SUSPENSION OR REVOCATION OF LICENSES

Sec. 8. (a) The Commissioner may, without hearing, suspend for any period not exceeding thirty days any license issued under this Act whenever he determines such action to be in the public interest or in the interest of the lawful conduct of activities in professional boxing.

(b) The Commissioner may suspend for any period exceeding thirty days or revoke any license issued under this Act whenever he determines after hearing that the holder of that license—

- (1) is a questionable individual;
- (2) is a questionable corporation;
- (3) has been disciplined by any agency or authority of any State or political subdivision thereof exercising regulatory power or control over professional boxing;
- (4) has violated any provisions of this Act or any rule or regulation promulgated pursuant thereto;
- (5) has willfully falsified a material fact or fraudulently concealed a material fact in any application, report, statement, or other paper filed under this act, or has induced, aided, or abetted any other individual or corporation to do so;
- (6) has willfully refused to permit the Commissioner, or any authorized officer or employee of the Office of the Commissioner, to examine any books, papers, or records relating directly or indirectly to any professional boxing contest, or has induced, aided, or abetted any other individual or corporation to do so; or
- (7) has willfully neglected or refused to make a report or statement, or file a contract as required under this act, or has induced, aided, or abetted any other person or corporation to do so.

(c) Hearings under subsection (b) shall be conducted in accordance with the applicable provisions of the Administrative Procedure Act.

(d) Hearings under subsection (b) shall be conducted in accordance with the applicable provisions of the Administrative Procedure Act.

BOXERS, MANAGERS, PROMOTERS AND MATCHMAKERS TO SUBMIT FINANCIAL REPORTS CONCERNING CONTESTS

Sec. 9. Within 7 days after the close of any professional boxing contest, each professional boxer, manager, promoter, or matchmaker licensed under this Act who participated in, rendered any service with respect to, or received or is entitled to receive any share of the purse or promotion proceeds of that contest shall file with the Commissioner, in writing, a full and complete financial report with respect to such contest prepared in such manner and form, and containing such information, as the Commissioner shall prescribe by regulation. Each such report shall include a detailed account of the distribution to any individual or corporation of any part of the purse and of the promotion proceeds resulting from such contest, including the share thereof which each professional boxer who participated in such contest, and each manager, promoter, or matchmaker who ren-

dered any service in or in connection with such contest, filing such report received or is entitled to receive.

INSPECTION OF BOOKS, PAPERS, AND RECORDS

SEC. 10. (a) Each licensee under this Act shall keep and maintain such accurate and comprehensive records of all transactions relating directly or indirectly to professional boxing contests as the Office of the Commissioner may by regulation require.

(b) All books, papers, and records of any such licensee, which relate directly or indirectly to professional boxing contests, shall be made available by such licensee for examination or inspection, at any reasonable time, to the Commissioner, or to any officer or employee of the Office of the Commissioner authorized in writing by the Commissioner to examine or inspect such books, papers, and records.

BOXING ADVISORY BOARD

SEC. 11. (a) A Boxing Advisory Board is hereby established to advise and assist the Commissioner in the performance of his duties under this Act. The Board shall consist of five members appointed, by the Commissioner with the approval of the Attorney General, to serve during the existence of the Board. Members of the Board shall be selected in such manner as to provide for the greatest practicable geographical representation on the Board.

(b) Members of the Board shall serve without compensation, but shall be reimbursed for travel, subsistence, and other expenses actually and necessarily incurred by them in the performance of duties vested in the Board.

(c) Service of an individual as a member of the Board shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U.S.C. 99).

(d) The Board shall elect a Chairman from among its members. The Board shall meet at the call of the Chairman, or at the call of a majority of the members thereof.

(e) It shall be the duty of the Board—

(1) to advise the Commissioner from time to time concerning any or all matters relating to professional boxing;

(2) to make recommendations to the Commissioner for the improvement of professional boxing in the public interest, and for the welfare of all individuals participating therein; and

(3) to issue information relating to professional boxing in the form of publications or otherwise, for the use of agencies, commissions, or associations engaged in the regulation or supervision of professional boxing.

JUDICIAL REVIEW

SEC. 12. Any individual or corporation aggrieved by any order of the Commissioner in refusing to issue or renew a license under section 6 of this Act, or any order of the Commissioner suspending or revoking a license under section 8(b) of this Act may obtain a review of any such order by filing in the court of appeals of the United States for any judicial circuit wherein such individual resides or has his principal place of business or such corporation has its principal office, or in the United States Court of Appeals for the District of Columbia, and serving upon the Commissioner, within sixty days after the entry of such order, a written petition praying that the order of the Commissioner be modified or set aside in whole or in part. Upon receipt of any such petition, the Commissioner shall file in such court a full, true, and correct copy of the transcript of the proceedings upon which the order complained of was entered. Upon the filing of such petition and receipt of such transcript, such court shall have jurisdiction to affirm, set aside, modify, or

enforce such order, in whole or in part. In any such review, the findings of fact of the Commissioner shall not be set aside if supported by substantial evidence. The order of the court affirming, modifying, or setting aside, or enforcing, in whole or in part, any such order of the Commissioner shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28 of the United States Code.

CRIMINAL PENALTIES

SEC. 13. (a) Whoever participates, directly or indirectly, as a promoter, manager, or matchmaker in any professional boxing contest without first procuring a license under this Act to act in such capacity shall be fined not more than \$5,000, or imprisoned not more than five years, or both.

(b) Whoever participates as a professional boxer in any professional boxing contest without first procuring a license under this Act to act in such capacity shall be fined not more than \$1,000, or imprisoned not more than one year, or both.

(c) Whoever shall willfully falsify a material fact, or fraudulently conceal a material fact in any application, report, statement, or other paper filed under any requirement of this Act shall be fined not more than \$5,000, or imprisoned not more than five years, or both.

(d) Whoever, in violation of any provision of this Act, shall willfully neglect or fail to make any report or statement or file any contract with the Commissioner shall be fined not more than \$5,000, or imprisoned not more than five years, or both.

STATES NOT PROHIBITED FROM ACTING

SEC. 14. Nothing contained in this Act shall be construed to prohibit any board, commission, or other agency, created by or pursuant to the law of any State, Commonwealth, or possession of the United States, from exercising any of its powers, duties, or functions with respect to the regulation or supervision of professional boxing or professional boxing contests.

TERMINATION OF ACT

SEC. 15. (a) Except as otherwise provided in subsection (b) of this section, this Act shall terminate upon the expiration of five years from the date of its enactment.

(b) The termination of this Act shall not be construed to affect any warrant of arrest, prosecution, suit, action, proceeding, or liability, civil or criminal, brought or existing on the day immediately preceding the date of such termination. Any such warrant, prosecution, suit, action, proceeding, or liability shall be heard and determined in accordance with the provisions of this Act in the same manner and to the same extent as if it had not terminated.

AMENDMENT AND STRENGTHENING OF FEDERAL WATER POLLUTION CONTROL ACT

Mr. LONG of Louisiana. Mr. President, I introduce for appropriate reference a bill to amend the Federal Water Pollution Control Act in order to provide for flow regulations for water pollution and quality control.

More than 3 years ago it became apparent to me that the pollution factor in the Red and Arkansas Rivers was something of great concern to the people who live in the vast areas surrounding those watersheds and who depend largely for their existence and well-being on those streams.

As a result of this concern, I joined with others in urging that the Congress appropriate sufficient funds to permit

the Public Health Service to undertake the necessary water quality surveys as a means of determining the source of salinity and other pollution in the Red and Arkansas Rivers and to permit this agency to work closely with the Corps of Engineers, which has as its regular business the job of undertaking flood control and navigation projects for the Nation.

The Congress, realizing the importance of this work, appropriated the needed funds and the survey is now rapidly nearing completion. It is my feeling that the good work we have done in this respect should now be followed up by providing for a low-flow survey that will permit the Surgeon General to acquire the needed information and compute present and future requirements for water releases from our federally constructed reservoirs and to use this information to maintain water quality and control pollution of the navigable waters of the Nation. This work of collecting these data and making the information known to other interested agencies will involve close coordination with other agencies of the Government and the amendment I propose is necessary in order to strengthen the existing regulations for water pollution as provided for in the Federal Water Pollution Control Act.

This amendment will make it possible for the Congress and the agencies who execute the will of the Congress to have available to them at the appropriate time the information they need to see to it that future reservoirs are constructed not only to furnish relief against impending floodwaters, but also to give due consideration to the collection and proper distribution of much-needed water of good quality.

It is my feeling that the amendment which I propose will meet with the approval of the Department of Health, Education, and Welfare and others who have a strong interest in our future plans for water economy.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1475) to amend and strengthen the Federal Water Pollution Control Act to provide for flow regulations for water pollution and quality control and other purposes, introduced by Mr. Long of Louisiana, was received, read twice by its title, and referred to the Committee on Public Works.

RESTATEMENT OF TERMS OF GRANT COVERING THE ROCKEFELLER WILDLIFE REFUGE AND GAME PRESERVE

Mr. LONG of Louisiana. Mr. President, on behalf of myself, and my colleague, the senior Senator from Louisiana [Mr. ELLENDER], I introduce for appropriate reference, a bill to restate the terms of the grant covering the Rockefeller Wildlife Refuge and Game Preserve to permit it to comply with current Louisiana law.

On September 30, 1920, the Rockefeller Foundation donated approximately 85,000 acres of land in Cameron

and Vermilion Parishes to the State of Louisiana.

The act of donation of these lands, to be known as the Rockefeller Wildlife Refuge and Game Preserve, contained among its stipulated conditions one that provided, in the event oils or minerals were discovered upon or under the donated lands, that the revenues from such oils and minerals mined and developed should be used, first, for the purpose of paying the maintenance expenses of the refuge and game preserve. Any surplus in revenues coming from such mining development should be used by the State of Louisiana for the development and improvement of that State's public schools or public health work.

Oil and gas leases have been granted on this land and now produce royalties. Meanwhile, article IV, section 2 of the constitution of the State of Louisiana of 1942, provided for the setting aside of 10 percent of the royalties received by the State from mineral leases on State-owned lands for the construction of roads, highways, bridges, et cetera, in the parish producing the minerals. Under this provision of the State constitution, 10 percent of the royalties from the Rockefeller Wildlife Refuge should be given to the parishes of Cameron and Vermilion for construction of roads, et cetera, except for the condition in the original donation by the Rockefeller Foundation, which required any revenues other than those used for maintenance of the refuge and game preserve to be used for public schools and public health.

The bill I introduce today would authorize the State treasurer of Louisiana, who is presently unwilling to do so without the approval of the United States, to use and apply 10 percent of the Rockefeller Wildlife Refuge royalties for construction of roads and such in Cameron and Vermilion Parishes, as provided in the constitution of the State of Louisiana, and would waive any right of the United States to claim violation of the deed of donation because of such use and application of revenues.

The Rockefeller Foundation on April 6, 1944, transferred to the United States all of its rights and interest in these lands. As to the proposal to use the revenues from these lands for purposes other than originally set down in the deed of donation, the Rockefeller Foundation, in a letter of May 31, 1960, to the office of the district attorney for the parish of Cameron, stated that it would not raise on its own initiative any question about the proposed use before any court or legislative body.

Therefore, if the United States enacted this bill, waiving its rights to claim violation of the original deed of donation, then the State of Louisiana will be able to set aside 10 percent of the royalties from mineral production on Rockefeller Wildlife Refuge and Game Preserve, to be used by the parishes of Cameron and Vermilion for their own road, highway, bridge, and so forth, construction.

There can be no doubt about it, if the grant had been made subsequent to the passage of the constitutional amendment that made 10 percent of the royal-

ties go to a road fund, the grant would have been worded to include this. The bill I have introduced merely removes the technicality that prevents the State treasurer from complying with the State constitution with respect to fund raising from this land.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1476) to restate terms of the grant covering the Rockefeller Wildlife Refuge and Game Preserve to permit it to comply with current Louisiana law, introduced by Mr. LONG of Louisiana (for himself and Mr. ELLENDER), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

HOUSING ACT OF 1961

Mr. SPARKMAN. Mr. President, I introduce, by request, a bill entitled "Housing Act of 1961." As you know, on March 9, the President sent his housing message to the Congress. The bill I now introduce would implement, for the most part, the President's housing program as set forth in that message.

In general, I was impressed with the President's message because it proposed a program of action, not only in the field of housing, but also in the equally challenging field of community development. His message proposed programs which would redeem the pledge, made by the Congress in the Housing Act of 1949, of a decent home and suitable living environment for every American family.

According to the President's message, his policy for housing and community development is to be directed toward the following three basic national objectives:

First. The renewal of our cities and the assurance of sound growth in rapidly expanding metropolitan areas.

Second. The provision of decent housing for all our people.

Third. The encouragement of a prosperous and efficient construction industry as an essential component of general economic prosperity and growth.

These are not new objectives, but I was pleased to hear the President speak in support of them.

Indeed, it is refreshing to all of us, who over the years have led the fight for a better housed America, to know that we have a strong ally in the Executive.

The bill I am now introducing would implement the President's housing message and would put a new housing program in motion.

Of course, I have not had time, since the draft bill reached me, to study all of its technical aspects; and certainly, like many others, I wish to consider very carefully all of the provisions. Arrangements have been made for hearings to start next week—on April 4—on this bill. It is my hope that the Senate will have concluded its consideration of, and will have acted upon, a 1961 omnibus housing bill by the first of May. Such a schedule will naturally be a difficult one, for, besides the President's proposals, 17 other housing bills are now pending before the subcommittee, and they set forth new ideas and propose ways of

amending existing law in order better to serve the housing needs of the people. Certainly we shall seek to give very careful consideration also to these pending measures.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1478) to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes, introduced by Mr. SPARKMAN (by request), was received, read twice by its title, and referred to the Committee on Banking and Currency.

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed at the end of my remarks a brief summary of the bill which I am now introducing.

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

(See exhibit 1.)

Mr. SPARKMAN. Mr. President, I wish to give notice that at 10 a. m., on Tuesday, April 4, the Subcommittee on Housing of the Banking and Currency Committee will begin hearings on this bill and other bills pending before the subcommittee—that includes both the bills I have listed as well as other bills which may be introduced between now and then—in room 5302, New Senate Office Building.

All persons who desire to appear and testify at the hearings are requested to notify, as soon as possible, Mr. Carl A. S. Coan, staff director, Subcommittee on Housing, Senate Banking and Currency Committee, Capitol 4-3121, extension 6640.

Mr. President, I ask unanimous consent to have printed in the RECORD a list of the bills, their principal sponsors, and a short description of each bill now pending before the Subcommittee on Housing.

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

(See exhibit 2.)

EXHIBIT 1

BRIEF SUMMARY OF ADMINISTRATION HOUSING BILL OF 1961

I. HOUSING FOR MODERATE INCOME FAMILIES

(a) Broadened FHA section 221 program: 40-year, no-downpayment mortgages for housing for low and moderate income and displaced families. Program for displaced families continues on permanent basis. Program for others would expire July 1, 1963. Insurance claims could be paid in cash. Program covers sales and rental housing. Mortgage ceiling \$9,000 for single-family home, but up to \$15,000 in high cost areas.

(b) Low-interest FHA-insured loans on rental and cooperative housing: Housing for low and moderate income and displaced families. Nonprofit organizations, cooperatives, local public agencies, and limited-dividend corporations eligible borrowers. Low-interest rates discretionary. Authority to waive insurance premium. Insurance claims could be paid in cash. FNMA special assistance for all loans.

II. HOME IMPROVEMENT AND REHABILITATION

(a) FHA insurance of a loan, up to \$10,000 maximum (in addition to any mortgage on the property), for home improvement and rehabilitation. Maturities up to 25 years, interest rate up to 6 percent. Insurance

claims could be paid in cash. FNMA special assistance authorized if housing is in urban renewal areas.

III. EXPERIMENTAL HOUSING AND APARTMENT UNIT MORTGAGE INSURANCE

(a) New program of FHA-insured mortgages for testing housing using new techniques in building, design, materials, or construction, which otherwise may not qualify under normal mortgage insurance criteria. Insurance claims could be paid in cash.

(b) FHA authorized to insure mortgages on individual units in apartments (condominiums).

IV. NATIONAL HOUSING ACT AUTHORIZATIONS

(a) FHA authority: General mortgage insurance authority extended 4 years, and title I loan insurance authority extended 2 years.

(b) FNMA authority: Authority for special assistance functions increased by \$750 million.

V. HOUSING FOR ELDERLY AND LOW INCOME

1. Housing for the elderly

(a) Direct loans: Authorization for appropriations increased by \$50 million. Public bodies made eligible for loans in addition to private nonprofit sponsors under present law. Separate \$5 million sublimitation on "related facilities" removed.

2. Public housing

(a) Additional payment for elderly: Up to \$120 per year additional Federal payment for units occupied by elderly families where needed to prevent project default.

(b) Increased cost limits on units for elderly: Per room limit increased by \$500 because of higher per room cost of small units.

(c) Dwelling unit authorization: Authority for approximately 100,000 additional units (up to the limit originally authorized in the Housing Act of 1949).

(d) Occupancy: Local responsibility for establishment of preferences for occupants. Authorization under special circumstances for an overincome family to remain, at an unsubsidized rent, until suitable housing is available.

(e) Demonstration programs: PHA authorized to make grants to local bodies to develop and demonstrate new or improved means for providing housing for low income families; \$10 million limit on appropriations.

VI. URBAN RENEWAL AND PLANNING

(a) Urban renewal grant authorization: Increased by \$2.5 billion.

(b) Federal relocation payments: Increased amounts to displaced businesses if increase over present amount is shared by locality as part of project cost.

(c) Urban renewal property for low and moderate income rental housing: Urban renewal property could be sold to a limited-dividend or nonprofit corporation, cooperative, or public body at fair value for its use in providing new or rehabilitated rental or cooperative housing for occupancy by families of low or moderate income.

(d) Rehabilitation demonstrations: Local public agency could demonstrate rehabilitation techniques by acquiring properties in urban renewal area, improving them as part of project cost, and reselling them to private owners.

(e) Nonresidential exception: Increased from 20 percent to 30 percent.

(f) Urban planning grants: Federal share increased from one-half to two-thirds, and authorization for appropriation increased by \$80 million.

VII. COMMUNITY FACILITIES

Authorization for public facility loans would be increased by \$50 million.

State limitation on advances for public works planning increased from 10 percent to 12½ percent. Areawide projects, the construction of which might require a number of years, made eligible for these advances.

VIII. FARM HOUSING

The farm housing provisions of the Housing Act of 1949 which are administered by the Farmers Home Administration of the Department of Agriculture would be extended for 5 years and a requirement for mortgage security would be relaxed.

IX. MISCELLANEOUS

Miscellaneous changes made in various existing laws for clarification or to eliminate administrative difficulties.

EXHIBIT 2

LIST OF BILLS BY PRINCIPAL SPONSOR AND DESCRIPTION PENDING BEFORE THE SENATE SUBCOMMITTEE ON HOUSING

S. 517, Senator JAVITS; a bill to reduce FHA mortgage insurance premium and to increase the State limitation and relocation payments under the urban renewal program.

S. 518, Senator JAVITS; a bill to increase the State limitation for Federal loans under the college housing program.

S. 582, Senator SMATHERS; a bill to establish an International Home Loan Bank for the purpose of fostering savings and loan institutions in underdeveloped countries; and to permit Federal savings and loan associations to invest a portion of their funds in the International Home Loan Bank and in savings institutions located outside the United States.

S. 605, Senator BUSH; a bill to increase the urban renewal grant authority through appropriations acts up to \$3.1 billion over 6 years; to increase relocation payments; to enable local public agencies to undertake demonstration pilot projects for rehabilitation; to develop a system of priorities for grants to States which assist communities; to remove the predominantly residential requirement, and to make other changes in the basic urban renewal legislation.

S. 608, Senator CASE of New Jersey; a bill to permit the use of urban renewal funds to defray part of the additional construction cost required by a change in design of a Federal-aid highway passing through an urban renewal area.

S. 726, Senator KEFAUVER; a bill to expand the public facility loan program of the Community Facilities Administration of the Housing and Home Finance Agency.

S. 766, Senator JAVITS; a bill to create a Federal Limited Profit Mortgage Corporation to assist in the provision of housing for moderate-income families and for elderly persons.

S. 846, Senator ERVIN; a bill to permit Federal savings and loan associations to invest in or lend to business development credit corporations up to a maximum of one-half of 1 percent of outstanding loans or \$250,000, whichever is the lesser.

S. 858, Senator WILLIAMS of New Jersey; a bill to authorize the HHFA to assist States and their political subdivisions in preserving open-space land in and around urban areas.

S. 1127, Senator WILLIAMS of New Jersey; a bill to amend title V of the Housing Act of 1949 to authorize the Secretary of Agriculture to insure loans and to make direct Federal loans for the provision of housing for domestic farm labor.

S. 1226, Senator BUSH; a bill to increase the college housing loan authorization through appropriations acts up to \$250 million a year for each of the next 8 years, and to increase the State limitation.

S. 1245, Senator SPARKMAN; a bill to increase the college housing loan authorization by \$100 million, plus \$250 million a year for each of the next 5 years, and to increase the State limitation.

S. 1249, Senator HOLLAND; a bill to amend title V of the Housing Act of 1949 to authorize the Secretary of Agriculture to insure loans and to make direct Federal loans

for the provision of housing for domestic farm labor.

S. 1324, Senator KEFAUVER; a bill to authorize the donation of a certain tract of land in connection with an urban renewal project undertaken in the city of Knoxville, Tenn., under title I of the Housing Act of 1949.

S. 1452, Senator SPARKMAN; a bill to provide specific authority to Federal savings and loan associations to make loans up to 5 percent of assets for the financing of accommodations for occupancy by the aging.

S. 1453, Senator SPARKMAN; a bill to provide specific authority to Federal savings and loan associations to make loans up to 5 percent of assets for the purchase of certificates of beneficial interest issued by urban renewal trusts.

S. 1454, Senator SPARKMAN; a bill to provide specific authority to Federal savings and loan associations to make nonamortized loans up to 5 percent of assets to facilitate trade-in housing.

EXTENSION OF VETERANS' ADMINISTRATION DIRECT HOME LOAN PROGRAM

Mr. SPARKMAN. Mr. President, I introduce, on behalf of myself and the senior Senator from Texas [Mr. YARBOROUGH] a bill which would extend the VA direct home loan program to July 25, 1967, and which would gradually phase this program out.

I am joining with my good friend from Texas, Senator YARBOROUGH, in introducing another bill which will likewise extend the VA-guaranteed loan program for the same period, and likewise will gradually phase that program out.

The VA direct home loan program was established in 1950 by Public Law 475, 71st Congress, after the Congress became aware that many veterans desiring to purchase or build homes in remote or outlying areas could not obtain guaranteed loans or, for that matter, any mortgage financing on reasonable terms with which to purchase or build sorely needed homes for themselves. Originally the program was scheduled to expire in approximately 1 year after enactment, but the Congress from time to time has extended the program so that the present termination date would be July 25, 1962, for World War II veterans, and January 31, 1965, for veterans of the Korean conflict.

Ever since the direct loan program was authorized in 1950 there has always been a waiting list of veterans needing a direct loan. The reason for the waiting list is due to the limited funds authorized for the program and the large number of veterans living in the rural areas where private financing is not available.

For example, on April 1, 1958, there were 13,084 veterans on the waiting list. When the funds were received under Public Law 85-364 the Veterans' Administration made the funds available to those on the list and started a new list for future loans.

The waiting list increased month by month to a point where on October 1, 1959, there were 59,000 veterans on the waiting list for a direct loan.

During the months of October and November 1959, the Veterans' Administration regional offices sent out letters

to the veterans on the waiting list, instructing them that, if they did not complete the forms enclosed and make application to the voluntary home mortgage credit program for a loan and notify the Veterans' Administration within 30 days after they had made the application to the VHMCP, their names would be removed from the Veterans' Administration direct loan waiting list. This procedure did not get loans for the veterans through the voluntary home mortgage credit program because this program has failed to provide new or additional funds for veteran home buyers. Many veterans, realizing that the voluntary home mortgage credit program had not helped get loans in the past, did not file the application as instructed by the Veterans' Administration; they were therefore taken off the direct loan waiting list. Many of the veterans removed by this procedure still want and need a direct loan.

This procedure was followed throughout the country by all regional offices and 23,238 veterans were removed from the direct loan waiting list during the 2-month period.

Even with this procedure to reduce the waiting list, the Veterans' Administration had 33,762 veterans still on the waiting list on December 1, 1959.

Many thousands of our veterans living in the rural areas, small towns, and cities need a direct loan today, as there are no private loans available. Even though many thousands are in this condition, only 29,454 have bothered to get their name on the waiting list as of March 1, 1961. Many of the 29,454 on the waiting list know they will more than likely not get a loan, for there is not enough money to go around. If there were ample funds available for the direct loan program there is no doubt the number of veterans applying would be many, many times the number on the list today.

Mr. President, I ask unanimous consent to insert at the end of my remarks a chart showing the number of veterans on the waiting list for direct loans as of March 1, 1961.

(See exhibit 1.)

Mr. SPARKMAN. Mr. President, a careful review of the Veterans' Administration guaranteed and direct loan programs as of January 1, 1961, shows that 5,751,596 home loans have been guaranteed or made under the 2 programs. These approximately 6 million loans amounted to \$50.6 billion, with an exposure or liability of approximately \$30 billion. Yet the programs have made money for the taxpayers and U.S. Treasury. After repayment to the U.S. Treasury for moneys used, plus interest and deducting all losses, the Veterans' Administration guaranteed and direct loan programs have a surplus, as of January 1, 1961, in excess of \$59 million.

This surplus has been created on loans that have a reasonable and realistic interest rate varying from 4 percent to 5 1/4 percent. Losses and interest paid the U.S. Treasury have been deducted to arrive at the profit figure of over \$59 million. The interest payments to the Treasury are in excess of \$120 million, as of January 1, 1961.

Each time the expiration date of the direct home loan program has come near, there has always been a surge of applications for such loans, and each time the Congress has not wanted to shut off worthy veterans who wish to use the program to obtain housing for themselves and their families.

We have now moved some 20 years away from the start of World War II, and one might say that we are moving into the generation of the children of World War II veterans. It, therefore, seems logical to phase out this program gradually. By doing so, we now give notice that the program will come to an end, and all those who wish to take advantage of the program may make their plans to do so.

My bill would extend the entitlement of World War II veterans for direct loans on a formula basis. Under the formula, a World War II veteran would have 10 years from the last period of active duty during World War II, plus a period equal to 1 year for each 4 months of active duty, in which to exercise his right under the direct loan program.

The same formula would apply to veterans of the Korean conflict.

In order that sufficient funds would be available for loans under the program, the bill would provide for a loan authorization of \$1.1 billion, of which \$100 million would become available upon enactment in order to help care for the existing backlog of direct loan applications. The remainder of the authorization would become available in this manner: \$400 million after June 30, 1961; \$200 million after June 30, 1962; \$150 million after June 30, 1963; \$150 million after June 30, 1964; \$100 million after June 30, 1965; and \$100 million after June 30, 1966.

Mr. President, I believe that the extension of the entitlement for World War II veterans to obtain a direct loan is sensible, and I believe the moneys authorized over the next few years to phase out the program is the best and most comprehensive way to accomplish the aims desired.

EXHIBIT 1

Veterans on waiting list for a direct loan as of March 1, 1961

REGIONAL OFFICE	
Total	29,454
Alabama: Montgomery	652
Alaska: Juneau	15
Arizona: Phoenix	180
Arkansas: Little Rock	388
California:	
Los Angeles	117
San Francisco	142
Colorado: Denver	658
Connecticut: Hartford	(¹)
Delaware: Wilmington	22
Florida: Pass-A-Grille	720
Georgia: Atlanta	1,021
Hawaii: Honolulu	(¹)
Idaho: Boise	820
Illinois: Chicago	850
Indiana: Indianapolis	925
Iowa: Des Moines	337
Kansas: Wichita	180
Kentucky: Louisville	1,076
Louisiana:	
New Orleans	170
Shreveport	66
Maine: Togus	549

¹ Not a direct loan area.

Veterans on waiting list for a direct loan as of March 1, 1961—Continued

REGIONAL OFFICE—continued	
Maryland: Baltimore	30
Massachusetts: Boston	(¹)
Michigan: Detroit	1,084
Minnesota: St. Paul	1,060
Mississippi: Jackson	983
Missouri:	
Kansas City	915
St. Louis	975
Montana: Fort Harrison	947
Nebraska: Lincoln	281
Nevada: Reno	202
New Hampshire: Manchester	(¹)
New Jersey: Newark	(¹)
New Mexico: Albuquerque	189
New York:	
Albany	10
Buffalo	31
New York	(¹)
Syracuse	2
North Carolina: Winston-Salem	1,925
North Dakota: Fargo	555
Ohio:	
Cincinnati	1,177
Cleveland	1,562
Oklahoma: Muskogee	1,063
Oregon: Portland	319
Pennsylvania:	
Philadelphia	(¹)
Pittsburgh	85
Wilkes-Barre	9
Puerto Rico: San Juan	803
Rhode Island: Providence	(¹)
South Carolina: Columbia	768
South Dakota: Sioux Falls	446
Tennessee: Nashville	623
Texas:	
Dallas	51
Houston	55
Lubbock	71
San Antonio	46
Waco	43
Utah: Salt Lake City	1,159
Vermont: White River Junction	—
Virginia: Roanoke	1,375
Washington: Seattle	1,057
West Virginia: Huntington	289
Wisconsin: Milwaukee	128
Wyoming: Cheyenne	248

VETERANS BENEFITS OFFICE

Washington, D.C.	(¹)
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¹ Not a direct loan area.

Source: Veterans' Administration.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1481) to extend and to provide additional funds for the veterans' direct home loan program, introduced by Mr. SPARKMAN (for himself and Mr. YARBOROUGH), was received, read twice by its title, and referred to the Committee on Banking and Currency.

EXTENSION OF WORLD WAR II AND KOREAN WAR HOME LOAN GUARANTEE PROGRAM

Mr. YARBOROUGH. Mr. President, for myself and on behalf of the distinguished Senator from Alabama [Mr. SPARKMAN], I introduce for appropriate reference a bill to extend the World War II and Korean war home-loan guarantee program.

The Senator from Alabama, who co-sponsored the bill with me, has exercised great leadership in the Senate and in Congress not only on behalf of housing, but on behalf of veterans' rights. In fact, he was a Member of the House when the first GI bill of World War II

was enacted, and which made a notable contribution to veterans' legislation.

The proposed additional time during which veterans of World War II and the Korean war would be eligible to obtain a guaranteed loan under the bill would be determined as follows:

World War II veterans would have 10 years from date of discharge, plus an additional year for each 3 months of active duty, but in no case is a loan to be provided after July 25, 1967, and in no event will eligibility expire prior to July 25, 1962. Veterans with service-connected disabilities would be eligible without regard to length of service until July 25, 1967.

Korean conflict veterans would have 10 years from date of discharge plus an additional year for each 3 months of active duty; but in no case is a loan to be provided after January 31, 1975; and in no event will eligibility expire prior to February 1, 1965. Veterans with Korean conflict service-connected disabilities would be eligible, without regard to length of service, until January 31, 1975.

Another bill has been introduced today by the Senator from Alabama [Mr. SPARKMAN], for himself and me, for the purpose of making a similar extension of the veterans direct home-loan program. Although the guarantee extension will be before the Subcommittee on Veterans' Affairs of the Committee on Labor and Public Welfare, while the direct loan extension will be studied by Senator SPARKMAN's Subcommittee on Housing of the Committee on Banking and Currency, I am hopeful that action of the two subcommittees can occur simultaneously, so that these bills can come before the Senate for consideration at the same time.

Mr. President, it is common knowledge in the Senate and in the country that even though the World War II home loan guarantee program has run for 15 years, many of the 9 million veterans eligible under this program have been prevented from utilizing their guarantee rights by the high interest rate situation that has existed during a major part of this period. Because of the high interest rates, GI mortgage moneys have been unavailable for extended periods of time. Since we now have real hope and promise of lower, more reasonable interest rates in the money market, it would be most wise on the part of the Congress to extend the home loan program, thereby giving many World War II veterans an opportunity to utilize this home purchase aid.

Aside from the interest rate situations, there are hundreds of thousands of other veterans who have met their financing needs through conventional or FHA loans, but who could now benefit from GI financing to acquire larger and better homes as their families increase in size or as their income levels improve.

There are, of course, other factors to which the Congress should look in evaluating the merit of extending this program.

As Senators know, we have weak spots in the economy in many areas. Housing starts for the Nation were down sharply in 1960. When the housing market is active, many segments of the economy

are stimulated—lumber, masonry, steel, plumbing, electrical appliances, furniture, and a host of other related products and industries. Jobs and business expansion opportunities follow suit.

There is every reason to believe that economic stimulation will result from this extension. We recall that the economy was benefited by the extension of this program in April 1958, at a time—in a recessionary period—when the economy needed assistance toward recovery.

Mr. President, all of us know of the outstanding performance of our veterans in meeting their obligations to repay home loans. Only about 1 percent of the 5½ million home loans have resulted in claims. That is a percentage of less than one-tenth of 1 percent.

The claims paid have amounted to only 8 cents on every \$100 of the original principal amount of the loans guaranteed. The loss that the Government has sustained has been infinitesimal. About 1½ million of these loans have been fully repaid.

After weighing these factors, one against the other, one is compelled to conclude that this valuable program must be extended. By extending this worthwhile benefit, our veterans will continue to receive, at an insignificant cost to the taxpayer and at great benefit to our national economy, recognition for their unstinting service.

By the same token, we furnish an important support to the homebuilding industry, thus adding to the vitality and the strength of this program.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1483) to extend the veterans' guaranteed home loan program, introduced by Mr. YARBOROUGH (for himself and Mr. SPARKMAN), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

INDIGENT DEFENDANTS IN CRIMINAL CASES—ADDITIONAL CO-SPONSOR OF BILL

Mr. KEFAUVER. Mr. President, I ask unanimous consent that the name of the senior Senator from North Carolina [Mr. ERVIN] be added as a co-sponsor of S. 655 which I introduced on January 30 of this year in behalf of the senior Senator from New York [Mr. JAVITS] and myself. S. 655 was referred to the Committee on the Judiciary of which I am a member.

This bill provides for the representation of indigent defendants in criminal cases in the district courts of the United States. It was introduced at the request of the Department of Justice and was passed in the Senate during the 86th Congress.

Indigent people often lack the funds to hire professional services for pleading their cases and the burden falls on the small number of criminal attorneys volunteering their legal services. S. 655 would establish a regular Office of Public Defender to be compensated by the district courts whose duty it would be to undertake the defense of indigent defendants.

I welcome Senator ERVIN as a co-sponsor of this important legislation and express the hope that the bill can be enacted without further delay.

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

PRINTING OF MINORITY VIEWS ON SENATE REPORT NO. 128

Mr. McNAMARA. Mr. President, yesterday, in filing the report of the Senate Subcommittee on Problems of the Aged and Aging, as approved by the Committee on Labor and Public Welfare, I inadvertently omitted to request unanimous consent for formal inclusion of the minority views.

Therefore, I now ask unanimous consent that the minority views of Senator DIRKSEN, a distinguished member of the Subcommittee on Problems of the Aged and Aging, be included as part of the report of the subcommittee.

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

APPOINTMENT BY THE VICE PRESIDENT—SENATE OFFICE BUILDING COMMISSION

The PRESIDING OFFICER. On behalf of the Vice President, the Chair appoints Senator THRUSTON MORTON, of Kentucky, to be a member of the Senate Office Building Commission, to fill the vacancy created by the resignation of Senator JOHN SHERMAN COOPER, of Kentucky.

NOTICE OF HEARING ON NOMINATION OF DAVID LOWELL LADD TO BE COMMISSIONER OF PATENTS

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, April 5, 1961, at 10:30 a.m., in room 2228, New Senate Office Building, on the nomination of David Lowell Ladd, of Illinois, to be Commissioner of Patents.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Record, as follows:

By Mr. PASTORE:

Address entitled "Liberalism's Responsibility," delivered by Senator PELL before the National Civil Liberties Clearing House, at Washington, D.C., on March 23, 1961.

INCREASED NONDEFENSE SPENDING PROPOSALS BY PRESIDENT KENNEDY

Mr. MILLER. Mr. President, during the past few days, the general taxpaying public has been subjected to an unprecedented amount of conflicting and confusing information about the budget. Polls show that most of the voters are

favorably impressed by the President's activities, but interviews reveal that hardly anyone knows what these activities are going to cost. There is strong suspicion that the polls would show entirely different results if the inflationary or tax increase results were known by those being interviewed.

President Kennedy has attempted to shift the blame for a deficit budget on former President Eisenhower, saying his estimate of receipts was too rosy. Republicans are charging that there are unrealistically low estimates in the President's budget, and that actual costs will be far greater than the estimates. Running through these arguments is a failure to distinguish between authorizations for spending and actual appropriation askings, coupled with claims by certain Democratic spokesmen that some programs are "self-financing," although the time for the tax increases needed to sustain them is postponed.

I have attempted to bring some order out of this confusion by preparing a statement of the increased nondefense spending proposals made by President Kennedy. It shows that deficit spending of at least \$608 million for the fiscal year 1961 and \$2.422 billion for the fiscal year 1962 can be laid at the President's own doorstep, because of his recommendations for increased spending, without taking into account the national defense program increases. Most taxpayers, I am sure, would go along with necessary increases in the national-defense budget, even at the cost of more taxes. However, I seriously doubt that they would approve of more tax increases—or inflation—for the President's increased nondefense spending programs, all at the same time.

When we have another round of inflation and tax increases, or both, I want the people to know that the resultant sacrifice they will have to make will not be made for the sake of national defense. I want them to know precisely that their sacrifice will be made for non-defense spending at a time when we are beginning to pull out of what the chairman of the President's own Council of Economic Advisers has termed "a very mild recession."

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

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

*Increases over Eisenhower spending program for fiscal years 1961 and 1962 by President Kennedy*¹

SUMMARY [In millions of dollars]		
	1961	1962
Department of Agriculture	411	478
Department of Commerce		48
Department of Defense, civil functions: Corps of Engineers, construction	15	17
Department of Health, Education, and Welfare	28	793
Department of the Interior	10	33
Department of Justice		2
Department of Labor	564	431
Department of State		6
Department of the Treasury		25
Atomic Energy Commission		-10
Federal Aviation Agency		10
National Aeronautics and Space Administration		85

See footnotes at end of table.

*Increases over Eisenhower spending program for fiscal years 1961 and 1962 by President Kennedy*¹—Continued

SUMMARY—continued [In millions of dollars]		
	1961	1962
National Science Foundation		29
Railroad employees temporary unemployment compensation	24	
Tennessee Valley Authority	2	
U.S. Information Agency	8	
Veterans' Administration	95	
The Judiciary	4	
Chilean reconstruction	25	50
General Services Administration	20	2
Housing and Home Finance Agency	11	214
Net additional nondefense spending per Kennedy Mar. 24 message	1,108	2,332
Social security increases not supported by current tax revenue		1,000
Total increased nondefense spending	1,108	3,332
Reduction in Eisenhower estimated revenues per President Kennedy's estimate	-500	-900
Net deficit due to nondefense spending under President Kennedy's program	608	2,422

DETAILED BREAKDOWN [In millions of dollars]		
Department of Agriculture:		
Surplus food distribution (domestic)	118	100
Food stamp pilot program	4	50
Commodity Credit Corporation (price supports: Cotton, peanuts, rice and milk; feed grains; food distribution abroad and other)	225	164
Farm ownership and operating loans	34	
	30	77
Farm housing loans		45
Rural Electrification Administration		15
Forest Service		21
School lunch and special milk programs		19
Other		-13
Total, Department of Agriculture	411	478
Department of Commerce:		
Area redevelopment		40
Scientific research and other programs		8
Total, Department of Commerce		48
Department of Defense, civil functions: Corps of Engineers, construction	15	17
Department of Health, Education, and Welfare:		
Elementary and secondary education		500
Aid to higher education		21
Aid to federally affected schools		-5
Medical education and research		9
Water and air pollution		12
Community health activities		9
Other Public Health Service (mainly NIH)		38
Maternal and child welfare grants		10
OASDI liberalization and medical care (budget effect) ²		-52
Aid to dependent children of the unemployed	28	215
National defense education, vocational rehabilitation, and other		36
Total, Department of Health, Education, and Welfare	28	793
Department of the Interior:		
Indian welfare and education		14
Park Service (Mission 66 and seashore areas)		11
Other (mainly transmission lines and fisheries research)	10	8
Total, Department of the Interior	10	33
Department of Justice		2
Department of Labor:		
Temporary unemployment compensation	550	440
Advances for employment security administration, and other	14	-9
Total, Department of Labor	564	431

See footnotes at end of table.

*Increases over Eisenhower spending program for fiscal years 1961 and 1962 by President Kennedy*¹—Continued

DETAILED BREAKDOWN—continued [In millions of dollars]		
	1961	1962
Department of State (mainly for Africa)		6
Department of the Treasury (mainly Internal Revenue and Coast Guard)		25
Atomic Energy Commission		-10
Federal Aviation Agency		10
National Aeronautics and Space Administration		85
National Science Foundation		29
Railroad employees temporary unemployment compensation	24	
Tennessee Valley Authority		2
U.S. Information Agency		8
Veterans' Administration:		
Veterans disability compensation rate increase		65
Direct housing loans		30
Total, Veterans' Administration		95
The Judiciary (judgeship bill)		4
Chilean reconstruction	25	50
General Services Administration	20	2
Housing and Home Finance Agency:		
College housing loans	11	45
Low-cost housing		65
Urban renewal		54
Public facility loans		30
Housing for the elderly		10
Other		10
Total, Housing and Home Finance Agency ²	11	214
Net additional nondefense spending per Kennedy Mar. 24 message	1,108	2,332
Social security increases not supported by current tax revenue		1,000
Total increased nondefense spending		3,332
Reduction in Eisenhower estimated revenues per President Kennedy's estimate	-500	-900
Net deficit due to nondefense spending under President Kennedy's program	608	2,422

¹ As of Mar. 29, 1961.

² Under the table of "Changes in the fiscal 1962 budget" is an item entitled "OASDI liberalization and medical care (budget effect)," showing a gain over the Eisenhower budget of \$52,000,000. Note that this item is admittedly only one of budget effect. In point of fact, it covers 2 Kennedy programs, a 5-point social security liberalization which would provide an outlay of over \$1,000,000,000 in the first year and the Kennedy program of medical care for the aged under the social security system, the estimated first year cost of which would be an additional \$1,000,000,000. In the case of the former, there would be additional spending in the first year of about \$1,000,000,000 not offset by taxes, because these would not be collected until the year 1963. Such spending, however, would be from trust fund operations requiring borrowing from the U.S. Treasury and as such, would not appear in the general expenditure budget.

³ If President Kennedy further accelerates the activities of the Housing and Home Finance Agency, the estimate of \$214,000,000 additional expenditures for fiscal 1962 will increase accordingly.

LAOS

Mr. BRIDGES. Mr. President, the situation in Laos is a very difficult one. The Senator from New Hampshire and generally the members of his party here have expressed great determination to back the President in his efforts to bring about a peaceful solution of the Laos problem, and we have urged that our country work closely with the other powers in the so-called SEATO Conference and that any move there be a cooperative move with all countries cooperating in whatever steps are taken.

I have taken increasing note of the fact that there persist rumors that the

Russians, in order to be willing to agree, after a cease-fire, on a free neutral government for Laos, are going to insist that certain members of the ruling cabinet of Laos—if we succeed in bringing about a free neutral government there—be Communists. I believe we have followed a rather tragic pattern in that respect in the past. We have observed the experience in that connection in various European countries, including Czechoslovakia, where there was a coalition government which was supposed to be completely fair. But the Communists succeeded in having Communists appointed as the Minister of Interior and as some of the other very important ministers. They then proceeded to take over the Government. We saw an attempt at a similar situation in China. The intention was to establish a neutralist government there. We have seen similar developments in other countries; these are good illustrations.

In these various situations, eventually—whether in months or in a year or two—the Communists, by boring from within, exercised their power and control, with the result that the other elements of those governments were swallowed up, and eventually the Communists took over those countries.

That is one of the fears I have in connection with the situation in Laos. I believe it concerns the Senate, the House of Representatives, and every American citizen. I very sincerely hope that the U.S. position, as it develops, will be that we will follow carefully that point and will see to it that avowed Communists are not taken into any free neutral government in Laos, if a neutralist administration is formed.

I hope the President and our administration will make that inescapably clear in their dealings in connection with this very difficult situation. I say this as one who backs up the President and our country's position in standing firm in regard to Laos. Knowing that Laos is the key to southeast Asia, I am wholeheartedly for a strong, firm stand. I only wish to caution the country at this time of the possibility of something happening there that has happened in other countries, and to forewarn our country and the American people that such a situation would end in disaster.

Mr. MANSFIELD. Mr. President, I have listened with interest to what the distinguished senior Senator from New Hampshire has just said. I think it may be well to recall for the record that, several years ago, there was a so-called coalition government in Laos, at which time Souvanna Phouma, then Premier but now in exile, took into the Government his half brother, Prince Souvanna Souphanouvong, who was and is the head of the Pathet Lao, a group closely allied with the Communists in North Vietnam, and very possibly allied with the Communists in China.

That particular coalition did not work out too well, with the result that a split occurred in time; but I think it should be stated again for the record, that the Pathet Lao, under Prince Souphanouvong, did not take over the government at that time.

I am certain that the questions raised by the distinguished senior Senator from New Hampshire, the senior Republican in this body, have been given consideration by this administration, as consideration has been given to all other facets of the peculiarly difficult, delicate, and dangerous situation which exists in Laos.

So I think I am on safe ground in assuring the Senator from New Hampshire that what he has had to say, and what others have had to say, and all the facets of this particular problem, are being considered by this administration.

Mr. BRIDGES. Mr. President, I wish to thank the distinguished majority leader for his statement. I am very happy that the administration is alerted on the problem. I raise it only as a matter of precaution and caution. I am glad to have his assurances.

Mr. MANSFIELD. I understand and appreciate what the Senator has said.

DEVELOPING THE PRESTIGE OF THE HEARING EXAMINER

Mr. HART. Mr. President, a most interesting article appears in the February issue of the American Bar Association Journal concerning the role of hearing examiners in the Federal administrative agencies.

The author, a very distinguished member of the bar, Charles S. Rhyne, has written a very interesting article on the subject. It would seem constructive to me that Members of this body should have the benefit of the article, and I ask unanimous consent that it appear in the Record as a part of my remarks.

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

DEVELOPING THE PRESTIGE OF THE HEARING EXAMINER

(By Charles S. Rhyne)

One of the matters in which the incoming national administration has expressed special interest, in advance of taking office, is effectuating improvement of the process of the Federal administrative agencies.¹

During the past 6 years, numerous important groups, including the House Legislative Oversight Subcommittee, the Senate Subcommittee on Administrative Practice and Procedure, the President's Conference on Administrative Procedure, and the Hoover Commission, have been engaged in studies of administrative proceedings in the Federal regulatory agencies, the measures needed to eliminate abuses, and the means to make the proceedings more effective.

Out of the many problems covered in these studies, there have developed, as might be expected, differing points of view and proposals and some controversy in particular areas. Singularly, however, there has been unanimous agreement that the hearing examiner, who serves as trial judge and applies agency policy for the regulatory agency, plays a key role in the administrative process.

¹At a press conference Nov. 10, 1960, the President-elect, Senator John F. Kennedy, announced that he had asked former dean Landis, of the Harvard Law School, for a study and report, in December, on the Federal administrative agencies with a view to maximizing the effective dispatch of their business. New York Times, Nov. 11, 1960; p. 20.

Representative OREN HARRIS, chairman of the House Legislative Oversight Subcommittee, recently stated:

"In the course of these studies and hearings it has become apparent, and practically all witnesses have agreed that the hearing examiner is of central and crucial importance to the success and integrity of agency adjudication. * * * Our studies in fact demonstrated that the role and effectiveness of the hearing examiner cut across and had an impact upon a large proportion of the basic problems affecting the regulatory agencies."²

Along similar lines, Judge E. Barrett Prettyman, of the U.S. Court of Appeals for the District of Columbia Circuit, in his excellent and important recent book on "Trial by Agency," noted that the Attorney General's Committee on Administrative Procedure of 1941 had "rightly expressed the view that the heart of formal administrative adjudication is the recognition of the importance of the hearing officer—that is, by the salary paid, the independence encouraged and accorded, and the importance attached to his decisions."

Judge Prettyman further stated:

"The President's Conference made a thorough examination of the hearing officer problem. As so many inquirers have concluded, this is the key to adjudication, just as the competence of the trial judge is the key to judicial performance."³

IMPORTANCE OF HEARING EXAMINERS

These conclusions must be obvious to anyone who is familiar with administrative proceedings in the modern Federal regulatory agencies. In those proceedings, which have a vital impact upon major industries, upon individual and property rights and upon our entire economy, the hearing examiners sit as trial judges and expounders of agency policies in cases involving complex and technical issues of fact and law, which are of a magnitude, complexity, and importance equal to that involved in the highest level of proceedings coming before the Federal district courts.

One of the urgent problems, therefore, is how to make these proceedings, which admittedly are protracted, more expeditious and more manageable. The role of the hearing examiner is central, since the important key to the solution of this problem lies in the fairness and intelligence with which the hearing is conducted and the control exerted over the size and quality of the hearing record. Here there is no substitute for the leadership, guidance, and firm control which may be provided by a fair and competent hearing examiner who, in addition, has the capacity to make good use of techniques designed to eliminate unnecessary delays and to shorten proceedings—such as the prehearing conference and proceedings in the nature of discovery.

Another major factor in making the complicated contested cases manageable is the presence of a comprehensive and helpful initial decision based objectively on the record and written by the hearing examiner who presided over the hearing and who has lived with the case from the beginning. The writing of such a decision calls for the talents expected of a good appellate judge. Any lawyer who is familiar with the work of our major regulatory agencies knows that it would be a physical impossibility for the members of the regulatory boards or commissions to make a personal study of the entire voluminous records in the cases which come before them for final decision. But their important and difficult task of making

²Statement submitted on June 24, 1960, to the Special Subcommittee of the House Post Office and Civil Service Committee on Supergrades in Federal Government.

³"Trial by Agency," pp. 45-46, 49.

decisions which are both intelligent and durable becomes far more manageable if the boards and commissions have the benefit of a clear and comprehensive initial decision by the presiding examiner. This decisional role of the hearing examiner is of particular importance to the private practitioner who has a stake in maintaining and improving the effectiveness of a system in which the final decision issued by the commission is based upon the record, including the briefs of the parties and the initial decision of the presiding examiner. The importance of this point will be readily appreciated by the bar, which fought and won, with the adoption of the Administrative Procedure Act, a long battle to get away from the institutional decision system. Under that system the hearing examiner was frequently bypassed, and the agency determination was prepared by anonymous staff subordinates who were unseen by the litigants and to whom the parties had no opportunity to address their arguments. That system obviously was not calculated to create in the parties a feeling of confidence that they had been accorded a fair hearing.

NEED FOR MORE COMPENSATION

It must be obvious to all who are interested in improving and accelerating the administrative hearing process that effective performance requires hearing examiners of topnotch caliber. The bar has a special interest in urging the establishment of conditions that will enhance the prestige of the hearing examiner and thereby assist the Federal Government to recruit, attract, and retain as hearing examiners lawyers of the highest degree of competence. Prompt legislative authorization for increasing the compensation of hearing examiners to a level commensurate with their role and responsibilities would make a major and long overdue contribution to this end. Representative OREN HARRIS has recently strongly underlined the importance of such a step, in the following statement:

"Because of the central role played by hearing examiners in the administration of the statutes within the jurisdiction of the House Committee on Interstate and Foreign Commerce, that committee has a serious and substantial interest in measures designed to create the conditions which will make it possible to attract and retain the highest possible caliber of men as hearing examiners.

It is our belief that an increase in the compensation provided for hearing examiners in the major regulatory agencies, to a level commensurate with their complex and important duties and responsibilities, will constitute a major step forward toward the objectives outlined above."

Unfortunately, in spite of the good intentions of Congress when it enacted section 11 of the Administrative Procedure Act, the compensation of hearing examiners in the Federal Government has fallen behind that provided for other top agency personnel and a serious imbalance has been created. In recent years supergrade positions at levels of GS-16, GS-17, and GS-18 have been allocated to top legal and technical staff in the regulatory agencies. However, supergrades have never been allocated to hearing examiner positions. Accordingly the maximum hearing examiner grade today is GS-15, with compensation at \$13,730 in the beginning step. The imbalance in the compensation level provided for hearing examiners is strikingly illustrated when it is noted that hearing commissioners of the U.S. Court of Claims, whose functions are generally comparable, currently receive a salary of \$19,000 per year, by act of Congress.

⁴Statement to Subcommittee on Supergrades in the Federal Government, supra.

Because of this imbalance, the Chairman of the Civil Service Commission addressed a historic letter on February 25, 1960, to the chairmen of the Senate and House Judiciary and Civil Service Committees calling the attention of Congress to the serious problem resulting from the growing inadequacy of compensation for hearing examiners and recommending that the entire matter be reviewed by Congress. The American Bar Association, of course, has been working vigorously toward this end, commencing with the adoption of a resolution by the House of Delegates in 1957 urging the enactment of legislation to compensate hearing examiners at the GS-18 supergrade level, and during the past 3 years a number of different bills have been introduced in Congress proposing compensation for hearing examiners at this level. Unfortunately, none of these bills have yet been brought to hearing.

The most recent development in this area occurred last June, when the Subcommittee on Supergrades of the House Post Office and Civil Service Committee, under the chairmanship of Representative JAMES C. DAVIS, announced the scheduling of hearings for the latter part of that month to consider, among other problems, the matter of supergrades for hearing examiners. Due to the press of other urgent business, the Davis subcommittee was compelled to postpone the scheduled hearings and the adjournment of Congress made it necessary for further consideration of this matter to go over to the next session. However, prior to adjournment, there were filed with the committee a large number of strong statements from important sources, supporting increased compensation for hearing examiners in the major regulatory agencies. These included the statement by Representative HARRIS, already referred to, and statements by the Chairmen of the Federal Trade Commission, the Federal Power Commission, the Civil Aeronautics Board, and the National Labor Relations Board supporting supergrades for their hearing examiners.

Students of the administrative process recognize, of course, that the improvement of the quality of administrative justice cannot be brought about by any one measure. But there can be little doubt that the simple step of increasing the compensation of hearing examiners to a level commensurate with the importance of their functions would make a major contribution in this area, and this proposal is ripe for action now.

Judge E. Barrett Prettyman has stated that " * * * administrative law is important, indeed * * * it is the most important category of law current in our land." Can there be any doubt that the bar has a vital interest in seeking the establishment of conditions that will insure that hearing examiners who conduct these important administrative proceedings will be of the highest possible stature? Further strengthening the status of hearing examiners and enhancing the dignity of their office is but the logical sequence of the reforms initiated by the Administrative Procedure Act. As the Supreme Court has said of that act (in *Universal Camera Corp. v. N.L.R.B.*, 340 U.S. 474, 494), "enhancement of the status and function of the trial examiner was one of the important purposes for administrative reform."

By enacting, in 1946, the Administrative Procedure Act, which separated the adjudicatory from the other functions of the Federal administrative boards and commissions and provided for the selection and appointments of impartial hearing examiners, Congress clearly elevated the importance of the

⁵"Trial by Agency," p. 11.

role of the hearing examiner. A next logical, culminating step in carrying out one of the policies of the Administrative Procedure Act is to provide the hearing examiners with compensation commensurate with their responsibilities.

THE BLACK MAN'S IRONIC BURDEN

Mr. HART. Mr. President, John Steinbeck's article in the Saturday Review was reprinted recently in the Washington Post. It is a simple and forthright statement of everyday reactions which all too often we skip over or fail to understand.

I ask unanimous consent that it be printed in the RECORD at this point in my remarks.

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

[From the Washington Post, Mar. 2, 1961]

THE BLACK MAN'S IRONIC BURDEN

(By John Steinbeck)

I am constantly amazed at the qualities we expect in Negroes. No race has ever offered another such high regard. We expect Negroes to be wiser than we are, more tolerant than we are, braver, more dignified than we, more self-controlled and self-disciplined. We even demand more talent from them than from ourselves.

A Negro must be 10 times as gifted as a white to receive equal recognition. We expect Negroes to have more endurance than we in athletics, more courage in defeat, more rhythm and versatility in music and dancing, more controlled emotion in theater. We expect them to obey rules of conduct we flout, to be more courteous, more gallant, more proud, more steadfast.

In a word, while maintaining that Negroes are inferior to us, by our unquestioning faith in them we prove our conviction that they are superior in many fields, even fields we are presumed to be trained and conditioned in and they are not.

Let me give a few examples.

In the Alabama bus boycott we knew there would be no Negro violence—and there wasn't. The only violence was white violence.

In the streets we expect courtesy from Negroes even when we are ugly and overbearing.

In the prize ring we know a Negro will be game and will not complain at a decision. In Little Rock we knew that any brutality would originate among the whites.

If there is racial trouble, we are convinced that Negroes will not strike the first blow, will not attack in the night, will not set off bombs, and our belief is borne out by events.

We expect Negroes to be good-tempered and self-controlled under all circumstances.

But our greatest expectation is that they will be honest, honorable, and decent. This is the most profound compliment we can pay any man or group. And the proof of this shows in our outrage when a Negro does not live up to the picture we ordinarily have of him.

With thousands of burglaries, muggings, embezzlements reported every day, we are upset when a Negro is found doing what so many whites do regularly.

In New York, with its daily reports of public thefts, deceptions, and assorted political and fiscal raids on public money and treason against public trust, one Negro who succumbs to the temptation to do what many white people do fills us with dismay and the papers are full of it. What greater compliment can we pay to a people?

Finally, let me bring it down to cases.

I have children, as many of you whites who read this have. Do you think your children would have the guts, the dignity, and the responsibility to go to school in Little Rock knowing they would be insulted, shoved, hated, sneered at, even spat upon day after day, and do it quietly without showing anger, petulance, or complaint? And even if they could take it, would they also get good grades?

Now I am a grown, fairly well-educated—I hope intelligent—white man. I know that violence can produce no good effect of any kind. And yet if my child were spat on and insulted I couldn't trust myself not to get a ball bat and knock out a few brains. But I trust Negroes not to, and they haven't.

I think so much of those schoolchildren in Little Rock—a small handful who carry the will and conscience, the hopes and futures of millions in their arms. They have not let their people down. I think, what quiet pride their grandchildren can have in them knowing they came of such stock.

And then I think of the faces of the mob that tried to keep them out, faces drooling hatred, cursing and accursed faces, brave only in numbers, spitting their venom at children. And some of those faces, masked, sneaking in the night to plant a bomb—the final weapon of a coward.

What pride can their descendants take in their ancestry? But of course they will forget, or lie, or both.

Perhaps some of the anger against Negroes stems from a profound sense of their superiority, and perhaps their superiority is rooted in having a cause and an unanswerable method composed of courage, restraint, and a sense of direction.

BROTHERHOOD WEEK, FEBRUARY 19-26, 1961; NATIONAL CONFERENCE OF CHRISTIANS AND JEWS

Mr. HART. Mr. President, last month we observed National Brotherhood Week. However, the very appropriate message of Commissioner Robert E. McLaughlin, President of the Board of Commissioners, government of the District of Columbia, was not printed in the RECORD. This forthright message to the 26,000 District government employees has special significance in light of President Kennedy's efforts to further foster this spirit of brotherhood in government.

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

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

GOVERNMENT OF THE
DISTRICT OF COLUMBIA,
EXECUTIVE OFFICE,
Washington, D.C.

To: All employees of the District government.

Subject: Brotherhood Week, February 19-26, 1961, National Conference of Christians and Jews.

Brotherhood Week will be observed February 19-26, 1961. It is sponsored by the National Conference of Christians and Jews to help promote the ideal of brotherhood in our country. I am again happy to serve as honorary chairman of Brotherhood Week for the District of Columbia.

The brotherhood of man has been a basic tenet of our philosophy of government ever since the founding of the Republic. This concept is implicit in the fundamental charters of our liberties and freedoms: the

Declaration of Independence; the Constitution of the United States and its Bill of Rights; the Emancipation Proclamation, and other historic documents which have charted the course of democracy. These great pronouncements have but reflected the will of the great majority of our people, whereby countless hosts of immigrants of every race, creed, and nationality have been received into the bosom of our Nation and given the priceless privilege of American citizenship.

This great amalgamation has no counterpart in history, and it has been undoubtedly the most potent force in the development of our culture, idealism, mighty achievements, and humanitarianism—in short, our national character and extraordinary civilization—which are unparalleled in human experience. This perfection could not have been achieved unless the spirit of brotherhood had appreciably pervaded our country, enabling such a diffused peoples to form one nation and to live in peace and harmony, to prosper and achieve, to open up boundless avenues of opportunity for themselves and their children, to enjoy equality, and to be secure in exercising the freedoms guaranteed by the Constitution.

Without this spirit of tolerance, wisdom, and understanding—which is the essence of brotherhood—this country could not have attained such eminence. Unfortunately, there are still some areas where prejudice, racism, and bigotry continue to thrive, and it is because of this that Brotherhood Week serves such a useful purpose; namely, to focus our attention on these defects in our national character, to evaluate our position in these respects, and to ameliorate these undesirable conditions as much as possible.

Brotherhood Week has special significance for us, as employees of the District of Columbia government. We work, live, and play in the Nation's Capital, or its environs. It is a center of world interest and the focal point of Western democracy. The District of Columbia government is the closest of all to the people who live here, and we as civil servants directly affect everyone here in exercising the functions of such government. We work with, and come in contact with, all classes of people of this city daily.

We should always endeavor to practice tolerance, understanding, and respect toward our coworkers, neighbors, fellow citizens, and visitors in town. We should endeavor at all times to dwell, associate, and work in peace and harmony with one another. We should do this, not only because it will enrich our lives and benefit our country, but because we are morally obligated to do our patriotic duty of setting a good example in civic relationships, as the eyes of the Nation and the world are upon us.

So, on behalf of the Board of Commissioners, I sincerely urge upon every employee of the District government personally, that he or she practice the creed of brotherhood, and recall the Commissioners' public policy on nondiscrimination and their efforts to improve human relations within the District government and within the community. This is something each of us should do, not only during the week set aside for the observance of Brotherhood Week, but each day throughout the year, and from year to year.

Sincerely,

ROBERT E. McLAUGHLIN,
President, Board of Commissioners,
District of Columbia.

WILEY URGES CHEESE FOR SCHOOL LUNCHEES

Mr. WILEY. Mr. President, over the years, cheese, milk, and other health-

giving dairy products have been a "dietary gold mine" in the school lunch program.

Across the country, about 13½ million students, including about 265,000 in Wisconsin, are enjoying and benefiting from lunches served in the schools.

Unfortunately, cheese has now been excluded from the program. This, I believe, should be corrected.

Recently, I contacted the Secretary of Agriculture, urging the inclusion of cheese in the lunch program.

I ask unanimous consent to have a copy of my letter to Secretary Orville Freeman, a reply from the Secretary, and a petition signed by a number of dairymen in Wisconsin supporting the idea of putting cheese back in the school lunch program printed at this point in the RECORD.

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

DEAR MR. SECRETARY: I am writing to respectfully urge inclusion of cheese in the national school lunch program.

As I understand it, cheese has not been available for school lunches for several months.

Fortunately, the surplus stockpiles have diminished; however, I believe it would be most worth while to encourage the purchase of cheese on the market for inclusion in the program.

In my judgment, this would add an important healthful food to the diet of our 13½ million students now enjoying school lunches.

In addition, it would help to stabilize the market for dairy products, e.g., by heading off—partially, at least—a dropback of prices, during the flush milk production season ahead.

With appreciation for the consideration I know you will give this matter, and with all good wishes, I am,

Sincerely,

ALEXANDER WILEY.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., March 27, 1961.

HON. ALEXANDER WILEY,
U.S. Senate.

DEAR SENATOR WILEY: This is in reply to your letter of March 18, requesting that the Department purchase cheese on the open market for use in the national school lunch program.

As you indicated, the Department has not acquired sufficient quantities of this product under price-support operations to permit nationwide distribution to schools. For many months the market price of cheese has been very strong; consequently, very little has been offered by the industry.

We appreciate your desire to have the Department purchase cheese for the national school lunch program. You appreciate, of course, that at this period in the school year the funds made available for direct purchases of food commodities for the national school lunch program have either been expended or obligated. However, if Congress again appropriates money for next year's school lunch program, and the Department does not acquire significant amounts of cheese under price-support activities, we will give proper consideration to this food item when the purchase plans for next year's program are formulated.

Thank you for your letter and your interest in this matter.

Sincerely yours,

ORVILLE FREEMAN,
Secretary.

MARCH 20, 1961.

The undersigned members of the Wau-paca County Farm Improvement Association wish to support Senator WILEY in his request of Secretary Freeman to put cheese back in the school lunch program.

Signed by Milton Hintz and 56 other citizens of the State of Wisconsin.

"HAND IN HAND"

Mr. JAVITS. Mr. President, at the Brotherhood Week dinner of the National Conference of Christians and Jews, held at the Hotel Roosevelt in New York, February 16, the motion picture, "Hand in Hand," received the National Brotherhood award for its outstanding contribution to the cause of brotherhood.

It is the prayerful hope of all men of good will that we are steering a sure course to a better world in which brotherhood and mutual understanding for our fellow man, whatever may be his race, color, or creed will prevail. A message that contributes effectively to this goal must be cherished and treasured. It is the theme of this motion picture which was made in England by its sensitive and perceptive young producer, Helen Winston.

"Hand in Hand" is a simple story about two children, a Catholic boy and a Jewish girl, schoolmates and neighbors, whose deep friendship and affection is, for a time, threatened when they are suddenly confronted by the ugly facts of bias and religious prejudice. Terrified by this threat to their happy companionship, the boy and girl nevertheless transcend every difficulty that lies in their path, and come, in the end, to know that God may be worshipped in many ways, but that there is only one God.

This simple story is truly a thing of beauty—an achievement for which producer, director, the players and all associated with the production, including Columbia Pictures, the releasing company, are to be warmly congratulated.

Through the innocent directness and complete faith of the two children, we are all called to account for our frequent failure to perceive the eternal truth that all men are equal and are brothers.

I have no illusions as to the miracles of understanding one motion picture can create, but I think that, in "Hand in Hand," the producer and her coworkers have made a highly articulate and invaluable contribution to the struggle for universal understanding in which we are all so deeply engaged.

It is a happy thing to recognize that, upon the release of "Hand in Hand," sophisticated critics were enthusiastic in their praise of this lovely film, with its simple message of love and brotherhood.

TRIBUTE TO SENATOR HARRISON A. WILLIAMS, JR.

Mr. MCGEE. Mr. President, it is often difficult to decide when problems are well enough understood to call for action. Too frequently, action is taken without sufficient knowledge or thought, which, in the end, produces a myriad of unforeseen complications. On the other hand, it is even more the case that

sound, practical solutions to serious problems languish for lack of action. Indeed, to know when to draw the line of action is an important measure of sound, legislative judgment.

The St. Petersburg (Fla.) Times editorial page has recently indicated its belief in the legislative judgment of my colleague, Senator HARRISON A. WILLIAMS, JR., of New Jersey, chairman of the Subcommittee on Migratory Labor, in his effort to seek equitable, workable, legislative solutions to the many and complex problems relating to migratory farmworkers and their families. The editorial, after noting the vital importance of the migrant farmworker to our everyday lives, said that "the New Jersey Senator's persistency has been admirable." I concur in that thought and, with the Times, "hope that it finally pays off."

Because of the timeliness of its plea, Mr. President, I ask unanimous consent to have this editorial from the March 4, 1961, St. Petersburg Times, appearing at page 14A, printed in the RECORD at this point.

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

ANOTHER TRY AT WORKER RELIEF

Indefatigable Senator HARRISON A. WILLIAMS, JR., Democrat, of New Jersey, is ready to try it again, but he is sure to encounter, as he has foreseen, the "same classical opposition" to his program to improve the lot of migrant farmworkers that has been argued now for decades.

It might be, however, that despite the expected, almost guaranteed, opposition, he will come closer to success this year than ever before. This is because the Kennedy administration favors his recommendations, whereas in previous administrations, and notably in the last one, there was a split in the Cabinet. Mr. Eisenhower's Labor Secretary Mitchell was for migrant labor reforms, while Agriculture Secretary Benson opposed them.

Mr. WILLIAMS would enact legislation on the simple theory that big farming should have the same responsibilities toward labor as big industry. Indeed, in his view, an employer is an employer, and there is nothing sacrosanct about a farmer who can hire 100 people, as differentiated from a manufacturer who hires the same number.

Therefore, he would establish minimum wages, provide for collective bargaining, and prohibit the employment of children under 15 years of age. This seems nothing more than reasonable, but when the big fruit and vegetable assembly-line producers get finished with it, it is going to seem as if an all-powerful government is thrashing a poor one-galussed, one-mule farmer with a cat-o-nine-tails.

The way Secretary Benson put it, no such program should be enacted because it would cost the producers money. Meanwhile, the average migrant farmworker has had an income of \$710 a year, and in most cases an entire family working in the fields and orchards brought in less than \$1,000 annually.

Mr. WILLIAMS' proposals would go further than make these fundamental rights available to farm as well as to factory workers. There will be some classic opposition to these, too, but, interestingly enough, the farmers, themselves, probably will be acquiescent in many instances. He would provide Federal payments to States to help pay the cost of education for migrant children, as well as for adult education, would

authorize welfare grants, and would set up a construction fund for modern housing for migrants.

The truth of the matter, which seems to escape some lawmakers and their constituents involved, is that the migrant farmworker is an integral part of our national labor force. His production is a vital part of our national economy. Florida, as only one example, would be in a sad state of affairs without them.

At the same time, his problems are peculiar, and therefore need special attention. As important as he is, he still lives, as Mr. WILLIAMS put it, in one of "the islands of despair that exist in this country." The New Jersey Senator's persistency on his behalf has been admirable. Under this administration, let us hope that it finally pays off.

THE JOHN BIRCH SOCIETY

Mr. MCGEE. Mr. President, I ask unanimous consent to have printed in the RECORD an article from the Washington Daily News of Wednesday, March 29, 1961, entitled "John Birch Founder Would Repeal the 20th Century."

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

REDS EVERYWHERE: JOHN BIRCH FOUNDER WOULD REPEAL THE 20TH CENTURY

(By Barbara Bundschu)

(The John Birch Society is a semisecret organization with a noble aim: Fighting communism. But its methods have stirred controversy in many U.S. cities. A UPI special reporting team was assigned to assist Barbara Bundschu, New York staff correspondent, in researching and investigating the organization, its purposes, operations and opposition across the Nation.)

Residents of Santa Barbara, Calif., were in for a surprise when they stepped out into the bright and blowy morning of February 26 to pick up their Sunday newspapers. In that quiet and beautiful city of about 60,000, a respected fellow citizen had discovered what he felt was an outrage.

"The editor and publisher of the News-Press is in his 85th year," began a two-column editorial on the front page.

"His entire life has been spent in this community * * *. He lived when conditions were rugged—when West was West and men were men. He lived during periods when if a man or a group of men openly by word of mouth, or the printed word, called our President * * * and others at the head of our Government, traitors, they were made to answer. Such slanders often called for a visit from a courageous and irate group which brought with them a barrel of tar and a few feathers."

TAKING A STAND

Thomas More Storke, rancher and citrus grower, owner of a newspaper since 1900, briefly by interim appointed a U.S. Senator, regent of the University of California, was taking a stand against the John Birch Society and its founder and leader, Robert Welch, of Belmont, Mass.

Mr. Welch, 61, retired from a candy firm 4 year ago to devote his life to fighting communism. What bothered Editor Storke was the way Mr. Welch was fighting it.

In a letter written before he set up the society late in 1958 and still in limited circulation, Mr. Welch told friends that President Eisenhower, his brother, Dr. Milton Eisenhower, the late Secretary of State John Foster Dulles and his brother, Allen Dulles, then and now head of the Central Intelligence Agency, were members of the Communist underground.

"The secret Communist looks and acts just like anybody else, only more so." Mr. Welch had instructed them in the society's "Blue Book." He could be anybody you know.

CAMPAIGN

Exposure of such persons, even through "mean and dirty" techniques, Mr. Welch said, is one of the most effective means of shocking the American people awake in time to save themselves from communism. He also advises members to set up front groups, to infiltrate community organizations and to engage in directed letterwriting to promote specific campaigns of his ultra-conservative society.

"The News-Press condemns the tactics that have brought anonymous telephone calls of denunciation to Santa Barbarans in recent weeks from members of the John Birch Society or their sympathizers," Mr. Storke's editorial said.

"The News-Press condemns the pressures on wealthy residents who fear and abhor communism, to contribute money to an organization whose leader has said that 'for reasons you will understand, there can be no accounting of funds.'"

What is the real nature of this relatively new group on the American political scene? Political scientists would classify it as it is, in itself, an authoritarian society. Mr. Welch does not say the United States should have a similarly authoritarian form of government. But he is far from completely sold on the form we now have. And as for the political concept of a democracy, he regards it frankly as a "weapon of demagogery, and a perennial fraud."

The U.S. Senate on March 8 heard Senator MILTON R. YOUNG, North Dakota Republican, declare that Mr. Welch's accusations against Mr. Eisenhower and others had gone "beyond anything the late Joe McCarthy ever thought of." On the other hand a Senate Internal Affairs Subcommittee has described Mr. Welch's John Birch Society as a "patriotic organization."

At issue between the society and many who might otherwise share Mr. Welch's conservative political and economic views is his persistent reasoning that everything he personally considers wrong is a Communist plot.

At issue between the society and those who condemn it is the tendency of its activities, to suppress if not the right, at least the respectability, of dissent.

John Birch had nothing to do with the group which bears his name. He was a young Fundamentalist Baptist missionary from Georgia who served as an intelligence officer in China during World War II and was killed 10 days after V-J Day by Chinese Communists. He was 27 when he died.

Robert Welch never heard of Mr. Birch until after his death, but he has researched and written his life story. Mr. Welch has memorialized Mr. Birch as "probably the first American casualty in that third world war, between Communists and the ever-shrinking free world, which is still being waged against us." And when he came to found a Communist-fighting organization, he called it the John Birch Society.

In Mr. Birch's name, members of the society are asked to write letters to Congressmen and others, operate in front organizations and through established community groups such as PTA's and chambers of commerce to push campaigns conceived by Mr. Welch as anti-Communist. These include movements to impeach Chief Justice Earl Warren, to repeal the income tax law, to rout the social gospel from the churches, to oppose the North Atlantic Treaty Alliance, foreign aid, the United Nations and cultural, or any other, exchanges with Russia.

Mr. Welch also is a native Southerner, born in North Carolina. He was reared in what he now calls "the intellectually restricting bonds of the unusually narrow Southern Baptist Fundamentalism." He spent 4 years at the University of North Carolina, 2 at the Naval Academy and 2 at Harvard Law School before going into the candy business. He was for years vice president of the James O. Welch Co., headed by his brother, which has factories in Massachusetts and in Los Angeles.

AND GOLF

In his own words—a biographical sketch, Mr. Welch wrote in the third person for society members—he "has one wife, two sons, a Golden Retriever dog, and 14 golf clubs—none of which he understands, but all of which he loves."

He is an affable man who smiles easily and exhibits in his writings a sense of humor, love of poetry and wide knowledge of history and literature.

The John Birch Society was founded December 9, 1958, at Indianapolis, after Mr. Welch delivered a 2-day speech to 11 men he had invited to hear it. That speech is today the Blue Book of the society, the official statement of its aims and methods. It is supplemented by monthly bulletins to members and the magazine American Opinion, which Mr. Welch founded before the society and of which he is editor.

The message and aim is: "less government, more responsibility and a better world."

Mr. Welch quite literally wants to repeal the 20th Century. But unlike many who share this desire, either politically or nostalgically, he views its trend toward collectivism not simply as a mistake but as a sinister conspiracy to change the economic and political structure of the United States so that this Nation can be merged with the Soviet Union without a fight.

FOOL'S PARADISE

"You have only a few more years," he told his listeners at Indianapolis. "We are living in such a fool's paradise as the people of China lived in 20 years ago."

"The danger is almost entirely internal," Mr. Welch said, "from Communist influence right in our midst and treason right in our Government."

The idea that the Nation must mobilize its resources to combat the external danger of Soviet military might and sputnik supremacy is, in Mr. Welch's view, a part of the Communist plot. "In other words, under the guise of fighting communism, we are being stamped into the biggest jump ever towards, and perhaps the final jump right into, socialism and then the Communist camp."

The Los Angeles Times, in an editorial signed by publisher Otis Chandler on March 12, saw an implication of sedition in Mr. Welch's statements. And, like many others, it deplored the identification of conservatism with extremism.

"The Times believes implicitly in the conservative philosophy," the editorial said. "It has challenged all these men and most of these institutions (which Mr. Welch attacks) on the soundness of one or more issues. But the Times does not believe that the argument for conservatism can be won—and we do believe it can be won—by smearing as enemies and traitors those with whom we sometimes disagree."

"Subversion, whether of the left or right, is still subversion."

Criticism from the press is not likely to disturb Mr. Welch. He has already told his followers that "the domination of our press, television and radio by Communist influence is now so great that you simply are not allowed to learn or be reminded of the real nature of the beasts to whom we are losing."

"When you hear Mr. Welch's charges out of context . . . their absurdity is plain enough," said the Reverend John A. Crane to his congregation at Santa Barbara's Unitarian Church one February Sunday.

GIFTS

"But when you come upon them in the publications of the society, surrounded and supported by Mr. Welch's rich, flowing language and ideas, their absurdity is well concealed."

"The man is a marvelously gifted demagogue . . ."

"There is another factor apart from the magic of Robert Welch that lends power to the movement . . . Both Mr. Welch and his people are genuinely afraid."

SHAPE OF THE FUTURE—ADDRESS BY LT. GEN. ARTHUR G. TRUDEAU

MR. CURTIS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, for the information and interest of this body, an address made on March 3, 1961, before the Nebraska State Legislature, Lincoln, Nebr., by Lt. Gen. Arthur G. Trudeau, Chief of Research and Development, Department of the Army.

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

REMARKS BY LT. GEN. ARTHUR G. TRUDEAU, CHIEF OF RESEARCH AND DEVELOPMENT, DEPARTMENT OF THE ARMY, BEFORE THE NEBRASKA STATE LEGISLATURE, LINCOLN, NEBR., MARCH 3, 1961

SHAPE OF THE FUTURE

Governor Morrison, Mr. Speaker, honorable members of this legislature, distinguished guests, fellow Americans, it is a great pleasure and a privilege to come here this morning to address this very distinguished legislative body—truly representative of the heartland of our mighty America. Ever high and honorable has been the role of the stanch State of Nebraska and her many distinguished sons in the rise and progress of our country. In fair times and foul through the depth of depression and in the cauldron of war your temper and your spirit have been tested.

Today, as the Nation faces new frontiers in the most dramatic decade in our history, we can draw assurance and inspiration from the courage and the contributions made by your citizens during the fantastic century inaugurated by the great President whose name is honored and perpetuated in this fair city. Throughout the world there is no more honored name.

As a citizen, a soldier, and a public servant let me thank you for sending Nebraskans to Washington who stand in the forefront of our national leadership, and sturdy sons to our Armed Forces who man our battlements today. We need more good people and good Americans such as those you send to Congress and the Armed Forces. In these difficult days Nebraskans are doing yeoman service, not only in the interests of this sovereign State, but for the broader good of the entire Nation and the free world.

As a matter of public policy we hold that whatever helps any section of our country to avoid disaster or achieve progress helps the whole. America's industrial and agricultural achievements—the very success which has made Omaha and Lincoln and your other cities and towns what they are today and will make them better and more prosperous in the future—bring today challenging problems to the leaders of our Government. It is well said that the surest way for a nation to invite disaster is to be

affluent and complacent. Toynbee, the English philosopher, points out that 19 out of 21 great world civilizations failed from weakness within rather than from outside aggression. We must not be No. 20.

President Kennedy recognizes this salient fact and is taking steps to energize our national thinking and strengthen our diplomatic, military, and economic tools. All our people—regardless of their politics—must join ranks now in supporting our President as he leads this mighty Nation in seeking positive solutions to the serious, complex problems that beset us and will continue to beset us in the years ahead. It is absolutely essential, if we are to maintain our preeminence in the future, that we must recognize that we live in an era of great change that demands shifts in direction, in policies and procedures. When we reach the turn of the century, the picture of America today will look as obsolete as a tintype does now. The pattern of today will not meet the challenge of tomorrow.

These are the things we must think about—and act upon. They will call for sacrifice, understanding, and change. Nothing less will permit us to emerge victorious as the end of the century approaches.

There is no example in all our history when the President of this country has seen that something had to be done in the national interest and called for support—that he did not get it. Our people will respond fully to the right kind of national leadership and I can only reinforce President Kennedy's own words, when he said: "I do not believe that any of us would exchange places with any other people or any other generation. The energy, the faith, the devotion which we bring to this endeavor will light our country and all who serve it—and the glow from that fire can truly light the world." If it doesn't, we can be extinguished in the toxic darkness of world communism.

Service—its concepts and practice—is the strong fabric of both our national security and our national prosperity. How well and how wisely we serve determines the effectiveness of our Government, our foreign relations, our world trade, and our military readiness—in effect, our entire way of life.

The spiritual goals so nobly established by our Founding Fathers and so painfully advanced over nearly two centuries of time must provide the guidance and stimulate the action so direly needed if we are to avoid disastrous defeat and promote the cause of freedom, law, order, and progress in this world today.

There is a growing recognition of this fact as America stands today in a world truly torn by revolutionary upheavals and the godless ideology of communism.

One is the social revolution of rising expectations in the underdeveloped areas of the world.

The other phenomenon is the tremendous explosion in science and technology which is now taking place.

If communism were a dead issue today, the rising tide of ethnic nationalism—which burst forth from the agonizing struggles of World War II and since—would alone present us with one of the greatest challenges of all ages. This tide is creating truly significant problems in some overpopulated areas of Africa, Asia, and in some parts of South America. In these depressed areas, peoples—diseased, undernourished, illiterate, impoverished, living in a wheelbarrow or an A-frame economy call—and call loudly—for an improved standard of living.

It is in these areas that a large proportion of the world's population is concentrated. A billion and a quarter peoples living in these underdeveloped areas have an average annual income of less than \$100. Their personal property is less than the clothes you have on your back and under the rules of communism this would be all they could ever hope to acquire.

The population of Latin America, for example, is expanding at one of the highest rates in the world. By the turn of the century, there will be more than 500 million Spanish- or Portuguese-speaking peoples living south of our border, outnumbering their English-speaking neighbors—the Canadians and ourselves—nearly 2 to 1.

This population explosion in the underdeveloped areas, aggravated by the flames of nationalism, has certain serious political and military implications. Overcrowded areas with uneducated, underfed populations tend to produce political instability—a condition that has a high potential for causing local conflicts with possible extension into global war. Overcrowded areas are fertile grounds for Communist political and economic penetration—where for a variety of reasons, the Communists find it to their advantage to strike while the iron is hot and to keep it hot by striking. Anarchy and chaos are the wheelhorses of communism.

I seriously question how these uncommitted peoples—peoples whose minds are now being opened—whose imaginations are being awakened—who are no longer repressed by fear but motivated by hope and often by false promises—I question how they will progress in the dramatic decades ahead—unless they find the right kind, and the right number, of educated leaders to direct their paths through peace and progress—through some semblance of law and order. The fires of racial passion threaten to burn through the thin veneer of Western civilization and temperatures are rising.

The situation is compounded by a world where radio and television can be utilized to inflame popular demand for privileges and luxuries that stir the political imagination of minds incapable of evaluating the truth or falsity of any thesis. Motion pictures have also contributed their share to the muddle and confusion aroused by the surging passions they stimulate.

There is a crying need to advance the mental level of man in these areas. The task is tremendous. There must still be at least one billion adults in this world who cannot read or write. Any truly worthwhile and lasting education program in these countries—some of ancient culture and hallowed tradition—must be based on the self-help philosophy. Our aid can only be the catalytic agent that trains the leaders and teachers—who, in turn, must lead and educate their masses.

This is a staggering task if you consider the statistics. In one nation of north Africa, for example, out of a total population of more than 4 million only 57 persons a few short years ago had achieved the equivalent of a cultural education. I know that today the number has increased but not materially in relation to the population. Elsewhere the record was even worse.

President Kennedy is right in pursuing his concept of a University of the Americas to train deserving youths from other countries in our hemisphere. For the cost of 1 month of the Korean war, we could establish and operate several such institutions around the world.

As an example, 6 years ago I advocated the establishment of universities in selected world areas. Among others I suggested a University of the Americas; a University of the Far East; a University of South Asia; and a University of the Middle East.

I particularly suggested a University of East Africa located in Ethiopia and a University of West Africa located in Liberia.

I wonder what their impact would have been?

As we consider such important problems, let us remember that the image of a bipolar world is rapidly changing. Last year in the United Nations we witnessed the growth and extension of a new world power group—the

so-called neutralist nations. The influence of these nations will grow in the immediate years ahead and will certainly affect the balance of world power from now on. In less than 10 years, in 1969, the member nations of NATO—the bulwark of our free world—become free to withdraw from the alliance—should they wish to do so. We must guard lest the creation of this new group weakens rather than strengthens major realignments in the free world.

Let's turn now to that other revolutionary phenomenon which is drastically reshaping our world, bringing to today's generation and our children more changes and challenges than were faced by our forebears in any past period of history—the explosion in science and technology.

Modern science today is less than 500 years old and technology is perhaps half of that—but in the last century—2 percent of recorded time—mankind has achieved 90 percent of his technological progress. And the future is even more challenging. Of all the men who have ever been trained in science and technology throughout the world over the 5,000 years of recorded history—on both sides of the Iron Curtain—it is estimated that nine-tenths of them are alive today.

One cannot reflect upon these startling facts without considering their impact on our daily lives. In business and industry—in politics and the military—even in the most fundamental unit, the family—the daily routine has become firmly geared to scientific advances but it is a changing routine.

Not only will national security profit from this amazing age of science and technology, but so will our way of life and literally all mankind, if we have but the wisdom to employ its potential. This will not be easy.

As for what the future may hold for the military, one of the U.S. Army's most pressing problems is how to provide tomorrow's weapons and equipment—and how to do it in the face of mushrooming costs and rapid technological change. All the Armed Forces are similarly affected.

This one thing I know—science and technology can give you today just about anything you want, provided you know what you want, and are prepared to pay the cost.

Now, there was a time when our Army could develop and produce a weapon or a piece of equipment and use it until the day it wore out. Today that era is but a memory. The implications of modern technology—exploding on all fronts and revolutionizing man's concepts of war—are truly fantastic.

While the horse and the lance remained a major weapon system in the world armies for 2,000 years, it is doubtful if the tank and the manned combat airplane—as we know them today—will last a hundred.

All the Armed Forces today struggle with this problem. Last July, on Independence Day, the U.S. Army gave up its last anti-aircraft gun and today not a single one is operational in the whole North American air defense system.

Less than 7 years ago, following the Korean armistice, 1,000 of those guns—90's, 120's, and sky-sweeping 75's—girded our continental defense against foreign attack.

Through two wars and a quarter century of time, they were a main reliance. Today, they are an anachronism in a missile age when Nike missiles ring our great centers of population and industrial power; at a time when we labor unceasingly to perfect our Nike-Zeus missile to protect against the Communist threat of a nuclear hailstorm hurled through space.

A modern Army must be a quick-change artist—especially in this fabulous age of science and technology. It takes long range planning, however. We must start the effort—right now—today—to come up with

the equipment our forces will need in 1970, and later. Otherwise, the future will come upon us with breathtaking speed and find us half prepared.

Science with its related technology is today's new frontier—a frontier with limitless boundaries. Each success in research opens up new, unknown fields for exploration. Yet, as important as scientific discoveries are, they are but exercises until technology shapes and structures them into some practicable form for production and use.

Technology is the tie which threads its way from pure science to the end products measuring human progress and security.

The golden rain of scientific discovery promises to raise the world's standard of living—to give the world's hungry masses more food, better shelter, and other necessities of life. Ultimately, it must increase their purchasing power. New sources of energy are steadily feeding the growing appetite of industry for power and increasing man's productive ability and providing his comforts.

Every military man knows that the effective use of a weapons system which is not available to his enemy or is improperly used by his enemy can be decisive. The Germans failed in World War I to exploit their new chemical weapons system which might have been decisive. Only months later, the Allies failed to exploit the unique capabilities of the new tanks. Twenty-five years later, the Germans made no such mistake with their tanks while improper use of tanks by the French brought them catastrophe.

Too many people today are shortsighted and think of weapons systems in terms of men, munitions, and materiel—and fail to recognize one historical fact—that America's mightiest weapons have been moral in concept and moral in action. Today, as in the past, America possesses two mighty moral forces that are not available to the enemy.

One is our Christian foundation and dedication to individual freedom and the dignity of man. The difficult art of exploiting this great moral strength deserves the most profound study and implementation.

The second unique moral strength we possess and can share is in our incomparable stock of foodstuffs and our ability to produce annual excesses to alleviate malnutrition to a large extent throughout the world. The related problems of marketing, financing, and distribution are staggering but certainly not insurmountable. Here is one area, close to your midwestern hearts, where we have an advantage, unmatched by the Soviet bloc for decades to come. When we see Red China, with its starving millions and tens of millions, shipping token supplies of food to foster subversion and create chaos, the potency of this moral weapon should be obvious. We must use our advantage in it for the betterment of mankind and the cause of freedom.

The world has a plant storehouse of 300,000 species but has only tested about 3,000 for food use. Of these, 300 are widely grown but only 12 provide us with 90 percent of our plant food supply. The balance should be researched. They may be more nutritional, or at least add new pleasure to our food habits.

The Army, also seeking improvement in the difficult task of feeding our troops in peculiar environments, is interested in such research and in means of preservation and economy in size and shipping weights. Freeze-drying, irradiation, encapsulation, and sonic and microwave processing will all be explored as will new methods of transportation and storage.

New machines, soon to be in production, will provide several times more mechanical and electrical energy than present models, with great reduction in size and weight. Think about some of the fantastic promises of technology glimpsed through electronics

and automation. Through automation, technology promises more of the necessities, comforts, and luxuries of life but this will not be achieved without work and effort. Let's hope we can only learn to utilize and distribute our new knowledge and products in an acceptable manner.

The discoveries that we shall reap through satellites and manned space vehicles while probing the universe are truly impossible to predict. We must not lose our sense of balance, but the impact of space on our daily lives will be staggering as the end of our century approaches. Satellites with radio beacons in space operating on solar batteries will serve as navigational aids. They will also keep the world's weather under observation and greatly assist in improving worldwide communications. We must be sure they become a boon and not a threat to our security and our survival. We cannot afford to be outdone in space. The danger is too great.

Now, if technology is to continue to accelerate, greater emphasis must be placed on basic research for new scientific knowledge and on applied research and development for new hardware items. Our national ability to provide adequate defense and to expand world trade in the late 1960's and the 1970's will be determined by the research and development effort our country is presently willing to support.

For that reason, our Army research and development program is maximizing the great scientific discoveries of today—and continually pressing for more progress in all fields—seeking further scientific breakthroughs basic to maintaining a more modern Army of vastly improved power, range, and mobility as part of our Defense Establishment.

Basic research—to penetrate the ever-expanding horizons of science—never is sufficiently funded to produce the expanded dimension needed or at least desired on our technological frontier. We live with a situation in which we must drive ahead with whatever amounts can be made available.

Still, basic research is the sine qua non for new, improved, and expanding facilities and services for increasing the productivity of our industrial and agricultural society and enriching the lives of our people, and for revolutionary strides in improving the overall power and mobility of our military forces.

One of the Army's most important basic areas is materials research. We know that our engineering design prospects are intimately bound up with discovery of new materials with greatly enhanced properties—conducting, semiconducting, insulating, magnetic, and structural—and also important—with improvement of existing materials. In materials research, we are working on a variety of approaches—in plastics, ceramics, cryogenics, pyrogenics, and metallurgy.

It is important to point out that metallurgy is a field that has seen tremendous advances in the last 10 years and can be expected to surge beyond the boundaries of our imagination in the next few years. New metals with amazing characteristics are being created to exploit the great extremes of temperatures, pressures, and purities, which we are encountering or using in the space age. For example, it is estimated that within the next 10 years we shall have beryllium alloys with the strength of steel, but one-fourth the weight. Shortly thereafter will come plastics and ceramics with the same strength-weight characteristics. New steels with vastly improved characteristics are in sight.

These and other materials research sparked developments will redound to the benefit of our civilian industry and commerce as well as to the military reshaping our pattern of living in the decades that lie ahead. Mis-

siles, vehicles, and electronic devices will all benefit from such advances along with automobiles, farm machinery and household goods and appliances.

Research efforts are also underway to bridge the gap between metallurgy and solid state physics. Rich dividends, here, will permit us to chainlink large molecules to act as electronic circuits, giving us measures of increased reliability and space accommodations in our guidance and other electronic systems almost too fantastic to imagine today.

How many of us in these days of wondrous advances remain impressed by the fact that electronic parts have been reduced in size by modular concepts so that now instead of 7,000 parts per cubic foot, we can put 350,000 parts in the same space. Now, even this figure can be increased by a factor of 10 in certain fuse applications, and using solid circuit techniques—or molecular electronics—even this is only a beginning. Just around the corner of tomorrow I predict we shall see good wristwatch radios of the size of an after-dinner mint.

To me, the implications of solid-state advances are truly fascinating. Today, if an electronic computer—using the old conventional vacuum tubes—were to be built with the memory capacity of the human brain it would require more than the space of this great State capitol and a housing which would reach 40 stories high. It would also require all the water from the Missouri and Platte Rivers to cool the operating elements. On the other hand, solid-state devices promise to give us computers—of mere cabinet or room size—that will approach the wonderfully intricate capacities of the human brain.

I expect that, by the turn of the century, electronic language translation equipment, carryable in a brief case, will be available. Then by inserting the correct language component, a person can talk to most anybody in this world using perhaps a 1,000-word vocabulary. I can think of no greater boon to mankind.

Other significant basic research in medicine, chemistry, or unusual power sources which our Army is conducting—such as the nuclear reactor, the fuel cell, the thermionic converter, or the magnetohydrodynamic process—is too numerous for me to cover in the brief time for this talk. But what I have covered should indicate that basic research is an essential ingredient of potential military power as opposed to military power in-being.

These advances illustrate, moreover, the kind of basic research effort which is necessary to feed the insatiable appetite of applied research and development, for without new knowledge—without new science—applied research and development is limited to product improvement. Product improvement, important as it is, will not put us out in front, where we belong, or keep us there in the 1970's.

Let us look now at only one specific area of military interest in our applied research and development effort—the field of continental defense.

We know that science and technology have developed nuclear weapons with explosive power literally beyond our imagination. This firepower differs not only in degree, but in kind, from anything we have known before and hostile intercontinental missiles present the most serious threat our homeland has ever faced.

Of importance to you here in Nebraska are our efforts to provide this Nation with an antimissile defense system that will not only meet the ICBM threat of today but one that possesses a growth potential to defend against the missile threats of tomorrow. The Army sees such a system in Nike-Zeus—the mighty successor to Ajax and Hercules, now guarding America's great centers of population and industry and our Strategic

Air Command against manned aircraft. Zeus is the only intercontinental ballistic missile defense system now under active development anywhere in the free world.

We are proud of the many successful component tests of the Zeus and I believe unquestionably that it is a practical, obtainable concept. An ICBM flies a ballistic trajectory—which mathematically is analogous to a car traveling down a one-way road. This trajectory, I assure you, can be radar predicted with great accuracy. The powerful Zeus radars, working in close harmony with high-speed computers are designed to detect and acquire incoming missile targets—and, in a matter of seconds, are expected to send command signals putting a maneuverable Zeus missile in high-speed flight toward interception and destruction of the target.

I want to stress right here that the 450,000-pound thrust Zeus booster engine is the most powerful single-unit, solid-propellant motor successfully fired in the free world—and that there is an urgent requirement for such a defensive weapon while we seek a meaningful peace. We in the Army are confident that Nike-Zeus can do this job in the 1960's.

Should the Soviets be first to develop an effective antimissile missile and install it as protection for crucial centers of their population, industry, and military might—they will have taken a giant step toward neutralizing the retaliatory striking power of the free world. Command of such a missile system would provide its owner with a strategic advantage of literally indescribable magnitude—a new dimension in modern war or summit meetings.

This defense problem is not only an Army problem—it is a problem for the entire Nation. There is a growing need for Americans in this land to become more security conscious. Time is fast approaching when we must take stock of our civil defense—critically reexamine its structure to see if we have taken all the measures necessary for protection of our people. A strategy for defense which only envisions offensive weapons and ignores the requirements for an active and effective antimissile defense system and an adequate civil defense program means throwing away of the two-edged sword demanded by today's challenge. The capability to fight back against aggression is worthless, unless the determination to do so is also present.

Rudyard Kipling once wrote, as a preface to one of his interesting stories, these meaningful words:

"It was not in the open fight
We threw away the sword,
But in the lonely watching
In the darkness by the ford."

Yes, it is not war, but usually long months and years of affluence and complacent peace that bring on the downfall of nations. Recorded history is replete with epitaphs of great nations that decayed from complacency. It is the weed that saps the energy at the root of all progress. The costliest crop for any community is the crop of complacency. Freedom and peace come not to cowards who cringe, but to brave men, armed and determined to protect them as precious possessions.

A strong civil defense program, based on adequate fallout shelters and warning systems, can contribute much to a strong national defense. Certainly it would significantly better the chances that this Nation could survive a surprise nuclear attack with reduced casualties. To my mind, in these troubled times of power diplomacy, a strong continental defense measurably increases our freedom of action in foreign affairs. Diplomatic dealing without powerful cards is bluff at best—and usually gets "called." Today's international game is no "penny ante."

Now, I have covered the new frontiers of science and technology broadly and described

a few of our more promising results. I hope I have given you a flash insight to the future. Remember, it will only be for those with imagination—for those who dare. As Einstein rightly stated: "Imagination is more important than knowledge. For knowledge is limited, whereas imagination embraces the entire world, stimulating progress, giving birth to evolution."

And this brings us back full circle to my beginning thesis—that in this age of surging progress, all Americans—and freedom-loving peoples throughout the world—must come to the realization that our collective security and progress depends as never before upon the imagination and boldness with which we acquire and utilize new scientific discoveries and industrial techniques for the progress and defense of our civilization and for the betterment of mankind. Here, we must sense new horizons—continuously—to meet the critical challenges ahead.

When we wrestle with this problem we should always remember the incisive words of Theodore Roosevelt, great soldier and man of strong convictions, who while speaking of the strenuous life said: "Far better it is to dare mighty things, to win glorious triumphs, even though checkered by failure, than to take rank with those poor spirits who neither enjoy much or suffer much, because they live in the gray twilight that knows not victory or defeat."

In this crucial decade of the sixties and in the decades beyond, our task is clear, our challenge is terrific. The forebears of many of you here braved unknown dangers against great odds to give you this wonderful State that you guide today. We, in our days of difficulty, must also make bold decisions and press on to new frontiers. The comfortable ruts in our thinking must be eliminated like yesterday's roads and new paths must be charted. This will call for great vision and great courage but if America is to continue to be the land of the free it will only be because it is still the home of the brave. I'm sure we know where Nebraska stands.

Thank you very much.

MILITARY DISPERSAL IN HAWAII

Mr. FONG. Mr. President, on Friday, March 24, 1961, there appeared in the Hilo Tribune-Herald, one of the leading newspapers in Hawaii, an editorial entitled "Military Dispersal Remains a Major Necessity."

At the present time, practically all of the defense installations are concentrated on the island of Oahu in the State of Hawaii. The matter of dispersing some of our military installations in Hawaii from Oahu to the neighbor islands has been delayed for lack of appropriations. It is hoped that this Congress will give this matter serious consideration.

I ask unanimous consent that the editorial entitled "Military Dispersal Remains a Major Necessity" be printed in the RECORD.

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

MILITARY DISPERSAL REMAINS A MAJOR NECESSITY

President Kennedy's warning to the Soviet Union to stop provoking warfare in the tiny kingdom of Laos jars Americans into realizing that the line between peace and war in our day is a slender one.

There are fears that the crisis in Laos could erupt into a new Korea, only far worse in terms of American supply and tactical problems.

For residents of the 50th State it means that the arena of major crisis once more moves into our portion of the globe.

It reemphasizes the vital part this State plays in the defense of all the free world.

It reemphasizes the unpleasant fact that virtually all of the defense mechanism is centered in one small area.

Perhaps in this time of crisis Congress will review the needs for funds to provide military dispersal here in the islands.

The Army has studied the possibility of developing a permanent base for 5,000 men at Pohakuloa, but has been prevented from moving ahead by a lack of money. It has been estimated that the Pohakuloa project would cost \$45 or \$50 million.

Such dispersal is desirable from a practical standpoint. And it would not significantly increase the threat of direct attack on the big island.

It is the threat of possible attack on the present concentrated defense area in the islands—no matter how remote it may be—that makes dispersal so necessary.

Senators HIRAM L. FONG and OWEN E. LONG and Representative DANIEL K. INOUYE may find their fellow lawmakers are now willing to consider the appropriation necessary to develop Pohakuloa to full usefulness.

The big island wants to do its part in meeting the grim obligations of the times.

CALL OF THE CALENDAR

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

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

Under the order, the Senate will proceed to take up the calendar.

The clerk will state by title the first bill on the calendar.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The clerk will state the first measure on the calendar.

EDWARD W. SCOTT III

The bill (S. 126) for the relief of Edward W. Scott III was considered, 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, in the administration of the Immigration and Nationality Act, Edward W. Scott III, who was born in the Republic of Panama on May 25, 1938, of an American citizen mother, shall be deemed to have been born in the Canal Zone.

MAN-YEH CHOW

The bill (S. 132) for the relief of Man-Yeh Chow was considered, 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, for the

purposes of the Immigration and Nationality Act, Man-Yeh Chow shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act. The number of refugees to whom permanent residence in the United States may be granted under the provisions of section 6 of the Refugee Relief Act of 1953, as amended, is hereby reduced by one.

CHERIE HELEN BRATTON

The bill (S. 164) for the relief of Cherie Helen Bratton was considered, 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, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Cherie Helen Bratton, shall be held and considered to be the natural-born alien child of Nancy Bratton, a citizen of the United States: *Provided,* That the natural parents of the said Cherie Helen Bratton shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

ALESSANDRO GELLHORN

The bill (S. 217) for the relief of Alessandro Gellhorn was considered, 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, for the purposes of the Immigration and Nationality Act, Alessandro Gellhorn shall be deemed to be within the purview of section 323 of the said Act.

DR. CHIEN CHEN CHI

The bill (S. 225) for the relief of Dr. Chien Chen Chi was considered, 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, for the purposes of section 9 of the Act entitled "An Act to amend the Immigration and Nationality Act, and for other purposes", approved September 11, 1957 (71 Stat. 639), Doctor Chien Chen Chi, who was physically present within the United States on July 1, 1957, shall be held and considered to be the beneficiary of an approved visa petition for immigrant status under section 203(a)(1)(A) of the Immigration and Nationality Act filed on his behalf prior to September 11, 1957.

CONSTANTINOS GEORGIU STAVROPOULOS

The bill (S. 262) for the relief of Constantinos Georgiou Stavropoulos was considered, 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, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Constantinos Georgiou Stavropoulos shall be held and considered to be the

minor natural-born alien child of Mr. and Mrs. John D. Stavropoulos, citizens of the United States: *Provided,* That the natural parents of Constantinos Georgiou Stavropoulos shall not, by virtue of such parentage be accorded any right, privilege, or status under the Immigration and Nationality Act.

ALPO FRANSSILA CRANE

The bill (S. 285) for the relief of Alpo Franssila Crane was considered, 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, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Alpo Franssila Crane shall be held and considered to be the natural-born minor alien child of Mr. and Mrs. Radford Raymond Crane, citizens of the United States: *Provided,* That no natural parent of the beneficiary, by virtue of such parentage, shall be accorded any right, privilege, or status under the Immigration and Nationality Act.

MAH JEW NGENE (ALSO KNOWN AS PETER JEW MAH)

The bill (S. 292) for the relief of Mah Jew Ngee (also known as Peter Jew Mah) was considered, 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, for the purposes of the Immigration and Nationality Act, Mah Jew Ngee (also known as Peter Jew Mah) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

EARL H. PENDELL

The bill (S. 298) for relief of Earl H. Pendell was considered, 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 Earl H. Pendell, of Baltimore, Maryland, is hereby relieved of all liability to repay to the United States the sum of \$4,447.98, representing the amount of overpayment of salary paid to him as a court reporter during the period from September 7, 1955, through March 7, 1959, the payment of such amount having occurred as a result of administrative error.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Earl H. Pendell, the sum of any payments received or withheld from him on account of the overpayment referred to in the first section of this Act.

HARRY N. KOUNIAKIS

The bill (S. 330) for the relief of Harry N. Kouniakis was considered, ordered to be engrossed for a third read-

ing, 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, for the purpose of the Immigration and Nationality Act, Harry N. Kouniakis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

HARUO T. HENDRICKS

The bill (S. 417) for the relief of Haruo T. Hendricks was considered, 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, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Haruo T. Hendricks, shall be held and considered to be the natural-born alien child of Sergeant and Mrs. Joel C. Hendricks, citizens of the United States.

FOTIOS GIANOUTSOS (FRANK GIANNOS)

The bill (S. 423) for the relief of Fotios Gianoutsos (Frank Giannos) was considered, 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, for the purposes of the Immigration and Nationality Act, Fotios Gianoutsos (Frank Giannos) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MRS. MARIA GIOVANNA HOPKINS

The bill (S. 438) for the relief of Mrs. Maria Giovanna Hopkins was considered, 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, for the purpose of the Immigration and Nationality Act, Mrs. Maria Giovanna Hopkins shall be held and considered to have been lawfully admitted to the United States for permanent residence as of July 20, 1950, and her residence in the United States since July 20, 1950, shall be held and considered to meet the residence and physical presence requirements of section 316 of that Act.

OK HI SHIN AND TAE SOO CHUNG

The bill (S. 444) for the relief of Ok Hi Shin and Tae Soo Chung was considered, 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, for the purposes of the Immigration and Nationality Act, Ok Hi Shin and Tae Soo Chung shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

IRENA MARIA KOLLER

The bill (S. 533) for the relief of Irena Maria Koller was considered, 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, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Irena Maria Koller, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Bruno Bruce Haber, citizens of the United States: Provided, That the father and stepmother of Irena Maria Koller shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

HANS CHRISTIAN GUNNAR MIKKELSEN

The bill (S. 593) for the relief of Hans Christian Gunnar Mikkelsen was considered, 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, for the purposes of the Immigration and Nationality Act, Hans Christian Gunnar Mikkelsen shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee.

ANGEL ARDAIZ MARTINEZ

The bill (S. 696) for the relief of Angel Ardaiz Martinez was considered, 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, for the purposes of the Immigration and Nationality Act, Angel Ardaiz Martinez shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MARIA LUISA MARTINEZ

The bill (S. 697) for the relief of Maria Luisa Martinez was considered, 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 for the purposes of the Immigration and Nationality Act, Maria Luisa Martinez shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ANASTASIA STASSINOPOULOS

The bill (S. 713) for the relief of Anastasia Stassinopolous was considered, 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, for the purposes of the Immigration and Nationality Act, Anastasia Stassinopolous shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

CAPT. ERNEST MOUNTAIN

The bill (S. 894) for the relief of Capt. Ernest Mountain was considered, 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, for the purposes of the Immigration and Nationality Act, Captain Ernest Mountain shall be held and considered to have been lawfully admitted to the United States for permanent residence as of June 30, 1929, upon payment of the required visa fee.

ZLATA DUMLIJAN AND DJURO (GEORGE) KASNER

The bill (S. 939) for the relief of Zlata Dumlijan and Djuro (George) Kasner was considered, 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, for the purposes of the Immigration and Nationality Act, Zlata Dumlijan and Djuro (George) Kasner shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper quota-

control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

A. E. WATERSTRADT

The bill (S. 1097) for the relief of A. E. Waterstradt was considered, 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 notwithstanding any period of limitations or lapse of time, claim for credit or refund of overpayment of income taxes for the taxable years 1942 to 1945, inclusive, made by A. E. Waterstradt, of Takoma Park, Maryland, may be filed at any time within one year after the date of the enactment of this Act. The provisions of sections 322(b), 3774, and 3775 of the Internal Revenue Code of 1939 shall not apply to the refund or credit of any overpayment of tax for which credit or refund is filed under the authority of this Act within such one-year period.

MICHAEL J. COLLINS

The bill (S. 178) for the relief of Michael J. Collins was considered, 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 Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$25,000 to Michael J. Collins, of Rego Park, Long Island, New York, a decorated combat veteran of World War II and the Korean conflict, in full settlement of all of his claims against the United States and as reimbursement to him for expenses incurred in establishing his innocence and to remove injustices resulting to him from his conviction which was based upon fraudulent evidence fabricated and produced by certain unscrupulous members of the United States Army: Provided, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

HELEN IRMA IMHOOF

The Senate proceeded to consider the bill (S. 118) for the relief of Helen Irma Imhoof, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That in the administration of the Immigration and Nationality Act the periods of time Helen Irma Imhoof resided abroad in the employ of the United States Ambassador to Italy shall be held and considered to be residence and physical presence in the United States within the meaning of section 316 of the said Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

KRSTE ANGELOFF

The Senate proceeded to consider the bill (S. 139) for the relief of Krste Angeloff, which had been reported from the Committee on the Judiciary, with an amendment, in line 6, after the word "States", to insert a colon and "Provided, That the natural parents of the said Krste Angeloff shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of section 101(a) (27) (A) and 205 of the Immigration and Nationality Act, Krste Angeloff shall be held and considered to be the natural-born alien minor child of Mrs. Miles Angeloff, citizen of the United States: Provided, That the natural parents of the said Krste Angeloff shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HAJIME ASATO

The Senate proceeded to consider the bill (S. 274) for the relief of Hajime Asato, which had been reported from the Committee on the Judiciary, with an amendment, in line 6, after the word "date", to insert "of the enactment", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Hajime Asato shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ERICA BARTH

The Senate proceeded to consider the bill (S. 277) for the relief of Erica Barth, which had been reported from the Committee on the Judiciary, with an amendment, in line 8, after the word "residence", to insert "to such alien", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Erica Barth shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number

from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ANTE TONIC (TUNIC) AND OTHERS

The Senate proceeded to consider the bill (S. 313) for the relief of Ante Tonic (Tunic), his wife Elizabeth Tunic, and their two minor children, Ante Tunic, Jr., and Joseph Tunic, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 2, after the word "required", to strike out "number" and insert "numbers", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Ante Tonic (Tunic), his wife, Elizabeth Tunic, and their two minor children, Ante Tunic, Junior, and Joseph Tunic, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

STANLEY BULSKI (ZDZISLAW REKOSZ)

The Senate proceeded to consider the bill (S. 532) for the relief of Stanley Bulski (Zdzislaw Rekosz), which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 1, after the word "available", to insert a colon and "Provided, That the natural parents of the said Stanley Bulski (Zdzislaw Rekosz) shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Stanley Bulski (Zdzislaw Rekosz) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available: Provided, That the natural parents of the said Stanley Bulski (Zdzislaw Rekosz) shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. ELIZABETH CLIFFORD

The Senate proceeded to consider the bill (S. 545) for the relief of Mrs. Elizabeth Clifford, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Mrs. Elizabeth Clifford shall be held and considered to have been lawfully admitted to the United States for permanent residence on September 30, 1956: Provided, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NICOLAOS A. PAPADIMITRIOU

The Senate proceeded to consider the bill (S. 555) for the relief of Nicolaos A. Papadimitriou, which had been reported from the Committee on the Judiciary, with an amendment, in line 7, after the word "States", to insert a colon and "Provided, That the natural parents of the said Nicolaos A. Papadimitriou shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of section 101(a) (27) (A) and 205 of the Immigration and Nationality Act, Nicolaos A. Papadimitriou shall be held and considered to be the natural-born minor alien child of Mr. and Mrs. James N. Demette, citizens of the United States: Provided, That the natural parents of the said Nicolaos A. Papadimitriou shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MICO DELIC

The Senate proceeded to consider the bill (S. 138) for the relief of Mico Delic, which had been reported from the Committee on the Judiciary, with amendments, in line 4, after the word "Act", to insert "the minor child"; in line 6, after the word "natural-born", to strike out "minor", and in line 7, after the word "States" to strike out "Provided, That no natural parent of Mico Delic by virtue of such parentage shall be accorded any right, privilege, or status under the Immigration and Nationality Act"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child Mico Delic shall be held and considered to be the natural-born alien child of Mr. and Mrs. Eli Delic, citizens of the United States.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HADJI BENLEVI

The Senate proceeded to consider the bill (S. 177) for the relief of Hadji Benlevi, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 10, after the word "deduct", to strike out "the required" and insert "one"; in line 11, after the word "quota", where it appears the first time, to strike out "or quotas", and on page 2, at the beginning of line 1, to strike out "or quotas are" and insert "is"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Hadji Benlevi shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available: Provided, That the said Hadji Benlevi executes and files with the Attorney General, in such form as he shall require, a written waiver of all rights, privileges, exemptions, and immunities under any law or any Executive order which would otherwise accrue to him if he retains this occupational status as a treaty trader.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

IN FIL CHUNG AND OTHERS

The Senate proceeded to consider the bill (S. 546) for the relief of In Fil Chung, In Ae Chung, In Sook Chung, and In Ja Chung, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 6, after the word "the," to strike out "minor" and insert "natural-born," and in line 8, after the word "States," to strike out "Provided, That no natural parent of the beneficiary, by virtue of such parentage, shall be accorded any right, privilege, or status under the Immigration and Nationality Act," and insert "Provided, That the natural father of the beneficiaries, by virtue of such parentage, shall not be accorded any right, privilege, or status under the Immigration and Nationality Act"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor children, In Fil Chung, In Ae Chung, In Sook Chung and In Ja Chung, shall be held and considered to be the natural-born alien children of Mr. and Mrs. Elmer Bussmann, citizens of the United States: Provided, That the natural father of the beneficiaries, by virtue of such parentage, shall

not be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ANDREAS RAKINTZIS (RAKAJES)

The Senate proceeded to consider the bill (S. 663) for the relief of Andreas Rakintzis (Rakajes), which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 6, after "(73 Stat. 644)", to strike out "Andreas Rakintzis (Rakajes)" and insert "Andreas Rakintzis (also known as Andreas Rakintzis or Rakajes)", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of section 4 of the Act entitled "An Act to provide for the entry of certain relatives of United States citizens and lawfully resident aliens", approved September 22, 1959 (73 Stat. 644), Andreas Rakintzis, also known as Andreas Rakintzis or Rakajes) shall be held and considered to be eligible for a quota immigrant status under the provisions of section 203(a)(4) of the Immigration and Nationality Act on the basis of a petition approved by the Attorney General prior to January 1, 1959.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Andreas Rakintzis (also known as Andreas Rakintzis or Rakajes)."

EXTENSION OF SUGAR ACT OF 1948

The bill (H.R. 5463) to amend and extend the Sugar Act of 1948, as amended, was announced as next in order.

Mr. MUSKIE. Mr. President, I ask that the calendar call be ended at this point.

The PRESIDING OFFICER. Without objection, the calendar call is ended at this point.

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 113, H.R. 5463, and that it be made the pending business.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 5463) to amend and extend the Sugar Act of 1948, as amended.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill (H.R. 5463), to amend and extend the Sugar Act of 1948, which had been reported from the Committee on Finance, with amendments, on page 1, at the beginning of line 7, to strike out "December 31, 1962" and insert "June 30, 1962"; on page 2, line 3, after the word "thereof", to strike out "June 30, 1963" and insert "December 31, 1962"; in line 8, aft-

er the word "thereof"; to strike out "June 30, 1963" and insert "December 31, 1962"; in line 11, after the word "thereof", to strike out "September 30, 1963" and insert "March 31, 1963"; in line 16, after the word "ending", to strike out "December 31, 1962" and insert "June 30, 1962"; in line 19, after the word "ending", to strike out "December 31, 1962" and insert "June 30, 1962", and on page 3, after line 9, to insert a new section, as follows:

SEC. 4. Subsection (b) of section 408 of the Sugar Act of 1948, as amended, is amended by striking out the period at the end of paragraph (3) and inserting in lieu thereof a semicolon, and by adding the following new paragraph:

"(4) As a condition for the importation of any quantity of nonquota purchase sugar from any foreign countries as provided in this subsection, a fee of approximately the difference between the world price and the domestic price of raw sugar, as determined by the Secretary, shall be paid to the United States by the person applying for release of such quantity of sugar."

WILLIAM ATTWOOD, AMBASSADOR TO GUINEA

Mr. DODD. Mr. President, I regret that I was not in the Chamber yesterday afternoon at the time the nomination of William Attwood as Ambassador to Guinea was confirmed.

Mr. Attwood is a resident of New Canaan, Conn., and I am privileged to know him. I regard his selection as one of the outstanding ambassadorial appointments of recent years. He has an intimate knowledge of foreign affairs arising in part from long experience as a foreign correspondent for the New York Herald Tribune and Collier's magazine and for the past 10 years as European editor and foreign editor of Look magazine.

I believe that Mr. Attwood possesses the qualities of character and competence which will make him an outstanding success in the very difficult post to which he has been named by the President.

I am pleased that he was so swiftly confirmed by the Senate and will be able to depart for his post immediately.

ROBERT H. KNIGHT, GENERAL COUNSEL FOR THE DEPARTMENT OF THE TREASURY

Mr. DODD. Mr. President, I take this opportunity to congratulate Mr. Robert H. Knight as he assumes his new post as General Counsel for the Department of the Treasury.

Mr. Knight is a resident of Connecticut, having been born in New Haven and educated at Yale University. He has held important posts in the academic and legal fields and most recently has served as Deputy Assistant Secretary of Defense on International Security Affairs.

Mr. Knight carries to his new post great competence and broad experience, and I am confident that he will fill his new post with distinction.

DIFFERENCES WITHIN THE KREMLIN HIERARCHY AND BETWEEN THE KREMLIN AND RED CHINA

Mr. DODD. Mr. President, there has been much speculation in the Western press about differences within the Kremlin hierarchy and differences between the Kremlin and Red China.

That certain differences do exist, there can be no denying. But how serious are they, and what do they portend for the West?

The consensus until now has been that these differences are very real, and it has been widely recommended that the West should adjust its policy to this reality. It has been suggested that if we make things more difficult for Khrushchev, if we shut the door on agreements that Khrushchev can claim as personal victories, his place will be taken by other more truculent, more Stalinist members of the Kremlin's hierarchy. It has also been suggested that it would be in the interest of the free world to widen the breach between the Kremlin and Red China by admitting Red China to the U.N. and according her diplomatic recognition.

Within the past few weeks, this thesis has been challenged in a series of articles by outstanding experts on communism.

In the current issue of Foreign Affairs, which appeared on March 20, Dr. Philip E. Mosely, director of studies of the council on foreign relations, has published a remarkable article, in which he charges that the Soviet envoys in the West are deliberately spreading false rumors about differences in the Soviet bloc for the purpose of extorting concessions from the West. He points out that, whenever there have been real differences, the Communists have done their utmost to conceal them and deny them.

Mr. Paul Wohl, the noted Soviet expert of the Christian Science Monitor, was even more specific in an article which appeared on February 20. He said there was strong internal evidence that the documents which were leaked to the Western press after the conference of Communist leaders in Moscow last November, were really forgeries. He suggested that the playing into Western hands of forged documents purporting to show Moscow and Peiping at loggerheads was really an instance of collaboration between Moscow and Peiping for the purpose of confusing the West.

This also is the theme of a searching report entitled "That Deceptive Sino-Soviet Split," which appears in the current issue of Air Force magazine.

I recommend all of these articles to the Senators.

Mr. President, I ask unanimous consent to insert in the RECORD at this point the following articles:

First. New York Times article of March 20, entitled "Khrushchev Tales Are Called Trap," by Harry Schwartz.

Second. Foreign Affairs article in its April issue, entitled "Soviet Myths and Realities," by Philip E. Mosely.

Third. The Christian Science Monitor article of February 13 entitled, "Red Bloc Split or Fraud?" by Paul Wohl.

Fourth. The article in the Air Force magazine, March issue, entitled "That Deceptive Sino-Soviet Split."

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

[From the New York Times, Mar. 20, 1961]

KHRUSHCHEV TALES ARE CALLED TRAP—U.S. EXPERT TERMS RUMORS ON PREMIER'S ROLE AN EFFORT TO LURE WEST TO YIELD

(By Harry Schwartz)

An influential U.S. Government adviser on Soviet affairs charges that Soviet envoys in the West are spreading false rumors about Premier Khrushchev's position as a means of extorting important concessions from Western nations.

Writing in the current issue of Foreign Affairs, Dr. Philip E. Mosely also challenges the widely held notion that rising living standards and educational levels in the Soviet Union are in any way weakening the monolithic power of the Soviet state. Dr. Mosely, director of studies of the Council on Foreign Relations, has played an influential role in shaping U.S. policy toward the Soviet Union during the last two decades.

Dr. Mosely does not specify where the Russians are trying to win concessions by spreading rumors that Mr. Khrushchev needs Western retreats if he is to maintain his power against the challenge of Stalinists.

Dr. Mosely participated last year in a closed conference at Dartmouth that brought leading Soviet and American figures together in Hanover, N.H. It is also known that in recent months the Soviet Ambassador, Mikhail A. Menshikov, has been meeting with influential Americans whom he attempted to convince that an early Kennedy-Khrushchev meeting was essential.

POWER STRUGGLES CONCEALED

When there has been an actual Kremlin power struggle, Dr. Mosely writes, Soviet spokesmen abroad have been the last to refer to this dangerous subject.

"They have tiptoed about * * * strongly denying all signs of dissension at home," Dr. Mosely adds. He interprets the situation about which he writes in these terms:

"The recent whispering campaigns seem designed to pave the way for one-sided concessions by the West, rather than representing an unprecedented rending of the veil of Soviet secrecy. The versatility displayed in this new tactic is, I believe, a sign of stability and great self-assurance. Only a very strong and confident Soviet leader can afford to turn to his profit self-launched rumors of his political vulnerability at home."

Dr. Mosely denounces speculation in the United States last spring that Premier Khrushchev's violent behavior at the abortive Paris summit conference was in any way forced upon him by opponents in the Communist Party Presidium or by military leaders. Such views, Dr. Mosely writes, tend falsely to suggest that Mr. Khrushchev has somehow become a puppet buffeted by contending factions and to underrate his experience and his willpower, and to underestimate the power that he wields.

The result of the improved Soviet standard of living, Dr. Mosely writes, has been to raise Khrushchev's popularity to a peak Stalin never knew, and has positively enhanced Khrushchev's ability to mobilize his people's energies and loyalties behind his foreign as well as his domestic programs.

Dr. Mosely describes as wishful the views of those foreign analysts who have argued that the spread of education among the Soviet people must increase doubt and dissent.

[From Foreign Affairs, April 1961]

SOVIET MYTHS AND REALITIES

(By Philip E. Mosely)

I

It may be useful, on the 8th anniversary of Stalin's death, to review some of the misconceptions and mirages that have plagued Western efforts to interpret the changing Soviet scene under his successors. A stock-taking, even though brief and incomplete, may help Americans to understand better the international environment in which a new administration will have to cope with old and new challenges to its hopes and purposes.

One persistent theme of Western analysis has been the concept of a debilitating and perhaps fatal struggle for supremacy within the Soviet apparatus of dictatorship. One widespread view runs somewhat as follows. A totalitarian system, by its very nature, cannot be legitimate. It cannot provide for the orderly transmission of absolute power. It is bound to be caught in a dog-eat-dog struggle for supreme control. On this premise, the top Soviet leadership is inevitably driven by a continuing and desperate rivalry among competing leaders and cliques. Hence, it is assumed, Khrushchev is constantly engaged in a struggle against multiple challengers within his own apparatus, and the function of "Kremlinology" is to identify his rivals for power by reading the obscure portents of personnel changes and turgid ideological hints.

One extreme interpretation of this alleged instability was current in May and June 1960. Supposedly, Khrushchev's vehement behavior at the abortive summit conference was dictated to him by unseen forces within the top Soviet hierarchy, perhaps by a gangling up of military leaders and Stalinist ideologues. Supposedly Khrushchev had initially been willing to overlook the affront of the U-2 flights, with its drastic violation of the Soviet passion for secrecy, and proceeded with the summit meeting and President Eisenhower's visit to the Soviet Union, but was forced by a coalition of rivals within the party apparatus to take a stiff line. According to this view, he was actually enjoined to read to the Paris press conference a statement prepared for him in Moscow, while the Minister of Defense, Marshal Malinovsky, sat beside him to make sure that he did not deviate from the text.

Undoubtedly, a genuine struggle for the succession took place after Stalin's death. The arrest and execution of Beria was an important step in the downgrading of the power of the secret police which had been used by Stalin for many years—at least since 1934—as a personal instrument of terror against the party. And the political police had undoubtedly used its role to dominate Stalin by playing on his many fears and phobias. The demotion of Malenkov, in January 1955, and the dismissal of Malenkov, Molotov, and Kaganovich in June 1957, served to consolidate Khrushchev's control. The gestures that Marshal Zhukov made toward promoting his own political prestige and his own control over the army were followed by a swift downfall, in October 1957. Probably the decisive building up of Khrushchev's domination over the party's instruments of power took place approximately between mid-1954 and late 1957. A decisive stage in this process was marked by his famous denunciation of Stalin's arbitrary and cruel rule over the party, at the 20th Party Congress in February 1956.

Basically Khrushchev's structure of rule is very similar to Stalin's, but his style of administration differs from Stalin's in some important respects. Like Stalin, he has and uses his full power to appoint and remove the members of the party presidium, the central

drive wheel of decisionmaking, as well as the members of the Central Secretariat. It is clear, at least since late 1957, that Khrushchev's choice of this body of close collaborators is entirely his own; it is not determined by any factions or cliques operating outside his control. He has strengthened the party's, i.e., his own, control over the military establishment and the secret police. Similarly, through appointing a long roster of party secretaries in the various republics and oblasts, Khrushchev has established securely his control over the party machinery. Through the party's regional machinery he also determines the composition of the party congresses, and it is his handpicked party presidium that selects the membership of the central committee of the party. Whether he has reverted to Stalin's singlehanded manipulation of the secret police, or whether he shares control over it with the presidium, remains obscure. In any case, neither the presidium nor the secret police is likely today to offer any foothold to would-be challengers to his leadership.

If the structure of control remains basically unchanged, in what ways and why has Khrushchev changed the style or atmosphere of Soviet rule? Clearly Khrushchev allows a much freer expression of views within his entourage, and genuine discussions now take place on many issues before he hands down his decisions, as illustrated in the discussions of agriculture in the January 1961 session of the central committee. In this respect Khrushchev has apparently reverted in fact, as he claims, to a more Leninist style of work. New and important decisions, such as those on reducing the size of the armed forces, on raising the rate of investment in agriculture, on changing the requirements for admission to higher education, are often preceded by fairly open discussions and disputes in public channels, even though the basic work of decision-making is carried on within the party secretariat, the Council of Ministers, and the party presidium, all of which are ultimately appointed by and responsible to Khrushchev.

Does this somewhat enlarged tolerance or even encouragement of more detailed and more frank discussions of ways and means of implementing Soviet purposes and programs mean, as some analysts have stated, that Khrushchev has allowed the reins of power to slip from his hands? Or that decisions are now made by counting votes within the presidium? Or that Khrushchev can be outvoted by colleagues whom he has appointed? Or that members of the presidium are free to trade votes on various issues and to form alignments of factions for and against Khrushchev? In the absence of firm information on this highly secret sphere of Soviet inner politics, many shaky assumptions have been given wide currency. Sometimes, it is Suslov, supposed guardian of ideological purity, who is touted abroad as leader of an anti-Khrushchev, Stalinist intrigue. Sometimes other names, such as Marshal Malinovsky's, are mentioned as potential rivals even though Malinovsky is not even a member of the presidium.

As an absolute ruler Khrushchev needs frank discussions of ways and means to achieve his purpose. But as head of the Soviet Party, he certainly knows how to suppress factions just as effectively as Lenin and Stalin did. Unlike Stalin in his later years, Khrushchev has seen the need to lay down broad purposes and then to leave the details to his principal subordinates, subject to his constant threat to check on their performance. But to assume from this useful and necessary subdivision of labor and partial delegation of operating responsibilities that he has carelessly let the reins of control slip from his hands and has somehow become a puppet buffeted by contending factions is clearly to underrate his ex-

perience and his willpower, and to underestimate the power that he wields. It can also lead to underestimating the skill and determination with which he is pursuing Soviet aims abroad.

The notion that Khrushchev's power is far from absolute or secure has been zealously spread abroad by Soviet emissaries, in supposedly confidential talks. "Our leader faces strong opposition at home in his effort to bring about a relaxation of tension with America" (or Great Britain, or France, as the case may be). "He needs something concrete to prove that he is right and the Stalinists wrong." From this it is but a step to implying that the West can safely abandon some of its positions and programs—West Berlin, the plans for strengthening NATO, Formosa—in order to assure the political survival of the cooperative Mr. Khrushchev and forestall the rise to power of some unnamed and supposedly more militant rival.

In the past, whenever a genuine struggle for power has been taking place within the Kremlin hierarchy, Soviet spokesmen abroad have been the last to refer to this dangerous subject. In those uneasy circumstances they have tiptoed about, avoiding *tete-a-tetes* without witnesses, and strongly denying all signs of dissension at home. The recent whispering campaigns seem designed to pave the way for one-sided concessions by the West, rather than representing an unprecedented rending of the veil of Soviet secrecy. The versatility displayed in this new tactic is, I believe, a sign of stability and great self-assurance. Only a very strong and confident Soviet leader can afford to turn to his profit self-launched rumors of his political vulnerability at home.

II

One beneficial feature of Khrushchev's new style of rule has been a greatly lessened reliance on the day-to-day use of political terror. Khrushchev has gained great popularity, within the ranks of the party apparatus and among the Soviet population at large, through the greater sense of individual security and the spreading expectation of a somewhat more impartial justice. From this, however, there is a long jump, which many commentators in the West have not hesitated to take, to assuming that the system of political pressure and even of repression has simply disappeared. In this overoptimistic view, there are now no obstacles to a continuous evolution of the Soviet system toward a status of full freedom of person and opinion and, eventually, of active political liberty. Does this idyllic picture correspond to reality?

Today, factory managers, collective farm chairmen, artists and writers, party officials of many ranks no longer fear sudden disappearance, whether through imprisonment or execution or exile to labor camps or to forced residence. To a great extent the atmosphere of terror has been lifted. Some important improvements have been made in the administration of justice. To a considerable extent, the reforms of the past 2 years have separated the functions of investigation, prosecution, and trial. Instead of being investigated, arrested, tried, and sentenced by the secret police, an ordinary citizen can now expect that the evidence gathered by the police, secret or conventional, will be examined by a separate prosecutor's office, which decides whether to bring him to trial. And the trial will be conducted usually by courts which are separate in administrative line of command from the police and the prosecutor's office. Of course, all three arms of justice are controlled by the government, under the direction of the party apparatus; all three are subject to appointment and removal from above. All three are responsible to the party's demand for vigilance, whether against hoodlums, embezzlers, speculators in dachas or cars, or disseminators of Western propaganda.

Although the defendant is entitled in theory to the services of counsel, these may or may not be available in practice and defense attorneys are sometimes punished by the party for an excess of zeal in defending their clients. Outside the system of state courts, the military tribunals are still empowered to judge cases in complete secrecy. Sentences are seldom published, except as a public warning to other potential offenders. Still, with all these defects, intolerable in a true system of law, the new conditions of justice offer a vast improvement over those of Stalin's days, especially for nonpolitical offenders.

In the past, a number of well-run autocracies, without a trace of democratic ideology, have also endeavored to provide their subjects with a regular and safeguarded system of justice, for injustice is a source of serious waste to the state itself. Each person wrongly condemned constitutes a direct loss of resources to the state. And the dread of unpredictable punishment brings with it many other losses, such as fear of taking responsibility, widespread resort to deception, apathy among the people, and corruption within the government apparatus.

The new Soviet leadership has not, as many abroad prematurely assume, laid down its punishing sword. Its secret police are still active. They are still watching and writing things down. The ordinary Soviet subject, especially anyone over 35, can recall earlier periods when police pressure, but not police vigilance, has been relaxed. And he knows that seemingly innocent remarks and even imputed motives can be brought up against him at a later time, when the pendulum has swung back toward renewed vigilance.

In the past 2 years the Soviet state has unshathed a new weapon against those whom it regards as antisocial elements. By the vote of a neighborhood or block meeting assembled and dominated by party members, any unproductive member of society can be expelled from his place of residence and ordered to live at a distance of not less than 100 kilometers. In recent months, newspaper articles and letters have been demanding the more frequent application of this form of vigilante law. Apparently, this type of exile by popular decree is designed to supplement the specific provisions of the code by holding the threat of ostracism over socially undesirable elements and dissenters. The picture of a Soviet system that has chosen, or been driven—by what forces?—to abandon its police controls and to leave the way open to all kinds of initiatives welling up from below is a most appealing one, but one that can hardly stand the light of Soviet day.

III

But, it is frequently argued, the steady if unspectacular rise in the Soviet standard of living is bound, sooner rather than later, to undermine the dictatorial character of the régime. As people become more prosperous and better fed, housed and clothed, they will raise their spiritual demands. They will exact a right to form their own opinions and eventually to tell the authorities what to do.

The rise in Soviet living standards since 1953 is an important and highly desirable development. Since Stalin's death there has been a very substantial improvement in the supply of food. The enormous waste of time through waiting in line has been reduced. Above all, the Soviet housewife is now confident that she will find in the shops the wherewithal to feed her family. Food costs remain high in relation to average earnings, and the variety and quality are poor in relation to Western standards and Soviet desires. In the major cities clothing is available in relative plenty, and prices, though still high, have been reduced almost by one-half; the quality has also been improved, in large part through importing superior goods from China, East Germany, and Czechoslovakia.

In Moscow a customer can now shop around for quality and style instead of taking whatever is offered. Mark-downs and bargain sales, once decried as examples of inferior capitalist management, have been instituted in some lines, such as TV sets, radios and shoes.

Housing, long a blight on Soviet comfort, is being built on an impressive scale, especially in some 150 principal industrial cities. At last, under the program instituted in 1957, millions of citizens are being moved from old, dilapidated housing, and from a one-room-per-family standard, to new and clean if not very elegant apartments of two, three and even four rooms. Nothing can give greater satisfaction and pride than to see and participate in these benefits.

Soviet people are enjoying their increased purchasing power to the full. The peasants receive a much larger cash income and are demanding more good things to buy. A reform instituted in 1956 has given old-age pensioners, formerly condemned to slow attrition, an adequate basic income, buttressed by nominal rents and free medical care. A parallel measure to raise the minimum wage to 300 rubles (30 new rubles of 1961) has, it is estimated, improved the purchasing power of almost one-third of the employed urban population. On the other hand, successful collective farms are still pressed to share their profits with weaker neighbors, and there have been few major reductions in prices since 1955. Still, Soviet incomes on the average are rising markedly and will continue to do so as personal income taxes are gradually eliminated—though not the much more onerous sales taxes. All this can only bring rejoicing that the Soviet people, hard pressed so long and bitterly tried in a very destructive war and its aftermath, are now enjoying a larger share of the fruits of their labor and their forced savings for investment.

For the outside world, however, one major question still remains: Will the improved standard of living build up pressure on the Kremlin to modify its general line of policy, at home or abroad? Will it cause it to abandon its international ambitions, which have been restated so eloquently in the Declaration of 81 Parties, in December 1960, and by Khrushchev in his program speech of January 6, 1961?

Soviet resources are subjected to multiple and conflicting demands, and since 1953 the Kremlin has given a bigger though modest cut of the pie to the needs of the people. Following his tour of the United States in 1959, Khrushchev promised substantial increases in the allocation of capital for the production of consumer goods; he also announced larger allocations in January 1961. These additional resources, human and material, can be found only by making adjustments in other sectors of the plan, for example in heavy industry, in military programs or perhaps in the still modest program of foreign economic aid. It must not be forgotten, however, that light industry is growing more slowly than heavy industry.

In 1960 a Soviet newspaper took the unprecedented step of printing a letter to the editor which asked if it would not be better to spend less on sputniks and more on housing. Of course, the propaganda machine denounced the unnamed author and denied that there was any conflict. Soviet citizens, having received first installments of the long-promised good life, are eager for the day when the Soviet living standard will, as Khrushchev assures them, overtake that of the United States. Indeed, they would be more than pleased to see it equal that of West Germany or even Czechoslovakia. "Prosperity" and "peace" are powerful slogans in Soviet society as elsewhere, but the effect of their popularity seems quite different there than in countries of free and representative institutions.

One obvious result of the improvement has been to raise Khrushchev's popularity to a peak Stalin never knew. His eagerness to go out among the people, his willingness to explain his policies frequently and at length, his folksy manner, are all valuable assets. A further consequence has been to increase enormously the credibility of Soviet propaganda among the people generally. Formerly, when Stalin proclaimed that the Soviet Union enjoyed one of the highest standards of living in the world, his subjects were instinctively on the alert for new sacrifices or new pressures. Aside from the steady rise of the professional and managerial groups to a distinctly superior way of life under Stalin, most of the people saw no evidence to confirm these lofty claims, and their skepticism about domestic propaganda often carried over the sphere of international politics.

In general, so public opinion analysts tell us, people are best informed about events in which they participate or which they observe at firsthand. They find it somewhat harder to form independent judgments about national affairs. And, except in countries where they have access to a continuing and abundant flow of authentic and contradictory information, they find it still harder to form reliable opinions about events and problems in the external world. The increased confidence with which ordinary Soviet people now accept the leader's word in domestic affairs seems to have a strong carryover in the enhanced faith with which they accept his picture of world events. Far from raising a stronger demand for freedom of information and opinion, the rising standard of living seems, from personal observation by many visitors, to have raised the level of popular trust in the party's propaganda. It has positively enhanced Khrushchev's ability to mobilize his people's energies and loyalties behind his foreign as well as his domestic programs.

iv

If the effect of the slow but steady spread of greater material satisfactions has been to relax one of the major sources of tension between the leaders and the led, will not the ideological grip of the party be gradually undermined by the remarkable spread of middle and higher education to more and more layers of Soviet society? Some analysts have asserted that the Soviet regime is thereby digging its own grave. The expansion of education will, they believe, not only equip its beneficiaries to serve the system better but will inevitably give rise to a spirit of questioning, independent reasoning and critical judgment that will sooner or later destroy the party's ideological control.

Certainly there have been some signs, visible even through the strictly regulated Soviet press, of some stirrings of skepticism and dissent. Apparently, many students—at least in Moscow and Leningrad—were shaken by the events of 1956 in Hungary. Some expressed doubts of the Government's explanation that the popular uprising had been provoked solely by imperialist intrigues. The much freer interpretation of Marxism within Poland has not been without some echoes within the Soviet Union. In the largest cities foreign delegates and tourists are now a commonplace sight. Officially sponsored channels of information, such as the Polish Art Exhibit and the American Exhibition of 1959, have had a wide impact, despite the official effort to discredit the Sokolniki display even before it opened.

Khrushchev's outburst of November 1958 against doubting or dissident students was surely not without cause, and he is not unmindful of the tendency, especially within a part of the younger generation which has grown up since the last period of purge and repression, to press beyond the permitted framework of official dogma. Very often stu-

dents have shown their boredom with the party's ideology and their eagerness to seek information through other than official channels. Khrushchev's demand, in 1958, that all students should have a 2-year period of productive labor in a factory or on a collective farm, before proceeding to their higher education, was only one expression of his resentment and alarm at the attitudes of a part of the students. However, by the time his proposals were transformed into practice, beginning with the academic year 1959-60, the labor requirement was pretty much waived for students of engineering, pure sciences and medicine, as well as for technologists of all kinds.

The full impact of the new barrier has fallen on those seeking admission to higher training in the ideologically sensitive fields—social sciences, humanities, law, and journalism. The most important provision of the new rules is, of course, the requirement that each candidate, after working at production for 2 years, must present a political recommendation by a social organization, meaning the party or its Young Communist League. As Khrushchev exclaimed in 1958, any student who is dissatisfied with the Soviet system ought to be expelled, so as to make room for the son or daughter of a peasant or worker who will value to the full the state-conferred benefit of higher education.

A spirit of inquiry, dissatisfaction or even dissent can arise even under a totalitarian system, for the demand for individual judgment, for sincerity, lies deep in each individual. This urge may stem from many causes, including boredom, family memories, the influence of Russia's great literature, or the impact of injustices. But the problem of harnessing scientific progress with ideological conformity is not a new one for the Soviet regime. It has persisted, in varying forms, from the beginning. The party and its instruments have developed many ways of shepherding the young toward productive and orthodox careers well rewarded by the state, and away from dangerous thoughts. The controls can never work perfectly, and repression of potential dissent exacts its price today, even though that price is probably far smaller than in Stalin's time. The problem of making a uniform and nondiscussable propaganda interesting or even palatable to young people after it has lost its initial savor of scientific infallibility is a continuing one, as witnessed by the party's long and boring decree on propaganda, issued in January 1960.

By and large, foreign observers are left with the impression that any substantial spread of intellectual questioning is pretty much confined to a few major cities, and primarily to the sons and daughters of fairly well-placed and responsible Communists. It often takes the form of wanting to read everything and examine everything for themselves. It reflects a growing suspicion that the party's choice of information may not be very complete or intelligent. For some it takes the form of wishing for more variety and color in a drab way of life, or of a fascination with the far wider range of literary, artistic, and intellectual stimuli available in the West and even in such friendly states as India. For others it takes a less attractive form among the post-adolescent stillagi, or teddy-boys, who attempt to ape the manners, dress and haircuts of their Western contemporaries of a few years ago. Naturally, Soviet propaganda tries to equate all interest in the West with the fads and fashions of the stillagi, and then to lump the latter with "hooligans," an American word which has long since been naturalized in Russian as "khuligany."

With the extreme official and popular emphasis on conformity—extending even to local puritanic attempts to forbid bright-patterned sports shirts and women's slacks

on the otherwise fashionable promenades of Sochi—it would be strange if some high-spirited youths did not assert their differentness in various ways, some of them more intellectual than others. On the whole, however, Soviet youth seems highly conformist. For one thing, the college-level study of politically dangerous subjects, such as history, economics and law, is confined to a relatively few and carefully supervised students. The great majority of students, and often the ablest, are attracted by good stipends and promising careers into technical and scientific. For them, the study of world history or foreign literature, even in its carefully selected doses, ends at about 15. What goes by the name of social studies after that is simply party history, party theory and the current party program of do's and don'ts. The widely noted apathy on the part of youth toward the cramming of party ideology into their heads by dull propaganda hacks is probably far more serious than any conscious dissent.

The system of controls and incentives through which the party promotes conformity with its views and goals is reinforced by a strong sense of national pride, even chauvinism. Soviet students are amazed when told that the Moscow subway was not the first one ever built. They assume that the sputniks have proven the superiority of the Soviet system. Most Soviet citizens accept as natural and desirable the extension of the Communist system to other countries, and they are unaware of the methods of control that have been applied or the deep-set hatreds those methods have implanted. They cannot imagine other systems, for example those that allow a genuinely free choice. While often displaying a greedy envy of Western comforts, gadgets and cars, they proclaim with full sincerity the superiority and inevitable triumph of the Soviet system. Needless to say, they are well briefed on American defects, such as economic fluctuations and unemployment, unequal access to higher education, and regional resistances to equal status for citizens of Negro descent. But they seem totally unequipped to reason critically about possible defects in the Soviet system; those that exist have either been removed by the post-Stalin regime or are bound to disappear with the spread of material plenty.

If anything, the slightly widened access to Western information and the presence in their streets of Western tourists makes ordinary Soviet people less aware than before of being cut off from contrary or thought-provoking information. Even the flow of casual foreign sightseers appears to confirm their confidence that Khrushchev is doing everything he reasonably can to reduce tensions and strengthen the prospects for peace.

Despite occasional outbursts of fear and resentment, as in the case of Pasternak's "Doctor Zhivago," the Soviet system of control seems confident of its ability to identify, contain and, if need be, repress such expressions of doubt or dissent as appear among a small minority of its youth. In handling a problem that has plagued it throughout its existence, the party is alert but not unduly alarmed by its newest manifestations. Unlike some wishful analysts abroad, it is confident that it can train a very large part of its youth to serve the state, especially in engineering and the natural sciences, without letting many of them stray from the approved paths of ideological orthodoxy, reinforced as it is today by national pride and arrogance.

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What does all this add up to? First, that the Soviet system with which the West will be dealing in the 1960's is likely to retain a high level of political stability, based on premises and methods very different from ours. The dictatorship is not likely to be

torn to pieces by internecline struggles at the top, to lose control over its people or to surrender its ideology. The party structure is better equipped today to ride through a new succession crisis than it was in 1953. No doubt, names and labels will change, but the concept of a single party, justified in its absolute rule by its monopoly over "truth" and foresight, has been strengthened.

Second, the Soviet leadership will not abandon its ultimate power of life and death over its subjects, even though it now exercises this power with new moderation. Its leaders will resort to terror again if they find that necessary to their aims, but they doubt it will be necessary. The further the Stalinist brand of terror recedes in memory, the more active the confidence and the more energetic the cooperation they can hope to elicit from their people. Any minor movements of dissent can be contained by partial relaxation of controls over intellectual life, combined with methods of repression less cruel than in the past.

Third, the shared desire of the party and the people to raise the standard of living is relaxing very old tensions between the two, is lessening the contrasts between life in Russia and in the West, and is likely to evoke ever greater individual efforts to share in the enlarged rewards offered by the regime for hard work and right-thinking loyalty. Finally, the spread of education may create some annoying worries for the ideological purity of the new generations, but it is not likely to endanger the stability of the regime or its ability to pursue the goals which its leaders set for the Soviet people at home or abroad.

It would surely be comforting if an analysis of the evolution, recent and prospective, of the Soviet system could lead us to a confident conclusion that it contains the seeds of inevitable and desirable changes, and that we have only to fold our hands, lower taxes, buy a third car and wait for this development to occur in the fullness of God's time. Unfortunately, such is not the prospect. During the decade of the 1960's we shall, under present prospects, be dealing with a Soviet system that is growing rapidly in economic, scientific and military strength and which will have fewer rather than more difficulties in preserving political stability and an adequate measure of ideological uniformity. These growing strengths, not offset by equivalent new weaknesses, will enable its leaders to devote greater rather than smaller resources and political determination to achieving the worldwide purposes that have been proclaimed in an evolving pattern of interpretation by Lenin and Stalin and now by Khrushchev.

[From the Christian Science Monitor, Feb. 14, 1961]

RED BLOC SPLIT OR FRAUD?

(By Paul Wohl)

Serious doubt exists as to the accuracy and authenticity of the documents which have recently inspired a worldwide interest in an allegedly serious rift between the Soviet Union and Communist China.

Indeed, there is much internal evidence in the documents which indicates that they may be deliberately planted frauds.

These documents allegedly show that Moscow and Peiping are locked in a long drawn-out struggle which flared up violently last year and continues unabated behind a verbal facade of monolithic unity.

At first glance the documents which have come into the possession of Western authorities seem to be almost as sensational as was the indictment of Stalin's abuses by Premier Nikita S. Khrushchev at the end of the 20th Soviet Communist Party Congress.

ACCUSATIONS QUOTED

Last November at the 81-party conference in Moscow Mr. Khrushchev allegedly referred

to China's chairman Mao Tse-tung as "a megalomaniac and warmonger." In Bucharest, last June, Mr. Khrushchev is reported to have likened Mr. Mao to Stalin, accusing him of spinning theories detached from the realities of the modern world.

Chairman Mao, in turn, is quoted as having called the Soviet Premier a revisionist which in Communist terminology is akin to a traitor. At a meeting of the presidium of the World Peace Council in Rome in January 1960, Peiping's spokesman is said to have accused the Soviets of letting China down.

Mutual recriminations seem to cover every phase of Communist policy, starting with Premier Khrushchev's speech on Stalin, which, the Chinese say, should have been cleared with the fraternal parties, to a speech by the secretary-general of the Chinese central committee at the 81-party conference, in which he declared that the Soviet party was opportunistic, that its ideas on disarmament were absurd, that the Soviet view of division of labor among the countries of the Socialist camp was wrong and that China must go its own way.

INCIDENTS RECOUNTED

The Chinese are said to have condemned Soviet policy toward Poland in October, 1956, and claim to have prevented the Soviets from withdrawing their troops from Hungary in November of that year, while the Soviets complained that the Chinese were callous and ignorant and that they had tried to draw them into another world war over Formosa, etc.

These are but a few examples of the mutual accusations contained in the documents in Western hands. These documents, which are attributed to a satellite and to a West European Communist source, are more or less identical and believed to represent a deliberate leak on the part of the Soviets.

The purpose of such a leak would seem to be to convince the West that Moscow is under pressure from Peking and that Chairman Mao and his associates represent a danger to world peace. The West under such circumstances might be more inclined to pay a price for Premier Khrushchev's good services in restraining the Chinese firebrands.

FACTS COMPARED

Actually the documents seem to be a fraud. It is unlikely that Mr. Khrushchev at the Romanian Party Congress should have compared Chairman Mao to Stalin as that the secretive Chinese Communists should have chosen a meeting of the presidium of the World Peace Council to accuse the Soviets of selling them out to the United States.

Stalin, it is recalled, remains "a great Marxist-Leninist" to Communists the world over, while the World Peace Council includes several independent, nonparty pacifists of considerable standing in their respective countries.

Facts and data given in the documents, moreover, are out of line with the sequence of events. The presidium of the World Peace Council of January, 1960, met in London and not in Rome. The Chinese were not represented at that particular meeting.

DEBATES NO SECRET

According to the documents, a Soviet circular accusing the Chinese of indiscipline and deviations was sent to the major parties on June 21. This happens to have been the day on which Premier Khrushchev addressed the Romanian Communist Party Congress. On June 26, when Mr. Khrushchev supposedly launched "a violent and impromptu tirade" against Mr. Mao, the Romanian Party Congress had ended.

The Chinese Communist Party is said to have replied to the Soviet circular on Sept. 10. On Sept. 9 Chinese politburo member Chen Yi sent a message to the Bulgarian Communist Party, stating that to strengthen

our unity with the Soviet Union * * * is our fundamental policy: herein lies our basic interest * * *." There are many other incongruities.

That differences between Moscow and Peking exist has been admitted by both sides. Discussions among the Communists are known to be frequently rough and impassioned. But there is no indication whatsoever that these differences have reached the climax hinted at in the documents.

The playing into Western hands of forged documents purporting to show Moscow and Peking at loggerheads may be such a case of collaboration.

[From Air Force magazine, March 1961]

THAT DECEPTIVE SINO-SOVIET SPLIT

Red is Red whether Chinese or Russian. Recent speculation about the possibility of a split between the Red Chinese and Moscow is wishful thinking. Here are four major points to bear in mind in assessing what you read and hear:

1. The Communists, Chinese or Russian or whatever, deliberately manipulate words to conceal intent and strategy.

2. Moscow and Peiping have agreed on tactics to confuse the free world. Local crises will occur more often. Coexistence maneuvers will be intensified.

3. We must plan now for the day, not far off, when the Red Chinese will have nuclear weapons.

4. The Sino-Soviet threat will continue. It makes little difference who is boss or whether they are equal partners.

Recent developments pose an urgent requirement to reassess the Sino-Soviet threat to the free world.

Is Red China attempting independently to attain a nuclear capability, having been refused Soviet weapons?

Were evident differences between the two powers patched up during the secret meeting of world Communist leaders held at Moscow late last year?

Do apparent Red desires to turn the war in Laos into a "little Korea" represent a Soviet concession to Peiping's demands?

Did the Chinese Communists approve Soviet Premier Khrushchev's inaugural greeting to President Kennedy expressing the hope that, under his Administration, United States-Soviet Union relations once more could be improved?

How does Khrushchev intend to reconcile his most recent cries for "coexistence" with his continuing support for the late Lumumba's forces in the Congo and Cuba's Castro, his efforts to weaken the U.N., and his continued attempts to intimidate our allies into withdrawing our overseas base rights?

These are but a few of the questions posed by recent events. Underlying them all is a primary question which the new administration must seek to answer: What are the main factors of the Sino-Soviet as it exists today, and how is this threat likely to evolve in the future? The interplay of moves and countermoves yet to come in the chess game of international politics nullifies the possibility of a completely definitive answer. But a brief analysis of four essential points may serve to sharpen our perspective considerably.

Wishful thinkers tend to seize upon each report of a purported Sino-Soviet rift as new evidence that eventually the two powers will fight one another and permit us to relax and enjoy life again. Unfortunately, such optimism ignores the important fact which constitutes point number one:

1. A basic reason for current misunderstandings about the functioning of the Sino-Soviet alliance is the Communists' deliberate manipulation of words to conceal actual intentions and strategy.

A voluminous exchange of polemics was published throughout most of 1960 in lead-

ing Chinese Communist and Soviet journals. On the surface, it appeared to reflect contradictory positions, but, before jumping to conclusions, it is important to recall that deceit long has been a prime requirement of Communist conflict doctrine. In addition, years of experience have led to new refinements of old techniques.

Dr. Stefan T. Possony, faculty member at Georgetown University's Graduate School and an authority on Communist techniques of semantic warfare, has formulated what serves as a succinct résumé of how the Chinese and Soviets now are using word manipulation in an attempt to deceive us. In an article published in the July 9, 1960, issue of the Saturday Evening Post, Dr. Possony observed:

"As Communist semanticists attained virtuoso skills, they discovered that, in many instances, communications could be made to serve a dual purpose—to say one thing to Communists while simultaneously conveying quite a different message to non-Communists."

The most recent Sino-Soviet polemical exchange, which began in April 1960 and continued into December, is a dramatic example of current Communist skillfulness in the use of double-meaning language to serve the dual purpose of communicating with the comrades while simultaneously confusing the enemy. A careful examination of the record reveals that the so-called debate centered around four key areas:

Which tactical tricks from the Communists' bulging bag were best suited to contemporary conflict requirements?

How should current maneuvers be timed to maximize their effectiveness?

What limits did U.S. nuclear firepower pose on Communist freedom of action to encourage the numerous revolutionary opportunities which were continuing to arise in underdeveloped areas?

How could "contradictions" stemming from the simultaneous existence of revolutionary opportunities in newly emerging states and the continuing necessity to deceive and weaken the United States best be reconciled?

Skillful manipulation of words characterized the entire exchange. Moscow emphasized the necessity for disarmament and coexistence. Peiping, by contrast, repeated in outspoken terms the importance of the roles of violence and warfare in bringing Communists to power. Red Chinese spokesmen also emphasized that the United States continued to be the principal enemy and argued the necessity for Communists to actively support all national liberation movements in underdeveloped areas.

On the surface, the differences in viewpoint seem to be considerable. But after the verbiage had been swept aside, it was clear that Moscow and Peiping were arguing the same principles. The very same bloody messages from Peiping which spoke primarily of violence and struggle also took note of the "greater possibilities, under some circumstances, for the peaceful development of the revolution" (Red Flag, April 1960). And Moscow, while pressing for peaceful coexistence, never failed to admit, simultaneously, that in states possessing strong military capabilities of armed class struggle—i.e., war—would be required to guarantee the success of any Communist attempt to seize power. Sino-Soviet spokesmen were apparently playing their own particular version of vaudeville's endman and interlocutor. More recent developments, discussed below, have confirmed this interpretation.

2. Moscow and Peiping have agreed to concentrate, for the moment, on tactics designed to break down our resistance. Local crises are to be stirred up and caused to occur with increasing frequency. Simultaneously, coexistence maneuvers designed to force us to sign hasty disarmament agreements are to be intensified.

The most recent strategy session of the leaders of the international Communist movement took place behind closed doors at the Kremlin during the weeks immediately following the annual celebration of the anniversary of the Bolshevik revolution on November 7. The Yugoslav leaders were conspicuously absent, the Chinese Communists and the Soviets very much present, and high-ranking Communists from at least 79 other nations, within the bloc and without, were on hand. A lengthy multiparty declaration was widely published early in December. Pravda carried the text on December 6. The published declaration disclosed the broad outline of the tactics Moscow and Peiping intend to emphasize for the moment. The main points set forth in the document were:

While the tactics of "peaceful coexistence" are to be further upgraded, coexistence is not a concession to non-Communists. It is an active form of class struggle, a "policy of mobilizing the masses in launching vigorous action against the enemies of peace * * *." Any and all groups and individuals that can be made to fear a nuclear war and its consequences are to become part of a greatly enlarged temporary coalition of the "peace elements." This expanded "peace front" will be manipulated to wage nuclear war psychopolitically and to join the Communists in pressurizing the West into disarming.

Concurrently, encouragement of "national liberation movements"—i.e. local struggle in underdeveloped areas—is to be intensified. The declaration states: "The breakdown of the system of colonial slavery under the impact of the national liberation movement is a development ranking second in historical importance only to the formation of the world socialist system."

Moscow retains hegemony over the international Communist movement; all strategies will continue to be formulated—or approved—by the Kremlin.

Khrushchev expanded these principles in a January 6 report to key members of the Soviet intelligentsia. In essence he spelled out why renewed attempts to disarm and weaken the West were necessary. The problem of how to unleash nuclear war without absorbing unacceptable levels of destruction in the form of retaliatory blows and fallout must somehow be solved, he said. But the tactical decisions taken at the multiparty meeting must not be interpreted to mean that the pace of the Soviet military buildup was to be slackened.

On January 21, the Chinese Communist Central Committee also issued a statement endorsing the 81-party declaration. No Sino-Soviet disagreement over fundamental principles was apparent.

The one question which neither Moscow nor Peiping has answered so far is this: How do the Communists intend now to go about trying to disarm the West unilaterally while keeping some nuclear weapons for their own later use?

Even before Khrushchev's January 6 speech, high-level Soviet military spokesmen—and Khrushchev himself—had hinted of their preoccupation with how to work out a way to wage nuclear war successfully without suffering, in the process, an unacceptable level of retaliation. History has recorded the Communists' penchant for negotiating international agreements to serve their own ends, only to break them without notice whenever such a move best serves their purposes. Our own security depends upon a suspicious scrutiny of each new "disarmament" maneuver they initiate.

Already, the Chinese leaders have stated publicly that they will not adhere to any disarmament agreement unless they have participated in the negotiating sessions. There also have been hints that soon Red China will explode a nuclear device of its own. Both of these developments, plus

elaborate maneuvers to suggest to the West that a rift between Moscow and Peiping is imminent, could be part of a plan jointly agreed upon in advance, to deceive us. If the United States could be convinced, somehow, to believe that Moscow sincerely intended to adhere to a disarmament agreement, that she was unable to control the behavior of the Red Chinese, and that the Kremlin was displeased over Chinese belligerency, fresh avenues would thereby be opened for Moscow and Peiping to attempt to retain some nuclear weapons while depriving us of our own. Such a deceptive strategy would pose less risk to the Soviets, in the long run, than cheating on a disarmament agreement, although a combination of both tactics would run true to Communist form.

Even if the United States should agree to such a minimal move as a nuclear test ban treaty, while the Communists retained the freedom to test in China, the likelihood of their eventually winning the weapons lead-time race would be enhanced. Insofar as the Soviet leaders are concerned, this is the prime objective, one to which all other goals must be subordinated.

Further, Khrushchev's current thinking could well be along these lines. If the U.S.S.R. moves present-generation weapons and key military research and development and manufacturing centers to Red China, along with sufficient Soviet personnel to continue operations there, it might be possible to dupe the West into getting rid of its strategic strike capability while the Reds secretly retain theirs. If necessary, once its arsenal had been transferred to remote areas in China, the U.S.S.R. could permit inspection of its own territory on U.S. terms. Then the United States would pretty well have to agree to nuclear disarmament.

Risks to Russia that the Chinese would attempt to seize installations for their own use could be nullified if sufficient Soviet troops guarded them. Since the Chinese will continue to depend heavily on Soviet advanced technology for a long time to come, they cannot go too far in antagonizing the Kremlin; it is unlikely that such elaborate safeguards actually would be necessary. Moreover, the two powers seem really to be working in concert against the West rather than concentrating unduly over tactical priorities.

3. The Chinese Communists seem to be working to acquire nuclear weapons. We should plan now to meet this contingency.

Last fall, Chou En-lai granted an interview to Edgar Snow; the text was published in the January 31, 1961, issue of *Look* magazine. The interviewer asked: "How soon does China expect to be making nuclear weapons of its own?" Chou replied, laconically: "I can briefly state that I, myself, don't know when we will be making nuclear weapons."

However, other statements by the Chinese leaders have specifically claimed that the Chinese Peoples Republic (CPR) will have nuclear weapons eventually. Western observers agree. For example, a symposium on Chinese science and technology was held in conjunction with the annual convention of the American Association for the Advancement of Science in New York last December. Robert T. Byer, a physicist at Brown University, estimated that the Chinese Communists could explode their first A-bomb in 5 years. Sir C. P. Snow of Great Britain, speaking at the same meeting, said: "Within, at the most, 6 years China and several other states will have a stock of nuclear bombs."

Both of these estimates were based on analysis of the progress the Chinese have made in implementing their 12-year plan for science, inaugurated late in 1955. The objective was to try to catch up with the technologically advanced nations in key fields. At first the Chinese attempted to inaugurate their plan with a minimum of

Soviet help. But setbacks occurred. After talks at Moscow, an agreement was signed on January 18, 1958, which made the plan a joint Sino-Soviet venture. Neither the Chinese nor the Soviets have disclosed what priority, if any, was assigned to military applications of nuclear energy. Nor has Soviet delivery of any nuclear weapons to China been announced. But the Chinese have declared their intent to develop a modern defense industry and to transform China into a strong socialist state as a result of having undertaken the plan. It is safe to assume that they are hard at work to develop a nuclear device, either with or without Soviet assistance. Possessing even a token nuclear capability would greatly enhance the CPR's status in the alliance and in the world at large.

When the Chinese Communists announce to the world that they have successfully tested a nuclear device, we must be prepared to deal with the situation. In the ensuing excitement, the United States must take precautions not to lose sight of several important points.

The event will have great impact on the leaders of the technologically backward nations in Asia and Africa. Irrespective of the true facts, the Communists are likely to play up the test as something the Chinese have accomplished without help from Moscow. African and Asian leaders are already impressed with the phenomenal strides China has made to industrialize an agrarian economy against formidable odds. They visualize China's accomplishments, unlike Moscow's, as symbolic of something they, too, can realistically hope to achieve. Should China explode a nuclear device, these leaders will be appropriately awed.

China will seek to exploit the situation and use its token nuclear capability as a lever for extending its sphere of influence and realizing its objectives in Asia. Attempts to foment revolutions in all the underdeveloped countries of the areas will be intensified, threats may be followed by full-scale invasion attempts by China's conventional forces, and efforts to force Japan to align herself with the Communist bloc may eventuate.

How far China will go in such maneuvers and how quickly she will move will depend, primarily, on whether or not, in the meantime, Moscow has succeeded in controlling the conduct of the integrated foreign policy of international communism. If the Soviet leaders estimate that their own attempts to attain at least some degree of unilateral Western disarmament have, meanwhile, increased their relative military strength to a point where it is time to take on the United States directly, bellicose Red moves in Asia could serve as the curtain raiser for central war. But if the United States has not backed down in the meantime, the risks Moscow would incur by initiating global war still would outweigh the gains.

Even when she possesses a token nuclear capability, China, unless joined by the U.S.S.R. will not be capable of waging war against the major Western powers. Even if she works at breakneck speed, it will take her some years to advance from a neophyte member of the nuclear club possessing a Hiroshima-type bomb to one controlling the equivalent of today's weapon systems. Military technology continues to advance rapidly. By the time China has brought her military establishment in line with today's standards, tomorrow's weapons will have been phased into the United States and Soviet arsenals.

In the final analysis, the capability of the free world to deal effectively with China's attainment of a token nuclear capability will depend upon the United States refusal, in the meantime, to succumb to the tactics of constant nuclear terrorization that the Communists now are applying against us.

In fact, the Kremlin can hand the Red Chinese an obsolete nuclear weapon and help the Chinese to explode it any day the Soviets choose. We should show our courage by calling the Communists' bluff in the right way at the right moment. Meanwhile, we should refuse even to continue to adhere to a gentleman's agreement on a nuclear test ban, a development which is seriously jeopardizing our own research and development efforts. Once we are alerted to all Communist machinations designed to weaken us militarily, psychologically, and politically, we, like they, will lose our fears of nuclear firepower and evaluate Communist psycho-political use of this weapon as realistically as we must also evaluate the possibilities of their using it actually.

4. The Sino-Soviet threat will continue indefinitely, irrespective of whether Moscow retains control or whether Peiping achieves her goal to become an equal partner.

It is impossible to say with certainty whether or not the Red Chinese ever will become a nation sufficiently industrialized to challenge the Kremlin's hegemony over the international Communist movement. So far, China has shown no signs of such potential. Despite understandable differences, the two powers continue to work in concert to try to defeat the principal enemy they commonly share: the United States. Even serious agricultural setbacks in both nations have not forced any relaxation of this ruthless dedication to the main objective—wearing down our resistance and resolution by any and all available means while simultaneously continuing their own military buildup. Eventually, the alliance may evolve into an equal partnership, complicating our already difficult task of meeting the challenges and threats it poses. But relaxing our vigilance and rationalizing our behavior with idle and unrealistic dreams of the day when the Red Chinese will initiate war against the Soviets—or vice versa—would be our greatest national mistake, one which there would be no opportunity to rectify.

The Communists have announced their intentions to conduct a ruthless program of diverting our attention from one local crisis to another along the pattern evident in Laos and the Congo. Simultaneously, they have served warning that they will build up pressures for nuclear disarmament by intensifying already existent western fears of nuclear war. Since they have revealed their strategy, we have no justification for cooperating with their attempts to realize their announced objectives.

In the long run, insuring a priori the complete failure of all Communist attempts to disarm us will be the only effective deterrent to our own ultimate capitulation.

ROBERT TABER AND THE FAIR PLAY FOR CUBA COMMITTEE

Mr. DODD. Mr. President, my colleagues may remember that I have made previous reference on this floor to Robert Taber of the so-called Fairplay for Cuba Committee. Taber is the man who testified under oath before the Internal Security Subcommittee that there was no Cuban money supporting that committee, and who was proved a perjurer when we later secured testimony that Taber himself had received thousands of dollars in cash from the hands of Raulito Roa of the Cuban delegation to the United Nations, and that this money was intended to be used for and was used for paying the cost of the advertisement in the *New York Times* which opened the Fairplay for Cuba Committee's public campaign of fundraising and propa-

ganda dissemination in behalf of Fidel Castro.

The Internal Security Subcommittee has sought without avail to get further testimony from Mr. Taber. Our subpoenas have been returned, for the marshals have been unable to find him. It was reported to us that he had fled to Cuba, and I reported this to the Senate some time ago.

Now we have additional word about Robert Taber. The Miami News of Saturday, March 25, 1961, carries a picture of Mr. Taber in the garb of a Castro militiaman. He is lined up with three other individuals similarly garbed, all armed. The picture appears to have been taken against a kind of jungle background.

Under the picture is the caption " 'Militiaman' Robert Taber and Friends." I wish it were possible to insert pictures in the CONGRESSIONAL RECORD, because this picture is worth a thousand words.

Under this picture in the Miami News is a three-column headline "Ex-U.S. Newsman Joins Fidel's Militia." Then comes the story. It is fairly short, and I should like to read it for the information of the Senate:

Robert Taber, the former New York CBS newsman who defected to Fidel Castro's Communist dictatorship in Cuba, has gone all the way in his love for the Cuban revolution.

Now, apparently, Taber has joined the ranks of Castro's people's militia.

A photograph of Taber, who masterminded the Communist-lining Fairplay for Cuba Committee in this country, appeared in this month's issue of Bohemia magazine—published in Havana.

Taber is shown with three other Cubans attired in a militia uniform, a beret, and carrying a Czechoslovakian submachinegun.

The photograph caption states:

Bob Taber, the famous North American newspaperman, dressed as a militiaman and also went to fight with his "checa" what he has always fought with his pen.

The word "checa," according to Carlos Todd, Cuban newsman now publishing the Cuban Information Service in Miami, is slang for Czech weapons.

Taber also has appeared in recent photographs in the Havana press which have shown him cutting sugarcane.

For several weeks Taber also has been a contributing columnist in Castro's *El Mundo* and *Revolucion* newspapers in Havana.

He also is engaged in killing anti-Communist Cuban patriots who are today fighting a desperate battle in the Escambray hills of south-central Cuba, Todd comments in his weekly newsletter.

His comrades in the Fairplay for Cuba Committee in the United States are justly proud of him.

In addition to the testimony it took from Robert Taber the Internal Security Subcommittee also has received testimony from several others in connection with its investigation of the Fairplay for Cuba Committee, and we are continuing our investigation of the activities of this committee. We plan to release this testimony which we have already taken about the middle of next week. Further testimony with regard to the Fairplay for Cuba Committee will be taken in the very near future.

I hope every Senator will take time to read the testimony because this is a good example of a Communist-front organization which operated with some success within this country, and found support from many innocent and misled people. It was able to get on the college and university campuses of this Nation, where its work has done untold harm in poisoning the minds of young people.

The Fairplay for Cuba Committee got away with all this without any interference until a committee of the Senate looked at it and found it was a Communist-supported organization, operating right in our midst. This is a classic example of what we are up against—an organization supported by Communist funds, working for Communist purposes, taking a full page advertisement in the *New York Times* to lie to the American people that it is an American institution devoted to freedom, when in truth it is a Communist front devoted to slavery and tyranny.

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

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

EX-U.S. NEWSMAN JOINS FIDEL'S MILITIA

Robert Taber, the former New York CBS newsman who defected to Fidel Castro's Communist dictatorship in Cuba, has gone all the way in his love for the Cuban revolution.

Now, apparently, Taber has joined the ranks of Castro's people's militia.

A photograph of Taber, who masterminded the Communist-lining Fairplay for Cuba Committee in this country, appeared in this month's issue of *Bohemia* magazine—published in Havana.

Taber is shown with three other Cubans attired in a militia uniform, a beret, and carrying a Czechoslovakian submachinegun.

The photograph caption states:

"Bob Taber, the famous North American newspaperman, dressed as a militiaman and also went to fight with his 'checa' what he always has fought with his pen."

The word "checa," according to Carlos Todd, Cuban newsman now publishing the Cuban Information Service in Miami, is slang for Czech weapons.

Taber also has appeared in recent photographs in the Havana press which have shown him cutting sugar cane.

For several weeks Taber also has been a contributing columnist in Castro's *El Mundo* and *Revolucion* newspapers in Havana.

"He also is engaged in killing anti-Communist Cuban patriots who are today fighting a desperate battle in the Escambray hills of south-central Cuba," Todd comments in his weekly newsletter.

"His comrades in the Fair Play for Cuba Committee in the United States are justly proud of him."

REEMPLOYMENT OF FOREIGN SERVICE OFFICERS OR EMPLOYEES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 115, S. 644.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 644) to amend the Foreign Service Act of

1946, as amended, concerning reemployment of officers or employees.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations with an amendment on page 1, line 11, after the word "serving", to strike out "or shall cause to be paid, by transfer or otherwise, to the Department of State funds necessary to cover gross salary, employer contributions, and gross lump sum leave payment relating to the employment of the reemployed officer or employee. The Department of State shall make to and on behalf of the reemployed officer or employee payments, except those made directly by the employer as authorized in the first sentence of this paragraph to which he is entitled under the provisions of paragraph (a) of this section, and shall make those withholdings and deductions authorized and required by law", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraphs (b) and (c) of section 872 of the Foreign Service Act of 1946, as amended, are amended to read as follows:

"(b) When any such retired officer or employee of the Service is reemployed, the employer shall send a notice to the Department of State of such reemployment together with all pertinent information relating thereto, and shall pay directly to such officer or employee the salary of the position in which he is serving.

"(c) In the event of any overpayment under this section, such overpayment shall be recovered by withholding the amount involved from the salary payable to such reemployed officer or employee, or from any other moneys, including his annuity, payable in accordance with the provisions of this title."

Mr. MANSFIELD. Mr. President, the pending bill has been cleared by the acting minority leader and the ranking Republican member of the Committee on Foreign Relations. It was reported unanimously by the Committee on Foreign Relations. It has the approval of the Department of State and of Mr. Robert Brenkworth, the man most directly involved, who is the disbursing clerk of the Senate. I ask unanimous consent that I may insert at this point in my remarks a statement on the bill.

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

STATEMENT BY SENATOR MANSFIELD

I do not believe that I can be more brief or more clear in my explanation of S. 644 than by quoting from the brief report of the Committee on Foreign Relations on the bill.

"Section 872(b) of the Foreign Service Act of 1946, as amended, provides that the agency of the Federal Government reemploying a Foreign Service annuitant shall pay to the Department of State the funds necessary to cover salary, employer contribution, and leave payments, and that the Department of State shall in turn pay to the annuitant the portion of his salary that he is entitled to and the portion of his annuity that he is entitled to, making such withholdings and deductions as are authorized and required by law.

"S. 644 was designed to simplify this procedure in some cases by allowing these fiscal arrangements to be handled either entirely by the Department of State as the law now provides or to be shared between the Department of State and the agency which employs the retired officer.

"The committee received favorable reports on the bill from both the executive branch and the Senate Disbursing Office. Both reports suggested, however, that the bill would be even better if it provided that the salary of a reemployed annuitant would in all cases be paid by the new employer. There is no opposition to this change.

"The committee decided on March 21, 1961, to report the bill favorably with the amendment recommended by the executive branch and the Senate Disbursing Office.

"S. 644 also revises section 872 of the Foreign Service Act of 1946, as amended, having to do with the recovery of excess payments, to accord with the change which the bill would make in section 872.

"The Committee on Foreign Relations recommends that the Senate approve S. 644."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

LAW DAY, U.S.A.

Mr. DIRKSEN. Mr. President, yesterday the House passed House Joint Resolution 32, designating the 1st day of May of each year as "Law Day, U.S.A." The joint resolution is at the desk. I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. (Mr. PASTORE in the chair) laid before the Senate the joint resolution (H.J. Res. 32), to designate the 1st day of May of each year as "Law Day, U.S.A." which was read twice by its title.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. DIRKSEN. Mr. President, the American Bar Association, in cooperation with hundreds of State and local bar associations, has sponsored the observance of Law Day on May 1 of past years, the principal purposes of which are to foster respect for law and a reaffirmation of the American people of their loyalty to the United States of America and a rededication to the ideals of equality and justice under law in their relations with each other as well as other nations. Designation of this day as "Law Day" will also point up the contrast between freedom under law and governmental tyranny.

Schools, courts, civic and service clubs, and churches joined by such organizations as the American Heritage Foundation, the International Association of Chiefs of Police, the Federal Bureau of Investigation, have all cooperated to arrange programs which will bring to the public the real meaning of the observance

and a true realization of the privilege we unconsciously enjoy by being Americans.

Inasmuch as May 1 is not far away and the American Bar Association is most anxious to make the necessary arrangements that this day be appropriately celebrated, I ask for immediate consideration of House Joint Resolution 32.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the third reading of the joint resolution.

The joint resolution was ordered to a third reading, was read the third time, and passed.

THE POST OFFICE DEPARTMENT DEFICIT AND POSTAL RATES

Mr. ROBERTSON. Mr. President, last week during the hearings on the request of the Post Office Department for additional funds to keep it from going into the red, it was developed that we were facing a deficit in the Post Office Department this year of over \$800 million, and a deficit even larger than that in the next fiscal year.

I asked the officials at that time what they planned to do about it. They said they understood that the Department would request Congress to increase rates to produce approximately \$800 million, and that they would ask the ICC, with \$100 million being lost on parcel post, to increase the parcel post rate.

I have written to the Postmaster General a letter asking him to indicate where some of the big losses were occurring. He has written me a letter, dated March 28, which I received this morning. In it he lists newspapers and magazines as costing us \$256 million a year, and third-class mail, which some people irreverently refer to as junk mail, costing us \$252 million a year.

Then the Postmaster General states that he has plans to recommend to Congress an increase in first-class mail of 1 cent, which will produce nearly \$400 million, and an increase in the other rates, to wipe out the deficit.

Mr. President, I ask unanimous consent that the letter and the accompanying figures furnished me today by the distinguished Postmaster General be printed at this point in the RECORD.

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

OFFICE OF THE POSTMASTER GENERAL,
Washington, D.C., March 28, 1961.

HON. A. WILLIS ROBERTSON,
Chairman, Subcommittee on Treasury-Post
Office Departments Appropriations, U.S.
Senate, Washington, D.C.

DEAR SENATOR ROBERTSON: I delayed a few days in sending you the information you asked for about postal-rate revision because I thought I might be able to include additional specific facts from the Presidents' submission to Congress.

However, I don't want to let any more time go by.

If you want more detailed development of this situation than that provided in the enclosure, please let me know.

Sincerely yours,

J. EDWARD DAY,
Postmaster General.

BACKGROUND FOR CONSIDERATION OF POSTAL-RATE REVISION

I. GENERAL

The 1962 Federal budget was prepared and submitted to the Congress before the present administration took office.

This budget presupposed enactment by Congress of additional fees and charges totaling \$1.8 billion in 1962 in order to achieve a balanced budget and to operate within the permanent debt ceiling.

Of this amount, \$843 million was to be provided in 1962 by postal-rate increases.

President Kennedy said in his state of the Union message that his new administration must of necessity work within the budget framework previously submitted.

The Post Office Department previously prepared a schedule of rate revisions to provide the necessary additional postal revenues. The present administration of the Post Office Department, because of the general situation described, proposes this same schedule of rate revision.

II. REVENUES AND EXPENDITURES

According to current estimates, the deficiency of income in 1962 will reach \$894 million. This is an alltime high.

	Annual amounts (in millions)		
	1960 (actual)	1961 (estimate)	1962 (estimate)
Total obligations.....	\$3,874	\$4,269	\$4,424
Net revenue.....	3,277	3,442	3,593
Postal deficiency (fund basis).....	597	827	831
Payment for public service.....	37	49	63
Total Treasury financing.....	634	876	894

III. PUBLIC SERVICE ALLOWANCES

In each of its actions since enactment of the Postal Policy Act, 1958, Congress has followed the same pattern in determining public service allowances.

Similar action was assumed for 1962 by the previous administration. This would set public service allowances at \$63 million.

IV. THE POSTAL DEFICIENCY

According to the Postal Policy Act, the users of the mail should pay the cost of handling the mail, except for public service allowances.

According to the Department's 1962 estimates without a general rate revision users would pay \$831 million less than this cost. (This is \$12 million less than the amount set forth in the original budget because of a reduction in proposed expenditures.)

V. THE POSTAL DEFICIENCY BY PRINCIPAL CLASSES OF MAIL

The most recent figures are given in the 1960 Cost Ascertainment Report as follows:

	Revenue surplus (+) or deficiency (-) (in millions)
1st-class mail.....	-\$4
Domestic airmail.....	+11
2nd-class mail:	
Regular-rate publications.....	-256
Preferential-rate and free-in-county (after statutory public service allowance).....	-90
3d-class mail.....	-252
4th-class mail.....	-113

VI. ADMINISTRATIVE RATE REVISIONS

The Post Office Department will soon file a request with the Interstate Commerce Commission for revised rates for parcel post, the service that accounts for most of the loss shown above in fourth-class mail.

The Postmaster General has authority to establish certain rates, such as for international mail, and fees for certain special services, such as postal money orders, registry, special delivery, and collect-on-delivery.

Revisions of these administrative rates are being made and will produce approximately \$90 million in 1962 (\$15 million additional revenues from international mail was already included in the 1962 budget estimates).

VII. LEGISLATIVE RATES

After public service allowances and after administrative-rate increases are taken into account, there remains \$741 million to be obtained from legislative-rate increases.

A 1-cent increase for first-class and air-mail would produce \$423 million in new revenue, leaving \$318 million to be obtained from second- and third-class mail and all other legislative adjustments.

It is expected that a schedule for accomplishing this objective will soon be submitted by the President to the Congress.

THE MERGER OF MANUFACTURERS TRUST AND HANOVER BANK

Mr. ROBERTSON. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter which I received this morning from Mr. Horace C. Flanigan, of the board of the Manufacturers Trust Co., of New York, in which he states there were some inaccuracies in the statement I made on the floor of the Senate concerning his alleged contract of compensation in connection with the merger between the Manufacturers Trust Co. and Hanover Bank.

He outlines in his letter the actual contract which he has enjoyed for the past 3 years with Manufacturers Trust Co., and which apparently will be the basis of his compensation when Hanover merges with Manufacturers.

I did not furnish a copy of the letter to the press gallery because the newspapers of the Nation did not publish what I said last Friday, and I therefore assumed that they were not interested in Mr. Flanigan's statement.

However, for the benefit of my colleagues I will say that Mr. Flanigan said I was in error in saying that the airplane would be his private airplane, but that, instead, when he was not using it other bank officials could use it. He states that the limousine with the liveried chauffeur would not be his private limousine, but that when he was not using it, it could be used by other bank officials.

Mr. Flanigan states that the insurance policy of \$100,000 on his life was a part of the general pool of all bank officials, and that in view of the fact he was taken on at the age of 65 his policy has depreciated at the rate of \$10,000 a year.

With respect to what I said about his being paid a \$25,000 a year bonus at the end of his active employment after a period of 10 years, he said it was not a bonus, but deferred compensation; that he would get it only for the number of years that he actually was on duty; first at a salary of \$125,000 a year, and later at a salary, as a part-time consultant, of \$50,000 a year.

In fairness to Mr. Flanigan I ask that the letter may 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:

MANUFACTURERS TRUST CO.,
New York, N.Y., March 28, 1961.

The Honorable A. WILLIS ROBERTSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR ROBERTSON: In our telephone conversation yesterday, during which I expressed my great surprise and concern at the comments which you made on the floor of the Senate on March 24 about my employment contract with the Manufacturers Trust Co., you stated that you would welcome a full statement of the facts. I am glad to respond to that suggestion.

On September 30, 1957, the board of directors of the Manufacturers Trust Co., considered, in the words of the minutes of the meeting, "the desirability of assuring to the trust company the continuation of the services of the chairman of the board, Mr. Horace C. Flanigan, particularly after he ceases to be the chief executive officer." The board appointed a committee of four outside directors and instructed them to confer with me about the continuation of my services. After 6 weeks' study, the committee recommended and the board approved the following contract that was executed on November 18, 1957:

"This agreement made at New York, N.Y., this 18th day of November 1957, by and between Manufacturers Trust Co., a New York banking corporation, hereinafter referred to as 'trust company,' and Horace C. Flanigan, hereinafter referred to as 'Flanigan,' witnesseth:

"Whereas Flanigan has been employed by the trust company for more than 25 years and during that period has had an important part in its management and has contributed substantially to its growth and success; and

"Whereas since 1951 Flanigan has been and is now employed by the trust company on a full-time basis as chief executive officer and now has the title of 'chairman of the board of directors'; and

"Whereas the trust company desires to make provision for the continuance of Flanigan's employment as chief executive officer and to obtain the continued benefit of Flanigan's advisory and consulting services as a part-time employee when he ceases to be chief executive officer; and

"Whereas Flanigan is willing to render the services provided for herein on the terms and conditions herein set forth: Now, therefore, in consideration of the premises and the mutual covenants and agreements herein contained the parties hereto agree as follows:

"1. So long as the board of directors of the trust company shall determine, Flanigan agrees to serve the trust company as the chief executive officer on a full-time basis at a salary at the rate of \$125,000 per annum payable in approximately equal installments on the customary salary payment dates of the trust company. At any time after November 18, 1959, Flanigan may elect on 30 days' written notice to the trust company to terminate his services as chief executive officer at the expiration of such 30-day period with the same effect hereunder as if such termination were determined by the board of directors of the trust company.

"2. On the termination of Flanigan's services as chief executive officer of the trust company under paragraph 1 hereof and for a period of 5 years from that date, Flanigan agrees to continue as a part-time employee during such 5-year period and render such advisory and consulting services to the trust company as may be reasonably required by the board of directors of the trust company, and subject to their supervision and control. Flanigan shall be required to devote in the aggregate up to but not exceeding one-half of his time during regular business hours to such services. Flanigan, however, shall

be required to render such services only at such times and to such extent as his health permits and does not unduly interfere with his other activities which he may be engaged in during the other half of his time not committed to the trust company. Flanigan's annual salary under this paragraph 2 shall be at a rate equal to the sum of \$50,000 per annum plus the annual pension Flanigan would have been entitled to receive under the trust company's pension plan, as then in force, if he retired at the conclusion of his services under paragraph 1 hereof, and shall be payable in approximately equal installments on the customary salary payment dates of the trust company. In the event that Flanigan becomes physically or mentally incapable of performing the services provided for in this paragraph 2, the board of directors of the trust company shall have the right to terminate the period provided for as of a date to be determined by the board of directors.

"3. During the period of part-time employment provided for in paragraph 2 hereof of the trust company shall provide for Flanigan a suitable office in the building occupied by its branch at Fifth Avenue and 43d Street in the city of New York, and shall also provide him with such secretarial and other services as he may reasonably require in carrying out his obligations under said paragraph 2.

"4. During the period provided for in paragraph 1 hereof as well as during the period provided for in paragraph 2 hereof, the trust company shall pay, or reimburse Flanigan for, expenses paid or incurred by Flanigan in performing his obligations under paragraphs 1 and 2 hereof of the same general nature and to the same general extent now being paid or reimbursed to Flanigan.

"5. During the periods provided for in paragraphs 1 and 2 hereof, Flanigan, in addition to the salary payments provided for in said paragraphs, shall participate in and be covered by such pension, profit sharing, insurance, and other benefit plans as are provided by the trust company for its active employees, and he shall not be treated as a retired employee until the completion of his employment under paragraph 2 hereof.

"6. As a further inducement to Flanigan to enter into this agreement, the trust company, upon the termination of his employment under paragraph 2 hereof, agrees to pay to Flanigan an aggregate amount equal to \$25,000 for each full year, and proportionately for each fraction of a year, of his service under paragraphs 1 and 2 hereof, which aggregate amount shall be payable at the rate of \$25,000 per annum, and such annual amount to be payable in approximately equal installments on the customary salary payment dates of the trust company. In the event of Flanigan's death prior to the payment in full of the sums provided for in this paragraph 6 hereof, and whether such death occurs before or after the completion of his period of employment under paragraphs 1 and 2 hereof, the balance shall be paid to Flanigan's legal representative promptly after the qualification of such legal representative.

"7. During the period provided for in paragraphs 2 and 6 hereof, Flanigan agrees that he will not directly or indirectly engage in any business which is competitive with the business of the trust company.

"8. The obligation of the trust company to make the payments provided for in paragraph 6 hereof shall be conditioned upon Flanigan's due performance of his obligations under paragraphs 1, 2, and 7 hereof.

"9. This agreement shall inure to the benefit of and be binding upon the trust company, its successors and assigns (including without limitation any corporation which might acquire all or substantially all of the trust company's assets and business or with

which the trust company may be consolidated or merged).

"10. This agreement shall be governed by the laws of the State of New York.

"In witness whereof the parties hereto have executed this agreement the day and year first above written.

"Attest:

"J. F. ADAMS.

"MANUFACTURERS TRUST CO.,

"By E. S. HOOPER,

"H. C. FLANIGAN."

In the light of the facts of this contract, Senator, I believe the record should be set straight to show that—

My employment contract is not one of the terms of the merger of the Manufacturers Trust Co. and the Hanover Bank, but antedated the merger agreement by more than 3 years;

This contract is not a million-dollar bonus or any kind of bonus, but is compensation—part payable currently and part deferred—for services now being rendered and to be rendered under its paragraphs 1 and 2;

No provision of the contract or possible interpretation of it could provide a basis for the statement regarding me that "with no duties to perform he will first be carried on the payroll of the merged institution at a salary of \$125,000 per year."

It was my intention that, at the end of the first 2 years following 1957, I would retire as chairman of the board and chief executive officer. In September 1959, the then president of the bank, Eugene S. Hooper, informed me that he was forced to relinquish his office and responsibilities because of ill health. We were most fortunate to secure the services of Charles J. Stewart to replace him as president. Mr. Stewart had been president of the New York Trust Co. and was a general partner of Lazard Freres & Co. when he came to us. He took office in November 1959 and I was urged by members of the board to stay on another year during this transition period. In the fall of 1960, I had notified members of the board that I wanted to retire as chief executive officer at the end of that year in favor of Mr. Stewart. In December, however, active merger negotiations were undertaken by William S. Gray, chairman of the Hanover Bank, and myself. These merger negotiations were interrupted by a business trip that I had to make to California but on my return early in January they were resumed and the merger was agreed upon by the two boards. It is planned that Mr. Stewart will be chairman of the board of the merged bank, R. E. McNeill, Jr., now president of the Hanover, will be president and Gabriel Hauge, now chairman of the finance committee of Manufacturers Trust Co. will be vice chairman. It is also planned that Mr. Gray will become chairman of the finance committee and that I will become chairman of the executive committee.

So much for the contract. Now let me take up the other matters to which reference has been made. It has been said that I am provided a private airplane. The facts are that the airplane was purchased for the Manufacturers Trust Co. in 1946 by the late Harvey D. Gibson, then president of the trust company, and has been in use by the bank since that time. It is available to the bank's executives for use in furthering the bank's interests and has been so used. It is in no sense for my exclusive use.

It has also been said that the bank maintains a deluxe suite at the Waldorf-Astoria for the use of myself and my family. The fact is that I maintain a home in Purchase, N.Y., which is fully staffed all year around and where I live when I am not in New York City attending to bank business and meeting customers. This apartment is also available to other executives of the bank and for meetings incident to bank business. As for my family, occasionally my married

children stay there overnight with me when the second bedroom in the apartment is not occupied. In such cases, I have remitted these occupancy costs to the bank.

A further matter relates to a car and chauffeur. It is true that a car and chauffeur are at my disposal for bank business, but when this car is not being used by me it is available for the use of other members of the bank's executive staff. At my home in Purchase, I have a chauffeur and automobiles to take care of my personal needs.

Reference has also been made to a large insurance policy being carried on my life. The policy referred to is part of the bank's group life insurance. This plan was amended in 1960 to increase benefits and make it more equitable. Among other things, it provided that anyone who was over 62, but not over 70, at that time would retain his policy at full value for 5 years. This provision applies not only to me but to many others as well. Starting in 1965, the face amount of the policy of \$100,000 will decline 10 percent in each of the succeeding 5 years until it reaches \$50,000.

In the light of these facts, Senator, I believe the record should be set straight to show that—

No airplane is being provided for my private use;

No apartment is being furnished for the personal use of myself and my family;

No bank car and driver are provided for my purely personal use;

No special insurance policy is involved other than my participation in the bank's regular group insurance.

These are the facts, Senator, in relation to the points raised by you on the Senate floor. I hope this letter will clarify the situation.

Yours sincerely,

H. C. FLANIGAN.

EXTENSION OF SUGAR ACT OF 1948

The Senate resumed the consideration of the bill (H.R. 5463) to amend and extend the Sugar Act of 1948, as amended.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Mr. MUSKIE in the chair). Without objection, it is so ordered.

Mr. BYRD of Virginia. Mr. President, the bill as reported by the Senate Finance Committee was amended so as to extend the act for 15 months, rather than 21 months, as provided by the House version of the bill. The bill as reported by the Senate Finance Committee provides for payment into the U.S. Treasury of the difference between the U.S. price and the world price on all sugar purchased under the reallocation of the Cuban quota.

The bill as passed by the House and as referred to the Senate Finance Committee provided for extending the act to December 31, 1962. The Finance Committee amendment would terminate the present extension on June 30, 1962. It would appear that, in either event, Congress would need to legislate again on sugar during the 1962 session. The 15-month extension would give to producers, both in the United States and

abroad, an additional period of certainty with regard to the oncoming crops.

The reallocation of the Cuban quota to various other sources has granted sudden additional business to those abroad and to those who export and import amounts formerly handled from Cuba.

The committee adopted an amendment which provides that an import duty equivalent to the difference between the world price and the U.S. price shall be assessed on all sugar imported under the reallocation of the Cuban quota. Basic quotas would continue to be imported under the same circumstances as at the present time, without any imposition of an additional import fee. Only importations above the normal quotas would be assessed the extra fee.

Mr. LONG of Louisiana. Mr. President, will the Senator from Virginia yield?

Mr. BYRD of Virginia. I yield.

Mr. LONG of Louisiana. As one who represents a sugar-producing State, I wish to express the gratitude of those of us who have an interest in this legislation. On behalf of the people of our State and the people of other sugar-producing States, I express our gratitude that the Senator from Virginia, the distinguished chairman of the committee, moved to hold hearings on this matter, and moved as expeditiously as possible in that connection.

Unfortunately, the bill did not reach the Senate until a few days ago. But the chairman of the committee arranged to hold hearings, at the request of those who wanted hearings held; and the Senator from Virginia moved as expeditiously as possible to see that opportunity was afforded to report this measure for the consideration of the Senate at the earliest possible moment.

There is no doubt that this proposed legislation is very important. It must be passed immediately if we are to avoid a chaotic situation with regard to the sugar market, contrary to the best interests of our Nation; and the Senator is well aware of the haste that is necessary in this instance.

I regret very much that it was necessary to ask the chairman of the committee to act so expeditiously in connection with this measure; but all of us appreciate that he has done everything within his power to see to it that this matter was handled in the most expeditious fashion possible.

Mr. BYRD of Virginia. Mr. President, I appreciate very much what the Senator from Louisiana has said.

I realize the great importance of this proposed legislation; and we held all the hearings possible in connection with it.

Mr. President, I ask unanimous consent that my statement on the bill be printed at this point in the RECORD, as part of my remarks.

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

STATEMENT BY SENATOR BYRD OF VIRGINIA

Twice last year, and now again early in this year the Senate is faced with a fast

decision with regard to sugar. There seems to have developed a custom that the Senate be required to adopt or reject the bill sent to us from the House during the last hours of the life of the existing bill.

This is as regrettable to me as it is to various of my colleagues. We in the Finance Committee have given serious thought as to how it can be avoided in the future.

Whether we like it or not, we are now faced with a serious dilemma. It would be a serious matter to allow the Sugar Act to lapse. It would mean that there would be no controls on imports except for the normal tariff and excise taxes. Cuba could immediately proceed to unload sugar in this country—domestic growers of cane and sugarbeets would face disaster at the very time when preparations are being made for the 1961 crop. Prices would be affected and those who would like to see the United States in economic difficulty would have reason to rejoice.

We must have a bill before the deadline of March 31st. That is a relatively few hours away. I do hope the Senate will consider the consequences of a failure to get a bill through both Houses in time for the President to sign it.

Even though the time was very limited, the Finance Committee held some brief hearings on the bill. That hearing and the intense discussion during the executive session of the committee yesterday pointed up the fact that the whole Sugar Act and its many ramifications need longer, thorough hearings and an item by item discussion by the members of the committee in executive session. It is my profound hope that in the very near future we may be able to vote out a more permanent, longer term sugar bill that will be fair and equitable to domestic producers, consumers, refiners, and importers. We shall work toward that end.

The bill before the Senate today is the bill as passed by the House, with but two exceptions. The Finance Committee changed the termination date from December 31, 1962, to June 30, 1962. This may not have much effect on the mechanics of the legislation—for it would mean that Congress, sometime during the coming year would need to study another bill. To do it in 1963 would be too late. However, if the new bill is adopted prior to July 1962, foreign producers and our own producers of cane and sugarbeets will have longer notice of what the new legislation will be and such time would be very valuable to them. Actually, there would be little to gain by giving the Congress the 6 months between July 1, and December 31 and it is my understanding that the House Agriculture Committee will accept that change.

The other amendment adopted by the committee would permit foreign countries supplying us with sugar under their regular quotas to continue to do so and to receive the U.S. price which is more than 2 cents above the world price. It would, however, require those bringing sugar into our markets above and beyond the regular quotas of the countries of origin of the sugar in question to pay into the U.S. Treasury the difference between the U.S. price and the world price, taking into consideration of course, such things as tariffs and ocean freight.

This would mean that the world price would be paid for the sugar purchased in foreign countries to replace that which will not be purchased from Cuba.

The bill as passed by the House would relieve the President of the obligation to purchase any part of the sugar formerly supplied by Cuba from any country with which the United States does not maintain diplomatic relations. In plain language this means that the President is not required to purchase any of the Cuban deficit from the Dominican Republic. If it were not for this language in the bill the President would not

be able to withhold this bonus from the Dominican Republic, even though we have severed diplomatic relations with that country. This Cuban quota will, under the bill, be allocated to other countries on the basis of present quotas, with special consideration to be given to countries of the Western Hemisphere and to those countries purchasing U.S. agricultural products.

The bill would provide that any deficit in any domestic area quota which formerly would be supplied by Cuba should now go to other domestic areas.

It would assign to any nation with a present quota of at least 3,000 and not more than 10,000 tons a sufficient additional amount to bring each to the total of 10,000 tons.

The countries affected would be Costa Rica, Haiti, Panama, the Netherlands, and Nationalist China.

It would give to the Republic of the Philippines 15 percent of the remainder.

The remaining 85 percent would be pro-rated to other nations on the basis of their existing quotas, although none need be purchased from any country with which the United States is not in diplomatic relations.

If additional amounts of sugar are needed, purchases may be made from any other foreign nation without regard to allocation, but special consideration must be given to countries of the Western Hemisphere and to those countries purchasing U.S. agricultural commodities.

I firmly believe that this is the best bill that could be devised in the day or two which we had to consider the matter. I hope it will be adopted.

THE PRESIDING OFFICER. The question is on agreeing to the committee amendments.

MR. DIRKSEN. First, Mr. President, I should like to inquire whether there is about to be immediate approval of the committee amendments and passage of the bill. I was given to understand that there was some controversy about some items in the bill. I would be the last one in the world to attempt to prolong this proceeding; but I wish to be sure that all Senators who wish to be heard will be protected.

I see now on the floor the distinguished Senator from Utah [Mr. BENNETT]. Let me say to him that the Chair has stated that the pending question is on agreeing to the committee amendments. I wonder whether that is agreeable to the distinguished Senator from Utah [Mr. BENNETT], the distinguished Senator from Kansas [Mr. CARLSON], and the distinguished Senator from Nebraska [Mr. CURTIS], all of whom are members of the Finance Committee.

MR. BENNETT. As I understand, there are only two amendments. One reduces the period of time from 21 months to 15 months. I was the author of that amendment in the committee, so I certainly would agree to it here. The other amendment is the so-called Douglas amendment. I had assumed that some motions to delete that amendment would be made. But the amendment was adopted unanimously by the committee, so I am not about to move that the amendment be deleted.

MR. LONG of Louisiana. Mr. President, could we agree at this point to all the committee amendments except the last one, which I think may be subject to some opposition; but I do not believe there will be any effort to oppose the other amendments.

MR. BENNETT. Let me ask what the Senator means by "the last one."

MR. LONG of Louisiana. I mean the Douglas amendment. There was no objection to it in the committee; but I understand there will be some inquiry about it, here on the floor.

MR. CURTIS. Mr. President, I rise to a parliamentary inquiry.

THE PRESIDING OFFICER. The Senator from Nebraska will state it.

MR. CURTIS. If the committee amendments are agreed to, will a further amendment be in order? Let me say that I do not know that an additional amendment will be offered, but I wish to understand the situation. Will the entire bill then be open to amendment?

THE PRESIDING OFFICER. In that event, any part of the bill not covered by the committee amendments would be open to amendment.

MR. CURTIS. Would the entire bill, including the committee amendments, then be open to amendment?

THE PRESIDING OFFICER. When an amendment is agreed to, it is not open to further amendment, unless it is reconsidered.

MR. DOUGLAS. Mr. President, I rise to a parliamentary inquiry.

THE PRESIDING OFFICER. The Senator from Illinois will state it.

MR. DOUGLAS. For this purpose, let me ask whether the distinguished Senator from Nebraska contemplates the offering of any amendment other than those now printed in connection with the bill.

MR. CURTIS. My present answer is that I do not. But I want all to understand what we are doing. That was primarily my reason for asking the question, because only a few Senators are now on the floor.

MR. CARLSON. Mr. President, will the Senator from Illinois yield to me?

MR. DIRKSEN. I yield.

MR. CARLSON. I should like to state that in the committee I discussed a proposed amendment; and sometime today I should like very much to bring it up here on the floor. At the present time I do not intend to offer it as an amendment; but I believe it should be discussed, and I may offer it. I would not wish to be precluded from offering it.

MR. DIRKSEN. Let me ask the Senator from Kansas whether he has any objection to all the modifications of dates set forth in the bill—which would include all the amendments except the amendment styled No. 4, which is referred to as the Douglas amendment.

MR. BENNETT. First, Mr. President, will the Senator from Illinois yield to me?

MR. DIRKSEN. I yield.

MR. BENNETT. I have just now been told that the senior Senator from Louisiana [Mr. ELLENDER] is interested in this problem, and that before the Senate votes on the committee amendments en bloc, an attempt probably should be made to communicate with Senator ELLENDER, so as to ascertain whether he intends to offer an amendment.

MR. DOUGLAS. Mr. President, will my colleague yield to me?

Mr. DIRKSEN. I yield to my colleague.

Mr. DOUGLAS. I thank the Senator. Mr. President, the procedure which we frequently adopt with similar bills is to accept the committee amendments, but with the understanding that a motion to strike any such amendment may subsequently be made. If such a procedure is agreeable to the chairman of the committee, the senior Senator from Virginia [Mr. BYRD], I would suggest that might be the procedure adopted in this case, namely, that we adopt the committee amendments, and then we can proceed on any motion to strike or to add.

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

Mr. DIRKSEN. I yield.

Mr. HOLLAND. I am sure a repetition of the unanimous-consent request will advise the Senate as to just what it is that the senior Senator from Virginia has requested. As the Senator from Illinois has stated, if the request is that the committee amendments be adopted en bloc, with the understanding that the bill as amended would be regarded as an original bill and would be subject to amendment of the kind suggested by the Senator from Illinois, I think we would be under no difficulty whatsoever. But I do not know, and that is the reason why I am asking the Senator from Illinois, just what was the unanimous-consent request?

Mr. DIRKSEN. That fact is that the Chair put the question. I thought there was some controversy about some of the amendments. I wanted to be sure that every Senator who had an abiding interest in this matter would be protected. It is not for the Senator from Illinois to make the request, but if the Senator from Virginia asks that the bill as amended be considered as original text, that solves the problem. Then the bill will be amendable in any way.

Mr. HOLLAND. Mr. President, I ask the Senator from Virginia what his unanimous-consent request is.

Mr. BYRD of Virginia. Mr. President, the Senator from Louisiana [Mr. ELLENDER] has asked me a question. The question under discussion is whether the amendments should be adopted en bloc. Let me say, however, that in the consideration of the unemployment insurance bill the Senate refused to give me, as a member of the committee, the right to have the amendments adopted en bloc. Objection was made.

Mr. HOLLAND. Mr. President, may I ask the distinguished senior Senator from Virginia what his unanimous-consent request was in this particular case?

Mr. BYRD of Virginia. I have not made any. The Senator from Louisiana has a very deep interest in the bill. I would like to ask him whether he has any objection to adoption of the amendments en bloc.

Mr. ELLENDER. Not if the bill is subject to amendment.

Mr. BYRD of Virginia. Mr. President, I make a motion that all the committee amendments be considered and adopted en bloc, subject, of course, to the understanding that the bill is subject to amendment, just as an original bill.

Mr. HOLLAND. That the bill will be considered as original text.

Mr. DIRKSEN. Mr. President, will the Chair state the motion before the Senate?

The PRESIDING OFFICER. The Senator from Virginia has moved that the committee amendments be agreed to en bloc, with the understanding that the bill be subject to amendment as though it constituted an original bill.

The question is on agreeing to the motion of the Senator from Virginia.

The motion was agreed to.

Mr. DOUGLAS. Mr. President, the bill and the amendment are extremely important both from the standpoint of the finance of government and possible windfalls which might accrue to favored parties—if the so-called Douglas amendment is eliminated—and the whole foreign policy of the United States in the Latin American countries.

I should like to start off, if I may, by saying the action of the Finance Committee in accepting the amendment which I had the honor to propose is, in my judgment, to be highly commended. I pay special tribute to the distinguished Senator from Virginia [Mr. BYRD] for the cooperation which he showed in the adoption of the amendment.

The Senator from Virginia and the Senator from Illinois are frequently on opposite sides of issues, but in this case we formed an implicitly holy alliance to protect the American consumers and taxpayers. I am very happy to be on his side in this issue, and it pleases me very much.

Mr. BYRD of Virginia. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. BYRD of Virginia. The idea of an alliance is, in the opinion of the Senator from Illinois, if he agrees to the alliance, a holy one; if he disagrees to it, it is an unholy one.

Mr. DOUGLAS. Let me say to the Senator from Virginia this is a time to which I have always looked forward. I have greatly admired the Senator from Virginia, and it has been a source of personal pain to me on the occasions when we have had to disagree. But it is very pleasant now to be associated with him in a measure to save the taxpayers of the country \$150 million, and possibly pave the way for even greater reforms in the future.

The amendment, which was adopted unanimously by the Finance Committee, is the first one in many years in which, in connection with the Sugar Act, the interests of the American consumers and taxpayers have been taken into account.

The effect of the amendment is to make certain that the so-called quota premium—the difference between the world price for sugar, which, as of last night, was 3.02 cents, and the domestic highly subsidized price, which was approximately 5.6 cents, that difference minus the transportation cost of approximately three-fourths of a cent—

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

Mr. DOUGLAS. May I finish the paragraph? Then I shall yield for a question.

In all, the difference, amounting to about 2.3 cents a pound, which comes to \$46 a ton on the 3 million tons which were formerly imported from Cuba, or about \$150 million, is to be paid, under the Douglas amendment, into the American Treasury, rather than into the pockets of producers, middlemen, speculators, or others who would otherwise receive windfall profits from the reallocation of the 3 million tons previously given to Cuba.

Now I am glad to yield to the Senator from Nebraska.

Mr. CURTIS. Mr. President, would the distinguished and learned Senator favor the Senate with a definition of the word "subsidy"?

Mr. DOUGLAS. I shall indicate the fourfold nature of the subsidies which have been paid out of the pockets of consumers, but in this present instance—

Mr. CURTIS. I am referring to the definition of the word, rather than the interpretation of the act.

Mr. DOUGLAS. I would refer the Senator to Webster's dictionary. We can find the definition in that volume. But in the present instance I would say that what we are trying to do is provide that the difference between the present American price of sugar and the present world price of sugar, instead of going into the pockets of importers, whoever they may be, go into the pockets of the Treasury, and hence to the American people.

The Senator is well acquainted with the fact that the price of sugar in the Caribbean, where the major portion of the world's sugar in international trade originates, is only slightly over 3 cents. When the sugar reaches the United States it is paid for at the rate of 5.6 cents. With a transportation cost of three-tenths of a cent per pound, this amounts to a "subsidy"—I would define it as such—of 2.3 cents a pound. On a short ton of 2,000 pounds, this represents a direct subsidy of \$46 a ton.

Since the previous Cuban quota was approximately 3 million tons, which is to be reallocated, there is a total direct subsidy of about \$150 million.

Mr. CURTIS. The distinguished Senator, when speaking of subsidies, refers to sums of money obtained by certain foreign suppliers of sugar?

Mr. DOUGLAS. That is a part of the subsidy. It is not all the subsidy because there are indirect subsidies as well. It is however the only part of the subsidy to which the amendment I have presented is directed. There are other elements in the total subsidy, but at the moment we are not concerned with them.

Mr. CURTIS. The Senator would not go so far as to say, in connection with any commodity or any service, that the fact that a price prevails elsewhere in the world lower than in the United States means the American consumers are subsidizing a commodity or a service in this country?

Mr. DOUGLAS. I would say that if the price in the United States exceeds the price in other countries by more than shipping costs it is indicative of the fact that the American consumer is paying

more than he would pay if he bought foreign goods.

Mr. CURTIS. We must also keep in mind that the salary of a member of the British Parliament is far less than the salary of a United States Senator.

Mr. DOUGLAS. We are not proposing to import any British M.P.'s. [Laughter.]

Mr. CURTIS. I am not suggesting that.

Mr. DOUGLAS. I would be in favor of barring the British M.P.'s from membership in our Congress.

Mr. CURTIS. I am interested in the consumers.

Mr. DOUGLAS. The comment of my friend reminds me of a line from Gilbert and Sullivan,

The flowers that bloom in the spring,
Tra la,
Have nothing to do with the case.

The salaries received by British Parliamentarians and the salaries received by American Members of Congress have nothing to do with the price of sugar.

If my friend does not have further questions to ask, I shall continue my remarks.

In the interests of American consumers, American taxpayers and the proper interpretation of the basic Sugar Act, this amendment should remain in the bill. Under the basic act—the Jones-Costigan Act—the consumers interests supposedly are to be taken into account. But, in practice, this has not been the case and almost every device conceived by man has been used to increase the price to American consumers—both individual and industrial.

The American people do not realize how much the present sugar program is costing them as consumers. When the Jones-Costigan Sugar Act was passed in 1934, it was intended to protect the interests of consumers as well as producers, and in the process also put a floor of protection under the farm laborers and their families in the cane and beet sugar fields. At that time the world price of raw sugar was only about 1 cent a pound, and sugar growers everywhere were experiencing great hardship.

In 1934, however, when the Jones-Costigan Act was passed, the philosophy of the National Recovery Act was dominant under which producers were encouraged to restrict production, raise prices, and improve the condition of their employees. The Jones-Costigan Act was in this tradition and extended its protection to foreign as well as American sugar producers.

Over the 27 years which have passed since then, a whole battery of devices to benefit the producers of sugar have been put into effect. These have helped the producers with little or no attention paid to the interests of housewife and consumer. The facts of the situation are approximately these—I shall use only round numbers:

First. The people of the United States consume roughly 10 million tons of sugar a year.

Second. The average retail price of sugar in 5-pound packages is about 11.6 cents a pound. This would be \$232 a ton at retail rates. Wholesale carload rates are about 9¼ cents per pound, or

\$185 per ton. A weighted composite of the two quotations would be roughly \$200 a ton; because about two-thirds of the sugar is used industrially and only about one-third of the sugar is used by families, through direct purchase.

This would mean that the total final sales value of the sugar is approximately \$2 billion; that is, \$200 a ton for 10 million tons.

Third. About 55 percent or 5.6 million tons of the sugar is produced domestically, of which the Hawaiian production is about 1 million tons and that of Puerto Rico an equal amount.

These are approximate figures. In recent years, I think, in some years the production in those areas has been slightly below and in some years slightly above these figures. Of the 3.4 million tons produced on the mainland, 2.7 million tons are produced in the Beet Sugar Belt area—mostly on the Great Plains—and 0.7 million tons in the cane sugar areas, mostly in Louisiana and Florida. Of the 4.5 million tons imported, about two-thirds have come from Cuba and about 1 million tons from the Philippines.

Fourth. The price of sugar is controlled—and raised—by a combination of methods:

(a) Quotas are fixed which govern the amounts to be produced domestically and also imported from a group of sugar-producing countries.

(b) In addition, an import tariff of 0.5 cent a pound is levied on all sugar from Cuba and the Philippines, while for the relatively small amounts which were formerly imported from elsewhere, the tariff was 0.625 cent a pound. The total receipts from the tariff on sugar to the Treasury have been a little over \$40 million a year or around \$10 per ton.

(c) A further excise or processing tax of 0.5 cent a pound, or \$10 a ton, is levied on all sugar whether produced domestically or imported. This comes, at present, to approximately \$100 million a year, or \$10 a ton.

(d) Direct production payments of 0.8 cent a pound—\$16 a ton—are paid on the first 350 short tons, and graduated downward on further production. Additional allowances for other contingencies are also paid to domestic producers, and together these amount to about \$75 million a year.

By the fixing of the quotas a quota premium is arrived at; namely, the difference between the world price and the price to the United States, which, as I have said, amounts to 2.3 cents a pound, \$46 a ton for the 4½ million tons, roughly, imported annually. This comes to approximately \$207 million a year.

The limitation on the total amount of sugar which can be produced within the United States and imported from abroad causes the U.S. price to be appreciably greater than the world market price. The best measure of this in the past has been the difference between the price in Cuba of sugar destined for the United States and that going to other countries. A year ago this was the difference between approximately 5.6 and 3.1 cents a pound. This came to 2½ cents a pound, or \$50 a ton. Today the world price is 3.02 cents.

Added to that figure is a 30-cent freight charge and 2.3 cents as a quota premium, bringing the price up to 5.6 cents. Then if the full tariff of 0.63 cent and the 0.50-cent excise tax are added, a total of 6.75 cents is arrived at, after freight, full tariff, quota premium and excise tax. The price would then come to \$135 a ton.

It can therefore be seen that the housewives and consumers pay dearly for the present sugar policy. If we add (a) the difference between the price to the United States and the world price, (b) the tariff, and (c) the excise tax, we get a total price increase to the consumer of about 3.5 cents a pound, or about \$70 a ton.

We remember that the total domestic consumption is 10 million tons. This comes to a total of \$700 million a year.

Against this should be offset the \$65 million in revenue over the cost of the production payments, or a net subsidy by the consumers of about \$635 million.

I believe the lower figure of \$635 million is essentially correct. This, in turn, should be somewhat further reduced by the fact that if we bought all our sugar on the free market, the free market price would probably rise. The extent of this increase would, however, not be as great as is frequently argued, since at the end of the 1958-59 crop, the world surplus was 4½ million tons in stock. The surplus increased slightly during 1959-60, and the special report on sugar issued last month by the Department of Agriculture indicates that in the current crop year (1960-61) world production will be 58 million tons and world consumption will probably be 53½ million tons, so there will be a further surplus of 4½ million tons. I think it is safe to say that at the present time there is a world surplus of approximately 10 million tons.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. LONG of Louisiana. I am not opposing what the Senator is trying to do.

Mr. DOUGLAS. I understand that.

Mr. LONG of Louisiana. I am somewhat interested in the Senator's description of a subsidy. Does he regard a commodity which is protected by a tariff as a subsidized commodity?

Mr. DOUGLAS. I would say it is indirectly subsidized, yes.

Mr. LONG of Louisiana. Many of our manufacturing industries are now protected by tariffs. I have personally made the point from time to time, that an American industry which receives the benefit of a tariff is in many instances in a situation very similar to industries which are directly subsidized.

Mr. DOUGLAS. That is correct. It is an extra cost paid by the consumer. The subsidy system is quite an octopus. I am merely trying to strike at one arm of the octopus.

Ample supplies are now available, and this fact should prevent any appreciable increase in the world price.

On the whole, it would seem safe to estimate that, when all factors are considered, the total subsidy which consumers pay is not far from \$660 million

a year, or \$66 a ton, and 3.3 cents a pound. The per capita consumption in this country is about 97 pounds a year, of which a third is domestic demand and two-thirds industrial demand. If this total subsidy of 3.3 cents a pound is correct—and I believe it is—it would amount to about \$3.25 a year per person, or \$13 a year for a family of four on sugar alone. This is a sum approximately equal to a day's wages. Each time a housewife purchases cakes, candy, or soft drinks she also pays a subsidy. Every time a teenager drinks a bottle of Coca-Cola there is a hidden subsidy to the sugar producers. Every time there is a wedding party and cakes are served, the wedding cake has within it a hidden subsidy. Every time a young man gives a box of candy to a lady there is a subsidy in that candy. Every time a teaspoonful of sugar is dropped into a cup of coffee there is a subsidy. The subsidy is ubiquitous, large, but unseen.

This practice has been going on since 1934—27 years.

Mr. LONG of Louisiana. Mr. President, will the Senator yield at that point?

Mr. DOUGLAS. I yield.

Mr. LONG of Louisiana. The practice has been going on longer than that. I once made the mistake of using that date speaking to sugar producers, and I can tell the Senator that it was going on long before that time.

Mr. DOUGLAS. I did not wish to stir up trouble, because under the former tariff system the practice went on prior to that time.

Mr. LONG of Louisiana. For many years.

Mr. DOUGLAS. Yes, indeed.

Mr. LONG of Louisiana. So long that the memory of no living man here runneth back to the point of beginning.

Mr. DOUGLAS. Yes. As a young man I read the debates in the Senate on this issue, and I can remember how the then Senators from Louisiana defended the tariff to the death, and then they began to get allies from the beet sugar States as well.

I hope I do not ruffle the feathers of the domestic producers too much, because we want them on our side in this battle. I only propose to strike at the subsidy which would be paid to some foreign producers, although I think I would be less than honest if I concealed the fact that I believe there is also a subsidy paid to domestic producers. But that is not the present battle.

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

Mr. DOUGLAS. I am glad to yield to the Senator from Utah.

Mr. BENNETT. The Senator from Illinois knows that I am from a beet-producing State.

Mr. DOUGLAS. That is right.

Mr. BENNETT. And the Senator from Illinois is anxious to have me on his side.

Mr. DOUGLAS. On this issue, I certainly am.

Mr. BENNETT. I believe he would not reject my vote on any issue.

Mr. DOUGLAS. I certainly would not.

Mr. BENNETT. The Senator has been making the point that there is a world market for sugar, and that if we were free to buy all our sugar at the world market price, we would save the American sugar consumer a great deal of money.

Mr. DOUGLAS. Yes.

Mr. BENNETT. Does the Senator realize that there is much sugar in the world which is processed through to the refined stage? He has been talking about the world market for raw sugar.

Mr. DOUGLAS. That is correct.

Mr. BENNETT. We could buy whites abroad for about 4 cents a pound. When the Senator talks about subsidies, does he realize that the difference between wages paid to the refining laborer, for example, in Cuba, and the wages paid to Americans to refine Cuban and other foreign sugar, is in itself a form of subsidy? We could take care of our sugar needs by buying whites abroad.

Mr. DOUGLAS. I do not wish to be drawn into a discussion of this theoretical issue with the Senator.

Mr. BENNETT. It is not theoretical.

Mr. ELLENDER. It is real.

Mr. BENNETT. It is very real.

Mr. DOUGLAS. It is not involved in the amendment.

Mr. BENNETT. Very well. Then will the Senator agree that the discussion of his amendment is clearly outside the question of subsidies which are helpful to the beet producers?

Mr. DOUGLAS. I desired to make my point a part of the RECORD. With the permission of the Senator from Utah, however, and his conferees, I am willing to drop it now, inasmuch as it is in the CONGRESSIONAL RECORD, where people can read what I have said. Because of that I feel I have discharged my duty, and I am ready to confine our discussion simply to whether some foreign producers ought to get a subsidy of \$150 million a year, or whether the people of the United States should save this amount. However, I am ready to drop this fight temporarily.

Mr. BENNETT. I am sure the Senator is, having got his side into the RECORD. Will he now yield so that I may make an observation?

Mr. DOUGLAS. Certainly.

Mr. BENNETT. The per-hour rate paid sugar refining employees is probably the highest in the United States. The evidence given in the hearing is that the direct and fringe benefits amount to \$3.55 cents an hour; that they have a guaranteed annual wage for 2,000 hours; and that they are guaranteed a wage of \$7,000 a year. That is what is being paid to the sugar refinery employees who refine offshore sugar.

This is in contrast with a comparable rate of \$3 a day in Cuba. So that if we really wished to get the lowest possible price for the American housewife, we would buy whites abroad.

Mr. DOUGLAS. I suppose it is unwary of me to do this, because one of the first lessons in military tactics is that one should not spread himself over too wide an area. However, is it not true that we cannot import refined sugar, but only raw sugar?

Mr. BENNETT. No. There is an allowance of something like 300,000 tons now to Cuba, which of course has been suspended.

Mr. DOUGLAS. How much are our total imports? Are they about 4½ million tons? Is that, roughly, the amount?

Mr. BENNETT. Yes. The refiners, of course, refine domestic cane also.

Mr. DOUGLAS. So, in practice, about the only sugar that we can bring in is raw sugar.

Mr. BENNETT. If we decided that we wanted to go out on the world market, we could find refineries abroad which would be glad to sell us whites.

Mr. DOUGLAS. I do not doubt that some American refineries are in this business, too.

Mr. BENNETT. The point I am making is that we are in favor of a sugar program which gives some benefits to the American farmer. It also gives a very decided benefit to a segment of American labor. The subsidy applies to both, not to the companies which own the refineries. As I have said, the employees of the refineries are getting about \$3.50 an hour on a guaranteed annual wage, which gives them \$7,000 a year.

The Senator from Utah does not object to that. He does want the RECORD to show that when the Senator from Illinois is talking about subsidies paid to the American housewife on her sugar, the Senator must also think this spread, which we could eliminate if we went out coldbloodedly and bought sugar at the lowest possible price.

Mr. DOUGLAS. I would say to my good friend from Utah that I could go into the conditions of labor in the beet sugar fields in the Plains States, and the degree to which foreign labor is used, and the conditions of work there. However, I do not want to do it, unless the Senator presses me.

Mr. BENNETT. In other words, the Senator from Illinois is willing to confine himself to the question of the subsidy. He got his point in the RECORD, and now he is willing to let it go at that.

Mr. DOUGLAS. I am ready to go on.

Mr. BENNETT. Having made my point, I am ready to go on. I offer the Senator a truce.

Mr. DOUGLAS. I hope the truce will turn into an alliance.

Mr. BENNETT. The Senator from Illinois has said that he rejects deals. I therefore offer him a truce.

Mr. DOUGLAS. That is fine. It is a truce.

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

Mr. DOUGLAS. I yield.

Mr. ELLENDER. It is not my purpose to engage in a debate with the distinguished Senator from Illinois on the question of subsidy. The very suit he wears is subsidized. The tie he wears is subsidized. The shirt he wears is subsidized. In fact, I do not know of many things which are manufactured in this country which are not subsidized in some manner. But is the Senator aware that there is only one crop produced, sugar, on which an excise tax is levied, where

there is a provision which forces those who participate to agree to certain wage scales?

Mr. DOUGLAS. Yes. That was the price which Senator Costigan, of Colorado, exacted from the sugar interests in return for the original act. In my judgment, Senator Costigan was one of the finest men who ever sat in this body. That provision is unique; that is quite true.

Mr. ELLENDER. For instance, not only does the Sugar Act deal with the wage rate to be paid by producers of sugarcane and sugar beets, but there is also a provision against using child labor.

Mr. DOUGLAS. That is correct.

Mr. ELLENDER. All of that is contained in the act. It is unique.

Mr. DOUGLAS. I am not certain how well the provisions have been enforced, but they are in the law.

Mr. ELLENDER. I am familiar with a few cases in which there were violations of this anti-child-labor provision. The persons who refused to comply with the law were denied payments. I know of a few cases in my own State. However, I can say that I do not know of any violations in recent years.

Mr. DOUGLAS. That is one of the mitigating features of the system.

Mr. President, I had another paragraph which I wanted to read before I turned from this subject. I hope the Senator from Utah [Mr. BENNETT] will not regard it as a breach of the truce if I try to sum up the total amount of subsidies which I think the American consumers have paid since 1934. According to my figures, the total comes to somewhere between \$10 billion and \$20 billion.

Mr. BENNETT. The Senator from Utah will certainly not regard that statement as a breach of the truce, but he reserves the right, after the debate is over, and when we have this problem solved, perhaps to make some comments about the whole sugar problem.

Mr. DOUGLAS. That will be fine.

Mr. President, now I turn to the problem which has arisen from the Cuban situation. The United States formerly imported approximately 3 million tons of sugar from Cuba, upon which there was a direct quota subsidy of about 2½ cents a pound, or from \$52 to \$62.50 a ton. On 3 million tons, this came to from \$156 million to \$187 million a year.

This was a subsidy which had been in existence for a long time. It is undoubtedly true that many of the American sugar companies which owned cane fields in Cuba got a large share of the subsidy, but it is also true that a proportion of that amount trickled down to the Cuban people.

I think Mr. Castro has been extremely unfair in the attacks which he has made upon the United States on the charge that we have been exploiting Cuba. We have been paying to the Cuban sugar interests between \$150 million and \$200 million a year more than we would have paid had we exercised our right to purchase sugar upon the world market at the world price.

While American sugar producers and grinding mills in Cuba have benefited,

the Cuban people also have benefited. I think it has been extremely unfair for Mr. Castro and his followers to condemn the United States as though we had been exploiters. On the matter of the bonus, we have been extraordinarily generous.

When the United States stopped the importation of sugar from Cuba, in response to the confiscation of all American property and the extremely unfair attacks made upon us, Cuba then got Russia to buy some sugar, and Castro praised Russia for its purchase. As I remember, the Russian purchase price was 2.6 cents a pound for the initial amount of sugar. In other words, Castro and his followers said the Russians were doing Cuba a favor by buying sugar at 2.6 cents a pound, but that the United States had exploited Cuba when we paid Cuba 5.6 cents a pound.

This, I think, is a fact which we should have played up to a much greater degree than we have done in our propaganda throughout Latin America. I think it needs to be emphasized that we have been extraordinarily generous to Cuba, even though we grant that a considerable portion of this amount accrued to the benefit of American sugar companies which owned the cane fields and the grinding mills.

Mr. ELLENDER. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. ELLENDER. As I recall, several years ago the sugar industry of Cuba was more or less controlled by American capital. At one time, that control was as much as 54 percent.

Mr. DOUGLAS. I think that is true.

Mr. ELLENDER. Is the Senator aware of the fact that the American interests—that is, those who owned American mills and operated the Cuban farms—were forced by the Cuban Government to pay certain wages, and that those wage scales were not applicable to other producers of sugar in Cuba?

Mr. DOUGLAS. I have heard of that, yes.

Mr. ELLENDER. I am familiar with this situation, and I assure the Senator it is true. The same is true not only of Cuba but of practically every Central and South American country where American interests are trying to develop the natural resources of those countries.

In my judgment, the average Cuban citizen has therefore benefited greatly from the operations of American interests which produced, as I said, in the neighborhood of 54 percent, at one time, of the sugarcane grown in Cuba.

Mr. DOUGLAS. May I ask the distinguished Senator from Louisiana, who is an expert on this subject, if it is not true that the percentage of American holdings in Cuba has diminished in recent years?

Mr. ELLENDER. Oh, yes. It is now about 36 or 38 percent. Since the Hershey interests of Pennsylvania sold their holdings in Cuba about 4 or 5 years ago, American holdings have decreased, as I remember it, to about 38 percent.

Mr. DOUGLAS. But it is true that the American Sugar Refining Co. and United Fruit Co. are still in Cuba.

Mr. ELLENDER. They constitute a part of the 38 percent to which I have referred.

Mr. DOUGLAS. Yes.

Mr. President, last summer the United States stopped importing sugar from Cuba. I think this decision on the part of the Eisenhower administration was correct. There is a limit to the amount of abuse and hostile action which a nation can properly take.

The big problem we have had since then has been in regard to how the 3 million tons which we formerly purchased from Cuba are to be reallocated. In itself, the matter of getting sugar does not present any great technical problem, because world supplies now are plentiful. But the question of who shall sell this nonquota sugar under the presently heavily subsidized—and hence lucrative—American program has created considerable discussion and great pressures.

Under the House version of the bill, the former Cuban share would be prorated among the foreign sources now providing sugar to the United States, at the present heavily subsidized U.S. domestic price.

Mr. President, I ask unanimous consent that the language of the House committee report dealing with this subject be printed at this point in the RECORD.

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

Presidential authority to establish the sugar quota for Cuba through December 31, 1962, at such level as the President shall find from time to time to be in the national interest, but in no event in excess of the Cuban quota under the basic quota system of the Sugar Act. If the President sets the Cuban quota at less than its basic quota, the amount of the reductions are to be distributed as follows:

1. An amount equivalent to Cuba's share in any domestic area production deficit may be assigned exclusively to other domestic areas; and then

2. To five nations whose quotas have been between 3,000 and 10,000 tons, a sufficient quantity of sugar to bring each up to 10,000 tons. These nations are Costa Rica, Haiti, Panama, the Netherlands, and Nationalist China; and then

3. To the Republic of the Philippines 15 percent of the remainder; and then

4. To other countries having quotas under the act (except those five nations mentioned in (2) above) the remaining 85 percent in amounts prorated according to the basic quotas established by the act, "except that any amounts which would be purchased from any country with which the United States is not in diplomatic relations need not be purchased"; and then

5. If additional amounts of sugar are needed, purchases may be made from any other foreign nation without regard to allocations, but with consideration given to countries of the Western Hemisphere and to those countries purchasing U.S. agricultural commodities.

Mr. DOUGLAS. Mr. President, the House committee report on page 3 also

¹Based on the nonquota allocations for the 3-month period ending Mar. 31, 1961, the allocation for the Philippines for the next year would be 490,000 tons. On the same basis the Peruvian share would be 860,000 tons, and the Mexican share would be 764,000 tons.

sets forth, on a quarterly basis, figures on the authorized nonquota purchase allocations in 1961. In order to obtain the figures on a yearly basis, if those were continued, we have to multiply by four the figures we find at that point in the committee report.

The Philippines would be given an increased allocation of 123,000 tons, on a quarterly basis, which would be approximately 490,000 tons on an annual basis.

Let me say that the figures I am stating are to the nearest even amounts.

Peru—a mysterious factor—would be given 215,000 tons, on a quarterly basis, or 860,000 tons on an annual basis.

The Dominican Republic, if it were to have a quota, would be given 223,000 tons on a quarterly basis, or 892,000 tons on an annual basis. But that is to be eliminated. I am thankful for that.

In that connection I should point out, first, that the quota premium was paid on Dominican sugar.

Mr. ELLENDER. They had to pay the regular 2-cent tariff.

Mr. DOUGLAS. Yes.

Mr. ELLENDER. That was imposed on them.

Mr. DOUGLAS. Yes. So that money went into the Treasury of the United States, rather than to the producers.

Mr. ELLENDER. Yes.

Mr. DOUGLAS. The bill as now before the Senate gives the President the power to suspend the importation of sugar from countries with which we do not have diplomatic relations; and, as I understand, it is recognized by all that if this bill is enacted, the importation of sugar from the Dominican Republic will be discontinued. Let me say I heartily approve of that.

Mexico would have 191,000 tons on a quarterly basis, or 764,000 tons on an annual basis.

The British West Indies and British Guiana would have 10,000 tons on a quarterly basis, or 40,000 tons on an annual basis.

Brazil would have 11,000 tons on a quarterly basis, or approximately 44,000 tons on an annual basis, provided the distributions this year were made on the same basis as that made last year. Probably, however, there would be more, in view of the fact that the quota of the Dominican Republic is being eliminated.

Mr. ELLENDER. Mr. President, at this point will the Senator from Illinois yield?

Mr. DOUGLAS. I am glad to yield.

Mr. ELLENDER. Does not the Senator from Illinois feel that it might be better for us to assist by means of trade, rather than direct grants, the countries to which he has been referring? Is it not a fact that we can assist these countries by permitting them to sell their sugar in the market heretofore reserved to Cuba?

Mr. DOUGLAS. That is the argument the State Department advanced at the hearings on Monday of this week.

Mr. ELLENDER. Does not the Senator from Illinois think it is a valid argument?

Mr. DOUGLAS. I think there is very little to it. If I may do so, I should like to state now why I take that position.

Mr. ELLENDER. Very well; I should like to hear the Senator's statement.

Mr. DOUGLAS. In the first place, so far as trade is concerned, we would give trade to these countries by purchasing from them these quantities of sugar at the world price. But when we pay them more than the world price, that is aid, not trade. Furthermore, it is aid to a relatively restricted group of persons; it is not aid to the Peruvian people or to the Mexican people or to the Filipino people, primarily. Instead, it is aid to the sugar producers in those countries; and they tend to be a very limited group. It would be interesting to ascertain what groups have the sugar holdings in those countries.

Mr. ELLENDER. Will not the Senator from Illinois concede that a great deal of labor is required to produce sugar? I am sure that much of the labor supply in Peru, in Brazil, and in the other countries is used in producing the sugar.

Mr. DOUGLAS. This proposal would result in a sudden increase in the quantities of sugar bought in countries which have surpluses of labor, countries where there are large numbers of unemployed persons who seek work. But I do not think there would be any increase in the wage scale, although there would be an increase in the volume of employment. Furthermore, I believe we would find that a relatively small group of persons would receive this windfall of approximately \$150 million.

Mr. ELLENDER. Mr. President, will the Senator from Illinois yield further?

Mr. DOUGLAS. Certainly.

Mr. ELLENDER. Will not the Senator from Illinois concede that in the past, before the takeover by Castro, Cuba was one of our best customers? In other words, Cuba then bought from us many automobiles and large quantities of rice, for instance. The reason for that was the purchases of sugar we made from Cuba.

By the same token, I say to my good friend the Senator from Illinois, if we can develop the program in such a way that Brazil and other Latin American countries can share in the U.S. market, we shall create a better climate for reciprocal trade.

Mr. DOUGLAS. That would sweeten relations with the millionaires, but would not help the great body of the people.

The Senator from Louisiana knows the great affection the Senator from Illinois has for him. It is interesting that the Senator from Louisiana should stand here and advocate aid to these countries.

Mr. ELLENDER. Through trade, not grants.

Mr. DOUGLAS. But I believe in aid on the basis of need, not on the basis of who produces sugar. The two do not have much to do with each other.

Mr. ELLENDER. I ask the Senator if he does not know that there is not a country in the entire world where sugar is now being produced that does not in some way protect the producers of the sugar within the country where it is manufactured.

Mr. DOUGLAS. There may be a few sweet drops coming down from the tables into the hungry mouths of the plantation workers below, but a large amount of it stays on the table and does not get down there. I ask the Senator, Who owns the sugar plantations in Peru, in Mexico, in the Philippines?

Mr. ELLENDER. I suppose the same argument could be advanced with respect to the big businesses in Chicago, Ill. Who owns them? The big businesses. But we are not going to argue that question. I point again to the fact that there is not a country in the entire world that does not, somehow, in some way, protect the sugar production of its own producers. The reason for doing so is that it is necessary. The surplus sugar produced, which amounts, as the record shows, to about 10 percent of the entire world production, is that part of the entire world production which floats around in the world and which commands the so-called world price to which the Senator has referred. It is a pittance compared to what the total amount of sugar produced in the world is.

I am sure the Senator from Illinois will concede that fact.

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

Mr. DOUGLAS. I yield for a question.

Mr. CAPEHART. Is it not a fact that in this instance we are following a policy which we too often follow? We were perfectly willing for years to pay Cuba the price of her sugar without any tax. Now we take the entire quota away from Cuba and divide it among our friends in Central and South America for whom we are spending millions of dollars to help. Now we are about to say to them, "We are going to tax you"—which we have not been doing in the past—"for shipping sugar to the United States." Is not that policy in line with the way we in the Senate get off on tangents, and do more harm than good?

Mr. DOUGLAS. No. Those countries have no right to a premium price. They have not had it in the past. This is a new bonus which we are giving them. There is no right on their part to take \$150 million out of the pockets of the American consumer. I know it is easy to play Santa Claus and give away money which belongs to American consumers. I know something about the sugar lobby coming from those countries. But the American consumers and taxpayers have interests, too.

What would we do if we reallocated the Cuban quotas, at the American premium price, and paid out an added subsidy of \$150 million as the House bill would do? We would build up vested interests in all those countries which they would not be willing to surrender. We hope that some time Castro will be out of power, or that he will completely change his policy and become our friend. I think the chances of the latter happening are relatively small now. But we hope that sometime in the future there may be a friendly government in Cuba, and we may wish to resume our former relations with Cuba.

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

Mr. DOUGLAS. In just a minute.

If we follow the policy of the House, what we will do will be to create vested interests within Latin America which will want to keep Castro in power. Because if Castro went out of power and Cuba got its 3-million-ton quota back again, those vested interests would be out of pocket. So what we would do would be to create vested interests in Latin America and help keep an anti-American government in Cuba.

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

Mr. DOUGLAS. I yield.

Mr. CAPEHART. It seems to me that the Senate has before it a bill to lend and give away \$600 million of the American taxpayers' money to Latin America. I am not arguing against the merits of the proposal.

Mr. DOUGLAS. As a matter of fact, I support the bill.

Mr. CAPEHART. But here is a bill under which Latin America can earn \$150 million by selling us sugar at the same price we formerly bought sugar for from Cuba. The Senator wants to take that \$150 million away from them, and that \$150 million will go to the Government in the form of tariffs. It is a tariff that will be imposed on those countries. I am not particularly opposed to it, but I wanted to bring the situation to the attention of the American people and set the record straight, so that it will show how inconsistent we can be in the Senate. On the one hand, we are going to lend Latin America \$600 million. On the other hand, we are going to deny them the right to earn \$150 million, and we are going to punish countries that are friendly to us, when not too many months ago we were paying Castro a big price for sugar. Now we are unwilling to pay our friends in Latin America the same amount. That is the nub of the whole issue.

Mr. DOUGLAS. Has the Senator from Indiana concluded? The Senator from Indiana confuses the countries with the sugar producers and owners. He thinks the interests of the sugar producers are identical with the interests of the countries and the people who live in them. That is not true. The sugar interests are made up of relatively small groups, a large proportion of them being American interests, who own lands there or have grinding mills there. What the Senator is really saying is, "Help these sugar producers." I am for aid to Latin America. I think the program for Latin America is an excellent one. One of the great advantages of my amendment is that it would put \$150 million into the Treasury of the United States, which would therefore help the taxpayers. It would also mean that the \$150 million could be used—

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

Mr. DOUGLAS. No. Let me finish the sentence.

The \$150 million could be used to help meet a part of the cost of the program of aid to Latin America instead of placing the full burden on the taxpayers.

What I say is, if we give aid, let us give it on the basis of need to the countries which need it, not merely to the sugar producers in a relatively restricted number of countries. Let us not have a program of foreign aid for millionaires.

Now I am glad to yield.

Mr. CAPEHART. This is another concrete example of what happens over the years, which has made enemies for us in Latin America. We continually push prices down to the point where they cannot earn dollars. Then we tax the American people so that we may send loans to them. Why do we not let them earn money?

Mr. DOUGLAS. I am ready to let them earn at world prices on the added amounts to be purchased. Why does the Senator from Indiana say they have a right to the Cuban quota at the bonus price?

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

Mr. DOUGLAS. They have never had it before.

Mr. CAPEHART. Primarily it is because we have been perfectly willing to give it to our enemy, to Cuba, and to Mr. Castro.

Mr. DOUGLAS. We did not give it to Cuba when Cuba was known to be an enemy.

Mr. CAPEHART. We did for a long time, after Castro came to power.

Mr. DOUGLAS. That was before it became evident that Castro was an enemy.

Mr. ELLENDER. Mr. President, will the Senator yield to me?

Mr. DOUGLAS. I yield to the Senator from Louisiana.

Mr. ELLENDER. The Senator is aware of the method by which the Cuban quota is distributed under the present law. For example, the first who are served are those countries with quotas of not less than 3,000 tons and not more than 10,000 tons. Those are all to be brought up to 10,000 tons.

Mr. DOUGLAS. The Senator is correct. Am I correct in stating those are Costa Rica, Haiti, Panama, the Netherlands, and Nationalist China?

Mr. ELLENDER. There are five.

Mr. DOUGLAS. Yes.

Mr. ELLENDER. The second category is the Philippines.

Mr. DOUGLAS. They get 15 percent of the remainder.

Mr. ELLENDER. Does the Senator think it is proper to charge the Philippines the extra 2 cents?

Mr. DOUGLAS. The Philippines will still get the bonus on the quota which is already theirs. They will get a bonus on that part. They will get the benefit of an additional quantity at the world price. Who has the sugar in the Philippines?

Mr. ELLENDER. Would not that problem be difficult to solve? We have a fixed quota for the Philippines, under the law, of 974,000 tons. If the Philippines is allotted an additional 200,000 tons, those who produce the additional sugar would have to pay the 2 cents, while those who produced the normal quota would not have to pay anything, but would get the benefit.

Mr. DOUGLAS. They are often the same people. Furthermore, as I understand, there is an allocation system in the Philippines.

Mr. ELLENDER. I do not believe it would be conducive to better relations between the United States and the Philippines to do what the Senator suggests.

Mr. DOUGLAS. Mr. President, some time back I put into the RECORD the details in regard to the proposal of the House of Representatives. Part of the material has been covered in the colloquies we have had since then.

The House proposal suffers from serious defects.

In the first place, it would build up a vested interest among those who received the additional quotas. In the future it will be almost impossible to take away these additional amounts and return them to Cuba when Cuba once again becomes, as we hope it will, a friendly government.

This is one of the incentives we can then hold out to Cuba. If Cuba will come back into the fold of American friends it can get back its quota of 3 million tons of sugar, and possibly a little bonus in addition. This is a powerful incentive to get the Cubans back on our side. If the Cuban quota is taken by Peru, Mexico, the Philippines, Nicaragua, and the Netherlands, it will be very hard to return the 3 million tons to Cuba. We will not be able to offer this incentive to the Cuban Government and to the Cuban people. Hence, the attempt to make Cuba a friend of ours will suffer. In addition, there will actually be an inducement to the other countries to be pro-Castro, because they will know that if Castro is put out of power, it will be possible, and even probable, that some of the sugar will be taken away from them. There will be an "internationale" of Latin American sugar producers to keep Castro and Castroism in power in Cuba.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. LONG of Louisiana. Is it not true that at present Castro is claiming credit all over Latin America for the \$500 million program for the so-called Alliance for Progress, on the basis that until Castro came into power in Cuba the United States never cared to do anything for those countries which would cost any great amount of money? Is it not true that when those people get the benefit of the subsidized price they may say, "That is one more advantage we get from Castro's coming to power." They get a much larger sugar quota, with a price far above the world market.

Mr. DOUGLAS. They will want to keep Castro in power, so that they can continue to have the increased quota at prices of \$50 a ton or more above the world market price.

The tragic Cuban situation is clearly against the best interests of the United States, and I think it is against the best interests of Cuba.

The action which the United States has taken with respect to Cuban sugar is fully justified. But I also believe that the forces friendly to the United States

should be encouraged. If the Cuban quota is redistributed among others, and they gain a vested interest in selling these highly subsidized amounts to the United States, it will be very difficult indeed to reverse this situation when the Cubans are again friendly and free.

I repeat a point I have made several times before, which perhaps cannot be emphasized too often: If we build up such vested interests we may very well create a situation in which these nations would be a great deal less concerned about bringing a change in the Cuban Government than they would otherwise be. Surely we do not want to build up economic pressures which would be satisfied with the status quo in Cuba because their interests would be harmed if Cuba again became friendly and free.

In the third place—this is perhaps the most important point of all—the price paid for the nonquota or Cuban share under the House bill would still be the highly subsidized price which offers virtually no protection or consideration to the American housewife and consumer.

I tried for several days to devise a system whereby this \$150 million a year could be used to decrease the overall price of sugar in the United States by \$15 a ton, or three-fourths cents a pound. The system of import subsidies, excise taxes, tariffs, production payments, and quotas is so built up that in practice, after trying for days, I came to the conclusion that it could not be done. Therefore, the amendment was directed toward what I regarded to be the next best thing; namely, to have the bonus go into the American Treasury, to have the difference between the world price and the American price on the former Cuban amount go into the Treasury so that the taxpayers would gain a benefit.

The taxpayers are also consumers, and probably, roughly, the same as consumers, although not identical.

This is a proposal to save \$150 million for the American taxpayers, instead of having it go to a relatively restricted group of producers in foreign countries who would get windfall profits to which they are not entitled in law, in logic, or on the basis of past experience.

As a result, the alternative which we proposed and which was adopted in committee by a unanimous vote was an amendment which would give the United States the right to buy the sugar, first according to the quota arrangements in the House, at the world price, but which also would provide that the "quota premium" of about 2½ cents a pound would be paid into the Treasury of the United States instead of into the pockets of producers of the additional 3 million tons.

This would net the American Treasury, and hence the American taxpayer, about \$150 million a year.

Let me point out that the proposal would provide some protection to the hard-pressed American consumer.

First, it would provide some protection to the hard-pressed American consumer—if not through lower sugar prices at least through increased revenues to the Treasury and hence lower taxes than otherwise. In this way the basic provision of the act concerning consumer

protection would be carried out to this limited extent.

Second, more than adequate supplies are now available for this purpose for there is now a surplus of sugar in the world.

Third, it would avoid building up a vested interest in the highly subsidized American market by those who would receive the right to fill the nonquota or former Cuban quota.

Fourth, it would assist the United States in its balance-of-payments problem. We are worried about deficits in the country. The measure would reduce the deficit by about \$150 million.

Furthermore, as I have emphasized, it would give greater reason and hope to the anti-Castro forces in Cuba to throw off their present shackles. They would then know that if their Government became friendly to the United States, the American market would be restored.

Furthermore, this proposal is exactly what the American Government did with respect to the Dominican Republic this last year. Dominican sugar was purchased at the world price, but instead of paying the additional quota premium to the Dominican producers it was paid into the American Treasury. Consequently, there is precedent for this amendment.

Some argue, as my good friend the Senator from Louisiana and the Assistant Secretary for Latin American Affairs did in the hearing, that the distribution of the Cuban quota to others is necessary as a foreign aid measure. I reject this argument. Foreign aid, under this argument, would go to countries not on the basis of demonstrated need but on the basis of their sugar-producing ability. Some non-sugar-producing countries, such as Bolivia, may well have greater needs for technical information, schools, roads, health services, and so forth, which are or can be supplied under foreign aid than do some sugar-producing countries.

I would add Ecuador to this list. This would not be the proper way to distribute foreign aid, namely, on the basis of who can produce sugar.

Furthermore, I wish to emphasize that the aid would not go primarily to the people of those countries, but would go instead to a small group of sugar producers in those countries.

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

Mr. DOUGLAS. I yield.

Mr. JOHNSTON. Am I to understand from the statement of the Senator from Illinois that he is in favor of returning to Cuba its quota when Cuba returns to the people of America properties in Cuba which were taken from them? When those properties are returned, we would then be willing to give them a sugar quota. Is that not the situation?

Mr. DOUGLAS. That is exactly correct. What I am saying is that if we redistribute the Cuban sugar at a bonus to producers, it will be very hard ever to return it to the Cubans; consequently we would lose an economic weapon which we would otherwise have to reach an understanding with the Cuban people and to throw Castro out.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. DOUGLAS. Yes.

Mr. LONG of Louisiana. I have often thought that the Sugar Act offered a considerable opportunity for something like an alliance for progress. It could offer some leverage to persuade foreign producers to improve conditions for workers in the fields. However, no such opportunity is offered in the short period of the present act, because, as the Senator knows, the sugar which we would be buying in the period immediately ahead is sugar that has already been produced. A large portion of the sugar is now in the hands of processors and those who own the mills, so that there is little possibility that a higher price could be reflected any time soon in benefits for the working classes. It would benefit only those who own the sugar. I doubt that we could say that in many instances governments would benefit, because the sugar is not held by the governments, but is held by private producers. Private producers produce the sugar and they now have it on hand.

Mr. DOUGLAS. The Senator from Louisiana has made one of the most significant contributions to this debate. What he has said is that the 3 million tons in question would not immediately increase production in the producing countries, but would be a bonus paid to speculators and the big interests which have the sugar in storage, produced under low cost conditions. It would amount to giving them \$150 million.

Mr. LONG of Louisiana. I believe such was the testimony of the expert from the Department of Agriculture. So far as the present record is concerned, there is no way he could anticipate that if we did make the proposed payment, that it would benefit the working people in those countries. Such is the impression that I gained from his testimony. This statement is not on record, but as the Senator knows, we were advised by Mr. Meyers and others as to who would get the benefit of the increased price on the sugar that had been produced. So there is no way by which we could use any leverage here for the benefit of working people who produce the sugar.

Mr. DOUGLAS. I do not believe in dragging individual names into a debate. But I have been checking on the Peruvian situation. There is one company there which has 50 percent of Peruvian production, and therefore presumably at least 50 percent of the sugar in stock. One company has from 10 to 20 percent of the production. Those companies would receive a bonus of tens of millions of dollars unless we accept the amendment which the committee approved by unanimous vote.

Mr. LONG of Louisiana. If the Senator will yield further—

Mr. DOUGLAS. I yield.

Mr. LONG of Louisiana. Based upon the way we are doing business at the present time, we could not use this premium price as leverage upon those countries to induce them to raise living standards, because we would be in no position to assure them in the future that they would be able to obtain the

premium price. Purchases would be made on the basis of urging those countries not to rely on producing for the United States in the future because the international situation might change. So in effect what we would buy is sugar that companies now have on hand, for the most part, which has already been produced.

Mr. DOUGLAS. I believe the Senator from Louisiana is absolutely correct. He has thrown into sharp focus the issues. The basic issue is whether the bonus of about \$150 million will go to the American people or whether it will go to a small group of producers who control the sugar supplies in the countries which would have their quotas increased. That is the issue.

The proposal I make is neutral on the question as to how much shall be imported and how much is to be grown at home. We are not proposing to change in any respect the price that domestic producers will receive on either cane or beet sugar.

If the domestic share of sugar production is increased, then obviously the foreign share will be diminished. The proposal which I make applies only to the foreign share of the nonquota, or balance. I have my own opinion on these other subjects, but so far as my amendment is concerned, it is neutral on the question as to how much of the sugar should be produced at home and how much should be imported. That has nothing to do with the case whatsoever. So I hope our beet sugar friends will help us on this measure. I hope our cane sugar friends will help us.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LONG of Louisiana. As one who represents a State which relies heavily on the production of sugar, I must say I do not think it helps us to have large windfall profits amounting to millions of dollars to be given to some international trading concern. Some of these traders, I agree, would make the profit somewhere else. That kind of procedure tends to place the act in an undesirable light.

It would be much better to face the fact that domestic producers cannot meet the cost of producing cane in some of the tropical countries, but that we can meet the cost of producing sugarbeets. There is also the necessity of having to depend upon a sugar supply this country can count on in case of an emergency.

I say frankly to the Senator that I have not been very much impressed by the State Department argument that these countries cannot understand that we would pay two different prices, because these countries which produce sugar expect to get two prices. They expect to get one price for the quota allotted by the United States, which is an unrealistic price from their point of view, as it is not related to the cost of production, and they expect to get another price on the world market.

Mr. DOUGLAS. Which is a lower price.

Mr. LONG of Louisiana. Which is a lower price, the world price, for the rest

of their sugar. Also they can presume that they would get more because the world price would go up. These people did not plant that sugar and they did not harvest it with the thought or assumption that they would sell it at subsidized prices in the U.S. market.

Mr. DOUGLAS. The Senator from Louisiana is so right in what he says, and primarily with regard to his statement respecting the State Department's attitude. I hope that upon mature consideration the State Department will change its mind. I make no charges about their good faith in this matter. However, there is altogether too much of a tendency to try to buy favor for the United States by putting money into the pockets of small selfish groups in these countries, in this case primarily, I think, big American sugar interests.

President Kennedy has been emphasizing the fact that in order to have a thoroughgoing aid program in Latin America, it must be carried out for the people, and that the governments there must agree to do something for the people. There is no such obligation under the proposed act. The Senator from Louisiana has referred to the windfall of \$150 million going to a relatively limited group. I would be willing to have an amendment added to the bill which would state that it was the intention of Congress that the \$150 million would help finance the program of foreign aid in Latin America, so that it might be used really to help the people there.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LONG of Louisiana. I discussed this subject matter with a person who has a responsibility in one of these countries which is getting a major benefit. His attitude was that he was happy to see the nation where he was serving being benefited by this increase in the quota. However, he regretted that the United States got nothing in return. He would like to have seen an arrangement under which either the people would be benefited, with the United States getting some credit for it, or else an arrangement whereby the foreign nation would do something in return that would benefit the United States.

So far as he could determine, there was no advantage that the United States had achieved out of the windfall benefit that went to the producers in that country.

I am fearful that that is what we are up against here. The \$146-million windfall will be paid to certain producers, without reflecting any significant benefit to the United States.

That is one thing that should be our purpose in the foreign aid program, namely, that when we spend the money for the foreign aid we should try to see to it that it is spent in such a way that it will reflect some advantage to the United States, although it does not always do so.

Mr. DOUGLAS. I thank the Senator from Louisiana, who knows a great deal about this problem. His comments are very much to the point. I would welcome an amendment which would declare it to be the intention of Congress

that the amount that is collected be used to help finance the Latin American aid program, so that the benefits could go to the people who need it, and to the countries which need it, and which would allow the aid to be distributed according to demonstrated need rather than subject to the accident of sugar production or sugar storage.

In 1946 the senior Senator from Arkansas [Mr. McCLELLAN] made an investigation of the foreign sugar lobby. It might be appropriate if we had an investigation of the foreign sugar lobby now. What are the groups that will get the \$150 million? Who are the groups, and who are the countries? Who are the speculators who hold this sugar in storage? Who is representing them in the United States?

I am very happy to have been joined in the supplemental views by the distinguished junior Senator from Arkansas [Mr. FULBRIGHT], the distinguished chairman of the Committee on Foreign Relations, who has studied this subject for years, and who has always had what I regard as a fine attitude on it. I should like to ask the distinguished Senator from Arkansas whether he would care to make some comments at this point.

Mr. FULBRIGHT. I intend to make a speech on this subject. I have placed my name on the list at the desk. I have asked whether I could follow the Senator from Illinois, but I understand that the Senator from Louisiana [Mr. ELLENBER] will move to strike the provision the Senator is discussing. I expect to speak in support of the amendment offered by the Senator from Illinois.

Mr. DOUGLAS. I thank the Senator.

Mr. FULBRIGHT. I wish to make some comments, too, about the letter which is being passed around. It is addressed to me by the State Department. It is a very brief letter, and does not go into the merits of the issue. I believe it was written on the basis of inadequate information and understanding of the full effect of the amendment. I am not persuaded by the letter when it states that the amendment is not in the interest of our foreign policy and the long-term interests, even, of the sugar people.

Mr. DOUGLAS. As I understand, the distinguished Senator from Arkansas, who is chairman of the Committee on Foreign Relations, says that in his judgment the amendment which was inserted by the Committee on Finance is not damaging to the foreign policy of the Nation. Is that correct?

Mr. FULBRIGHT. I certainly do. On the contrary, I believe the amendment would in the long run be beneficial. I believe it would avoid the creation of additional vested interests with now unknown countries which would be given special premiums which were hitherto given to Cuba. Those benefits were not given to Cuba for economic reasons, but for emotional reasons, connected with the Spanish-American War, and a feeling of responsibility for the welfare of the people of Cuba.

In my judgment there is no justification for transferring those benefits to other countries.

The idea that this would be aid to them is not, in my opinion, valid, because it would be aid on a hit and miss basis. I am in support of the President's program for aid to Latin America. That aid should be given on an orderly basis in accordance with need and in response to actions taken by those countries in their own welfare.

The basic principle of the President's new program in Latin America is that it is a cooperative program, that it is an alliance, and is not a unilateral program; that it is based upon cooperation among the respective countries. That is a sound way to approach the problem. The proposal before us would distribute the largess of approximately 2 cents a pound in the form of a premium to whoever might be given this quota. Furthermore, it would guarantee in these countries the expectation of a continuation, which I doubt would be in the interest of our foreign policy. I do not believe it is sound.

I can only say to the State Department that I disagree with them. I do not believe they have had an opportunity to consider all the aspects of it. It is true that they did not have much time to do so, because the subject came up only a short time ago. I have not spoken to the President about it, but I doubt that he had an opportunity to give any personal attention to this matter before the letter was written. That is only my opinion, of course.

Mr. DOUGLAS. The statement just given, Mr. President, is from the distinguished chairman of the Committee on Foreign Relations, who has devoted a lifetime of study to the whole question of foreign relations, and who is the greatest authority in the Senate on these matters, and who, incidentally, has studied the sugar issue for a good many years.

I am very happy to find myself in close agreement with him as with the senior Senator from Virginia.

Mr. FULBRIGHT. It is true that previously I have opposed the bill, but this amendment has no effect whatever upon the domestic producers of sugar. It does not touch them at all. The question of whether it is a good bill with respect to their interests is not in any way influenced by the amendment.

It also has the incidental effect, if it is kept in the bill, of returning in the neighborhood of \$120 million to \$150 million to the Federal Treasury. That is something which is of interest to other Members of this body who have no particular interest in sugar, but who are interested in the solvency of the Treasury.

The proposal also has an influence upon the question of the balance of payments. We have talked much about the balance of payments. The amendment would prevent, in effect, the outflow of \$125 million to \$150 million in gold. The amendment would have a beneficial effect upon the Treasury and our economy.

Mr. DOUGLAS. I think the Senator from Arkansas. If we were to adopt language indicating that it was the intention of Congress that the sums thus collected by the Treasury would be used

to help finance the Latin American aid program, should not that remove any possible objection on the part of the Department of State?

Mr. FULBRIGHT. I myself would not advocate that. I think the aid program stands on its own. We have made an authorization, and I think there will be an appropriation of \$500 million in the first stage. I think everyone believes that this is the first stage, assuming that the program is developed properly and in accordance with the principles which have been set forth.

Mr. DOUGLAS. But this proposal would indirectly help to finance the program.

Mr. FULBRIGHT. The money will be in the Treasury, certainly. I thought the Senator was referring to earmarking the money. I do not believe there would be any advantage in earmarking \$150 million. If it is in the Treasury, it will be available for this purpose. An individual judgment should be made as to the amount needed for the aid program in Latin America.

Mr. DOUGLAS. But would not the indirect effect be to aid that program?

Mr. FULBRIGHT. Oh, certainly; any amount would. I thought the Senator meant that the money should be earmarked for that program. As the Senator from Illinois has proposed it, it is a sound plan and ought to be adopted.

Mr. DOUGLAS. I think the Senator from Arkansas. His reinforcement is mighty.

Mr. FULBRIGHT. I do not know about that, but I think the plan is sound.

Mr. DOUGLAS. I am deeply pleased.

Mr. LONG of Louisiana. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. LONG of Louisiana. The Senator from Illinois knows that I withheld my vote in committee when he offered his amendment, because I was somewhat concerned about the effect it would have. I thought it might prejudice the bill. I am still somewhat concerned about the proposal. So far as the merits of the Senator's amendment are concerned, and speaking entirely as to the merits, it seems to me that the people who would be benefited by the \$150 million are a very small number, who did not anticipate it.

I would feel entirely differently about the amendment if its effect would be to deny decent living wages and working conditions to the millions of people who work in the cane fields. However, it seems to me that the purpose of the amendment is entirely directed to a small number of wealthy individuals who have many millions of dollars' worth of sugar on hand.

If I might paraphrase a statement by Winston Churchill, unless we adopt the amendment, I think the bill will do the opposite of what Sir Winston said with respect to the Royal Air Force, when he said:

Never have so many owed so much to so few.

In this case, never have so many done so much for so few.

Mr. DOUGLAS. Or: Never has so much been done for so few, at so little risk.

Mr. LONG of Louisiana. Never have so few got so much for so little. Put it that way.

Mr. MORTON. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. MORTON. I, too, withheld my vote yesterday in the Committee on Finance, as the Senator well knows. I still have apprehension about the amendment. The wage scale in Cuba was tied to the price of sugar, as the Senator knows. One of the difficulties Mr. Castro is having today is that as the price of sugar has gone down, the wage scale has gone down.

I do not speak as a partisan supporter of the President. I think I have made that abundantly clear in the past months.

Mr. DOUGLAS. I believe that is true.

Mr. MORTON. I must say that I wish the President well in his efforts in Latin America, as all of us do, I am certain. I believe we should get a sounder or more thought-out judgment from the administration and from the State Department.

I do not want to see the Senate take hasty action now which will kill any good impact which the conference held at the White House the other day had. I feel certain the Senator from Illinois agrees. The results of the conference were not received with any great degree of enthusiasm, but they were received favorably by most of the governments in this hemisphere. I think that if we deny something, on the one hand, while we promise something else, on the other hand, we can, as a result, affect the effort which the administration is trying to make to solidify, in the free world, the nations and the peoples of this hemisphere.

Mr. DOUGLAS. I thank the Senator from Kentucky. I think I have given evidence of the fact that I am a strong supporter of the President.

Mr. MORTON. That I do not question.

Mr. DOUGLAS. I intend to continue in this course. I agree heartily with the President's Latin American program. I intend to support it. I believe in making available the full \$500 million.

In all these programs, we have the problem of financing them and of finding the money to pay for them. I am certain there will be some Senators on the other side of the aisle and some Senators on this side of the aisle who may say that we cannot afford this Latin American program. My amendment will at least provide \$150 million, which will make it possible to extend foreign aid on condition that the foreign countries do something to improve their own situation; that they revise their tax systems; that they develop a better system of land holdings; and that they improve the condition of their people.

I think \$150 million would provide us with an added lever with which we could work.

As the Senator from Louisiana [Mr. LONG] has pointed out, the people who may gain from this House proposal are really not, preeminently, the common

folks of those countries; perhaps not even those who will produce sugar in the future; but they are the people who hold sugar in storage at the present time and who will receive a tremendous windfall because they will have bought sugar at world prices and will sell at market prices, or over \$50 a ton more than they paid for it.

Mr. MORTON. Mr. President, will the Senator from Illinois further yield?

Mr. DOUGLAS. I yield.

Mr. MORTON. Unfortunately, the bill comes to us under a deadline. I know the Senator from Illinois and I both regret that. However, I should like to ascertain the facts about who would be the beneficiaries. Are there other countries which are involved where the wage scale is geared to the price of the product, as it was in Cuba, and as it is today in Cuba? That sort of thing gives me some concern.

Following the observations made by the chairman of the Committee on Foreign Relations, the distinguished junior Senator from Arkansas [Mr. FULBRIGHT], who has backed the so-called Douglas amendment, I imagine that the amendment will remain in the bill. However, I think it is unfortunate that we must take this action in a 48-hour period. I know the Senator from Illinois agrees with me in that statement, because he expressed in committee, as he has often expressed in committee, the view that revenue measures should not be brought up under a deadline. I am sympathetic to his position in that respect. Nevertheless, we cannot close our eyes to the fact that there is another side to the question. I simply wish we could get a more definitive statement from the Secretary of State or the White House itself on this subject.

I do not believe that we are in a position, with the facts now known to us, to legislate in this manner. It could have a very heavy influence on what this administration is trying to do in this hemisphere. I think none of us wishes, in any way, to put hurdles in the road of progress in this hemisphere.

Mr. DOUGLAS. I appreciate the attitude of the distinguished Senator from Kentucky. Certainly it is not partisan in any sense—quite to the contrary. For that, I commend him and invite him to continue in the same course.

But as legislators we have to use our judgment. We are not robots. Frankly, I think some of us are better informed and have a clearer view of this subject than do some in the lower echelons in the Department of State. I know that my friend from Kentucky served in the Department of State. I certainly do not want to join in any denigration of the personnel of the Department of State.

But there is a tendency for every occupational group to try to ingratiate itself with the people with whom it is dealing. That is natural; it is an occupational hazard.

Our diplomats deal with the diplomats of these countries and, primarily, with the well-to-do and the upper class people there. Over glasses of loganberry juice or lemonade they discuss

with them the sugar issue and other matters; and it is only inevitable that they will be affected by the views of that relatively small group of wealthy men. However, personally, I am unwilling to abdicate my use of commonsense simply because an Assistant Secretary of State says these bonuses should be paid.

Frequently we find that attempts are made to give the impression that minor officials—whose views may not be very well founded—are speaking for the President of the United States. When President Truman was in office, I objected to that situation. Frequently we would be told what the President desired, but we would find that it really was not at all what the President desired, but was only what some minor official desired. As the Senator knows, I objected to that quite strenuously also during the last administration.

Certainly the Senate must not abdicate the fulfillment of its responsibilities. Senators must do their duty. Of course we should cooperate with the administration, and of course we should put the interests of the Nation first. But we should decide what are the interests of the Nation.

Unfortunately, there is much too great a tendency to pay very little attention to the interests of the taxpayers. Some persons say that the other subsidy of $3\frac{1}{2}$ cents a pound will amount to only \$12 or \$13 a year for a family of four. But, Mr. President, even though \$12 a year a person does not seem to be a very great amount, nevertheless, the total amount involved is a very large one; it is \$150 million. It may be said that when the \$150 million involved in my amendment is prorated for the entire population of our country, it amounts to only 80 cents a person. Nevertheless, the total bill will be \$150 million.

Of course, one of the great difficulties in connection with representative government is the fact that the producing groups and interests tend to be concentrated, whereas the consuming groups and interests are diffused. So the public interest is diffused. In such a situation, the public interest tends to be weakened.

Recently I was reading Prescott's description of the conquest of Mexico in the early days, and also his description of the conquest of Peru. As we know, hundreds of thousands of the natives in those countries were conquered by very small groups of Spanish soldiers. The Incas and the Aztecs were conquered because they were diffused; and the result was that a rather small number of Spanish soldiers were able to overpower them.

Today, in our country, the special interests have the benefit of propaganda, ample funds, and much publicity. As a result, they have tremendous power. But the poor housewife or baker or child who pays a subsidy when they drink a soft drink does not know what the issues are, and has no way of understanding this complicated situation, and cannot make his voice heard. But we as Members of Congress should be the representatives and the defenders of all those persons.

Mr. MORTON. Mr. President, will the Senator from Illinois yield?

The PRESIDING OFFICER (Mr. BURDICK in the chair). Does the Senator from Illinois yield to the Senator from Kentucky?

Mr. DOUGLAS. I yield.

Mr. MORTON. I have no quarrel with the Senator from Illinois in connection with his discussion of Peruvian history or anything of the sort.

But I wish to ask whether the Senator from Illinois has received from the White House or from anyone in a high position in the State Department—from any noncareer appointee of this administration—any support for his proposal?

Mr. DOUGLAS. I do not know.

Mr. MORTON. If he has such support for it, I will go along with it.

Mr. DOUGLAS. I am glad to learn that the Senator from Kentucky will support recommendations which come from the White House. We shall call on him for payment of that check when we come to deal with the minimum wage.

Mr. MORTON. Mr. President, when the security of our country is involved, the administration will get my support.

As I have stated, my desire is to be sure that the Senator's proposal has received support from the White House or from a high ranking official in the State Department.

Mr. DOUGLAS. Of course I know that when the security of the country is involved the Senator from Kentucky will throw partisanship to the winds.

Mr. MORTON. On this floor I have consistently taken that position and refrain from using the floor of the Senate as a forum for my statements as chairman of my party's national committee.

Mr. DOUGLAS. Of course that is true. The Senator has done his other work on the outside, as he had every right to do.

Mr. MORTON. But I wish to be sure that the interests of the country are protected. If the administration can convince me—and I think it can, when the chips are down—that a matter involves the security and the best interests of our country, partisanship will not enter into the picture so far as I am concerned.

So far as the pending proposal is concerned, I am deeply interested in knowing whether the State Department takes a position in regard to it. Of course, if such a recommendation is made by someone serving in a low level at the State Department, I shall not go along with it, any more than the Senator from Illinois would.

I believe that in connection with this matter we should get the Secretary of State or the Under Secretary of State or someone at the White House to tell us whether in his opinion this proposal is a desirable one in the national interest. It sounds fine to me; and if it is, I will go along with it.

Mr. ELLENDER. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. ELLENDER. Let me say that I have received such a statement.

Mr. MORTON. Very well; that is fine.

Mr. LONG of Louisiana. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. LONG of Louisiana. At one time I had the honor of sitting in the Foreign Relations Committee alongside the present President of the United States; and I believe that situation existed there when this problem first came up. I refer to the problem of what we are to do with the Cuban sugar quota. As I recall, at that time Mr. Mann was the adviser on that issue.

Mr. DOUGLAS. Yes.

Mr. LONG of Louisiana. I believe he still is; and perhaps he is advising the President.

During the hearings Mr. Mann advised the committee about this matter.

Mr. DOUGLAS. That is correct.

Mr. LONG of Louisiana. But when he first came before the committee to discuss this issue, his position on it was entirely flexible. He recognized entirely that the purchases could be made on a world-market basis, at the world-market price—in which event there would be no large windfalls. He also recognized that the purchases could be made on a quota basis, with the various quotas reassigned and large windfalls to certain producers.

Mr. Mann did not have an opportunity to write this measure in the way he wanted. He went before the House Committee on Agriculture; but that committee then constituted itself a Foreign Relations Committee, for the purposes of this measure. Various outstanding members of that committee had visited the entire area, and had their ideas in regard to what should be done—as the Senator from Illinois will recall. For instance, they had the idea that the Dominican Republic should have a very large percentage of this increase, at the premium price. But that was contrary to the position of the then President of the United States; and I assume it is contrary to the position of the present President of the United States and is contrary to the position of Mr. Mann, who at that time was advising the committee.

Mr. DOUGLAS. And it is contrary to my position.

Mr. LONG of Louisiana. That is right.

So, in effect, what the House committee did was contrary to the attitude of the Senate and was contrary to the attitude of the administration. Nevertheless, because of the deadline, the House committee succeeded in doing it. In that situation the House sent to us a bill which would expire at a certain time. We realized that the bill would create problems; but we could not very well fail to pass the bill, for if we did not pass it, no measure dealing with this subject would have been law at that time.

I doubt that the President of the United States would take a position contrary to the one being urged by the Senator from Illinois. I must say that if the President were particularly concerned about this matter, I would have thought I would have heard more about it than I have from those who represent the executive branch of the Government,

because I had to seek from the executive branch the little I know about this matter.

I should like to make one or two points in regard to what the Senator from Illinois has been saying.

There is a great deal of difference between actually aiding the people of a country and aiding only a small group in that country. For example, the Senator from Illinois has pointed out that according to the chart to which we have been referring, Peru would be allowed a quota of 176,426 tons—

Mr. DOUGLAS. On page 4, we find that it would be 215,000 tons on a quarterly basis, or 860,000 tons on an annual basis, under the provisions in effect for this last quarter; and if the premium is \$50 a ton, that would amount to \$43 million.

Mr. LONG of Louisiana. It is a misleading statement to speak of Peru getting \$43 million if there are only a few large producers in Peru getting the money.

Mr. DOUGLAS. Two companies have from 60 to 70 percent of the Peruvian production.

Mr. LONG of Louisiana. I do not particularly know the names of those companies, and do not particularly care which companies they are, or whether they come from one particular section of the country or another. I believe one of those companies is American owned and controlled.

Mr. DOUGLAS. That is correct.

Mr. LONG of Louisiana. So, in effect, an American company would get much of that money. It is said that Peru would get it.

Mr. DOUGLAS. About 20 percent.

Mr. LONG of Louisiana. But it is not a matter of Peru getting the money; it is a matter of a few small companies getting it.

Mr. DOUGLAS. A few big companies.

Mr. LONG of Louisiana. A few big companies holding land in that country will get the money.

Mr. DOUGLAS. That is correct.

Mr. LONG of Louisiana. If we want to do something for the people of Peru, if we want to make this proposal become a part of the foreign aid program, I would suggest that the way to do it is to start out by adopting the Senator's amendment. Some people think we expect to give all this money away immediately, willy-nilly, in order to be sure that it gets there. But the fact is that the money never seems to achieve the desired results if it is given away that way. So far as I can determine, as a member of the Foreign Relations Committee and of the Finance Committee, there is no reason to think that any of the \$150 million is to be used for the benefit of the people. So far as I can determine, it would go largely for the benefit of certain large producers, who will be making a large windfall profit.

Mr. DOUGLAS. And some importers might get it.

Mr. LONG of Louisiana. And also some importers who happened to hold sugar. If it is desired to make this aid a part of an alliance or a trade arrangement, the way to start it would be to buy the sugar at the world price. Then if

we found that a country could use a premium price to put into effect better working conditions, or better conditions of government, or better social conditions, we could then proceed to give it the money on the basis of a cooperative arrangement, in which the government would do something for the benefit of the people.

Clearly, if the money were given away in this fashion, there is no reason to believe it would achieve the desired result of helping the people, or that they would receive any benefit as a result of our spending the \$150 million.

Mr. DOUGLAS. It would be very interesting to learn how much of this money, which would go into the pockets of a relatively few, would be deposited in Swiss banks, and possibly used as a means to have a run on American gold. That is a subject which I think should be probed in the future.

Mr. LONG of Louisiana. If the Senator will yield further, it seems to me that once this particular procedure is started, it will be difficult to shut it off, and that it is better not to get it started in the first place. While it might be desirable eventually to pay this amount, it might be better to start on the basis of paying at the world price, and then see what sort of arrangements could be worked out to assure some benefits to the people of the United States as a result of their paying \$150 million extra.

Mr. DOUGLAS. The Senator is correct.

Mr. President, let me conclude my remarks.

SUMMARY

In summary, this amendment would, first of all, greatly benefit the American taxpayer, whose interests have long been ignored in the administration of the Sugar Act.

Second, it would avoid building up vested interests in the nonquota or former Cuban share of the American market at premium prices.

Third, it would provide an incentive for the Cuban people and other countries to seek a change in the present Cuban Government, rather than approve the status quo in Cuba, which would be the case if the quotas were redistributed at premium prices.

Fourth, it would provide additional funds which could be used in programs for aid to Latin America on the basis of need and a well planned program, not on the accident of who grows sugar, and would enable the funds to be freely distributed, instead of concentrated in a relatively few speculators.

Fifth, this amendment would follow a precedent already set by the American Government with the Dominican Government only this last year.

Sixth, it would assist the United States in its balance of payments problems.

It would decrease the claims which foreign governments have on our gold supply by \$150 million, and if, as I suspect, some of this money would be deposited in a Swiss bank, would decrease the ability of Zurich to tighten the fiscal knot around the throat of the United States Treasury.

Mr. President, I yield the floor.

Mr. ELLENDER. Mr. President, I move that section 4 of the bill be stricken. That is included on page 3, beginning with line 10, down through line 20.

Mr. CURTIS. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. Yes.

Mr. CURTIS. The proposal of the Senator is to strike out the Douglas amendment. Is that correct?

Mr. ELLENDER. Yes.

Mr. President, much of what I was going to say about the Sugar Act has already been debated. As Senators know, we have had quite a bit of difficulty in the last 2 or 3 years in attempting to have sugar legislation enacted on a long-term basis. It seems that the House has adopted a program of sending the Senate a bill during the closing days of the Congress, with the results that our Finance Committee is unable to go into every aspect of the sugar problem.

I am very sympathetic with the continental producers of sugar beets as well as sugarcane. It strikes me that, if and when we are able to propose a long-range Sugar Act to the Congress, some leeway should be given to the administrator of the Sugar Act to increase production of sugar in the continental United States.

For a long time I have felt that we ought to produce at least one-third of our consumption requirements in the United States, not including Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

Today under the basic act domestic growers of beets are permitted to produce 1.8 million tons, which constitutes 22½ percent of our requirements based on 8 million tons. The mainland cane sugar quota is fixed at 500,000 tons, based on a grand total of 8 million tons.

It can be readily seen that if we use the formula to which I have referred—that is, to produce at least one-third of our consumption requirements—we would still have quite a way to go. With a consumption requirement of 8 million tons of sugar, continental producers are permitted to grow only 28.7 percent of our requirement.

We are all very anxious to pass this bill and send it to the President within a few days, because if we do not, the Sugar Act will expire. The deadline is March 31 at 12 midnight. Unless Congress acts by that time it is entirely possible a lot of unwanted sugar will be dumped into the United States and will thereby affect the market very adversely.

It is my hope the Senate will agree to the amendment I am sponsoring. It is my belief that if the Senate does agree to eliminate the so-called Douglas amendment, which we have been debating almost 3½ hours, the House of Representatives will accept the other change the Senate committee has made. As we all know, the other change made by the Finance Committee reduces the time during which the current act would be effective from 21 to 15 months. In other words, instead of the act expiring on December 31, 1962, it would expire on June 30, 1962.

I have expressed the hope there will be sufficient time remaining in this session for the committees of the Congress, particularly the Committee on Agriculture of the House of Representatives, to draft a bill which would do justice to the continental producers of cane and beet sugar.

Mr. President, one of the other reasons for extending the act is that I do not believe it would be desirable for the Congress to allocate the so-called Cuban quota on a permanent basis. The law as it is now written gives to the President a wide discretion as to who shall get the Cuban quota. The terms upon which the quota is to be allocated to a particular country are not on a permanent basis. Each of the countries which is to receive more sugar than is now allotted is told that the additional quota is not to be on a permanent basis.

I voted against the present law, because I thought the bill should have had a longer life than what was finally agreed to by the Congress. As I recall, action was completed after midnight a year ago. Now that we are confronted again with a situation of either accepting the act, by way of extending it as written, or else having no sugar law whatever after midnight on March 31, I believe it is incumbent on the Senate of the United States to pass the proposed legislation as soon as possible. I feel confident that if the bill is passed as presented by the Finance Committee of the Senate, minus the Douglas amendment, which I now seek to eliminate, there will be no need for a conference, and we can get through with the proposed legislation within hours after the Senate completes its deliberations.

Mr. President, the law as it is now on the statute books provides the methods by which the administrator of the act shall distribute the so-called Cuban quota. The first countries to receive some of the quota are designated in the act under section 408. These are the foreign countries which have quotas of not less than 3,000 tons nor more than 10,000 tons. These quotas are all to be raised up to the 10,000-ton limit. As was brought out in the debate, there are only five countries in that category.

The next country is the Republic of the Philippines, which will receive 15 percent of the remainder of the so-called Cuban quota. As I pointed out previously, it strikes me it would be harmful to the relationship between the United States and the Philippines if this friendly country is permitted to ship only the regular quota to the United States under the preferential agreement and then told that any further allocation we permit would have to be sold at the world price.

Mr. President, the act further provides that the remainder of the quota, including any unfilled portion of allocations already provided, shall be purchased from foreign countries having quotas under section 202(c). These countries will receive allocations in proportion to their present quotas; except, of course, the Dominican Republic. It is not my purpose to spend any time discussing that phase of the act. I

have done so in the past. I merely wish to say I think it was shameful for us not to allow to the Dominican Republic its just share of the Cuban sugar quota.

I have made several trips to the Dominican Republic over the years, and I can say that great forward strides have been taken in that country by the present Government. When the present leader of the Dominican Republic took charge back in the early 1930's the country was a shambles. Through hard work, and without financial assistance from our Government, great progress was made. Roads have been built, fine schools have been constructed, and hospitals have been erected. I daresay that there is not a country in either South or Central America in which the people as a whole are better off and have better opportunities than in the Dominican Republic. Those accomplishments were attained by utilizing more effectively the resources of that country.

As I said, I do not care to argue any further the point in respect to the Dominican Republic. I am willing to accept the bill that the House has presented to the Senate, in which there is a refusal to give a quota increase to any country that has no representation with our Government. It is my hope that sometime in the near future we shall be able to renew our friendly relationship with the Dominican Republic so that they can then come within the purview of the act.

Much has been said as to whether or not the State Department favored the committee amendment, and as to whether or not the administration was for or against it. As I understand, the executive department is against the so-called Douglas amendment. I wish to read a short statement indicating that opposition:

A provision that the premium paid foreign producers for sugar imported under reallocation of the Cuban quota should be captured by an import levy is contrary to the national interest.

1. This would be a fundamental change in longstanding policy, which would involve a number of troublesome questions, and therefore should not be acted upon hastily and without opportunity to identify and consider the problems involved.

2. This would becloud and confuse the basis of U.S. policy in transferring procurement from Cuba. It is desirable that the consideration of the U.S. Government in allocating procurement from Cuba should be widely and clearly recognized. Expressed simply it was to avoid dependence on an area which has a hostile government, and accordingly to diversify sources of supply. It would be highly undesirable if these considerations were to be clouded with an impression that the U.S. objective is to reduce the cost of imported sugar and thus to change the basic relationship between domestic and foreign suppliers to the U.S. market.

3. A large part of the sugar needed to replace Cuban supplies would be purchased in Latin America. The nonquota countries in Latin America which are in need of foreign exchange to finance their economic and social development would find it difficult to understand why they receive a price substantially inferior to the price received by the domestic industry, formerly received by Cuba, and currently received by other countries which have basic quotas under the Sugar Act. These countries would regard

such action as inconsistent with the Alliance for Progress recently proposed by the President.

I have been quoting directly from a statement that was made to me by the State Department last night. I do not wish to occupy the attention of the Senate any longer. I believe that the statement speaks for itself. It strikes me that the law that we hope to reenact is sufficient to give the President leeway to distribute this quota effectively and fairly and on a basis that will not indicate any permanency. I am very hopeful that during the period from March 31 until the expiration of the proposed act the committees in both the House and the Senate will get together and draft a long-range bill that will be acceptable. This should be done as soon as possible. I express the hope that when that time comes, the relationship between our country and Cuba will be better than it now is, and that we shall be able to reallocate to the Cubans a fair share of the quota that has been taken from them.

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

Mr. ELLENDER. I yield.

Mr. DIRKSEN. The distinguished Senator from Louisiana, whom we recognize as the capable chairman of the Committee on Agriculture and Forestry, has referred to a conversation in memorandum form that was disclosed to him last night as to the attitude of the administration on the Douglas amendment. Why is there not some official communication here from the President of the United States or the appropriate official of the State Department? The reason I raise the question is that on the night of September 1, 1960, I belabored the Senate on this very issue to secure for President Eisenhower in the national interest flexibility of action to distribute the Cuban quota where he thought it would do the most good, and I was fortified with official information over the signature of the President on that point. Why should there not be an official communication before the Senate now, if, as the Senator has said, the administration—and that means the President—believes that the amendment is inimicable to our relationships with Latin America and not in the interest of a sound U.S. policy?

Mr. ELLENDER. Mr. President, I have a short answer to that question. I believe my good friend the Senator from Illinois himself was very much surprised when his amendment was agreed to.

All this was done.

Mr. DIRKSEN. I was not surprised.

Mr. ELLENDER. The Senator was not surprised?

Mr. DIRKSEN. No. I thought the persuasiveness of my case was such that the result did not surprise me.

Mr. ELLENDER. The fact is that I did not know about this amendment until late yesterday afternoon. The moment I heard of it I consulted Members of the House. I was informed that they were not going to take it. I then consulted with the State Department and suggested to the State Department that it prepare a statement in regard to the

matter, and this was immediately done. I am sure that before the debate is over someone closer to the President than I will indicate that the administration is opposed to the Douglas amendment. I believe that will be forthcoming within the next hour.

Mr. DIRKSEN. There ought to be a summary statement to clarify the situation which now prevails on the floor of the Senate. As everyone knows, here is a situation in which someone gets something by the "grapevine." There is a homely and perhaps somewhat vulgar expression, but certainly it is a very expressive term, that people get something from the "horse's mouth," whatever that means; but that sort of thing can be picked up in different quarters. I would like to be fortified and have nailed down what the official attitude of the administration is on the proposal which is embodied in the Douglas amendment.

Mr. ELLENDER. I assure the Senator from Illinois that the document from which I have read is official. It was handed to me last night by one in authority, and it expresses the views of the administration.

Mr. DIRKSEN. But where is the signature?

Mr. ELLENDER. I hope the Senator will take my word for it. I myself consulted administration representatives when I learned that the bill was to be taken up at 10 o'clock today. We had to do a little rush job. There was really no time for me to contact the President. I would probably have done that last night, but then he might have referred me to the State Department. Instead of going to him, I went directly to the State Department representatives. I knew, in fact, from previous talks with them that they desired some leeway in handling the allocation of these quotas. If the Douglas amendment prevails they will have to buy sugar from anyone they can. The original measure allows them to more or less control the purchases. It is my belief that the Douglas amendment would cause a great deal of hardship. In addition it would cause a great deal of difficulty to those who would administer the act.

It could not be explained to the people of South and Central America. They would say, "You have been giving Cuba these benefits. Why are we not entitled to them?"

The Senator from Illinois can understand that, I am sure. Before we vote on the bill, I am sure there will be forthcoming a statement from the President to verify what I have just read.

Mr. DIRKSEN. In the spirit of the New Frontier, I wish to suggest to my distinguished friend from Louisiana that if he will call up his Chief in the White House I am sure we can get one of the riding pages to get on his horse and dash down there and get the statement. It should not take more than an hour. The distinguished Senator from Ohio [Mr. LAUSCHE] has just said that he would volunteer to go there himself. That is in the spirit of the New Frontier. I would like to see this matter laid out in official fashion. I would like to see the sentiments documented, and then I would like to see the signature at the

bottom of the page. There is nothing that gives such stability to a piece of paper as the right kind of signature at the bottom of it.

Mr. ELLENDER. The Senator is not inclined to say that this paper is not authentic, is he?

Mr. DIRKSEN. Oh, indeed not. My friend is the soul of all that is authoritative and authentic. He would never disclose to the Senate any sentiment imputed to someone else unless it were religiously stated as a fact, because his reputation for probity and integrity is absolute and unimpeachable.

Mr. ELLENDER. And beyond reproach, too.

Mr. DIRKSEN. Yes; but I would still like to see the signature. [Laughter.]

Mr. ELLENDER. Very well. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. CARROLL. Mr. President, I support the Senate Finance Committee proposal to extend the 1948 Sugar Act through June of 1962.

This is a 15-month extension, and as such is an improvement over the 21-month extension provided in the House bill.

I would prefer to see an extension of the present act for only 9 months, through the end of this year.

However, with the time running out on us and the act about to expire on Friday night of this week, the realities of the situation force us, in this instance, to accept what is possible to get.

I think we can get a 15-month extension, and when our Senate conferees meet with the House I hope they will hold firm for 15 months, bearing in mind the problems of Colorado sugarbeet growers.

The longer the act is extended on a temporary basis the greater the potential trouble for the sugarbeet growers in my State.

What our Colorado beet farmers need is fast congressional action on a new, permanent sugar law; one that will treat the disposition of the Cuban quota in an invariable and stable manner over a long period.

In general terms, the new sugar law ought to provide for increased marketing allotments and increased growing acreage allotments for beet sugar.

These allotments ought to apply over a long enough period of time to permit the farmers and the processors to amortize the investments they will be required to make in putting new beet acreage and new beet factories into production.

The reallocation of the 3 million tons of raw sugar previously reserved for Cuba will mean a substantial change in the farm economy of 27 States and U.S. possessions and 20 foreign nations.

In terms of acreage the 3 million tons could mean in the neighborhood of an

additional 1 million acres of farmland converted to sugarbeet and cane production.

This will have a tremendous economic impact in the areas where the sugar is planted, factories expanded and new processing facilities constructed.

The uncertainty surrounding this growth in sugar production must be removed as swiftly as possible.

This is why I support a short temporary extension of the 1948 act and fast action on a new permanent act.

The unfairness in a long—that is 21 months—temporary extension of the 1948 Sugar Act is this: Our own domestic beet and cane sugar growers and our friends in sugar growing Western Hemisphere countries are going to increase production without a long-term commitment for markets for their products. They are going to hope for long-term markets, but for the next 21 months they will have no assurance.

Not only our domestic producers, but also our foreign friends, need to know over a long period what sugar tonnage they can expect to be able to market at a fair price. Twenty foreign nations, at this time, are temporarily filling the Cuban quota.

The longer we extend the 1948 act on a temporary basis the more uncertain, the more complex, we make conditions for Colorado farmers and farmers in other beet-growing States. At the same time, by extending temporarily re-assigned quotas to other sugar producing nations we tend to induce them to build up their farm and processing production to the point where eventual readjustment, or cutback, in, say 1963, could cause severe economic repercussions. Such repercussions would necessarily have unfavorable foreign-policy reactions.

The wisest course for our Government to take would be to extend the 1948 Sugar Act for as brief a temporary period as is practical.

I would favor 9 months, but I will, accepting the political realities facing us, agree to 15 months.

However, I urge a prompt determination of this issue by the Congress.

The chairman of the House Agriculture Committee has stated that he will hold hearings on a new and permanent sugar program in May of this year.

Relying on this promise I will support this temporary extension.

It is my hope that we can still complete action on a new sugar law before adjournment this summer.

It is vital to our domestic growers and to stable foreign relations that we do so.

If we are to eventually reallocate 3 million tons of sugar among domestic and foreign producers this must be done promptly so that costly patterns are not developed whereby inevitable change becomes painful and destructive and foreign friends are lost or parts of our own sugar economy are economically depressed.

This issue means a lot to my State.

Colorado is the second largest sugarbeet-producing State in the United States.

Only two States in the Nation harvest more than 100,000 acres of sugarbeets a year—Colorado and California. Colorado harvested 155,100 acres in 1960; California 208,000 acres.

Colorado has the most beet-producing farms of any State in the Nation producing sugarbeets. We have 4,285 beet farms. The next State is Idaho with 4,047.

Colorado has the most number of persons eligible for payments under the Sugar Act of 1948. We have 8,810. Idaho has 6,371.

Out of 22 sugarbeet States, Colorado is second in tons of beets harvested—2,761,000 in 1960—and second in Sugar Act payments.

Colorado has more sugarbeet factories than any other State in the Union. Colorado has 14 factories. California has 10. The next nearest State has five.

All of this means that my State has a real stake in the actions taken by this Congress on sugar.

What we do here today bears heavily on the economy of my State.

Last year Colorado farmers earned \$42,464,069 from sugarbeets.

At the same time another \$25 million was paid out to workers in the 14 Colorado sugarbeet processing plants.

Sugar is a \$70 million income producer in my State.

The Department of Agriculture told me yesterday that whereas Colorado farmers planted 157,300 acres to beets in 1960 they intended to plant 175,000 acres this year.

This is an 11-percent expansion and it represents the maximum amount our Colorado factories can handle without expending large sums for expansion.

This pattern appears to be true throughout the beet-producing States. The expected national increase is 11.3 percent from 976,800 acres to 1,087,400 acres.

Beyond this, new plants are necessary and new plants take 2 years and \$12 million apiece to build.

Before we can ask our growers to step up their acreage—with the related heavy farm machinery and labor costs—and ask our processors to invest millions in new plants, we must give them a long-term commitment on markets for their product under revised quotas.

Related to the problem of long-term commitments, Mr. President, is the problem of development of new sugarbeet-growing areas.

Several regions of the United States have expanded their sugarbeet acreage at a rate better than 25 percent in the past 10 years. One region's acreage has jumped 60 percent.

In my own region—the high plains and intermountain area—growth has been about 15 percent.

Competition for new sugarbeet acreage is growing between the regions.

To the extent that such competition does not destroy certain producing areas it is a welcome economic condition.

But one area of my State is being hurt by the unbridled growth in beet acreage.

The Colorado western slope beet-growing area has insufficient acreage in beets

to sustain a healthy beet-processing industry. The area is excellent beet-growing country and the farmers are anxious to expand production.

The beet processing plant has warned the growers that it must close unless production is expanded. It is feared that this plant will move to a new beet-producing region.

Loss of the western slope processing plant would bring economic havoc to the region's farmers and factory workers.

However, because of restricted marketing allotments for beet sugar our growers are not encouraged to expand their acreage to insure a profitable operation of the sugar company's plant.

The problem has been temporarily solved in this way: The growers this year have been forced to accept contracts at much lower rates for their beets in order to induce the company to keep the plant open.

The Western Colorado Beet Growers Association has wired me "this arrangement is uneconomic and cannot continue."

What the western Colorado farmers fear is that the plant will close down permanently and the sugar company will concentrate on developing new production facilities in other regions.

Once a new permanent sugar act is passed these uncertainties will be resolved and with increased beet sugar allotments the sugar companies and the farmers can work out growing and processing arrangements economically satisfactory to both.

I cite the problems of the western Colorado beet growers as an example of the uncertainties in the whole sugar picture which must be resolved so that the beet sugar industry—growers and processors—can be assured a measure of proper growth.

Because of the great uncertainty of the beet sugar situation in my State, the second ranking beet sugar State in the Nation, I call for as brief a temporary extension as practicable of the 1948 Sugar Act.

At the same time I call for a new permanent sugar act with adjusted increased sugar quotas for our foreign friends and increased quotas for domestic beet growers so that they may improve their economic condition and stabilize it against year-to-year uncertainties.

SUPPORT FOR S. 986, THE EMERGENCY PUBLIC WORKS BILL

Mr. CLARK. Mr. President, a representative group of 60 cities, of all sizes and in all regions of the country, has given strong support to S. 986, a bill which I introduced last month to authorize a program of Federal grants to State and local governments to accelerate public works of all kinds during the current recession.

I believe almost everyone agrees that, in theory at least, public works should be used as a countercyclical device. They should be postponed during periods of full employment and inflationary pressures, and they should be speeded up during periods of recession. Thus, public expenditures can be scheduled to

offset the rise and fall of private investment and spending, and the business cycle leveled out.

The President has announced a series of measures designed to speed up Federal public works activities. But there is no program to bring about a corresponding acceleration of State and local public works. S. 986, which I introduced on February 23 with the cosponsorship of the senior Senator from West Virginia [Mr. RANDOLPH], the junior Senator from Alaska [Mr. GRUENING], and the junior Senator from Rhode Island [Mr. PELL], is designed to remedy that lack.

The program which we propose is patterned after that of the Public Works Administration of the 1930's. As in the case of the PWA, the Federal grant would be 45 percent. The grants would be given only for projects that represent a net increase in the current rate of capital expenditure of the public body concerned, and priority would be given to projects which could be started within 90 days and completed within 1 year thereafter.

The bill authorizes \$500 million in grants immediately, with another \$500 million made available at the President's discretion.

The first question that arises is whether State and local governments would be in a position to participate in such a program. Do they have projects "on the shelf" ready to be put under construction? And can they raise their share of the cost of the accelerated projects?

To obtain answers to these questions, the American Municipal Association has undertaken a survey of cities of all sizes asking them whether they would take advantage of S. 986, if it were passed, and how much additional public works construction they would be able to place under contract with the bill's assistance.

To date, the AMA has received replies from 60 communities. Of these, 45 said flatly that they would take advantage of the bill. Of the other 15, some were opposed to the idea in principle, and others said that they were doubtful if they could raise any additional money locally in order to participate. A few suggested that their public works programs were proceeding all right without Federal assistance.

However, the vast majority of mayors and other city officials indicated their approval of the bill, and some were enthusiastic. Mayor deLesseps S. Morrison of New Orleans, for example, wrote:

Senator CLARK's proposal strikes me as being just about the most effective and realistic means of alleviating some of our present economic ills, as has been thus far advanced.

City Manager Wesley McClure of San Leandro, Calif., wrote:

We feel that the bill would accomplish its objective of stimulating construction and employment.

Mayor Lester E. Collins of Springfield, Ill., said:

The city of Springfield would be most anxious to embark on a short range program

to include substantial amounts of street paving, sidewalk reconstruction, street lighting, and off-street parking lots.

Mayor Leo Berg of Akron, Ohio, wrote:

In my judgment, such a public works program aimed at increasing the value of municipalities is an excellent approach and proper in consideration for relief of economic pressure we now find in the United States.

The responses to the American Municipal Association survey confirm the testimony received from State and local public officials by the Subcommittee on Employment and Manpower of the Committee on Labor and Public Welfare during recent hearings in Pennsylvania, New Jersey, and Rhode Island. Virtually without exception, these mayors and State officials supported S. 986.

The 45 cities, which indicated they would participate, enumerated projects totaling around \$100 million which they could get underway in these cities alone. And it must be remembered that States, counties, special districts, and other public bodies, as well as cities, would be eligible.

I ask unanimous consent that a summary of the 60 replies to the American Municipal Association survey, and the individual replies, be printed at this point in the RECORD. Most of the 60 letters are addressed to Mr. Patrick Healy, Jr., executive director of the association, but a few are addressed either to me or another Member of the Senate.

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

Replies to survey concerning public works acceleration bill, S. 986

Reply from—	Would take advantage of bill	Estimated additional amount to be put under contract	Reply from—	Would take advantage of bill	Estimated additional amount to be put under contract
Mayor R. B. Searcy, Huntsville, Ala.	Yes	\$5,000,000.	Mayor Boyd E. McLernon, Salisbury, Md.	No	
City Manager C. A. Hostetter, Anchorage, Alaska.	Yes	\$1,000,000.	Mayor Stanley J. Davis, Grand Rapids, Mich.	Yes	
City Manager Bill M. Poland, Kodiak, Alaska.	Yes	\$700,000.	Commissioner Glenn O. Richards, Detroit, Mich.	Yes	
Mayor Samuel Mardian, Jr., Phoenix, Ariz.	No		City Manager Robert A. Carter, Flint, Mich.	Yes	\$2,777,250.
Mayor William M. McCall, Alameda, Calif.	Yes	At least \$220,000.	Mayor Rex H. Hill, Mankato, Minn.	No	
Mayor Carroll M. Dunnum, Downey, Calif.	Yes	Up to \$10,852,000.	Mayor Irving R. Keldsen, Richfield, Minn.	Unlikely	
Administrative Officer Walter Hahn, Jr., Inglewood, Calif.	Yes	\$300,000 to \$500,000.	Mayor Thomas E. Mealey, St. Cloud, Minn.	Yes	\$1,000,000.
Mayor Arthur H. Cox, Pomona, Calif.	Doubtful		Mayor David C. Scott, Springfield, Mo.	Yes	\$1,000,000.
Mayor James B. McKinney, Sacramento, Calif.	Doubtful		Mayor George E. Svoboda, Fremont, Nebr.	No	
City Manager Wesley McClure, San Leandro, Calif.	Yes	\$400,000.	City Engineer Donald G. Hyde, Norfolk, Nebr.	Yes	\$100,000.
City Council, Santa Ana, Calif.	No		City Manager Joe H. Latimore, Reno, Nev.	Yes	\$1,000,000.
Mayor Milo Dellmann, South Gate, Calif.	Yes	\$500,000.	Mayor James W. Kelly, Jr., East Orange, N.J.	No	
City Manager Joe M. Lacy, Grand Junction, Colo.	Yes		City Manager Edmund L. Engel, Albuquerque, N. Mex.	Yes	Up to \$13,340,525.
City Manager George K. Armes, St. Petersburg, Fla.	Yes		Mayor Malcolm E. Ellis, Schenectady, N.Y.	Yes	
City Manager C. C. Burnett, Albany, Ga.	Yes	\$5,000,000.	City Manager H. B. Hines, Jr., Rocky Mount, N.C.	Yes	\$1,000,000.
Mayor William B. Hartsfield, Atlanta, Ga.	?		City Auditor Tom Baker, Bismarck, N. Dak.	Yes	\$200,000.
City Manager Graham W. Watt, Alton, Ill.	Yes	Up to \$2 million.	Mayor Leo Berg, Akron, Ohio.	Yes	\$3,500,000.
Mayor Lester E. Collins, Springfield, Ill.	Yes	\$1,500,000.	Mayor Frank P. Celeste, Lakewood, Ohio.	Yes	\$4,700,000.
City Manager Carlton W. Laird, Wood River, Ill.	Yes		Mayor Michael J. Danas, Toledo, Ohio.	Yes	
City Manager Gilbert D. Chavenelle, Dubuque, Iowa.	Yes	More than \$1,200,000.	City Manager Hugh McKinley, Eugene, Oreg.	Yes	\$300,000.
City Manager Gordon Bennett, Ottumwa, Iowa.	Unlikely		Mayor Joseph L. Eyre, Chester, Pa.	Yes	\$829,000.
Mayor Ed Jochumsen, Waterloo, Iowa.	Yes		Executive Secretary Aldo Colautti, Pittsburgh, Pa.	Yes	\$500,000.
Mayor Paul F. Mitchum, Kansas City, Kans.	Yes	Up to \$8 million.	Mayor S. Clyde Fair, Orangeburg, S.C.	Yes	\$1,450,000.
Mayor J. F. Mitchell, Leavenworth, Kans.	Unlikely		Mayor Neville Holcombe, Spartanburg, S.C.	No	
City Manager Leland M. Strack, Salina, Kans.	Yes	\$1,015,000.	Mayor R. L. Thornton, Dallas, Tex.	Yes	\$3,000,000.
Mayor Charles J. Cassidy, Bogalusa, La.	Yes	\$4,050,000.	Mayor T. A. McCann, Fort Worth, Tex.	Yes	\$5,000,000.
Mayor DeLesseps S. Morrison, New Orleans, La.	Yes	\$3,000,000.	City Manager E. L. Carlsen, Ogden, Utah.	Yes	Up to \$9,275,000.
City Manager Joseph R. Coupal, Jr., Bangor, Maine.	Yes		City Manager J. C. Biggins, Newport News, Va.	?	
			City Manager, Thomas F. Maxwell, Norfolk, Va.	Yes	\$6,000,000.
			City Manager Elmer W. Prince, Morgantown, W. Va.	Yes	
			Mayor Lawrence M. Hagen, Superior, Wis.	Yes	
			Mayor Willa Wales Corbitt, Riverton, Wyo.	No	

CITY OF HUNTSVILLE, ALA.,
March 14, 1961.

HON. JOHN SPARKMAN,
U.S. Senate Building,
Washington, D.C.

DEAR JOHN: It has been brought to my attention that Senator CLARK, of Pennsyl-

vania, has introduced legislation in the Senate authorizing 45-percent public works grants by the Federal Government as an incentive to State and local governments to accelerate their capital expenditure programs. As I understand it, this grant would be based on the amount of additional public

works undertaken by the local government over and above the amount it would have normally put underway in the course of the year.

Although our city has done an enormous job toward taking care of our needed public improvements, as you well know, we have

been unable to keep them abreast of our phenomenal growth. This bill appears to be part of the answer to a very difficult problem of our municipal government. Undoubtedly, if this legislation were enacted we would be in a position to take advantage of its provisions. Over the period of a year we could easily put under contracts additional public works above what we had planned in excess of \$5 million.

I, personally, would appreciate any help that you can give toward the enactment of this legislation for the benefit of our city. In so doing, I feel that I am expressing the will of our entire municipal government.

With kindest personal regards, I am,
Yours truly,

R. B. (SPECK) SEARCY,
Mayor.

CITY OF ANCHORAGE, ALASKA,
February 27, 1961.

AMERICAN MUNICIPAL ASSOCIATION,
Washington, D.C.

GENTLEMEN: We have your bulletin of February 23, reference public works acceleration.

Our city would be in a position to take advantage of this legislation. We would estimate \$1 million of additional construction this year, if the law were enacted in time to do the work during the 1961 construction period.

The factor of additional employment is difficult to state. We would guess that 100 people would be employed for 6 months on a direct basis, and perhaps 50 indirectly.

Very truly yours,

C. A. HOSTETLER,
City Manager.

CITY OF KODIAK, ALASKA,
February 27, 1961.

GENTLEMEN: S. 986 introduced by Senator JOSEPH S. CLARK, of Pennsylvania, has considerable merit from the viewpoint of the small Alaskan city. Since the demise of the Alaska Public Works Act, such cities have been forced to either abandon or withhold needed planned public works projects due to the high cost of construction in Alaska. With Federal aid of 45 percent of the cost, such projects could be reactivated on very short notice.

The city of Kodiak has the following projects planned for future construction which are needed today, rather than a few years hence:

Water system extension.....	\$300,000
Sewer system extension.....	200,000
Street improvement.....	200,000

All of the above projects have had preliminary engineering studies and could have final engineering completed within a few months. Employment benefits would accrue to possibly 5 percent of our working people.

Almost 10 percent of the local population is living in homes not presently serviced by sanitary sewage systems. The cost of construction of a sewage system for this area on a special assessment basis amounts to over \$800 per lot, which is almost prohibitive.

It seems criminal that our own nationals can be living under such conditions while so much Federal money is being spent on foreign aid.

The Public Works Acceleration Act, known as S. 986, would be a big step to counteract this situation.

Very truly yours,

BILL M. POLAND, City Manager.

CITY OF PHOENIX, ARIZ.,
March 16, 1961.

DEAR MR. HEALY: This will acknowledge receipt of your letter of March 10 referring

to S. 986, introduced by Senator JOSEPH S. CLARK of Pennsylvania.

This is to advise that we are not in favor of this legislation.

Sincerely yours,

SAMUEL MARDIAN, Jr., Mayor.

CITY OF ALAMEDA, CALIF.,
March 16, 1961.

DEAR MR. HEALY: Thanks for your letter of March 21, 1961, regarding the merits of Senator CLARK'S S. 986.

While we have no major projects for which final plans are now on file, there are several which are well past the preliminary stage and could, I think, be brought to bid within perhaps 2 months. The unfortunate aspect of having to provide this kind of information is that we do not know how much time we are talking about. Certainly if construction in fiscal 1961-62 is contemplated, as your bulletin seems to imply, we could ready additional projects, but in terms of the next few months our opportunities would be limited.

We are very nearly ready to go, for example, on two swimming pools at a cost of roughly \$220,000; these would normally not be built for at least a year and probably two. With more planning time, we could undertake the construction of at least one, and perhaps as many as three fire stations, the replacement of a bridge across the Estuary, and the development of roughly 15 acres of parks. The bridge alone would run to something like \$3,500,000, although I would guess that design and working plans might take too long to qualify. The other projects would aggregate in the range of \$500,000. With the prospect of a Federal grant, I think we could make local funds available to the extent of nearly \$2 million. Any expenditures so made would be in addition to what would normally contemplate in fiscal 1961-62, and would obviously stimulate local employment.

Sincerely,

WILLIAM M. MCCALL,
Mayor.

CITY OF DOWNEY, CALIF.,
March 23, 1961.

Senator JOSEPH S. CLARK,
Senate Office Building,
Washington, D.C.

DEAR SENATOR CLARK: The city of Downey wishes to urge support of Senate bill 986 to provide increased employment opportunities through the authorization of additional public works grants to State and local governments. The following needs are submitted for your consideration in presenting this bill. Currently, street and bridge deficiencies within the city are comprised of the following:

1. Major highways (100-foot rights-of-way) (example: Imperial Highway, Paramount Blvd., Woodruff Ave., Telegraph Rd., etc.)..... \$1,851,000
 2. Collector streets (80-foot rights-of-way) (example: Downey Ave., Brookshire Ave., Stewart and Gray Rds., Gardendale St., Belflower Blvd., Clark Ave., etc.)..... 6,581,000
 3. Local streets (60-foot rights-of-way and less) (streets which do not normally qualify for gas tax funds)..... 2,420,000
- Total.....10,852,000

The above cost estimates include acquisition of needed rights-of-way by purchase as opposed to gratis dedication.

If additional funds can be allocated to the city directly or to the city through the State, we will be in a position to engineer and put these moneys into beneficial use

in the construction of streets and the employment of additional people.

We congratulate you upon your enthusiastic initiation and support of this bill to accelerate employment throughout the United States.

Very truly yours,

CARROLL M. DUNNUM,
Mayor.

CITY OF INGLEWOOD, CALIF.,
March 22, 1961.

DEAR MR. HEALY: Your letter of March 10, addressed to the Honorable George C. England, mayor of Inglewood, was presented at the city council meeting on March 21.

Council instructed the administrative officer to indicate their support of Senator CLARK'S bill, S. 986.

We believe our community would be able to take advantage of this bill and could increase public works expenditures between \$300,000 and \$500,000 over and above the amount planned for next year. We believe this would provide a minimum of 7,000 man-days of additional manpower. This amount, of course, would vary depending upon the type of public works construction undertaken.

With best regards, I am,

Sincerely,

WALTER HAHN, Jr.,
Administrative Officer.

CITY OF WOOD RIVER, ILL.,
March 23, 1961.

GENTLEMEN: The Illinois Municipal League has asked us to advise your office on Senator CLARK'S bill to increase public works. I believe this is S. 986. In regard to this proposed municipal work our community would definitely be in a position to take advantage of increased public works grants. On street and storm drainage improvements we have needed improvements over and beyond the amount we are able to finance from current revenues in the neighborhood of \$500,000. If this public works included improvements and replacements of existing utilities, such as a water plant, our community would spend approximately \$1 million in this particular category. Engineering studies have been made and it would only require the completion of construction plans.

It is difficult to estimate the additional employment that would result from these construction contracts, however, I believe it would be safe to estimate that one-half of the construction costs would be for labor and the balance for material and equipment.

We would be very much in support of Senator CLARK'S proposal. I am sure that the cost involved to the taxpayer will be considerably less than is now being spent for the cold war and will make a far greater impression and concrete demonstration of democracy in action. In relation to the rest of the world I think that there is a quotation that is appropriate and fitting to the American example to the world. It is, "What you are speaks so loudly I can not hear a word you say." It is time that we set some economic examples to the world.

Very truly yours,

CARLTON W. LAIRD,
City Manager.

POMONA, CALIF.,
March 21, 1961.

DEAR MR. HEALY: After reviewing Senator CLARK'S bill, S. 986, it is my opinion that the city of Pomona would not, with one possible exception, be in a position to take advantage of the legislation if enacted. There is a remote possibility that we might be able to start construction of a new city hall by making use of the proposed 45 percent public works grants.

Although we would like to take advantage of Senator CLARK'S proposal the main problem is that during periods of unemployment

our sales tax revenues tend to fall off and therefore we are less in a position to initiate large public works projects than during more prosperous times. Thus while public works projects may have a countercyclical effect, the ability to finance them appears to be tied directly to the swings of the economy.

Thank you for giving us the opportunity to comment on this proposed legislation.

Sincerely,

ARTHUR H. COX,
Mayor.

CITY OF SACRAMENTO, CALIF.,
March 23, 1961.

DEAR MR. HEALY: This will acknowledge with thanks receipt of your letter of March 10 relative to Senator CLARK's bill S. 986.

There is one condition in the bill that might reduce its value to us. Section 4(b)(1) provides:

"No grant shall be made with respect to any project unless such project results in a net increase in the current annual level of capital expenditures of the applicant."

This would mean that a city like Sacramento, which has been maintaining a high level of current capital expenditures—a level at the maximum possible to carry on within practical ad valorem taxing limits, would be unable to find other moneys to qualify. The original PWA programs did not have this "increase in current level of expenditure" requirement. Thus, in the thirties, we were able to use available funds, supplement these funds with the 45-percent grant, and thus accomplish more public works and provide more employment.

Sincerely yours,

JAMES B. MCKINNEY,
Mayor.

CITY OF SAN LEANDRO, CALIF.,
March 17, 1961.

DEAR MR. HEALY: Regarding your letter of March 10, 1961, concerning S. 986, we feel that the bill would accomplish its objective of stimulating construction and employment.

If this bill passes I would expect us to use reserve funds which, coupled with the grant, would total approximately \$400,000 for sewage works improvements and new street alignments—projects on which we've done preliminary engineering, but because of money and priority problems are presently scheduled for 2 years hence.

Yours very truly,

WESLEY MCCLURE,
City Manager.

CITY OF SANTA ANA, CALIF.,
March 23, 1961.

DEAR MR. HEALY: In reply to your letter of March 10, your communication was referred to our council at our informal work session.

We are unable to take advantage of the provisions provided in Senator CLARK's bill.

Very truly yours,

A. E. HALL,
Mayor.

CITY OF SOUTH GATE, CALIF.,
March 22, 1961.

DEAR MR. HEALY: Reference your letter of March 10 on Senator CLARK's bill S. 986. I have made a study of what benefits our own city might possibly achieve and find that we have projects to the extent of possibly one-half million dollars in improvement and widening of main thoroughfares which could alleviate our traffic conditions quite considerably. Thus, we feel that Senator CLARK's bill would, in our opinion, be an excellent bill and give it our most hearty endorsement.

Cordially yours,

MILLO DELLMANN,
Mayor.

CITY OF GRAND JUNCTION, COLO.,
March 2, 1961.

DEAR SENATOR CLARK: The American Municipal Association has requested that its members comment as to the bill you propose allowing for 45 percent participation of the Federal Government in local projects. This would be a great help to our community.

As I read the CONGRESSIONAL RECORD of your introduction of the Senate bill 986 I note that the type of project is not so important as is the fact that it is a part of a community development. I assume from this that communities will have a bit more leeway in selecting the projects and their scopes than they have had under Federal participation programs in the past.

I think this is very important since our present cities and urban communities are more flexible than they used to be and are requiring different types of projects of a capital nature than simple sewer, water, streets, and city hall construction. You may count on much support from our area of the Nation and from our community in particular.

Sincerely,

JOE M. LACY,
City Manager.

CITY OF ST. PETERSBURG, FLA.,
March 23, 1961.

DEAR MR. HEALY: Attached please find copy of recommendation presented to city council by City Manager George K. Armes on Tuesday, March 21.

I have been informed by Mr. Frank McDevitt of our legal department that a resolution to this effect will shortly be prepared and sent to our legislative delegation in Washington. A copy of this resolution will also be sent to your office.

Sincerely,

BURL MCCARTY,
Public Relations Director.

MARCH 21, 1961.

To: Honorable Mayor and Members of City Council.

From: City Manager.

Re: Excerpts from the CONGRESSIONAL RECORD of 87th Congress and national legislative bulletin from the American Municipal Association.

In order to accelerate public works activities, it is recommended that the proposed bill, S. 986, be promoted by council.

This bill provides a program that would greatly assist us in our storm drainage problem. Matching funds of approximately 45 percent as proposed by the bill would be a great aid to us because, as has so often been discussed, major trunklines in our storm drainage system cannot very well be assessed against individual property owners.

This bill also applies to public streets, sidewalks, highways, parkways, bridges, parking lots, airports, and other public transportation facilities, public parks, public recreational facilities, hospitals, rehabilitation health centers, public refuse and garbage disposal facilities, water, sewerage, and sanitary facilities, and other public utilities, civil defense facilities, police and fire protection facilities, public libraries, museums, etc.

It is recommended, since the above items are included in the bill, that council take favorable action to support this program through the American Municipal Association.

Respectfully submitted,

GEORGE K. ARMES.

CITY OF ALBANY, GA.,
March 14, 1961.

DEAR MR. HEALY: Mayor Kelley has referred your letter of March 10 concerning Senator CLARK's bill, S. 986, to me for reply.

In answer to the three specific questions:

1. Albany is in a position to take immediate advantage of any public works grants.

2. We could put as much as \$5 million under contract very shortly by the construction of our master plan for storm drainage.

3. The construction forces necessary to perform this work would result in the employment of at least 50 workers directly and would give added employment to many more through the impetus of construction payrolls.

Yours truly,

C. C. BURNETT,
City Manager.

CITY OF ATLANTA, GA.,
March 13, 1961.

DEAR MR. HEALY: I have yours of March 10 with reference to S. 986, the public works acceleration bill.

In the first place, bear in mind that your letter and this bill come out of a gigantic pile of mail about all sorts of things, and therefore cannot have the mature consideration which the subject deserves.

I have the highest respect for Senator CLARK and his good intentions. However, I get the impression that most of these emergency bills seem to envision certain Pennsylvania towns and places like Detroit as indicative of the whole Nation.

As to Atlanta, we are growing by leaps and bounds. We are spending local bond funds and revenue certificates and expect to issue more in the near future. In addition, the Federal express highway program is moving forward in all sections of our town. To be frank about it, the whole town is torn up now with public works going on, in addition to many private buildings and facilities.

In reading the bill, with its conflicting formulas, I get the general impression that it will give chief employment to thousands of bureaucrats, clerks, stenographers, statisticians, and other gobbledygookers.

With reference to the advanced planning for all sorts of public works, we are not adverse to intelligent planning ahead—indeed, we do just that very thing. However, we notice there is a tendency of professional planners to rush in and propose planning for all sorts of impossible and impractical things, merely because Federal funds are available. In other words, we are beginning to feel there is too much planning for planning's sake, instead of confining planning to those things which are possible for present or reasonable future achievement.

Very truly yours,

W. B. HARTSFIELD,
Mayor.

CITY OF ALTON, ILL.,
March 23, 1961.

GENTLEMEN: As requested by the Illinois Municipal League, we have given preliminary review to the "plans for public works" bill introduced by Senator JOSEPH S. CLARK.

Based upon this review, it is our feeling that Alton will be in a position to take advantage of this legislation if it is enacted. We estimate that within the next 1 to 4 years Alton might be able to place \$2 million of additional public works under contract, this being in excess of what is now planned. Approximately 150 to 200 man-years additional employment would result.

Very truly yours,

GRAHAM W. WATT,
City Manager.

CITY OF SPRINGFIELD, ILL.,
March 16, 1961.

DEAR MR. HEALY: Replying to your letter of March 10 concerning Senator CLARK's bill, S. 986.

The city of Springfield would be most anxious to embark on a short range program to include substantial amounts of street

paving, sidewalk reconstruction, street lighting and offstreet parking lots.

It would be very difficult to give you an actual dollar amount, but we could speed up our program for our community to accomplish within the next 5 years what we hope to accomplish on our own within the next 10 to 15 years.

With kindest regards,
LESTER E. COLLINS,
Mayor.

CITY OF DUBUQUE, IOWA,
March 7, 1961.

GENTLEMEN: We in the city of Dubuque have Senator CLARK's bill, S. 986, which would authorize grants for stimulating State and local government public works programs, and we should like the Senator to know:

First, that our community would be in a position to take advantage of the legislation if it is enacted.

Second, if we consider only a single project in the city of Dubuque, we have available plans and specifications on the shelf for an important railroad overpass which is estimated to cost \$1,200,000. This and many other projects could be accomplished.

Third, we believe that on the single overpass project, an additional 30 to 50 skilled and semiskilled laborers could be put to work.

We greatly appreciate your help in presenting our Dubuque position on the bill to Senator CLARK.

Sincerely,
GILBERT D. CHAVENELLE,
City Manager.

CITY OF OTTUMWA, IOWA,
March 15, 1961.

DEAR MR. HEALY: The Ottumwa City Council has reviewed the proposed Senate bill 986 as proposed by Senator CLARK, and I regret to advise that inasmuch as prior public works planning has obligated the city to the legal limit of our bonded indebtedness, it appears unlikely that our city could take advantage of the proposed legislation.

Sincerely,
GORDON BENNETT,
City Manager.

CITY OF WATERLOO, IOWA,
March 13, 1961.

DEAR MR. HEALY: In answer to your letter of March 10 regarding Senator CLARK's proposal of the crash program for public works, I would like to cast our vote for this proposal because we believe that President Kennedy is on the right track in helping with unemployment problems.

The city of Waterloo is the largest industrial center in Iowa and we are faced with an additional industrial layoff in the next 2 or 3 months which would create a very serious situation in our community. We need help now, not next year and, therefore, believe there are better ways to accomplish the program than Senator CLARK's proposal.

For 3 years, we have been working on a multitude of requirements, information, ordinances, council actions, surveys, both physical and sociological, for an urban renewal program. This program has been completely approved at the regional level and only awaits Washington's final signature. We get telegrams and letters from President Kennedy urging us to go ahead but nothing happens.

We have a sanitary sewer program which was certified by our State board of health to the Water Pollution Control Act, but was not in the first 10 projects in Iowa approved for Federal grant and, therefore, we are left out. These certified plans and specifications of this project are filed in Washington but nothing happens. The above application was filed last fall.

We have a 5-year program for public works for the city of Waterloo, including several projects. Any of these could be used in Senator CLARK's proposal. Instead of a new program, wouldn't it be much better for Senator CLARK to put his efforts behind all the programs that have been approved and are ready to go and only lack the final Washington decision? Our unemployment problem is now.

Very truly yours,
ED JOCHUMSEN, Mayor.

KANSAS CITY, KANS.,
March 21, 1961.

DEAR MR. HEALY: With reference to your letter of March 10 regarding Senator CLARK's bill S. 986, we are happy to make a few comments regarding this bill and its merits.

Under normal circumstances I believe that we would be opposed to Senator CLARK's bill S. 986 because we firmly believe if we continue to call upon the officials in Washington to help us out with our finances that eventually we will be drifting into a socialistic trend. However, due to the fact that this bill seems to be for the purpose of helping our unemployment situation, which we have to agree is not too good in Kansas City, Kans., we would favor such a bill at this time.

We are now working on a public works project as to pollution abatement in which the taxpayers of Kansas City, Kans., have just recently voted a \$15 million bond program. Within the next 3 years we intend to spend this money on a complete separation of our storm and sanitary sewers, plus the building of a treatment plant. The overall sewer pollution abatement program for Kansas City, Kans., will amount to about \$40 million, but this is contemplated over about an 8-year period. I am sure if Senator CLARK's bill was put into law, that our city could definitely take advantage and would be in a position to take advantage of the legislation if it was enacted.

At the present time it looks as though we will spend approximately \$7 or \$8 million dollars in the next year. If we could obtain 45 percent assistance on this matter, I am sure it would be of great help to us. I personally feel it would step up the employment situation in Kansas City, Kans.

Kindest personal regards,
Sincerely yours,
PAUL F. MITCHUM,
Mayor.

CITY OF LEAVENWORTH, KANS.,
March 22, 1961.

DEAR MR. HEALY: In reply to your March 10 letter regarding Senator CLARK's bill S. 986 (public works) we have the following comments:

1. It does not appear that we could take advantage of this public works legislation if enacted—unless it would be possible under our new "home rule."

2. I doubt if any additional public works could be initiated, over and above the work planned for the next year.

I trust this information is not too late for your use.

Sincerely,
J. F. MITCHELL,
Mayor of Leavenworth.

CITY OF SALINA, KANS.,
March 16, 1961.

GENTLEMEN: We have reviewed Senator JOSEPH S. CLARK's proposed bill S. 986 which would provide grants to State and local agencies to defray the cost of capital improvements.

In your letter of March 10, 1961, you asked: (1) Whether our city could take advantage of the legislation, and (2) the additional amount of public works which could be put

under construction over and above the amount planned for the next year.

The city of Salina does have a backlog of capital improvements that have been studied and defined with Public Law 702 funds. Other projects have been studied with our own funds. These projects include water, sewerage, and sewage treatment. The proposed 45-percent grants are naturally a decided incentive to increased construction by our city and as such if this bill were to become a law, we would reanalyze our capital improvement program and financial obligations to determine the feasibility of increasing our planned construction program.

To give you an indication of improvements that could be rather quickly planned and put under construction if 45-percent grants-in-aid were available, we list the following:

Improvement:	Estimated cost
Water mains (transmission)---	\$180,000
Elevated storage reservoir (water)-----	115,000
Water treatment plant improvements-----	180,000
Storm sewer improvements----	540,000
Total-----	1,015,000

I trust that this is the information that you desire.

Sincerely,
LELAND M. SRACK,
City Manager.

CITY OF BOGALUSA, LA.,
March 16, 1961.

DEAR MR. HEALY: I have your letter of March 10 with respect to Senator CLARK's bill, S. 986 aimed at helping local governments with public works to minimize the current recessions.

You asked specifically, (1) could our community take advantage of the legislation and (2) what additional amount of public works could be put under construction over and above the amount planned for the next year.

Within recent months we have let two contracts totaling \$2,060,000 for additions and improvements to our city's sewerage system. The contract provides we can add to or delete therefrom up to 25 percent of the work.

We have on hand and commitments for approximately \$1,670,000. Thus you can see Senator CLARK's legislation would enable us to accomplish all the work needed with respect to this particular improvement, provided the manner in which our contract was entered into would not bar it from eligibility. This, of course, would depend on the manner in which the bill is drawn or amended.

With the hopes that we would be able to qualify, I would say that Senator CLARK's legislation would be helpful both to our local governments and the economy of the United States as a whole and I will greatly appreciate it if you will keep me advised.

Sincerely yours,
CHARLES J. CASSIDY, Mayor.

CITY OF NEW ORLEANS, LA.,
March 14, 1961.

DEAR MR. HEALY: I have carefully read with great interest your letter of March 10, 1961, as well as the accompanying material regarding S. 986 introduced by Senator JOSEPH S. CLARK, of Pennsylvania.

As I understand it, this bill seeks to assist States and their political subdivisions, through Federal grants to accelerate their capital expenditure programs and thereby give impetus to President Kennedy's program of combating the existing unemployment problem.

In your letter of March 10 you pose two questions: (1) Whether our community could take advantage of the legislation and

(2) the additional amount of public works which could be put under construction over and above the amount planned for the next year.

Replying to No. 1 our answer is definitely yes. In fact, not only would the proposed 45 percent Federal grants provide a substantial boost in our local economy, but it would enable us to advance the undertaking of many needed public works projects which have been planned for the immediate future, but deferred because of the insufficiency of our available capital funds.

Senator CLARK's proposal strikes me as being just about the most effective and realistic means of alleviating some of our present economic ills as has been thus far advanced. And not only that but it also impresses me as being part of the answer to the situation in which many communities find themselves as a result of preemption of the best tax sources by the Federal and State governments. This bill would provide a means for local communities to receive the kind of financial aid so sorely needed if they are going to catch up with expanding needs.

There simply must be some means provided for meeting these important requirements without increase in the local tax burden. And it seems to me that this bill is a step in that direction.

As a preface to our answer to question No. 2, I should first explain that since 1955 we have been administering a 5-year capital improvement program. Each year we appropriate for expenditure in the ensuing year capital funds estimated to become available during that year, and we include for the remaining 4 years of the capital program those projects which need to be undertaken, but for which funds are not foreseen during the first year.

We propose to initiate within the remainder of 1961 capital improvement projects estimated to cost approximately \$9 million for which funds are available. These include police and fire stations, an incinerator, parks and playground improvements, street lighting, and street paving and sub-surface drainage projects. This figure does not include projects being undertaken with Federal aid such as airport development and those receiving Hill-Burton assistance.

By simple arithmetic, Senator CLARK's bill would enable us to undertake an additional \$4,050,000 of projects during this period. And these would be projects for which need has already been demonstrated and which have been included in our capital program for 1961-65. For example, in addition to the \$9 million figure cited above, our city council has approved the undertaking of capital projects estimated to cost approximately \$25 million during the next 5 years. This figure includes only those projects for which we could foresee the possibility of available funds during the 5-year period. By comparison, our needs for capital improvements during the same period were estimated at \$52 million, but more than 50 percent had to be deferred beyond the scope of our current 5-year program simply because we could not foresee funds becoming available during the period.

I strongly endorse Senator CLARK's proposal and I am sending copies of this letter to our Members of Congress, urging their support of this realistic legislation.

In doing so, however, I hasten to add that for such legislation to have the effect for which it is intended, the administration should place an emergency identification upon it and strip any resulting program of much of the redtape which bogs down so many federally aided projects.

Thank you sincerely for bringing this subject to my attention.

Sincerely,

DELESSEPS S. MORRISON,
Mayor.

CITY OF AKRON, OHIO,

March 27, 1961.

DEAR MR. HEALY: I have reviewed the general comments by the Senator and that portion of the bill you enclosed. I find the intent and his comments most interesting and appropriate to the current unemployment and needs situation, particularly in our city. As the Senator commented, we have available on our public works shelf projects ready for commitment. For your information I will enumerate them and follow with an inset series of comments:

PLANS AVAILABLE FOR IMMEDIATE CONSTRUCTION

Two million dollars in sanitary and storm sewers: These projects are of the trunk and local nature—in specific instances, a \$1,600,000 project would make available area for development wherein approximately 2,500 homes could be built and approximately 100 acres of commercial and industrial land could be used.

One million five hundred thousand dollars in highway construction: These highways are arterial in nature. This includes new local highways and/or improving, widening, resurfacing of existing highways. This is necessary to facilitate and meet the urban growth need.

One million dollars in normal highway upgrading by resurfacing and rebuilding. We could, within a 60-day period, have ready for commitment public buildings for police, health, and recreation.

The above listing is only partial for I believe you are interested in brevity and knowing that this city stands ready to assist in accomplishing those things that President Kennedy and Senator CLARK jointly proposed. In my judgment such a public works program aimed at increasing the value of municipalities is an excellent approach and proper in consideration for relief of economic pressure we now find in the United States.

Yours very truly,

LEO BERG,
Mayor.

CITY OF BANGOR, MAINE,

February 28, 1961.

DEAR MR. HEALY: With reference to your national legislative bulletin dated February 23 on public works acceleration, I have discussed briefly this morning with my staff the possible public works construction programs that the city might be in a position to undertake should this legislation be enacted.

Our planning and engineering departments indicate that we might be in a position to begin construction on about \$2½ million in sewer interceptor lines and sewage treatment plants and about half a million dollars worth of incinerator and highway construction, if this legislation were enacted.

It is very difficult to estimate the additional employment which might result but I think a conservative guess might be about 100 men, assuming these projects were carried out concurrently.

I hope this is the information you desire.

Sincerely,

JOE COUPAL,
City Manager.

CITY OF SALISBURY, MD.,

March 14, 1961.

DEAR MR. HEALY: In answer to your letter of March 10, regarding Senator CLARK's bill, S. 986, the city of Salisbury would not be in a position to take advantage of this legislation.

The proposed public works program for 1962 is more than we can handle because we are only \$400,000 from our maximum debt limit.

Sincerely yours,

BOYD E. MCCLERNON,
Mayor.

CITY OF GRAND RAPIDS, MICH.,

March 23, 1961.

DEAR MR. HEALY: As stated in our letter to you of March 13, we are enclosing a listing of our public facilities project sheet now that it has been completed.

We hope this information will be of help to you in consideration of Senator CLARK's bill, S. 986.

Sincerely,

STANLEY J. DAVIS,
Mayor.

PUBLIC FACILITIES PROJECT SHEET

(NOTE.—Do not list facilities now under construction nor major highway or street projects. List all other public works projects planned for, contemplated, or desirable in the near future. Include cost of land where it must be purchased. Code: Please use the following code to help facilitate our processing: (A) Plans drawn, (B) in planning stage, (C) needed—but no plans for.)

Kind of project:	Preliminary cost estimate
Improvement to sewage treatment plant (B).....	\$1,955,000
Water main from Lake Michigan to city (B).....	8,000,000
Flood protection walls along Grand River (C).....	1,700,000
Rebuilding of existing combined sewers and relief sewers (B).....	850,000
Storm water drainage sewers, existing system (C).....	2,100,000
Storm water sewers in newly annexed areas (B).....	7,160,000
Refuse disposal incinerator (C).....	2,000,000
District maintenance garages and facilities (C).....	300,000
Bridges and grade separations (C).....	9,500,000
Main library extension (A).....	2,000,000
Branch library construction (C).....	300,000
Museum extension (A).....	150,000
Civic auditorium extension (A).....	2,000,000
Music hall and theater (B).....	4,500,000
New fire station construction (A).....	270,000
New fire station construction (B).....	240,000
Public redevelopment—civic center (B).....	11,000,000
Industrial redevelopment (C).....	4,500,000
Industrial redevelopment (C).....	2,300,000
Commercial redevelopment (C).....	6,000,000
Residential rehabilitation (C).....	16,000,000
Land acquisition for park area within city limits (300 acres).....	600,000
Stadium (B).....	5,000,000
Municipal golf course (B).....	375,000
Lighted sports arena, including indoor swimming pool (A).....	370,000
Park-schools (A) and (B).....	1,750,000
Riverfront development (A).....	250,000
Development of park areas (A) and (B).....	300,000
Day camp (C).....	225,000
Intown land acquisition for parks.....	600,000
Expressway beautification in town.....	1,200,000
Sign shop (C).....	75,000
Armory (B).....	1,000,000
Two parking ramps (B).....	1,800,000
Surface parking program (B).....	1,000,000
Street-marking device (B).....	12,000
Signal improvements (B).....	100,000

CITY OF DETROIT, MICH.,

March 20, 1961.

DEAR MR. HEALY: Detroit, like every other large city, not only is in great need of re-

building its public works in many areas but has need for new streets, alleys, sewer facilities, water facilities, etc. We are wholeheartedly in favor of the public works bill as proposed by Senator JOSEPH S. CLARK, in which the Federal Government would provide 45 percent of the funds as grants. This is similar to the old PWA program which was

so successful and for which many cities made use of in providing many of their needed facilities.

We have a big backlog here in Detroit of public works projects which could be started immediately if funds were made available. I am sure that we would have a much better chance of raising 55 percent of the funds

locally than we would be of raising the full cost. Enclosed is a summary of the projects that the city of Detroit is ready to move ahead on.

Very truly yours,
GLENN C. RICHARDS,
Commissioner,
Department of Public Works.

Summary, public works projects, February 1961

	Projects for immediate or near future start		Projects in long-range public works program		Projects for immediate or near future start		Projects in long-range public works program
	Estimated cost	Estimated man-hours of labor			Estimated cost	Estimated man-hours of labor	
Airport.....	\$1,045,000	105,000		Public building.....	\$7,994,200	956,000	\$22,228,000
Civic center.....			\$3,162,000	Public transportation system.....	3,100,000	310,000	
Firefighting facilities.....	40,000	4,000	291,000	Rapid transit.....	133,369,460	20,000,000	
Flood control.....	10,000,000	613,000		Sanitation.....	5,614,000	429,000	
Hospital improvements.....	814,000	94,000	281,000	Sewage treatment system.....	1,970,000	200,000	10,281,658
House of correction improvements.....	165,000	18,000	565,000	Sewers.....	15,612,000	1,664,200	60,279,000
Highway, street, and alley improvements.....	43,449,000	7,324,000	421,149,000	Water supply system.....	8,846,539	915,000	
Lighting system improvements and extension.....	9,940,000	1,520,000	15,023,000	Zoo.....	383,047	40,200	846,000
Parking facilities.....			4,900,000	Grand total.....	250,275,246	35,052,700	592,258,658
Parks and recreation.....	7,933,000	860,300	53,253,000				

CITY OF FLINT, MICH.,
March 17, 1961.

GENTLEMEN: The city of Flint enthusiastically endorses Senator JOSEPH CLARK'S proposed legislation for public works acceleration, titled S. 986.

At the April 3 spring biennial election, the voters of this city will be asked to approve \$6,165,000 worth of bonds to finance various public improvement projects. Therefore, in answer to your specific questions concerning the Federal aid proposal:

1. We would be in a position to take advantage of the legislation immediately upon sale of the proposed bond issue. Our estimate would be early or mid-summer.

2. The listed schedule of Federal aid would add \$2,777,250 to our improvement program. This is important in view of the fact that the current local program was cut from a potential \$16,000,000 program to \$6,165,000 through lack of sufficient local funds.

3. Flint currently is seriously hit with unemployment problems since the great bulk of its labor force is employed in the auto industry. We have a provision calling for 90 percent local labor to be employed on all our public works projects. The additional employment which could be provided through Federal grants would be of substantial assistance in carrying this community through its present unemployment troubles. We estimate between 350 to 375 additional jobs would be made available with the Federal funds alone.

We hope the American Municipal Association will join in support of Senator CLARK'S proposal.

Yours very truly,
ROBERT A. CARTER,
City Manager.

MANKATO, MINN.,
March 20, 1961.

DEAR MR. HEALY: I personally do not feel that Minnesota is in any dire or immediate need of securing Federal aid for public works, or for that matter in any of the other fields mentioned. It is possible that the area of our iron range might be an exception. Here in Mankato, 24,000, we have built a sewage disposal plant costing more than \$1,800,000 without benefit of Federal aid. We purchased and paid for a fine municipal office building. We have built 30 miles of new streets and we just completed two new fire stations, cost \$438,000 all without benefit of Federal aid. Therefore, the answers to the questions asked are as follows:

1. No.
2. None.

I am sorry I cannot support this bill but I feel, and have felt, for many years, that too much emphasis is placed on Federal aid.
Yours sincerely,

REX H. HILL,
Mayor.

VILLAGE OF RICHFIELD, MINN.,
March 13, 1961.

DEAR MR. HEALY: In reference to your request for information in regard to Senator JOSEPH'S S. CLARK'S bill S. 986, I would advise that this would have very little bearing on the community of Richfield.

We have already initiated a program for a \$7 million water system and at the present time would not probably take on any major public improvement program, and as the essence of this bill seems to indicate it would have to be work above and beyond normal work.

Yours very truly,
I. R. KELSDEN, Mayor.

CITY OF ST. CLOUD, MINN.,
March 13, 1961.

DEAR SIR: After discussing the grant for public works bill with people here in St. Cloud, it is the consensus that our city would be in a position to take advantage of the legislation if enacted. Our city engineer has estimated that at least \$1 million additional public works could be put under contract for the next year and that direct employment would result for at least 100 people.

Sincerely yours,
THOMAS E. MEALEY,
Mayor.

CITY OF SPRINGFIELD, MO.,
March 20, 1961.

DEAR MR. HEALY: This is in reply to your letter of March 10, requesting comment on Senate bill 986, known as the Emergency Employment Acceleration Act of 1961.

We have reviewed this bill, and with respect to your questions will advise that:

1. Springfield could take advantage of this legislation.
2. It is possible that in the neighborhood of \$1 million of public works could be put under contract in the next 12-month period over and above the normal amount of construction work planned for the same period.

Sincerely,
DAVID C. SCOTT,
Mayor.

CITY OF FREMONT, NEBR.,
March 14, 1961.

DEAR SIR: I have your letter of the 10th of March, for which I thank you. We do not believe that our community at the present time would be favorable to a form of PWA legislation as proposed by Senator JOSEPH S. CLARK, Senate bill 986. Despite some press to the contrary, it is still the feeling at this time in this area that capital expenditures should be financed as much as possible at State and local level.

We further realize there is a tremendous amount of thinking that the purpose of Government is to redistribute wealth and income from one area of the country to another. We are still of the opinion that governmental financing of economically distressed areas doesn't of itself solve the economic problems of a particularly distressed area. As heartless as it may seem, nevertheless, we still feel specifically when a mining area gives out, where a product is no longer generally required, that it isn't necessarily the Government's job to first provide for such areas or people. We read in the press where other areas of the United States are seeking people to work and are unable to get them because people in depressed areas expect the Government to finance or take care of them where they are. Thank you for asking for our position. We remain,

Yours very truly,
GEORGE E. SVOBODA,
Mayor.

CITY OF NORFOLK, NEBR.,
March 13, 1961.

DEAR MR. HEALY: The city of Norfolk, Nebr., would be willing and able to take advantage of this legislation, if it were enacted. We have several projects that we have been delaying because of lack of enough funds. These projects involve improvement of major thoroughfares and include two bridges. The total expenditures would be approximately \$100,000. These projects would create construction season jobs for about 30 local employees.

Sincerely,
DONALD G. HYDE,
City Engineer.

CITY OF RENO, NEV.,
March 21, 1961.

DEAR MR. HEALY: Mayor Bud Baker handed me your letter of March 10, requesting that I give you a reply. It is extremely difficult for us to come up with any accurate figures regarding this legislation on such short notice, however, the following is an extremely

rough estimate as to what the answer might be to your questions. I hope these may be of assistance to you in making your summary of this question.

1. The community of Reno would undoubtedly take advantage of this legislation if enacted. There are many public works projects that should be completed, however, due to limited financing and limited bonding powers of the city it is impossible for us to complete them at this time. If 45 percent of the cost were to be a Federal grant it would most certainly stimulate some of these very much needed projects in the particular line of bridges, sewer improvements, sewage treatment facilities, streets, and so forth.

2. It is extremely difficult to estimate the amount of such additional work, however, with the present bonding limits and availability of funds it is possible that the city of Reno could anticipate approximately \$1 million additional public works per year if this bill were passed.

3. The additional employment would be approximately 500 employees during the term of such a project.

Let me again say that the estimates are extremely rough and if the legislation passes we would certainly like more time to study the legislation and the public works projects so that we might give it more detailed accurate accounting for the answers to these questions. However, in the meantime, I hope these rough estimates will be of value to you in making a determination for Senator CLARK.

Very truly yours,
JOE H. LATIMORE,
City Manager.

CITY OF EAST ORANGE, N.J.,
March 22, 1961.

DEAR MR. HEALY: In answer to your letter of March 10 relative to Senate bill 986, I regret to inform you that because of our present workload our engineering department cannot undertake any additional construction programs within the foreseeable future. I certainly wholeheartedly endorse Senator CLARK's bill S. 986 and wish it were possible for East Orange to take advantage of the 45 percent public work grants that it provides.

At the present time, we have considerable construction work in progress, and we are presently in the throes of providing engineering data and services in connection with the proposed east-west freeway known as Federal Highway Route I-280. This Federal highway will bisect the entire length of our city, and it is now proposed, and a bill is pending in our State legislature, to have this Federal highway interchange at East Orange with the present Garden State Parkway which runs north and south through our entire State. This proposed legislation, which undoubtedly will be passed in the very near future, has taxed and will continue to tax the facilities of our engineering department for the next 2 or 3 years.

Under the circumstances, I do not believe it would be advisable to participate in this public program at this time.

Very truly yours,
JAMES W. KELLY, Jr.,
Mayor.

CITY OF ALBUQUERQUE, N. MEX.,
March 23, 1961.

DEAR MR. HEALY: On March 10, 1961, you requested our reaction regarding Senate bill 986 introduced by Senator JOSEPH CLARK, which would authorize 45 percent matching Federal grants as an incentive to State and local governments to accelerate capital improvement public works programs. You asked specifically (1) whether the city of Albuquerque is in a position to take advantage of such legislation and (2) what addi-

tional amount of public works could be put under construction if S. 986 were adopted.

In answer to your first question, the city of Albuquerque would be able to take advantage of such Federal matching grants. We have a backlog of needed public works improvements which considerably exceeds the amount of funds available for construction.

In answer to your second question, I am listing below a table indicating the amount of funds the city of Albuquerque now has available for public works improvements and the amount of Federal matching funds applicable on the basis of a matching 45 percent ratio. We would be able to use the entire \$6,003,236 of Federal money for needed public works improvements immediately.

Category	City of Albuquerque funds available	45-percent Federal matching grant
Arterial streets.....	\$1,060,000	\$477,000
Storm sewer.....	2,400,000	1,080,000
Sanitary sewer.....	3,082,525	1,387,136
Water facilities.....	5,934,000	2,670,300
Firefighting.....	316,000	142,200
Parks.....	548,000	246,600
Total.....	13,340,525	6,003,236

Very truly yours,
EDMUND L. ENGEL,
City Manager.

CITY OF SCHENECTADY, N.Y.,
March 16, 1961.

DEAR MR. HEALY: In reference to your letter of March 10, which brings attention to Senator CLARK's bill calling for an acceleration of public works, I am forwarding copies of your correspondence to Mr. John W. Eddy, chairman of the city planning commission and other interested department heads of the city of Schenectady.

Please be assured that the city of Schenectady is particularly interested in availing itself, if possible, of certain provisions of the proposed legislation.

I will keep you informed of our action and when a definite plan is devised, will forward it to you.

Sincerely yours,
MALCOLM E. ELLIS,
Mayor.

CITY OF ROCKY MOUNT, N.C.,
March 1, 1961.

DEAR MR. HEALY: In reply to the inquiry of your February 23d National Legislative Bulletin, I believe this city would be in a position to take advantage of the legislation to accelerate public works if such legislation is enacted. An estimate as to how much additional public works activity can be started, of course, depends upon many things. I believe this city could put up to \$1 million worth of public works under contract within 1 year. This would be public works not planned for as it stands within this or the next fiscal year.

This work would be storm drainage and street improvement, as well as building construction. It would be hard to estimate the number of people who would be put to work on these proposed projects. It would seem to me that somewhere between two and four hundred could find employment.

I am afraid this information is rather sketchy. Our planning department is relatively new; therefore, we have not developed a capital program. It is far enough developed, however, that we can make effective use of such legislation.

With best wishes,
Yours sincerely,
H. B. HINES, Jr.,
City Manager.

CITY OF BISMARCK, N. DAK.,
March 14, 1961.

DEAR MR. HEALY: Thank you for your letter of March 10, 1961.

From the national economy standpoint, I sometimes question the pump priming measures taken to lift the economy. There seems to be much confusion between economists as to those measures necessary to bring about recovery or accelerate it on behalf of providing stability to the national economy.

However, from the local standpoint of our own community there are many projects that not only could be, but would be accelerated if such 45 percent grants were available such as street widening, construction of public buildings, and many other worthwhile ventures. I can assure you that this community could utilize and constructively use funds as are intended as stated in the purposes of S. 986.

This community could program an additional \$200,000 of construction capital improvement projects if such Federal funds were available above the amount planned for next year.

Thank you again for your letter.
Sincerely yours,

TOM BAKER,
City Auditor.

CITY OF LAKEWOOD, OHIO,
March 24, 1961.

DEAR MR. HEALY: In response to your letter of March 10, 1961, may I state that Senator CLARK's bill, S. 986, would be of great value to Lakewood.

The availability of Federal funds at 45 percent of the total project cost could, in Lakewood, speed the building of a new sewage disposal plant presently estimated to cost \$4 million. Another area of possible activity is the extension of a breakwater to provide a greater area for the dumping of unburnable refuse. This project would probably cost some \$700,000 and provide a long-range improvement for our community.

These two programs are especially needed and could be put into effect in a short time and provide expanded employment in this area.

I am sure that other communities can make use of this bill similarly. The need for such a program is indeed apparent and would help solve problems other than employment. The bill should be supported and carried through with all possible speed.

Sincerely yours,
FRANK P. CELESTE,
Mayor.

CITY OF TOLEDO, OHIO,
March 17, 1961.

DEAR MR. HEALY: In reply to your letter of March 10, we plan to take advantage of the bill introduced by Senator CLARK and will do everything in our power to make use of the grants for public improvements which are so sorely needed in our community.

Sincerely yours,
MICHAEL J. DAMAS,
Mayor.

CITY OF EUGENE, OREG.,
March 3, 1961.

GENTLEMEN: This letter is in reply to your legislative bulletin dated February 23, 1961, requesting comment on Senator CLARK's bill for public works acceleration programs to combat unemployment.

Please be advised that should such a measure become law, the city of Eugene, Oreg., is in a position where it could almost immediately accelerate its public works program to the extent of the funds available for which it could qualify. An offhand estimate would indicate a possible addition of public works in the neighborhood of \$300,000 could be accomplished in the fiscal year

starting July 1, 1961. This would be almost equally divided between street improvement and sewer improvement projects. This expenditure would, of course, create additional employment; however, we are in no position to predict what this amount of employment would be.

Very truly yours,

HUGH MCKINLEY,
City Manager.

CITY OF CHESTER, PA.,
March 17, 1961.

DEAR SENATOR CLARK: In accordance with your request at the public hearing in the city of Chester on March 2, we have prepared the following list of public works projects which could be started in the very near future if money is made available.

Streets and highways:

Street paving.....	\$75,000
Alley paving.....	45,000
Realignement of 2d St. (for heavy industrial traffic)—acquisition.....	100,000
Bridge at 6th St. (central bus district) (plus \$105,000 of county funds)	105,000
Total.....	325,000

Sewers:

Sanitary trunk for industrial area.....	250,000
Rebuilding combined sewer.....	100,000
23d St. sanitary.....	12,000
Highland Ave. sanitary.....	11,000
Hays St. sanitary.....	15,000
Total.....	388,000

Parks and playgrounds:

Memorial Park:	
Culvert.....	18,000
Tennis courts.....	18,000
Chester Park—renovation of barn.....	30,000
William Penn Memorial Park development.....	30,000
Enlarge existing playgrounds, develop added playgrounds.....	20,000
Total.....	116,000

Grand total..... 829,000

We appreciate your deep concern with the problem of employment and local finance, and we will be pleased to cooperate with you in supporting adoption of urgently needed legislation.

Sincerely yours,

JOSEPH LARKIN EYRE,
Mayor.

CITY OF PITTSBURGH, PA.,
March 6, 1961.

DEAR MR. HEALY: In regard to your inquiries about Senator CLARK's public works bill authorizing 45-percent grants to State and local governments, Mayor Barr testified in wholehearted favor of this proposal.

In answer to your specific questions:

1. Pittsburgh would be in a position to take advantage of legislation, if enacted.
2. We would probably add about $\frac{1}{2}$ million to our annual capital expenditure program.

Obviously, we have no way of telling how much additional employment would result from this additional expenditure.

Very truly yours,

ALDO COLAUTTI,
Executive Secretary.

CITY OF ORANGEBURG, S.C.,
March 15, 1961.

DEAR MR. HEALY: I have reviewed Senator CLARK's bill, S. 986, and am heartily in favor of its passage. If this legislation is passed I feel reasonably sure that in Orangeburg we can accomplish the following additional pub-

lic works construction over and above that planned for the next year:

1. Waterworks: Extend and enlarge facilities to the extent of approximately \$1 million.

2. Increase sewage treatment plant capacity and extend trunklines at an estimated cost of \$350,000.

3. Construct substation for fire protection at an estimated cost of \$50,000.

4. Construct an airport administration building costing about \$50,000.

Thus you will see that with the grants proposed by the bill an acceleration in public works facility construction of about $\frac{1}{2}$ million might reasonably be expected in this community.

Preliminary planning for a public works program in Orangeburg indicates that the above facilities are needed. Without grant assistance it appears that such a program must be deferred. So you can readily see that we are in favor of the passage of Senator CLARK's bill and the acceleration in public works facility construction that will ensue.

Yours very truly,

S. CLYDE FAIR, Mayor.

CITY OF SPARTANBURG, S.C.,
March 14, 1961.

DEAR MR. HEALY: I have your letter of March 10, 1961, asking for my reaction to Senator CLARK's bill, S. 986.

I am opposed to it. Our community would not be in a position to take advantage of this legislation if enacted, we could not contract for any additional public works beyond what is already planned, and no additional employment would result. Moreover, if our officials in Washington would concern themselves more with the solvency of our country, rather than with new ways of spending money, we would all be better off.

Cordially yours,

NEVILLE HOLCOMBE,
Mayor.

CITY OF DALLAS, TEX.,
March 20, 1961.

DEAR MR. HEALY: I have your letter of March 10 re Senator CLARK's bill and beg to advise as follows:

In answer to question 1, our city has no legal prohibition against participating in such a program and we would be financially able to participate.

In answer to question 2, we are just completing a \$50 million capital improvements program and will prepare a new one for the year beginning approximately January 1, 1962, and if grants-in-aid were authorized, we probably would add to the schedule approximately \$3 million above our normal amount. I do not believe I would know how to estimate how much this would increase local employment, but, of course, somewhat substantially.

Hoping this serves your purpose, I am,

Very sincerely,

R. L. THORNTON,
Mayor.

CITY OF FORT WORTH, TEX.,
March 24, 1961.

DEAR MR. HEALY: In reply to your letter of March 10, which requested review of Senator CLARK's bill, S. 986, the following information is supplied.

Whether the city of Fort Worth could take advantage of the legislation: Yes, the city of Fort Worth could legally take advantage of the grants proposed in the legislation on the same basis as grants which were made available during the 1930's. It is doubtful, however, that the city of Fort Worth would take advantage of grants for purposes other than highways, sewers, public housing, and airport construction.

The additional amount of public works which could be put under construction over and above the amount planned for the next year: Given local approval of Federal par-

ticipation in scheduled projects for next year, the city of Fort Worth could probably increase spending on capital improvements from \$10 to \$15 million, or a \$5 million increase for streets, highways, freeways, storm sewers, sanitary sewers, libraries, street lighting and signalization, and water facility improvements.

I hope that this supplies you with the information you require. Please let me know if I can be of further assistance.

Very truly yours,

T. A. MCCANN,
Mayor.

CITY OF OGDEN, UTAH,
March 24, 1961.

DEAR MR. HEALY: It is my opinion that not only does Senator CLARK's bill S. 986 have merit but it is most needed. Aid to local governments has been neglected too long.

Ogden City is in need of the following public works that it is not able to finance alone.

Public safety buildings.....	\$1,500,000
Public streets.....	500,000
Bridges.....	225,000
Parks.....	700,000
Water (covering reservoirs, etc.).....	2,350,000
Garbage incinerator.....	1,250,000
Fire stations (four).....	500,000
Library addition and new branch.....	150,000
Storm sewer.....	1,500,000
3 swimming pools.....	600,000
Total.....	9,275,000

The above list is by no means a complete list of our needs. Our total needs in improvements, without any extravagant expenditures for such buildings as a civic center and civic auditorium, could run \$15 million.

If there is additional information needed, kindly advise.

Sincerely,

E. L. CARLSEN,
City Manager.

CITY OF NEWPORT NEWS, VA.,
March 14, 1961.

DEAR MR. HEALY: Mayor Brittingham has handed me your letter with attachment of March 10, 1961, for reply.

Senator CLARK's bill S. 986 relative to authorizing 45 percent public works grants as an incentive to State and local governments to accelerate their capital expenditure programs is somewhat similar to numerous other legislative bills designed to encourage the construction of public works.

If the bill were passed, I feel certain this city would do its utmost to take advantage of its provisions.

We do not believe, however, that the bill proposed by Senator CLARK is justified at this time, certainly within our area of Virginia in which the city of Newport News is located.

Very truly yours,

J. C. BIGGINS,
City Manager.

CITY OF NORFOLK, VA.,
February 27, 1961.

GENTLEMEN: With reference to your bulletin of February 23 concerning S. 986, my answers to the questions which you ask would depend upon the interpretation of item 1 of section 4 of the proposed legislation. Assuming that the interpretation would be liberal, the answers are as follows:

1. Yes, we would be in position to take advantage of the legislation, if enacted.

2. Approximately \$6 million.

3. I am reliably informed that the type of capital improvement that we would undertake under an accelerated program would run about 60 percent labor and 40 percent material in the contractors' costs. Of course,

there must be added to this the labor involved in producing and preparing the material, so I would estimate that the total additional employment would be in the neighborhood of \$4 million.

Sincerely yours,

T. F. MAXWELL,
City Manager.

MORGANTOWN, W. VA.,
February 28, 1961.

HON. JENNINGS RANDOLPH,
U.S. Senator,
Washington, D.C.

DEAR JENNINGS: I have just completed the reading and study of Senate bill 986 introduced by Senator CLARK for himself, you, and Senator PELL. The bill is captioned the "Emergency Employment Acceleration Act of 1961." I want to commend most heartily you and your Senate colleagues for this splendid legislative measure, to assist those areas of the United States which are in dire need of help to provide employment and capital improvements which are badly required and beyond the ability of the local governments to provide. My congratulations to you and Senators CLARK and PELL for your initiative and willingness to present and urge adoption of a legislative act to assist so many unfortunate unemployed by providing methods for them to obtain employment and a livelihood for their families.

As you are aware, this area has been listed as a distress area for several years. This condition was brought about by the mechanization of the coal mines, loss of orders for coal, the closing of the Morgantown Ordnance Plant, discontinuance of small businesses, and layoffs in the industrial and commercial firms remaining in business. The unemployment in this area, as determined from very reliable sources, is in excess of 19 percent of the working population. Under conditions such as this, it is impossible for the community to provide sufficient revenue from taxes to assist in reducing the unemployment. It is also impossible for the community to maintain its present governmental standard and entirely unthinkable to consider construction of those facilities which are required for the improvement of the city.

Legislation such as Senate bill 986 will not correct entirely the existing condition. It will go a long way in preventing further unrest than is now apparent. It will assist some of those who have been unemployed for many months to obtain employment, regain their self-respect, and provide for their families.

The conditions and thoughts of individuals today are reminiscent of the early 1930's. The unemployment of that period had advanced to a high percentage. People were leaving their homes and personal property taken from them due to the lack of income and inability to meet mortgage or loan payments. The local governments were unable to cope with the conditions and so many of those incidents which are happening today prevailed—stealing, robberies, suicides, and so many types of unlawful acts by all age groups. The Federal Government attempted to assist in solving the problems with CWA, FERA, and other make-work programs; these programs turned out to be more like payroll programs than work programs with the result of men leaning on shovels or doing work of no consequence while discontent with unrest continued to increase.

Senate bill 986 reminds me very much of the PWA program, which with WPA did so much to start conditions to stabilize. The work programs gave local communities capital improvements, provided an impetus to industries which in turn placed orders with coal mines and other suppliers of raw materials, and eventually brought order out of a chaotic economic condition in the United States.

The city of Morgantown participated in the PWA and WPA programs to the benefit of the city and its citizens. During the PWA program the city constructed a modern 100-ton garbage incinerator plant, a city garage, and purchased new trucks for the collection and disposal of garbage and rubbish. During the WPA program the city accomplished many types of construction projects which had a direct bearing on the progressive attitude and improvement of Morgantown and the surrounding areas. Among these projects were:

1. An airport with three paved and lighted landing strips—3,600-foot, 3,100-foot, and 3,000-foot lengths—with 692,180 cubic yards of excavation and 156,855 square yards of asphaltic concrete surface on rock base.
2. Paving of the 2-mile length of Richwood and Sabraton Avenues with tremendous retaining walls which extended as much as 62 feet below the roadway level; these streets now provide the main entrance to the center of the city from Maryland by way of West Virginia 7.
3. A total of 7.01 miles of additional street paving (a) 1.84 miles of reinforced concrete; (b) 5.17 miles of asphaltic concrete on rock base.
4. A total of 18.38 miles of main sewer lines ranging in size from 8-inch to 30-inch diameter with manholes, storm inlets, and other accessories.
5. The Deckers Creek floodwall.
6. Miles of retaining walls to support the street paving.
7. Many miles of sidewalks.
8. Improvement of 134 acres of park area with recreational facilities, and
9. Numerous other construction items.

As city manager and city engineer of Morgantown at the time of the PWA and WPA programs, it was my feeling that only worthwhile and long-life projects should be undertaken by the city. It was also the thoughts of city councilmen and myself that the projects should be capital improvements for the city, and the city should participate to its maximum ability in financing the programs. At the conclusion of the city-WPA program, it was determined that the city had participated in the program to the extent of approximately 30 percent of the total costs of the various projects. The results and value of the programs are quite obvious today to all of the residents of and visitors to this area. It may be added that the city sponsored no projects where labor was not used to its utmost efficiency.

From the above information there is sufficient evidence that both the PWA and WPA programs were advantageous to the entire Nation, the city of Morgantown, and so many persons in destitute circumstances. With the critical condition of unemployment in this area, the entire State of West Virginia, western Pennsylvania, and other areas of the United States a positive position should be taken immediately by the Federal Government to assist local governmental bodies to alleviate the unemployment problem.

There is little doubt but that a local capital improvement program will go as far as any other type of program in the abatement and correction of the unemployment problem. This type of program will also go a long way to aid those governmental units to correct local conditions which have resulted from the lack of proper financial support.

The city of Morgantown will be very pleased to take part in a capital improvement program to supplement its street, sidewalk, sewer, airport, recreational, and other fundamental requirements to improve the public welfare and health of the community and to assist in the curtailment of its unemployment problems.

It is trusted you will continue to give your utmost support toward the passage of this constructive legislation.

Respectfully,

ELMER W. PRINCE, City Manager.

CITY OF SUPERIOR, WIS.,
March 14, 1961.

DEAR MR. HEALY: Your legislative bulletin of February 23, 1961, with respect to public works acceleration and grants for public works is undoubtedly of urgent nature. Without reservations, we can say at the outset that the economic conditions in our area are such that grants as proposed in the bill would be of valuable and lasting nature.

The city of Superior is in the need of a great number of improved public facilities such as separating the sanitary and storm sewer system, improvement of public streets (especially in the residential areas where there are no curb and gutter to say nothing of concrete or blacktop paving). Sidewalk repairs have been carried on in a modest manner, but could be doubled and tripled in the next 2 or 3 years to bring them up to a safe and suitable condition. Additional public parks could be developed, a municipal swimming pool could be established, and there is a definite need for a new city hall, centrally located, with both police and fire protection facilities combined in a structure. State legislation enacted in recent years is going to make it necessary for the city of Superior to build a new central high school to provide educational opportunities on the high school level for students residing in the rural areas of the city of Superior. Such a school with proper facilities has been estimated to require from \$4½ to \$6 million of financing. Insofar as the total cost for these additional public works, it would be difficult to estimate at this time, but I trust that you can see from the foregoing that it would be completely prohibitive for a city the size of Superior (34,000) to accomplish them through its own resources. If bill S. 986 should be enacted into law, the city administration of Superior would undoubtedly program work within its means to accomplish and accelerate much needed facilities.

Thanking you for bringing this to our attention, we beg to remain,

Very truly yours,

LAWRENCE M. HAGEN,
Mayor.

CITY OF RIVERTON, WYO.,
March 20, 1961.

DEAR MR. HEALY: In reply to your letter of March 10 regarding Senator CLARK's bill, S. 986, in which you request my reaction to the bill's merits and ask whether this community could take advantage of the legislation, I regret that at this time there is no demand for other public works. We have exhausted all local available funds which might be used to match either State or Federal aid.

Within the past week we have filed on water rights at Brooks Lake in the Wind River Mountains, proposing to build a dam at that location to impound approximately 10,000 acre-feet of water. This project is a precautionary measure to guard our domestic water resources and construction of the dam is not contemplated this season. Just how this project will be financed has yet to be determined.

Other than this, there is no immediate prospect of any other municipal construction of public works.

Sincerely,

WILLA WALES CORBITT,
Mayor.

Mr. GRUENING. Mr. President, will the Senator from Pennsylvania yield?

Mr. CLARK. I yield.

Mr. GRUENING. I am a cosponsor of the bill to which the Senator from Pennsylvania has referred. The proposed legislation is needed in many parts of the Union, particularly in Alaska, where there is steadily mounting unemployment, and where many public projects

are sorely needed. I hope the bill will be acted on favorably by this great body.

Mr. CLARK. I thank the Senator for his comments and welcome his support.

UNCONSTITUTIONALITY OF FEDERAL TAX AID TO PAROCHIAL SCHOOLS

Mr. ERVIN. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement I have prepared in respect to the proposal to extend the Federal tax aid to parochial schools. In addition, I ask unanimous consent to have printed following my statement an editorial entitled "Courage," published in the Asheville, N.C., Citizen-Times; an editorial entitled "Rome and Public Schools," published in the Asheville Citizen-Times; an editorial entitled "Religious Debate Imperils Kennedy's School Bill," published in the Charlotte, N.C., Observer of March 11, 1961; an editorial entitled "Democracy and Public Schools," published in the Charlotte Observer of March 26, 1961; an editorial entitled "Kennedy and Private Schools," published in the Greensboro, N.C., Daily News; an editorial entitled "No Aid to Parochial Schools," published in the Christian Science Monitor; and an editorial entitled "Church, State, and Schools," published in the Washington Post of March 13, 1961.

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

FEDERAL TAX AID TO PAROCHIAL SCHOOLS IS BOTH UNCONSTITUTIONAL AND UNWISE

(By Senator ERVIN)

If we are to appraise aright the current demands for Federal tax aid to parochial schools, we must begin with a study of history. This is true because we can understand the institutions and laws of today only if we know the historical events out of which they arise.

MAN'S STRUGGLE FOR RELIGIOUS FREEDOM

The most heart-rending story of history is that of man's struggle against civil and ecclesiastical tyranny for the simple right to bow his own knees before his own God in his own way.

As one of America's wisest jurists of all time, the late Chief Justice Walter P. Stacy, of the Supreme Court of North Carolina, declared in the opinion he wrote in *State v. Beal* (199 N.C. 278):

"For some reason, too deep to fathom, men contend more furiously over the road to heaven, which they cannot see, than over their visible walks on earth," and "It would be almost unbelievable, if history did not record the tragic fact, that men have gone to war and cut each other's throats because they could not agree as to what was to become of them after their throats were cut."

The Founding Fathers who wrote the Constitution of the United States were acutely aware of these truths.

They saw with the eyes of history the cruelties of the Spanish Inquisition, the massacre of the Huguenots of France, the slaughter of the Waldensians in the Alpine Valleys of Italy, the hanging and jailing of English and Irish Catholics by Protestant England, the hunting down of the Covenanters upon the crags and moors of Scotland, the branding, hanging, and whipping of Quakers and the banishing of Baptists by Puritan Massachusetts, and the hundreds of other atrocities committed in the name of religion.

The Founding Fathers knew, moreover, that even during their own lifetimes those who did not conform to the doctrines and practices of the churches established by law in the places they lived, such as Scotch-Irish Presbyterians in Ulster, Catholics in England and Ireland, and dissenters in various American colonies, had been barred from civil and military offices because of their faiths, had been compelled to pay tithes for the propagation of religious opinions they disbelieved, and had had their marriages annulled and their children adjudged illegitimate for daring to speak their marriage vows before ministers of their own faiths, rather than before clergymen of the established churches.

THE DETERMINATION OF THE FOUNDING FATHERS TO SECURE RELIGIOUS LIBERTY BY SEPARATING CHURCH AND STATE

The Founding Fathers were determined that none of these tragic historical events should be repeated in the nation they were creating.

To this end, they inserted two provisions in the Constitution of the United States.

The first of these provisions appears in article 6, and declares that "no religious test shall ever be required as a qualification to any office or public trust in the United States."

The second appears in the first amendment, and states that "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof."

These provisions embody in the Constitution the abiding conviction of the Founding Fathers that the complete and permanent separation of the spheres of religious activity and civil authority is best for religion and best for the state.

I cherish the constitutional principle of the separation of church and state as the most precious part of our heritage as Americans. It must be preserved if liberty of any kind is to endure. This is true because political liberty cannot exist where any church dictates to the state and religious liberty cannot exist where the state interferes with religion.

The author of the "establishment of religion" clause of the first amendment was James Madison, who had previously piloted through the Virginia Legislature Thomas Jefferson's Virginia Statute for Religious Freedom, which declared that "to compel a man to furnish contributions of money for the propagation of opinions which he disbelieves is sinful and tyrannical."

THE CONSTITUTION PROHIBITS FEDERAL TAX AID TO ANY AND ALL CHURCHES

The first amendment is designed to prevent every form and degree of official relation between religion and civil authority. To this end, it secures the right of every person to worship God according to the dictates of his own conscience and prohibits every kind of public aid or support, financial or other, for religion.

Its purpose to outlaw all use of public moneys for religious purposes is stated with unmistakable clarity by the Supreme Court of the United States in the comparatively recent case of *Everson v. Board of Education* (330 U.S. 1).

I quote from the opinion in that case: "The 'establishment of religion' clause of the first amendment means at least this: Neither a State nor the Federal Government can set up a church. Neither can pass laws which aid one religion, aid all religions, or prefer one religion over another. No tax in any amount, large or small, can be levied to support any religious activities or institutions, whatever they may be called, or whatever form they may adopt to teach or practice religion. In the words of Jefferson, the clause against establishment of religion by law was intended to erect a wall of separation between church and state."

There can be no doubt of the fact that the parochial schools constitute an essential part of the Catholic church. Indeed, they are established and operated by the Catholic Church for the purpose of teaching the children of Catholic parents the tenets of the Catholic faith. This is made clear by the canon law of the Catholic Church which specifies that "Catholic children are to be educated in schools where not only nothing contrary to Catholic faith and morals is taught, but rather in schools where religious and moral training occupy the first place" and that "the religious teaching of youth in any schools is subject to the authority and inspection of the church."

Despite assertions to the contrary, the first amendment makes no distinction whatever between outright grants of Federal moneys to parochial schools and long-term loans of Federal moneys to parochial schools. It forbids both grants and loans. The decision in the *Everson* case makes this crystal clear by stating, in substance, that Congress cannot pass laws which "aid one religion" or "aid all religions," and that "no tax in any amount * * * can be levied to support any religious activities or institutions, whatever they may be called, or whatever form they may adopt to teach or practice religion."

THE CATHOLIC DEBT TO THE CONSTITUTION

All Americans of all faiths have the absolute legal right to send their children to the public schools of the States in which they reside. Many Catholic parents forgo the exercise of this legal right and send their children to parochial schools because they want their children to receive something which the first amendment forbids the public schools to give them; i.e., instruction in the tenets of their religion. In sending their children to parochial schools, Catholic parents are exercising a right secured to them by the same Constitution which forbids the use of tax-supported institutions for the teaching of any religion. This observation finds illustration in the decision of the Supreme Court of the United States in *Pierce v. Society of Sisters of Holy Names* (268 U.S. 510), where the Court decided that the parents of Catholic children have a constitutional right to send their children to parochial schools, and adjudged unconstitutional an Oregon statute which required parents of all children, including Catholic parents, residing in Oregon, to send their children to the public schools of that State.

USE OF FEDERAL TAXES FOR PAROCHIAL SCHOOLS UNWISE

Even if there were no constitutional prohibition on such action, Congress should not grant or loan Federal tax moneys to parochial schools or any other schools teaching the tenets of any religion.

The ringing declaration of Thomas Jefferson's Statute of Virginia for Religious Freedom that "to compel a man to furnish contributions of money for the propagation of opinions which he disbelieves is sinful and tyrannical" is just as true today as it was when Jefferson wrote these immortal words. It would be "sinful and tyrannical" to tax Catholics and Jews to aid the teaching of Protestantism, or to tax Catholics and Protestants to aid the teaching of Judaism. It would likewise be "sinful and tyrannical" to tax Protestants and Jews to aid the teaching of Catholicism.

A great American, the late Justice Rutledge, had this to say on this subject:

"The great condition of religious liberty is that it be maintained free from sustenance, as also from other interferences, by the State. For when it comes to rest upon that secular foundation it vanishes with the resting. Public money devoted to payment of religious costs, educational or other, brings the quest for more. It brings too the struggle of sect against sect for the larger share or for any. Here one by numbers alone will

benefit most, there another. That is precisely the history of societies which have had an established religion and dissident groups. It is the very thing Jefferson and Madison experienced and sought to guard against, whether in its blunt or in its more screened forms. The end of such strife cannot be other than to destroy the cherished liberty. The dominating group will achieve the dominant benefit; or all will embroil the state in their dissensions."

If we are to preserve religious liberty, or, indeed, any kind of liberty, we must keep the state's hands out of religion and religion's hands off the state.

[From the Asheville (N.C.) Citizen-Times]

COURAGE

Many scoffed when Candidate Kennedy insisted from time to time throughout the campaign that he was opposed to Federal aid to private and parochial schools on constitutional grounds.

But it must be quite obvious by now that the scoffers did not know the measure of the man.

President Kennedy is still opposed to these grants, despite widespread criticism of his stand by the leaders of his own church.

It is quite apparent from recent statements by the President that he is far more concerned with the possible defeat of his program to aid public schools than he is by the voices raised against him by Cardinal Spellman et al.

Mr. Kennedy is urging Congress to pass the business at hand before getting enmeshed in the private and parochial controversy because it is obvious that unless the two issues are divorced the American educational system will wind up with nothing.

John F. Kennedy is the author of a Pulitzer Prize-winning book called "Profiles in Courage."

It deals with some earlier American statesmen who battled for what they thought was right even when they knew it meant almost certain political doom.

It might be well for someone to write an epilog for the book based on the forthrightness of the author.

[From the Asheville (N.C.) Citizen-Times]

ROME AND PUBLIC SCHOOLS

While campaigning in Texas last year, Senator Kennedy met with a group of Protestant ministers who questioned him at length on his views about a possible conflict of interests in the political actions of a Roman Catholic President.

One clergyman asked the Senator if, in some hypothetical case, he would have to ask for advice and consent from the heads of his church before he could act.

Mr. Kennedy replied: "I would not ask anybody's permission to act."

His answer now has absolute confirmation in the criticism in the Roman Catholic press (with a few exceptions) of the President's stand on Federal loans to private and parochial schools.

In a well organized campaign, some half dozen papers controlled by the Catholic hierarchy question even the right or the propriety of a President's expressing an opinion on the constitutionality of a proposed law.

In America, the Jesuit weekly, an article by Father Charles M. Whelan says:

"We could and did expect a silence respectful of the problem. As President of the United States . . . he should avoid unnecessary pronouncements on delicate constitutional issues."

This is a new doctrine of Presidential rights and privileges. The President has opposed direct aid, even in loans, to any private or parochial schools.

So far one Catholic paper, the Commonwealth, has supported the administration's education bill. That newspaper says: "If for any reason the bill should be defeated, the general welfare of the country would suffer."

It is of more than minor significance that the Commonwealth is edited by Catholic laymen, and not by the priests and bishops of the church.

Not only is the hierarchy using press artillery in the battle, but a far-reaching lobby, by person and by letters and cards, is well underway.

These facts amply justify the statement made in the New York Times by John D. Morris in a special Washington dispatch:

"American leaders of the Roman Catholic Church have reached a decision which is testing the church's strength as a political force in this country."

It can be added that this is the first time, in recent times, that the church has publicly and determinedly put forth its power in American politics.

The Roman priesthood waged a similar political contest last year in Puerto Rico. It was defeated, largely by the votes of the Roman Catholic laymen.

The present signs are that the hierarchy will meet defeat in its extraordinary excursion into politics. For, regardless of the Constitution, direct Government aid to private and church schools would still more weaken the American public school system.

[From the Charlotte Observer, Mar. 11, 1961]

RELIGIOUS DEBATE IMPERILS KENNEDY'S SCHOOL AID BILL

Eleven months ago, while still a U.S. Senator, John F. Kennedy delivered a speech to the American Society of Newspaper Editors in Washington.

Much of that speech was given to a discussion of his religion and his presidential candidacy, and it contained this statement: "Federal assistance to parochial schools, for example, is a very legitimate issue actually before the Congress. I am opposed to it. I believe it is clearly unconstitutional. I voted against it on the Senate floor this year."

This week, speaking as the President, Mr. Kennedy restated his agreement with the U.S. Supreme Court that grants of public funds to nonpublic schools are clearly unconstitutional. He also stated his belief that even long-term loans of public funds to such schools are probably unconstitutional.

In doing so he disagreed with the hierarchy of his church.

The cardinals, bishops, and archbishops of the Roman Catholic Church in the United States are demanding low-interest Federal loans for work on their church schools. Furthermore, they have promised to fight any school aid bill that does not help pupils in private and parochial schools, and they probably have the power to kill such legislation.

Their position is one that even a Catholic President (and a lawyer) doubts in constitutional terms. And it is one that, in our opinion, amounts to unwise public policy for the country.

We are aware that many parents are taxed for support of public schools when their own children are enrolled in private or church institutions. Some of them must feel that this is unjust, and that it is only fair that public funds be used for the support of their own schools.

We are also aware that the entire country is harmed when the quality of education in any sector—public or private—suffers from lack of support.

But it is dangerous business that the Roman hierarchy pursues.

Public funds in this country go for the support of public schools, and those schools are open to all children from all religious denominations.

There are denominations that choose to operate their own schools because they want religious instruction for the young. They are perfectly free to establish such schools, and parents are perfectly free to send their children to them.

But it is one thing to operate such schools as a matter of choice and quite another thing to expect Government to support them because they exist. Tax funds are collected from all the people, and Government should resist pressures to channel money into private areas.

The concept of a separate church and state is imbedded deeply in the American Constitution, and for the very best of historical reasons. That concept holds that all the churches will prosper, and so will the state, if they keep their affairs from becoming too mixed. The state guarantees to every church the right to operate, but it bestows no favors upon any and takes part in the operation of none. It has no pets: it grants no special privileges.

It is important that this concept not be diluted year after year, as is slowly happening. And for that reason the Catholic position must not prevail in the school aid legislation, not even where loans are concerned.

The President is consistent in his position. We hope this valuable program is not sacrificed because of the religious argument it has unfortunately attracted.

[From the Charlotte Observer, Mar. 26, 1961]

DEMOCRACY AND PUBLIC SCHOOLS

One reason why Congress should avoid public aid to nonpublic schools has very little to do with religion. It has a great deal to do, however, with education and the democracy that only education can sustain.

Public schools are one of the larger reasons why the American people, so diverse in their origins, have been able to come together into a society so united in purpose and attitude.

There is as much democracy in our schools as in any of our institutions. There the barriers can be knocked down and the differences leveled. There immigrant children have ceased to be Irish, or Greek, or Puerto Rican and have become American, and their parents in their pride have become more American too.

The public schools have been the cement that has joined peoples of different lineage, different thought—even different pigmentation—in common cause. A private school may divide for the simple reason that it is private and caters to the "select." A church school may divide because it is established to serve a particular creed, a particular need. The public school bridges. It unites.

This is not to say that private or church schools lack a place in American society. There is the full right to establish them and to attend them, and it must always be so.

But a pluralistic society must be careful in supporting such schools lest it fragmentize education and, in doing so, fragmentize society itself. This is not a matter of constitutionality; it is a matter of reason. It is just as important as law in the context of the present debate over the President's school program.

The Denver Post puts it succinctly:

"If this Nation ever reaches the stage when the children of each of the 256 separate denominations attend 256 separate school systems financed by the Government, the danger to our national unity will be very great indeed."

True, only a few of the many religious groups now operate their own schools. But who can say what might happen if government steps in to subsidize religious schools as it supports public schools now? Would not splintered schools be encouraged then as they are, in effect, discouraged now?

Admittedly, this is only one phase of a big subject. But it is a phase that Washington cannot well ignore.

[From the Greensboro (N.C.) Daily News]
KENNEDY AND PRIVATE SCHOOLS

President Kennedy has staked himself out unequivocally on the issue of Federal aid to private or parochial schools: He is against it because the U.S. Constitution, as interpreted by the U.S. Supreme Court, prohibits it.

The President also hopes that the issue will not be stirred further by members of his own church because such stirring would only help defeat the Federal-aid-to-public-schools bill now pending before Congress.

In this respect, as a Washington was noted, Mr. Kennedy, a Catholic, qualifies as the most satisfactory President the Baptists and the Seventh-day Adventists have ever had. These groups have been most persistent in applying the principle of separation of church and state, even to the point of refusing Government handouts for schools, hospitals, or other phases of church-supported activities.

The President, of course, is right in his interpretation of the law. The Federal Government cannot under the Constitution become a party to such appropriations. Many sincere Catholics believe this is rank discrimination. While they are entitled to their opinion, we still believe they are wrong.

The distinction between public and private schools must be maintained. Public schools, theoretically and increasingly in practice, are open to all qualified children. Those parents who choose to use private schools, for whatever reasons good or bad, are not denied the use of public schools for their children. They simply make the decision not to use them because they want something they feel is not provided in such schools.

There is no logic in arguing that the Government should therefore undertake to support private or parochial schools as such.

[From the Christian Science Monitor]
NO AID TO PAROCHIAL SCHOOLS

President Kennedy put it succinctly: "The Constitution clearly prohibits aid to parochial schools. I don't think there is any doubt of that."

Legally there should be no question. A major element of the democratic freedom which is so basic to the United States is the concept that the state—the servant of all the people—shall have no ties with any religious body.

That is the constitutional issue involved in the current dispute between the American prelates of the Roman Catholic Church and the President over his plans for Federal aid to education.

But there is far more than a matter of time-honored legal stricture at stake in this matter. Commonsense and an open-minded review of what the American dream is all about should convince citizens of all faiths and pocketbooks that the constitutional bar as applied to education is not an 18th-century intrusion but a living necessity.

The prelates say that aid to the public school system is discriminatory against children in parochial schools. But the public school system is free to these children as to all others. Its classrooms are open to them and to children in Protestant and non-sectarian private schools. Their parents have chosen an alternative, as is their right. But this free choice certainly does not mean they are being discriminated against.

The prelates indicate they would accept long-term, low-interest loans to the Roman Catholic Church for its schools, instead of the grants proposed for public school use. If one form of aid is unconstitutional, so is the other. For the only difference would

be in the size of the subsidy paid to a church by the state.

We trust this issue will always be discussed calmly, not heatedly. It should be kept from becoming a source of bitter contention between Americans. And it should be kept so for the same reason that the system of universal free education represented in the public schools was itself originally created. American children of all backgrounds—of rich and poor, of city and country, of immigrant and pioneer, of devout and doubters—should have available to them the best possible education.

To support with the money of all the people schools for separate groups would be to further a fragmented class society in America.

[From the Washington Post, Mar. 13, 1961]
CHURCH, STATE, AND SCHOOLS

Are President Kennedy and the sponsors of the aid-to-education bill trying to penalize parents who think their children should be taught in church schools? This view was bound to arise as the controversy over aid to parochial schools has waxed hotter. It ought to be carefully examined in the light of the fundamental principles which determine the relations between the churches and the state in this country.

It is easy to understand this feeling that public policy acts unfairly to discriminate against the parochial schools. The Roman Catholic Church and many other churches have made enormous contributions to education in this country. Everyone acknowledges that if their efforts should be withdrawn or substantially lessened, heavy new burdens would fall upon the public schools. Taxes for education would have to be increased. Why, then, when Congress is considering a new program of Federal aid to education should the church schools be excluded from it?

The question goes to the roots of our constitutional system and political philosophy. Underlying both is the principle that all men are free and equal, and a vital part of this freedom is the right to worship in accord with the dictates of conscience without any interference on the part of government. In pursuit of this principle church schools are allowed to operate free of taxation and governmental control. Every church may decide for itself whether general education for its young adherents should be linked to religious instruction.

It became apparent many years ago, however, that religious and other private institutions could not supply the entire educational needs of the people. Public schools supported by tax funds grew in numbers and became the mighty force they are today because there was no other way of supplying modern education to all children. Today public education has become a bulwark of the American way of life. It can no more be abandoned or impaired than can our Federal system or the Bill of Rights. On the contrary, an irresistible demand has arisen for improvement and expansion of public school plants and facilities and teaching staffs.

However deeply concerned they may be about their own problems, critics of the President's program should be able to see that an extension of aid to church and public schools alike would critically undercut the latter. The major educational burden has fallen upon governmental agencies because they have the taxing power. As soon as public funds were made available to church and private groups, every religious organization would try to set up and expand schools of its own. The public schools would inevitably suffer an eclipse.

Beyond this unhappy prospect is the impossibility of separating the general public interest in education and the sectarian interest in proselyting within a church school.

Many advocates of Federal funds for parochial schools point to the great advantages of what is called a "God-centered education." But each church has a different concept of God and His teachings so that it is utterly impossible for the Government to sponsor that kind of education without becoming involved in sectarian controversies. This is, of course, precisely what the first amendment's prohibition on the establishment of a state church was designed to prevent.

Congress must therefore face the hard fact that no aid can be given to church schools without putting the Government in the forbidden business of fostering the churches that operate the schools. This should be clear to critics as well as supporters of the President's program. There are many ways in which religious instruction can be given to supplement public education, and if the pressure on church schools continues to increase many of them may have to modify their operations. This would be a far more satisfactory solution, in our view, than an attempt to bend public education and the principle of separation between church and state to the interests of the parochial schools.

In any event, the Government must not, and cannot under the Constitution, intrude upon the teaching of religion. It is all very well to say that the Government would not need to interfere with the curriculums of church schools; but if the Government should finance Methodist, Episcopalian, and Catholic schools, for example, it would by reason of that fact be teaching methodism, episcopalianism, and catholicism. Surely debate on the vital question of Federal aid to education ought to begin with general recognition of the fact that this is forbidden territory.

EXTENSION OF SUGAR ACT OF 1948

Mr. KUCHEL obtained the floor.

The Senate resumed the consideration of the bill (H.R. 5463) to amend and extend the Sugar Act of 1948, as amended.

Mr. MANSFIELD. Mr. President, after consultation with the acting minority leader [Mr. KUCHEL] and interested members of the Finance Committee, I wish to make a unanimous-consent request.

I ask unanimous consent that a vote be taken at 4 o'clock on the Douglas amendment, and that the time, after the conclusion of the remarks of the distinguished Senator from California [Mr. KUCHEL] is about to make, be equally divided between the proponent of the amendment, the Senator from Illinois [Mr. DOUGLAS], and the minority leader.

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

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on the Anderson amendment we vote at 5 o'clock, and the time be divided between the Senator from New Mexico [Mr. ANDERSON] and the minority leader, half to each side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

DEFENSE CONTRACTS ARE NOT SOCIAL PLANNING TOOLS

Mr. KUCHEL. Mr. President, the time seems to have come when certain misconceptions about my State of California and its role in defense production should

be refuted. Indeed, simple justice demands that they be eradicated. I also feel it is vital in this connection to remove outworn shibboleths from the lexicon of the Senate.

Periodically, complaint is registered that an undue or unfair or unwise concentration of procurement contracts placed by or for the armed services is awarded industries in the State of California. Unfortunately, there is a tendency to link this complaint with unrelated pieces of legislation and to make it a part of irrelevant discussions. I am compelled to speak out because of a regrettable disposition to suggest that one means of improving the economy of our Nation or of specific portions of it is to cut down on the placement of orders for defense hardware with concerns located or headquartered in California.

The matter of defense procurement is at the very heart of all programs and efforts to assure our national security and to provide adequate forces for deterrence of aggression and, if circumstances beyond our control should require such action, for instant and devastating retaliation.

Let me acknowledge at the outset, Mr. President, that California's industrial economy comprises a substantial number and variety of companies, both large and small, which specialize in fabricating, assembling, and developing items for our armed services. This is a fact of life of which all Californians are proud. It also seems to be a reason for envy and jealousy on the part of other areas of our country.

While I have no desire to impute to my colleagues unworthy motives, I am impelled to conclude that certain legislative proposals relating to the placement of defense procurement contracts are inspired in large part by obvious covetousness, by selfish envy, and by greater concern over local welfare than for national security.

My remarks today are prompted, Mr. President, by the submission of legislation which would add another and highly improper factor to those which are considered in the placing of orders for military hardware.

I submit, Mr. President, that when the Congress votes immense sums for the purchase of goods and services to maintain a strong American defense, the Congress does not desire to have those moneys spent for social or other purposes.

In a word, Mr. President, I firmly maintain that our national welfare can not tolerate having defense procurement made a political football. I strongly condemn the idea that the placing of contracts for missiles, for rockets, for aircraft, for electronic equipment, and for scientific research and development should be conditioned or influenced by the possibility of achieving economic reforms or by a desire to alter the economic pattern of our Nation. Our defense programs must not be operated as a 1961-style WPA.

It is shameful in my view that California and her industries should be singled out for attack on the grounds that they receive too large a slice of the defense procurement dollar without

taking into account the many and potent reasons why my State has a substantial defense production industry.

Recently, my colleagues from New York, proposed in this body, for the second time in 2 years, that provisions of the United States Code relative to procurement of defense materials be amended ostensibly for the laudable purpose of assuring greater competition in the expenditure of public moneys.

At about the same time, the President of the United States announced that in the equally desirable interest of relieving unemployment, he had directed the Defense Department, among other agencies of the executive branch, to take prompt steps to improve the machinery by which Federal contracts can be channeled to firms located in labor surplus areas.

The March 3, 1961, ruling—only some 3 weeks ago—of the Comptroller General of the United States clearly demonstrates that the intent of Congress and the law of this land precludes:

The expenditure by the Defense Establishment of appropriated funds under any contract awarded on the basis of a labor surplus area situation at a price in excess of the lowest obtainable on an unrestricted solicitation of bids or proposals.

The Comptroller General finds:

The intent of the Congress was that the practice of negotiating contracts with labor surplus area firms which would meet the lowest price offered by any other bidder on a designated procurement might be continued, but that no such contract could be awarded at a price in excess of the lowest available.

Can any Senator, or can any citizen of this country quarrel with that accurate interpretation of the intent of Congress in enacting all of the defense appropriation statutes? I do not believe so. At any rate, that is the law. The Secretary of Defense cannot, and should not, take any steps to channel defense contracts into labor-surplus areas.

In this connection, I am delighted to report a statement on this subject made to me just a few days ago by President Kennedy.

He assured me that under present law California would receive fair and equal consideration, along with all other parts of the country, in connection with the award of defense procurement contracts. That is all I can honorably ask for the State from which I come. That is all any Senator can ask for his State.

I have no alternative but to take violent issue with the legislative proposal to alter the defense procurement procedures, which was introduced by both my colleagues from the great State of New York. New York happens to lead in population—for the present—and is the site of the internal revenue district perennially reporting the greatest individual and corporate tax collections in the Nation.

The whole concept of Senate bill 1178, introduced by the Senators from New York, and a bill identical in form was introduced by, I believe, every Member of the New York delegation in the other body—has been analyzed closely, and considered carefully, and discarded completely, once before. I recall that in 1959,

a number of days of hearings by the Senate Armed Services Committees were devoted to consideration of the predecessor proposal, Senate bill 1875, of the 86th Congress.

As I have noted, Mr. President, the ostensible objective of this proposed legislation—to quote from the section headed "Declaration of Policy"—is to require the armed services to employ procurement methods which will "assure maximum competition consistent with national security, the needs of the agency, and the character of the products and services being procured." There are other declared purposes, all of them laudable. Among them are the promotion of small business, standardization in purchasing, and the maintenance of a strong economy. But they do not represent, at all, the basis of the bill.

The vicious portion of Senate bill 1178 is to be found near the end of the lengthy declaration of policy. It would require the Department of Defense, every time it wishes to order an airplane or to begin perfecting a weapons system, to use a new and decidedly unsatisfactory yardstick. That would involve—and again I quote from the bill—the placing of a fair proportion of purchases for the armed services with concerns located in areas of substantial labor surplus. Incidentally, nowhere in this proposal is there any attempt to set forth what would be a fair proportion—in itself a weakness which could result only in an administrative nightmare and be productive of disagreement and controversy.

On several occasions I have challenged the sponsors, my good friends and industrious colleagues from New York, about the reasons why they felt this new yardstick, this additional factor, should be employed in determining what bid to accept and where a contract should go. I specifically inquired whether either of my colleagues from New York alleged that California's share of defense procurement—which they persist in condemning as excessive—was due to favoritism or unethical procedures on the part of the purchasing agents of the Defense Department. They disclaim any such thought.

I wish to cite their statements on this point. The senior Senator from New York said, in reply to my question, it appears on page 3098 of the CONGRESSIONAL RECORD for March 2, 1961—that he was not making any complaint on these grounds. His precise words were:

I have not made and do not make any such contention [of favoritism]. I can say now that there is no evidence to support any such charge, so I have not made it.

During a discussion of the purposes of the predecessor bill, on June 12, 1959, the junior Senator from New York, in a colloquy about procurement methods and procedures, said—as appears in the CONGRESSIONAL RECORD, volume 105, part 9, page 11570—

I make no attack upon the justice or fairness of the defense procurement policy under the guidelines now laid down by legislation.

The time has come, Mr. President, in discussing this question to deal with

facts, with cold statistics, and with realities.

There is no denial that substantial sums of money are spent by the Federal Government carrying out contracts placed with companies situated in California. However, there is no question that tabulations showing this fact do not disclose the full picture or do not reveal the complete significance of the figures listed.

I desire to place before the Senate—and simultaneously before the House of Representatives, the executive branch, and the Nation—several meaningful pieces of information about the effect of this controverted defense procurement.

To my mind, of great importance is the fact that the proportion of defense spending apparently—and I use that word deliberately—going to California has declined in recent years. This is shown plainly by a report headed "Military Prime Contract Awards by States," issued by the Office of the Secretary of Defense. That document discloses that for the fiscal year 1959 California concerns received 24 percent of the total contract amounts. For the most recent fiscal year, 1960, the California share had declined to 23.7. In the same period—1959 and 1960—the share of military prime contracts increased in 17 States, with the percentage increase for that group ranging from 500 percent, Idaho, to 1 percent, Utah and Wyoming.

Further evidence that California's participation in defense spending has fallen is seen in employment figures. Official reports disclose that employment in our aircraft industry—which by 1947 had become the greatest manufacturing industry in our State—dropped from 294,000 in April 1957 to 199,000 in January of this year. That is a decline of 32 percent.

What this means to California is not widely understood nor appreciated. Put in proper perspective, California's population during the past 4 years increased nearly 16 percent and its labor force more than 13 percent. At the same time, total defense employment has shown little change. Between 1950 and 1957, employment rose rapidly, both in California's aircraft industry and in its other defense-oriented industries. But, a fact of great significance in my mind, since 1957, the employment in aircraft production has declined even more than that in missile, electronic, and space industries has risen. The overall picture shows that for combined defense-oriented industries California had a net reduction of 1,000 jobs in the past 4 years. The phasing out of certain aircraft has forced huge layoffs in Long Beach, San Diego, and other communities.

Much has been made of dollar totals which indicate huge amounts of defense expenditures flow to California. It is important, in looking at this data, to keep in mind a footnote appended by the Secretary of Defense to the report on military prime contract awards. This points out that data on prime contracts by State do not provide any direct indication as to the State in which the actual production work is done.

It further adds:

More important is the fact that the reports refer to prime contracts only and cannot in any way reflect the distribution of the very substantial amount of material and component fabrication and other subcontract work that may be done outside the State where final assembly or delivery takes place.

Those conditional notes were precisely what I had in mind when I commented earlier that I deliberately used the word "apparently" in discussing the amount of defense spending charged—or credited—to California.

The nature of defense production and the trend to develop integrated weapons systems cause seemingly large orders to go to individual firms. Furthermore, because of the methods followed in keeping abreast of technological and military advancement, there are large and necessary "follow-on" contracts. But not every dollar involved in each of these contracts winds up in California. Many of our defense contractors maintain multiple operations, with plants outside California and subcontractors scattered virtually over the Nation.

Let me give you some specific illustrations. For example, company X, a large defense contractor in the Los Angeles area, purchased and subcontracted with 43 States and the District of Columbia and placed only 38 percent of its total purchasing and subcontracting in California. For company Y, another large contractor also in the Los Angeles area, purchases were made from 47 States and the District of Columbia and operations of the prime contractor were carried on in its complex in 4 other States.

On this point, I wish to recall that, 2 years ago, I brought to the attention of the Armed Services Committee a statement by a veteran in defense production, J. H. "Dutch" Kindelberger, chairman of the board of North American Aviation. I am confident what he said then is equally true today, although the figures undoubtedly would be different in each case. Discussing the misconception that all defense dollars involved in a contract with a California concern go entirely to that State, Mr. Kindelberger wrote me as follows:

One point that seems to have been overlooked is that award of a contract to a California company by no means implies that all work on the project will be performed by that company or in that State. For example, we estimate that 70 percent of the work on the B-70 and F-108 projects will be performed by companies other than North American and we have already awarded major system contracts to companies in 11 States outside of California, including two in New York. We estimate that about 20,000 firms, both large and small, will ultimately be engaged in these two projects.

These aspects of the matter thus open to challenge the premise as well as the proposal of my colleagues from New York, who have conceded there is no favoritism involved in placing contracts with California industry, but who still maintain California receives too much in the way of defense procurement business.

There is good reason why a large amount of defense procurement involves California. It is well known that the

aircraft industry, in the years before World War II, centered in southern California for a variety of reasons. There are equally strong reasons why it expanded and branched into related fields. Among these are climate, closeness to areas over ocean and desert needed for testing and development, the proximity of technical and scientific institutions and agencies which are essential handmaidens of designers and manufacturers, the dependable supply of experienced and skilled labor, the presence of inventors and engineers who chose California as their residence, and the existence of specializing firms producing integral parts, supplies, components, and equipment.

This interrelation of facilities should not be ignored in attempting to revise policies and procedures governing defense purchasing. I submit that having research and test auxiliaries in areas adjacent to fabricating plants has a direct bearing upon the performance of defense contractors. It also is a factor which should not be overlooked in getting the most for our dollars.

Would it be economical to award by arbitrary mandate and for socioeconomic reasons defense contracts to concerns in areas lacking scientific institutions which could help solve technical design or production problems? Would we get the best return for our dollars by a form of hothouse procedure to aid fabricating plants in locations remote from great expanses of space or in sections often adversely affected by inclement weather? Could we expect contractors working under such handicaps to keep up with rigid production schedules? Would not valuable time be lost and additional expense incurred if trials, tests, and experiments had to be transferred to distant places or deferred because of unfavorable meteorological and atmospheric conditions?

I submit there is much, much more to be taken into account than the existence of unemployment. I contend that the Defense Department must have full latitude to award contracts in a fashion to bring the greatest return for every penny expended. It is impracticable and, to my mind, inconceivable—to think that the armed services can encourage creation of such interrelated agencies of production in other areas on the slim chance that a manufacturer normally producing other goods might qualify to perform a defense production contract merely on the ground that certain numbers of workers are looking for jobs.

The basic problem presented by the proposal of my colleagues from New York is the way their proposed legislation would affect the Defense Department and the armed services. What do the people charged with selecting and ordering weapons, supplies, instruments of defense, and the multitude of items for the Armed Forces think about using such a yardstick as existence of labor surplus areas?

The official comment of the Department was outspoken and unequivocal on this point. The General Counsel, in a formal report to the Senate Armed Services Committee—I listened to this, Mr. President—discussed at length the

declaration of policy in the bill of my colleagues from New York. The meat of the departmental comment is the following excerpts from that lengthy document:

The cumulative policies of the bill to place a fair proportion of defense procurement with small business and additionally to place a fair proportion of defense procurement in areas of substantial labor surplus would put undue emphasis on general social or economic considerations over the needs of national defense.

The Department of Defense cannot properly discharge its responsibilities with respect to procurement of weapons and other property essential to national defense and at the same time maintain "the economy of each section of the country" by "allocating purchases to different geographic areas of the Nation." The legislation of any such policy could reduce the awarding of defense contracts to a power struggle among contending regional and economic groups with great harm to national defense and to the public interest.

These objections were spelled out in considerable detail in the General Counsel's formal report and were amplified by responsible officials who discussed procurement methods and practices at great length.

For instance, Perkins McGuire, then Assistant Secretary of Defense for Supply and Logistics, told the Armed Services Committee:

I am afraid that legislation of this type could reduce the awarding of defense contracts to a struggle among regional or economic groups, with great harm to the national defense and to the public interest. A supplier's technical capability to produce a complex weapon must not be subordinated to his geographical location. Allocations of contracts based either on geography or "to eligible suppliers from whom relatively smaller proportions of procurement have been purchased" are, to my way of thinking, completely inconsistent with the concept that our defense contracts should be competitively awarded, to the maximum practical extent, to competent suppliers, at the least possible cost to the taxpayer.

Mr. McGuire, summing up his reactions, warned that the particular requirements in the New York bill would unquestionably increase the costs of and delay procurement.

There is an additional phase of the problem presented by the geographical yardstick, to which I previously referred. This relates to the so-called "follow-on" contracts, which often are responsible for the feeling that California's share of defense contracts is excessive. The difficulty which would be encountered in trying to distribute orders with a view to maintaining the economy of particular areas of the Nation was described by one of Assistant Secretary McGuire's staff, Comdr. J. M. Malloy. He noted that many complex defense items are supplied by one or a few producers. Then he gave this warning:

The problem here is that once these sources have been selected for a major weapon the Government may have such an investment in facilities and the contractor in engineering and production experience that the cost, both in dollars and time, would be prohibitive to duplicate.

What about the practicality of applying the labor-surplus test in placing

the contract? I have remarked about the questionable wisdom of encouraging hothouse plants or industries. I have noted the need for interrelated and auxiliary facilities. Let me quote how a procurement officer feels on that score. In his appearance before the Armed Services Committee Maj. Gen. W. T. Thurman, from the Office of the Deputy Chief of Staff for Materiel, U.S. Air Force, mentioned this phase of the problem. He said:

Where you have a prime (contractor) who wants to get into an area where he does not already have a capability, that almost invariably involves extensive additional facilities. Those facilities have got to come either from his own resources or from the Government's resources and as figures on the extent of Government facilities will indicate they frequently must come from Government resources.

I submit, Mr. President, that this is no inconsiderable objection to the formula my New York colleagues would have the armed services follow. And I ask whether this is compatible with our universal wish to get the most for our money and to make our dollars go as far as possible.

The basic question of the desirability of imposing such a policy upon the armed services already has been answered. The Congress over a period of years has made it plain that defense requirements and considerations of security shall be uppermost in the placing of orders for defense material. We in this Congress and prior Congresses have found it in the public interest to specify, and in no loose or vague terms, that we do not want defense appropriations utilized for nondefense purposes. The current Defense Department appropriations act, as I suggested earlier, like many before it, carries a clear-cut limitation against paying premium prices for items needed by the armed services. We saw fit to write into the present law the following language incorporated in section 523 and taken verbatim from the law for the prior and for several earlier years:

Provided further, That no funds herein appropriated shall be used for the payment of a price differential on contracts hereafter made for the purpose of relieving economic dislocations.

The feeling which motivated this limitation also has been reflected by the Member of Congress probably universally regarded as the most informed about and highest respected for his acquaintance with our Defense Establishment. I am sure that every Member of this body has the utmost regard for the chairman of the House Armed Services Committee, Representative CARL VINSON. His feelings about getting the maximum value for our defense dollars was made plain only a few weeks ago. When suggestions were made that armories for reserve units might be built in some locations to relieve unemployment, Chairman VINSON said firmly:

There should never be one built to relieve unemployment or distressed conditions. They must only be built on the basis on which they are warranted strictly from a national defense standpoint.

I submit, Mr. President, that precisely the same test applies to the placement of procurement contracts.

I concur completely in the principle that defense purchasing should be done to the maximum practicable extent on a basis of competition. Whether contracts are awarded following open bidding or after negotiation, I believe that the public interest demands competition. I do not see how this objective can be reached if the Defense Department is directed to take into account such factors as unemployment and labor surpluses in different areas of the country.

California's defense industry ought not to ask any special treatment. It does not. Neither do we in the California delegation. All we ask—and what we have a right to expect—is fair play and an equal opportunity with all rivals to participate in producing the hardware and other items which our Armed Forces require to discharge their responsibility of safeguarding and protecting the people of the United States of America.

We have developed in California a resource—factories, laboratories, talent, skill, and know-how—which is indigenous to our area and should not be subjected to discrimination. The existence of a defense industry in California is a natural phenomenon similar to the concentration of automobile plants in Michigan, to the complex of steel mills and related operations in Pennsylvania and adjoining States, and to the development of machine tool production in Connecticut. Certainly Senators and Members of the House from those States expect and demand equal treatment for their industries. California is not alone in maintaining that its defense industry should not be impeded or injured by extension of privileged status to competitors in any other section of the country.

From every point of view, I contend and I maintain, Mr. President, that sound public policy and the safety of our Nation dictate that defense programs must not be conceived or carried out on any economic-geographic or any socio-economic basis to prop up depressed areas or to give one section of our country special advantage over another.

If work is to be taken from California, let it be done only because it can be performed cheaper or more speedily or because a better product can be turned out elsewhere for the defense of the American people.

I ask unanimous consent that a copy of the Comptroller General's decision be printed in the RECORD at this point in my remarks.

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

COMPTROLLER GENERAL OF THE
UNITED STATES,
Washington, D.C., March 3, 1961.

B-145136.
The Honorable the SECRETARY OF DEFENSE.
DEAR MR. SECRETARY: We have a letter dated February 25, 1961, from the Assistant Secretary (Installations and Logistics), asking to be advised whether our Office would object to the use of total set-asides of certain procurements for award to firms in

labor surplus areas, in the light of the prohibition contained in section 523 of the Defense Appropriation Act of 1961 against the payment of price differentials on contracts made for the purpose of relieving economic dislocations.

The letter refers to a Presidential request to you, the Secretary of Labor, and the Administrator, General Services Administration, for recommendations as to improved means for channeling contracts to areas of labor surplus. It is stated to be the consensus of all agencies concerned that to increase measurably the volume of contract awards to such firms total set-asides of appropriate procurements for award exclusively to such firms should be made. In your Department, such set-asides would be made under criteria similar to those currently applicable to small business firms.

Both the small business and labor surplus area preferences in award of Government contracts had their origin in the policies declared in the Defense Production Act of 1950, 64 Stat. 798, and amendments thereto, and in various executive orders and supplementary directives issued to implement those policies. At an early stage in the development of these programs this Office had occasion to consider certain legal questions presented as to the propriety of payment of appropriated funds under contracts awarded thereunder. The position taken was that when advertising of public contracts was required by law awards should be made only to responsible bidders whose bids, conforming to the invitations, would be most advantageous to the Government, price and other factors considered, and that awards to other than the low bidders could not properly be made solely on the basis of small business status or surplus labor area location. (See 28 Comp. Gen. 662; 31 id. 279; 31 id. 347.) However, in view of the authority to enter into contracts by negotiation during the period of a national emergency proclaimed by the President, contained in section 2(c)(1) of the Armed Services Procurement Act of 1947 (now 10 U.S.C. 2304(a)(1)), and in the corresponding section of the Federal Property and Administrative Services Act of 1949, it was stated that this Office would not object to payments under contracts negotiated pursuant to that authority with small business firms or bidders in labor surplus areas upon administrative determination that such awards were necessary in the public interest.

The small business preference was thereafter given more express legislative sanction by the enactment of the Small Business Act of 1953, 67 Stat. 232. The procedures adopted with respect to awards to labor surplus area firms, however, became the subject of controversy in Congress, which resulted in the enactment, in section 644 of the Defense Appropriations Act of 1954, 67 Stat. 357, of the limitation, identical to that appearing as section 523 of the 1961 Appropriation Act, prohibiting the expenditure of appropriated funds for the payment of price differentials on contracts made for the purpose of relieving economic dislocations.

The language of the proviso leaves little room for doubt, and examination of the legislative history confirms, that the intent of the Congress was that the practice of negotiating contracts with labor surplus area firms which would meet the lowest price offered by any other bidder on a designated procurement might be continued, but that no such contract could be awarded at a price in excess of the lowest available. The prohibition originated as a Senate committee amendment to the House bill (see S. Rept. No. 601, 83d Cong., 1st sess., p. 11), and in the form proposed by that committee was apparently intended to prohibit the payment of appropriated funds on any contract negotiated for the purpose of correct-

ing or preventing economic dislocations. On the floor of the Senate a strenuous effort was made to eliminate the proviso, but it was adopted in the form proposed by the committee. (See CONGRESSIONAL RECORD, vol. 99, pt. 7, pp. 9809-9817.) The House rejected the Senate amendment, and in conference the proviso as finally enacted was substituted. (See H. Rept. No. 1015, 83d Cong., 1st sess.) The intent of the provision is further clarified by debate which occurred in both Houses upon adoption of the conference report. (See CONGRESSIONAL RECORD, vol. 99, pt. 8, pp. 10514-10519; 10557-10565.)

On the record we must construe the limitation in question as precluding the expenditure by the Defense Establishment of appropriated funds under any contract awarded on the basis of a labor surplus area situation at a price in excess of the lowest obtainable on an unrestricted solicitation of bids or proposals.

In the referenced letter it is suggested that if total set-asides were made only where there was a reasonable expectation that bids or proposals would be obtained from a sufficient number of responsible labor surplus area concerns to insure fair and reasonable prices, no question of a price differential would be involved.

The fallacy of that suggestion is that it would substitute fair and reasonable prices for the lowest price obtainable.

In the light of the clearly expressed intent of the Congress, which has been repeated without change in each annual appropriation act since 1954, we do not feel that we could, with proper regard for our obligations to the Congress, accept any showing or determination of a fair and reasonable price as establishing that such price was the lowest obtainable, in the absence of free and unrestricted competition.

Sincerely yours,

JOSEPH CAMPBELL,

Comptroller General of the United States.

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

Mr. KUCHEL. I yield.

Mr. LAUSCHE. What percentage of defense contracts is California now getting, according to the information the Senator has?

Mr. KUCHEL. I believe the latest available figures are printed in the Congressional Quarterly for the week ending March 24. They show that for the fiscal year 1960 California secured 23.7 percent.

Mr. LAUSCHE. What does 23.7 percent represent from the standpoint of dollars in the total expenditures on defense contracts?

Mr. KUCHEL. Again using the Congressional Quarterly as the source of my information, the amount is \$4,839,252,000.

Mr. LAUSCHE. What is the highest percentage of such contracts that California has had?

Mr. KUCHEL. The percentage that I stated in my address is down from 24 percent in 1959.

Mr. LAUSCHE. The Senator has stated the percentage in 1959, but that statement would not indicate whether prior to 1959 California was getting more than 24 percent.

Mr. KUCHEL. The statement speaks for itself, and indicates what the percentage was in 1959. If the Senator is interested in prior figures, I shall obtain them for him. I merely make the point that as of today the percentage of expenditures under present law, with no

allegation by anybody of favoritism to the people of my State, has declined.

Mr. LAUSCHE. California, with one-twelfth of the population, and being one-fiftieth of the States, is receiving 25 percent of the defense contracts. On the basis of that statement does the percentage look peculiar or unreasonable?

Mr. KUCHEL. I want to be sure that I understand the Senator. Does the Senator stand in the U.S. Senate and contend that the defense of the American people against the continuing potential danger posed by international communism ought to be based on the manufactured defense material for such defenses being parceled out equally to every State in the Union? Is that what my able friend believes?

Mr. LAUSCHE. No; the Senator from Ohio is not arguing that point. My question is whether the fact that California is receiving practically 25 percent of the defense contracts does not on its face appear to be unreasonable, when we consider that the State has one-twelfth of the population of the Nation and is only 1 of the 50 States.

Mr. KUCHEL. I deny it. If over the years the Government of the United States placed the entire burden of manufacturing our defensive arsenal anywhere, in Delaware, for example, I would not draw from that fact any conclusion that it was unreasonable, because the one single, sole responsibility of the Defense Department in spending billions upon billions of dollars is, as it should be, to give to the people of this country the strongest possible posture of defense. No one in this Chamber has ever accused the Defense Department of favoritism. When the proposed legislation was introduced by my able friends from New York, I asked that question, and both Senators answered and said that under no circumstances did they contend that any favoritism was ever indulged in by the Defense Department in the award of contracts to provide for the defensive arsenal of the American people.

Mr. LAUSCHE. I did not mention the word "favoritism," but the Senator from California has discussed the term rather widely and repeatedly in his statement. Are there any circumstances from which one might infer that California was being given preferential treatment?

Mr. KUCHEL. There are not. My friends the Senators from New York, have taken the same position that I have on such a regrettable and erroneous charge.

What does my friend, the Senator from Ohio, mean when he uses the word "unreasonable"? How does he define the term?

Mr. LAUSCHE. My interpretation is that giving California 25 percent of the defense contracts and all other States only 75 percent is unreasonable. But the Senator from California claims that 25 percent to California is reasonable and, I regret to say, I cannot see it.

Mr. KUCHEL. If those who are responsible for our defense, making their decisions simply and solely on the basis of what they believe is necessary for the defensive armament of the American people, and in the absence of favoritism

of any kind, were to award 100 percent of the defense contract to any one area in this country, I would not be heard to criticize. Likewise I do not believe my friend should criticize.

Mr. KEATING. Mr. President, will my distinguished friend, the Senator from California, yield?

Mr. KUCHEL. I yield to one of the ablest Senators who, along with his distinguished colleague, does for his State all that the good people of the State of New York could ask for.

Mr. KEATING. I thank the Senator for those more than gracious remarks. I am also grateful to him for notifying me of this attack which he intended to make today upon the proposed legislation sponsored by the Senators from New York.

I also thank him for not indulging in anything like character assassination in connection with his remarks, because his friendship with the Senators from New York has been of long standing and we have nothing, as we have stated before, but admiration for a representative of his State such as the distinguished Senator from California, who, day after day, is looking out for the interests of his State, as he should be.

I wish to ask my dear friend from California whether it is his intention to include with his remarks the news article published in the Los Angeles Daily Times the other day which reported that the congressional delegation from California must launch an all-out attack upon the two Senators from New York, and whether this occasion has any connection with that statement? If the Senator does not have access to the article, I shall be glad to supply it for him.

Mr. KUCHEL. I have great respect for the great Los Angeles Times. It is a great newspaper.

Mr. KEATING. As do I.

Mr. KUCHEL. I am sure my friend shares that respect. I sometimes feel that my friends the Senators from New York, in introducing the proposed legislation, have created the possibility in the minds of many of the hazard of changing the present law, and there is a natural reaction from anyone who knows that the present law ought not to be changed. To answer the Senator's question, I would be happy to include the Los Angeles Times article in the RECORD at this point in my remarks.

COAST CHAMBERS FIGHT FOR DEFENSE CONTRACTS—BATTLE STRATEGY FOR CALIFORNIA LAWMAKERS AGAINST EASTERN INROADS MAPPED AT PARLEY

(By John H. Averill)

WASHINGTON.—Within the next few days California Congress members will be supplied with battle strategy to deal with the mounting and well-organized eastern campaign to pirate away west coast defense business.

Plans on how to cope with the eastern pirating maneuvers were discussed Tuesday at a closed-door meeting of west coast chamber of commerce executives and the California congressional delegation.

H. C. (Chad) McClellan, president of the Los Angeles Chamber and host at the luncheon meeting said afterward the session was called to discuss the economic impact of present and future defense procurement matters.

VOICE FEAR OF LOSSES

However, it was learned that the session went considerably beyond this and that several speakers indicated considerable apprehension that defense business might be diverted from the west coast to help economically depressed regions in the East. Also attending the meeting were chamber of commerce representatives from San Francisco and Oregon and Washington, along with observers from the California State Chamber.

To meet the eastern threat, it was learned, west coast interests are preparing statistical material which they contend will give California Congress members the ammunition to justify the State's major role as a defense producer.

Meanwhile, Senators KEATING and JAVITS, both New York Republicans, kept up their almost daily verbal drumfire against what they call an overconcentration of defense contracts in California.

KEATING, in a Senate speech, asked Secretary of the Air Force Zuckert "to keep a close watch" to assure that subcontracts under the new \$1 billion contract to Lockheed for jet cargo transports "are spread over a fair geographical area and not concentrated in any one spot."

"New York has many fine firms," KEATING said, "it has excellent facilities. New Yorkers have all the know-how. What they need is a little consideration from the Department of Defense which seems to have taken quite literally Horace Greeley's remark about going west."

JAVITS, in a similar vein, said prime defense contracts to what he termed high unemployment areas in New York State dropped by 60 percent during the last quarter of 1960.

West coast interests fear that the constant attacks from New York and other States, typified by the Keating and Javits remarks Tuesday, might eventually result in the Pacific coast losing additional defense business. It is at this prospect that the current retorts are aimed.

Mr. KEATING. The diligence of the congressional delegation from California gave rise to the thought that the New York delegation should perhaps display some diligence themselves on behalf of their State.

The united efforts of the congressional delegation from California to assist their State are perfectly proper and legitimate efforts and are legendary in Washington. They have been going on for years.

The Senator has referred to the fact that the Senators from New York have in no way charged favoritism in the making of contracts which have resulted in nearly a quarter of the defense business of the entire Nation being centered in one State. We have not charged favoritism. We still do not charge favoritism. But we do say that to some degree the preponderance of contracts for California is due to the very diligent efforts of the distinguished Senator now addressing us, and to the diligent efforts of the congressional delegation in the other body. They have aroused in the minds of defense officials a constant awareness of the abilities of the State of California, which are great. Some of us from other States feel that we also have the know-how, the facilities, the trained labor force, the scientific institutions to which the Senator from California has referred, and all the other elements that go to make up a vigorous industrial complex. We too should be able to alert the De-

fense Department to the abilities of our own States to perform in some of the fields of defense procurement.

It will be my intention, again expressing my gratitude to my friend from California, to deal at some length with the proposed legislation to which he has been referring. At the moment, I am being importuned by those who are interested in sugar legislation to make these remarks brief. I will therefore refrain from further remarks. I assure my friend from California that when I attack his position—not him as an individual—I shall be happy to inform him of what I intend to say, and to give him every opportunity to be here on the floor, because this open debate on the merits of our respective States and their ability to do the job for national defense is all to the good.

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

Mr. KUCHEL. I yield to the senior Senator from New York, and I thank my friend the junior Senator from New York.

Mr. JAVITS. I shall be very brief. However, I wish to participate in this colloquy, because I have had a great deal to do with the proposed legislation which has been referred to.

I should like to tell my friend from California that with \$23 billion in procurement, and the amount increasing, according to the President's new defense requests, and with only about \$3 billion of the \$23 billion actually in competitive bids, it is almost inconceivable to me that any American, whether of California or of New York, or any group of Americans in either State, all of them taxpayers—and I call attention to the fact that California, after New York, pays the largest amount of Federal taxes into the Federal Treasury—would object to the idea of having more competition.

I have been among those who said that California anticipated the missile emphasis, prepared for it, and did a vast amount of research to get the benefit of it.

I want my State to do precisely what California has done. I do not want the door closed to this opportunity to benefit. That is all that is implied by the proposed legislation which has been introduced by the whole New York delegation. We want an open-door policy, not a closed-door policy, with respect to Federal procurement, including negotiated contracts.

So what we say to our own people—and we say this to both labor and management—is, "Sharpen your pencils, widen your research, and do what the people in California did, so that you will be in a better position to compete."

As my colleague from New York has said, we are not heaping abuse on California. We do not charge favoritism. We are asking our State to emulate what we consider to be a proper example of enterprise. I hope very much—and I know that the Senator from California feels this way, too, and I know he is indefatigable in his efforts on behalf of his State—that in uttering these words to the people of his State there is no reason on their part to fear when we ask the people of our own State to get on the

ball, so to speak. That is all we intend to do with our proposed legislation.

Mr. KUCHEL. I thank the distinguished Senator.

Mr. DIRKSEN. Mr. President, I yield 1 minute to the Senator from Ohio.

Mr. LAUSCHE. The Congressional Quarterly Report, March 24, 1961, shows that in 1960 the total wage paid by the Federal Government, to active duty military personnel, was \$6,064,781,380. Of this total national amount the expenditure in California was \$781,380,000. Dealing with Federal employees, the total expenditure of the Federal Government was \$5,318 million, of which \$788,659,000 was spent in California. The figure of 23 percent mentioned before applies only to procurement contracts, and not at all to other expenditures.

EXTENSION OF SUGAR ACT OF 1948

The Senate resumed the consideration of the bill (H.R. 5463) to amend and extend the Sugar Act of 1948, as amended.

Mr. DIRKSEN. Mr. President, I understand that the time from this point until 4 o'clock is controlled and equally divided for debate on the Douglas amendment; that is to say, on the El-lender proposal to strike the so-called Douglas amendment from the bill.

The PRESIDING OFFICER. The Senator is correct.

RATIFICATION OF THE 23D AMENDMENT TO THE CONSTITUTION GRANTING NATIONAL SUFFRAGE TO THE DISTRICT OF COLUMBIA

Mr. DIRKSEN. Mr. President, I yield 1 minute to the distinguished Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, I take this minute to make the statement for the RECORD that the 23d amendment to the Constitution is now the law of the land, the States of New Hampshire and Kansas having ratified the constitutional amendment which gives to the voters of the District of Columbia the right to vote for President and Vice President.

The soundness of that approach is evidenced by the speed with which the amendment was ratified, setting almost a time record for the ratification of an amendment to the Constitution. The colloquy which we have listened to on the floor of the Senate in the last few minutes, between the Senators from the States of New York and California, is evidence of the high value which we place upon representative government. For too long the District of Columbia has not had the opportunity to express itself, and now, at last, it has an opportunity to vote for electors for President and Vice President.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the distinguished Senator from Nevada.

Mr. BIBLE. Mr. President, this is a great day for democracy right here at home. It is significant that after 161 years the disenfranchised people of the District, consisting of nearly 1 million

citizens, will be entitled to vote, because of the action of the States of New Hampshire and Kansas on this very day in bringing about ratification of the 23d amendment to the Constitution. In doing so, these 2 States have joined the 36 other States which preceded them in bringing about ratification of the 23d amendment.

Certainly this is a great day for democracy at home, in what many of us look upon as the world capital of democracy, Washington, D.C., U.S.A.

As the chairman of the Committee on the District of Columbia, I pledge every effort to expedite enabling legislation to permit orderly voting procedures. As a matter of fact, the District of Columbia officials at this moment are considering proposed legislation to be forwarded to Congress within the very near future. I see no reason why such proposals should not move along in an orderly, vigorous manner during the coming year.

I think it should be commented that we who believe in a full measure of citizenship for the residents of the District of Columbia do not feel that this is accomplished fully and completely; but it is a step in the right direction. There should be no confusion between the question of national suffrage and the question of local self-government, because both, in my humble opinion, are very important in a democracy such as ours.

I am especially proud of the fact that my own State of Nevada was the 12th State to join the honor roll in ratifying the amendment.

I pay particular tribute to the distinguished Senator from South Dakota [Mr. CASE] and to the distinguished Senator from New York [Mr. KEATING], one of the leaders in the Committee on the Judiciary in the effort to secure ratification of the amendment. I am very happy to join with them in this endeavor. I am glad it has been accomplished today. The Committee on the District of Columbia will within the near future implement the ratification of the amendment, within the framework of our committee.

Mr. DIRKSEN. Mr. President, I yield one minute to the distinguished Senator from New York.

Mr. KEATING. Mr. President, I am happy to join in expressing my gratification at the action taken today by the last two States to ratify the amendment which gives to the residents of the District of Columbia full citizenship, at least so far as voting for President and Vice President of the United States is concerned.

I myself favor home rule for the District of Columbia, but I recognize the fact that this is a much more controversial measure.

Mr. President, Ratification has now been completed. The next step is implementation, which will require the passage of a District of Columbia election law by the Congress. I hope immediate attention will be given to the implementing legislation while the momentum generated by the process of ratification is still upon us.

I want to pay tribute the distinguished Senator from South Dakota [Mr. CASE] and the distinguished Senator from Maryland [Mr. BEALL] for their fine efforts in which I was happy to join in pushing for the enactment of the District of Columbia vote constitutional amendment. I am also grateful to the distinguished Senator from Nevada [Mr. BIBLE] for the fine cooperation which he has demonstrated at all stages of this work.

Finally, Mr. President, I salute the people of the District of Columbia, I welcome them to the ranks of voting Americans, and I trust them to exercise their new privilege wisely and diligently. And I salute the people of our Nation for making possible this restoration of democracy to the Capital of the greatest democracy in the world.

Today is a great day for the Nation.

Mr. CASE of South Dakota. Mr. President, I express my appreciation for the kind remarks made about me. I appreciate and applaud the statement of the distinguished Senator from Nevada [Mr. BIBLE] that the Committee on the District of Columbia will now take prompt action to implement the amendment.

Mr. KEATING. I am very happy that that will be done.

VISIT TO THE SENATE BY MEMBERS OF THE CONGRESS OF BRAZIL

Mr. DIRKSEN. Mr. President, I yield to the distinguished Senator from Oregon such time as he may desire.

Mr. MORSE. Mr. President, this noon the Committee on Foreign Relations had the privilege of honoring and serving as hosts, at a luncheon, to six visiting parliamentarians from our sister republic to the south, Brazil.

We have the pleasure of having six members of the Chamber of Deputies of the Brazilian Parliament as our guests on the floor of the Senate at the present time. I have been given the honor of formally presenting them to the Senate.

I introduce, first, the chairman of the Foreign Relations Committee of the Chamber of Deputies of Brazil, the Honorable Raymundo Padilha. [Applause, Senators rising.]

I present next the Honorable Helio Machado, who also is a member of the Foreign Relations Committee of the Chamber of Deputies of Brazil. [Applause, Senators rising.]

Next I present the Honorable Ocelio de Medeiros, who also is a member of the Foreign Relations Committee of the Chamber of Deputies of Brazil. [Applause, Senators rising.]

Next I present the Honorable Menotti del Picchia, a member of the Chamber of Deputies of Brazil. [Applause, Senators rising.]

I present next the Honorable Jose Henrique Turner, a member of the Foreign Relations Committee of the Chamber of Deputies of Brazil. [Applause, Senators rising.]

Next I present the Honorable Moreira da Rocha, a member of the Chamber of Deputies of Brazil. [Applause, Senators rising.]

On behalf of the Senate of the United States, I extend to our visiting parliamentarians a very sincere, warm, hearty welcome. We want them to know that the facilities and services of the Committee on Foreign Relations and the Senate are at their disposal.

Mr. DIRKSEN. Mr. President, I yield as much time to the distinguished Senator from Vermont as he may desire.

Mr. AIKEN. Mr. President, I wish to add to the welcome extended to our friends from Brazil by the chairman of the Subcommittee on Latin American Affairs of the Committee on Foreign Relations. We are very highly honored today to have our friends from our great sister republic as our guests in the Capitol of the United States.

Brazil is the country, of the whole world, which most nearly corresponds with our form of government in the constitutional and legislative process, and in other ways.

I might also add that Brazil is the country of the world whose views on international affairs most closely coincide with those of the United States. We are seldom found on opposite sides of any question which arises in the United Nations.

I could continue at length to extol the virtues and the wonders of our great sister republic to the south, but I realize that time is limited. I shall simply say that we are indeed pleased that so many members of the Brazilian Chamber of Deputies could visit us in Washington. They will see much more of the United States, but we are particularly pleased that they can meet with us in our Capital City.

The PRESIDING OFFICER (Mr. PELL in the chair). On behalf of the Senate, the Chair welcomes our distinguished visitors.

EXTENSION OF SUGAR ACT OF 1948

The Senate resumed the consideration of the bill (H.R. 5463) to amend and extend the Sugar Act of 1948, as amended.

Mr. DIRKSEN. Mr. President, I yield 15 minutes to the distinguished Senator from Idaho.

Mr. CHURCH. Mr. President, the greatest single problem involved in developing long-range sugar legislation this year is the problem of the new grower—the question of how much and how fast domestic sugar production should be permitted to expand in both old and new producing areas during the years ahead. I say it is the greatest single problem because it touches on so many other phases of the complicated sugar program, and because it has ramifications that extend not only to all parts of our own country, but also deeply into the field of our delicate relations with the nations in Latin America and elsewhere in the world. While the question of new growers is primarily a question to be resolved in long-range sugar legislation, which we are not considering today, it has been injected into the discussion of the short-range bill now before us. And so, Mr. President, a thorough discussion of this question and its ramifications is essential to our ar-

rival at a wise judgment on the bill we are considering.

In my own State of Idaho, the problem of the new grower and its ramifications is dramatically exemplified. In Idaho we have an old and well-established beet-sugar-producing industry, and we also have many farmers on newly developed agricultural land who do not now grow sugar beets but who are eager and anxious to do so. Within the borders of Idaho we have in microcosm the conflicts which complicate this problem on a national scale.

For nearly 60 years the growing of sugar beets has been an integral part of the agriculture of Idaho, and the successful operation of beet sugar processing plants has been an important part of the industrial pattern of my State. The first beet sugar factory in Idaho was built at Idaho Falls in 1903. Over the years, that factory has been modernized and enlarged until it is virtually a completely different factory, but it is still in operation at Idaho Falls. There are five other factories in operation in my State—at Preston, Paul, Twin Falls, Lincoln, and Nampa. The last new beet sugar factory in Idaho was built in 1942, nearly 20 years ago.

Idaho ranks third among all the 22 producing States in volume of sugar beets and beet sugar produced. Last year, 1,776,000 tons of sugar beets and 434,907,300 pounds of refined beet sugar were produced in Idaho. The sugar beet crop is among the most important field crops in my State, from an income standpoint, and annually accounts for between \$20 million and \$25 million of cash income for the farmers of Idaho.

By any definition, Idaho is an old-established sugar-beet-production area. Mr. CASE of South Dakota. Mr. President, will the Senator from Idaho yield for a question?

Mr. CHURCH. I prefer to finish my speech, since I am speaking on limited time. If I have any time left when I have finished, I shall be happy to yield to the Senator from South Dakota for a question.

Yet within my State there are many farmers who would like to become new sugar beet growers. My mail daily attests to this fact.

One area, in particular, is worthy of special mention because it has a parallel in many another State. Some 70,000 acres of land have come under irrigation in recent years in the Minidoka reclamation project—known locally as the North Side project. It extends into three counties in south-central Idaho.

On this land are many war veterans, who now are striving to pay for small parcels of the land for whose freedom they so valiantly fought and bled. Most of them are young people, who are struggling to establish a future for themselves and their children. They came to this land, many of them, in trailers, and have built their small homes with their own hands, board by board, shingle by shingle, nail by nail, during the hours when they were not laboring in their fields. They came to the land when farm operating costs were high and going higher, and when general farm income was going down. Their capital is

limited. They are desperately in need of a dependable cash crop—a crop around which they can build a balanced and sensible farm operation, a crop which will fit well into a rotation plan which will help build the fertility of their land, a crop which will not contribute to building up farm surpluses. The sugar beet ideally fits all their requirements. But under the present law, precious few of these veterans and other farmers on the Minidoka project are permitted to grow this one crop, which would do more than any other to give substance to their dreams of a secure future for themselves and their children.

Yet, just a few miles away, even in the same counties, they see the "old growers" produce sugar beets, year after year. Each fall, the veterans see the steam rise from the processing plants, white plumes contrasting against the deep blue Idaho sky, banners signalling the harvest of another crop of sugar beets, which they, the veterans, are denied the privilege of growing.

So, Mr. President, it is understandable why my files bulge with pleas for changes in the Sugar Act—changes which would give greater consideration to new growers. Yet the pleas of my Idaho constituents are tempered by the knowledge and understanding that the sugar program is essentially a system of balances, and that when any material changes in the system are proposed, due recognition should be given to the system as a whole and to the various parts which maintain the balance. Most of the Idaho veterans who now are asking for an opportunity to produce sugar beets have grown up in sugar-beet country. Many of them grew up on farms that had sugar-beet allotments. This has given the veterans an appreciation of the importance of maintaining the sugar program and the established industry. They would not destroy others, in order to gain a dubious advantage.

It is obvious that in order to provide for additional acres to be available for allocation to new domestic producers of sugar beets and sugar cane, it is necessary to provide a quota for marketing the sugar produced from the new acres. The quota for new producers can come from only three sources: First, existing quotas of other parts of the domestic sugar industry, including the established beet-sugar industry; second, the annual growth of the U.S. sugar market; or third, foreign quotas, including the quota which under normal circumstances would be allocated to Cuba, but which under today's circumstances rightly is forbidden to Cuba.

It would be unsound, unfair, and unjust to take away from the domestic producing industry any significant portion of its quota, in order to provide for the entry of new growers. The ones who now are producing sugar beets are the ones who have built the industry. Thousands of them have stayed by the industry through thick and thin. They have produced sugar beets and have kept the industry going when other farm crops were much more attractive and much more profitable to produce. Sugar beet prices have been relatively stable over the years. True, they have not

dropped as sharply or as fast as have the prices of some other major crops. But neither have they risen to the heights to which the prices of other farm crops have risen during some of the years in the 1940's. Yet thousands of farmers continued to produce sugar beets, when they could have made a great deal more money by shifting to the production of other crops. Advocates of expanding the beet sugar industry into new areas have expressly stated they would not want to cut back the existing industry and penalize the farmers who have built the industry—if that were the only way for new growers to get into the business.

The second alternative for getting quotas for new growers is to reserve for them some of the added acreage required to produce sugar to fill the annual increase in our market needs.

One year ago—in March of 1960—I proposed to a sugar bill then pending in the Senate—S. 3210—an amendment which would have provided in exactly that way some acreage for new producers. My amendment would have required that each year, Cuba's former share of the annual growth in our sugar market would have been allocated to domestic areas, and 40 percent of that amount would have been allocated to the domestic beet sugar area. In the allocation of increased acreage to fill that part of the quota, under my amendment, the Secretary of Agriculture would have been required to give preference to new and small growers. Thus, on a progressive basis, each year some additional acreage out of the natural growth in our sugar market would be available to help these new and small growers.

Because of the situation in regard to sugar legislation which prevailed during the last session, neither the Senate bill, S. 3120, nor any proposed amendments to that bill had an opportunity to reach the floor.

I realize that today my proposal of last year would appear modest indeed. The situation today is entirely changed. Because of the continued anti-American acts of the Castro government, Cuba has been denied her entire quota.

The mood of the Nation—and therefore of the Congress—has changed. A genuine recognition of the importance of the domestic sugar-producing industry and its need to expand into new areas is much more widespread than it was in March a year ago.

So in the present situation the only realistic alternative is to transfer some of the foreign quota to domestic areas; and the logical place to get it is from the quota that would have gone to Cuba if the Cuban Government had not embraced the Communists. Cuba's quota today, on an annual basis, would have been 3½ million tons, at the present level of consumption. I would not attempt to say, here and now, how much of that quota should be transferred to domestic areas. The details of a long-range sugar program cannot be written on the floor of the Congress. But the amount of the former Cuban quota that should be transferred to domestic areas ought to be substantial.

The experiences we have had with respect to Cuba during the past 2¼ years, since Castro came to power, have demonstrated that it is incontrovertibly in our national interest never again to rely on only one foreign nation for so large a portion of our sugar supplies—just as it would be in Cuba's interest not to rely on a single crop to support her economy. Similarly, in my view, we should not continue for long to rely on foreign nations generally for so large a portion of our sugar supplies as we do under the present law. There is nothing sacred about the 55-45 figure—the division of the market with 55 percent to domestic producers and 45 percent to foreign suppliers. In the interests of our national security, as well as in the interests of our Nation's farm economy, under any future long-range sugar legislation, domestic producers should be permitted to fill a larger percentage of our total sugar needs.

American sugar consumers are fortunate that the domestic areas most capable of the largest expansion are on this continent—where the flow of supplies is not endangered, in this era of world unrest and turbulence, by the ever-present threat to our sealanes. In anticipation of what is inevitably ahead, the raw cane-sugar producing industry of the South, particularly in Florida, is now building for greater production. New land is being drained for the planting of cane. No less than four new raw cane sugar mills are now under construction in Florida, and a new cane sugar refinery is underway in that State.

Tremendous scientific advancements in the production of sugar beets and in the processing of beet sugar have significantly increased the production capacity of the beet sugar industry over the past several years, and the technological advancements are still going on. Analysts of the Department of Agriculture have determined that during recent years the yield of refined sugar has increased an average of 100 pounds per acre per year. More than 2½ tons of sugar are now produced from each harvested acre of sugar beets, compared with less than two tons per acre when the Sugar Act of 1948 became effective. The developments now in the greenhouses of the plant scientists and on the drawing boards of the engineers promise that increased production, through technological advancements alone, will continue at a rapid rate in the future. Without adding 1 acre to the acreage to which the industry was restricted in 1960, and without building one new factory, there is every indication that the beet sugar industry will continue to increase its sugar production by 50,000 tons a year, every year.

What do these technological advancements mean in relation to pressure for increased beet-sugar quotas?

During the last 3 years, sharp and drastic acreage reductions in the sugar-beet States would have been necessary, in order to keep production in line with basic quotas, except for the misfortunes which occurred in our domestic offshore producing areas. A combination of adverse weather and lowering sugar content of the cane in Puerto Rico and the

Virgin Islands reduced sugar production in those areas below their established quotas. A prolonged strike in the cane-fields of our 50th State, Hawaii, has had lasting effects on the sugar production there—so that Hawaii, also, has failed to meet its established quota.

Substantial amounts of these quota deficits have been added to the basic quota of the beet-sugar industry, and have forestalled the acreage reductions which otherwise would have been required. About 10 percent of the restricted sugar-beet acreage last year was used to fill the "deficits" in the Hawaiian, Puerto Rican, and Virgin Islands quotas. To prevent penalizing the beet-sugar industry for its own efficiency, any long-range legislation must write those deficits into the basic beet-sugar quota—for we must expect that the misfortunes which have plagued the offshore domestic areas will disappear, and that some day in the near future those areas again will produce their full allotments of sugar.

With production restricted by an acreage ceiling last year, the beet-sugar industry produced some 2,450,000 tons of sugar, an alltime record. This year, with some 100,000 additional acres being planted, beet-sugar production is expected to reach a level of between 2,600,000 tons and 2,700,000 tons. There is no question about the beet-sugar industry's great ability to produce. This ability will be increased still further, of course, by the addition of new producers and new areas.

If production ability were the only factor to be considered, Mr. President, the problem of providing elbow room for new producers would be materially simplified. But larger production raises serious marketing problems, in addition to the question of how large the beet-sugar quota should be, in a new long-range law.

Part of the complication is a matter of geography. Sugar beets are produced now in 22 States—from the Great Lakes region, on the east, through the Great Plains and the high plateaus of the Rocky Mountain States, on to the States on the Pacific coast. Most of the beet sugar produced in those States is marketed in those States. But a sizable quantity of cane sugar is also refined in some of this area. More sugar is produced and refined in these States than can currently be consumed there. So the market is pushed outward into certain fringe areas. Still, most of the beet sugar is marketed in 25 States of the West, Middle West, and Southwest. When the beet-sugar industry reaches for markets much beyond this broad areas, the cost of shipping soon eats up the profits. The hard economics of freight rates tend to keep the great bulk of beet-sugar sales in and close to this 25 State area.

That is not to say that sugar beets are the only source of the sugar sold in this area. On the contrary, only about half the sugar consumed in this area, as a whole, is cane sugar. The distribution varies among the individual States, of course. In some of the States, beet-sugar sales account for 80 to 90 percent, or more, of the total sugar

sold. In others, the percentage is much lower. The cane sugar sold in this area comes not only from the cane refineries located within it, but also from cane refineries located on the east coast and on the gulf coast.

The marketing picture is further complicated by the dispersion and decentralization of the beet-sugar industry. The beet-sugar industry is not a single entity. It is a complex that includes many thousands of individual farmers who contract to sell their sugar beets to more than a dozen separate processing companies. Each company competes vigorously in the selling of its sugar production, vying for markets with the other beet-sugar companies, as well as with the cane-sugar refiners who sell in this area.

This highly competitive situation with respect to the beet-sugar companies is in contrast, for example, with the manner in which the 27 large plantations in Hawaii market their sugar. Most of Hawaii's million-ton production of cane sugar is marketed in refined form by a single seller, a huge refining cooperative on San Francisco Bay, which is owned entirely by the 27 large plantations—all but 1 are corporate plantations—which produce Hawaiian sugarcane.

Another large cane-sugar seller within the 25 State primary beet-sugar market is a cane-sugar refining company which has refineries on the east coast and on the gulf, and which alone sells about 2 million tons of sugar annually on the U.S. market—a volume which is about equivalent to the total marketings of the entire beet-sugar industry.

In addition to these dominant cane-sugar refiners, a number of smaller cane-sugar refiners sell in some of the same markets in which beet-sugar companies compete for the business.

Now, the present law has an interesting provision regarding the marketing of sugar. Whenever it appears to the Secretary of Agriculture that orderly marketing will be facilitated by doing so, he imposes marketing allotments on the individual beet sugar processing companies. Any company that sells a single pound of sugar more than its marketing allotment is subject to severe penalties. Such marketing allotments have been imposed in 5 of the last 6 years. In 1959, the allotments were finally lifted late in December, and in 1960 preliminary allotments were made but no final allotments were made. But no marketing allotments were imposed on any of the cane sugar refiners in any of the years.

In this year, the beet sugar industry will produce about a half million tons more sugar than it has ever marketed in a single calendar year. It remains to be seen whether, under the present marketing situation, anything like that production will be sold under conditions which can be described as orderly.

When long-range sugar legislation is written, I think the Congress should carefully consider whether the administrators of the Sugar Act have used the full power of the law with respect to the marketing of sugar. I think the Congress should discuss the language of the

law with the administrators. It may be that the language should be strengthened so the Secretary of Agriculture may more easily limit the marketings of individual cane sugar refiners, as he now limits the marketing of individual beet sugar processors, or so that he may more easily channel raw sugar supplies to specific ports to provide for the most equitable distribution of available supplies.

The PRESIDING OFFICER (Mr. PELL in the chair). The time of the Senator has expired.

Mr. CURTIS. I yield 3 additional minutes to the Senator from Idaho.

Mr. CHURCH. I believe I can finish in 3 minutes.

I do not know the answers, Mr. President, but I do know that the marketing picture will be influenced markedly by the entrance of new growers in new producing areas. I mention the marketing situation and some of the marketing complexities that are involved for the same reason that I have discussed some of the other factors involved in this new grower problem. And that is to demonstrate that this is a complex problem, with many ramifications. It cannot be settled on the floor today, nor can it be settled quickly off the floor. It must be the subject of intense and extended study—with due attention paid to maintaining the equitable balances which have made the sugar program operate so well in the national interest.

Mr. President, as I have indicated earlier in this discussion, I am extremely interested in long-range sugar legislation in this session of Congress that will permit new producers to produce sugar for the American market, not only in Idaho but in other States where a benevolent nature has provided the climate and the soil, the sunshine and the water, to make production of sugar crops practical.

But I am extremely interested in long-range sugar legislation which will also preserve for our country the dependability of supply, the assurance of reasonable prices, the equity of treatment of all the diverse groups involved—which the sugar program has provided for more than a quarter of a century.

And so, Mr. President, faced as we are with the expiration of the sugar program at midnight tomorrow, I urge adoption of the 15-month bill which is now before us. That will give us the extra assurance that if the complexities of a comprehensive new sugar act cannot be solved before adjournment—although I am confident they can be—if events of the unforeseen and unforeseeable future prevent their solution before Congress adjourns this fall, we will still maintain the sugar program until the next session of Congress can complete the work on a new long-term sugar bill.

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

Mr. CASE of South Dakota. Mr. President, will the Senator from Nebraska yield an additional minute?

Mr. CURTIS. I yield 1 additional minute.

Mr. CASE of South Dakota. I merely wish to identify my interest with that

of the Senator from Idaho. I think he has made a splendid appraisal of the situation. We have an identity of interests since the Utah-Idaho Sugar Co. is the company which operates a sugar plant in South Dakota. It has facilities which will provide for the outlet of more sugar. It has this year been signing up additional acreage in eastern South Dakota.

As I understand, the extension of the Sugar Act will not affect one way or the other these new growers this year.

I see that the Senator is confirming my observations by nodding.

I hope the long-range solution to which the Senator has referred will be arrived at so that the new growers who are ideally situated and have the water to produce sugar beets can avail themselves of the opportunity and will have some assurance that they can continue to grow sugar beets in the future, rather than go back to corn or some other surplus production.

Mr. CHURCH. I thank the Senator. Mr. CURTIS. Mr. President, I yield 5 minutes to the Senator from Oregon [Mr. MORSE].

Mr. MORSE. Mr. President, whenever I find myself on the other side of an issue from the Senator from Illinois [Mr. DOUGLAS], I am not sure I am right. On this occasion I wish to say there is a great deal of merit in the position taken by the Senator from Illinois, but I have concluded that the weight of the argument is against the proposal for which he has been so ably and valiantly standing in the debate.

My objections to it are as follows: First, as a member of the Foreign Relations Committee, and as chairman of the Subcommittee on Latin American Affairs, I am very much moved, and I am frank to say so, by the position taken by the State Department on this matter. I was in consultation with some of the State Department officials this morning, and they advised me that, in their opinion, the proposal of the Senator from Illinois would have detrimental effects on the United States-Latin America relations because of what they consider to be a discriminatory provision.

The provision that in reallocating Cuba's former quota on the basis that sugar would be obtained at world prices instead of the U.S. price paid for on foreign quota sugars might seriously damage our foreign relations with our Latin American neighbors.

The world price for sugar has been long recognized by the sugar trade throughout the world as a "dumping" or residual price. Since 1934 the U.S. market has been a premium market and, in fact, it was the intent of the legislation that suppliers to the U.S. market were included as beneficiaries of the legislation.

It would be unwise to take such a step at this time to reduce many of our foreign suppliers to a group of discriminatory suppliers, as would be the case where those foreign countries having basic quotas would receive full U.S. price, and then other suppliers making

up the deficit from Cuba would be reduced to second-class suppliers.

I recently introduced to the Senate a delegation from the Brazil Chamber of Deputies. There is not any doubt of the fact that a part of the allotment will go to Brazil, but it will be discriminatory against Brazil on the basis that she will be forced to sell to us at the world price, because Brazil is not the beneficiary of a quota.

We have, as we all know, a very delicate situation in trying to work out a program with Brazil in regard to helping that country develop its economic productive power.

I have heard also this morning from producers of our agricultural products which are in surplus, such as wheat, that there has been a movement for some time to seek to work out a trade arrangement with Brazil in regard to wheat exchanges for sugar. But if we adopt a program which means a reduced price for sugar to Brazil, it is going to produce that kind of complication in the economical field.

The State Department believes that such a discriminatory policy would injure our relations with South America. Over the past quarter of a century of sugar legislation, the act has worked reasonably well, primarily because the United States was considered a preferred market and in times of stress such as World War II, the Korean emergency, and the Suez crisis, the United States had no trouble obtaining sugar, even though world values were above U.S. prices. World production today is at high level. However, since Cuba has entered the Communist orbit, much of the world's surplus of sugar, which has been referred to, is under Communist control. Cuban production, at a 6-million-ton level, together with an increase in production in Communist areas, makes up a very sizable portion of the world's sugar supplies.

This is a most inopportune time to institute such an amendment, which could easily disrupt the movement of sugar to the U.S. market to supply the 10-million-ton quota for 1961. It is not an action to take hastily with no opportunity to be heard. The savings to the United States are based on an effort to obtain sugar at below cost of production, or at a "dumping" price. We are trying to do this under conditions which are sure to harm our foreign policy. This action would jeopardize an assured supply of sugar for the U.S. citizens. The action does not contemplate any change in price of sugar to consumers. In fact, I fear it is more likely to result in increased prices.

I close by saying, Mr. President, I, too, believe there is a need for a complete review of the whole sugar policy of the United States in connection with hearings on the new Sugar Act, but I do not feel we should take a course of action at this time which is bound to result in some negative reactions in Latin America.

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

Mr. MORSE. Will the Senator yield me 1 more minute?

Mr. DIRKSEN. I yield 1 more minute to the Senator from Oregon.

Mr. MORSE. I do not think we should take a course of action at this time which is bound to result in some negative reactions in Latin America, when what we are trying to do is to work out a foreign aid program with those countries.

Let us be frank. In a sense, if we maintain the price for those to whom we assign the Cuban quota, by not assigning them a quota at this time, we are participating in a form of foreign aid. I wonder if we would not get a better return from that kind of foreign aid, rather than to first arouse some irritations and antagonisms and then seek to supplement by entering into other foreign aid programs.

Because there is much merit in the Senator's argument, I reluctantly shall vote against the Douglas proposal.

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

The senior Senator from Illinois has 37 minutes remaining.

Mr. DOUGLAS. Mr. President, the facts are relatively simple. We formerly paid to Cuban producers and owners a subsidy of around 2½ cents a pound, about \$60 a ton, for 3 million tons, or about \$180 million a year. I think we did this in part because of the Spanish-American War, because of the fact that we had intervened twice under the Platt amendment, and were anxious to treat Cuba as well as we could.

When we were compelled to break relations with Castro and to shut off the importation of Cuban sugar, we created a problem as to who should get the big bonus which had previously been going to the producers and owners of Cuban sugar.

As we all know, the domestic producers of beet sugar would like to receive an allotment of approximately a million additional tons of high-cost sugar.

The State Department proposed to reallocate the 3 million tons to other countries, primarily to the Philippines, Mexico, the Dominican Republic, Peru, and certain other countries. Since then they have eliminated—I think wisely—the Dominican Republic.

The Senator from Louisiana [Mr. LONG] put his finger on one of the special features of this proposal this morning when he pointed out that the 3 million tons, in all probability, were already in storage from past crops which had been purchased at world prices of about 3 cents a pound, and that with passage of the House bill the owners of the sugar would get more than 5 cents a pound, an increase of two and a third cents per pound, \$46 a ton for 3 million tons, or \$138 million.

The permanent officials in the State Department can talk all they wish to about wanting to help the people of Latin America. The proposal which is before us is not a proposal to help the people of Latin America, it is a proposal to help the speculators in sugar and to help the large plantation interests

which stand to benefit. It is foreign aid for millionaires, pure and simple.

The proposal which the Senate committee adopted unanimously and which the State Department is now trying to reverse is that the two and a third cents per pound, \$46 per ton, or \$138 million should go into the Treasury of the United States. It can then be used to help finance a genuine program of real foreign aid to Latin America, not for a small group of sugar speculators but for the people of Latin America, so that the aid program will really get to the people and not be confined to a wealthy few.

Furthermore, I wish to point out that the longer we continue this system the deeper the difficulties are in which we become involved.

The bill seeks to extend the act for 15 months. Do Senators expect that the big sugar producers and owners in Mexico, in the Philippines, in Peru and in other countries are going to let go when the 15 months have gone by? Those producers will try to hold on to what they have, because they will be netting \$150 million or more a year so long as it is continued. They will buy sugar at the world prices and sell to us at the American prices.

Incidentally, it is going to be very difficult for us to give back to Cuba the quota of 3 million tons if and when Cuba once again becomes a democratic country friendly to the United States.

I do not pretend to be an expert on foreign policy. I can only say that the gentlemen in question in the State Department are in fact carryovers from the previous administration, permanent officials, and they have an entirely wrong idea of the way to build friendship. Their belief is that if we help the wealthy we help the people. I thought we had turned over a new leaf in that respect.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. LONG of Louisiana. The Senator knows, does he not, why the majority of the committee voted against letting all the Western States get quotas? Once those States got quotas, it would be difficult to take the quotas away from them.

Mr. DOUGLAS. The Senator is correct.

Mr. LONG of Louisiana. Let us consider the problem with respect to Mexico. Mexico has been getting a bonus of about \$1 million a year as a premium price for selling sugar to the United States. Now, with the shift of the Cuban quota, Mexico will get a premium of \$11 million. When we seek to take away the \$11 million, in the event Cuba becomes friendly with the United States in the future, the same logic which causes us to keep the Western States out should cause us to consider the matter carefully before we assign the Cuban sugar to Mexico. If we try to take away \$11 million from Mexico we are going to have a hard time taking it away.

I would be the first to say it is not the people who are getting the benefits, but certain businesses which are getting the benefit.

But other countries will have their Ambassadors here fighting for a quota, just as other countries are getting one. By the time they get through with their efforts, we will find it difficult to take the quota away from a country once we assign it to one at a premium price. They would take the attitude that we were being unfriendly and that they were entitled to the quota and everything under the sun. If we are not to give the quota to them, we had better think about it before assigning quotas.

Mr. DOUGLAS. I quite agree with the Senator from Louisiana, who has stated the point better than I. In addition, curiously enough, we would give to all countries the vested interest of maintaining Castro in power, so that Cuba would not get its quota back, and so that other countries could obtain the Cuban quota.

I am glad to yield 20 minutes to the junior Senator from Arkansas [Mr. FULBRIGHT], chairman of the Committee on Foreign Relations, who I believe knows more about Latin America than do some of the permanent officials in the State Department.

Mr. FULBRIGHT. Mr. President, I appreciate that compliment of the Senator from Illinois, though I think it is quite undeserved. But there are some facts in this case that I wish to present to the Senate.

Mr. BIBLE. Mr. President, will the Senator yield to me to suggest the absence of a quorum?

Mr. FULBRIGHT. I yield to the Senator from Nevada [Mr. BIBLE] for the purpose of a quorum call.

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

Mr. DOUGLAS. May I ask the Senator from Nevada that he request that the time required for the quorum call not be charged to either side?

Mr. BIBLE. I would be happy to do so, but the Senate is operating against a time limitation of 4 o'clock. I am making the suggestion in order to alert Senators, and I do not believe the call will require more than 30 seconds.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. FULBRIGHT. Mr. President, I realize that the distinguished Senator from Illinois and others have presented most of the arguments, but I wish to have a few of the facts very clearly in mind.

Mr. President, when newspapers and commentators condemn agricultural subsidies and controls, they seldom mention the Sugar Act. Yet, the combination of quotas on imports, Government payments to growers, excise taxes, tariffs, and quota premiums cost the American taxpayer and consumer in the neighborhood of \$600 to \$700 million a year.

This huge figure is the cost to protect a domestic sugar industry which provides employment for only about 300,000 workers, a substantial number of

whom are seasonally employed on the farm. Investments in the industry total \$1,650 million, of which \$750 million represents the farm investment utilized for sugar crops, and the remainder, investment in sugar factories and refineries. See page 7, "Special Study on Sugar," House Committee on Agriculture, February 14, 1961.

The annual cost of the sugar program, to taxpayers and consumers, is almost equal to the entire investment in sugar farming and is 36.36 percent of the total investment in the sugar industry. That is the annual cost of the subsidy.

While not precisely comparable, we can contrast this \$600 to \$700 million cost of the Sugar Act with the realized losses of the Commodity Credit Corporation for price support programs in fiscal 1960 for all so-called basic commodities. These realized losses in fiscal 1960 for corn, cotton—including the export differential—peanuts, rice, tobacco, and wheat, amounted to \$545 million. For all price support programs, the realized losses were \$795.5 million, so that sugar alone approximates all the basic crops in cost to the Treasury.

In order to emphasize the comparative treatment of sugar producers with other farmers, testimony in the hearings indicated that acreage devoted to sugar production had been allowed to increase from about 850,000 acres to 1,100,000 acres in 5 years. It would be interesting to know if any other commodity has had an increase in acreage in this period. In fact, most of them have been forced to decrease. While we spent \$341 million in soil bank rental payments in calendar 1960, to retire farmlands from production, we were allowing increases in acreage to the most heavily subsidized of all commodities.

The "Special Study on Sugar," page 10, indicates the amount of the subsidy in a different way:

If the 1959 return per unit to domestic growers were to be maintained while at the same time prices were to move toward the world level, a direct payment of about 3½ cents on each pound produced in the United States would be required in the absence of other protective devices.

The direct payment is now seven-tenths cent per pound, or about \$70 million a year to domestic producers. I emphasize that that is only the direct payment.

Because of the decision to cut off imports of Cuban sugar last year, some domestic beet sugar producers and foreign countries are clamoring for an increase in their quotas. The domestic producers are anxious to strike while the iron is hot to obtain a greater share of a market which permits them to sell at prices which include about a 25-percent subsidy on sugar bought by the housewife, and about a 30- to 35-percent subsidy on sugar bought at wholesale.

Foreign producers are also anxious to fill the former Cuban quota at a quota premium which in November 1960, amounted to 2.37 cents per pound, or about 70 percent of the world market price, plus freight.

In spite of the Cuban situation, there are ample supplies of sugar on the world markets. The carryover at the end of

1958-59 was more than 4.7 million tons, and according to the "Special Study on Sugar" prepared for the House Committee on Agriculture:

Indications are that total world stocks increased during the 1959-60 season * * *. The large 1960-61 world sugar production now forecast will result in a further accumulation of world stocks even though consumption will increase.

Also, according to the same report:

It seems clear that from a supply viewpoint the U.S. economy could reasonably expect to fulfill its sugar requirements at significantly lower prices than have prevailed in the recent past.

In short, there is ample sugar available at prices considerably below those we need pay under the Sugar Act. There is even less necessity to buy more sugar from domestic producers at vastly higher prices.

The usual justification for the Sugar Act—if there is one—and the one that is emphasized, is that our national security requires the act; that is, there is danger of a short supply. This circumstance has occurred in wartime only in the last 50 years. There is no present danger of any short supply in the world.

For example, India, with which we have agreements providing for large quantities of agricultural commodities under Public Law 480, has a surplus of 960,000 tons of sugar. India has no preferential markets, and parts of the Russian and Chinese purchases of Cuban sugar are said to be finding their way into what would otherwise be India's market. This sugar could be provided to the United States as return cargoes in ships carrying our surplus agricultural commodities to that country. Twenty million Indians are said to be dependent on sugar production. That country is desperate for foreign exchange and her development activities are a subject of great interest to us for many reasons.

It is important to maintain, unimpaired by future commitments or the establishment of vested interests in it, the so-called Cuban quota.

When and if that unhappy country removes the shackles of Castro, it will be desperately in need of export markets. It will be to our interests, as well as to Cuba's, to resume a trade with Cuba which before Castro was an important market for the United States, particularly for its agricultural commodities.

In 1958 our exports to Cuba amounted to over half a billion dollars, and our imports from Cuba were slightly less. Cuba was dependent upon us to the extent of almost 70 percent of her exports.

Sugar, in 1958, accounted for 83 percent of Cuba's exports, virtually determining the extent of her export trade and, to a great extent, her economic well-being. In 1957, for example, exports accounted for over 30 percent of Cuba's gross national product.

In 1957, 1958, and 1959, Cuba ranked seventh or eighth in order of importance as a market for U.S. exports.

In these years, she imported from the United States between \$36 and \$40 million worth of rice, \$7 to \$10 million worth

of wheat, \$6 to \$9 million worth of wheat flour. In textile fibers and manufactured textiles, she imported between \$40 and \$50 million worth of these products. She imported from \$20 to \$25 million worth of lard.

She was a very important purchaser of U.S. machinery, importing in 1957, \$126 million worth. In the same year, she imported \$62.9 million worth of vehicles, \$56.8 million worth of metals and manufactures, \$53 million worth of mechanical and related products.

These are all U.S. exports to a market that is, for the most part, now lost to us.

More important, of course, in terms of our national security is the friendship of the Cuban people and their economic well-being. It is for these reasons that it is of great importance to the United States that the so-called Cuban quota remain as free as possible from the danger of domestic and foreign producers acquiring permanent interests in it.

The Finance Committee accepted an amendment introduced by the Senator from Illinois for himself and me, which gives the United States the right to buy the Cuban quota under such arrangements as the President deems proper but which would provide that the quota premium of approximately 2.3 cents per pound be paid into the Treasury of the United States instead of to the foreign producers. It is estimated that this would net the U.S. Treasury approximately \$140 million a year, on the basis of imports of 3 million tons.

As I have indicated, there are ample sugar supplies on the world market.

There is precedent for this arrangement. An order issued in September 1960 for the importation of sugar from the Dominican Republic, as its share of purchases made to replace Cuban sugar, included a special provision for a fee of 2 cents a pound, the differential between the U.S. price and the world price.

The object was to insure that Dominican producers did not benefit from the higher U.S. price, but sold to the United States at the world price. This 2-cent fee is collected from the U.S. importer by the Department of Agriculture at the time the certification for the import is issued. The U.S. importer was thus rendered unable, or unwilling, to pay the Dominican exporter more than the world price.

The effect of this fee was to transfer the differential between the world price and the U.S. price from the Dominican sugar producers to the U.S. Treasury. The Dominican entitlement of purchases to replace Cuban sugar amounted to 322,000 tons. Two cents a pound times 322,000 tons equals \$12,880,000.

I think the quota premium is wholly unjustified. According to the Senator from New Mexico [Mr. Anderson], who was Secretary of Agriculture at the time of the 1948 Sugar Act, the quota premium arose out of special circumstances following the war and the reasons were applicable to Cuba who supplied practically all our imports of sugar at that time. There appears to have been no good reason why the quota premium should have been extended to other countries who later began to supply some sugar to the U.S. market.

In my own opinion, in addition to our experience during the war, when Cuba supplied our needs, there is the further sentimental attachment to Cuba growing out of the Spanish-American War and a feeling of responsibility for that community, which does not apply to any of the other countries which are now clamoring for the same special treatment that we gave Cuba.

When witnesses for the Department of State were interrogated at the Finance Committee hearings on the Douglas proposal, they objected largely on the grounds that it would result in paying different prices for sugar within different countries and between different countries. This does not seem particularly convincing to me. The countries having quotas at the premium price do so for historical reasons. There is no good reason why, because of the Cuban situation, they should profit. Furthermore, it seems to me that it is not at all in accord with our hopes for the Cuban future that these countries acquire a premium interest in Castro's remaining in control of Cuba. This is the result of their continuing ability to sell sugar to the United States at premium prices. It occurs to me there will be much less concern about bringing about the change in the Cuban Government as long as this situation continues. As I have indicated, they acquire by this means a vested interest in Castro's continued control of Cuba.

It is true that one of the results of the amendment will be that some poor underdeveloped countries will receive fewer dollars than they would if the United States bought their sugar at the quota premium. It is not at all clear, however, that the quota premium goes entirely to those countries. Some of it may go to the importer, or speculator, depending upon how much he paid for the sugar. Some of it may go to third parties who have purchased the sugar at world market prices. Some of it may go to absentee landlords who own sugar plantations. From my general knowledge of the sugar industry in producing countries, I think it is highly doubtful that much of it trickles down to the sugar workers.

Since I have been a Senator I have had a reputation of favoring foreign aid. But I am not in favor of unplanned, trickle-down, give-away, foreign-aid programs, which this would be.

As the President indicated in his foreign-aid message, it is essential that foreign-aid programs be put on the basis of long-term planning and financing, the only way to make meaningful and economical commitments.

As he also said, we should give special attention to those nations most willing and able to mobilize their own resources, make necessary social and economic reforms, engage in long-range planning, and make the other efforts necessary if these are to reach the stage of self-sustaining growth.

Foreign aid in the guise of premiums for sugar production is not conducive to this result; nor relevant to the principles enunciated by the President with regard to our foreign aid program in Latin America.

One of the essential reforms, particularly necessary in South America, and probably in almost all sugar-producing countries, is land reform. If any activity inhibits this highly essential development, it is sugar production. To encourage the continuation of expansion of sugar production on its present basis would not be consistent with the long-term objectives of the President's Latin American program.

Yet, if we continue to provide premium prices for the purchase of sugar, especially at a time when it is in oversupply, we provide incentives to the maintenance of this very system.

I do not contend that the amendment solves all these problems about which I have spoken. However, it is a step in the right direction and eliminates some of the incentives and some of the dangers of vested interests in continuation of the present situation.

The whole Sugar Act needs to be reexamined afresh. The systems built into it of disguised subsidies to domestic and foreign sources, of controls and artificial incentives, ought to be torn down and replaced by a more rational system.

For example, I am not at all certain that sugar need be given such special extraordinary protection as the act provides. I should like to examine the possibility of treating domestic sugar production in the same general way as other farm commodities are treated. Certainly, I see no reason why such uneconomic production must, for the very reason that it is uneconomic, be allowed to expand while other farmers are being required to cut back.

I hope the House Agriculture Committee and the Senate Finance Committee will carefully consider all these questions and I also sincerely hope that the State Department will reexamine the effect of our sugar legislation on the economies of sugar-producing countries throughout the world.

As has been announced, the Committee on Finance voted for the amendment unanimously.

I have received a letter from the Acting Secretary of State in opposition to the amendment, which I ask unanimous consent to insert in the Record at this point.

I find this letter quite unimpressive in its arguments against the amendment, for reasons which I have stated previously. The arguments are directed entirely at the short-term and wholly ignore the long-term consequences of the sugar-producing countries acquiring a vested interest in the Cuban quota.

The letter states that these countries would regard such action as inconsistent with the Alliance for Progress recently proposed by the President.

On the contrary, I think that if these countries take seriously the obligations which they would be required to undertake under the Alliance for Progress, they would not find the amendment inconsistent. They would agree that their obligations to undertake internal reforms is inconsistent with subsidies and incentives to increase sugar production.

The letter also argues that the non-quota countries will find it difficult to understand why they receive a price

lower than others, including domestic producers. I believe this can be explained. There is no good reason, in my opinion, why these countries should profit by virtue of the tragic Cuban situation. And it is neither to their interests, nor ours, that this be continued any longer than necessary.

This amendment does not hurt anyone. No one is worse off because he doesn't get something he only hoped to get, and had no right to.

As to the foreign exchange which, it is claimed, the sugar-producing countries receive under the quota premium, it would be interesting really to find out how much actually goes into these countries. How much, for example, would go to the big operators and speculators who keep their profits in Swiss bank accounts or in New York banks, for that matter, where gold and dollar earnings are often held?

I greatly doubt that much of the quota premium ever reaches the country where the sugar originates. The chronic shortage of capital in the sugar-producing countries would indicate this is to be the case.

I ask unanimous consent to have printed in the *RECORD* at this point a copy of the letter I received from the Acting Secretary of State.

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

MARCH 29, 1961.

The Honorable J. W. FULBRIGHT,
U. S. Senate.

DEAR SENATOR FULBRIGHT: A legislative requirement that the United States pay the world, rather than the higher United States, price for sugar acquired under a reallocation of the Cuban quota would, in my opinion, be harmful to the national interest.

A large part of the sugar needed to replace Cuban supplies would be purchased in Latin America. I am confident that non-quota countries in Latin America which are in need of foreign exchange to finance their economic and social development would find it difficult to understand why they receive a price substantially inferior to the price received by the domestic industry, formerly received by Cuba and currently received by other countries which have basic quotas under the Sugar Act. These countries would regard such action as inconsistent with the Alliance for Progress recently proposed by the President.

I hope that this change in the long-term sugar policy will not be made at this time, but considered when the Congress takes up long-range revisions of the Sugar Act.

With my warmest regards,
Sincerely,

Acting Secretary.

Mr. FULBRIGHT. Senators might ask why I take this position with regard to the State Department. I believe it can be explained briefly in this way: The amendment was voted on in committee only yesterday, although we have had the executive action last year with respect to the Dominican Republic, which did the same thing and resulted in \$12 million-plus being paid into the Treasury. If the amendment is adopted, it will develop about \$140 million for the Treasury. I believe the State Department did not have adequate time to consider the full implications of the

amendment. We all know that not only bureaucrats but also Senators are inclined to follow the approved practice. It is easier to follow a practice which will avoid complaints from the prospective beneficiaries in connection with the distribution of the quota. In the letter, the State Department does not make any valid substantive argument against the merits of the amendment. I believe the committee had before it the arguments of the Senator from Illinois and the background of the sugar issue as it has developed from year to year. I believe this is a superficial judgment on the part of the Secretary of State on the merits of the amendment. I hope the Senate will adopt the amendment.

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

Mr. FULBRIGHT. I yield.

Mr. MORSE. I wish to ask some questions of the Senator from Arkansas or the Senator from Illinois, because I have been greatly impressed by what they have said this afternoon, as I have also been impressed by the statement of the Senator from Idaho [Mr. Church].

As I understand, the quantity of sugar involved, so far as the application of the amendment is concerned, is sugar which is already in storage and is owned, for the most part, by sugar speculators or sugar houses who have bought it up, and is not really owned by the original producers. Is that correct?

Mr. FULBRIGHT. It is estimated that there is a carryover of 4½ million tons of sugar, and that there are 10 million tons available as of this year, above normal requirements.

Mr. MORSE. So that, contemplating consideration of a new Sugar Act within 15 months, we are actually dealing now not with a quantity of sugar in futuro, but sugar now in storage. Is that correct?

Mr. FULBRIGHT. That is correct.

Mr. MORSE. Then I will engage in a luxury in which a politician is not supposed to engage, namely, the luxury of changing his mind when convincing arguments have been submitted against his position. On the basis of the argument I have heard this afternoon, I shall vote in favor of the Douglas amendment.

Mr. FULBRIGHT. I am happy indeed to have the support of the Senator from Oregon.

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

Mr. FULBRIGHT. I yield.

Mr. CARROLL. I have been impressed with the statement by the able Senator from Arkansas. Some of us voted against the Sugar Act which we passed last year because we felt it did not give the President enough flexible authority. It is my understanding that under the act we passed last year the President has authority to determine whether or not a premium price or, a world price, will be paid to foreign countries on the reallocated Cuban quota. Furthermore it is my understanding that insofar as the Dominican Republic was concerned the President fixed the price at world price level.

Mr. FULBRIGHT. That is correct.

Mr. CARROLL. The other quotas which were allocated were based on the premium price.

Mr. FULBRIGHT. That is correct.

Mr. CARROLL. Is there anything in the bill which would prevent the present President, if he sought to do so, to use this amendment to obtain the same flexibility that he had when he fixed the price to the Dominican Republic at the world price level?

Mr. FULBRIGHT. I do not believe it imposes upon him any further restrictions, other than the amendment of the Senator from Illinois. This merely provides that he shall apply to all those taking a part of the Cuban quota the same principles which apply to the Dominican quota. In other words, it will result in about \$145 million being paid into the Federal Treasury which otherwise might not have been gotten under the quota.

Mr. CARROLL. If we adopt the Douglas amendment, are we not really setting a policy which tells the President that he shall only pay the world price, not the premium price?

Mr. FULBRIGHT. To those who acquire a share of the Cuban quota; that is correct.

Mr. CARROLL. It would then be different from the bill we passed last year?

Mr. FULBRIGHT. That is correct.

Mr. President, all of us are interested in agriculture—certainly most of us who are here today. I still do not understand, in view of the way this particular industry is treated, compared with all the basic crops—wheat and corn, which interest so many persons, cotton, peanuts, and down the line—I am unable to justify the highly discriminatory action in favor of the sugar industry. I simply think we ought to ponder that question a little.

We take criticism, in connection with the basic crops, for what is called—I do not say so, but what is referred to in the urban areas as—a wasteful program. Yet the total cost of those programs is only about as much as the sugar program alone costs.

I do not understand why all of us from the agricultural-producing States do not take the trouble to inquire into this and see why sugar should not be placed on the same basis as all other crops comprised in the support program.

Mr. DOUGLAS. Mr. President, I yield 2 minutes to the distinguished Senator from Louisiana.

Mr. LONG of Louisiana. Mr. President, I regret to have a difference of opinion with my senior colleague (Mr. Ellender) about this matter. However, I have heard it said that if two people in business always agree, one of them is not needed. I was one of several Senators who withheld his vote on the amendment when it came to a vote in the Committee on Finance, because I was somewhat fearful that there was a possibility that the bill would be tied up in conference, and I knew there was a need to extend the Sugar Act. However, it was the unanimous view of those who voted that the amendment should be added to the act.

I believe the amendment contains merit. If it shall be agreed to, and it

goes to conference, if I were one of the conferees I would certainly feel that if the President is firmly committed to give the foreign countries the advantages which are in the act which passed the House, and if commitments had been made to those foreign countries, we would be more or less required to accede to the President's position.

On the other hand, if this is simply the judgment of a lesser functionary in the State Department—an Under Secretary of State or someone of that rank—strongly supported by some of the ablest lobbies in Washington, representing countries and producers who wish to have these large increases in quotas, and perhaps some American companies which might profit very greatly from the large increases in quotas to certain countries at premium prices, then I feel the conferees should exercise their own opinions.

This is a 15-month bill. We are talking about \$150 million in premium prices to be paid to people who have \$300 million worth of sugar. In other words, we are talking about buying from these countries \$300 million worth of sugar for \$150 million extra. Much of this sugar has already been produced and is now in the hands of private sugar operators who produce the sugar in those countries. That which has not been produced is already in the ground and will come up this year. It has been planted on the assumption that those people would get 3 cents; instead, they would get about 5 cents. It will mean that in the case of a great number of countries, the sales to this country will be increased tenfold over that which they sold in years gone by at a great profit.

Mr. President, this would not be the kind of foreign aid which would benefit most of the people in those countries. Once again it would be the kind of foreign aid about which I have complained, because it would be an unexpected windfall into the hands of a very small number of people, but would provide no great benefit to the majority of the people.

I would be willing to vote \$500 million for Latin America and an additional \$150 million on top of that, if that were a part of a well-organized plan; but I do not see that it would do any good in this particular fashion.

Mr. MANSFIELD. Mr. President, will the distinguished Senator from Illinois yield me time?

Mr. DOUGLAS. I yield the remaining time to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, I am advised by White House representatives that the President regards as most important that there be no sudden break in the established sugar policies, as would be the case if the proposed extension were not to become law by March 31. In other words, the present Sugar Act has until midnight Friday in which to live. If it is not continued by that time, the act will expire automatically.

There is every reason to believe that the extension will not become law by that date unless this amendment is deleted in the Senate.

I realize that what we do in the Senate is our business, and that whatever the House wants to do is its business. However, I think a fact of this nature ought to be brought before the Senate for its consideration.

I do not wish to argue the merits of the amendment offered and accepted in committee by the distinguished Senator from Illinois. There may be much merit in what he suggests, and I suspect that there is, but I would hope that his proposal would be more carefully considered than it has been up to this time, when the entire policy is reviewed later in the spring.

It is my understanding that the chairman of the House Committee on Agriculture, Representative COOLEY, has made a definite commitment that hearings will be held in May on a long-range sugar program. It is my further understanding that the Committee on Finance, under the chairmanship of the distinguished Senator from Virginia [Mr. BYRD], will, as soon thereafter as the House completes its hearings, undertake to hold hearings in the Senate committee. It is my further understanding that one of the subjects to be discussed in both hearings will be the proposal made by the Senator from Illinois which was adopted in the Committee on Finance yesterday.

But I must question the timeliness and abruptness of this amendment, in view of its implications for inter-American relations, and in view of the President's desire to have no sharp break in sugar policy on March 31, a break which will be conducive to chaos and grave difficulties in our relations with many Latin American nations.

Once again, I emphasize my hope that the principle embodied in the Douglas amendment will receive every consideration in the impending general review of sugar policy and in subsequent legislation. But at this time, and in the present circumstances, I most respectfully urge that the Senate drop the amendment from the pending bill.

Not only must we keep in mind the question of the expiration of the present act; not only must we keep in mind the question of damage which may be done to our foreign policy; but we must also consider the adamant position of the House against this proposal.

The fact is that the administration wants to have the act extended at the conclusion of the present act on midnight, Friday, March 31.

We have assurances that hearings in both the House and Senate committees will be held to consider this and other pertinent subjects. Certainly, in view of the definite statement enunciated, I most strongly urge Senators to vote against the Douglas proposal and in favor of the proposal by the distinguished senior Senator from Louisiana.

Mr. PASTORE. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. PASTORE. The senior Senator from Rhode Island came to the Chamber determined to vote for the Douglas amendment, because he believes in its merits. But do I correctly understand categorically from the majority leader

at this time that it is the desire of the President of the United States that the Douglas amendment not be enacted?

Mr. MANSFIELD. It is the desire of the administration, which I assume includes the President, that the Douglas proposal not be enacted at this time. It is the understanding—I wish to repeat—that in the hearings which will be held in May by the House Committee on Agriculture, and later by the Senate Committee on Finance, this matter and other matters related thereto will be considered.

Mr. ANDERSON. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. ANDERSON. Does the majority leader, in making his recommendation, realize that he is making it completely contrary to the unanimous vote of the Finance Committee?

Mr. MANSFIELD. Yes, I am aware of that fact.

Mr. ANDERSON. On what basis does the Senator do it?

Mr. MANSFIELD. But when there is talk about the unanimous vote of the Finance Committee, I should like to point out that there are 17 members of that committee; 11 were present; 2 abstained; and 9 voted in favor of the Douglas proposal.

Mr. FULBRIGHT. Mr. President, will the Senator from Montana yield to me?

Mr. MANSFIELD. I yield.

Mr. FULBRIGHT. With regard to the administration, the Senator from Rhode Island asked whether the President took the position he has mentioned. Let me say that the letter from Chester Bowles was sent to me. The amendment was adopted yesterday. The letter was not signed by the President. Of course, I cannot speak for what went on in the Department; but we know that last year similar action was taken with regard to the Dominican Republic, and resulted in having about \$12 million go into the Treasury; 2 cents a pound on the quota. In that sense, this action is not a complete break with the past.

I, myself, doubt that the President has been able to give any consideration to this amendment.

Mr. ANDERSON. That is why I wondered about this proposal. The White House did the same thing that the Senator from Illinois suggests. So how does the Senator know that the White House has changed its position or that President Kennedy does not believe in doing the same thing President Eisenhower did?

This testimony by the majority leader is astonishing. President Eisenhower did exactly this in regard to the price paid to the Dominican Republic.

The PRESIDING OFFICER. The hour of 4 o'clock has arrived; and, under the order which has been entered, further debate is not in order.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the time available for debate be extended 1 minute.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DIRKSEN. I wish to correct the record: On the night of September 1,

at midnight, I handled the sugar bill on this side of the aisle. This question of a fee never arose, and no such provision was included in the bill. In that connection, it is only necessary to examine the RECORD, from which it will be found that we never discussed that aspect of the matter.

The only question involved at that time was the giving to the President of flexible authority, in the national interest, to bypass the Dominican Republic, to be able to dispose of the excess sugar we lopped off the Cuban quota. And that is the record.

Mr. ANDERSON. Mr. President, let us keep this record a little straight.

The PRESIDING OFFICER. The additional time available for debate has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time available for debate be extended—for the last time, I hope—for 3 additional minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. I yield now to the Senator from New Mexico.

Mr. ANDERSON. Let me say that the Senator from Illinois, the Senator from Louisiana, and other Senators were present when Larry Myers, the head of the sugar branch, said the Dominican Republic sugar was handled in exactly this fashion.

Does the Senator from Illinois agree?

Mr. DOUGLAS. That is correct.

Mr. ANDERSON. So the fact is that we handled the Dominican Republic sugar by cutting off this premium.

Now the Senator proposes it; but no one proposed it in the Finance Committee. It took a long time to take action to remedy what obviously is an injustice to the American people—a loss to the Treasury of \$150 million, for the benefit of the sugar lobby.

Mr. MANSFIELD. Mr. President, I must interrupt. I do not like to be associated with the sugar lobby, because I am not associated with a sugar lobby. I am trying to do the best I can for what I think is the administration's point of view; and if there are sugar lobbyists or if there are sugar speculators, they should be identified, for all to see.

But let me say, in regard to my position and that of other Senators who are associated with me on this particular matter, that we are not associated with any sugar lobby or with any group of speculators; and I want that fact stated for the RECORD.

Mr. ANDERSON. Who made the money from this transaction? Did the Federal Government make it? The Senator from Illinois, the Senator from Louisiana, and all the rest of us know that it did not go to the Dominican Republic. It went into the Treasury of the United States.

Mr. HUMPHREY. Mr. President, will the Senator from Montana yield to me?

Mr. MANSFIELD. I yield.

Mr. HUMPHREY. Let us set the record straight. In the administration there was a division on this proposition. But now that division has been recon-

ciled. I know that, because I was in on the discussions.

The White House wants this committee amendment defeated; and I wish to say that I am sympathetic with the view of the White House in that connection.

The White House wants this committee amendment defeated because we are in a critical situation with our Latin American neighbors, and the foreign policy requirements overcome the Treasury's requirements.

Certainly it is time for us to put the foreign policy requirements ahead of the requirements of the Treasury.

That is not to say that we shall not have an opportunity to review this situation. But there was no official testimony from the administration on this matter. The Department of Agriculture has one point of view, but the State Department has another point of view. However, that division has now been reconciled at the White House. Mr. Kennedy is in charge of the White House; for a change, we have someone who is running the White House. And this is the administration's point of view.

Mr. DIRKSEN. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. FULBRIGHT. Mr. President, I demand the regular order.

The PRESIDING OFFICER. All time available for debate has expired, and the regular order is demanded.

Mr. FULBRIGHT. Let us proceed to vote.

Mr. DOUGLAS. Mr. President, I rise to a parliamentary inquiry.

Mr. MANSFIELD. Mr. President, I believe we should request the ordering of the yeas and nays on this question.

Mr. DIRKSEN. Yes, Mr. President; and I ask for the yeas and nays.

The PRESIDING OFFICER. On this question, the yeas and nays are requested. Is there a sufficient second?

The yeas and nays were ordered.

Mr. DIRKSEN. Mr. President, will the Chair state the pending question?

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana to strike out section 4.

Mr. DIRKSEN. As I understand, the motion or the amendment at the desk has been offered by the distinguished Senator from Louisiana [Mr. ELLENDER]; and his amendment would strike the Douglas amendment from the bill.

The PRESIDING OFFICER. That is correct.

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. MONRONEY (when his name was called). On this vote I have a live pair with the Senator from New Mexico [Mr. CHAVEZ], who is unavoidably absent. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. KERR (when his name was called). On this vote I have a pair with the Senator from Oregon [Mrs. NEU-

BERGER]. If she were present, she would vote "yea." If I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Tennessee [Mr. GORE], the Senator from Indiana [Mr. HARTKE], and the Senator from Oregon [Mrs. NEUBERGER] are absent on official business.

I also announce that the Senator from Minnesota [Mr. MCCARTHY] is absent because of illness.

I further announce that the Senator from Texas [Mr. BLAKLEY] is necessarily absent.

I further announce that, if present and voting, the Senator from Texas [Mr. BLAKLEY] would vote "nay."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BUTLER], the Senator from New Jersey [Mr. CASE], and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The result was announced—yeas 55, nays 34, as follows:

[No. 25]

YEAS—55

Alken	Gruening	Metcalf
Allott	Hart	Miller
Beall	Hayden	Morton
Bennett	Hickenlooper	Pastore
Burdick	Hickey	Pell
Bush	Hill	Prouty
Byrd, W. Va.	Holland	Randolph
Cannon	Hruska	Robertson
Capehart	Humphrey	Saltonstall
Carroll	Jackson	Smithers
Cooper	Jordan	Smith, Mass.
Dirksen	Kefauver	Smith, Maine
Dodd	Kuchel	Sparkman
Dworshak	Long, Hawaii	Stennis
Eastland	Magnuson	Wiley
Ellender	Mansfield	Williams, N.J.
Engle	McClellan	Young, N. Dak.
Ervin	McGee	
Fong	McNamara	

NAYS—34

Anderson	Douglas	Proxmire
Bartlett	Fulbright	Russell
Bible	Javits	Schoeppel
Boggs	Johnston	Scott
Bridges	Keating	Symington
Byrd, Va.	Lausche	Talmadge
Carlson	Long, Mo.	Thurmond
Case, S. Dak.	Long, La.	Williams, Del.
Church	Morse	Yarborough
Clark	Moss	Young, Ohio
Cotton	Mundt	
Curtis	Muskie	

NOT VOTING—11

Blakley	Goldwater	McCarthy
Butler	Gore	Monroney
Case, N.J.	Hartke	Neuberger
Chavez	Kerr	

So Mr. ELLENDER's motion to strike was agreed to.

Mr. ELLENDER. Mr. President, I move to reconsider the vote by which the motion to strike was agreed to.

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

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota to lay on the table the motion of the Senator from Louisiana.

The motion to lay on the table was agreed to.

Mr. ANDERSON. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

Mr. PASTORE. Mr. President, may we have order in the Chamber?

The PRESIDING OFFICER. The Senate will be in order. The Senator from New Mexico is recognized.

Mr. ANDERSON. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

Mr. MANSFIELD. Mr. President, will the Senator yield before he offers his amendment?

Mr. ANDERSON. I yield.

Mr. MANSFIELD. Under the unanimous-consent agreement entered into, it was thought we would finish consideration of the Ellender motion by 4 o'clock. It is now 4:25 p.m. It has been previously agreed that there will be a vote on the Anderson amendment at 5 o'clock. If the Senator desires, I think we should have at least 1 hour on his amendment, the time to be divided equally.

Mr. ANDERSON. I thank the distinguished majority leader, but I shall be very happy to have the schedule of time adhered to, and to vote at 5 o'clock.

Mr. DIRKSEN. Some Senators on this side of the aisle desire time. I ask the Senator from Nebraska whether he would like some time.

Mr. CURTIS. Yes.

Mr. ALLOTT. Mr. President, I should like to have some time.

Mr. DIRKSEN. I hope the Senator will entertain a request that there be 1 hour on the amendment, with the time to be equally divided. We probably will not use all the time.

Mr. President, I ask unanimous consent that on the Anderson amendment the time be limited to 1 hour, under the usual conditions of germaneness of other amendments and so forth, with the time to be equally divided, one-half the time to be controlled by the mover of the amendment and one-half the time to be controlled by the minority leader.

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

The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to insert the following new section:

SEC. —. (a) The proviso preceding subparagraph (1) of section 408(b) (2) of the Sugar Act of 1948, as amended, is amended to read as follows: "Provided, however, That such quantity shall first be allocated to domestic areas and any part of such allocation that domestic areas are unable to fill shall be apportioned in raw sugar as follows:"

(b) Section 302(b) of the Sugar Act of 1948 is amended by inserting immediately after the first sentence thereof the following: "Whenever the Secretary establishes restrictive proportionate shares for farms pursuant to this section, he shall, insofar as practicable, protect the interests of new and potential producers of sugar beets in states, counties or parts thereof that have no acreage allotments, as well as new growers in old areas, under this Act."

Mr. ANDERSON. Mr. President, the amendment was offered for myself and Senators HAYDEN, CHAVEZ, KERR, YARBOROUGH, BIBLE, BLAKLEY, and CURTIS. Other Senators who have asked to be named as cosponsors are Senators JACKSON, MAGNUSON, RANDOLPH, CANNON, BURDICK, and MONRONEY.

Mr. CASE of South Dakota. Mr. President, will the Senator yield for a question?

Mr. ANDERSON. I yield to the Senator from South Dakota for a question.

Mr. CASE of South Dakota. I raise the question so that the Senator's amendment will not be misinterpreted. The impression might be that the Senator's amendment would extend whatever protection there is for new growers to certain States, including the States of New Mexico, Arizona, and perhaps Texas.

Mr. ANDERSON. That is not a correct interpretation. I have discussed this situation many times with the able Senator from Nebraska [Mr. CURTIS]. The Senator and I discussed it in the committee the other day. It was our desire to see that some areas in some old States and in some new States might be recognized. The language is not restricted to any small group of States.

Mr. CASE of South Dakota. I thank the Senator for his comment. I think it would not be good legislation to say we would do something for only two or three States. It should be general legislation, and whatever States can qualify under the general principle should have an opportunity to do so.

Mr. ANDERSON. I thank my longtime friend from South Dakota. I say to the Senator, there was a story in the newspapers which stated or implied that the amendment I presented would apply to only five States. It would apply to every State. We specifically singled out certain States because we were talking about a sugar mill in an area which did not have a sugar mill. This amendment has been worked out with Senators who wished to make sure that the quota might be made available to all States.

Mr. President, I propose an amendment to H.R. 5463, which would, in effect, first allocate the Cuban sugar quota to domestic areas and which would provide that any part of such allocation the domestic areas are unable to fill shall be apportioned in accordance with section 408(b) (2) (i) (ii) (iii) of the present act.

The intent of the amendment is to make certain that the domestic growers in the continental United States shall be permitted to grow at least a part of the sugar which was formerly supplied by Cuba.

Section (b) of my amendment is intended to assure fair treatment to the beet sugar growers both old and new, in both the old and the new areas, should acreage restrictions be reimposed.

I realize that there are no acreage restrictions in effect now and that domestic growers may plant any amount of sugarcane or sugarbeets they desire to plant. Under these circumstances, it is difficult to legislate in regard to distribution of sugar quotas and acreage allotments among domestic growing areas should restrictions be reimposed. The proposal before us would extend the present law over two planting seasons. In view of the Cuban situation, it does not seem likely that, within the time of this extension, quotas would be restored to Cuba, nor is it likely that acre-

age restrictions would be reimposed on domestic growers.

If it should become necessary to reimpose acreage restrictions, section (b) of my amendment would show some congressional intent in regard to acreage allotments. I would hope the Secretary of Agriculture would seek some guidance from Congress or in some way make sure that new growers in new and old areas are given the same treatment as old growers and old areas.

This problem received a great deal of attention in the Finance Committee. I realize that it is impossible in a temporary bill to answer all questions anyone might have. This measure was merely an attempt to say that when we reallocate the Cuban acreage, we shall take into consideration the needs of those parts of the United States which have long been seeking additional acreage.

The able Senator from North Dakota [Mr. YOUNG], whose views on agricultural policies have been before the Congress many times, and whose fidelity to the farmers of his section have never been questioned by anyone, because he stands up and fights for them unceasingly, came before the committee and pointed out that the farmers in the Red River Valley could use three times the acreage they now have.

The way the law is now operating, the Cuban sugar quota must be allocated under an allotment to certain nations first, and if there is any allotment remaining after all other areas that are not traditionally sugar producers, in large extent, are taken care of, then an acre or two might be allotted to the farmers of North Dakota. I do not think that is right.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. YOUNG of North Dakota. I deeply appreciate the comments of the distinguished Senator from New Mexico, who formerly was Secretary of Agriculture and worked hard and effectively for the farmers of this Nation. I join in support of his amendment. It seems to me that this amendment would provide the only means producers of this Nation could receive recognition. Our producers are entitled to additional acreage. We can and do produce sugar at a reasonable price.

Mr. ANDERSON. A short time ago we were discussing the possibility of substantially increasing the sugar acreage, and some who are connected with the sugar industry pointed out that the Red River Valley, both in Minnesota and in North Dakota, was one of the most likely spots for such production.

There is an area in Kansas which could be—and likely will be very shortly—a very interesting area for the production of sugar. There is an available area in the State of Texas where there is no sugar mill. It is true that anyone can plant sugarcane or sugarbeets, but not everyone can sell sugar.

I wish to point out that the way the law is operating is not the way it was originally designed. In large degree, the Sugar Act of 1948 was not designed on

the floor of either House of Congress. It was drafted in the Office of the then Secretary of Agriculture, and those who were producing sugar were brought into that Office.

We brought in representatives from Hawaii, the Philippines, and cane and beet sugar producers. We brought representatives from Cuba. We allotted a great portion of all the sugar that would be available to the U.S. market, which then was approximately 8,300,000 tons. It was decided that there were certain fringe areas that might want only a few thousand tons of sugar. Therefore the bill named places for a quota—such as Panama, Costa Rica, and such areas.

When Cuba dropped out of the market, those areas then became the most favored nations. Whether anyone liked it or not, those nations received very large quotas of sugar. It also resulted that longtime friendly nations, such as Brazil, which had had large production of sugar and no possibility of a market, were cut off and told that they could not supply sugar at all. Brazil has about a million tons of sugar surplus. Last year it sold 100,000 of those tons to the United States.

We said to this friendly nation to the south, "Go out and find your own market somewhere outside the United States, while we receive great quantities from Mexico, Peru, and the Dominican Republic."

It is true that the report which was filed on March 14, of this year, by the chairman of the Senate Committee on Agriculture and Forestry shows clearly that the Dominican Republic should have had a quota of 130,000 tons of sugar, and it sold that quantity under its quota. But it sold 271,000 tons in addition to its quota because of freak provisions of the law.

Such was not the original intent. The original intent was that Cuba should be the great producer. Cuba had been our most substantial supplier of sugar, and when Cuba dropped from the market it so completely disorganized things that we could not apply the machinery of that law to some other plan.

Someone might say, "Why worry now? It will be only a short time before we write permanent legislation on this subject."

We have been trying to write permanent legislation for the past 4 or 5 years, and it has never been written. A joint resolution or a bill is received from the House of Representatives in the last 24 or 48 hours before expiration of the act, as this bill has been presented, and the Senate is told to take it. We are told, "You cannot possibly tinker with the quota system in 48 hours."

As one who tinkered with the quota system and established it in 1948, in large measure, I say that it is not an insurmountable problem.

All that we have tried to say in the bill is that when we get to the problem of distribution of quotas, we shall not overlook domestic areas which have the right and the desire to produce sugar and can produce sugar for the American market.

I see in the Chamber the able Senator from Nevada [Mr. BIBLE]. Nevada has

not been a great sugar-producing State because, it is said, the growing areas are so far from a mill that no producer would be interested. Yet farmers in that State are saying to the Senators from Nevada [Mr. BIBLE and Mr. CANNON], "Why do you not give us some markets so that we can grow sugarbeets?" Those farmers have good soil. They have rights under the Colorado River project. They must show they have a good crop. They cannot show it at the present time because they have had no opportunity of growing 1 pound of sugarbeets.

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

Mr. ANDERSON. I yield.

Mr. BIBLE. I wish to associate myself with the remarks of the distinguished Senator from New Mexico, and wish to be a cosponsor of his amendment.

The history of sugarbeet production in Nevada goes back to 1912, when the Newlands project, the first reclamation project in the entire United States, was located in Churchill County, of which Fallon, the old town, is the county seat. There was a sugar industry there as early as 1912, 1913, and 1914. It ran into some problems and died out.

I am happy to say that in the last 4 years producers managed to secure a small allotment. First, they had an allotment of 500 acres, which was increased to 584 acres. The farmers are delighted with their new crop, which shows great promise in strengthening the agricultural economy of our State. An allotment of 584 acres is certainly a modest, if not a meager, one. Farmers inform me that it is insufficient as an economic unit inasmuch as they are required to ship the sugarbeet some 200 miles. I am told that the least amount that they need is an acreage in the neighborhood of 1,500 acres.

This area is the site of the first reclamation project in the United States. What the Senator from New Mexico has said about our firm allotment of water from the Colorado River is equally relevant. We have a valley which is ideally situated—soilwise, waterwise, and climatewise—to be a thriving sugarbeet-producing area.

I believe the amendment of the Senator from New Mexico is worthy and worthwhile. I heartily support it. I thank the Senator for directing attention to the need of the State of Nevada.

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

Mr. ANDERSON. I yield.

Mr. HOLLAND. As I read the amendment offered by the distinguished Senator from New Mexico, it seems to provide for new growers who do not have a record of production, and wish to grow beets for sugar production. I wonder why the amendment does not apply equally to those who wish to go into the production of sugarcane? We have thousands of acres in our State whose owners are looking for an opportunity to produce sugar. As the distinguished Senator knows, large investments are now being made in the building of new mills and the like. Why are not the sugarcane producers given equal treatment along with the sugarbeet producers?

Mr. ANDERSON. I can only say to the Senator from Florida, in strict honesty, that the reason they were not included in the amendment was that the amendment was hastily drawn, and I overlooked the cane sugar that certain producers wanted to produce.

I modify my amendment in the second line from the bottom by adding the words "and sugarcane" after the word "beets."

What the Senator from Florida has said is absolutely correct. The people in Florida have an ideal place for growing sugarcane. They are fine producers of sugarcane. If I am correctly informed, right now there is a large development going on in Florida. I welcome it. As the Senator from Florida knows, when we had hearings in committee I said that people who produce sugarcane—and this is largely in Louisiana and Florida—have never used their quotas in the last few years. They have not been breaking any regulations. During wartime the people of those States patriotically surrendered their cane crops and planted crops which were considered to be necessary to further the war effort. They would do the same thing tomorrow. I have no doubt about that. They have a fine location for growing sugarcane. They ought to be allowed to grow it. They should not be put in the position where countries outside the United States take away from them a market that ought to be normally the market of the United States. I am happy that the Senator from Florida has called my attention to this inadvertence, and I am very happy to be able to correct it.

Mr. HOLLAND. I thank the Senator.

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

Mr. ANDERSON. I yield.

Mr. CARROLL. The Senator knows of my interest in the sugar problem, and the interest of my State, which is the second largest sugarbeet producing State in the country. Would the Senator's amendment in any way diminish the acreage which is allotted now?

Mr. ANDERSON. No; it would not.

Mr. CARROLL. With respect to old growers, I mean.

Mr. ANDERSON. The old growers would have the same rights as they have now. The amendment would not disturb the growth factor. The amendment merely provides that if we close down on Cuban sugar and deal out Cuba, or if Cuba decides to move out of the market, the first time we start allotting this acreage on a permanent basis we should take into consideration these new areas.

Mr. CARROLL. Does the Senator know of any new areas in Colorado that would be affected?

Mr. ANDERSON. I believe that the entire southeastern corner of Colorado would be affected.

Mr. CARROLL. Would the amendment in any way prevent an enlargement of the allotments which the old growers have in some of these areas?

Mr. ANDERSON. No. I specifically pointed out that this would affect old and new growers. As a matter of fact, I will say to the Senator from Colorado that in the year 1956 there were 837,000 acres

of beet sugar in the United States. In this year of 1961, there will be 1,100,000 acres. There has been, in effect, a factor of growth. We want that factor of growth to continue. I would like to see it grow constantly. I only say that along with that there are certain new areas that may need new production.

Mr. CARROLL. Over on the western slope of Colorado our sugarbeet growers have a special problem. They need more beet acreage. They have an economic problem involving the Delta processing plant. The plant is not an economic operation because of insufficient beet production. Would the Senator's amendment strengthen the position of the western slope beet farmers?

Mr. ANDERSON. Unquestionably they would be helped, if a new allotment were made. The amendment merely says to the Secretary of Agriculture, "You do not have to go out and hunt for areas in Mexico or in Peru or in Costa Rica, or anywhere else. You can see that sugar can advantageously be produced within the United States."

I believe that to be a wise provision. In other words, when the question comes up with respect to Cuban acreage, that can be taken into consideration. Some years ago an attempt was made to cut down on the Cuban acreage. I said that Cuba had supplied us with sugar during the war years, and during that period had perhaps supplied us more than we had a right to ask it to supply us. I therefore fought against the attempt to cut down the Cuban allotment. The Senate supported my view and voted against the proposal.

I am not hostile to Cuba. However, when there is a possibility that Cuban sugar will be sold behind the Iron Curtain, or if Cuba should go out of the market, I say the next logical place to turn for the supply of sugar we need is to the farmers of the United States. That is all I want to do.

Mr. CARROLL. Mr. President, if the Senator will yield, I should like to ask unanimous consent to have printed in the RECORD at this point a telegram which I received from Mr. Kenneth Matchell, secretary of the Western Colorado Beet Growers Association, expressing the concern of western Colorado farmers over their future unless steps are taken to provide them some help.

Mr. ANDERSON. I do not object.

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

GRAND JUNCTION, COLO.,
March 20, 1961.

Senator JOHN CARROLL,
Senate Office Building,
Washington, D.C.:

On matter of investigation of Holly Sugar Co. best purchasing policies at Delta factory understand you intend to evaluate matter soon. We growers accepted lower 1961 contract offered by company, with understanding that plant would close if rejected. Arrangement uneconomic, and can't continue. Growers would welcome any action that could strengthen the sugarbeet industry in western Colorado-eastern Utah. Loss of industry would be serious to entire area.

WESTERN COLORADO BEET GROWERS
ASSOCIATION,
KENNETH MATCHELL, Secretary.

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

Mr. ANDERSON. I yield.

Mr. ELLENDER. I am trying to understand what the amendment of the Senator would do. Does it deal with the Cuban quota only?

Mr. ANDERSON. It deals with the Cuban quota only.

Mr. ELLENDER. Does it allocate quotas to new production areas on a permanent basis?

Mr. ANDERSON. No; it does not.

Mr. ELLENDER. Under the law as it now stands, producers may plant as much as they wish.

Mr. ANDERSON. They cannot have any assurance, however, of the market, because they do not know what the procedure will be. The amendment provides that and when the Cuban sugar stays out of the market, the Secretary of Agriculture will try to find ways to take care of the American producers.

Mr. ELLENDER. If we write a long-range sugar program in 4 or 5 months, how will any future quota allocation be affected if nothing is mentioned about permanency of those quotas in the Senator's amendment. The Senator has said his amendment does not provide for quotas on a permanent basis.

Mr. ANDERSON. I say to the able chairman of the Committee on Agriculture and Forestry that if the Committee on Finance of the Senate and the Committee on Agriculture and Forestry of the House write a new bill incorporating permanent legislation in 4 or 5 months, the provisions of that bill will be applicable, not the provisions of the pending amendment. The amendment merely suggests that if we do not succeed in writing a new bill, but continue to extend the old law round after round, as we have been doing, with all its inadequacies—and I am sure the Senator admits it is inadequate—we will try to take care of the domestic growers.

Mr. ELLENDER. The Senator knows that I said I was sympathetic with the situation in the beet areas, and that in the future some quotas should be allowed these areas on a permanent basis. But I still feel that this action ought to be done when a long-range law is enacted.

Mr. ANDERSON. The Senator from Louisiana is completely correct in that respect. All I say is that this is a declaration of intent which I believe should be taken into consideration. The great defect in the present Sugar Act is that it was written in one kind of world, and that kind of world has changed. If any Senator had said on the floor of the Senate in 1948 that he would vote against the sugar bill because Cuba would be our enemy, under the influence of our most pronounced enemy, he would have been laughed off the floor of the Senate. Cuba was our great friend. Therefore, when the Secretary of Agriculture proposed that Cuba be given preferential treatment, and an opportunity to produce vast crops of sugar and to sell them to the United States, no one objected.

I have tried to point out that one of the reasons why, in 1946 and 1947, I purchased Cuban sugar crops in behalf of the U.S. Government, was that the total purchases ran to about \$961 million,

probably the largest sugar bill in the history of the world. It was no great problem, because we were going to sell back to Cuba considerable supplies of American agricultural products.

Mr. President, we are no longer in that kind of world. That world is over. There are people in this country who would like to produce sugarbeets, to relieve some of the pressures of the surplus crops, and they feel they should have a new claim on the sugar market. The world has changed. Anyone who would have predicted that the situation we knew years ago would disappear would not have been taken seriously. It has disappeared. The world has changed, and the American producers of sugar want to move into the market. I have no criticism of the cane sugar producers of this country. I pointed out that they did their patriotic duty in reducing cane sugar acreage and planting crops that were regarded as war crops during the last war.

I have no quarrel with the beet sugar producers of this country. They have come through in magnificent fashion. We have a fine beet sugar industry in this country, and I shall do all I can to protect it. I dislike to see the Cuban quota begin to go to other countries which, in subsequent years, will say, "We now have a right to your market, because we have been growing sugar for you, year after year, and you never gave us notice that you intended to change the quotas."

My amendment will give notice that some day we will act to allot some of the beet sugar crop to the producers of the United States. That is all I intended by my amendment.

Mr. DIRKSEN. Mr. President, I yield 10 minutes to the distinguished Senator from Nebraska.

Mr. CURTIS. Mr. President, I favor the Anderson amendment, but I wish to make it abundantly clear that I believe we must extend the Sugar Act, and not let it expire. To do otherwise would be to invite chaos in many respects, and I need not elaborate on that point.

Also, Congress should soon write a long-range Sugar Act, one having a duration of 5, 6, or 10 years; one upon which businessmen, farmers, consumers, processors, and our foreign friends can rely.

I favor the Anderson amendment because it is based on the principle of a greater domestic production of our sugar needs. When we consider all the agricultural problems in our country today, we cannot defend the position of buying 45 percent of our sugar from foreign countries.

In that connection, I wish to say something about the alleged subsidy. There never was a more misunderstood topic than the alleged subsidy on sugar. The users of sugar paid the total cost. Regardless of where the product is produced, the users buy it at a fair and reasonable price. As a matter of fact, we have the testimony of Mr. Myers, of the Department of Agriculture, that by reason of the operation of the Sugar Act, the Treasury gains in general revenues about \$20 million each and every year. When we think of a subsidy—and we can

write any kind of definition we wish—usually it is when the consumer does not pay the full price. For example, if an article costs \$1.50, and the Government pays 50 cents while the consumer pays \$1, the 50 cents is clearly a subsidy. But in this instance, the consumers pay the full cost of the program. They buy sugar at a fair price, and the Treasury gains about \$20 million every year.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a colloquy which took place between the junior Senator from Nebraska and Mr. Myers, of the Department of Agriculture, which appears at pages 64 and 65 of the hearings.

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

Senator CURTIS. Now, I do not want to drag along in something too academic, but coming back to what is a world price, I believe I understood you to say to Senator BENNETT that only about 12 percent of the sugar moved in the world price.

Mr. MYERS. That is correct.

Senator CURTIS. So, in other words, 88 percent of the sugar moves in a sugar program of some sort or another?

Mr. MYERS. Under some form of protection.

Senator CURTIS. Yes.

Now, does that follow that the consumers of the 88 percent of that sugar obtained more than they should pay?

Mr. MYERS. No; I do not personally attach morals to prices. It is two different categories.

They are paid above the world price. I do know what the world price would be if we did away with all forms of protection. We would obviously shift production about tremendously in the world.

Senator CURTIS. What is a subsidized price? First let me ask you this: In general, do the consumers of sugar and, of course, in proportion to the amount of sugar they use, pay the cost of our sugar program and the cost of the sugar, with all the related costs in connection therewith?

Mr. MYERS. I think that inevitably is so; yes.

Senator CURTIS. Now, we get into a question of definition and semantics, do we not, when we talk about a subsidized price?

Mr. MYERS. Absolutely, and there will be as many definitions as you will have people defining the term.

Senator CURTIS. Yes. If we take a definition of a subsidized price, if it really costs a dollar and a half an article, and the Treasury pays 50 cents of it and sells it to the consumer for \$1, that would be very clearly a subsidized price, would it not?

Mr. MYERS. Yes; I think every dictionary would agree that would be a subsidy.

Senator CURTIS. But definitely the operation of the Sugar Act is not that kind of subsidy, is it?

Mr. MYERS. No. There is a question, of course, when you get into the Sugar Act payments whether they would be defined as a subsidy under all definitions of the terms.

Frankly, I think this whole discussion of the semantics of subsidy a rather futile one because I see no difference in one technique versus another.

Why is it any different; you have a protective tariff that gives you a half percent than to have a tax and a payment that gives you a half cent? It is both a half cent. I do not see any difference.

Senator CURTIS. I understand that. But the point I am getting at is that the General Federal Treasury is not paying any part of the sugar that the housewife buys

or the sugar that the manufacturer buys; isn't that correct?

Mr. MYERS. They are not getting into the problem today whereas we did during the war, and as many foreign countries do, of buying the sugar and selling it to their consumers, either at a higher price or at a lower price; that is correct.

Senator CURTIS. Yes; and in the main, has the Sugar Act been self-sustaining so far as general revenues of the Treasury are concerned?

Mr. MYERS. It has been decidedly better than self-sustaining.

Senator CURTIS. What do you mean by that?

Mr. MYERS. The tax, the processing tax, which the Sugar Act establishes is for one-half cent per pound or 10 cents per ton on the total quantities that we consume in this country, which is roughly \$90 million a year and Sugar Act payments amount to something in the neighborhood of \$70 million a year, so there is a gain there in the Treasury of about \$20 million a year.

Senator CURTIS. It has been through the years—

Mr. MYERS. It has been through the years from \$15 million to \$20 million a year.

Senator CURTIS. Yes. So laying aside what has been accomplished or has not been accomplished insofar as order within the sugar industry is concerned, the fact remains that our General Treasury is about \$20 million better off by reason of the act.

Mr. MYERS. Each year.

Senator CURTIS. Each year?

Mr. MYERS. Correct.

Senator CURTIS. And there are many things that governments do which are designed to raise prices to a fair level for producers or to raise wages to a fair level for workers that are not in the category of subsidies when we use the definition of paying part of the price out of the General Treasury; isn't that true?

Mr. MYERS. There are a great many that have subsidies, that is correct; yes.

Senator CURTIS. Yes. In other words, this is an act that has the same objective of all farm legislation, is it not?

Mr. MYERS. Yes, indeed.

Senator CURTIS. To raise to a fair price, and I do not think I will take any further time on that question of subsidies because, as we say, we can go on and get as many definitions as the English language could put together. But I am pleased at your statement to make it clear because there is a great misunderstanding in the country on the question.

I think the people who buy and use sugar should be the ones who pay for the sugar, and that is what happens in this program, is it not?

Mr. MYERS. That is correct.

Mr. CURTIS. Mr. President, there are many ways in which, when we write a long-range act, we can increase the domestic production of sugar. There is a growth factor by reason of the increasing population. There is a growth factor by reason of the use of more sugar. There are also deficits from other countries.

Also, we must realize that when the Communist government of Cuba is ousted, Cuba's quota need not be restored, and should not be restored, to the highest peak, because in the years just before the Castro regime Cuba had some abnormal circumstances which added to their share of our market.

Certainly the ratio of 45 percent produced abroad and only 55 percent produced in America cannot be defended at a time when we are paying billions of dollars to support agriculture in this

country. I contend that if a foreign country were faced with grave agricultural problems, and a heavy load on the Treasury, and it failed to produce all of its own needs, so far as it could, we would not respect that country. Foreign countries will not respect us if we do not go as far as practicable in providing our own sugar needs. The first prerequisite of friendship in the world is not to be Santa Claus; it is to win the respect of the nations with whom we deal.

I shall not take the time to discuss in detail the needs of my own State.

Mr. CARLSON. Mr. President, will the Senator from Nebraska yield?

Mr. CURTIS. I would prefer to yield a little later.

The State of Nebraska produces about 72,000 or 73,000 acres of sugarbeets. We would like to increase that production substantially. We realize, however, that our main objective must be reached through long-range legislation which will provide for a gradual and orderly increase, both for the protection of the farmers and so that the sugar can be handled by the processors.

Many problems are involved, including the problem of transportation, but they are not problems which cannot be solved.

Mr. President, I ask unanimous consent to have printed at this point in my remarks my statement before the committee as it appears on pages 13 and 14 of the hearings.

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

STATEMENT OF SENATOR CARL T. CURTIS ON EXTENSION OF THE SUGAR ACT

For several years we have temporized by extending the Sugar Act for short periods of time to meet expiration deadlines. In so doing, we have failed to go to the root of many problems facing the domestic sugar industry.

We are in a period of time in which offshore production is no longer paramount in furnishing sugar needed for domestic consumption. At the same time we must take note of the fact that the domestic capacity can and should be increased to meet our ever-growing consumption of sugar. We know well that increase in sugar consumption is in direct proportion to increase in population.

A year ago I made a survey in Nebraska and determined that many farmers who now produce sugarbeets would like to increase their acreage. Also, many counties which have either surface or pump irrigation can well raise sugarbeets and should be afforded acreage allotments. Some of these counties have, through appropriate channels, petitioned for an allotment of sugarbeet acreage.

It does not seem prudent to me that we should deny domestic producers opportunity to share in this ever-expanding market. We must increase production and refining capacity gradually so that farmers can benefit from this orderly development. It is my understanding that refining capacity in the beet area can now process between 10 and 15 percent more beets than were processed last year. It is my hope that, in Nebraska, we can increase sugarbeet acreage by 50 percent over the next 5 or 6 years and increase refining capacity in like manner. Again, there is no supportable reason for relying on offshore production for 50 percent of our domestic requirements. The total farm problem today requires that we make

every effort to seek solutions wherever they are afforded. Increase in the production of sugarbeets will not, of course, solve the total problem, but it will provide economic benefits for farmers and any acreage planted to sugarbeets will surely avoid the growing of any crops which are now in surplus.

Mr. Chairman, in order that your committee might have a picture of the situation as it exists in Nebraska, I want to recite some facts that I found after making a survey of my own. I contacted the most authoritative source in a few counties right around my home area in Nebraska. I give you these figures not representing the total picture for Nebraska, but rather as samples.

I live in south-central Nebraska in the county of Kearney. That county has approximately 80,000 acres of land under irrigation, 45,000 of which is pump irrigation and the balance under the tricoounty district. Kearney County had only 1,100 acres of beets last year. This 1,100 acres was divided between 27 growers. My survey indicates that a great number of farmers have asked for an allotment and that the county could handle several hundred more acres of beets.

Buffalo County, which neighbors my county on the north, has 1,800 acres of beets. In this county, also, sugarbeets are a very desirable crop. Each year farmers who have never grown sugarbeets are asking for an allotment and the present growers want an increase in acreage. Buffalo County has 115,000 acres of irrigated land, most of which is pump irrigation. The need for increased sugarbeet acreage is great.

Phelps County is now growing about 810 acres of sugarbeets. Beets are well adapted to that area. I have received a report that the county could well use an allotment anywhere from 2,500 to 4,000 acres. Phelps County has 100,000 acres of irrigated land provided by the tricoounty and 470 irrigation wells.

Furnas County reports to me that they have only 230 acres of sugarbeets; it is a desirable crop and they could well use an allotment of about six times that amount. They have 30,000 acres under irrigation, approximately one-half of which is pump irrigation provided by 290 deep wells.

Franklin County produces no sugarbeets at the present time. Reports indicate that it would be a desirable crop. The county has 28,000 acres under irrigation and it would like a sugarbeet allotment up to 3,000 acres at the present time.

Webster County is another county without sugarbeet acreage allotment. They have about 15,000 acres under irrigation. A great many farmers in Webster County would like to raise sugarbeets. More than 20 made application for allotments for 1960, but none was available. The area is suited to the production of sugarbeets and they would like to start with an acreage of at least 2,000 acres.

Nuckolls County has shown a great interest in a sugarbeet program. The Republican Valley is irrigated from the Bostwick district, and sugarbeet acreage is greatly needed to round out their economy. I have received a great deal of supporting material from Nuckolls County.

Last year Hamilton County only had 13 farmers with a sugarbeet acreage who grew over 700 acres of beets. Local people report to me that sugarbeets are a desirable crop for the county. The county has 123,000 acres under irrigation, all of it being pump irrigation. At least one-third of this irrigated land could be used for the production of beets. Two years ago, 18 farmers asked for sugarbeet allotments, but only 13 requests were granted.

In Thayer County there are 34,000 acres under irrigation. Farmers are becoming interested in sugarbeet production and some

have asked for an allotment but there has been none. There is no sugarbeet production in that county. At this time it is estimated they could profitably use an allocation of 800 acres.

Dawson County has approximately 300,000 acres of land under irrigation. This is provided by 2,800 irrigation wells and 70 miles of main canal bringing water from the Platte. Their sugarbeet allocation for 1960 was only 2,200 acres. It was reported to me that more farmers are asking for acreage and that those who have a sugarbeet acreage are seeking an increase. Dawson County could well use a sugarbeet acreage allotment between 10,000 and 20,000 acres.

Considerable interest exists in Red Willow County for increased sugarbeet acreage. The allotment for 1960 was a little over 150 acres. Sugarbeets are regarded as a desirable crop for the area. Red Willow County has 21,000 acres under irrigation and at the conclusion of reclamation projects underway in the area they will have an additional 22,000 acres. They could use an increase in sugarbeet production up to 2,000 acres instead of the 150 acres they now have.

I have been informed that Adams County produces about 100 acres of sugarbeets. This production is carried on by two farmers. An estimate was received that indicated that Adams County could use a sugarbeet allocation of 3,000 acres. They have almost 58,000 acres under irrigation, 56,000 of which is from pump irrigation. Farmers are asking for an acreage allotment.

These facts have been gathered from a limited number of counties. There are many more counties in the State where sugarbeet acreage is needed and being requested.

At the present time the U.S. annual consumption of sugar is about 9.5 million tons. Only 55 percent of this is produced within the United States, including Hawaii, Puerto Rico, and the Virgin Islands. Many foreign countries who share in our sugar market are seeking an increase. Other foreign countries are lobbying for a sugar quota from the United States.

Nebraska should have more sugarbeet acreage. It will add to the income of our farmers and to our economy generally. It will lessen the production of crops of which we have an oversupply. It just does not make sense when we are beset with low farm income and many agricultural problems for this country not to produce a greater portion of our sugar needs. Allocations to domestic producers of sugar should be increased. The foreign allocations should not be increased either in volume or by adding new countries as suppliers.

A long-range Sugar Act providing for an increase in domestic production should be passed by this Congress.

Mr. CURTIS. Mr. President, I now yield to the distinguished Senator from Kansas.

Mr. CARLSON. Mr. President, I associate myself with the remarks of the distinguished Senator from Nebraska. I support the Anderson amendment. The Senate today has the opportunity to cast a vote which will permit domestic growers to receive the benefit of an allocation of sugar. If we pass the bill without the amendment, we shall allocate quotas to countries where full quotas are permanently authorized. Therefore, I think it is important to protect our own interests, and not to permit countries which get quotas to think they are getting permanent quotas.

Mr. CURTIS. The Senator from Kansas has touched on an important point. That is, as the foreign suppliers of sugar share in our market this year,

and they continue to share next year and the year after, in spite of anything in the law, they will insist that they have a vested right in our market. That is why a disservice will be done if we are unable to pass a long-range Sugar Act at least by next year.

Twice in 1960 we had short-term bills, but the Senate did not have a chance to consider them. I wish to read a paragraph of a statement by Mr. Myers, of the Department of Agriculture, about the danger of a claimed vested interest by foreign countries in this market. I read from page 64 of the hearings:

The fact remains, however, that when price premiums amount to as much as \$150 million a year, vested interests are claimed automatically. All the arguments in the book will be put forth by producers desiring to sell at such premium prices. Regardless of the wishes of either Congress or of the administrative agencies, the vested interest arguments of new suppliers will become stronger as the period of time they supply our market increases.

Mr. President, that was a quotation from a speech which Mr. Myers made before the Sugar Club in New York. I asked him if it was correct, and he said:

That is correct.

I asked him if he was speaking of the foreign suppliers, and he answered:

That is correct.

Mr. President, this measure without the Anderson amendment contains no notice that there is any intent on the part of Congress to increase the domestic production of sugar. I do not know how long it will be until Congress can pass a permanent law. It may be that the Anderson amendment will become academic in a matter of a few months. I hope we can reach it then.

I hope we can write such a program. But if we cannot, at least we should provide that our domestic producers shall have a right to increase the domestic production to the extent of the former Cuban quota, now canceled, or to the extent of that deficit, if the domestic producers can do so, before additional sugar is obtained from other countries.

The language under consideration would empower the Secretary to extend to additional U.S. farmers the right to grow sugarcane and sugarbeets; but in that provision we find the words "where practicable"—because we know that problems are involved. We know the pending amendment is offered to a measure which, if enacted, will expire within a few months. Nevertheless, a most important principle is involved; namely, whether the Congress agrees that the United States should continue to import 45 percent of its sugar requirements from foreign countries, not counting our off-shore possessions and islands; or whether the Congress agrees that more U.S. farmers shall be allowed to share in supplying sugar for our domestic market, under a program that has worked successfully and has brought profits to the Treasury—a program by means of which the consumers of the food pay a fair price, but no more, for it.

To fail to do this would be but to add encouragement to all the nations which

are seeking to sell sugar to us and which will sell sugar to us; it would encourage them to believe that we are giving them something of permanent value.

Mr. President, I urge adoption of the Anderson amendment.

Mr. YOUNG of North Dakota. Mr. President, will the Senator from Nebraska yield, so that I may place a statement in the RECORD?

Mr. CURTIS. I yield for that purpose. Mr. YOUNG of North Dakota. Mr. President, I ask unanimous consent to have printed at this point in the RECORD my statement and a colloquy in connection therewith which appear on pages 5 through 13, inclusive, of the hearings.

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

STATEMENT OF HON. MILTON R. YOUNG, U.S. SENATOR FROM THE STATE OF NORTH DAKOTA

Senator YOUNG. Thank you, Mr. Chairman, and members of the committee.

I appreciate appearing before this committee, and especially taking me out of order.

Mr. Chairman, in order to conserve time, I will ask that a telegram from the Red River Valley Beet Producers Association be placed in the record, as well as letters from Mr. E. N. Dornacker, president of the North Dakota Tri-County Sugar Beet Association and Mr. C. J. Campbell, secretary of the Minnesota-Dakota Sugar Beet Development Association.

(The telegram and letters referred to follow:)

GRAND FORKS, N. DAK.,
March 23, 1961.

Senator MILTON YOUNG,
New Senate Office Building,
Washington, D.C.:

Red River Valley Beet Growers Association of North Dakota and Minnesota want 21-month extension of Sugar Act passed as soon as possible. We are opposed to idea that any State or area be given special consideration of any kind. However, if any should be given, we think we are entitled to consideration as we have requests for 180,000 to 190,000 acres from farmers who have land proved to be adapted to growing sugarbeets. Please present this to Finance Committee for their consideration.

R. T. ADAMS,
H. M. TROWBRIDGE.

NORTH DAKOTA TRI-COUNTY
SUGAR BEET ASSOCIATION,
Mayville, N. Dak., March 23, 1961.

SENATE FINANCE COMMITTEE,
Washington, D.C.

GENTLEMEN: In regard to the extension of the Sugar Act it is the feeling of our members that if there is to be any special allotments given to any group or area, under the short-term Sugar Act, we request that equal consideration be given our North Dakota farmers.

The Tri-County Sugar Beet Association is composed of 529 farmers, who would like to grow 58,305 acres of sugarbeets. Our farms are located in the heart of the Red River of the north on the North Dakota side. Our farmer members are farming about 400,000 acres of land. If we could get beet acres we would divert 58,000 acres to summer fallow and 58,000 acres to sugarbeets each year.

In the case of barley of which North Dakota ranks first in bushels produced, this would reduce our acreage of barley by 116,000 acres. The valley farmer in our area averages 35 to 50 bushels per acre in yield.

As you can see, should our members become beet growers, in our case it would re-

duce the production of barley by over 4 million bushels each year.

Sincerely yours,

E. N. DORNACKER,
President.

MINNESOTA-DAKOTA SUGAR BEET
DEVELOPMENT ASSOCIATION,
March 24, 1961.

SENATE FINANCE COMMITTEE,
Care of E. W. Rising,
Washington, D.C.

GENTLEMEN: I am secretary of the Minnesota-Dakota Sugar Beet Development Association, which represents eight sugarbeet development groups, located in the Red River Valley of Minnesota and North Dakota. These eight groups have a current dues paying membership of 1,501 and have requested 130,819 acres of sugarbeets.

Speaking for and on behalf of the membership of the Minnesota-Dakota Sugar Beet Development Association, I request that if any new area is to receive special consideration regarding the growing of sugarbeets under the present extension of the Sugar Act, that this area represented by the Minnesota-Dakota Sugar Beet Development Association be given equal consideration.

Yours very truly,

C. J. CAMPBELL,
Secretary.

Senator YOUNG. Mr. Chairman and members of the committee, in this telegram our producers are asking for an additional acreage from 180,000 to 190,000 acres.

If the committee sees fit to make additional acreage available, I respectfully request that the Red River Valley of North Dakota and Minnesota receive its proportionate share of any such increase.

At the present time, over 98 percent of those farmers not having sugarbeet allotments have organized sugarbeet development associations to promote the production of sugarbeets in their respective areas. The Red River Valley of North Dakota and Minnesota is ideally suited for sugarbeet production. It has large farms of fertile, level land, facilitating large-scale mechanized production.

It has adequate natural rainfall to provide the necessary moisture for sugarbeets.

The major crops of Red River Valley, other than sugarbeets, are primarily crops which are in surplus.

This is an area which, I daresay in the past 5 years, has produced an average wheat crop of 30 bushels to the acre. It is also the principal barley-producing area of the United States, and another crop which is in surplus.

I would like to point this out: In producing sugarbeets in this area, land must be summer fallowed, prepared a year before, so when you have a hundred acres of sugarbeets, you are actually taking 200 acres out of production of another crop.

Sugarbeet production in this area is, therefore, most desirable.

At the present time Red River Valley has approximately 1,200 growers of sugarbeets, producing 103,500 acres. From the standpoint of availability of suitable land this acreage could be tripled in the next 10 years, and farmers could increase their sugarbeet acreage as rapidly as processing facilities are made available.

Mr. Chairman, there is very little time left for reenactment of the Sugar Act before the expiration date.

I would be glad to support a committee recommendation for a simple 21-month extension.

I hope, however, that the time will not be far off when greater sugar allocations can be given to our domestic producers.

I think the Red River Valley Beet Producers Association of North Dakota, and other similar organizations in this area, as well as other areas, have made a good case for increased production.

Senator ANDERSON. Could I make a comment on what Senator YOUNG said?

Senator YOUNG. Yes.

Senator ANDERSON. Senator, you are suggesting, are you not, that the Red River area in your State has 103,000 acres now?

Senator YOUNG. Yes, 103,500 acres.

Senator ANDERSON. And you think that could be tripled?

Senator YOUNG. Yes, many times more than that.

Senator ANDERSON. Do you believe, then, we should freeze it for 21 months to put it through two new seasons so that they could not possibly increase it while it is being increased in Mexico and in Peru, the Dominican Republic? Don't you believe that farmers in North Dakota and Minnesota have some rights, too?

Senator YOUNG. Yes, Senator, I would like to see our domestic producers given a better allocation.

Senator ANDERSON. Good.

Senator YOUNG. If that is not possible, then I would support the 21-month extension. But I think we should start working in this direction.

Senator ANDERSON. I know how carefully and militantly and constantly you have supported the farmers of your State.

Senator YOUNG. Thank you.

Senator ANDERSON. Particularly on Durum wheat, where I did not always agree with you, but you have done a fine job, Senator YOUNG, and I would be the very first one to admit it.

Now, the situation of the very able Senator from Louisiana is a little different. The cane producers are not using all their acreage right now or were not the last time I noticed, so 21 months to them does not mean a thing. But it means quite a little to you and to your farmers.

Senator BENNETT. May I ask a question: Do you think between now and Thursday night, considering the rules of the Senate, we can rewrite the Sugar Act and get a bill through the House and take all these very complex problems and solve them? Don't you think we need—is not the real purpose of the extension, regardless of the number of months involved, to give us time to handle this complex problem?

Senator YOUNG. I am not nearly as familiar with the handling of the program as you and other members of this committee are. But I wanted to point out that I do believe that we should work as fast as we can toward giving domestic producers greater allocation, and if it is not possible to do that now, I hope the time would not be far off. I would therefore support an extension of the present act.

Senator ANDERSON. I would just like to remind Senator YOUNG, when we had this matter up in July of 1960, the House committee put in a conference report this language:

"As part of the understanding by the conferees, it was agreed that the conference on the part of the House would undertake to pass a sugar bill and transmit such to the Senate on the earliest possible date after the reconvening of the House in August."

That was August of 1960.

We would not have had a conference report. It was close in the Senate, and we had to wrestle with it until early in the morning. There were only three Senators from the Finance Committee present, Senator LONG of Louisiana, Senator BENNETT, and myself, and the only way we reached agreement was as the result of an absolute iron-clad promise that something would be done by August of 1960.

Does the Senator recall anything being done? We get this same thing, I will say to the Senator, every time, 24 hours, 36 hours, at the most, "You have got to do it now. It is too late now to fool with it."

This is exactly what is being said here.

"Do you think you can write a whole new bill in 24 hours?" Every time it is the same story, because the House refuses to upset the situation.

The only way the Senate will ever get any good done for its people is to fool the House on it one time.

Senator CURTIS. Senator Young, you, with your longtime experience on the Committee on Agriculture, are you of the opinion that a substantial increase in domestic sugar production would be a good thing?

Senator YOUNG. Yes. I can think of nothing that would help agriculture more in this country, and it would go a long way toward solving the surplus problem.

As I pointed out in my State in order to grow 1 acre of sugarbeets, you summer fallow the land a year before, so the land is idle for a whole year. This means it takes 2 acres for 1 to produce sugarbeets.

Senator CURTIS. And you would also agree that to do that would be in the best interests of the total economy of the United States, considering our overall agricultural problems?

Senator YOUNG. Yes. I am alarmed, sometimes, at the uncertainty of our supply of sugar from foreign countries.

Supposing we had trouble with Latin American and South American countries like we had trouble with Cuba, our supply of sugar would be in a precarious situation.

Senator CURTIS. Well, entirely independent of that from the dollars and cents standpoint, when we consider the low cost of the sugar to consumer over a period of years, as compared with other prices, and when we consider the burden on the Treasury for our overall agricultural program, to have a just and fair increase of domestic production of sugar would be in the interest of the general economy, do you not believe?

Senator YOUNG. Certainly. I think one of the big problems contributing to our surplus trouble is our imports of agricultural commodities which we can easily produce in this country.

I realize that you have to import in order to export, but I do not think we should be importing commodities which for various reasons, it is better to produce in this country. I certainly think we should be producing a higher percentage of our sugar needs in this country now than we are.

Senator CURTIS. We are importing roughly 45 percent of our sugar consumption, and that is exclusive of what we get from our offshore possessions and territories; is that not true?

Senator YOUNG. Yes; that is right; and sugar is made available to the consumers of the United States at a reasonable price.

Senator CURTIS. Now, my next question does not call for an involvement in what is the best procedure, and conflict with the House, or anything of that sort. I do not want to minimize those problems, but I am not trying to discuss them at this time.

Do you feel that a long-range program of orderly and gradual increase of our domestic production should be undertaken as soon as possible before additional foreign producers feel they have a vested interest in our consumptive market here? Do you believe that?

Senator YOUNG. Yes; I do, and this is the danger: If you give a greater allocation to foreign countries, which you cannot maintain in the future, we are causing ourselves some trouble, and probably some enemies.

Senator CURTIS. Yes. If they are given something temporarily, if that temporary period is extended too long, and then it is changed at a later time, it may be regarded as an unfriendly act.

Senator YOUNG. Yes; that is right.

Senator CURTIS. Yes. I think also that the first step—I see the distinguished chairman of the Foreign Relations Committee here; I do not want to solve all his problems—but I think one of the first things

necessary in dealing among nations is that you win the respect of other people, and certainly if there was any other nation in the world that had the agricultural problems that we have involving all of the billions of dollars, the billions it does annually, and that other nation happened to be importing 45 percent of a product that they could produce more of, I am afraid that we would question them a little bit, and we would not quite respect them as much as if they solved their problems a little better.

Senator YOUNG. Well, I have followed this situation quite closely for years, and I do not know of a single foreign country when they find themselves with surplus farm products that do not impose some kind of restrictions on imports, particularly from the United States, and that includes our good neighbor to the North, Canada, as good a neighbor as we have.

Senator CURTIS. Mr. Chairman, I do not wish to take further time, but I ask unanimous consent at the close of Senator Young's statement that I may insert a statement in the RECORD.

(The statement referred to will be found at the end of Senator Young's statement.)

Senator YOUNG. Thank you, Mr. Chairman. Senator FULBRIGHT. Mr. Chairman, may I ask him a question?

The CHAIRMAN. Senator Fulbright. Senator FULBRIGHT. The Senator from Nebraska raised the question. As the Senator from North Dakota knows, I am very new on this committee, and I know very little about this subject.

Senator YOUNG. You are far better than a green hand. If I may use the expression? Senator FULBRIGHT. And he was asking about its effect on our overall economy, and whether this would be a good thing.

Can you tell us how much have the sugar producers received in direct subsidy since the Sugar Act has been in effect?

Senator YOUNG. Are you asking me that question?

Senator FULBRIGHT. Well, yes. You are an expert on this subject, are you not?

Senator YOUNG. I do not have the figures on hand. I suppose it has run into a sizable amount, but there would be no need for any subsidy whatever if American producers were given the same import protection that the producers of other countries are given for their farm commodities.

This is a crop which needs no subsidy whatever if we would just regulate the imports a bit.

Senator FULBRIGHT. You mean you could change the subsidy to a high tariff? If you would put a high enough tariff on it, it would enable you to sell it without a subsidy; is that what you mean?

Senator YOUNG. This is what other countries are doing. When the price of flax or rye in Canada is up, and the price is down in the United States, we can start shipping up there. After a while they impose an embargo on our grains.

Senator FULBRIGHT. Senator, I do not know enough about it to argue with you. I am trying to learn about our own situation here.

Is it a fact that we have paid a large amount of direct subsidy to the producers of beet sugar in this country?

Senator YOUNG. Well, almost every segment of our agriculture is now being subsidized in one form or another. This is so because we permit these imports.

Senator FULBRIGHT. Senator, I am only asking you about sugar. I am familiar with cotton. I know about that. I do not know about sugar because we do not grow any in my State, but do the sugar producers receive a direct subsidy?

Senator YOUNG. That is correct.

Senator FULBRIGHT. Do you know about how much?

Senator YOUNG. No; I do not have the figures.

Senator FULBRIGHT. Is it in the neighborhood of \$1 billion, \$1.5 billion in the last 15, 20 years?

Senator YOUNG. I have not gone into it. I am not a member of this committee that deals with the financial—

Senator FULBRIGHT. Does it run about \$60 million, \$75 million a year?

Senator YOUNG. That is about right.

Senator FULBRIGHT. How does it improve our overall economy, as the Senator from Nebraska says, if this is the kind of crop we have to subsidize to the tune of \$60 million or \$70 million a year?

Senator YOUNG. If we did not have this production here in the United States, and you ran into a world shortage, we would be paying through the nose to the tune of a much higher price, but because we have at least some production in this country, it tends to make us a little bit more independent of foreign imports.

Senator FULBRIGHT. That is not true in coffee, is it? We do not produce any coffee. Do you think on the same basis we ought to start coffee production in this country?

Senator YOUNG. It is not feasible.

Senator FULBRIGHT. Why isn't it? If you pay them enough it would be.

Senator YOUNG. No, I do not think you could, no matter what price you had.

Senator FULBRIGHT. You could grow bananas, could you not?

Senator YOUNG. No.

Senator FULBRIGHT. I do not understand the argument that this is good for the overall economy. There may be other reasons for it. If this is not an economic crop that can be produced competitively, then why is it good for the overall economy to subsidize it?

Senator YOUNG. Going back to your argument there—

Senator FULBRIGHT. I am not arguing; I am trying to find out what are the facts.

Senator YOUNG. If we only wanted cheap commodities, they can produce cotton cheaper in Mexico and in many countries in the world than we can in the United States.

We could import all of our cotton supply. We could get all of our sugar supply from other countries; we could get all of our wheat supply from other countries which have greatly expanded their production many of them with our help.

We have to maintain some semblance of a stable agriculture in this Nation. Sugar is one of the best crops to produce.

Senator FULBRIGHT. Why does not sugar have the same protection that cotton and rice and tobacco have? Why does it have a special act and come under that act and not under the act governing the same programs as other crops?

Senator YOUNG. Because sugar and wool are import crops. We import a sizable amount of our needs and, at times, they can be produced cheaper in foreign countries. I suppose both sugar and wool could be produced cheaper in other countries, and we could get all the supplies we wanted. We could just wipe out this industry entirely if we only wanted cheaper production.

Senator FULBRIGHT. You have that great a variation in prices of sugar even under this act. Didn't it go up very high during the middle forties to about 150 percent of parity?

Senator YOUNG. Whenever we have to depend on a foreign market, then the price goes up. During wartime in the past we paid a pretty high price for our sugar requirements.

Senator FULBRIGHT. We do in everything. But I mean the Sugar Act does not stabilize the price. They go up and down anyway, don't they?

Senator YOUNG. No. Sugar, the price of sugar, has been maintained at a very stable level for years.

Senator ANDERSON. Would you permit me just a minute?

He speaks of the high prices in the 1940's. That is when we were not under the Sugar Act.

Senator FULBRIGHT. There was no Sugar Act?

Senator ANDERSON. There was no Sugar Act in operation. It was written in 1948.

Senator FULBRIGHT. It was rewritten, but I thought there was an act—

Senator ANDERSON. Not in operation.

Senator FULBRIGHT. Not suspended?

Senator ANDERSON. Don't give up on the coffee, either, because we have some coffee in the Hawaiian Islands, and they are part of the United States.

Senator FULBRIGHT. If there is such a good thing here, do you think we might grow it in Arkansas if we go high enough?

Senator YOUNG. Pardon me?

Senator FULBRIGHT. Do you think we could grow sugar in Arkansas if the subsidy was high enough?

Senator YOUNG. I suppose we could, if it was high enough. But we would not want to produce it if it was in areas uneconomical.

Senator FULBRIGHT. What is your concept of being economical?

Senator YOUNG. If we produce at a reasonable price, and I think we are producing sugar at a reasonable price in the present areas of the United States where it is being produced.

Senator FULBRIGHT. You believe that?

Senator YOUNG. Yes.

Senator FULBRIGHT. What is the price of sugar now in North Dakota?

Senator YOUNG. There has been some variation, but for 10 years—I do not have the figures.

Senator FULBRIGHT. Will this add to employment, do you think, if you increase the production?

Senator YOUNG. It would greatly increase it, and not only because it requires a considerable amount of labor and expensive machinery—a beet topper and loader costs about \$15,000, and they only last 2 or 3 years.

Senator FULBRIGHT. That is all.

The CHAIRMAN. Any further questions?

Senator YOUNG. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much, Senator Young.

Mr. BENNETT. Mr. President, will the minority leader yield 5 minutes to me?

Mr. DIRKSEN. I yield 5 minutes to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized for 5 minutes.

Mr. BENNETT. Mr. President, I can associate myself with everything the Senator from Nebraska has said about the various problems involved in the situation now confronting us as regards the Sugar Act. However, I have arrived at a conclusion different from the one at which he has arrived, because I believe there are in this situation one or two factors which he did not mention.

I find myself in the position of being about to cast a vote exactly the opposite of the vote I cast in the committee when the Douglas amendment was acted on there. I believe that at that time none of us in the committee realized the possible foreign-relations implications of the votes we cast at that time. On that basis, and in supporting the President in connection with this problem, today I reversed my previous position, and voted on the opposite side. In the committee, I voted for the amendments the Senator from New Mexico offered there,

although they were slightly different from the ones he has offered here.

Mr. President, we are now approaching the deadline for the extension of this act. I agree with the Senator from Nebraska that it is most important that the beet-sugar producers and the cane-sugar producers in the United States have a permanent program cast on a new pattern. Certainly that is most necessary.

There is a great deal of justice to the claims that the would-be growers in new sugar-producing areas make for a share in this program. But we are about to enact a measure which will have 15 months' duration. That is not a sufficiently long time to justify the erection by investors of new sugar mills.

I very much fear that if the Anderson amendment becomes a part of this bill, one of two things will happen: Either the House will reject it—in which case we shall be back here, possibly at midnight, to report to the Senate the difficulties we have had in conference; or the House might accept it.

What worries me about its possible acceptance by the House is that the House has given us trouble every time we have faced the problem of trying to recast the pattern for the domestic production of sugar.

If the House were to accept this proposal, the House then could say to us, "Do not bother us again by asking for permanent legislation. We agreed with you in connection with the bill you passed just before the Easter recess."

Mr. President, what do we find in this amendment? There are two parts. I agree with the first part, and I certainly can support it. It is to the effect that before any allocation of Cuban deficits or other deficits is made to other offshore countries, the U.S. domestic industry shall be given an opportunity to supply that need, if it can do so.

But I could not support the second part of the amendment, because I believe it holds out a shadow, not a substance. I believe this situation could be used against us if the House should accept the bill. I believe this might prevent us from obtaining a permanent correction of this situation.

We need time to study it; we need opportunity to study it. But that has been rather effectively denied us for some 2 years.

The Senator from New Mexico told us that when he was Secretary of Agriculture, the Sugar Act was rewritten.

The PRESIDING OFFICER. The time yielded to the Senator from Utah has expired.

Mr. BENNETT. I should like to have 2 more minutes, if I may.

Mr. DIRKSEN. Mr. President, I yield 2 additional minutes to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized for 2 additional minutes.

Mr. BENNETT. I thank the minority leader.

Mr. President, as I was saying, the Senator from New Mexico told us that when he was the Secretary of Agriculture, the Sugar Act was rewritten in

his office. But I am sure it took weeks and weeks of consultation and negotiation before that language was agreed to. I do not think it was done between Tuesday noon and 4 p.m. on Wednesday.

If the pending amendment were in two pieces, I could support the first part—namely, that giving our domestic area the first chance to make up the Cuban deficit.

But although I still hope that we shall develop workable, permanent legislation on such a basis that the U.S. investors will proceed to construct new sugar mills, so it will be possible for new areas in the United States to have an opportunity to share in the sugar market, I am afraid this amendment would make that impossible.

Therefore, Mr. President, although I shall do so reluctantly, I must vote against the Anderson amendment.

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

Mr. DIRKSEN. Mr. President, I yield 5 minutes to the Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 5 minutes.

Mr. ALLOTT. Mr. President, all of us have a great interest in this sugar legislation.

I hope that I may now have the attention of the Senator from New Mexico, because most of my remarks will be addressed to him.

Many factors must be considered when we provide either for new sugarbeet acreage in the United States or for new sugarcane acreage in the United States. I happen to be one of those who believe that the sugar producer in this Nation—whether he produces cane sugar or beet sugar—has long received less than he is entitled to, less than he should have received under the laws of the United States. In this respect, I agree completely with the Senator from New Mexico.

I also believe there are in this country areas which are not now producing any sugarbeets or any sugarcane—I speak now especially in reference to the production of sugarbeets, because my knowledge relates especially to that production—although they could produce those crops. There are also in this Nation areas now under production which could certainly increase that production greatly.

As a matter of fact, these are in our country areas in which sugarbeets are now produced where the farmers are operating on a marginal basis because they cannot produce enough sugarbeets year in and year out to make that operation really pay.

When we consider allowing new areas in our country to participate in the production of sugarbeets, we must consider also the types and kinds of sugarbeets to be raised.

I hold in my hand a clipping from a Texas newspaper. The article states that one of the western companies—The Great Western Sugar Co.—is at this time actually working with people in Texas to help them ascertain what type of sugarbeets is best for produc-

tion there. They now are working out a plan, so that when the time comes, they can actually produce those sugarbeets.

I have received a letter from Kenneth Matchett, Secretary of the Colorado Beet Growers Association, in which a desire is expressed for more beet production. I ask unanimous consent to have the letter printed in the RECORD at this point as a part of my remarks.

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

MARCH 27, 1961.

Senator GORDON ALLOTT,
Senate Office Building,
Washington, D.C.

DEAR SENATOR ALLOTT: We have recently had called to our attention certain publicity which purports to represent our position. We are forced to admit that under present economic circumstances and the existing cost-price squeeze the situation in the delta sugar factory district is far from satisfactory. This situation is not confined to this one area, as we understand farmers in many communities as well as in our new State of Hawaii and in Puerto Rico are in a depressed condition.

However, the directors of the Western Colorado Beet Growers Association are cooperating with the Holly Sugar Co. to the end that volume may be increased and the plant improved and preserved.

Ninety-nine percent of the beetgrowers of our community are dues-paying members of the organization which we represent.

We hope you will use your best efforts to see that the Senate follows the House action in extending the Sugar Act for a 21-month period.

Yours very truly,

WESTERN COLORADO BEET GROWERS
ASSOCIATION,
KENNETH MATCHETT, Secretary.

Mr. ALLOTT. The Senator from New Mexico has said that all his proposal states is that consideration shall be given to allocation to domestic areas. Perhaps that is the Senator's intention, but the proposal in fact reads that such quantity shall first be allocated to domestic areas and that any part of such allocation which domestic areas are not able to fill shall be apportioned in raw sugar and so forth.

There are great areas with no production facilities, and where no beets have been grown before, and the proposal says this production shall be allocated to them. It says, "It shall be." The amendment could be amended to state that consideration shall first be given to allocation to domestic areas. I believe this would express more completely the idea espoused by the Senator from New Mexico when he was speaking a few moments ago.

I would point out what I think is another inconsistency in the amendment. That is in the second portion where it reads:

Whenever the Secretary establishes restrictive proportionate shares for farms pursuant to this section, he shall, insofar as practicable, protect the interests of new and potential producers of sugar beets—

And I understand the word "cane" was inserted in that language. Is that correct?

Mr. ANDERSON. That is correct. The word "cane" was added.

Mr. ALLOTT. I continue to read:

in States, counties or parts thereof that have no acreage allotments, as well as new growers in old areas, under this act.

While I may not know what this means in its entirety, I am pretty well able to determine that it means one thing, namely, that the only people who are going to get any real consideration and protection in this respect will be the new and potential producers of sugarbeets. There is no protection of the interests of those who already have a great investment in machinery devoted to the production of sugarbeets, and who could easily handle far greater amounts of beets than they do.

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

Mr. ALLOTT. Mr. President, I ask for 3 additional minutes.

Mr. DIRKSEN. Mr. President, I yield 3 additional minutes to the Senator.

Mr. ALLOTT. I think the only conclusion that can be drawn is that the proposal would be a very great blow to those now growing sugarbeets.

Let me summarize my position in this way. I say to the Senator from New Mexico that if the amendment is adopted we will have a conference, and we do not know how we shall end up. Passage of the bill before the Friday deadline is of utmost importance. I am completely in sympathy with his position that there should be new sugarbeet areas in this country. I am in complete sympathy with the position that we in this country should not lose the windfall, if it may be called that, of the former allocation to Cuba, and part of it, at least, should be used in other areas of this country. It is about time for Americans to receive the benefit of that opportunity. But the proposal needs more study; and I will be standing alongside the Senator in any effort to put new areas into sugarbeet production. It seems to me, however, that the position taken by the amendment as written is one which the State Department and the country could not justify. All we would be doing, really, is chopping ourselves off from a chance to go forward.

The Senator from New Mexico has made his point. I think all of us are very much in sympathy with it, but I do not think this is the right type of amendment. It is my hope that the amendment will not be adopted, but that hearings can be held on the proposals contained in it.

Mr. ANDERSON. Mr. President, I yield 5 minutes to the Senator from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. President, I am glad to be a cosponsor, along with other Senators, of this amendment. Having observed the activities of Congress for 22 years, I have never known of any Government policy that would automatically inhibit the growing potential of American industry or agriculture. There has always been some provision for an opportunity for new growers or producers of various commodities or products when Government controls have gone into effect.

It seems to me that, if nature has been kind enough to various agricultural areas to enable them to produce an abundance of corn, wheat, or other crops, which means there have to be extreme curtailments of acreage allotments, then there must be some crack left in the door so farmers can hope to engage in some kind of production which their soil, climate, and availability of irrigation permit, and give them some hope of participation.

Certainly, we do not approve of the closed shop in agriculture; and the way the Sugar Act has operated has denied to a farmer, no matter how competent, or a farm, no matter how fertile, or with water resources, whether natural or irrigating water, the opportunity to participate.

Consequently, the act denies farmers the right of beet production. In my State we have developed a considerable amount of irrigated land. We have a climate which is suitable for sugarbeet growing. We have a cattle industry which works hand in glove with the sugar industry in the use of waste of sugar mills and beet pulp, which is excellent cattle feed, and also for the use of sugarbeet tops, which are better than any other product for that purpose.

Certainly, this very carefully worded amendment merely asks for consideration in opening the door a little bit, so far as practicable, for the use of this very valuable crop to replace what has been denied us as a result of our relationships with Cuba.

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

Mr. MONRONEY. I yield.

Mr. ALLOTT. The Senator has used the same words that have been used before, namely, "that just consideration be given."

I loaned my copy of the amendment to someone, but the opening words of the proviso are that they shall be allocated. That is not a provision for consideration. I think that would be fine, but the opening words of the amendment are, "they shall be allocated." Is the Senator aware of that fact?

Mr. MONRONEY. I am aware of it, and I am also aware that those who have had quotas and have been in business for years are given absolute freedom against marketing quotas and ability to split up the additional production. All we are asking is an opportunity for new producers to do something about it.

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

Mr. MONRONEY. I yield.

Mr. ANDERSON. There is in the sugar legislation already ample opportunity for the growth factor. We do not want to change that at all. We want that opportunity. Under the growth factor there has been an increase from 837,000 acres in 1956 to 1,100,000 acres today. That is growth enough.

Mr. MONRONEY. That is correct. The population is continuing to grow at a very rapid rate. As the population increases, consumption of sugar increases. Are we to freeze production and put a "No Admittance" sign on the

doors of this very exclusive fraternity? Or are we going to say, in strong language, that it is not an exclusive fraternity, and give other States that have a hope of growing sugar an opportunity to do so?

The Senator from Colorado is well aware that States far away from sugar refineries are not to be given quotas unless there is some assurance that the sugarbeets grown there can be processed. We have an uphill pull trying to get into the fraternity. For that reason we would like to have a hope of interesting investors in such establishments.

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

Mr. DIRKSEN. Mr. President, I yield 3 minutes to the distinguished Senator from Florida [Mr. SMATHERS].

The PRESIDING OFFICER. The Senator from Florida is recognized for 3 minutes.

Mr. SMATHERS. Mr. President, I wish to associate myself with the aims, the ambitions, and the purposes of the amendment offered by the able Senator from New Mexico.

Like every other Senator who comes from a State which can produce sugar, whether it be beet sugar or cane sugar, I am of the opinion that the States should be permitted somehow to bring into being more acreage for the growing of sugar. I believe we all feel we are well qualified to do so.

Certainly the State of Florida has ample acreage and ample land available. There are many new producers who come to Florida who are most anxious to get under the umbrella, as we shall call it, and to start producing sugar.

I hope, in supporting the amendment, we do not have a sort of exercise in futility. As a practical matter, all of us recognize that we shall have to go to conference on the bill. There will be some problems with the other body.

We recognize that this is not the best way to consider such highly complicated sugar legislation. It is so complicated there is not even a full text of the Sugar Act in the Chamber anywhere.

Actually, in point of fact, we hardly know what we are doing. I hope, as a result of the discussion we are having today, we can get a commitment that there will be hearings held not only in the House of Representatives but also in the Senate.

The able Senator from New Mexico [Mr. ANDERSON] does have a copy of the law, but I do not know of any other Senator who has read it.

Mr. ELLENDER. The pertinent portion is in the report.

Mr. SMATHERS. The full text of the Sugar Act is not in the report.

The House has already agreed to hold hearings on the act in May. I hope the Finance Committee of the Senate, the members of which have been long anxious to thoroughly inquire into the problems of sugar, will hold hearings.

I can see no reason why the Senate should not hold hearings contemporaneously with the House. We can develop all aspects of this very complicated problem, so that we will know what we are doing with respect to new acreage, old

acreage, foreign shore imports, refineries, and all the rest.

This is entirely too complicated a law to legislate on the floor of the Senate.

I wish to align myself—and I am sure I speak for my colleague—with the aims, the purposes, and the hopes of the Senator from New Mexico. I think we are mostly going through a demonstration of the fact that we wish to accomplish something, even though we recognize it might not, as a practical matter, be accomplished in respect to the particular bill before us at this particular time.

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

Mr. ANDERSON. Mr. President, I yield further to the Senator.

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

Mr. SMATHERS. I am happy to yield to the majority leader.

Mr. MANSFIELD. There is a great deal of merit in the amendment, especially in the section (b), which reads as follows:

Section 302(b) of the Sugar Act of 1948 is amended by inserting immediately after the first sentence thereof the following: "Whenever the Secretary establishes restrictive proportionate shares for farms pursuant to this section, he shall, insofar as practicable, protect the interests of new and potential producers of sugar beets and sugar cane in States, counties or parts thereof that have no acreage allotments, as well as new growers in old areas, under this Act."

The amendment would give some protection to those who have taken a chance on the unlimited acreage which was approved by the Department in the past year.

Mr. SMATHERS. The Senator is correct.

Mr. MANSFIELD. I agree that a great deal of study is needed on the proposed legislation. I hope, also, on the basis of representations which have been made, that there will be hearings. Representative COOLEY, the chairman of the House Committee on Agriculture, intends to start hearings in May. As soon thereafter as practicable, I hope the Senate Finance Committee will hold hearings to consider not only proposals of this kind, which are important, but also proposals such as the Douglas amendment.

The Douglas amendment was agreed to in the Committee on Finance yesterday, and considered by the Senate today. I hope proper consideration will be given to the amendment and to the most difficult legislative process, and that we shall have plenty of time to do so, instead of following a procedure, as has been done this time and was done the last time, of considering a bill at the last minute, when we do not have sufficient time to really understand and to discuss what is before the Senate.

Mr. SMATHERS. I thank the majority leader. I think we must support the particular amendment before us, because it is an expression of what all of us think ought to be done in the permanent legislation.

It is almost undignified to see the Senate operate in such a manner that it has to capitulate to the late hours

and to the tactics of certain other Members of Congress, to get this type of law enacted. I believed we can start hearings. The other body has agreed to start hearings in May. We can hold hearings contemporaneously.

The committee can report an intelligent bill, a well drafted bill which will take into consideration all of the problems. I hope that can be done before the end of the session this year.

Mr. ANDERSON. Mr. President, I yield to the able Senator from South Carolina [Mr. JOHNSTON].

Mr. JOHNSTON. Mr. President, I wish to associate myself with those who are in favor of the amendment. There are many reasons why I am in favor of the amendment. One is that I do not think we ought to let the sugar allotment be tied up by other countries. We should keep it from becoming tied up by other countries, by using it at home, if possible and if the people wish to do so.

We must remember that with respect to the feed grains bill, which we passed a few days ago, we discussed the problems of the farmers who might wish to go into such an activity. We did that to help the soil bank.

I should be glad to see the farmers go into something. We might save a lot of money for the Government, also, in addition to providing some allotments which would go to growers in our country.

We must remember that when we give the quota to other countries we have to pay 2 cents a pound extra on every pound of sugar we get from those countries. We should take all those things into consideration when we try to legislate.

This proposal would tie up the quota for only a short while, until we can look into the law thoroughly.

Mr. ANDERSON. Mr. President, I yield 2 minutes to the senior Senator from Oklahoma.

Mr. KERR. Mr. President, I am happy to hear so many words of commendation for the purpose of the amendment. I hope it will be agreed to.

We shall have a conference with the House. I am of the opinion we can work something out with the House in this regard. Certainly we at least should go on record to demonstrate our purpose to achieve the objective of the amendment.

I hope the conferees will have a chance to see if they can prevail on the House conferees to accept the amendment.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that a statement I have prepared in support of the Anderson amendment may be printed in the RECORD at this point, together with supporting tables.

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

STATEMENT BY SENATOR YARBOROUGH URGING INCREASES FOR AMERICAN SUGAR GROWERS

As a matter of national safety, and for our own defense, we ought to produce more sugar at home.

The American people, and the people of Texas, are forced to buy 1 out of every 2

pounds of sugar they use from foreign sources.

Under the Sugar Act "quota system," areas within the jurisdiction of the United States are permitted to produce only 49 percent of the sugar used in the United States.

Sugarbeets form the best paying crop, not only in the high plains of Texas, but in many high plains regions of the central western part of the United States.

In my own State of Texas, the total State acreage allocations for sugarbeet production is 1,800 acres, out of a total acreage of over 1 million acres.

The thousands of American taxpaying citizens in the farm areas of wheat, cotton, and other controlled crops, who have been forced from drought to develop, at their own financial risk and cost, underground irrigation water, need and desire to produce a portion of the sugar that they and other American people consume—which, under present law and the proposed 15-month extension, must be purchased from foreign countries.

These citizens believe that this 21-month extension may very likely result in no permanent legislation that would give them the right to produce, even at the end of that period, and that we may well find ourselves in the same place on June 30, 1961, as we were in 1960, when, early in 1960, as well as following the conventions, they were promised that permanent legislation would be passed by the 1960, and again by the 1961, Congress before the deadline of March 31, 1961.

This extension of 15 months will delay, by another 2 years, new producing areas from starting the construction of refineries, the building of which will take 2 years—thus, they would be 4 years further away from production.

A permanent law needs to be enacted during this Congress. The full hearings should be held in the House. Arguments to the contrary will have the effect of postponing consideration of increasing the domestic production of sugar.

Logical reasons exist in favor of our country producing sugar. From the standpoint of independence from foreign sources, we need production, not only in the event of international conflict or war, but, as has been

established by the Cuban example, in time of peace as well. Certainly, it is a good step in the right direction: it would aid in solving the unemployment situation; it would strengthen the farm economy considerably. Thus, the national economy would be helped, and the solution would help balance our crude reserve.

The State Department and the Department of Agriculture, representing the administration, both testified on March 27 that we need a permanent Sugar Act at the earliest possible moment, and that, if it could be written in a short time, they were in favor of doing so. The industry has likewise indicated the necessity of a permanent Sugar Act, as contrasted to mere extensions. It is of most importance to the new growing areas, which should have the right to participate in the production of sugar, that this be accomplished without delay.

Fallure to write a domestic sugarbeet-producing section into the law now will kill the chances of the American farmer for immediate participation in this program. The domestic associations, representing 10,000 or more farmers and producers from Texas and other States, plead for action now—that is, before March 31—and they have every confidence in the ability of the Congress to produce an equitable bill for the taxpayer and farmer of the United States.

They believe that American growers should have priority rights in seeking an equitable solution.

Delays in facing up to the proposition of the American farmer producing sugar, cane and beet, complicate the consideration of all matters pertaining to the U.S. sugar law. When all foreign countries are heard, those who are favored may temporarily feel good, but we have not made friends with those whom we may deny the right to import sugar. No foreign country on the face of the globe will be critical of the United States for saying to them and to the world that this Government will, by this act, give increased sugar quotas to its own citizens who desire to produce, grow, and manufacture sugar consumed by them and their fellow Americans.

TABLE 18.—Sugarbeet production 1968, by States

	[1,000 tons]
Far West:	
California.....	1,370 ¹
Idaho.....	1,902
Nevada.....	7
Oregon.....	521
Washington.....	813
Total.....	6,951
Central:	
Colorado.....	2,372
Iowa.....	12
Kansas.....	123
Minnesota.....	883
Montana.....	839
Nebraska.....	902
New Mexico.....	9
North Dakota.....	464
South Dakota.....	73
Texas.....	32
Utah.....	429
Wyoming.....	596
Total.....	6,734
Eastern:	
Illinois.....	39
Indiana.....	(²)
Michigan.....	1,112
Ohio.....	309
Wisconsin.....	117
Total.....	1,577
Total beet area.....	15,269 ²

¹ Preliminary.

² Less than 500 tons.

Source: "Sugar Reports," U.S. Department of Agriculture, Commodity Stabilization Service, Sugar Division, Washington, D.C., December 1959, No. 92, p. 26.

Mr. ANDERSON. Mr. President, I yield to the Senator from Nevada [Mr. BIBLE].

Mr. BIBLE. I thank the Senator.

Mr. President, earlier I joined in the colloquy with the Senator from New Mexico concerning his amendment, of which I am a cosponsor. I ask unanimous consent that a statement I have prepared on the amendment be printed in the RECORD.

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

STATEMENT BY SENATOR BIBLE

The 15 months' extension of the Sugar Act as amended by the Senate Finance Committee will unquestionably give ample time for permanent legislation to come before the Congress.

It was my desire that the extension period would be of shorter duration and that permanent legislation would be enacted with needed equitable changes written into the law without awaiting even the 15-month period.

For the past 4 years, farmers in the State of Nevada have sought increased sugarbeet acreage allotments. Nevada's farm economy was broadened in 1956 when 500 acres were planted to sugarbeets. Actually, this was a rebirth of the sugar industry for Nevada. Farmers in the State as early 1912 had planted fields to sugarbeets and had erected a mill in one Nevada county. Early experiments with sugarbeets were doomed to failure due to the leaf hopper disease. With the development of seed resistant to this disease, the industry was reborn in the same county where earlier experience with the beet crop had met with failure.

Sugarbeet plantings the past 4 years, while on a minor scale compared with the

Sugarbeet production by States and regions

[1,000 tons]

State and region	1950	1951	1952	1953	1954	1955	1956	1957
Far West:								
Arizona.....	2	1						
California.....	4,006	2,659	2,648	3,712	4,319	3,372	3,610	4,451
Idaho.....	1,508	1,227	1,052	1,459	1,569	1,433	1,551	1,777
Nevada.....	414	328	302	387	389	381	428	3
Oregon.....	480	443	456	723	761	552	707	846
Washington.....								
Total.....	6,410	4,658	4,458	6,281	7,038	5,738	6,299	7,541
Central:								
Colorado.....	2,183	1,906	1,942	1,956	1,654	1,621	1,893	2,309
Iowa.....	24	9	10	8	7	10	13	14
Kansas.....	82	37	50	30	62	96	106	140
Minnesota.....	506	608	529	670	818	771	772	840
Montana.....	744	537	515	586	683	724	755	891
Nebraska.....	811	683	904	789	786	665	848	895
New Mexico.....	11	8	3	3	6	4	4	8
North Dakota.....	231	328	241	330	418	398	397	477
South Dakota.....	46	42	47	39	75	64	65	63
Texas.....	48	16	10	20	20	31	31	42
Utah.....	535	403	260	435	534	437	463	470
Wyoming.....	454	438	468	503	475	421	472	559
Total.....	5,675	5,015	4,979	5,309	5,538	5,242	5,819	6,798
Eastern:								
Illinois.....	35	25	18	23	36	36	29	27
Indiana.....	8	2	2	2	1	1	1	1
Michigan.....	1,020	605	527	570	771	885	696	907
Ohio.....	277	127	131	178	247	279	199	289
Wisconsin.....	190	65	66	84	135	57	65	78
Total.....	1,500	824	744	857	1,190	1,258	989	1,301
Total beet area of the United States.....	13,585	10,497	10,181	12,507	13,766	12,238	13,107	15,640

Source: U.S. Department of Agriculture, Sugar Statistics, vol. II, table 18, p. 20, February 1959, Statistical Bulletin No. 244.

other 22 beet-raising States, have proved successful.

Nevada farmers received a 1960 beet acreage allotment of only 584 acres. Needless to say, the size of this allocation when shared by some 15 growers is of such import as to make little change in our farm economy.

The Nevada sugarbeet acreage allotment is less than one-half of 1 percent of the total sugarbeet acreage planted in the 22 beet-raising States.

Regardless of the size of this small industry, farmers in Nevada have appealed to me and requested that I assist them in securing additional acreage allotments. They have found the beet crop a profitable one which can be successfully grown and one which will supplement and round out their farm economy.

This year, my State is experiencing one of the worst droughts in its history. Ranchers and farmers are indeed concerned. There is some question that water for irrigation will be available for any type of row crop plantings. Nevertheless, the agriculture industry of Nevada will survive and it will survive on the hope and the faith that the future will be better—and that sufficient rain and snow, as in past years, will again provide the precious water they need.

They do, however, look to Congress to give them some assistance: legislation which they need to improve their economy and to make possible the planting of crops which will permit them to increase their farm incomes.

Historically, Nevada has an alfalfa and small grain agriculture economy. In normal years, a surplus of hay is produced and this surplus is marketed in the neighboring State of California. I am advised the average gross on a good alfalfa hay crop is about \$100 per acre. Similar or less returns can be expected from small grains.

A new sugarbeet grower in Nevada has reported to me his gross return per acre on sugarbeets in his second year of beet planting experience was slightly over \$300 per acre and that he believed with an equitable acreage allotment that he could net in the neighborhood of \$100 per acre.

The State allocation is now so small that it is difficult to form an economical planting unit. I am afraid unless Nevada receives a larger acreage allotment, that farmers in my State will find it extremely difficult to continue with sugar plantings. On good authority, I am advised that an economical unit is approximately 1,500 acres, considering the shipping distance to beet processing plants some 200 miles away.

It is for this reason that I am hopeful new growers will be given consideration within the States and that permanent legislation can be enacted into law which will give our farm segment of this Nation a more equitable share of our own domestic sugar market.

Mr. ANDERSON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Illinois has 2 minutes remaining.

Mr. DIRKSEN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Mexico [Mr. ANDERSON] and other Senators. [Putting the question.]

The Chair is in doubt.

On a division, the amendment was agreed to.

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

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 3, line 7, it is proposed to strike out the word "consideration" and to insert in lieu thereof the word "preference."

Mr. CARLSON. Mr. President, I offer this amendment because the word "preference" has been contained in the bills which were reported and before the Senate and before the House of Representatives in the last session of Congress. The word "preference" was in the original bill as introduced by the distinguished chairman of the House Committee on Agriculture this year.

I offer the amendment because it complies with the original Sugar Act. The original Sugar Act, which was approved in 1948, states, among other things, that it is "an act to promote the export trade of the United States."

I say in all fairness that this evening we are going to allocate sugar quotas to foreign countries. In my opinion, these countries should be somewhat obligated to trade, particularly on agricultural commodities, and while the language of the House bill that is before us at the present time reads:

Except that consideration shall be given to countries of the Western Hemisphere and to those countries purchasing United States agricultural commodities;

I say that we should strengthen that language and substitute the words "give preference," because such has been the intention of the committees that have handled this proposed legislation for many years. The measure passed the Senate Finance Committee last year with the word "preference" in it, and only on the concluding night in August of last year, when the bill was before the Senate, in much confusion was the wording of this language limited.

It seems to me that there is present an opportunity to render a service to the Nation, to the Treasury, to the taxpayers, and to the farmers of this country to see that the word "preference" is substituted in the bill for the word "consideration."

When the bill was being considered by the Senate last year, I had printed in the RECORD a letter which was written to the Secretary of State on August 26 outlining the reasons why I think we have a right to expect Brazil, for example, which is in the market for hundreds of millions of bushels of wheat, and Peru, which is in the market for a substantial amount of wheat, to comply with this particular section, and urging that preference be given to countries to which quotas are allotted. I ask unanimous consent that that letter 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 26, 1960.

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

DEAR MR. SECRETARY: Congress is again considering changes in our Sugar Act, which would further extend the powers of the President in regard to the allocation of sugar quotas.

The proposed changes, together with the curb on imports of sugar from Cuba, offer an opportunity for the United States to shift its trade to traditionally friendly countries in South America.

During your appearance before the Senate Foreign Relations Committee last week, I stressed the importance of keeping in mind the need for export of agricultural products, and particularly wheat, to Latin American countries that are deficient in their supply of wheat.

Wheat represents one of the greater outlets for U.S. production in South America, and I believe that we, as wheat producers, are highly justified in protecting our interests by actively representing our position in the renewal of the U.S. Sugar Act.

My proposal is Brazilian-Peruvian sugar for U.S. wheat. In considering how this could be achieved there are two approaches, both of which necessitate a U.S. sugar quota.

1. Set aside a portion of the U.S. quota for exchange of sugar for U.S. wheat. The transaction to be consummated through commercial channels with sugar at the U.S. preferential price and wheat at U.S. export prices. (Discussions indicate that sugar exporters would accept world prices if a means could be found to market it without disrupting U.S. sugar marketing procedures.)

2. Set aside the U.S. quota gains from increased U.S. sugar consumption: Currently the gain is allocated to the signatory countries which in effect increases their quota. This amount if set aside would not decrease existing quotas, but would give other countries opportunity to slowly build up their exports to the United States. Again it could be stipulated that the exchange generated would be used for importation of U.S. surplus agricultural commodities. You will note I am suggesting surplus agricultural commodities, for it should have greater appeal and the primary needs in Brazil and Peru are for wheat so we would be assured of the majority of sales.

These suggestions should have considerable appeal to many, for it offers opportunity for increased wheat sales based on dollar marketing, with less dependence on Public Law 480. Although resembling a barter program, it differs in that it could be handled through commercial channels without involving governments in the financing and disposal.

If it develops that additional sugar allocations should be made to Brazil and Peru, I would make the following recommendations:

1. Relate the additional allocations to an exchange for wheat.

2. Brazil needs 150,000 tons additional sugar allocation to relate to the exchange value of 300,000 M.T. of wheat (sugar \$120 per ton—wheat \$60 per ton) for the immediate future, if we are to supply her wheat needs for the balance of 1960.

3. Peru can supply and is eligible under the law for an additional 50,000 tons of allocations, representing 100,000 M.T. of wheat exchange, an amount which it is doubtful we will supply otherwise.

4. It should be emphasized that such a proposal can be handled through private trade channels and support of U.S. trade should be solicited.

Your personal interest in this matter will be greatly appreciated and if I can secure additional information for you, I will be most pleased to do so.

Sincerely yours,

FRANK CARLSON.

Mr. CARLSON. I think it is only fair that this consideration be given, and I sincerely hope the amendment will be agreed to.

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

Mr. CARLSON. I yield.

Mr. CURTIS. The Senator has offered a good amendment, and I shall support it.

Mr. CARLSON. I thank the distinguished Senator from Nebraska.

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

Mr. CARLSON. I yield.

Mr. AIKEN. May I add that I think it is a good amendment and I shall support it.

Mr. CARLSON. I appreciate the comment of the ranking minority member of the Committee on Agriculture. It is an amendment that should be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas.

The amendment was agreed to.

Mr. HRUSKA subsequently said: Mr. President, I have a question to ask on H.R. 5463, which the Senate approved earlier this afternoon. I should like to propound the question to the Senator from Utah [Mr. BENNETT].

In the report on H.R. 5463 of the Committee on Agriculture of the House of Representatives, there is a paragraph entitled "Transshipment of Cuban Sugar" which indicates that this country should not continue to import refined sugar made from Cuban raw sugar. The report further indicates that this determination is to be made on an overall basis, depending upon the quantity of Cuban sugar the respective country imports and refines.

Does the Senator understand that this limitation would be retroactive, or should it apply only to reallocations made after the first quarter of 1961?

Mr. BENNETT. Since we are writing a new bill, any clarification that changes the interpretation of the legislation should apply only to future reallocations, and not to reallocations for the first quarter of 1961.

I am not, of course, the chairman of the committee that handled the bill, but I discussed the question with the chairman before it was necessary for him to leave, and he assured me that that is his interpretation, as it is mine.

Mr. LONG of Hawaii. Mr. President, I hope that the conferees will agree upon a sound sugar bill and that it will be passed. I believe everyone agrees that it is absolutely imperative to pass sugar legislation this week, simply because chaos would prevail in the entire sugar industry if we do not. I speak with considerable feeling, since Hawaii has a bigger stake in the outcome than any other State. Our allotment is 1,100,000 tons.

Failure to act would threaten the well-being of a great and vital domestic industry that has served our country well and that is the foundation of the economy of my own State of Hawaii. Failure to act would nullify a major element of our foreign policy, specifically with respect to Cuba and generally with respect to the Philippine Republic and many other nations that we count among our best friends. Failure to act would jeopardize our domestic supply of sugar and would defeat all the gains we have made in 25 years of insuring a steady

and adequate sugar supply for our people.

So, Mr. President, we must have a bill. I am ready to agree that, in the long run, we should have a bill which differs in some particulars from the one that has been before us today. But between now and midnight Friday is not the long run. All the testimony presented by Senators and representatives of the administration before the Finance Committee was unanimous in the view that there is simply no possibility of developing a satisfactory permanent bill now.

Not only that, but there is a serious question as to whether this can be done in less than two sessions of the Congress. As Mr. Myers, of the Department of Agriculture, stated, it took two sessions to pass the last major revision in 1955-56; and compared to the problems of today, that was child's play.

Therefore, I am persuaded that we need a significant extension of the present Sugar Act, as is contemplated by the bill before us. I would have preferred the 21-month extension as voted by the House; but it seems to me that the 15-month extension recommended by the Finance Committee is a reasonable length of time, and I can support it.

I could not support, however, major changes in the substance of the Sugar Act, nor could I support an undue shortening of the extension period. The Sugar Act has been a good act over the years, and major changes must be carefully thought out and given consideration from many domestic and foreign policy points of view.

It is essential that the next permanent Sugar Act be one that will contribute to all the objectives that the Congress finds desirable. This, I feel, we simply cannot accomplish by any amended bill now, and I doubt that we could do it in less than the 15 months provided by the Senate version of the bill.

The PRESIDING OFFICER (Mr. METCALF in the chair). The bill is open to further amendment. If there be no further amendment 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. 5463) was read the third time and passed.

Mr. KERR. Mr. President, I move that the vote by which the bill was passed be reconsidered.

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

The motion to lay on the table was agreed to.

Mr. KERR. Mr. President, I move that the Senate insist on its amendments and 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. METCALF in the chair) appointed Mr. BYRD of Virginia, Mr. KERR, Mr. LONG of Louisiana, Mr. SMATHERS, Mr. CARLSON, and Mr. BENNETT conferees on the part of the Senate.

TRADE WITH CUBA

Mr. KEATING. Mr. President, we have been discussing, and will continue to discuss pending legislation to maintain the bars against Cuban sugar imported into the country. It is, of course, right that we should not continue this subsidy, in the form of a price above the world market, for a country which has shown itself completely hostile to the principles of freedom and justice which we in America revere.

But it is not enough to maintain an embargo on sugar alone. Cuba under Castro has shown her true colors. She is virtually a Communist satellite. We must not, because of our sympathy for the Cuban people, give the government which is oppressing them any additional support.

I think the United States and the other member states of the Organization of American States should establish a complete embargo against Cuban goods of all sort. I think that we should waste no time in moving forward to make clear to Castro and his cohorts that the United States and other American nations do not want goods produced under conditions approximating forced, slave labor. The Communists are used to buying and using such goods, but the free world is not.

In view of the stand I have taken on this matter, I was most interested to receive a letter from the Department of State, answering a query I had put to it earlier. The Department of State, I am told, shares my concern that a hostile Cuban regime, which has confiscated American properties valued at over \$1 billion without compensation to the rightful owners, continues to derive dollar earnings from exports to this country.

I can assure you—

Assistant Secretary Brooks Hays writes—

that the Department is studying the Cuban trade question with the view of determining whether there are further actions in this area which might be taken in a manner consistent with our international obligations.

It is my hope that the study will be rapidly completed and will lead to stronger U.S. measures against the Castro regime, before it is even more firmly riveted onto that unhappy land with the aid of Communist equipment and infiltrators. The State Department may be moving in the right direction, but frankly, it is moving about as fast as molasses in January. If we wait too long, it may be too late.

Mr. President, I ask unanimous consent to have printed the text of the letter from the Department of State in the RECORD at this point.

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

DEPARTMENT OF STATE,
Washington, D.C., March 23, 1961.
The Honorable KENNETH B. KEATING,
U.S. Senate.

DEAR SENATOR KEATING: Your communication of March 13, 1961, expressing concern that Cuban tobacco, fruits, and vegetables

are still imported into the United States has been received.

As you know, action has already been taken to reduce the Cuban sugar quota to zero, thereby depriving the Castro regime of over 70 percent of its dollar earnings from the U.S. market. The Department nevertheless shares your concern that a hostile Cuban regime, which has confiscated American properties valued at over \$1 billion without compensation to the rightful owners, continues to derive dollar earnings from exports to this country.

We are pleased to receive your views on this matter and I can assure you that the Department is studying the Cuban trade question with the view of determining whether there are further actions in this area which might be taken in a manner consistent with our international obligations.

Please do not hesitate to call on us if we can be of any further assistance.

Sincerely yours,

BROOKS HAYS,
Assistant Secretary.

Mr. KEATING. I should also like to have printed in the RECORD a fine and perceptive column by Roscoe Drummond in which he points very clearly to the need for action, not only in Laos, but closer to home, in Cuba. He describes that state as a fully formed Cuban Soviet Socialist Republic and urges united OAS action to prevent further Communist penetration.

I ask unanimous consent to have printed in the RECORD at this point in my remarks the column to which I referred.

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

LAOS AND CUBA—THE NEARER DANGER
IGNORED

(By Roscoe Drummond)

I do not minimize the danger of a Communist takeover in Laos. But isn't it about time that the Government and the people of the United States—and the other American Republics—adjusted their thinking to the fact that there is already a Communist takeover in our very midst? And decide that it is as important and as possible to do something about it in Cuba as well as in southeast Asia?

Of course we must not back away from the crisis in Laos. But what I want to know is when are we—all of us in the Western Hemisphere—going to stop backing away from the crisis in Cuba?

The Communist takeover is now nearly complete in Cuba and still the United States and the whole Organization of American States are self-hypnotized into inaction by an intellectual theory—the theory of nonintervention—which has no relationship to reality.

Here on our borders is a fully formed CSSR (Cuban Soviet Socialist Republic), militarily and economically supported by the two most interventionist powers in the world—Russia and Red China—and led by a dictator, Fidel Castro, who openly proclaims his intention to intervene everywhere he can to export Castroism to the whole continent.

Have we all got to stand impotent and immobile, paralyzed by the theory of "non-intervention," until Castro has intervened so widely that it is too late?

Before we can answer that question, we have to know whether Castro has now gone nearly the whole way into the Communist camp. Is it true? What are the facts? To get them I would not want to rely on either pro-Castro or anti-Castro sources. But I

would turn to the reports of a trustworthy, knowledgeable and objective newspaper correspondent, Joseph Newman of the New York Herald Tribune, who, after many trips to Cuba, has just spent another month there looking at the evidence. He says yes, it is true, and in his latest series of articles he assembles conclusive evidence to support these conclusions:

"The evidence clearly shows that Cuba is rapidly evolving into a Socialist Soviet Republic, firmly anchored in the Communist bloc of Russia and Red China.

"And it points to something even more astounding in its boldness. Having established the first Socialist-Communist state in the Western Hemisphere, Castro proposes to use it as a base for achieving a grandiose dream of a United States of Latin America. It would take the form of a Latin American Union of Socialist Soviet Republics.

"As the father and head of a united Latin America, Castro would become one of the principal rulers of a Communist world, over which he would preside as an equal with Nikita Khrushchev, director of the European division, and Mao Tse-tung, director of the Asiatic division."

Mr. Newman supports these judgments with the fullest documentation. One evidence of where Castro has arrived—not just where he is headed—is the fact that he spurned all appeals of his leading democratic supporters, like Dr. Alabau-Trelles, a former member of the Cuban Supreme Court, to create a political party out of the 26th of July movement as the base for a parliamentary government. Instead, Castro permits only the Communist Party, and it alone is allowed and encouraged to develop and gain strength.

A Communist takeover is threatened in Laos—and we are doing something about it. The Communist takeover is nearly complete in Cuba—and the Organization of American States is doing nothing about it.

One reason is that we and the OAS have made ourselves the prisoners of an inapplicable political theory and have stood transfixed as Castro has established his Cuban Soviet Socialist Republic.

I am not proposing unilateral U.S. action. I am not proposing that the OAS send a military force into Cuba. But I do suggest that the uncritical acceptance of the theory of "nonintervention" covers up the Cuban problem, keeps us from facing it clearly.

The first step is to free ourselves from this hypnotic state of mind. The second step is for the OAS to take collective defensive measures, economically and militarily.

How long does this have to go on before the United States and the OAS realize that what we most need to avert is upon us—not 7,000 miles away, but in our very midst—the spread of Soviet and Chinese Communist power in the Western Hemisphere?

Mr. SMATHERS. Mr. President, I should like to associate myself with the remarks of the junior Senator from New York with respect to purchases of Cuban sugar. I believe under no conditions should we do so. I do not think we should even go into the world market to purchase Cuban sugar at the world market price, because thereby we spend dollars which are used against us for the further expansion of communism in Central and South America.

EXTENSION OF LOAN GUARANTY
AUTHORITY OF THE INTERSTATE
COMMERCE COMMISSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 114, H.R. 1163,

and that it be made the pending business.

The PRESIDING OFFICER. The clerk will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 1163) to amend section 510 of the Interstate Commerce Act so as to extend for 15 months the loan guaranty authority of the Interstate Commerce Commission.

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

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interstate and Foreign Commerce, with an amendment, to strike out all after the enacting clause and insert:

That section 501 of the Interstate Commerce Act is amended to read as follows:

"Sec. 501. It is the purpose of this part to provide for assistance to common carriers by railroad and express companies subject to this Act to aid them in acquiring, constructing, or maintaining facilities and equipment for such purposes, and in such a manner, as to encourage the employment of labor and to foster the preservation and development of a national transportation system adequate to meet the needs of the commerce of the United States, of the postal service, and of the national defense."

Sec. 2. Section 503 of the Interstate Commerce Act is amended to read as follows:

"Sec. 503. In order to carry out the purpose declared in section 501, the Commission, upon terms and conditions prescribed by it and consistent with the provisions of this part, may guarantee in whole or in part any public or private financing institution, or trustee under a trust indenture or agreement for the benefit of the holders of any securities issued thereunder, by commitment to purchase, agreement to share losses, or otherwise, against loss of principal or interest on any loan, discount, or advance, or on any commitment in connection therewith, which may be made, or which have been made, for the purpose of aiding any common carrier by railroad or express company subject to this Act in the financing or refinancing (1) of additions and betterments or other capital expenditures, made after January 1, 1957, or to reimburse the carrier for expenditures, made from its own funds for such additions and betterments or other capital expenditures, (2) of expenditures for the maintenance of property, or for the purpose of aiding any State, municipality, or other agency which may be organized for the purpose, in financing or refinancing the acquisition or construction of property to be used in transportation service of such a common carrier by railroad and which if acquired by the railroad would be chargeable to its road, property, or equipment investment accounts under the Uniform System of Accounts prescribed by the Commission: *Provided*, That in no event shall the aggregate principal amount of all loans guaranteed by the Commission exceed \$500,000,000."

Sec. 3. Section 504(a) of the Interstate Commerce Act is amended to read as follows:

"(1) unless the Commission finds that without such guaranty, in the amount thereof, the applicant would be unable to obtain necessary funds, on reasonable terms, for the purposes for which the loan is sought;"

"(3) if the terms of such loan permit full repayment more than twenty-five years after the date thereof; or"

"(4) unless the Commission finds that the prospective earning power of the applicant, together with the character and value of the

security pledged, if any, furnish reasonable assurance of the applicant's ability to repay the loan within the time fixed therefor and reasonable protection to the United States."

Sec. 4. Section 504(b) of the Interstate Commerce Act is amended to read as follows:

"(b) It shall be unlawful for any common carrier by railroad or express company subject to this Act to declare any dividend on its preferred or common stock while there is any principal or interest remaining unpaid on any loan to such carrier or express company made for the purpose of financing or refinancing expenditures for maintenance of property of such carrier or express company, and guaranteed under this part."

Sec. 5. Section 510 of the Interstate Commerce Act is amended to read as follows:

"Sec. 510. Except with respect to such applications as may then be pending, the authority granted by this part shall terminate at the close of March 31, 1964: *Provided*, That its provisions shall remain in effect thereafter for the purposes of guaranties made by the Commission."

Mr. MONRONEY. Mr. President, I did not object to taking up the bill, H.R. 1163, although, along with the Senator from Texas [Mr. YARBOROUGH] and the Senator from California [Mr. ENGLE], I filed minority views on the consideration of the bill.

I have been in discussion with the distinguished chairman of the Surface Transportation Subcommittee, and he reminds us that the act will expire on March 31, and would thus end the authority for the making of loans to railroads.

Since this is a very important act, and inasmuch as many loans have been made to railroads which find themselves in distressed financial condition, it is not our purpose to block the legislation as it has existed.

However, in examining the committee report, we find that by the extension of the railroad loans to the financing of loans for the REA express company we will be embarking on an entirely new lending authority. The railroads are peculiarly a part of the physical assets of the United States, and the most vital part of our transportation system. We do not like to bring in the REA express company which, in fact, will become the world's largest trucking line, and favor them with Government guaranteed loans. This would open up a new avenue and set a precedent for Government guaranteed loans to all truck lines and to the trucking industry in general.

After setting this precedent, I do not see how we could deny guarantee loans to interstate truck lines which in themselves are certified by the Interstate Commerce Commission.

For that reason, the Senator from California [Mr. ENGLE], the Senator from Texas [Mr. YARBOROUGH], and I objected most strongly and filed minority views.

I wonder if the distinguished Senator from Florida [Mr. SMATHERS], the chairman of the Subcommittee on Transportation, would agree to strike from the bill the reference to the REA express company or express companies, so that the bill would be limited to its original

purpose, and not extend to the financing of the trucking industry.

Mr. SMATHERS. Mr. President, I shall be glad to do that; but first I wish to say that the subcommittee listened to the testimony on this point. It is a little disturbing, after having sat in the lonely confines of a committee room and heard the testimony about the provisions of the act being extended to the REA express company, which is an integral part of the railroad network, to be asked to disregard the views there expressed. The REA express company has no other place to which to go to borrow money. It has lost a large amount of money in the last 12 years. Obviously, it is not a good credit risk for banks. Consequently, it must go elsewhere to seek assistance. Since it is still an integral part of the railroad business, it was the feeling of the subcommittee—and I believe it was the feeling of the majority of the committee—that the provisions of the act might be extended to permit the Interstate Commerce Commission to determine whether the REA express company should be permitted to obtain these Government-guaranteed loans. We felt the Interstate Commerce Commission would act wisely and prudently, as it has done in the case of other guaranties which we have authorized the Commission to make.

Now we are faced with a time schedule because the entire act will expire on March 31. We shall have to go to a conference with the House only on the question of the extension of this particular section of the act. Therefore, there is nothing for us to do, under the circumstances, but to agree to the recommendation of the Senator from Oklahoma, in the light of the time conditions, and that is what I am willing to do, if the ranking member of the subcommittee, the distinguished Senator from Kansas, is willing to agree to the proposal.

Mr. SCHOEPEL. Mr. President, will the Senator from Florida yield?

Mr. SMATHERS. I am happy to yield.

Mr. SCHOEPEL. Mr. President, after we had listened to the testimony in connection with the bill, I myself felt that the REA express company was an integral part of the railroad transportation picture. I am very reluctant to strike this provision from the bill entirely, since to do so would remove it from the consideration of the conferees. However, I am well aware of the seriousness of the expiration of the act. I believe that that part of the bill which is before the Senate tonight, which includes the REA express company in the act, raises a question for the committee and Congress to consider.

I shall not stand here tonight and say to the distinguished Senator from Florida, who is chairman of the subcommittee, that I would want to have the act expire. I do not want that responsibility to rest on my shoulders.

If it is likely to be held up, and if by this action the act would expire, I am reluctantly willing to admit that we should exclude the provision at this time,

with the distinct understanding that the subject will be considered later to make certain that some type of relief shall be given to the REA express company, since it is an integral part of the transportation industry and the railroad system. If to eliminate the agency completely would mean the federalization of this type of industry, then I think we would rue the day and would all be disappointed if that step had to be taken.

As was brought out in our committee, proposed legislation is ready for consideration by the Senate to have the Government take over this express company unless something is done to protect it and keep it as an integral part of the railroad system.

I have confidence that the Interstate Commerce Commission, which would have the jurisdiction of such loans, as the constituted authority over the trucking industry, will make certain that that industry is protected against undue encroachment beyond the confines of the service which is expected legitimately to be performed by the REA express company.

I hope an opportunity may be afforded later to consider this question before this session of Congress ends. That is the condition under which I would be willing to agree to the proposal. I do not want the act to expire, because I realize what dire circumstances might develop.

These are my candid views.

Mr. SMATHERS. I thank the distinguished Senator from Kansas.

Mr. President, in the light of the situation, I move to strike from the bill any reference to the REA express company.

Mr. MONRONEY. The term as expressed in the bill is "or express company." It appears not as "REA express company." The language is "or express company."

Therefore, the bill should eliminate all reference to "express company." That will confine the bill to the original purpose of the proposed legislation which we are extending, namely, to assist the operating railroads in their activities to continue their public service function.

Mr. SMATHERS. Mr. President, I move to strike from the bill the words "express company" and the "REA railway express company," wherever they may appear in the bill.

The PRESIDING OFFICER. The Chair will advise the Senator that a motion is not in order; the request will have to be in the nature of unanimous consent.

Mr. SMATHERS. Mr. President, I ask unanimous consent that the words "express company," "express companies," and "REA express company" wherever they appear in the bill, be stricken.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 1163) was read the third time and passed.

The title was amended, so as to read: "An act to amend part V of the Interstate Commerce Act so as to extend for 36 months the loan guarantee authority of the Interstate Commerce Commission, and for other purposes."

Mr. SMATHERS. Mr. President, I move that the Senate insist upon its amendments and 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. HICKEY in the chair) appointed Mr. SMATHERS, Mr. LAUSCHE, Mr. MONRONEY, Mr. SCHOEPEL, and Mr. BUTLER conferees on the part of the Senate.

VOTES OF SENATOR McCARTHY, OF MINNESOTA, AND SENATOR MUSKIE, OF MAINE, WITH RELATION TO H.R. 4806, TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION ACT OF 1961

Mr. MANSFIELD. Mr. President, in an article in the Tuesday, March 28, edition of the Washington Daily News, Columnist John Herling made disparaging comments about two of our distinguished colleagues and their support of President Kennedy and his administration. I think the record should be set straight on this matter.

Referring to the March 16 vote on the Byrd amendment to H.R. 4806, the Temporary Extended Unemployment Compensation Act of 1961, Mr. Herling wrote:

But the spectacular news about this vote was the strange failure of Senators EUGENE McCARTHY, of Minnesota and EDMUND MUSKIE, of Maine—two esteemed Democratic liberals—who came in too late to vote. They had been dining.

Mr. Herling further implied that Senator McCARTHY and Senator MUSKIE were not interested enough to get to the floor of the Senate to support the President in this vote. Such an implication could not be further from the truth.

On Wednesday, March 22, the distinguished assistant majority leader [Mr. HUMPHREY] set forth the facts on this vote. I refer Mr. Herling to page 4532 of the CONGRESSIONAL RECORD of that date.

As the Senator from Minnesota [Mr. HUMPHREY] pointed out, because of unexpected developments on the floor, and because of circumstances beyond their control, Senators McCARTHY and MUSKIE were not notified to return to the Senate until the vote was in progress. Within 2 minutes of having received the call, they reached the floor, only to find that voting had been halted, under the regular order, and the vote was being announced.

There are no two Members of this body who are more devoted to the support of our President than Senators McCARTHY and MUSKIE, and I think it most unfortunate that unforeseen circumstances, beyond their control, have been twisted to imply a lack of energy in their devotion to the success of this administration.

Mr. MUSKIE. I thank the distinguished majority leader for correcting the record.

Mr. MANSFIELD. It was a pleasure. I did not know the Senator from Maine was present on the floor.

Mr. CLARK obtained the floor.

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

Mr. CLARK. I yield to the Senator from Montana, without losing my right to the floor.

CHARLES L. TEBBE, REGIONAL FORESTER

Mr. METCALF. Mr. President, I rise today to call attention to the retirement of Charles L. Tebbe, regional forester, region 1, U.S. Forest Service. Last year Mr. Tebbe was stricken by a heart attack. He recovered but the taxing demands of his position place a burden upon his future health. For this reason he has elected to retire and he well deserves to do so.

Charles Tebbe has won the hearts and admiration of Montana people. He has had a long, colorful, rich, and rewarding career. He can retire with pride.

Charlie was born in Weed, Calif., in 1908, and was graduated from the University of California in forestry in 1930. He worked in private industry, both in the United States and the Philippines. He has served in the Forest Service since 1934, in California, Oregon, Washington, Idaho, the 14 Northeastern States, and in Washington, D.C. He has worked in research, the State and private forestry divisions, and national forest administration.

Charles Tebbe is a leader. He proved this in preparing Senate Document 9 in the 86th Congress, "Full Use and Development of Montana Timber Resources."

He is a humanitarian. He demonstrated this by his work in 1959 to alleviate the distress caused by the Madison River earthquake. The Secretary of Agriculture awarded region 1 of the Forest Service a superior service award for its effective work.

Charles Tebbe has served this Nation well and the imprint of his efforts for conservation can be found in a score or more of our States. His accomplishments are legion.

He has served the public interest—never a special interest. He has placed his Nation's welfare before any other.

I look forward in the years ahead, to having his advice and counsel on such matters as his health will permit. I appreciate the help he has given to us in Montana in our quest to advance the cause of conservation.

Charles Tebbe can retire with pride in a job well done.

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

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

Mr. MANSFIELD. Mr. President, I am in complete accord with the remarks of my colleague [Mr. METCALF] concerning the retirement of Regional Forester Charles L. Tebbe.

It is not possible to measure or to fully evaluate the many fine accomplishments of a great number of our dedicated public officials. Charles Tebbe is truly a dedicated public servant, one who has inspired in those with whom he worked the dedication to service that he possessed.

Charles Tebbe is to be commended for his service to the conservation of our natural and human resources. He has had an impact upon people and their conservation thinking of considerable influence. With tireless energy, deep and unusual understanding, keen perception of his fellow man's aspirations and needs, and a warm regard for the views of others, Charles Tebbe has forged those fine human bonds so important to enlarging the scope of mankind's accomplishments.

It is with deep personal regret that I heard that Charles Tebbe will retire. I am pleased to know that he will remain in Missoula and it is my hope he will enjoy a long and pleasant stay in the Treasure State.

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, without amendment, the bill (S. 153) to further amend the Reorganization Act of 1949, as amended, so that such act will apply to reorganization plans transmitted to the Congress at any time before June 1, 1963.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5188) making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes, that the House receded from its disagreement to the amendments of the Senate numbered 23, 25, 53, 60, 61, 66, 67, and 91 to the bill, and concurred therein; and that the House receded from its disagreement to the amendments of the Senate numbered 27, 36, 38, and 50 to the bill, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 5463) to amend and extend the Sugar Act of 1948, as amended; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. COOLEY, Mr. THOMPSON of Texas, Mr. JONES of Mis-

souri, Mr. HOEVEN, and Mr. DAGUE were appointed managers on the part of the House at the conference.

FEDERAL LOANS TO PRIVATE SCHOOLS

Mr. CLARK. Mr. President, on behalf of the senior Senator from Oregon [Mr. MORSE] and myself I introduce, for appropriate reference, a bill to authorize loans to private nonprofit schools for the construction of elementary and secondary school facilities.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1482) to authorize loans to private nonprofit schools for the construction of elementary and secondary school facilities, introduced by Mr. CLARK (for himself and Mr. MORSE), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. CLARK. Mr. President, the bill would provide \$350 million in loans to private schools for construction over a period of 3 years—\$105 million in the coming fiscal year, \$117 million for the following year, and \$128 million in the third year. This is the same amount of assistance per school child in private schools as is provided in the administration's bill for each public school child.

The fundamental difference is that aid for private schools would be on a repayable loan basis, not a grant; and would be used for construction only, not teachers' salaries.

Mr. President, we are confronted with widespread disagreement on the most effective way for Congress to resolve our national education crisis.

The President has made clear his belief that the Federal aid for public elementary and secondary schools is absolutely necessary, and has recommended a splendid assistance program to that end which has my complete support.

Spokesmen for the Catholic Church in this country have made clear their view that the Nation's parochial and private schools are entitled to participate in a Federal program of assistance for primary and secondary schools which is national in scope.

There are many private schools in the United States, some of them sectarian and some of them secular in nature, which are presently bearing a substantial portion of our overall educational load. Many of these schools are in dire need for additional funds in order to enable them to properly take care of the pupils who are voluntarily attending them.

The question of whether a Federal construction loan program to assist nonpublic schools is wise or constitutional is a matter of great dispute. Moreover, there is the additional problem of whether such assistance might be used in some areas to support segregated private school systems, unless there were a strong prohibition in authorizing legislation forbidding loans to schools which in fact are operated on a segregated basis.

The bill which I have introduced today is the result of long and careful study and fruitful consultation with legal and educational experts. It represents an earnest effort to achieve a sensible, fair, and just solution to the difficulties the Congress faces in trying to enact a balanced program to cope with our national education crisis. It is submitted in the hope that it will assist the Congress to enact such a program in a calm, sensible, and nonemotional manner, in no way influenced by a controversy with respect to the separation of church and state principles which is embodied in our entire American way of life.

Mr. President, the national interest in a first-class education system for all American children must, in my view, include all American children—those in nonpublic schools, as well as those in public schools. If children are being inadequately educated in private schools, because of overcrowded classrooms, half-day sessions, and substandard facilities, and I believe that to be the case in many instances, the Nation suffers as much as if children are being educated poorly in public schools.

In my judgment, a separate bill to provide long-term, low-interest loans to nonpublic schools, acted on separately from the President's program for public school aid, has these advantages:

First. It will permit the President's program to be considered on its own merits; and a program for a nonpublic school construction loan program to be considered on its own merits. Thus it will be unnecessary to interject into the debate on the administration public school aid bill any consideration concerning the church-state controversy.

Second. It deals with the serious classroom shortage that exists today in the private school systems.

Let me say that with the cooperation of the distinguished senior Senator from Oregon [Mr. MORSE], the chairman of the Educational Subcommittee of the Committee on Labor and Public Welfare, it is anticipated that hearings on this bill will be held on April 13 and 14. I am confident that at that time the witnesses will document the serious classroom shortage which today exists in the various private school systems to which I am now referring.

Third. It provides alternate means for a prompt constitutional test of loans to sectarian schools. In a moment I shall return to that point.

Fourth. It faces up to the segregation problem by clearly prohibiting loans under this bill to schools which practice racial discrimination in their entrance policies. This point also I will explain later.

The bill provides that a private school applying for a loan under the bill must satisfy the Commissioner of Education that "the making of the loan will not violate the first amendment to the Constitution."

If the Commissioner, acting in a semi-judicial capacity, determines that the

loan would not involve a violation of the first amendment, the school would receive the funds, although the bill provides for judicial review of the constitutionality of the decision to extend the loan, first, by taxpayer suits and, second, by actions of secular, private schools.

If, however, the Commissioner denied the loan, on the ground that it would violate the first amendment, the school which was refused the funds would also be entitled to court review of the decision.

In each instance, direct and speedy appeal to the Supreme Court would be provided, for a final determination of the constitutional issue.

The bill also stipulates that only private schools not practicing "discrimination in entrance requirements on the basis of race or color" will be eligible for loans under the program proposed. If Federal funds go to segregated public schools, Negroes who are excluded have a remedy in the courts, under the pertinent decisions of the U.S. Supreme Court.

But if Federal loan funds are made available to segregated private schools, members of the Negro community have no judicial means of redress, although their tax dollars are involved and the private school in question may be used to defeat integration in the public schools in the area.

I have supported Federal aid for education ever since I came to the Senate. I am more anxious than ever to see an adequate Federal-aid-to-public-schools program enacted; and that remains my primary objective.

That objective will be advanced if we can separate the church-state controversy from the President's program, by handling it in a separate measure.

Mr. President, I cannot conclude without paying a warm personal tribute to my friend, the senior Senator from Oregon [Mr. MORSE], who last year carried this fight to the floor of the Senate, and in many previous years has indicated his strong support of Federal aid for private school construction. His advice has been invaluable in the preparation of this proposed legislation. I welcome him as a cosponsor. Were it not for the fact that he will be in charge of President Kennedy's education bill when it reaches the floor of the Senate, the Senator from Oregon would be the principal sponsor of this measure, and I would be a cosponsor.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD two tabulations which have been prepared by the Office of Education. The first one shows the enrollment, by States, in full-time public and nonpublic elementary and secondary day schools. The second tabulation shows the projected enrollments in full-time public and nonpublic elementary and secondary day schools, assuming continuation of the 1955-57 birth rates.

There being no objection, the tabulations were ordered to be printed in the RECORD.

1957-58 school year: Enrollment in full-time public and nonpublic elementary and secondary regular day schools, by States

Region and State (1)	Total enrollment, all full-time day schools (2)	Public school enrollment				Nonpublic school enrollment			
		Total (3)	Kindergarten and grades 1 through 8 (4)	Grades 9 through 12 and post-graduate (5)	Public school enrollment as a percent of total enrollment in all schools (6)	Total (7)	Kindergarten and grades 1 through 8 (8)	Grades 9 through 12 and post-graduate (9)	Nonpublic enrollment as a percent of total enrollment in all schools (10)
United States (48 States and District of Columbia)	38,756,005	33,528,591	25,668,820	7,859,771	86.5	5,227,414	4,296,806	930,608	13.5
North Atlantic	10,135,758	7,901,198	5,943,098	1,958,100	78.0	2,234,560	1,840,211	394,349	22.0
Connecticut	529,881	436,552	336,654	99,898	82.4	93,329	70,951	22,378	17.6
Delaware	89,775	72,436	55,894	16,542	80.7	17,339	13,943	3,396	19.3
Maine	217,951	184,226	143,490	40,736	84.5	33,725	23,121	10,604	15.5
Maryland	653,626	538,790	415,789	123,001	82.4	114,836	97,758	17,078	17.6
Massachusetts	1,040,101	810,614	600,256	210,358	77.9	229,487	184,739	44,748	22.1
New Hampshire	129,035	97,478	74,046	23,432	75.5	31,557	23,155	8,402	24.5
New Jersey	1,228,079	959,479	730,797	228,682	78.1	258,000	229,800	28,200	21.9
New York	3,473,479	2,658,869	2,001,573	657,296	76.5	814,610	694,641	119,969	23.5
Pennsylvania	2,379,380	1,894,553	1,345,576	488,977	77.1	544,827	441,091	103,736	22.9
Rhode Island	171,959	125,301	95,056	30,245	72.9	46,658	33,095	13,563	27.1
Vermont	86,309	69,717	54,348	15,369	80.8	16,592	11,417	5,175	19.2
District of Columbia	136,183	113,183	89,619	23,564	83.1	23,000	16,600	6,500	16.9
Great Lakes and Plains	11,425,938	9,514,535	7,200,348	2,314,187	83.3	1,911,403	1,584,231	327,172	16.7
Illinois	2,133,541	1,654,311	1,255,583	398,728	77.5	479,230	395,494	83,736	22.5
Indiana	1,054,598	934,948	709,691	225,257	88.7	119,650	102,453	17,197	11.3
Iowa	655,058	573,182	435,437	137,715	87.5	81,906	65,518	16,388	12.5
Kansas	501,726	456,810	348,220	108,590	91.0	44,916	37,538	7,378	9.0
Michigan	1,777,696	1,495,729	1,161,769	333,960	84.1	281,967	225,637	56,330	15.9
Minnesota	780,020	637,642	467,344	170,298	81.7	142,378	121,887	20,491	18.3
Missouri	909,507	778,507	591,282	187,225	85.6	131,000	107,000	24,000	14.4
Nebraska	312,377	266,769	202,435	64,334	85.4	45,608	37,775	7,833	14.6
North Dakota	147,634	130,173	96,954	33,219	88.2	17,461	13,992	3,469	11.8
Ohio	2,100,124	1,763,837	1,352,064	411,773	84.0	336,287	276,237	60,050	16.0
South Dakota	158,801	143,801	108,588	35,213	90.6	15,000	12,700	2,300	9.4
Wisconsin	894,856	678,856	470,981	207,875	75.9	216,000	188,000	28,000	24.1
Southeast	8,890,339	8,452,116	6,610,758	1,832,358	95.1	438,223	337,483	100,740	4.9
Alabama	786,614	758,214	584,674	173,540	96.4	28,400	21,900	6,500	3.6
Arkansas	431,354	420,011	320,988	99,023	97.4	11,343	8,951	2,392	2.6
Florida	925,233	874,377	681,338	193,039	94.5	50,856	36,068	14,788	5.5
Georgia	982,331	914,431	732,946	181,485	98.1	17,900	11,500	6,400	1.9
Kentucky	684,280	609,548	477,604	131,944	89.1	74,732	58,488	16,244	10.9
Louisiana	771,184	648,854	509,273	139,581	84.1	122,830	101,701	20,629	15.9
Mississippi	553,593	536,417	433,282	103,135	96.9	17,176	13,175	4,001	3.1
North Carolina	1,072,287	1,060,187	815,177	245,010	98.9	12,100	9,600	2,500	1.1
South Carolina	596,683	584,283	466,023	118,261	97.9	12,400	10,900	1,500	2.1
Tennessee	810,189	780,933	606,648	174,285	96.4	29,256	20,142	9,114	3.6
Virginia	847,464	806,464	638,810	167,654	94.5	47,000	35,000	12,000	5.5
West Virginia	479,127	464,397	352,986	111,411	96.9	14,730	10,658	4,072	3.1
West and Southwest	8,303,970	7,660,742	5,905,016	1,755,126	92.3	643,228	534,881	108,347	7.7
Arizona	288,105	262,220	205,512	56,708	91.0	25,885	21,701	4,184	9.0
California	3,128,384	2,826,339	2,192,256	634,083	90.3	302,045	248,341	53,704	9.7
Colorado	401,518	365,518	285,448	80,070	91.0	36,000	29,500	6,500	9.0
Idaho	161,090	154,111	113,776	40,335	95.7	6,919	5,969	950	4.3
Montana	154,700	136,832	102,470	34,362	88.4	17,868	14,148	3,720	11.6
Nevada	61,220	58,218	45,841	12,377	95.1	3,002	2,406	596	4.9
New Mexico	233,343	209,739	163,568	46,171	89.9	23,604	20,347	3,257	10.1
Oklahoma	530,520	513,500	376,984	136,516	96.8	17,020	13,600	3,420	3.2
Oregon	380,487	359,987	266,774	93,213	93.1	26,500	21,100	5,400	6.9
Texas	2,042,212	1,915,612	1,496,830	418,782	93.8	126,600	109,600	17,000	6.2
Utah	219,812	214,812	161,684	53,128	97.7	5,000	4,000	1,000	2.3
Washington	618,011	569,176	437,370	131,806	92.1	48,835	40,569	8,266	7.9
Wyoming	78,628	74,678	57,103	17,575	95.0	3,950	3,300	650	8.0
Outlying parts:									
Alaska	37,672	36,017	30,923	5,094	95.6	1,655	1,374	281	4.4
American Samoa	6,070	5,012	4,610	602	82.6	1,058	971	87	17.4
Canal Zone	12,697	12,118	9,989	2,529	95.4	579	(¹)	(¹)	4.6
Guam	16,531	13,397	11,129	2,268	81.0	3,134	2,463	671	19.0
Hawaii	157,869	130,158	100,603	29,555	82.4	27,711	20,708	7,003	17.6
Puerto Rico	616,886	564,041	488,322	75,719	91.4	52,845	39,584	13,261	8.6
Virgin Islands	9,021	6,392	5,429	963	70.9	2,629	2,333	296	29.1

¹ Represents nonpublic enrollment in full-time regular day schools only. For enrollment in other types of nonpublic schools, see table A.
² Enrollment not cumulative but as of a specific date.
³ Estimated.

⁴ Distribution by grade group estimated.
⁵ Distribution by grade group not available.
⁶ Data for accredited schools only.

Source: Chart prepared by Office of Education.

Information received from Office of Education: All figures are based on estimates

School year	Total enrollment, all full-time day schools	Public - school enrollment and percentage of total		Non - public - school enrollment and percentage of total	
		Number	Percent	Number	Percent
1958-59	41,035,000	35,001,000	85.3	6,034,000	14.7
1959-60	42,627,000	36,170,000	84.9	6,457,000	15.1
1960-61	44,303,000	37,551,000	84.8	6,752,000	15.2

Projected enrollments in full-time public and nonpublic elementary and secondary day schools assuming continuation of 1955-57 birth rates, 50 States and District of Columbia: School years 1958-59 to 1969-70—Projections as of August 1960

[In thousands]

School year (1)	Grades K-12			Grades K-8			Grades 9-12 including postgraduate		
	Total (2)	Public ¹ (3)	Nonpublic (4)	Total (5)	Public ¹ (6)	Nonpublic (7)	Total (8)	Public ¹ (9)	Nonpublic (10)
Actual public and estimated nonpublic:									
1949-50	28,616	25,216	3,400	22,185	19,464	2,721	6,431	5,752	679
1951-52	30,510	26,678	3,832	23,938	20,770	3,168	6,572	5,908	664
1953-54	33,334	28,970	4,364	26,259	22,651	3,608	7,075	6,319	756
1955-56	36,053	31,315	4,738	28,314	24,410	3,904	7,739	6,905	834
1957-58	38,955	33,696	5,259	30,118	25,801	4,317	8,337	7,895	942
Projected:									
1958-59	41,035	35,001	6,034	31,736	26,683	5,053	9,299	8,318	981
1959-60	42,627	36,170	6,457	33,157	27,767	5,390	9,470	8,403	1,067
1960-61	44,303	37,551	6,752	34,151	28,559	5,592	10,152	8,992	1,160
1961-62	45,459	38,454	7,005	34,579	28,783	5,796	10,880	9,671	1,209
1962-63	46,964	39,580	7,384	35,376	29,313	6,063	11,588	10,267	1,321
1963-64	48,342	40,568	7,774	36,069	29,719	6,350	12,273	10,849	1,424
1964-65	49,623	41,492	8,131	36,799	30,181	6,618	12,824	11,311	1,513
1965-66	50,417	41,987	8,430	37,457	30,581	6,876	12,960	11,466	1,554
1966-67	51,338	42,573	8,765	38,084	30,948	7,136	13,254	11,628	1,629
1967-68	52,205	43,126	9,079	38,658	31,273	7,385	13,547	11,853	1,694
1968-69	53,123	43,763	9,370	39,202	31,559	7,603	13,821	12,154	1,767
1969-70	54,041	44,322	9,719	39,797	31,927	7,870	14,244	12,396	1,849

¹ Does not include residential schools for exceptional children, subcollegiate departments of institutions of higher education, and Federal schools for Indians.

p. 25, No. 187). In most cases it is assumed that present enrollment trends (1950-60) will continue.

Method: Projected enrollments are based upon Office of Education enrollment data and Bureau of Census unpublished projections of the population aged 5 to 19 by single year of age (equivalent to series II, in "Current Population Reports,"

Source: U.S. Department of Health, Education, and Welfare, Office of Education, Educational Statistics Branch, Reference, Estimates, and Projections Section.

Mr. CLARK. I also ask unanimous consent that the text of the bill be printed at this point in the RECORD, and that it be held at the desk until the conclusion of the first legislative day of next week, or, if there is no session next week, the conclusion of the Senate session tomorrow, in order that other Members who desire to do so may join in sponsoring the bill.

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

SHORT TITLE

SECTION 1. This Act may be cited as the "Private School Construction Loan Act of 1961".

DEFINITIONS

SEC. 2. For the purpose of this Act—
 (1) The term "Commissioner" means the United States Commissioner of Education.
 (2) The term "State" includes the District of Columbia, Puerto Rico, Guam, and the Virgin Islands.
 (3) The term "elementary school" means a school which provides elementary education, as determined under State law.
 (4) The term "secondary school" means a school which provides secondary education, as determined under State law.
 (5) The term "facilities" means classrooms and related facilities (including furniture, instructional materials other than textbooks, equipment, machinery, and utilities necessary or appropriate for school purposes) for elementary and secondary schools, and interests in land (including site, grading, and improvement) on which such facilities are constructed. Such term does not include athletic stadiums, or structures, or facilities intended primarily for events, such as athletic exhibitions, contests, or games, for which admission is to be charged to the general public. Furthermore, such term does not include classrooms or other facilities used exclusively or primarily for education beyond grade 12.
 (6) The terms "constructing" and "construction" include the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, improving, or extending school facilities; and the inspection and supervision of the construction of school facilities.

LOAN AUTHORIZATION

SEC. 3. The Commissioner is authorized and directed to make loans, from funds provided pursuant to section 11 of this Act, to private nonprofit schools in the States for constructing elementary and secondary school facilities, upon determining that such schools meet the criteria provided in subsection (a) of section 4. The total amount of such loans which shall be allocated to such schools in each State for each year for which funds are provided pursuant to section 11 shall be an amount which bears the same ratio to the total amount provided in such year pursuant to such section 11 as the private nonprofit elementary and secondary school population in such State bears to the total such population for all the States. For the purpose of this section the Commissioner shall use populations for the most recent year for which satisfactory data are available to him. Such loans—
 (1) shall be made upon application containing such information as may be deemed necessary by the Commissioner to satisfy himself that the applicant meets the criteria stated in section 4 of this Act;
 (2) shall be subject to such conditions as may be necessary to protect the financial interest of the United States;
 (3) may be in an amount not exceeding the total construction cost of the facilities for which made, as determined by the Commissioner, and shall bear interest at a rate determined by the Commissioner, which shall be not less than the total of one-quarter of 1 per centum per annum added to the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the date on which the contract for the loan is made and adjusted to the nearest one-eighth of 1 per centum; and
 (4) shall be subject to recall upon a final court ruling that the loans in question have been made in violation of the First Amendment to the Constitution; and
 (5) shall mature and be repayable on such date as may be agreed to by the Commissioner and the borrower, but such date shall not be more than forty years after the date on which such loan was made.
 If any part of the total funds allocated to schools within a State under the provisions of this Act remains unused at the end of either of the first two fiscal years in which

funds are made available under this Act, it shall be reallocated at the discretion of the Commissioner for loans under the provisions of this Act to schools in other States. Such reallocated sums shall be over and above the sums provided in the succeeding fiscal year under section 11 of this Act.

CRITERIA FOR LOANS

SEC. 4. (a) The Commissioner is directed to make a loan as long as funds are available as provided in section 11 of this Act, subject to the provisions of section 3, whenever he finds the following criteria are met:
 (1) the school applying for the loan normally maintains, or will maintain upon completion of planned construction projects, a regular faculty and curriculum and normally has a regularly enrolled body of pupils or students in attendance where the school's educational activities are regularly carried on;
 (2) the school applying for the loan is owned and operated by an organization entitled to exemption under the provisions of section 501 (a) of the Internal Revenue Code of 1954;
 (3) the school applying for the loan provides elementary or secondary education as determined by State law;
 (4) the school applying for the loan does not in fact practice discrimination in its entrance requirements on the basis of race or color;
 (5) the loan will be used for constructing facilities as defined in section 2 of this Act;
 (6) the school supplies assurances satisfactory to the Commissioner of its ability to repay the loan with interest; and
 (7) the making of the loan will not violate the first amendment to the Constitution
 (b) If a loan satisfies the criteria of subsection (a) of this section and there are funds available, the Commissioner is directed to make the loan in the amount applied for (subject to the provisions of section 3 of this Act), unless he finds that this amount is excessive in relation to the number of students in attendance or likely to attend the applicant school or in relation to applications by other schools in the same State.
 ADMINISTRATIVE PROCEDURES
 SEC. 5. The Commissioner shall not finally deny an application for a loan under this Act except after reasonable notice and opportunity for a hearing to the applicant. If

the loan is denied, the Commissioner is directed to make separate findings on each of the criteria provided in subsection (a) of section 4 of this Act, to state specifically the criterion or criteria which the loan application failed to satisfy, and, if he deems it practicable, to state the amount of the loan which he would deem proper under subsection (b) of section 4 if the criteria of subsection (a) of section 4 were satisfied.

JUDICIAL REVIEW

SEC. 6. (a) Any school whose application for a loan has been denied by the Commissioner under the provisions of subsection (a) of section 4 of this Act may bring a civil action to obtain a review of the final decision of the Commissioner.

(b) Any citizen of the United States upon whose taxable income there was imposed an income tax under section 1 of the Internal Revenue Code of 1954 for the last preceding calendar or taxable year and who has paid any part of such income tax, may bring a civil action against the Commissioner to restrain or enjoin him from taking any action under this Act which the plaintiff challenges as invalid under the first amendment to the Constitution. No additional showing of direct or indirect financial or other injury, actual or prospective, on the part of the plaintiff shall be required for the maintenance of any such action.

(c) Any school which is denied a loan or which has had the amount of the loan it receives reduced because of the lack of funds available in a particular year, may bring a civil action to obtain a review of the decisions of the Commissioner extending loans to other schools insofar as the other loans are claimed to be invalid under the first amendment to the Constitution.

(d) Any action brought under the preceding subsections of this section must be commenced within sixty days after the final decision of the Commissioner. Such action shall be brought in the district court of the United States for the District of Columbia. Upon the commencement of such action the Commissioner shall file in the court the record of the proceedings upon which the findings or decision complained of are based. The district court of the United States for the District of Columbia shall have jurisdiction to hear and determine any such action, and the court shall have power to enter, upon the pleadings and record of proceedings a judgment affirming, modifying, or reversing the decision of the Commissioner. The findings of the Commissioner as to any fact, if supported by substantial evidence, shall be conclusive, but all rulings of law, conclusions of law, and mixed conclusions of fact and law made under subsection (a) of section 4, shall be subject to unlimited judicial review. Any party to such action aggrieved by a final order entered therein by the district court relating to clause 7 of subsection (a) of section 4 shall be entitled to a review thereof by the Supreme Court through the filing in that Court, within sixty days after the entry of that order, of an appeal therefrom. Any party to such action aggrieved by a final order entered by the district court on any other ground shall be subject to review in the same manner as a judgment in other civil actions. Any such action pending before any court for hearing, determination, or review shall be heard, determined, or reviewed at the earliest practicable time, and shall be expedited in every practicable manner. Any action instituted in accordance with this Act shall survive notwithstanding any change in the person occupying the office of Commissioner or any vacancy in such office.

LABOR STANDARDS

SEC. 7. All laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part under this Act

shall be paid wages at rates not less than those prevailing on similar construction in the locality to be determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276c-5) for construction projects financed under this Act, and every such employee shall receive compensation at a rate not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any workday or forty hours in the workweek, as the case may be; but the Commissioner may waive the application of this section in cases or classes of cases where laborers or mechanics, not otherwise employed at any time in the construction of the project, voluntarily donate their services for the purpose of lowering the costs of construction and the Commissioner determines that any amounts saved thereby are fully credited to the school undertaking the construction. The Secretary of Labor shall have with respect to the labor standards specified in this provision the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 1332-15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

ADMINISTRATIVE PROVISIONS

SEC. 8. (a) The Commissioner may delegate any of his functions under this Act, except the making of regulations, to any officer or employee of the Office of Education.

(b) In administering the provisions of this Act, the Commissioner is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or other nonprofit agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon.

GENERAL PROVISIONS

SEC. 9. (a) In the performance of, and with respect to, the functions, powers, and duties vested in him by this Act the Commissioner, notwithstanding the provisions of any other law, shall—

(1) prepare annually and submit a budget program as provided for wholly-owned Government corporations by the Government Corporation Control Act, as amended; and

(2) maintain an integral set of accounts which shall be audited annually by the General Accounting Office in accordance with the principles and procedures applicable to commercial transactions as provided by the Government Corporation Control Act, as amended, and no other audit shall be required: *Provided*, That such financial transactions of the Commissioner as the making of loans and vouchers approved by the Commissioner in connection with such financial transactions shall be final and conclusive upon all officers of the Government.

(b) (1) Funds made available to the Commissioner pursuant to the provisions of this Act shall be deposited in a checking account or accounts with the Treasurer of the United States. Receipts and assets obtained or held by the Commissioner in connection with the performance of his functions under this Act, and all funds available for carrying out the functions of the Commissioner under this Act (including appropriations therefor, which are hereby authorized), shall be available, in such amounts as may from year to year be authorized by the Congress, for the administrative expenses of the Commissioner in connection with the performance of such functions.

(2) The Commissioner is authorized (A) to prescribe a schedule of fees which, in his judgment, would be adequate in the aggregate to cover necessary expenses of making inspections (including audits) and providing representatives at the site of projects in connection with loans under this Act, and (B) to condition the making of such loans on agreement by the applicant to pay such

fees; and, if such fees are prescribed, the Commissioner's expenses for such purposes shall be considered nonadministrative. For the purpose of providing such services, the Commissioner may, as authorized by section 8(b), utilize any agency, and such agency may accept reimbursement or payment for such services from such applicant or from the Commissioner, and shall, if a Federal agency, credit such amounts to the appropriation or fund against which expenditures by such agency for such services have been charged.

(c) In the performance of, and with respect to, the functions, powers, and duties vested in him by this Act, the Commissioner, notwithstanding the provisions of any other law, may—

(1) prescribe such rules and regulations as may be necessary to carry out the purposes of this Act;

(2) sue and be sued in any court of record of a State having general jurisdiction or in any district court of the United States, and such district courts shall have jurisdiction of civil actions arising under this Act without regard to the amount in controversy; but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Commissioner or property under his control, and nothing herein shall be construed to except litigation arising out of activities under this Act from the application of sections 507(b) and 2679 of title 28 of the United States Code and of section 367 of the Revised Statutes (5 U.S.C. 316);

(3) foreclose on any property or commence any action to protect or enforce any right conferred upon him by any law, contract, or other agreement, and bid for and purchase at any foreclosure or any other sale any property in connection with which he has made a loan pursuant to this Act; and, in the event of any such acquisition (and notwithstanding any other provisions of law relating to the acquisition, handling, or disposal of real property by the United States), complete, administer, remodel and convert, dispose of, lease, and otherwise deal with, such property: *Provided*, That any such acquisition of real property shall not deprive any State or political subdivision thereof of its civil or criminal jurisdiction in and over such property or impair the civil rights under the State or local laws of the inhabitants on such property;

(4) enter into agreements to pay annual sums in lieu of taxes to any State or local taxing authority with respect to any real property so acquired or owned;

(5) sell or exchange at public or private sale, or lease, real or personal property, and sell or exchange any securities or obligations, upon such terms as he may fix;

(6) obtain insurance against loss in connection with property and other assets held;

(7) subject to the specific limitations in this Act, consent to the modification, with respect to the rate of interest, time of payment of any installment of principal or interest, security, or any other term of any contract or agreement to which he is a party or which has been transferred to him pursuant to this section; and

(8) include in any contract or instrument made pursuant to this section such other covenants, conditions, or provisions as he may deem necessary to assure that the purposes of this Act will be achieved.

PROHIBITION AGAINST FEDERAL CONTROL

SEC. 10. Nothing contained in this Act shall be construed as authorizing a department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over, or impose any requirements or condition with respect to, the personnel, curriculum, methods of instruction, or administration of any educational institution.

FINANCING

SEC. 11. (a) In order to obtain funds for loans under this Act, the Commissioner may, on or after July 1, 1961, from time to time issue notes and obligations for purchase by the Secretary of the Treasury. The maximum aggregate principal amount of such notes and obligations outstanding at any one time shall not exceed (1) the sum of \$105,000,000 until June 30, 1962, inclusive; (2) the sum of \$222,000,000 from July 1, 1962, until June 30, 1963, inclusive; and (3) the sum of \$351,000,000 from July 1, 1963, and thereafter.

(b) Notes or other obligations issued by the Commissioner under this Act shall be in such forms and denominations, have such maturities, and be subject to such terms and conditions as may be prescribed by the Commissioner, with the approval of the Secretary of the Treasury, and shall bear interest at a rate determined by the Secretary of the Treasury which shall be not less than the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the issuance by the Commissioner and adjusted to the nearest one-eighth of 1 per centum. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations of the Commissioner issued under this Act and for such purpose is authorized to use as a public-debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such Act, as amended, are extended to include any purchases of such notes and other obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public-debt transactions of the United States.

(c) There are hereby authorized to be appropriated to the Commissioner such sums as may be necessary, together with loan principal and interest payments made under this Act, for payments on notes or other obligations issued by the Commissioner under this section.

SEPARABILITY

SEC. 12. If any provision of this Act is held invalid, the remainder of the Act shall not be affected thereby.

Mr. JAVITS. Mr. President—

Mr. CLARK. I yield to my friend.

Mr. JAVITS. I should like to ask several questions about this matter, both as a member of the subcommittee and as a Senator from a State which has many parochial school pupils.

First, I wish to ask a question about the procedure. Does the Senator from Pennsylvania believe there would be any objection—if the situation should work out in that way—to having his bill or a similar bill considered even before Senate consideration of the general Federal-aid-to-education bill; or does the Senator from Pennsylvania have any particular view as to whether his bill should be considered before or after that bill, bearing in mind—and of course I know the attitude of the Senator from Pennsylvania, and he knows mine—that it is undesirable to deal with this measure in connection with the text of the major Federal-aid-to-education bill.

Mr. CLARK. Does the Senator from New York have reference to consideration in the committee or on the floor?

Mr. JAVITS. To consideration on the floor, I would say.

Mr. CLARK. My present thought—which will be subject to change if the leadership feels otherwise—would be that if we could get my bill reported by the committee, it should go on the calendar; and I hope the leadership would assure the Members of the Senate that it would be promptly called up for vote after the administration's measure.

Mr. JAVITS. Would the Senator from Pennsylvania agree with me that at that point we would have an obligation, in good faith, to see to it that that happened? I gather that is the view of the Senator from Pennsylvania.

Mr. CLARK. That is my view. As to whether the leadership agrees or not, I have not had an opportunity to determine.

Mr. JAVITS. I join the Senator from Pennsylvania in believing that good faith would require that that be done.

Second, I am glad the Senator has made provision for a constitutional test. There may be a question whether we can give that authority, but it is a fact, and it has concerned me very deeply, that, jurisdictionally speaking, there would be no way for a taxpayer to test the law in this kind of situation, in order to raise the issue of constitutionality.

I gather that is the reason why the Senator has provided in the bill specific authority which would entitle an individual to sue.

Mr. CLARK. First, while I believe the provisions for constitutional review contained in the bill are valid, the Senator is a good enough constitutional lawyer to know that, if the Supreme Court did not want to hear the case, it could probably find some reason for not doing so. I have great confidence in the present Supreme Court of the United States under the distinguished leadership of Chief Justice Warren. The Court has measured up to its constitutional responsibility in the past on even hotter issues, and I am confident in my own mind it will decide this issue.

The bill provides three methods of review. The first would be used if the Commissioner of Education determined—and, presumably, he would consult competent legal authorities—that a loan made to a private school, owned and operated by a religious group, violated the first amendment of the Constitution of the United States.

The school that had been refused the loan would then be permitted under the terms of the bill to bring a civil action in the District Court for the District of Columbia to review the Commissioner's decision, and, if the court's order did not grant the relief requested to appeal—not by certiorari—directly to the Supreme Court of the United States.

If the Commissioner of Education, however, were to find the loan did not result in the statute's becoming an invalid one, two alternate methods are provided to those objecting to the loan's being made on constitutional grounds: First, by a taxpayer's suit, and, second, by a civil action brought by a secular private school under carefully delimited conditions.

I am well aware of the argument that the ruling in Massachusetts against Mellon and Frothingham against Mellon, decided back in the 1920's by Justice Sutherland, is a constitutional ruling which Congress could not by legislation set aside.

Again, I say if the Supreme Court wants to decide the question, this bill provides appropriate and available procedures.

Mr. JAVITS. I do not wish to delay the Senator, but I do have a few other questions which are essential to ask in this profound issue.

The Senator from Pennsylvania used the language, "if the Commissioner of Education found a loan made to a private school violated the first amendment of the Constitution." Would the Senator wish to amend that language so it would read "if the Commissioner of Education found the application, under the statute which was then being made, to be an unconstitutional application of the statute as passed"?

Mr. CLARK. The prohibition in the first amendment is against a law respecting an establishment of religion. The bill would require the Commissioner of Education to examine each application and reach a determination as to whether the making of the loan applied for, taking into account all of the surrounding circumstances, would be an unconstitutional application of the statute.

Mr. JAVITS. It is a fact that the decided cases have not ruled that a loan to parochial schools for the purposes of classroom construction is, on its face, unconstitutional. Is that not a fact?

Mr. CLARK. That is correct.

Mr. JAVITS. So, although there are constitutional lawyers, including those of the Department of Health, Education, and Welfare, who have rendered an elaborate opinion, believe such a loan is unconstitutional, the Supreme Court has not so decided. Is that correct?

Mr. CLARK. Exactly, and I want the Record to show I disagree with that conclusion in that opinion.

Mr. JAVITS. Exactly. If the Commissioner is to decide the basic constitutional question as to the whole statute, then I think we face one set of circumstances. However, it is different if we say to the Commissioner, "In the event that you find in respect to an application which is made to you, the application of the law which you are asked to make will be such as to run afoul of the separation between church and state, you should so find."

To cite a striking example, suppose the Commissioner is asked to lend money to build a chapel in a seminary in which a reverend or a priest is to be ordained. He might say, "That obviously runs afoul of the Constitution."

On the other hand, suppose the Commissioner is asked to construct a classroom which does not have the remotest relationship even to time off to study religion? He might consider that that would not run afoul of the constitutional prohibition.

That is the question I put to the Senator. I wonder if the Senator, in introducing the bill, would define precisely

what he expects the Commissioner to do, thereby explaining the reason why he has written the particular provision into the bill.

Mr. CLARK. I think it is a little difficult, off the top of one's head, to insure that a colloquy of this sort will properly represent mature thought on so technical and legalistic a point.

I say to my friend from New York that in my judgment the key words are "with respect to such loan."

What the Commissioner of Education must determine is whether the statute "with respect to such loan" violates the first amendment to the Constitution, in that the law "with respect to such loan" becomes a law respecting an establishment of religion.

Mr. JAVITS. I am very glad my colleague has made that point. I agree that if we are to narrow the question and to have a justiciable controversy, this is the way to do it. I think it also gives us an opportunity, even in the subcommittee, by careful study and perhaps by some legal draftsmanship, to try to find a formula which will do what many of us hope can be done, and at the same time give us the minimal risk in terms of doing something which is unconstitutional.

I should like to ask the Senator another question.

Mr. CLARK. Before the Senator asks another question, I should like to say that the Senator from Oregon [Mr. Morse] and I considered seven separate clauses to cover the point to which the Senator from New York now refers. After long and prayerful thought, after consulting with a number of competent lawyers in addition to the Senator from Oregon, we concluded that the simplest solution was the best.

Mr. JAVITS. I, too, am seeking advice from leading constitutional lawyers in the country, and law schools. I hope we can bring their good judgment to bear on the subject.

I have one final question to ask. I know the Senator's answer, I believe, but it is important for the record.

I do not intend—and I am sure the Senator from Pennsylvania does not intend—to shift the burden of deciding constitutionality to the Supreme Court. The Senator would agree that every Senator, lawyer and nonlawyer alike, should, when he votes, be satisfied in good conscience that he is voting for a measure which he believes to be constitutional.

Mr. CLARK. I think it is implicit in the passage of any proposed legislation by this body or by the other body that Members who vote for passage believe it to be constitutional. Otherwise they have no right to vote for it.

I also believe there are many Members of this body, including the Senator from Pennsylvania, who do not set themselves up as great constitutional authorities, who are quite willing to have their judgment checked by the body set up in the Constitution to give the final word on these subjects; namely, the Supreme Court of the United States.

Mr. JAVITS. I am very grateful to my colleague for his comments.

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

Mr. CLARK. I yield to the Senator from Michigan.

Mr. HART. Mr. President, I thank my good friend the Senator from Pennsylvania. I have listened with attention to the Senator's presentation. I am gratified that he and the distinguished senior Senator from Oregon have introduced the bill.

Along with many other Senators, I have had great concern that we should do wisely that which I think is the goal of all of us, raising the level of education in this country. We should do it as broadly as we may within constitutional limitations.

It would appear now that the wisest course for those who seek Federal aid in all possible areas within constitutional limits is to support the separate venture which, I take it, the Senator from Oregon and the Senator from Pennsylvania would agree is a way to describe the bill.

Therefore, I would welcome an opportunity to join the Senators as a cosponsor.

If I may make comment on the colloquy between the distinguished Senator from Pennsylvania and the distinguished Senator from New York, I would not, by my silence, wish to indicate that I am committed yet to the idea that every time the Senate votes a Senator must make a judgment affirmatively with respect to constitutional questions. I think clearly our obligation is to vote "nay" when we make the judgment that a measure is unconstitutional, but I am hesitant to undertake the responsibility of making a judgment of an affirmative nature on constitutionality on every bill. I think when there is a doubt, broad policy judgment then should persuade one, rather than seeking the law books on the Constitution.

Mr. CLARK. It occurs to me that the Senator must obviously be correct, because many extremely competent and able Senators are not lawyers at all. It is most difficult, if not impossible, for a man who is not a lawyer, and actually for one who is not an experienced constitutional lawyer, to have any view which is very meaningful on proposed legislation as to which there is any doubt as to constitutionality.

Mr. HART. The reason I made the comment is that I sense that the bill is directed toward an area which will remain in doubt until the day the Supreme Court gives us the answer. I am hopeful that Senators will not vote in opposition to a proposal merely because there is doubt. I hope that Senators will vote "nay" if they are certain a constitutional prohibition would be violated.

Mr. CLARK. My views are in accord with those of my friend from Michigan. I welcome his support as a cosponsor of the bill.

Mr. President, I yield the floor.

Mr. MORSE. Mr. President, I wish to add to the splendid statement made by the very able and distinguished Senator from Pennsylvania only a few complimentary remarks.

First, I compliment my distinguished friend for the excellent statement he has made on the bill which he has introduced. I also thank him for the great assistance he has been to me in his capacity as a member of the Subcommittee on Education of the Senate Committee on Labor and Public Welfare.

For a long time in the Senate the Senator from Pennsylvania has spoken, in my judgment, with great clarity and with great courage on this volatile issue of Federal aid to private schools. I am proud, as the senior Senator from Oregon, to join with the Senator in sponsoring this measure. It is my sincere hope that the proposal so ably presented by the Senator from Pennsylvania [Mr. CLARK] will be received and acted upon with a minimum of delay, because, in my judgment, we owe it to the people of the United States today, as legislators, to act upon our convictions in matters such as this in order to achieve two goals.

I confirm the announcement that the Senator from Pennsylvania [Mr. CLARK] made as to our plans to hold hearings on the bill before the Senate Subcommittee on Education. Those hearings will be held on the 13th and 14th of April. I am sure this announcement will be formalized. I have talked with a majority of the members of my subcommittee and have been authorized to make preliminary arrangements for the holding of the hearings, and to notify those who undoubtedly will wish to appear as witnesses on the bill.

It is my hope and expectation that we can complete hearings in 2 days. Testimony will be limited to the views of witnesses on the language of the bill or concerning such amendments as the subcommittee will wish to consider in modification of the bill. I make this statement because hearings on the administration Federal aid to education bill have been voluminous on the entire subject of loans to private schools. I wish to make it clear that I shall not, in the public hearing, permit a repetition of the data, evidence, and information already in the record. I shall be perfectly willing to have such material filed as supplementary to statements made, but I shall give instructions to the witnesses to confine themselves to their pro and con arguments with respect to the Clark-Morse bill or any amendments thereto.

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

Mr. MORSE. I yield.

Mr. CLARK. Unfortunately I was unable to be present at all of the hearings on the administration bill which were conducted by my good friend from Oregon. Is my friend satisfied that there is at present a clearly documented record establishing the need for assistance to private schools in order to enable them to carry out the task of educating a substantial portion of American youth?

Mr. MORSE. There is a considerable amount of evidence and data in the record, but, of course, the witnesses in support of the Clark-Morse bill can introduce additional evidence on the need at the April 13 and 14 hearings.

My own position, as I made clear in connection with similar legislation I sponsored in the last session, is that this is constitutionally acceptable legislation. Opinions of very able constitutional lawyers may differ on this point, as happens very often, when men of good will seek to offer variant solutions to problems which arise, but based upon my own study, I would hold as a lawyer that the bill offered today by both Senator CLARK and myself meets this first test of any legislative proposal.

I associate myself with the remarks of the Senator from Pennsylvania [Mr. CLARK]. In my judgment, each Senator, in keeping with the oath to uphold the Constitution, that he takes when he comes into this body, has a clear obligation to satisfy himself before he votes in favor of proposed legislation that he believes it to be constitutional. I would not be offering as a cosponsor with the author, the Senator from Pennsylvania [Mr. CLARK], this proposed legislation if I did not honestly believe as a lawyer that our bill would meet the constitutional test. I shall have something to say on that subject in a moment.

The goals, to which I referred earlier, are these:

First, to provide for the educational needs of a substantial segment of our Nation's schoolchildren, who are educated in private and parochial schools.

I have said many times in past debate, there is no question about the public service that private schools perform. There is no doubt about the great service, in terms of many millions of dollars, that the private schools perform for all the taxpayers of the United States each year. If anyone should question that fact, he should for a moment reflect upon what would happen if we closed all the private schools in the United States tonight and if all the schoolchildren in those private schools appeared at the public school doors tomorrow morning.

Then I think the American taxpayers would have a clear understanding of the public service rendered by private schools and the public savings rendered by the private schools. They would know what our total national educational cost would then be, if it were not for the contributions that the private schools are making today to the educational process.

Mr. CLARK. Mr. President, will the Senator yield at that point?

Mr. MORSE. I yield.

Mr. CLARK. I am happy that the Senator has made the point. I thank him for his very kind remarks about me, for which I am grateful. But is it not a fact that under the laws of all 50 States, each of which has compulsory free public education through various grades—usually grade 12—every private school, in order to be able to operate and to permit a child to go there instead of going to a public school, must meet the standards of education laid down by the superintendents of instruction for the public schools in that State?

Mr. MORSE. The Senator is correct. It seems to me his comment also bears upon the fact that, in a sense, private

schools can be considered as analogous to public schools in that they meet the public standards which are required in the educational process. If they did not meet those standards fully, they would not be able to operate.

Mr. CLARK. They relieve taxpayers of the States and school districts of the obligation of paying out still more money to educate children who otherwise would have to be taken into the public schools.

Mr. MORSE. There is no question about that.

The second goal to which I wish to refer is to provide, even more importantly, a procedure whereby, with far greater precision than is now afforded, a conclusive determination can be made of the extent to which the Federal Government may legitimately provide services to the private school sector of our society without violation of the first amendment.

The second point I have raised assumes an even greater importance because of the divisive controversy arising in connection with the aid-to-public-schools bill upon which hearings were recently concluded. Let us not mistake the situation. Feelings on this matter run deep and are grounded in historic situations of the past. Basic loyalties are involved and it is our duty to see that procedures are available to all parties concerned whereby they may state their convictions freely, certain in the knowledge that careful consideration is being given in the framing of legislation to those views and convictions. I believe that to avoid this issue, will but cause it to smolder, only to erupt in more heated form another day.

I wish to be very frank about this problem. It is a delicate one. Many people like to avoid it, but it cannot be avoided. In my judgment, the controversy over the religious issue in relation to public and private schools, and Federal aid in respect thereto, cannot be put behind us, in my judgment, until we finally raise it in such form that we can get a final decision from the U.S. Supreme Court on the subject matter. I make a plea tonight to all Catholics, to all Protestants, and all those of other faiths who have views on this subject, to join forces with us in trying to get this matter settled once and for all in this country. We have all the clear responsibility to strive for a decision as to how far, if at all, the Federal Government can go in giving aid to private schools, both secondary and primary as well as to higher education.

I make this plea because, in my judgment, it is not good for our body politic to have this highly controversial and emotional issue repeatedly raised in this country. It tends to split the Nation. It is not good for the Nation. All that we are really dealing with in essence, is the question whether or not it is within the constitutional power of the Federal Government to give any form of aid to private schools.

I believe it is very unfortunate that there are those in this country who would seem to avoid meeting the issue head on. In a democracy I believe in meeting issues head on. I believe that

those of us who are offering the bill, who are urging its consideration and its passage, are really performing a service for our country, in that we believe the time is long overdue to have this issue finally determined as a matter of law.

On November 8, 1960, I believe a historic event occurred in this country, because we started to put to rest a highly emotional issue, controversial in nature, which has divided this country for a long time. The fear that if we elected a President who happened to be of the Catholic faith, we would not be able to protect the constitutional doctrine of separation of church and state.

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

Mr. MORSE. I have always repudiated that view. I have always said that it has no place in a democracy. I have always held to the point of view that any citizen, irrespective of his religious faith, once he takes the oath of office to uphold the Constitution, could be counted upon to keep that pledge.

I am very proud of the record that the brilliant President of the United States has made on this subject matter. I say that we ought to rally behind him and we ought to follow his leadership, now that he is our leader. We ought once and for all to determine the question as to how far the Federal Government can go under the first amendment to the Constitution in giving aid to private schools. I believe that this is the duty of Americans of all religious faiths—Catholics, Protestants, and Jews, and, yes, including those who may not be of any religious faith. In view of the international problems which confront us and will confront us in the next score of years we ought to see to it that we follow courses of action in this country which will keep us united and not divided. This is one way to unite this country. I am satisfied that once the Supreme Court speaks on this subject one way or another, the overwhelming majority of the American people will say, "That settles it for me."

Therefore, I am very proud to join the Senator from Pennsylvania in introducing the bill.

I am in a rather difficult position. The Senator from Pennsylvania has referred to it, when he pointed out that last year I was the author of an amendment to what was then Senate bill 8, in which an effort was made to get the matter settled. This year I have the responsibility of being chairman of the Subcommittee on Education.

I apologize to the Senator from Kentucky. The Senator from Pennsylvania has just told me that the Senator from Kentucky had asked me to yield to him. I did not hear him. Does the Senator wish me to yield on another subject matter?

Mr. MORTON. It is on the subject matter which the Senator is discussing.

Mr. MORSE. I yield to the Senator from Kentucky.

Mr. MORTON. I wish to commend the Senator by saying that in my opinion this Nation has ended the question of religious prejudice in this country, and I hope that all Americans agree, as I know the Senator from Oregon agrees.

I would like to ask the Senator from Oregon how I should vote, in his opinion, on the proposal now before us. I voted against it last year when he offered the amendment. I would like to hear his argument as to why I should vote for his proposal this year.

Mr. MORSE. I will do my very best to persuade the Senator from Kentucky to vote with me. This will be a rather long debate over the next few weeks. Tonight I only want to say that unless I can convince the Senator from Kentucky that the bill is constitutional, the Senator from Kentucky should, and I am sure will, vote against me. I do not believe any Senator should vote with me if he thinks that in fact the bill violates the first amendment to the Constitution. If I thought it violated the first amendment, I would not offer it.

But as to the other substantive reasons, as to why I believe the bill should be enacted, I hope the Senator from Kentucky will bear with me in the debates that will follow in the next few weeks. Tonight I will explain briefly the objectives of the bill and not go into the substantive arguments in support of it.

What, then, are the tests to apply to a constitutional question? Are they not:

First, does the bill violate the first amendment? Does the bill seek to establish religion in contravention of the amendment? My answer is "No," the bill seeks to empower the Commissioner of Education with authority to make interest-bearing loans under carefully worded legislative instructions for limited purposes connected with the education of boys and girls whose parents, for various reasons, prefer them to be educated in private schools.

Whether such education is compulsory or voluntary, whether there is or is not undue tax burden, whether the education provided is in the primary and secondary schools, or is accomplished at institutions of higher learning seems to me to miss the point. The question is rather: whether the proposal meets the constitutional test, in the first instance, and second, if it does, then, whether the proposal is in the public interest.

We have procedures to determine both of these matters in our system of checks and balances.

The constitutional question must be answered by each of us in this Chamber in accordance with our understanding and belief on every piece of legislation with which we are concerned.

The hearings process permits us to have access to the views and reasoning processes followed by others in arriving at our own conclusions.

The President of the United States has his obligation, under the Constitution, on every bill presented to him to exercise a similar judgment, and finally, since no one of us or group of us can claim an absolute knowledge, the procedures of the courts of this Nation are available for a check upon our reasoning and findings. This system works well. If followed, an orderly determination under the rule of law can be made as to the validity of a statute. In the process, we also arrive at our collective

judgment as a people upon, not only the legality, but also the advisability of a course of action. This valued judgment, and the method by which we arrive at it, is a most precious assurance that so far as man can devise, justice can be achieved in our country.

Mr. President, as chairman of the Education Subcommittee of the Senate Committee on Labor and Public Welfare, I announce that I plan to hold fair and full hearings on this bill. I want every point of view made a part of the record.

It may be necessary to require the filing of written statements after oral presentations and after a limited time has been allowed witnesses. I wish to make it perfectly clear that I am seeking only to build up a record that can be of use to the Senate once the bill reaches the floor of the Senate, if it reaches the floor, so that we will have before us the best available evidence and data that can be brought before the Senate. The type of information that I believe will be very helpful to the Senate is contained, for example, in a letter which I received today from Prof. Mark DeW. Howe, professor of law at Harvard University.

I wish to read certain excerpts from the letter, because I very well know that this being the first time that any public discussion of the Clark-Morse bill has been held in the Senate, we probably have some duty at least to offer what I think is a prima facie case based upon this constitutional scholar's argument in regard to the constitutional point. Therefore, I wish to read from two pages of this letter. Professor Howe says:

While the first amendment, as interpreted by the Supreme Court in the *Everson* and *McCullum* cases, remains the law of the land doubts concerning the constitutionality of the suggested program of loans, as it applies to parochial schools, have obvious justification. I am myself persuaded, however, that a plan of the sort described, subject to some limitations, does not violate the first amendment.

Perhaps I can best explain my position in this matter by dealing first with the constitutionality of loans to nondenominational private schools. It seems to me quite clear that there is no constitutional barrier to Federal financing of the educational activities of private schools which are serving the public interest by providing that kind of instruction which the States prescribe for public schools.

I digress to say that that is exactly the point which the Senator from Pennsylvania [Mr. CLARK] made a few minutes ago. I now return to Professor Howe's letter:

I see no reason, in other words, why Federal grants or loans might not be made to Exeter and Andover, when the aid is directed toward the "public" aspects of their enterprise. I should suppose, however, that it would be of very questionable constitutionality, under the first amendment, for a Federal grant or loan to be made to Andover or Exeter for the construction of a chapel. Obviously a parochial school would have no better right to expend Federal money for the building of a chapel or the decoration of its classrooms with religious symbols, than would a non-denominational private school.

I realize, of course, that many men of good will, and many lawyers of extensive learning, conceding what I have so far asserted, would insist that it is impossible for responsible

statesmen, asked to help the parochial schools in a time of need, to disregard the fact that most parochial schools are by the very nature of the faith that led to their establishment, compelled to make all instruction religious education. They would urge, therefore, that if I concede, as I do, the unconstitutionality of Federal aid in the construction of chapels I should acknowledge that the physics and chemistry laboratories, the slide rules and blackboards in the arithmetic classrooms, are chapels and symbols. Perhaps if I were a better or more relentless logician than I am, I should. The fact, however, is that these questions of constitutionality—like almost all others—seem to me ultimately to be questions of degree. And when I consider those questions I am satisfied that a valid line may be drawn between governmental support of activities that are predominantly of civil concern and those which are predominantly of religious significance.

From what I have said you will see that I am not willing to endorse, without qualification, the constitutionality of the suggested plan of loans for all construction programs in private schools. I believe that serious questions of constitutionality would be presented were there to be no limitations with respect to the type of program for which support might be sought. Of course I realize that the opponents of any and all programs of aid to parochial schools insist that my innocence will permit bookkeepers to circumvent the prohibitions of the first amendment. Perhaps they are right. I suspect, however, that this bookkeeping habit has become something like a constitutional tradition to which we must adjust ourselves.

May I add two more words. It seems to me that the difficulties of assuring a judicial resolution of the constitutional issues which I have discussed make it more than normally important that these problems be considered with the greatest care and deliberation in the Congress. The tendency to suggest that because the questions may be nonjusticiable the Congress need not worry, strikes me as wholly indefensible. If there are nonjusticiable problems presented the Congress owes a peculiarly nondelegable duty to resolve them. I am encouraged by your letter to believe that your committee recognizes this special responsibility. Finally I should like to add an expression of an opinion which you did not seek. I believe that it would be a mistake to make provisions at the present time for aid to private elementary and secondary schools. I express this strong opinion in order that you may realize that I have attempted to keep my political opinion and my professional judgment in different compartments of my mind.

Very sincerely yours,

MARK DEW. HOWE,
Professor of Law.

I think Professor Howe is deserving of high commendation as are his colleagues of high caliber who are furnishing constitutional opinions to the subcommittee. In my judgment he typifies the spirit of a true lawyer. He has put aside his own personal political judgment, as he says in his last paragraph. He himself, as a matter of public policy, obviously does not favor loans to private schools; but as a constitutional lawyer and a recognized scholar and authority in the field of constitutional law, he points out that, in his judgment, loans to private schools, properly safeguarded with certain criteria, are constitutional. It is on that premise that I find myself, and have always found myself, in complete agreement with the point of view expressed by Professor Howe.

Without taking the time to review my previously expressed judgment on the floor of the Senate concerning the constitutionality of an interest-bearing loan form of legislation, I ask unanimous consent that certain excerpts dealing with the overall constitutional problem, presented by me in the debate last year, be printed at this point in the RECORD.

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

MR. MORSE. Mr. President, I will now proceed to a discussion of the amendment.

PRIVATE SCHOOLS ARE PART OF EDUCATION SYSTEM

The Federal aid to education bill, S. 8, is one that I believe to be most important for our country. There can be no doubt that education in America stands in need of financial assistance from the Federal Government. There can be no doubt that the Federal Government stands in need of a sound education system in America. The measure proposed by the Senator from Michigan, Mr. McNAMARA, would give such aid to the public schools.

However, I feel that I must express a very deep concern over the failure of the bill to consider the needs of all of American education. As presently constituted, S. 8 neglects the 15 percent of our Nation's youth who are receiving their education in nonpublic schools. That is where this 15 percent figure originated, Mr. President. We took the 15-percent figure in the first place because 15 percent of our boys and girls in the United States are going to private schools.

May I emphasize that they are receiving their education in nonpublic schools because they and their parents are exercising their rights within our democracy in choosing the kind of education they desire. This right is one that has been determined by decision of the Supreme Court.

I should like to recall to the Senate this decision, the so-called Oregon case decided in 1925, *Pierce v. Society of Sisters*. In it, the U.S. Supreme Court found an Oregon State law requiring compulsory public school education of children between the ages of 8 and 16 to be an invasion of the liberty guaranteed by the 14th amendment. This great decision is the charter of education freedom in America. Since that time, traditionally and juridically, every private school, attendance at which satisfies compulsory education laws of the States, is an integral part of the American educational endeavor.

Let me read a short excerpt from this great decision of the Supreme Court of the United States, which was a unanimous decision. The Justice writing for the majority was Justice McReynolds.

A 1922 Oregon statute required attendance at public schools of children between the ages of 8 and 16. The Society of Sisters, one of the groups which brought the action, was a Roman Catholic institution. The name "Pierce" in the decision is the name of a great Governor of our State at the time, later a Representative in Congress, the Honorable Walter Pierce.

The Supreme Court said:

"Under the doctrine of *Meyer v. Nebraska* (262 U.S. 390), we think it entirely plain that the act of 1922 unreasonably interferes with the liberty of parents and guardians to direct the upbringing and education of children under their control.

"As often heretofore pointed out, rights guaranteed by the Constitution may not be abridged by legislation which has no reasonable relation to some purpose within the competency of the State. The fundamental theory of liberty upon which all governments in this Union repose excludes any general

power of the State to standardize its children by forcing them to accept instruction from public teachers only.

"The child is not the mere creature of the State; those who nurture him and direct his destiny have the right, coupled with the high duty, to recognize and prepare him for additional obligations."

Mr. President, it was that language and the other part of the decision in the famous *Pierce* case of 1925 which established the principle that when a State seeks to compel children to go to a public school it acts unconstitutionally, and that legislation which would so provide is in violation of the 14th amendment.

So, Mr. President, we have no single track system of education in this country; the States fortunately, have not preempted the field of education. The right of parents to send their children to schools of their choice has consistently been protected. The development of the American system of education has been in the direction of diversity, and it has been good for our Nation, exactly as diversity in our political and social life has been good for us. In 1930, the Court upheld the right of Louisiana to spend public funds for textbooks for private school children (*Cochran v. Louisiana State Board of Education*, 281 U.S. 370).

This tradition is one which should be preserved. We know that the public schools have serious problems, and because I recognize that fact I am a supporter of S. 8 and of the Clark amendment to expand the public school grants to include aid for teachers' salaries.

But the private schools are in serious financial straits, too, and we must not forget that fact when we deal with proposed legislation to raise and improve education standards in America.

The problems of the private schools affect the democratic rights of our citizens. For example, as the burden of taxation is increased, the ability of parents to finance the kind of education they wish for their children could be destroyed. In fact, the very existence of nonpublic schools could be destroyed.

The legislation we enact to aid education, then, should not be punitive nor should it place an intolerable burden upon any group. The legislation we enact should be designed with the needs of all of the schools in mind, public and nonpublic, if we are really to improve our education system.

The fact is that the nonpublic schools perform a remarkable service to the Nation in the share of the cost of education they bear. Today, 15 percent of all the children enrolled in elementary and secondary schools are in private schools.

I have been heard many times to draw the illustration of what we could expect if by some wave of the hand all the private elementary and secondary schools now in operation could be caused to disappear, so that all the youngsters attending them today were compelled to show up tomorrow morning at the public schools to continue their education.

More than 5 million children would appear. The figures being discussed in connection with the need of help for the public schools show that there are some 1,800,000 children enrolled in excess of the capacity of the schools to handle them. To add 5 million more would put an additional burden upon the States, school districts, and the Federal Government that is staggering to the imagination.

These private schools provide more than 170,000 classrooms. Using the average expenditure per child of \$237 in the public schools and applying it to these 5 million children, the private schools and those who support them are saving the taxpayers some \$1,185 million a year because that is how much more would have to come out of public

funds if these children suddenly sought a public school education.

I pause a minute on that figure, Mr. President. That is a lot of money; \$1,185 million is being contributed, in my judgment, to the public by the private schools today, and we are asking under this proposal for authority to lend with interest a mere \$75 million, to be of assistance to these private schools in constructing the schoolrooms they need to meet their registration demands.

Is there a public interest involved? Mr. President, the whole burden of my argument in support of the amendment—and I rest my argument on this major premise—is that the taxpayers of the country will be greatly benefited by approval of my amendment. It is an economy amendment. It is an amendment which will save the taxpayers of America great sums of money. It is an amendment which will cost the taxpayers of the country not one red cent. It is an amendment which will return to the Treasury of the United States interest on the money loaned.

It provides for no grant to any private school in America. I want to get that fact firmly established in the debate, Mr. President. The Senator from Oregon, as I shall show later in the argument, does not favor grants, but he does take the position that these private schools ought to be helped because of the public service they render to the American people in the field of education, with interest-bearing loans for school construction, and school construction only, in the amendment.

TIGHT MONEY HURTING CONSTRUCTION OF BOTH PUBLIC AND PRIVATE SCHOOLS

The fact is that the rising interest rates upon funds the private schools have been borrowing to finance their construction is making borrowing more difficult all the time. It is just as difficult for the private schools to borrow in this high interest rate market as it is for the public schools. Construction is not keeping pace with enrollments.

Is it any solution to allow private school construction to be curtailed when the children who would expect to attend them are simply going to have to attend public schools and thereby increase the pressure upon the public schools?

I call attention to that point because it bears again upon my point that this amendment is an economy amendment, for the benefit of all the taxpayers of the country. If the private schools are not able to borrow money to build the classrooms to meet their enrollment demands, those youngsters will have to appear at the doors of the public schools, although their parents may desire to have them go to a private school, which the U.S. Supreme Court in the famous *Pierce* case of 1925, made perfectly clear was the very definite right of parents in our country.

We cannot abridge it by passing compulsory legislation requiring children to go to public schools; that would be unconstitutional, for it would be in violation of the 14th amendment. We should not try to accomplish the same end by indirection in the case of a single child or a group of children, or in the case of the many hundreds with respect to which we would be accomplishing it if we did not have lending facilities available to private schools so that they could borrow money to take any students who ask for admission to private schools.

Let me state that argument another way in order that it may be clear for the RECORD. I try to follow through on the principles of the Supreme Court decision by applying those principles to other operative facts when new circumstances arise. In the *Pierce* case, the Court made it very clear that if a State passed a State statute which sought to require all children between the ages of 6 and 16 to go to a public school, that would

be unconstitutional. One of the reasons it would be unconstitutional would be that in fact it would abridge a very precious natural right of a parent to determine the school to which his child should go.

If, in view of the educational crisis which faces our country, in view of the financial problems which exist in our country, including high interest rates, private schools find themselves in a position where they cannot borrow the money in order to add to a school building the classrooms necessary to admit students who wish to enter the private school, are we not in fact indirectly following a policy which says to the parents, "You must send your children to the public school after all?"

As to those little boys and girls who are involved in that particular hypothetical situation, there is no denying the fact that they are required to go to a public school because no private school facility is open to them.

Mr. President, I think we must make sure, in this Federal-aid-to-education measure, that the private schools are able to maintain their share of the education burden. Further, I believe that the loan program set up in my amendment is the sound way to accomplish that purpose. We should not follow a legislative course of action that would justify anyone in saying that we are acting in a discriminatory fashion against the private schools, or to the disadvantage of the private schools. We owe the private schools so much for the great public contribution which they make each year to the educational system of our country. As I said a few moments ago, it would cost the public some \$1,185 million a year to educate them.

CONGRESSIONAL PRECEDENTS

My next argument is that there are ample precedents in Federal legislation in support of the principle of my amendment. I wish to make my argument on that premise, although I am not one to say that merely because something has been done before it is all right to do it again.

On the contrary, we have many bad precedents, not only in the law, but in our governmental procedure, which should be overruled and discarded. But because the argument is made against me by those who have not done the necessary bookwork which, I respectfully say, ought to be done on this problem before they make this argument, that there is no precedent at all for the amendment I am proposing on the floor of the Senate this afternoon, I believe I owe it to my friends, supporters, and cosponsors to present the result of the research we have done on this particular point.

Mr. BUSH. Mr. President, will the Senator yield for a question?

Mr. MORSE. I yield.

Mr. BUSH. Did the Senator say he had no precedents?

Mr. MORSE. No. I said there were many precedents for the course of action I am proposing, but the argument has been made that there is no precedent.

Mr. BUSH. I thought the Senator said there was no precedent.

Mr. MORSE. I said that argument is made against me.

Mr. BUSH. I apologize. I am sorry. I misunderstood.

Mr. MORSE. That argument is made against the amendment, and I am about to show that there are a great many precedents in support of it.

Before going into the judicial aspects of Federal assistance, let us look at what Congress has already done in this area. For almost 15 years now we have kept in mind the needs of children in the private, non-profit schools with reference to the school lunch program. Not only has the Department of Agriculture distributed food to them, but it has also administered a very

small grant program to enable schools to construct the kitchen and cafeteria space and facilities needed to feed the children in private schools as well as public schools.

For 10 years, the college housing program has gone forward successfully, and I know something about that, because I was a member of the Senate Committee on Banking and Currency when that program was established. It applies to church colleges and universities of many denominations. I know of no instance where a question has been raised as to the constitutionality of including private—and church—colleges in the loan program for dormitories. Apparently it is all right to provide a place for them to sleep, but not a place for them to learn.

Two years ago, we applied the same principle to the National Defense Education Act. Where grants were authorized to the public schools for science facilities and minor remodeling to accommodate them, loans were authorized to private schools. Again, I know of no challenge to the constitutionality of that program, and scarcely any objection even to its advisability.

Another program related to this question is the Hill-Burton Hospital Construction Act. It will be remembered that in the 2d session of the 85th Congress, we considered and passed an amendment to the Hill-Burton Act making it possible for hospitals operated by churches to borrow funds for hospital construction, if they preferred to do that rather than accept the grants. This change was made at the request principally of the Baptist hospitals.

Before reviewing the official position taken by the Baptists, I wish to stress for the Record the fact that under the Hill-Burton Act we grant huge sums of money in total to denominational hospitals—Catholic and Presbyterian and of other denominations. The history of this subject is a very fascinating and interesting one.

The Baptists took the position that they could not accept grant money. Therefore, I now take the Senate through a very interesting bit of history as to what has happened in the administration of the Hill-Burton Act.

LOAN ACCEPTABLE AS SUBSTITUTE FOR GRANTS

In presenting their point of view to the House Committee on Interstate and Foreign Commerce, several Members of Congress who declared their affiliation with the Baptist Church, advocated this change on the ground that accepting grants for Baptist hospitals conflicted with their traditions, but that a loan program would not.

In addition, Dr. John H. Buchanan, who testified on behalf of the Baptist hospitals, gave the following statement on May 7, 1958:

"It so happens, as has been intimated by both Congressman Hays and Congressman HARRIS, that during these 12 years of its existence our Baptist people have not felt free to accept a grant because of a peculiar tradition we have on the separation of church and state. We have gone ahead in constructing hospitals and financing them with great difficulty from private sources and from benevolent funds."

I digress to say that this refers to the 12 years of the existence and operation of the Hill-Burton Act.

"This amendment offered by Congressman HARRIS, H.R. 6833, if approved, would make available to the Baptists—and there are some other groups across the Nation which have taken the same position who have never accepted grants—long-term loans for the help of these groups in making their added contribution to the health of the Nation.

"It would make available to us these funds simply as loans, long-term loans, enabling us to expand our facilities and add to the total health program of the Nation.

"So I come this morning simply to bring that plea, that you give consideration to

those of us who have never availed ourselves of the use of these funds, because of this principle which some of our brethren hold. But this will make it possible for us to expand our facilities, pay back to the Government what we borrow, and meet increasingly a tremendous need across our Nation."

It is interesting to note here that no question was raised as to the constitutionality of extending or accepting a grant for hospital construction on the part of a church organization.

But those groups which had their own objections to the grants, came before Congress asking for a loan program so as to remove their objection to accepting grants.

Let me say, Mr. President, that neither has any question of constitutionality with respect to the loan program been raised in connection with hospitals. Now let us get this premise of my argument clearly understood. There is no difference as a matter of law whether we lend money for use by hospitals or lend it for use by schools. Not a bit.

If the argument is that somehow or in some way the amendment violates the first amendment to the Constitution with respect to the separation of church and State, I will discuss those cases in a moment, but at this point I wish to say that Congress, in connection with the school lunch program, has been granting food to private schools; in connection with dormitory programs for sectarian colleges we have been lending money; and now, under the Hill-Burton Act, we have provided extended grants to sectarian hospitals—hospitals run by Catholic and other religious groups—and then, when we ran into objection by Baptist church officials, who said that practice conflicted with their tradition, we have provided that they could borrow money, although we were perfectly willing to grant it to them.

So I think that at least I have sustained my burden of proof of showing that there is ample legislative precedent for this program and that there has been no successful constitutional contest throwing out this loan program of the Hill-Burton Act or any of the other programs I have enumerated.

What Congress did in connection with the Hill-Burton program for meeting the health needs of the American people now needs to be done in regard to our education needs. That is what we are asking for in S. 8 and in my private school loan amendment.

COURT RULINGS ON SEPARATION OF CHURCH AND STATE

But beyond the fact that Congress has again and again included private and even church schools and hospitals in Federal programs of assistance to the general welfare, what have the Federal courts, and the U.S. Supreme Court in particular had to say on this subject?

There is no specific Federal judicial precedent on the exact point of Federal grant or loan programs. But there are precedents on other points. I have already mentioned the 1925 and 1930 cases, the latter upholding the expenditure of public funds by a State for textbooks for private schools.

In 1946, the Supreme Court again had occasion to pass upon a State statute extending another form of assistance to its children. This was the New Jersey law furnishing school-bus transportation, upheld by the High Court in 1946.

At that time, in *Everson v. Board of Education* (330 U.S. 1), the entire Court concurred in the following general interpretation of the first amendment ban upon the establishment of a religion:

"Neither a State nor the Federal Government can pass laws which aid one religion, aid all religions, or prefer one religion over another."

The dissenting judges concurred in that conclusion, drawing their difference over

what constitutes "aid." It was the decision of the majority that the granting of "aid" could not be construed so narrowly as to cut off welfare services for children attending the private schools, even if they are church-affiliated schools.

Shortly thereafter came the McCollum case, which has been cited to me as rendering my amendment unconstitutional. There are those who have called upon me during the last few days, and insisted that my amendment cannot be reconciled with the McCollum case. I told them that I completely disagreed with their interpretation of the McCollum case, and suggested that they hear me through my argument when I make it on the floor of the Senate. I do not believe that their construction of the McCollum case holds water.

In the 1948 case of *McCullum v. Board of Education* (333 U.S. 203), issue was made over a released time program in Champaign, Ill., where the children were released from class during the school day to receive religious instruction on school premises, provided the parents consented to the release. Other children continued their academic work.

Although the Illinois Supreme Court upheld this practice, the U.S. Supreme Court did not. Opponents of the released time program contended it was an "aid to all religions" and hence, unconstitutional. This view prevailed with the Supreme Court. Its majority declared:

"Here not only are the State's tax-supported public school buildings used for the dissemination of religious doctrines. The State also affords sectarian groups an invaluable aid in that it helps to provide pupils for their religious classes through the use of the State's compulsory public school machinery. This is not separation of church and state."

But this was not the last of the Court's statements on the subject, nor do the facts conform with the loan program under consideration in my amendment. In fact, the facts of the McCollum case have nothing whatsoever to do with any loan program.

The next released time case brought before the U.S. Supreme Court was from New York and was decided in the case of *Zorach against Clauson* in 1952. In this instance, the released time for religious instruction also required the consent of the parents, and occurred during the school day, but the religious instruction did not take place on school premises.

The Supreme Court found this entirely constitutional. Justice Douglas delivered the opinion of the Court, and declared:

"No one is forced to go to the religious classroom. A student need not take religious instruction. He is left to his own desires as to the manner or time of his religious devotions, if any.

"There is a suggestion that the system involves the use of coercion to get public school students into religious classrooms. The present record indeed tells us that the school authorities are neutral in this regard and do no more than release students whose parents so request."

In emphasizing the historic development of this Nation, Justice Douglas went on to say in the *Zorach* case of 1952:

"There cannot be the slightest doubt that the first amendment reflects the philosophy that church and state should be separated. And so far as interference with the free exercise of religion and an establishment of religion are concerned, the separation must be complete and unequivocal. The first amendment within the scope of its coverage permits no exception; the prohibition is absolute. The first amendment, however, does not say that in every and all respects there shall be a separation of church and state. Rather, it studiously defines the manner, the

specific ways, in which there shall be no concert or union or dependency one on the other. That is the commonsense of the matter. Otherwise the state and religion would be aliens to each other—hostile, suspicious, and even unfriendly. Churches could not be required to pay even property taxes. Municipalities would not be permitted to render police or fire protection to religious groups. Policemen who helped parishioners into their places of worship would violate the Constitution. Prayers in our legislative halls; the appeals to the Almighty in the messages of the Chief Executive; the proclamations making Thanksgiving Day a holiday; 'so help me God' in our courtroom oaths—these and all other references to the Almighty that run through our laws, our public rituals, our ceremonies would be flouting the first amendment. A fastidious atheist or agnostic could even object to the supplication with which the Court opens each session: 'God save the United States and this Honorable Court.'

"We are a religious people whose institutions presuppose a supreme being. We guarantee the freedom to worship as one chooses. We make room for as wide a variety of beliefs and creeds as the spiritual needs of man deem necessary. We sponsor an attitude on the part of Government that shows no partiality to any one group and that lets each flourish according to the zeal of its adherents and the appeal of its dogma. When the state encourages religious instruction or cooperates with religious authorities by adjusting the schedule of public events to sectarian needs, it follows the best of our traditions. For it then respects the religious nature of our people and accommodates the public service to their spiritual needs. To hold that it may not would be to find in the Constitution a requirement that the Government show a callous indifference to religious groups. That would be preferring those who believe in no religion over those who do believe."

In declaring what Government may not do, Justice Douglas continued:

"Government may not finance religious groups nor undertake religious instruction nor blend secular and sectarian education nor use secular institutions to force one or some religion on any person. But we find no constitutional requirement which makes it necessary for Government to be hostile to religion and to throw its weight against efforts to widen the effective scope of religious influence."

This philosophy of the U.S. Supreme Court has been implemented by Congress in the Hill-Burton Hospital Construction Act, in the GI bill of rights which financed the education of our veterans even in seminaries and theological schools, in the college housing loans, and the National Defense Education Act, to mention but a few laws.

I do not doubt for a moment that the key to what may be done and what may not be done lies at the point where the difference between providing for the general welfare becomes "aiding" religion. Note should be taken here of the fact that the present Oregon textbook law is again being taken through the courts.

Assurances have been given on both sides that it will be taken up to the Supreme Court of the United States for another ruling on whether a State may expend State funds on textbooks for boys and girls in private schools, including church schools.

That is all right with me. I welcome judicial rulings on the questions of where the boundary which separates church and state in America is placed. Neither Congress nor the courts mean to discourage, curtail, or in any way hamper, in my opinion, the right of American parents to educate their children in schools of their own choosing.

I further believe that in this education bill sound public policy calls for the inclusion of

an encouragement to private institutions in providing services which are aided directly by the Federal Government in their public aspects.

HISTORY OF FIRST AMENDMENT

Mr. President, when one talks about the first amendment, I think it important that he keep in mind what the first amendment provides, and that he then relate what it provides to the history of the first amendment. So I take a moment to read it:

"Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances."

Let us get this point clear: The whole question of separation of church and state stems from these words in the first amendment:

"Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof."

But we need to keep in mind the facts which existed to our country, the controversy which was waged in our country, that caused the adoption of the first amendment. That is why it is so important that we get back to the views of our Constitutional Fathers. We need to remember that at the time the Constitution was adopted there were, if my recollection is correct, nine States which had State churches.

In other words, the first amendment was really the result of a controversy which was waged in this land at the time of the birth of the Republic, when there was strong opposition to the establishment by law of a state church.

That is not surprising, because all of us know that a great religious controversy had been waged for a long time in many parts of the world, and that some of our forefathers left Great Britain because of the so-called state-church issue. They were in revolt against state religious authoritarianism.

So it is not surprising that in the colonial days there was great controversy over the issue of whether the Federal Government should sanction—as some States already had done—a national church. Therefore, the Founding Fathers wrote this provision into the Constitution. I believe it is about as clear a provision as could be written, in bearing on this controversy:

"Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof."

When I read various articles which quote Madison, Jefferson, and others of that day, I am always at a loss to understand why the articles do not include a discussion of this very controversy, which was waged over the establishment of state churches. As we read the great language of Justice Douglas in the decisions to which I have just now referred, I believe it most important that we realize that he had clearly in mind the historic basis for the first amendment.

GENERAL WELFARE AT ISSUE

To provide for the general welfare is one of the principal duties of the Federal Government. That does not mean that in promoting the general welfare of the people, we may deal only with public agencies in Federal, State, or local governments. On the contrary, as we already have done time and time and time again, we as a Congress have the obligation to deal with private agency ways, means, and methods which will promote the general welfare within the framework of our constitutional guarantees. Congress did that in the Hill-Burton Act and in many other acts which were of some assistance to the church or private agencies; and

I propose that the same principle now be extended by way of the granting of loans to private schools, to provide classrooms for the boys and girls who attend those schools.

As I have said many times, as we pass judgment on these legislative proposals, I shall never take my eyes off the boys and girls. We should constantly ask whether the purpose of the particular bill is to help the boys and girls, and whether the money proposed to be provided is to be used for the benefit of the boys and girls. On that basis we justify the science facility program, the school-lunch program, the health program, the textbook program, the school-bus program, the dormitory program, and all the other programs I have cited this afternoon as precedents in support of the principle of my amendment.

Encouragement to the private schools of the Nation in their role of educating approximately 15 percent of our young people should be a part of the general aid-to-education bill. Under my amendment, no grant or subsidy will go to them; but the "high and impregnable wall of separation between church and state," as it has been called by Justice Black, does not preclude the Government from cooperating with church-sponsored activities which are in furtherance of the general welfare.

My loan proposal stays clear of the statement by Justice Douglas in the *Zorach* case—namely, that "Government may not finance religious groups" nor prefer one religious group to another.

In providing for the education of our servicemen after World War II and the Korean war, the Federal Government paid their tuition, so the Nation's colleges and universities, public, private, and sectarian, could do that job. That was not a matter of supporting or financing religions; it was a matter of educating the young people.

The need for that is the same as the need dealt with in the amendment which I have offered this afternoon. It is the same as the need which in my amendment we seek to meet.

Because I recognize the existence of strong feelings on the part of some groups of Americans in regard to this matter—feelings in opposition to the conviction I personally hold in regard to it—I ask unanimous consent to have printed at this point in the *RECORD*, in connection with my remarks, a letter which I have received from certain members of the Unitarian Fellowship for Social Justice. I believe it would be most unfair of me to make the argument which I make here this afternoon and not make clear, for the *RECORD*, that this group of very sincere and dedicated people who do not share my point of view in regard to this matter is opposed to my amendment. Therefore, I ask unanimous consent that the letter and the accompanying resolution be printed at this point in the *RECORD*, in connection with my remarks.

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

UNITARIAN FELLOWSHIP
FOR SOCIAL JUSTICE,

Washington, D.C., February 3, 1960.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: At the meeting of the legislative committee of the Unitarian Fellowship for Social Justice held this morning, the following resolution was passed:

"The Morse amendment to the school construction bill violates the spirit of the Constitution because it would use the Government's financial facilities to aid religious schools, at the level of compulsory school attendance. The Government has never before gone so far in the direction of aid to parochial schools, and we believe that this creates a dangerous precedent. Loans can

easily lead to grants, and soon the taxpayers may be asked to pay all the expenses of sectarian schools.

"More than 90 percent of the pupils attending such schools in America are in Catholic parochial schools. Since the Catholic bishops want full public support for such schools, any move in that direction should be resisted by citizens who believe in the American tradition of church-state separation.

"We also believe that this amendment is dangerous because it may provide an opening wedge for segregationists to obtain public money for private, segregated schools in the South. If Southern States abolish their public school systems, they might secure some Federal loans for private schools through this amendment.

"Coming at this moment, this raises a divisive church-state issue and a divisive race issue. We hope that you and your associates will be persuaded to withdraw it in the name of civil rights and the separation of church and state."

We are sending copies of this letter to your fellow Senators who joined you in this amendment, and to the press.

Sincerely,

MURIEL A. DAVIES
Mrs. A. Powell Davies, President.
ERNEST O. SOMMERFELD
Rev. Ernest O. Sommerfeld,
Chairman, Legislative Committee.

Mr. MORSE. Mr. President, of course as we read the letter and the resolution, in light of the argument I have already made, it is clear that I do not share their opinion that loans to be repaid to the American taxpayers with interest, and with no subsidy, for the construction of private, nonprofit elementary and secondary schools do not constitute aid to religious schools which falls under the proscription of the Supreme Court of the United States. If I believed it was unconstitutional, my colleagues may be sure that I would not be offering or supporting this amendment.

TERMS OF AMENDMENT

In conclusion, I point out that the definition of school facilities for which loans may be made under my amendments is the same as the definition which is applied to the public-school grants in Senate bill 8; namely, the term "school facilities" means classrooms and related facilities, including furniture, instructional materials other than textbooks, equipment, machinery, and facilities necessary and appropriate for school purposes for education. It specifically excludes "athletic stadiums, or structures or facilities intended primarily for events such as athletic exhibitions, contests, or games, for which admission is to be charged to the general public."

In other words, the educational facilities for which private school loans are authorized are the same as the ones for which grants are provided to the public schools.

I also point out that the assurances that construction will take place under the conditions provided in the Davis-Bacon Act are required for these loans, as in the case of grants for public schools.

Mr. President, in support of the legal argument I have made this afternoon in regard to the McCollum case, I should like to call attention to an article which appeared in the *University of Pittsburgh Law Review*, volume XII, page 154. The article was written by my very able administrative assistant, Mr. Berg, of whom I am very proud. The article was written in 1950, at the time when Mr. Berg was professor of law at the University of Colorado Law School. The article contains a very interesting analysis of the McCollum case.

So I ask unanimous consent—without taking time to read excerpts from the article—that certain excerpts from Mr. Berg's article be printed at this point in the *RECORD*, as

part of my remarks, because they very effectively and in very scholarly fashion buttress the legal argument I have made this afternoon.

There being no objection, the excerpts from the article were ordered to be printed in the *RECORD*, as follows:

"[From the *University of Pittsburgh Law Review*]

"BOOK REVIEW: 'RELIGION AND EDUCATION UNDER THE CONSTITUTION,' BY J. M. O'NEILL.

"The Constitution of the United States does not command the separation of church and state. Nevertheless, Mr. Justice Black, speaking for a majority of the U.S. Supreme Court in the much-discussed McCollum¹ case, announced that 'the first amendment has erected a wall between church and state which must be kept high and impregnable.'² In the same case, Mr. Justice Frankfurter referred to a 'constitutional principle requiring separation of church and state.'³ In his recent book, O'Neill challenges these broad pronouncements, disagrees with the reasoning of the Court in the McCollum case and substantiates his position by a thorough documentation.

"The facts of the McCollum case are relatively simple. Members of the Jewish, Protestant, and Roman Catholic faiths formed the Champaign Council on Religious Education. The council, with the consent of school authorities, conducted classes in religious education for public school children of Champaign, Ill., on released time in public school rooms. These classes were not compulsory. Attendance was permitted only upon written consent of the parents. Mrs. McCollum, a parent of a child attending one of the public elementary schools of Champaign, attacked this program in the State courts. She failed at that level, but the Supreme Court of the United States with only one dissent, found the plan unconstitutional.⁴ A majority of the Court, relying upon dicta in a decision handed down 2 years earlier,⁵ in effect decided that the released time plan amounted to a State law 'respecting an establishment of religion' in violation of the first amendment, the prohibitions of which the Court found applicable to the States under the 14th amendment."⁶

"The constitutional prohibition against a law respecting an establishment of religion has been construed by the Supreme Court to mean: 'Neither a State nor the Federal Government can set up a church. Neither can pass laws which aid one religion, aid all religions, or prefer one religion over another,' and that 'in the words of Jefferson, the clause was intended to erect "a wall of separation between church and state."'⁷ O'Neill demonstrates that a majority of the Supreme Court, in defining the establishment clause in such sweeping terms and in making it applicable to the facts of the McCollum case, apparently did not understand the nature of the evils that the clause sought to eliminate.

"One who studies the materials collected by O'Neill will find ample support for the proposition that the establishment clause of the first amendment was designed to make doubly certain that the Federal Government should never establish a national church. As O'Neill says: 'My thesis is that the words "establishment of religion" meant to Madison, Jefferson, the members of the First Con-

¹ *Illinois ex rel. McCollum v. Board of Education* (333 U.S. 203 (1948)).

² *Id.* at 212.

³ *Ibid.*

⁴ Reed, J., dissenting.

⁵ *Everson v. Board of Education* (330 U.S. 1 (1947)).

⁶ *Illinois ex rel. McCollum v. Board of Education* (333 U.S. 203, 210 (1948)).

⁷ *Id.* at 210, 211.

gress, the historians, the legal scholars, and substantially all Americans who were at all familiar with the Constitution until very recent years, a formal, legal union of a single church or religion with government, giving the one church or religion an exclusive position of power and favor over all other churches or denominations.⁸

"Recently the U.S. Supreme Court gave a fairly good indication of the canons of construction it would follow in determining the meaning of 'an establishment of religion.' In the *Everson* case the Court, speaking through Mr. Justice Black, observed that it has long construed that clause 'in light of its history and the evils it was designed forever to suppress.'⁹ Shortly thereafter, in the *Adamson* case, Mr. Justice Frankfurter stated that 'an amendment to the Constitution should be read in a "sense most obvious to the common understanding at the time of its adoption."¹⁰ In view of these pronouncements, Mr. Justice Black could hardly have applied a different rule of construction in interpreting a constitutional provision in the *McCullum* case. It is true that the Court has often construed "expanding" concepts, such as those of interstate commerce and general welfare, in light of modern conditions. But it is highly improbable that the Court would state specifically that a stable concept, such as the constitutional prohibition against a law respecting an establishment of religion, should have a present-day meaning different from that which prevailed when the first amendment was adopted.

"O'Neill's book makes it quite evident that the Supreme Court, in spite of the rules of construction quoted above, attributed to the establishment clause a meaning vastly different from that which it was intended to have 'in light of its history and the evils it was designed forever to suppress.' After reading this book one is tempted to agree with Mr. Justice Jackson's frank suggestion that the Court decided the *McCullum* case upon the basis of its prepossessions.¹²

"O'Neill lists many of the evils attendant upon an establishment of religion.¹³ For example, it was not uncommon to find that important civil rights, such as those of holding public office, participating in jury service, and giving testimony in court, were reserved to members in good standing in the established church. There were 9 established churches—all Protestant—in the original colonies, and not until 1833 was the last of these disestablished.¹⁴ In view of the extent of establishment in this country at the time of the first amendment and the seriousness of its infringement of human liberties, it is obvious that the facts of history support O'Neill's conclusion that the object of the establishment clause was the prevention of this intolerable situation at the Federal level.

⁸ P. 56.

⁹ *Everson v. Board of Education* (330 U.S. 1 (1947)).

¹⁰ *Id.* at 14.

¹¹ *Adamson v. California* (332 U.S. 46, 63 (1947)).

¹² *Illinois ex rel. McCullum v. Board of Education* (333 U.S. 203, 238 (1948)). It should be observed that Justice Reed, dissenting, said: "The phrase 'an establishment of religion' may have been intended by Congress to be aimed only at a state church. * * * Passing years, however, have brought about acceptance of a broader meaning." *Id.* at 244.

¹³ Pp. 24-25, 192-194. Mr. Justice Black's opinion in the *Everson* case also lists many of the evils of an establishment of religion. *Everson v. Board of Education* (330 U.S. 1, 9 (1947)).

¹⁴ P. 25.

"The Supreme Court has relied heavily upon the writings of Jefferson and Madison in construing the establishment clause.¹⁵ Those who insist that the Supreme Court correctly interpreted Jefferson's and Madison's points of view in this respect will find little comfort in what O'Neill has to say. In two chapters devoted to a study of the attitudes, actions and writings of these two great statesmen on the subject of religion, O'Neill finds that neither advocated complete separation of church and state as that concept was defined in the *McCullum* case.¹⁶ Of course, if one wishes to single out a sentence or paragraph written by either of these men, he may claim that he has found support for the Supreme Court's broad interpretation of the establishment clause. However, any such isolated statements of Jefferson or Madison become insignificant when compared with the entirety of their works and actions.

"O'Neill shows that the much-quoted metaphor, 'a wall of separation between church and state,' found in Jefferson's letter to the Baptists of Danbury, reflected disapproval of any formal legal union between one religion and the government.¹⁷ The author also collects for us convincing evidence that neither Jefferson, the citizen, nor Jefferson, the President, was an exponent of the idea of complete separation of church and state.¹⁸

"The chapter on Madison brings into clear light significant public manifestations of that great American upon the subject of religion.¹⁹ From these it is evident that Mad-

¹⁵ See *Emerson v. Board of Education* (330 U.S. 1, 11-13 (1947)); *id.* at 31-41 (Rutledge, J., dissenting); *Illinois ex rel. McCullum v. Board of Education* (333 U.S. 203, 214 (1948)) (Frankfurter, J., concurring).

¹⁶ Chs. 5 and 6.

¹⁷ At the time this letter was written (1802) the Baptists were experiencing an establishment of the Congregational Church in Connecticut (p. 83).

¹⁸ Pp. 76-86. Among other items, O'Neill brings out these important facts:

(1) Jefferson advocated the use of public funds in Virginia for a school of theology (p. 76).

(2) Jefferson recommended that a room at the University of Virginia be used for religious worship (p. 206).

(3) The four key provisions of Jefferson's bill for establishment of religious freedom in Virginia were aimed at the evils of an established state religion (pp. 275-277). These four provisions are now found in Virginia Code Ann. sec. 34 (1942).

(4) As President, Jefferson used public funds for chaplains in the Army and Navy and signed an Indian treaty requiring payment of public funds for the salary of a Catholic missionary priest (pp. 77, 116-117).

¹⁹ Pp. 87-107, O'Neill mentions such facts as these concerning Madison's position:

(1) Madison was a member of the congressional joint committee that instituted the chaplain system in Congress (pp. 99-100).

(2) Throughout Madison's term as President public funds were used to provide chaplains for the Army and Navy (p. 102).

(3) During Madison's administration, public funds were used for religious purposes on the Indian reservations (p. 102).

(4) Madison's original draft of the portion of the proposed first amendment dealing with an establishment of religion read: "Nor shall any national religion be established" (p. 103).

(5) The Memorial and Remonstrance was a protest against making the Christian religion the established religion of Virginia (pp. 88-89).

son, too, feared and fought the establishment of a religion by government, but that in his public life he did not espouse the cause of absolute separation of church and state.

"Other useful guides for ascertaining the meaning of the establishment clause are discussed by O'Neill. For example, he mentions many acts of Congress which inferentially involve Congress' interpretation of that clause. These substantiate his theory that an 'establishment of religion' means and has always meant to Congress 'only a single, formal, monopolistic union of one religion with the Federal Government.'²⁰

"Another important guide to the meaning of the establishment clause is the interpretation placed upon it by recognized constitutional law authorities. His quotations from eminent writers in this field show that the Supreme Court has deviated far from the time-honored interpretation of the establishment clause.²¹

"Chapter 10 has a discussion of the 14th amendment and its application to the facts of the *McCullum* case. O'Neill says that the view adopted by a minority of the Supreme Court in the *Adamson* case²²—that the 14th amendment makes the Bill of Rights applicable in toto to the States—is an essential part of any possible theory of the constitutional validity of the *McCullum* decision.²³ I do not think this conclusion necessarily follows. In the *McCullum* case the Court merely decided that the provision of the first amendment which prohibits any law respecting an establishment of religion is applied to the States via the 14th amendment.²⁴

"I agree with O'Neill's conclusion that the Supreme Court erroneously enlarged the meaning of the establishment clause so as to

²⁰ P. 109, illustrative are these:

(1) Congress has elected House and Senate chaplains as salaried officers since 1790 (pp. 110-111).

(2) Since the first Congress, provision has been made for Army and Navy chaplains (p. 111).

(3) Under the GI bill of rights, public funds are paid to religious schools and colleges (p. 120).

(4) Federal funds are paid to religious schools for the care of Indian children (p. 120).

(5) Shortly after the *McCullum* decision was handled down, Congress appropriated \$500,000 to erect a chapel for religious worship at the United States Merchant Marine Academy (p. 120).

²¹ Pp. 62-65. The author cites these works: "Story's Commentaries," secs. 1873, 1874, 1877 (5th ed. 1891); Cooley, "Constitutional Limitations," 584 (4th ed. 1878); Corwin, "The Constitution—What It Means Today," 154 (9th ed. 1947).

Not listed by O'Neill, but also important are Cooley, "Constitutional Law," 259 (4th ed. 1931); Black, "Constitutional Law," 518 (4th ed. 1927); Willoughby, "Constitutional Law," sec. 723 (2d ed. 1929).

²² *Adamson v. California* (332 U.S. 46 (1947)). In this case a majority of the Court, speaking through Mr. Justice Reed, followed the view that only the provisions of the Bill of Rights that are "implicit in the concept of ordered liberty" are secure from State interference under the due process clause of the 14th amendment. A minority of the Court agreed with Justice Black. In his dissenting opinion he took the position that the 14th amendment made the Bill of Rights applicable to the States.

²³ P. 161.

²⁴ However, a dictum in the Court's opinion indicates that the 1st amendment is made applicable to the States by the 14th.

make its prohibition cover the facts of the McCollum case."²⁵

NO SUBTERFUGE INTENDED

Mr. MORSE. Mr. President, I will turn now to my amendment to the amendment, which I want to discuss briefly. It deals with a problem that I do not think we should ignore. That is the question as to whether or not my amendment, if it should become the law, could be used as a form of subterfuge for undercutting the Supreme Court decisions in regard to nonsegregation in public schools.

Mr. President, I have a very brief argument to make in support of my amendment, but I am going to read the amendment and then send it to the desk. On page 4, line 4, after the period, I propose to insert a new sentence, as follows:

"In making loans within any State under the provisions of this section, the Commissioner shall give priority to applicants proposing to construct school facilities in areas where the public schools are in operation."

I want to make my argument on the amendment before I offer it.

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

Mr. MORSE. I yield.

Mr. DODD. I do not want to interrupt the Senator's very cogent and persuasive argument, but I wish to say I am very happy to join with the Senator in support of his proposal.

Mr. MORSE. I am very proud to have the Senator from Connecticut join me.

Mr. DODD. I think the Senator from Oregon is making a very important and scholarly speech on this problem. I said this earlier today concerning the Monroney-Clark substitute, and it seems important to point it out again: Neither the committee bill nor the Monroney-Clark amendment makes any provision for private schools, which are educating 15 percent of all the schoolchildren in America.

I am sure the Senator will agree with me that there is another factor we should make note of here, and that is the expense which the parents of those children carry. They not only pay their share in taxes to support the public schools, which is proper and right, but they also pay the expenses of their own children in private schools.

The third point on which I commend the Senator is his having brought up and made clear to all the fact that the private schools are not seeking any grants. They seek only interest-bearing loans. I think this amendment offers a great opportunity for an investment in education in the United States, an investment that will reap not only a return of interest and the money loaned, but, more importantly, great and continuing dividends in the talents and aptitudes of the young people who are coming along in this country, and who will continue to come along. It is really an investment in the future of our Nation.

Finally, I should like to say I am very proud to be associated with the distinguished Senator from Oregon in offering this amendment; and I express, I am sure, the attitude of a great many people when I say we have

²⁵ "In all of the discussion in Congress apparently no one had in mind a change that would have any effect at all on any question of religion or religious education. This is not surprising when one considers that in the first century after the adoption of the Bill of Rights we find no evidence either in public discussion or legislative debate that anyone thought 'an establishment of religion' meant anything other than what it had meant to Jefferson, Madison, and the men who wrote, adopted, and ratified the first amendment" (p. 160). See also pp. 163-168, 185-186.

reason to be grateful to the Senator from Oregon for his scholarly exposition this afternoon and for his fairness, his courage, his sense of justice, and his ability to see the issue clearly as one of national interest.

Mr. MORSE. Mr. President, I appreciate very much the statement of the Senator from Connecticut, who is a great lawyer, with a brilliant legal record. I particularly appreciate his evaluation of the argument I have sought to make.

I am convinced that the law is clearly on my side so far as the constitutionality of my proposal is concerned, or I would not be offering it. I am satisfied that the public interest is on my side, because the boys and girls who go to private schools are entitled, it seems to me, to the kind of facilities that are necessary in order to make it possible for them to get a good education. Our amendment seeks to provide for them, on a loan basis, the same adequate facilities we seek to get for public school students on a grant basis.

The Senator from Connecticut is so right when he points out the great contribution that the parents of private school students really make to the public school interests. I have used the figure in my argument this afternoon, but it needs to be used over and over again, because it is a telling one.

They contribute, really, \$1,185 million to the taxpayers of the country, because if these boys and girls were not in private schools, that amount of money would have to be spent in public schools for them. In fact, that is the minimum amount. It might be higher than that, because of the resulting problems of congestion and administrative difficulties that would be created in the public school system if all these boys and girls all at once walked into the front doors of our public schools, including the great increase in teachers' salaries which would be required because of the additional number of teachers that would have to be hired. I think the amount would be much more than \$1,185 million.

That amount of money would have to come out of the public coffers to meet the educational needs that would be created by the admission into public schools of all the students now in private schools.

May I say also I think there would be another costly result. Because of all the difficulty that would be created by the additional number in public schools unequipped to meet their educational needs, there would be a great educational loss to America. There would be many a brain that would not be developed to its maximum potential.

Mr. President, if you want to be perfectly economically selfish about this question, you and I lose, in terms of national wealth, every time the potential brainpower of an American boy or girl is not developed to its maximum extent. So, Mr. President, I do not care how you look at this problem. I do not see how you can escape the force of the argument that we have an obligation to make money available, on a loan basis, to give these boys and girls a fair opportunity for an adequate education.

MORAL ISSUE AS WELL AS EDUCATIONAL ISSUE

Nothing has been said, but I will mention it in passing, because to me it is the controlling argument, about our moral obligation. We are a great people. We talk about our dedication to moral values. Mr. President, do you know of anything more valuable than the potential of a little grade school boy or girl in America? Do you know of anything more precious or priceless?

If you just look at the question from the moral standpoint, our duty, as people who believe in moral values, is to be unselfish, willing to sacrifice, if necessary, certainly willing to make some loan money available to give boys and girls an educational opportunity that they would not enjoy to their

fullest potential if we did not follow such a course of action as I propose this afternoon.

Whether met on the legal argument, on the economic argument, or on the moral argument, I am satisfied that our amendment is correct.

Mr. President, many Senators wanted me not to offer the amendment. I am offering it because I think it is in the interest of my country, and I think we ought to agree to it this afternoon.

Mr. President, I turn now to a very brief discussion of the amendment to the amendment which I am about to offer. I offer it on my own responsibility.

On page 4, line 4, after the period insert the following new sentence:

"In making loans within any State under the provisions of this section, the Commissioner shall give priority to applicants proposing to construct school facilities in areas where the public schools are in operation."

My argument for the amendment is very brief, as follows:

Some issue has been made, and it is one I have thought about a great deal before offering this amendment, of the question of Federal support of some kind going to private schools which are racially segregated.

CONGRESS HAS IGNORED SEGREGATION QUESTION

Of course, that whole matter is ignored in the pending bill. Under S. 8, funds for construction would be assigned to State public schools which continue to be segregated, in spite of Supreme Court rulings to the contrary.

The sad fact is that the Congress of the United States has not come to grips with this situation in any of its Federal programs. We have Public Laws 815 and 874 extending grants of Federal aid to racially segregated public schools; the same is true of the grants of the National Science Foundation; the college housing loan program applies to both public and private segregated schools; so does the school lunch program. The Department of Defense carries on its reserve officer training programs in racially segregated institutions, both public and private.

It is my opinion that Congress should deal with this matter in general terms. It is not enough that we let the Supreme Court hold the bag, so to speak, on racial discrimination. The Congress, too, has an equal responsibility to uphold the Constitution, and the Supreme Court has made very clear that under it segregated public facilities are not permissible.

However, the courts have also laid down a rule of reason regarding the adjustment necessary in many States. For that reason, many Members of Congress take the view that no legislative directive is called for in a program like the one authorized in S. 8.

In the case of a loan to a private school, the position of the courts is less clear. So far as I have been able to determine, there has been no ruling on any of the grant or loan programs I have mentioned as they apply to institutions which are both private and segregated.

NEED BASIS JUSTIFIES AMENDMENT

Nonetheless, the purposes of S. 8 and my amendment are to expand the educational facilities of the American school system. It makes no sense to lend money for construction of private schools when the public schools nearby stand idle and empty.

Therefore, on the basis of the need alone, I believe that in making loans under my amendment the Commissioner of Education should give priority to those applications coming from areas where the public schools are also in operation.

To say that no Federal loan for this one level of private school construction shall go to a racially segregated school is to strain at a gnat after swallowing the camel, since

there is no such restriction on any other Federal loan or grant program to either private or public institutions. At the same time, the purpose of the bill we are considering is to help meet the demand for classrooms caused by our rising student population.

I believe that the purpose of this entire measure will best be served if the Commissioner of Education can take into account the fact that public schools are closed and available classrooms are unused in some areas in determining who shall be entitled to the limited loan funds under my amendment.

I wish to discuss this proposal very frankly, for the purpose of legislative history, Mr. President, in terms of two hypotheticals.

Let us suppose that my amendment becomes the law. Let us suppose that State X abolishes some of its public schools because it seeks to evade the application of the U.S. Supreme Court decisions in the school cases, and that private schools which the State seeks to adopt or which the State seeks to sponsor come before the Commissioner to ask for a loan.

Under my amendment, the Commissioner would be required to give priority to loans to private schools where the public schools continued in operation. Therefore, he would be in a position to deny a loan to a private school which was being set up as the result of State action which sought to subvert the great principle laid down by the U.S. Supreme Court, that under the 14th amendment segregation in public schools is unconstitutional.

Mr. President, I think that is a very fair and reasonable position for me to take, in view of my known dedication to the civil rights cause, a dedication in complete support of the Supreme Court decision, which caused me in 1957 to be the only northern Democrat who voted against the 1957 civil rights bill. In my judgment, when title 3 was stricken from that bill we in effect walked out on the U.S. Supreme Court by failing to include in the bill any enforcement procedure which would make it possible to give effective meaning to the Court decision.

It should be said, so that my colleagues will know, I have refused to propose an amendment which certain civil rights groups strongly—and "strongly" is a mild term—urged me to add to my amendment. Those groups wanted me to add an amendment which would provide for a complete denial of any loan to any private school in which segregation may now exist.

Mr. President, I take the point of view that we ought to pass a general civil rights bill, and that we should not try to add a little segment of civil rights to each piece of proposed legislation that comes before us, which would almost guarantee in advance that the proposed legislation would be defeated.

I took that position, Senators will remember, in 1949 when I opposed on the floor of the Senate and voted against an amendment which was offered to a public housing bill.

The amendment which was offered to the public housing bill, in my judgment, was offered by some, at least, who were motivated by a desire to "scuttle" the bill. It was a public housing bill which sought to make available to municipalities funds to be used for slum clearance and other public housing uses. I would not vote for an amendment to the bill which sought to embody in the bill a nonsegregation provision, because I felt that it was an attempt to prevent the passage of any bill at all, which would have resulted, in my judgment, had the amendment been added to the bill. I said then, as I say here on the floor of the Senate today, "count me in when you want to bring to the floor of the Senate a thoroughgoing civil rights bill which backs up the decisions of the U.S. Supreme Court in

respect to the meaning of the 14th and 15th amendments."

But I am not going to destroy any chance of having my amendment passed on the floor of the Senate in the year 1960 by offering an amendment which is not contained in the public school section of Senate bill 8, which is not contained in the Hill-Burton Act, and which is not contained in a single one of the legislative precedents which I cited earlier in my argument this afternoon.

At the same time, my amendment should not be used as a subterfuge in a controversy which might develop in States X and Y in regard to a proposal to close public schools.

AMENDMENT ESTABLISHES PRIORITY

So all my amendment provides is that the Commissioner of Education must give priority to requests for loans from applicants proposing to construct school facilities in areas where the public schools are in operation.

Thus we have the kind of hypothetical to which I have referred, namely, a situation in which a State abolishes its public schools and then seeks to use the Morse amendment as a way of getting money for a segregated school which it seeks to establish in order to evade the decision of the U.S. Supreme Court. My amendment would become applicable, and the private school would not get the funds, because obviously priority would be given to others, and the requests would be so great that there would not be any funds available for a private school which was only a subterfuge.

That is my amendment. I think it is a very fair solution of what we all must admit is a very delicate problem. We all must admit that unless we rise above blind partisanship and prejudice in connection with this issue we may jeopardize all good legislation in this field. I think this is a very workable compromise. I send my amendment to the desk and ask that it be stated.

Mr. MORSE. Mr. President, again I ask that all Senators give very careful study to a most able memorandum opinion which has been submitted to our subcommittee, at our request, by the Department of Health, Education, and Welfare. Secretary Ribicoff's letter of transmittal points out that the Department has drawn upon the advice and opinion of some of the most able lawyers within the Government. I shall express some respectful dissents from certain conclusions in that memorandum opinion at a later time, but I stress that all of us are greatly indebted to Secretary Ribicoff for making what I think time will prove to be a very constructive contribution to this historic debate.

My plea is that all of us, irrespective of what our past views may have been on this subject matter, become students of this problem for the next few weeks, to the end of trying to devise in the Senate the best and soundest Federal-aid-to-education program we can.

Let us not forget that we as elders may engage in a controversy over the constitutional rights of the little boys and girls of this country; but also let us not forget that while we are engaging in that conflict and controversy, those little boys and girls are entitled to better educational assistance than they are now receiving to develop their intellectual potential.

All I want to do, so far as my part in the debate is concerned, is to try to find that ground on which a substantial majority of us can agree, so that in 1961 we can, for the first time, put on the

statute books of the United States a Federal-aid-to-education bill. The Federal Government can then start to perform a part of the responsibility which I think it owes to the States in bringing to all boys and girls at least minimum standards of education. In my judgment, in many parts of the country, these standards can never be attained except through some form of assistance from the Federal Government.

I shall never lose sight of that issue. I shall never lose sight of those little boys and girls, whether they attend public schools or private schools. I shall never take the position that so far as public responsibility is concerned, children should suffer because of the religious faith of the family into which they were born.

I think that, as legislators, we have a duty to try to resolve this controversy as best we can, in the best interests of those little boys and girls.

Mr. President, I do not believe there can be any denying the fact that private schools are making a contribution to public education, in the sense that they are assuming a substantial part of the cost of educating our boys and girls.

I am not a Solomon, and I am not asking other people to be Solomons, but I should think it ought to be possible to find that line of division which will make it possible for us to legislate in the interests of the education of little boys and girls, separate and distinct from questions relating to the religious faith or the religious leanings of their parents. It is the problem of statesmanship which confronts us to do this.

I make the plea that we do our best to try to find that line of division in enacting legislation which will be of assistance to all boys and girls, irrespective of whether they attend a public or a private school. I make this plea that we do not continue to take the position summed up by the statement: "It is just too bad if the children were born into families whose parents believe in having them attend private schools."

Let us not forget also, that the States and the Federal Government have a responsibility to make certain that each boy and girl receive uniformity of treatment by having the opportunity to receive the same kind of education to which every other boy or girl is entitled.

I do not intend ever to lose sight of the relationship of the whole Federal aid-to-education issue to the security of my country. I believe that in the next 20 to 40 years, from the standpoint of the security of America, we cannot justify waste in the potential brainpower of our country. We will continue to waste it unless we enact some Federal aid to education legislation which will be of assistance to all boys and girls, irrespective of the kind of school, public or private, which they attend.

SKYLINE CRANE LOGGING EXPERIMENT

Mr. MORSE. Mr. President, the access roads program of our Federal forests has long been of deep interest to me. Accordingly, I was highly pleased to

learn of an experiment being conducted by the Forest Service at Cascade Head, Oreg., in cooperation with the Publisher's Paper Co. It has been designated as the skyline crane project.

It has long been a matter of concern to all conservationists that logging, with its requirements for skidding roads on steep hillsides, may create tremendous disturbances of the soil and to water retention capabilities.

The Forest Service has been conducting extensive experiments on techniques of timber removal which reduced the need for spur roads and their attendant soil disturbances. The details concerning the skyline crane experiment, which if successful will substantially reduce the need for construction of spur roads, are discussed in a letter, dated February 28, addressed to me by Acting Director Harris, of the Pacific Northwest Forest and Range Experiment Station, and in articles dated April 1960, and May 1960, prepared by Mr. Robert H. Ruth and Mr. David D. Wooldridge, respectively. I ask unanimous consent that these items be printed in the Record at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. MORSE. Mr. President, I shall leave at my desk a photograph of this new skyline method of logging which is being explored. This is an exciting development. The area logged has virtually no surface disturbance, and almost every log has been picked up and transported through the air on lines to the loading point, so that it can be trucked to the mill. The logging area, instead of seeming to have been hit by a tornado, looks as though a giant mower and sweeper had been used to extract the logs, leaving the ground surface practically unscarred. The Forest Service is to be commended on its research. I hope that this work can proceed with vigor; and I suggest that the Forest Service consider, when the facts so indicate, the use of this method of logging as a requirement on appropriate timber sales.

There appears to be a good case for encouraging this sort of soil conservation. Possibly the Forest Service could provide in timber contracts that logging be carried on by this skyline method, with an allowance made in the contract price of the timber to enable subcontractors to provide this sort of log-yarding service. I believe that under the impetus of this leadership, the Forest Service could revolutionize the present logging procedures in steep mountain country, thereby producing great benefits for the cause of soil conservation.

I urge the Forest Service and the Bureau of Land Management to accept the challenge of this extremely interesting experiment, to demonstrate what can be done on this new type of logging.

EXHIBIT 1

U.S. DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,
Portland, Oreg., February 28, 1961.

HON. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: Thank you for your inquiry of February 17 regarding the Skyline

Crane project on the Cascade Head Experimental Forest.

This project is testing one of several modern forms of skyline logging which offer promise of minimizing soil erosion on steep slopes. It is designed to compare skyline and conventional high-lead yarding to determine amounts of soil disturbance, effects on regeneration, and yarding costs.

The current study was started in August 1960 in cooperation with the Publishers' Paper Co. If the equipment proves feasible it will have wide application on steep rocky slopes and areas of unstable soil. Use of this equipment will reduce the mileage of spur roads and skidroads needed, but will have no effect on the mileage of main line access roads that must be built to the logging site. These main line access roads will always be the mainstay of the forest road system and equally important for recreation, fire protection, salvage and subsequent harvesting operations, and other uses on national forests under multiple-use management.

Yarding on the first test area of Cascade Head, as shown in the enclosed photograph, will be completed within the next 30 days. Maximum yarding distance on this area was 2,700 feet. No intermediate supports were needed for the skyline. Next month the equipment will be moved to an area with a 4,000 foot yarding distance. Intermediate support will be used and both uphill and downhill yarding will be tested. We will keep you informed of progress on this project.

Attached are two publications by members of our staff covering previous tests and observations of skyline logging in the Pacific Northwest. One demonstration on the Okanogan National Forest required 1 mile of spur road to log a 1,000 acre area. In contrast, it was estimated that 10 miles of spur and skidroads would have been necessary to log the same area by any standard method. This test also showed that soil disturbance occurred on only 3 percent of the area logged with skyline equipment. On a nearby area logged with tractors soil disturbance was 16 percent. Thus, on steep ground, where skyline systems are best adapted, there is a minimum chance for damaging soil erosion.

We are planning additional studies of high-lead and skyline logging methods on the H. J. Andrews Experimental Forest, near Blue River, Oreg. The studies will be conducted on two matched watersheds averaging 240 acres. For the high-lead system a total of 1.7 miles of spur roads will be needed while the skyline system will require only 0.1 mile of spur road.

We appreciate your continued interest in the Forest Service research program and will be happy to provide any additional information you may need. We will welcome an opportunity to show you the Cascade Head operation and other research underway on our experimental forests at your convenience.

Very truly yours,

E. W. COWLIN,
Director.

IT'S TIME TO LOOK AT YARDING PROBLEMS ON STEEP SLOPES

(By Robert H. Ruth¹)

In many parts of the Pacific Northwest, logging operations are moving into rugged terrain as access roads probe deeper into the back country. Because of this trend, it's time to look more carefully at steep slopes and decide on the best possible management practices consistent with maximum protection against erosion.

Until recently the forest manager could avoid this decision. Road construction

progressed up main drainages and into principal tributaries until steep slopes and difficult construction were encountered. At this point, operations were often shifted to another drainage where road costs were less and the timber was of better quality than the so-called inferior species growing at high elevations. This was done despite the fact that merchantable timber on most steep slopes has long been included in management plans and allowable-cut calculations.

Economics and the steady progress of timber harvesting have changed this situation. Most of the gentle topography has now been opened up with a road system. The lower quality timber on steep slopes and the high-elevation species are becoming more valuable every year.

How much commercial timberland is included in these problem areas? Estimates for the national forests of Oregon and Washington range from 1,500,000 to 3,800,000 acres. These are lands that should be managed with special effort to minimize soil disturbance, an objective calling for fewer roads and therefore longer yarding distances. Included are very steep slopes, together with erosive- or shallow-soil areas, and some municipal watersheds. In U.S. Forest Service management plans prepared 15 to 20 years ago, the most rugged of these areas were labeled "inoperable" and left out of allowable-cut calculations.

What problems are involved? For one thing, road costs normally increase as slope increases. More soil must be moved, back and fill slopes must be longer, creek crossings are more difficult, rock is more prevalent, and—except in rock areas—maintenance is more costly. Second, the road system occupies a greater part of the logging area. Silen and Gratkowski found that about 5.2 miles of road per square mile are needed to log with standard high-lead yarding techniques and an average maximum yarding distance of 700 feet.² This figure was for a typical Douglas-fir drainage. It was estimated that 6.2 percent of the total surface area was disturbed by road construction, and an additional 3.6 percent was disturbed by the construction of the areas needed for landing and loading the logs. For steeper topography, the percentage of disturbed area would be greater, perhaps averaging 11 or 12 percent.

Part of the disturbed area is taken permanently out of timber production. In the study mentioned above, this was estimated to be 2.9 percent for roads, plus 1.2 percent for landings. These amounts also would be greater on steep slopes. A total production loss figure of 5 percent, due to roads and landings, is frequently used in management planning.

European foresters were faced with problems similar to these immediately after World War II. Readily accessible timber had been exploited during the war, and still more was needed for reconstruction. Consequently, attention was turned to stands on the upper slopes, and this led to development of a new cable-yarding technique combining the principles of high-lead yarding and aerial transportation. In one continuous operation logs are yarded laterally, lifted to a suspended cable (skyline), and transported either uphill or downhill to a landing. Usually the logs are lowered down the skyline, with gravity supplying the power.

Gravity-skyline systems offer a solution to some of our problems on moderate as well as on steep slopes. Disturbance to ground surfaces and stream channels is min-

² Silen, Roy R., and Gratkowski, H. J. An estimate of the amount of road in the staggered-setting system of clearcutting. U.S. Forest Service, Pacific Northwest. Forest and Range Experiment Station Res. Note 92, 4 pp. (processed), 1953.

¹ Research forester at the Station's Corvallis Research Center, maintained in cooperation with the School of Forestry, Oregon State College.

imized because logs are quickly lifted off the ground. Yarding distances of a mile and more are possible, thus permitting a substantial reduction in costly road construction, and thereby reducing the capital investment needed to open up an area. Reduced road construction means reduced soil disturbance and less land taken out of production. Also, the wide road spacing would make it easier to locate the roads away from areas of unstable soil. Yet with gravity-skyline systems, road spacing would still appear adequate for protection and recreation needs.

Gravity-skyline yarding is adaptable to a variety of cutting methods. It can be used for selective logging as well as for clear cutting. There is also the possibility that, like the Europeans, we can use it for thinning and shelterwood cutting, thus bringing intensive management to steep slopes.

What action should be taken? One of the first steps should be to thoroughly investigate gravity-skyline yarding to see if it is applicable to Northwest conditions. Two test operations conducted in the State of Washington indicate some promise for the method. A Swiss skyline crane used on the Okanogan National Forest caused only a quarter of the soil disturbance resulting from a standard tractor-yarding operation on a nearby area. Road construction needed for the skyline operation was only 10 percent of that estimated necessary had the same area been yarded by tractors.³ A recently developed modification using a radio-controlled carriage is now operating on the Mount Baker National Forest.

These and other gravity-skyline systems need further study to determine logging costs, silvicultural effects, and amounts of soil disturbance. When this information is available, problem areas can be reexamined, and improved management policies can be formulated.

[From the Journal of Forestry, May 1960]
WATERSHED DISTURBANCE FROM TRACTOR AND SKYLINE CRANE LOGGING

(By David D. Wooldridge)

As logging operations in the West continue to move farther into the mountains, an increasing volume of timber is being harvested from steep slopes. In these areas, where access is more difficult, road-building costs are greater. And on precipitous mountainsides, soil normally disturbed in logging is more susceptible to damaging slough and erosion. Because of these problems, many acres of timberland are considered inoperable with conventional logging methods.

Methods and equipment that will surmount some of these difficulties are available. Various overhead cable systems have been used in America for many years. Recently, interest has been centered in modified forms of skyline logging, prompted by the development of several European systems that combine the principles of high-lead logging and aerial transportation. One of these, which has been tested in several places in the United States and Canada, is the Swiss-developed Wyssen skyline crane.

One demonstration of the skyline crane was started October 1954 in a mixed conifer stand typical of the eastern flanks of the Cascade Range in Washington. Performance was good enough to warrant further tests, now being planned, and to encourage the adoption of modified skyline systems. For example, two recent contracts for sale of timber in rough, broken areas of the Cascades have prescribed logging methods similar to those of the skyline crane. Purpose

³ Wooldridge, David D. Watershed disturbance from tractor and skyline-crane logging. U.S. Forest Service Pacific Northwest. Forest and Range Experiment Station, 1959. (In process of publication by Jour. Forestry.)

of this requirement is to provide a means of satisfactorily harvesting a valuable resource on erosive soil types and otherwise inoperable terrain.

Relatively few studies have been made in the Northwest to determine the amount of soil disturbance caused by logging. Prior to introduction of the skyline crane, Garrison and Rummell examined forest-range conditions following logging in eastern Oregon and eastern Washington. They found that exposure of mineral soil averaged 20.9 percent of areas logged with tractors, 15.2 percent of areas logged with cables (jammer), and 11.8 percent of areas logged with horses. Fowells and Schubert found 22 percent bare ground following removal of 40 to 90 percent of a stand in the California pine zone logged by crawler tractor.

Soil disturbance caused by skyline logging in the Northwest has apparently not been measured, but an opportunity was provided by the trial operation of the skyline crane. In August 1957, after logging was completed, the study described herein was made to determine the extent and severity of soil disturbance. For purposes of comparison, similar measurements were made on a nearby area logged by a standard tractor operation.

As a secondary feature, damage to residual trees by the two logging methods was also examined.

STUDY AREAS

Both study areas are located on the Okanogan National Forest in north-central Washington, near the town of Twisp. Elevations on the area logged by the skyline crane range from 3,000 to 5,000 feet; on the area logged by tractor, from 2,000 to 3,500 feet. General topography of the tractor area is more moderate, although in both operations slopes in excess of 60 percent were logged. A slightly smaller volume of timber was available on the tractor area and the cut per acre was consequently smaller (table 1).

TABLE 1.—Comparative data for areas logged by skyline crane and by tractor

Item	Skyline Crane area	Tractor area
Size of area.....acres..	1,000	750
Total stand volume.....M b.m.	8,973	5,547
Ponderosa pine.....M b.m.	6,030	4,540
Douglas fir.....M b.m.	2,034	1,007
Western larch.....M b.m.	909	0
Average volume per acre (before logging).....M b.m.	9.0	7.4
Total volume cut.....percent..	81	65
Average volume cut per acre.....M b.m.	7.3	4.8
Average volume per acre (residual stand).....M b.m.	1.7	2.6

Keen's tree classification was used as a basis for marking ponderosa pine (*Pinus ponderosa*) for cutting in both logging areas. In general, all class 4 trees and all class 3 trees except those of good thrift were marked for cutting. Class 1 and class 2 trees were left unless they were defective. On the skyline crane study area, 90 percent of the Douglas-fir (*Pseudotsuga menziesii* var. *glauca*) and western larch (*Larix occidentalis*) was marked for cutting. On the tractor area, all Douglas-firs of poor thrift or vigor and those with 50 percent or more of the crown infected with mistletoe were marked. No western larch was present in the tractor area.

LOGGING METHODS

Skyline Crane.—The Wyssen skyline crane has been described in detail by Matson (4), and will be reviewed only briefly here. The basic unit is a single-drum yarder powered by an air-cooled, 4-cylinder diesel engine. The yarder operates from the ridgetop, lowering logs to the landing by means of a traveling carriage on a fixed, 1-inch-diameter skyline cable. A single operating cable yard

logs to the skyline, where the choker locks to the carriage by a special hooking device. Then the carriage is released and travels by gravity down the skyline. The operating line and a large, air-cooled brake on the yarder control the speed of the carriage and its turn of logs as they descend to the landing.

Slightly more than 1 mile of truck road was constructed in the 1,000-acre area logged by the skyline crane. In contrast, it was estimated that 10 miles of road (including spurs) would have been needed for logging by any standard method.¹

Tractor-arch: A nearby area selected for comparison was logged with a typical tractor-arch combination. Numerous landings were located along 4.1 miles of truck road. An additional 4.5 miles of main-haul tractor road was used for skidding logs to the landings.

STUDY METHODS

Estimates of soil disturbance in the two logged areas were based on measured samples along 3-chain transects extending from point established on a base line. Transects were spaced at 5-chain intervals and oriented by compass bearings paralleling the general contour. Along each transect, soil disturbance was classified and the lineal extent of each class measured with a tape to the nearest tenth of a foot. These measured lengths were then converted to percentage of total transect length. Transects and the 5-chain distances between them were paced.

Three classes of disturbance caused by yarding and skidding operations were defined. They were adapted from Garrison and Rummell, with slight modification:

1. Litter disturbance: Indicated by breaking down of brush or reproduction and disturbance to litter cover, but without removal of litter and soil cover.

2. Shallow soil disturbance: Indicated by renewal of ground vegetation, litter, and humus, exposing the mineral soil to a depth of less than 1 inch.

3. Deep soil disturbance: Same type of disturbance as class 2, but indicated by removal of soil to depths greater than 1 inch.

Observations for damage to residual stands were made in strips along each transect. All trees over 6 inches diameter breast height within 6.6 feet of the compass line were tallied and checked for crushing and breakage in the root systems and crowns and for scarring of the main stems.

RESULTS

Results from 131 transects indicate that both shallow and deep soil disturbance are significantly less in areas logged by skyline crane than in comparable areas logged by tractor (table 2). Differences in litter disturbance by the two methods, however, are not significant. Some soil disturbance was recorded on 91 percent of all three-chain transects in the tractor area, compared with 78 percent in the skyline crane area.

Tractor logging also caused more damage to the residual stand. A tally of the number of damaged trees showed that 21 percent were affected by tractor logging whereas only 13 percent received similar damage on the skyline crane area. Damage to the residual stand was found on 60 percent of all sample strips in the tractor area and on 30 percent of those in the skyline crane area.

DISCUSSION

The most conspicuous effect of logging in both areas is the exposure of mineral soil. This disturbance is not necessarily synonymous with damage. Still, because it represents a potential source of erosion, the comparative extent of exposed soil is the most

¹ U.S. Forest Service. Timber Sale Report, Jack Creek Area, Okanogan National Forest (1954). (Unpublished report; copy on file at regional office, Portland, Ore.)

significant result of the study. Add the percentages of shallow and deep soil disturbance shown in table 2, and it becomes evident that tractor logging left exposed mineral soil on 22.2 percent of the area, compared with 5.4 percent left by the skyline crane.

It is interesting to note that total area of soil is disturbed by tractor logging in this study agrees closely with values reported by Garrison and Rummell and by Fowells and Schubert. Differences in topography, soils and timber stand conditions prevent direct comparisons but, significantly, in these three independent studies soil disturbance by tractors falls within the relatively narrow range of 20.9 and 22.2 percent. If 20-percent disturbance is assumed, tractor logging leaves about 128 acres of bare soil per section compared with about 35 acres for the skyline crane. (Based on the study by Garrison and Rummell, jammer and horse logging can be expected to expose about 97 acres and 75 acres of soil, respectively.)

TABLE 2.—Average percentage of disturbance on areas logged by tractor and by skyline crane, by class of disturbance

Logging method	Class of disturbance ¹			Total disturbance
	Litter	Shallow soil	Deep soil	
Tractor (67 transects).....	7.2	6.3	15.9	29.4
Skyline Crane (64 transects).....	5.7	2.2	3.2	11.1
Difference.....	1.5	² 4.1	² 12.7	² 18.3

¹ See "Study Methods" in text for definition.
² Significant at 99-percent level of probability.

The extent of litter disturbance caused by tractor logging was not significantly greater than that caused by the skyline crane. In both study areas about equal volumes of timber were removed, so one might expect about 7-percent litter disturbance when 70 to 80 percent of the timber stand is harvested. Since the soil surface remains covered with litter, this type of disturbance is considered unimportant in assessing effects of logging on watershed conditions.

An important phase of logging disturbance is the manner of crossing intermittent and permanent drainages. Though no quantitative data were taken, observations were made comparing this factor in the two logging areas. Many turns of logs were transported by the skyline crane across a stream channel without causing disturbance. In general, drainage crossings in the area logged by tractor were well planned, but even with the best of precautions the crossings still constituted a source of silt and debris during periods of runoff.

It is generally recognized that construction and use of logging roads contribute a large part of stream sediment. Logging with the skyline crane required about 10 percent of the truck road system estimated to be necessary for logging the same area by standard methods.

SUMMARY

In a comparative study of logging methods, soil disturbance caused by a Wyssen skyline crane was only a quarter of that caused by a standard crawler tractor operation. Soil disturbance on the skyline crane area was found on fewer transects, less damage was evident in the residual stand, and less road construction was needed. These advantages suggest the possibility of using skyline logging systems for harvesting timber in municipal watersheds and other areas previously closed to logging because of erosive soil conditions or steep, broken terrain.

RATIFICATION OF 23D AMENDMENT TO THE CONSTITUTION

Mr. MORSE. Mr. President, as one who long has labored in the vineyard of home rule for the District of Columbia, I am very gratified that at 1:30 p.m. a measure of citizenship was awarded the hitherto voteless District residents.

To be permitted to vote for the President and Vice President of the United States is no small right. Recognition of this fact was made apparent by the speed with which the amendment moved through the constitutionally required processes of congressional adoption and State legislative ratification. Such celerity is a demonstration of the disapproval with which we, as a people, regard any denial of democratic rights. It is an earnest of the approval which, in my judgment, the citizens of the Nation would give to the adoption of municipal home rule for Washington, D.C.

A portion of the goal has been achieved. But there yet is work to be done: National representation in the Congress and devolution to the District of Columbia voters of political control of the municipal affairs of the city of Washington remain to be achieved. Both can be done by statute.

It is my hope that the public-spirited men and women who gave unstintingly of their time and efforts to press for ratification of the 23rd amendment will now devote their considerable talents and energies to the remaining job.

As a member of the Senate Committee on the District of Columbia and as the author of home-rule bills which have been passed by the Senate, I gladly invite the aid and assistance of my colleagues as well as the assistance of the now partially enfranchised District of Columbia residents, in the next phase of the struggle.

In closing, I wish to extend to my colleagues here and to the members of the House of Representatives who in the first instance voted for the amendment, my heartiest congratulations. Likewise deserving of our thanks are the members of the State legislatures who, with their ratification votes, had the high privilege of crowning our work and that of our colleagues at the other end of the Capitol. As an Oregonian, I am proud that my State was in the forefront of those which gave their approval to this long overdue reform.

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

The PRESIDING OFFICER (Mr. HICKEY in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

RECESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate

now stand in recess, subject to the call of the Chair.

The PRESIDING OFFICER. Is there objection?

There being no objection, at 7 o'clock and 8 minutes p.m., the Senate took a recess, subject to the call of the Chair.

At 7 o'clock and 31 minutes p.m., the Senate reassembled when called to order by the PRESIDING OFFICER (Mr. SMATHERS in the chair).

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

The PRESIDING OFFICER. The clerk will call the roll.

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

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

EXTENSION OF SUGAR ACT OF 1948—CONFERENCE REPORT

Mr. KERR. 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. 5463) to amend and extend the Sugar Act of 1948, as amended. 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 the conference report see House proceedings of today.)

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. KERR. Mr. President, the House conferees receded from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, and agreed to the same. Those numbers identify the amendments which have to do with the duration or term of the extension of the act, the term being extended to 15 months rather than 21 months.

The Senate receded from its amendment numbered 8, which was the so-called Anderson amendment. The Anderson amendment was cosponsored by the Senators from Oklahoma and many other Senators. With reference to that amendment the chairman of the House conferees, Mr. COOLEY, and the other members of the House conferees gave the Senate conferees definite assurances as follows:

First, that beginning in the early part of the month of May of this year the House committee would begin hearings on another sugar bill and would move with all their ability and make every effort of which they are capable to secure enactment of a sugar bill by the House and get it over to the Senate in time for action by the Senate this year.

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

Mr. KERR. I yield.
 Mr. HOLLAND. Does the Senator mean a so-called permanent sugar act, as contrasted with a temporary extension of the present act?

Mr. KERR. Those words were not used. It was our understanding that they were talking about a sugar bill which would provide for an extension of years rather than one that would deal with an emergency which had been created or permitted to develop.

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

Mr. KERR. In a moment. They further requested that the Committee on Finance of the Senate began holding hearings concurrently with them in order that the matter might be fully heard by both committees of Congress this year, in order that during the current session of Congress it would be possible for Congress to act on this question for a longer period of time than that provided in the bill.

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

Mr. KERR. I yield.

Mr. BENNETT. When the chairman of the House committee said he would invite representatives of areas which hoped to get new beet acreage to be the first witnesses at his hearings, the Senator from Utah gained the impression that the House committee was expected to go into all phases of the sugar bill, with the thought that it would come forth with what we would call permanent legislation.

Mr. KERR. That was the impression I obtained from the statement by the chairman of the House conferees and the chairman of the House committee. Mr. President, the Senate conferees were a little rough in their language to the chairman of the House committee. They referred to what amounted to almost a lack of appreciation of the extent to which he had made efforts heretofore to get this legislation to the Senate in time for full and appropriate action by the Senate.

The conference broke up in a spirit of good will prevailing, which was to some degree to my surprise, because the conferees had talked to each other quite frankly, and the representatives of the Senate had expressed to the House conferees the opinion that the Senate felt that there ought to be a greater effort on the part of the House committee, to make it possible for a further consideration by the Senate and a greater degree of cooperation. I was delighted not only that the response to the language used and the statements made by the Senate conferees was constructive, and one which not only had spoken words of assurance, but also that the manner of the conferees was such as to be calculated to let the Senate conferees feel the sincerity of the assurances then being given.

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

Mr. KERR. I yield.

Mr. AIKEN. Pending the enactment of permanent legislation, what will be the authority of the Department of Agriculture relative to the purchase of sugar from Latin American countries, particularly Brazil, Peru, and any of the other countries?

Mr. KERR. I do not believe I understood the Senator's question.

Mr. AIKEN. What will be the authority to purchase from neighboring states to make up the deficiency caused by the reduction in the quota from Cuba and possibly other countries?

Mr. KERR. That question was not in conference. I do not believe any change was made from the law of last year.

Mr. AIKEN. It will be the same authority that has been in existence since last July. Is that correct?

Mr. KERR. Yes. An amendment had been offered by the Senator from Kansas. The language of the House bill provided that consideration would be given to countries that were purchasing agricultural commodities from this country. The House conferees would not take the word "preference" in the amendment of the Senator from Kansas. The representatives of the Department of Agriculture were present, and they said they could not administer an act with that word in it. The word "special" was agreed to, and therefore the language now reads that special consideration will be given to those countries which purchase agricultural commodities from the United States.

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

Mr. KERR. I yield.

Mr. CARLSON. I wish the Record to show that there was considerable discussion of the need for adjustment of this situation, and that we ought to give consideration to it. In the final analysis, in connection with the commodities to be purchased from the United States, I was convinced, as the author of the amendment that there would be some difficulty with the word "preference." We were assured that special consideration would be given in dealing with this problem.

Mr. KERR. I agreed with the Senator from Kansas. I must say that I was more convinced of their objection to the word "preference" than of the difficulty of administration of the act with the word "preference" in it. However, the protests and objections were just as vehement as if they were describing accurately what they believed to be difficult.

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

The PRESIDING OFFICER (Mr. MONROE in the chair). Does the Senator from Oklahoma yield to the Senator from Florida?

Mr. KERR. I yield.

Mr. SMATHERS. I should like to make an addendum to what the Senator from Utah has said about Mr. COOLEY indicating that he would hold hearings, and that the first witnesses would be those seeking additional quotas for beet sugar production. I add also that he included those who seek additional quotas for cane sugar production.

Mr. BENNETT. The Senator from Utah was in error in singling out those growers who were seeking acreage. It was new growers who were seeking acreage; yes.

Mr. KERR. Either beet or cane.

Mr. President, I now have a copy of the language which is in the report of

the managers on the part of the House of Representatives in the conference. It reads:

The Senate receded from this amendment—

That is amendment number 8, or the Anderson amendment—

with the understanding that hearings on a long-range—

That was the phrase I tried to think of in replying to the Senator from Florida. He used the word "permanent," I believe.

The Senate receded from this amendment with the understanding that hearings on a long-range sugar bill will be started by the House Committee on Agriculture early in May and that every effort will be made to report a bill and pass it through the House at this session of Congress. The House conferees also expressed the hope that the Senate Committee on Finance would undertake hearings contemporaneously with those of the House so that long-range sugar legislation might be enacted at the earliest practicable date.

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

Mr. KERR. I yield.

Mr. HOLLAND. The explanation just made by the Senator from Oklahoma is very helpful. The phrase "long range" probably expresses what I had in mind better than the word "permanent." Am I correct in understanding that all conferees, of both the House and Senate, signed the conference report?

Mr. KERR. I believe they did.

Mr. HOLLAND. I congratulate the Senator from Oklahoma and the other conferees on the very happy termination of the conference.

Mr. KERR. I recommend approval of the conference report.

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

Mr. KERR. I yield.

Mr. MANSFIELD. The Senator has mentioned the fact that the House would start hearings on a long-range act in May, and that it was their suggestion that the Committee on Finance of the Senate should consider the possibility of acting concurrently on the same matter. Is it the Senator's impression, as chairman of the Senate conferees, that when these committees meet they will also discuss at the same time the Douglas proposal, which was adopted by the Committee on Finance?

Mr. KERR. That is the desire and purpose of the Senator from Oklahoma, and the belief of the Senator from Oklahoma. The distinguished Senator from Virginia [Mr. BYRD], the chairman of the Committee on Finance, assured us that he would cooperate in every possible way to hold early and adequate hearings this year.

Mr. DIRKSEN. Mr. President, will the the Senator from Oklahoma yield?

Mr. KERR. I yield.

Mr. DIRKSEN. Do I correctly understand that the Senate conferees approach their responsibilities with customary candor and vigor, and that on occasions the language was ruggedly classic or classically rugged, one way or the other.

Mr. KERR. Or both.

Mr. DIRKSEN. And that the Senate conferees really upheld the full tradition of the Senate?

Mr. KERR. I thank my great friend from Illinois and say to him that I have no basis on which to disagree in the slightest extent. [Laughter.]

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. KERR. Mr. President, I move that the vote by which the conference report was agreed to be reconsidered.

Mr. CARLSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

Mr. MANSFIELD. Mr. President, sundry nominations were reported today from the Committee on Armed Services. I ask for their immediate consideration.

The PRESIDING OFFICER. The nominations will be stated.

U.S. MARINE CORPS

The Chief Clerk read the nomination of Lt. Gen. Thomas A. Wornham, U.S. Marine Corps, to be placed on the retired list in the grade of lieutenant general.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

U.S. AIR FORCE

The Chief Clerk read the nomination of Lt. Gen. Donald N. Yates, 584(A) major general, Regular Air Force, U.S. Air Force, to be placed on the retired list in the grade of lieutenant general.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

NOMINATIONS ORDERED TO LIE ON THE TABLE

The Chief Clerk proceeded to read sundry nominations which had been ordered to lie on the table.

Mr. MANSFIELD. Mr. President, I ask that the nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. MANSFIELD. Mr. President, I move that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith of the confirmation of the nominations.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

THIRD SUPPLEMENTAL APPROPRIATION BILL—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, on behalf of the Senator from Arizona [Mr. HAYDEN], the chairman of the committee, 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. 5188—making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes. 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 today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. MANSFIELD. Mr. President, I did not wish to have the conference report agreed to; I simply wished to have it brought before the Senate, because the chairman of the committee, the distinguished Senator from Arizona [Mr. HAYDEN], will be present tomorrow to explain the report.

I ask unanimous consent that the action of the Senate, just taken, in agreeing to the conference report be reconsidered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana that the action of the Senate, just taken, in agreeing to the conference report be reconsidered? The Chair hears none, and it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, is the conference report on the third supplemental appropriation bill now the pending business?

The PRESIDING OFFICER. It is the pending business.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent the following additional routine business was transacted:

ADDITIONAL BILL INTRODUCED

Mr. HRUSKA, by unanimous consent, on behalf of himself and Senators COTTON and KEATING, introduced a bill (S. 1484) to provide for the representation of indigent defendants in criminal cases in the district courts of the United States, which was read twice by its title

and referred to the Committee on the Judiciary.

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

REPRESENTATION OF INDIGENT DEFENDANTS IN CRIMINAL CASES IN DISTRICT COURTS

Mr. HRUSKA. Mr. President, on behalf of myself, the Senator from New Hampshire [Mr. COTTON] and the Senator from New York [Mr. KEATING], I introduce, for appropriate reference, a bill to provide for the representation of indigent defendants in criminal cases in the district courts of the United States. I ask unanimous consent that an explanatory statement of the bill, prepared by me, may be printed in the RECORD.

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

The bill (S. 1484) to provide for the representation of indigent defendants in criminal cases in the district courts of the United States, introduced by Mr. HRUSKA (for himself and other Senators), was received, read twice by its title, and referred to the Committee on the Judiciary.

The statement presented by Mr. HRUSKA, is as follows:

STATEMENT OF SENATOR HRUSKA

The problem of representation for indigent defendants has long been the concern of our courts, the legal profession, the Department of Justice, and the Congress. There is common and widespread dissatisfaction with the present system of assigned counsel which imposes a heavy burden upon the bar; nor is it fair to destitute defendants who are often represented by counsel inexperienced in criminal matters even though they may be distinguished and even outstanding in other fields of the profession. A serious fault in the present system is that the bar is required to serve without compensation or, for that matter, even without reimbursement for expenses which are incurred in the preparation of the case.

The urgent need for a more practicable means to fulfill the requirement of the sixth amendment that in all criminal prosecutions the accused shall have the right to the assistance of counsel for his defense was recognized by the Senate Judiciary Committee in favorably reporting S. 895 in the 1st session of the 86th Congress. This bill was passed by the Senate on May 20, 1959. I was happy to give my full support to the measure both in committee and on the floor.

I am sending to the desk a bill which is a revised version of the measure passed in the last Congress. Many of the amendments which it contains are based on comments and recommendations made by members of the Federal judiciary, law school deans and professors, and members of the American Bar Association as reported in the House Judiciary Committee print of a survey on legislation related to this subject.

The bill introduced today provides for the appointment of public defenders by district courts on either a part-time or full-time basis, as dictated by the volume of work in those courts. It also leaves the district courts with the option of appointing special counsel for particular cases, if they feel this method would be more advantageous than the use of public defenders. Certain limitations are placed on remuneration paid and expenses incurred.

Before any public defender or assistant public defender is authorized in any district, there must be approval of the Judicial Council of the circuit. The bill provides for the appointment of clerks and investigators and the hiring of technical experts and other special personnel, subject to the approval of the court or the Administrative Office, whichever is appropriate in that case. It provides authorizations for the courts to use appointed special counsel when in their opinion such appointments are justified.

The bill makes it clear that counsel should be made available to indigent defendants as early as the preliminary examination and arraignment. It provides that the public defender and his assistant have at least 5 years of practice before the bar and that they be appointed for a term of 4 years.

The bill specifies that the salary of a public defender shall be in an amount determined by the Judicial Conference of the United States and that it shall be exceed that of the U.S. attorney in the district concerned.

The bill provides for payment of assigned counsel at a rate determined by the court but not to exceed \$50 a day with a maximum limitation for the aggregate costs of such counsel in any district for 1 year of \$10,000.

In view of the increasing importance which has been attached to legislation on this subject, it is hoped that the Senate Judiciary Committee will schedule hearings on all pending bills at an early date this year.

ADJOURNMENT

Mr. MANSFIELD. Mr. President, if there is no further business to come before the Senate, I move that the Senate adjourn until 12 o'clock noon tomorrow.

The motion was agreed to; and at 7 o'clock and 53 minutes p.m., the Senate adjourned until tomorrow, Thursday, March 30, 1961, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 29, 1961:

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

John M. Leddy, of Virginia, to be U.S. Executive Director of the International Bank for Reconstruction and Development for a term of 2 years.

U.S. ATTORNEYS

Floyd M. Buford, of Georgia, to be U.S. attorney for the middle district of Georgia for a term of 4 years, vice Frank O. Evans.

Edward F. Boardman, of Florida, to be U.S. attorney for the southern district of Florida for a term of 4 years, vice James L. Gullmartin, resigned.

Charles A. Muecke, of Arizona, to be U.S. attorney for the district of Arizona for a term of 4 years, vice Jack D. H. Hays, resigned.

James B. Brennan, of Wisconsin, to be U.S. attorney for the eastern district of Wisconsin for a term of 4 years, vice Edward G. Minor.

Joseph P. Hoey, of New York, to be U.S. attorney for the eastern district of New York for a term of 4 years, vice Cornelius W. Wickersham, Jr.

U.S. MARSHALS

Joseph N. Tierney, of Illinois, to be U.S. marshal for the northern district of Illinois for a term of 4 years, vice William W. Kipp, Sr.

John Terrill, of Wyoming, to be U.S. marshal for the district of Wyoming for a term of 4 years, vice Noah W. Riley.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 29, 1961:

U.S. AIR FORCE

Lt. Gen. Donald N. Yates, [XXXX] (major general, Regular Air Force), U.S. Air Force, to be placed on the retired list in the grade of lieutenant general, under the provisions of section 8962, title 10, of the United States Code.

U.S. MARINE CORPS

Lt. Gen. Thomas A. Wornham, U.S. Marine Corps, to be placed on the retired list in the grade of lieutenant general in accordance with title 10, United States Code, section 5233.

Maj. Gen. Alan Shapley, U.S. Marine Corps, to be lieutenant general while serving in commands and other duties as determined by the President to be within the contemplation of title 10, United States Code, section 5232.

U.S. ARMY

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

To be general

Gen. Carter Bowie Magruder, [XXXXX], Army of the United States (major general, U.S. Army).

To be lieutenant generals

Lt. Gen. Emercon Charles Itschner, [XXXXXX], Army of the United States (major general, U.S. Army).

Lt. Gen. Robert Milchrist Cannon, [XXXXXX], Army of the United States (major general, U.S. Army).

Lt. Gen. Thomas Leonard Harrold, [XXXXXX], Army of the United States (major general, U.S. Army).

Lt. Gen. Gordon Byrom Rogers, [XXXXXX], Army of the United States (major general, U.S. Army).

Lt. Gen. John Albert Dabney, [XXXXXX], Army of the United States (major general, U.S. Army).

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

Lt. Gen. Guy Stanley Meloy, Jr., [XXXXXX], Army of the United States (major general, U.S. Army), in the rank of general.

Maj. Gen. Andrew Thomas McNamara, [XXXXXX], U.S. Army, in the rank of lieutenant general.

Maj. Gen. John Knight Waters, [XXXXXX], U.S. Army, in the rank of lieutenant general.

Maj. Gen. Hugh Pate Harris, [XXXXXX], Army of the United States (brigadier general, U.S. Army), in the rank of lieutenant general.

The nominations beginning Harry W. Miller [XXX] to be captain, and ending William W. Watkin, Jr., to be professor of earth, space and graphic sciences, U.S. Military Academy, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 3, 1961.

IN THE NAVY AND MARINE CORPS

The nominations beginning Richard V. Aamodt, to be an ensign in the Navy, and ending Mel J. Swanborn, to be a first lieutenant in the Marine Corps, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 20, 1961.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MARCH 29, 1961

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

John 3: 17: *God sent not His Son into the world to condemn the world; but that through Him, the world might be saved.*

Almighty God, during this Holy Week, we are commemorating events in the life of our Lord, whose spiritual significance our finite minds cannot comprehend.

We rejoice that when there was no eye to pity and no arm to save, then in the fullness of time Thou didst send Thine only begotten Son, who, on Good Friday, laid upon the altar the acceptable sacrifice of His own life.

May these days be for all of us not only a time of commemoration but of consecration when we are seeking to share in our Master's redemptive ministry.

Show us how we may release the hidden splendor of humanity, emancipating it from everything that defiles and degrades the soul of man and mars the image of God in which we have been created.

Hear us in the name of the Captain of our salvation. Amen.

THE JOURNAL

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

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 107. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as participating projects of the Colorado River storage project, and for other purposes.

S. 1358. An act to repeal section 12 of the act of June 26, 1884, prohibiting a charge or collection of fees by consular officers for official services to American vessels and seamen, and to repeal the provisions of the act of June 4, 1920, authorizing the free issuance of passports to seamen.

The message also announced that the Vice President had appointed Mr. Charles William Engelhard, Jr., of New Jersey, Mr. Elmo B. Roper, Jr., of Connecticut, Mr. Douglas Wynn, of Mississippi, Mrs. Edith S. Sampson, of Illinois, Mr. Alex Warden, of Montana, Mr. Christian A. Herter, of Massachusetts, Mr. William F. Knowland, of California, Mr. Ben Regan, of Illinois, Mr. David