

## HOUSE OF REPRESENTATIVES

THURSDAY, MAY 25, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Isaiah 9: 6: *His name shall be called Wonderful, Counselor, the mighty God, the everlasting Father, the Prince of Peace.*

O Thou blessed and eternal God, we rejoice that Thy divine wisdom and power are abundantly sufficient for our many needs.

Bless us with a loyalty that never wavers and a courage that never falters as we seek to fulfill the high and holy mission with which we have been intrusted.

We humbly confess that our finite minds do not know how to read and interpret rightly the signs and events of these days but may we believe that it is our highest wisdom to trust Thee and not be afraid.

Inspire and guide with Thy holy spirit our President, our Speaker, and the Members of Congress in their deep concern for the security of our beloved country and the welfare of humanity.

Grant that they may perceive clearly what is needed and champion courageously what is right as they seek to mobilize our material and spiritual resources to meet the desperate needs and longings of our day and generation.

Hear us as we earnestly beseech Thee that mankind may be filled with a passionate yearning to promote the spirit of friendship and unity among all the members of the human family.

In the name of the Prince of Peace we offer our prayer. Amen.

## THE JOURNAL

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

## INTER-AMERICAN SOCIAL AND ECONOMIC COOPERATION PROGRAM AND THE CHILEAN RECONSTRUCTION AND REHABILITATION PROGRAM APPROPRIATION BILL

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6518) making appropriations for the inter-American social and economic cooperation program and the Chilean reconstruction and rehabilitation program for the fiscal year ending June 30, 1961, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana? The Chair hears none and appoints the following conferees: Messrs. PASSMAN, GARY, CANNON, TABER, and FORD.

## RECESS

The SPEAKER. The House will stand in recess, subject to the call of the Chair.

Accordingly (at 12 o'clock and 4 minutes p.m.) the House stood in recess, subject to the call of the Chair.

## AFTER RECESS

The recess having expired, the House was called to order at 12 o'clock and 20 minutes p.m.

## JOINT SESSION OF THE HOUSE AND SENATE HELD PURSUANT TO THE PROVISIONS OF HOUSE CONCURRENT RESOLUTION 316 TO HEAR AN ADDRESS BY THE PRESIDENT OF THE UNITED STATES

The SPEAKER of the House presided.

The Doorkeeper announced the Vice President and Members of the U.S. Senate who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. On the part of the House the Chair appoints as members of the committee to escort the President of the United States into the Chamber: the gentleman from Massachusetts, Mr. MCCORMACK; the gentleman from Pennsylvania, Mr. WALTER; the gentleman from Oklahoma, Mr. ALBERT; the gentleman from Indiana, Mr. HALLECK; and the gentleman from Illinois, Mr. ARENDS.

The VICE PRESIDENT. On the part of the Senate the Chair appoints as members of the committee of escort the Senator from Montana, Mr. MANSFIELD; the Senator from Minnesota, Mr. HUMPHREY; the Senator from Florida, Mr. SMATHERS; the Senator from Illinois, Mr. DIRKSEN; the Senator from California, Mr. KUCHEL; and the Senator from New Hampshire, Mr. BRIDGES.

The Doorkeeper announced the Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments entered the Hall of the House of Representatives and took the seats reserved for them.

The Doorkeeper announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 12 o'clock and 31 minutes p.m. the Doorkeeper announced the President of the United States.

The President of the United States, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives, and stood at the Clerk's desk. [Applause, the Members rising.]

The SPEAKER. Members of the Congress, I have the great pleasure, the high privilege, and the distinct honor

of presenting to you the President of the United States. [Applause, the Members rising.]

## URGENT NATIONAL NEEDS—ADDRESS OF THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 174)

The PRESIDENT. Mr. Speaker, Mr. Vice President, my copartners in Government, and ladies and gentlemen: The Constitution imposes upon me the obligation to from time to time give to the Congress information on the state of the Union. While this has traditionally been interpreted as an annual affair, this tradition has been broken in extraordinary times.

These are extraordinary times. We face an extraordinary challenge. But our strength as well as our convictions have imposed upon this Nation the role of leader in freedom's cause. We face opportunities and adversaries that do not wait for annual addresses or fiscal years. This Nation is engaged in a long and exacting test of the future of freedom—a test which may well continue for decades to come. Our strength as well as our convictions have imposed upon this Nation the role of leader in freedom's cause.

No role in history could be more difficult or more important. It is not a negative or defensive role—it is a great positive adventure. We stand for freedom. That is our conviction for ourselves, that is our only commitment to others. No friend, no neutral, and no adversary should think otherwise. We are not against any man, or any nation, or any system, except as it is hostile to freedom. Nor am I here to present a new military doctrine bearing any one name or aimed at any one area. I am here to promote the freedom doctrine.

The great battleground for the defense and expansion of freedom today is the whole southern half of the globe—Asia, Latin America, Africa, and the Middle East—the lands of the rising peoples. Their revolution, the greatest in human history, is one of peace and hope for freedom and equality, for order and independence. They seek an end to injustice, tyranny, and exploitation. More than an end, they seek a beginning. And theirs is a revolution which we would support regardless of the cold war, and regardless of which political or economic route they choose to freedom.

For the adversaries of freedom did not create this revolution; nor did they create the conditions which compel it. But they are seeking to ride the crest of its wave, to capture it for themselves.

Yet their aggression is more often concealed than open. They have fired no missiles; and their troops are seldom seen. They send arms, agitators, aid, technicians and propaganda to every troubled area. But where fighting is required, it is usually done by others, by guerrillas striking at night, by assassins striking alone, assassins who have taken the lives of 4,000 civil officers in the last

12 months in Vietnam, by subversives and saboteurs and insurrectionists, who in some cases control whole areas inside of independent nations.

They possess a powerful intercontinental striking force, large forces for conventional war, a well-trained underground in nearly every country, the power to conscript talent and manpower for any purpose, the capacity for quick decisions, a closed society without dissent or free information, and long experience in the techniques of violence and subversion. They make the most of their scientific successes, their economic progress and their pose as a foe of colonialism and friend of popular revolution. They prey on unstable or unpopular governments, unsealed or unknown boundaries, unfulfilled hopes, convulsive change, massive poverty, illiteracy, unrest, and frustration.

With these formidable weapons, the adversaries of freedom plan to consolidate their territory, to exploit, to control, and finally to destroy the hopes of the world's newest nations, and they have ambition to do it before the end of this decade. It is a contest of will and purpose as well as force and violence, a battle for minds and souls as well as lives and territory. In that contest we cannot stand aside.

We stand, as we have always stood, from our earliest beginning, for the independence and equality of nations.

We stand for a world of peace under law. We stand for the democratic revolution of social progress. We stand for diversity, honest disagreements, and mutual respect. This Nation was born of revolution and raised in freedom. And we do not intend to leave an open road to despotism.

But the facts of the matter are that we in the West have not yet sufficiently mobilized our resources, demonstrated our aims, or inspired and supported the necessary spirit of local reform to help these new revolutions find success in constructive pursuits. Too often we have accepted a merely defensive role. Too often we have let ourselves appear as friends of the status quo, and the status quo may be \$50 a year. Meanwhile the pressures of the totalitarian conspiracy mount higher every day, as one nation after another, by internal more often than external means, finds its freedom under attack.

There is no single simple policy with which to meet this challenge. Experience has taught us that no one nation has the power or the wisdom to solve all the problems of the world or manage all its revolutionary tides; that extending our commitments does not always increase our security; that any initiative carries with it the risk of temporary defeat; that nuclear weapons cannot prevent subversion; that no free peoples can be kept free without will and energy of their own, and that no two nations or situations are exactly alike.

Yet there is much we can do and must do. The proposals I bring before you today are numerous and varied. They arise from the host of special opportunities and dangers which have become increasingly clear in recent months.

Taken together, I believe that they mark another step forward in our effort as a people. Taken together they will help advance our own progress, encourage our friends, and strengthen the opportunities for freedom and peace. I am here to ask the help of this Congress for freedom and peace. I am here to ask the help of this Congress and the Nation in approving these necessary measures.

The ultimate source of our national strength is the quality and vitality of our own society. To sustain new efforts in world affairs and space, to demonstrate to all the success of freedom's way, and to meet the needs of our own citizens when we are assisting others, we need a growing, prosperous nation. I am not requesting additional taxes to finance the very urgent requests I am making today—for our present tax structure and resources are more than sufficient to support them without a budget deficit if our economy moves ahead. But we must make full use of our resources—human, scientific, and material—giving priority to our most urgent national needs.

The first and basic task confronting the Nation this year was to turn recession into recovery. An affirmative anti-recession program, initiated with your cooperation, supported the natural forces in the private sector; and our economy is now enjoying renewed confidence and energy. The recession has been halted. Recovery is underway. [Applause.]

But the task of abating unemployment and achieving a full use of our resources remains a serious challenge. Large-scale unemployment during a recession is bad enough—a large-scale unemployment during recovery is intolerable to a free economy. It is a major social evil; it is a source of national weakness. It will persist even as the Nation's output surpasses previous achievements, as I believe will be seen in the coming months.

The Government must consider additional long-range measures to curb this unemployment and increase our economic growth, if we are to sustain our full role as world leaders. Measures to aid the unemployed, and to employ our youth usefully, will be submitted shortly. I would stress one measure in particular today—a measure of special importance in meeting the occupational demands of new American leadership in space, aid, trade, and defense.

I am therefore transmitting to the Congress a new manpower development and training program, to train or retrain several hundred thousand workers, particularly in those areas where we have seen critical unemployment as a result of technological factors, in new occupational skills over a 4-year period, in order to replace those skills made obsolete by automation and industrial change with the new skills which new processes demand. Supplementing current public and private training and education programs, such a measure, including subsistence and relocation allowance for the long-term unemployed, is a positive answer to the challenge of technology.

In addition, full recovery and economic growth require sustained increases in investment, and these in turn depend on favorable monetary and credit conditions as well as the enactment of the investment tax credit incentive plan which I earlier submitted to the Congress. The lending capacity of the Small Business Administration should be increased; and Federal action can help reduce the cost of the home-buyer's mortgage. Beyond this, the full financial influence of the Government must continue to be exerted in the direction of general credit ease and further monetary growth while the economy is recovering. Some further downward adjustments in interest rates, particularly those which have been slow to adjust in the recent recession, are clearly desirable; and certainly to increase them would choke off recovery.

These expansionary measures at a time of unemployment, unused capacity and stable price levels, are not inflationary. This is important, for we have made great strides in restoring world confidence in the dollar, halting the outflow of gold and improving our balance of payments. During the last 2 months, our gold stocks actually increased by \$17 million, compared to a loss of \$635 million during the last 2 months of 1960. We must maintain this progress—and this will require the cooperation and self-restraint of everyone. As recovery progresses, there will be temptations to seek unjustified price and wage increases. These we cannot afford. They would only handicap our efforts to compete abroad and to achieve full recovery here at home. Labor and management must—and I am confident that they will—pursue responsible wage and price policies in these critical times. I look to the President's Advisory Committee on Labor-Management Policy to give a strong lead in this direction.

Moreover, if the budget deficit now increased by the needs of our security is to be held within manageable proportions, if we are to preserve our fiscal integrity and world confidence in the dollar, it will be necessary to hold tightly to prudent fiscal standards; and I must request the cooperation of the Congress in this regard—to refrain from adding funds or programs, desirable as they may be, to the budget—to end the postal deficit through increased rates, a deficit, incidentally, which exceeds the fiscal year 1962 cost of all the space and defense measures I am submitting today—to provide full pay-as-you-build highway financing, and to close those tax loopholes earlier specified. Our security and progress cannot be cheaply purchased; and their price must be found in what we all forgo as well as what we all must pay.

I stress the strength of our economy because it is essential to our strength as a nation. And what is true in our case is true of other countries. Their strength in the struggle for freedom depends on the strength of their economic and social progress. Their ability to resist imperialism from without and subversion from within depends in large measure upon their capacity for orderly political and economic growth.



This is particularly true in those less-developed countries that have become the great arena of struggle. And that is why our response to their danger must be essentially constructive. We want to generate hope in those countries. We want to help them modernize their societies, broaden human opportunity, and stand as equal partners in the community of free nations. We would be badly mistaken to consider their problems in military terms alone.

For no amount of arms and armies can help stabilize those governments which are unable or unwilling to achieve social reform and economic development. Military pacts cannot help nations whose social injustice and economic chaos invite insurgency and penetration and subversion. The most skillful counterinsurgency efforts available cannot succeed where the local population is too caught up in its own misery to be concerned about the advance of communism. We would be badly mistaken to consider these problems in military terms with all the people. But for those who share this view we stand ready now, as we have in the past, to provide generously of our skills, or our capital, and of our food to assist the peoples of the less-developed nations to reach their goals in freedom, and to help them before they are engulfed in crisis.

On the other hand, no amount of subversive activity can corrupt a nation working with confidence for a better society, under leadership it trusts, and with increasing participation by all in the benefits of new development.

This is our concept. We stand ready now to provide generously of our skills, our capital, and our food to assist the peoples of the less-developed nations to reach their goals, and to help them before they are engulfed in crisis.

This is also our great opportunity in 1961. If we grasp it, then subversion to prevent its successes exposed as an unjustifiable attempt to keep these nations from being either free or equal. But if we do not pursue it, the bankruptcy of unstable governments and unfulfilled hopes will surely lead to a series of totalitarian receiverships.

Earlier in the year, I outlined to the Congress a new program for aiding emerging nations; and it is my intention to transmit shortly draft legislation to implement this program, to establish a new Act for International Development (AID), and to add to the figures previously requested, in view of the swift pace of critical events, an additional \$250 million for a Presidential contingency fund, to be used only upon a Presidential determination in each case, with regular and complete reports to the Congress in each case when there is a sudden and extraordinary drain upon our regular funds which we cannot foresee, as illustrated by recent events in southeast Asia which makes necessary the use of this emergency reserve.

I make this additional request because of my conviction that in these uncertain times we must have the flexibility to respond to new, but as yet unknown, crises and opportunities. The total amount requested—now raised to \$2.65 billion—

is both minimal and crucial. I do not see how anyone who is concerned about the growing threats to freedom around the world—and who is asking what more we can do—can weaken or oppose the single most important program available for building the frontiers of freedom.

Our hopes for the Latin American Alliance for Progress—our hopes for improving the excellent start toward planned development that has been made in a number of countries—our hopes for frustrating alien propaganda and subversion by creating a climate for peaceful progress—and our hopes for convincing the other industrialized nations to increase their role in this endeavor—all depend upon Congress enacting the full amount of funds and, of equal importance, the long-term borrowing authority which I have requested.

Let me stress there are many bright spots in this picture. With the very convincing help of the Congress, the Latin American Alliance for Progress is about to be launched successfully. Our great partner to the north, who received my wife and me so generously, is indicating renewed interest. Our good neighbors to the south are making major strides to build the bulwarks of freedom—economic and social progress—against the further encroachment of communism. Other less-developed nations are recognizing the need for greater effort and reform on their own behalf—and other NATO allies are indicating their willingness to help make this decade of progress a turning point. There is much to be done—but we are not alone.

All that I have said makes it clear that we are engaged in a worldwide struggle to preserve and promote the ideals we share with all mankind, or have alien ideals forced upon us. That struggle has highlighted the role of the U.S. Information Agency, our primary organ for disseminating information overseas. This activity assumes critical importance at different times and in different places and we must be able to respond quickly. It is essential that the funds previously requested for this effort be not only approved in full, but increased to total just over \$121 million.

This new request is for additional radio and television in Latin America and southeast Asia. These tools are particularly effective in the cities and villages of those great continents as a means of reaching millions of uncertain peoples to tell them of our confidence in freedom. In Latin America, we are proposing to increase our Spanish and Portuguese broadcasts to a total of 154 hours a week, compared to 42 today—none of which is in Portuguese, the language of about one-third of the people of South America. The Soviets, Red Chinese, and satellites already broadcast into Latin America more than 134 hours a week in Spanish and Portuguese. Communist China alone does more public information broadcasting in our own hemisphere than we do. Moreover, powerful propaganda broadcasts from Havana, now heard throughout Latin America, are encouraging new revolutions in several

countries; and our efforts to isolate and counter this menace require increased efforts to convey throughout the Americas the true nature of Communist objectives in this hemisphere. To strengthen all of Latin America, we need the widest possible appreciation of our Alianza para Progreso, and its meaning to poverty stricken peoples.

Similarly, in Laos, Vietnam, Cambodia, and Thailand, we must communicate our determination and support to those upon whom our hopes for resisting the Communist tide in that continent must ultimately rest. Our interest is solely in the truth—the truth that will make men free.

But while we talk of sharing and building and the competition of ideas, others talk of arms and threaten war. So we have learned to keep our defenses strong—and to cooperate with others in a partnership of self-defense. The events of recent weeks have caused us to look anew at these efforts.

1. The center of freedom's defense is our network of world alliances, extending from NATO, approved by a Democratic President and a Republican Congress, to SEATO, approved by a Republican President and a Democratic Congress. These alliances were constructed in the 1940's and 1950's—it is our task in the 1960's to strengthen them.

To meet the changing conditions of power, we have endorsed an increased emphasis on NATO conventional strength. At the same time we are affirming our conviction that the NATO nuclear deterrent must also be kept strong. I have made clear our intention to commit to the NATO command, for this purpose, the five Polaris submarines originally suggested by President Eisenhower, with the possibility of more to come. Our will and our capacity to resist all types of aggression in the NATO treaty area should be clear beyond possibility of miscalculation; and if they so remain, I am certain there will be no such attack.

2. A major part of our partnership for self-defense is the military assistance program. The defense of freedom must rest upon effective combining of the efforts of local forces with our own plans and assistance. In areas directly threatened by overt invasion, local forces must have the capacity to hold back an aggressor until help can be provided. And the main burden of local defense against local attack, subversion, insurrection, or guerrilla warfare must of necessity rest on local forces. Where these forces have the necessary will and capacity to cope with such threats, our intervention is rarely necessary or helpful. Where the will is present and only capacity is lacking, our military assistance program can be of help.

But this program, like economic assistance, needs a new emphasis. It cannot be extended without regard to the social, political, and military reforms essential to internal respect and stability. The equipment and training provided must be tailored to legitimate local needs and to our own foreign and military policies, not to our supply of military stocks or a local leader's desire for

military display. And military assistance can, in addition to its military purposes, make a contribution to economic progress. The domestic works of our own Army Engineers are an example of the role which military forces in the emerging countries can play in village development, sanitation, and roadbuilding. Thus, while kept separate from economic assistance, this program must be closely coordinated with it under our Ambassadors abroad.

In an earlier message, I requested \$1.6 billion for military assistance, stating that this would maintain existing force levels, but that I could not foresee how much more might prove to be required. It is now clear that this is not enough—that many countries need increased mobility, modernization, and paramilitary equipment—and that others must increase their capability to work effectively with outside forces dispatched to help them in an emergency. The present crisis in southeast Asia, on which the Vice President has made a valuable report—the rising threat of communism in Latin America—the increasing arms traffic in Africa—and all the new pressures on every nation found on the map by tracing your finger along the borders of the Communist bloc in Asia and the Middle East—all make clear the dimension of our needs.

I therefore request the Congress to provide a total of \$1.885 billion for military assistance in the coming fiscal year—an amount less than that requested a year ago—but a minimum which must be assured if we are to help those nations make secure their independence. This must be prudently and wisely spent—and that will be our common endeavor. But let me say again that military and economic assistance has been a heavy burden on our citizens for a long time; and I recognize the strong pressures against it; but this battle is far from over. It is reaching its most crucial stage and I believe we should participate in it. We cannot merely state our opposition to totalitarianism without paying the price of helping those now under the greatest pressures.

#### VI. OUR OWN MILITARY AND INTELLIGENCE SHIELD

In line with these developments, I have directed a further reinforcement of our own capacity to deter or resist nonnuclear aggression. Our nuclear strength and our deterrent capacity are adequately safeguarded by what I have requested in an earlier message; and if their strength and invulnerability are maintained, and if the Western alliance remains resolute and united, there will be no general nuclear attack. Even in the conventional field, with one exception, I find no present need for large new levies of men. What is needed is rather a change of position to give us still further increases in our flexibility, our adaptability, and our readiness. Therefore:

(1) First, I am directing the Secretary of Defense to undertake a complete reorganization and modernization of the Army's divisional structure, to increase its nonnuclear firepower, to im-

prove its tactical mobility in any environment, to insure its flexibility to meet any direct or indirect threat, to facilitate its coordination with our major allies, and to provide modern mechanized divisions in Europe and new airborne brigades in both the Pacific and Europe.

(2) Second, I am asking the Congress for an additional \$100 million to begin the procurement task necessary to reequip this new Army structure with the most modern materiel. New helicopters, new armored personnel carriers, and new howitzers, for example, must be obtained now. These funds will be added to those already requested or reprogrammed from other sources.

(3) Third, I am directing the Secretary of Defense to expand rapidly and substantially the orientation of existing forces for the conduct of nonnuclear war, paramilitary operations, and sublimited or unconventional wars. He assures me that, by reprogramming existing funds as permitted by law, over \$100 million can be directed to this objective without additional appropriations this year. These funds will be used for accelerating the purchase of new nonnuclear weapons and equipment, increasing air and amphibious lift capacity, and so deploying forces and equipment that they can be quickly moved to meet any outbreak of trouble.

In addition, our special forces and unconventional warfare units will be increased and reoriented. Throughout the services new emphasis must be placed on the special skills and languages which are required to work with local populations in all the social, economic, psychological, governmental, and other efforts that are short of open conflict but necessary to counter Communist-sponsored guerrillas or insurgents.

(4) Fourth, the Army is developing plans to make possible a much more rapid deployment of a major portion of its highly trained Reserve Forces. When these plans are completed and the Reserve is strengthened, two combat-equipped divisions, plus their supporting forces, a total of 89,000 men, could be ready in an emergency for operations with but 3 weeks' notice—2 more divisions with but 5 weeks' notice—and 6 additional divisions and their supporting forces, making a total of 10 divisions, could be deployable with less than 8 weeks' notice. In short, these new plans will allow us to almost double the combat power of the Army in less than 2 months, compared to the nearly 9 months heretofore required.

(5) Fifth, to enhance the already formidable ability of the Marine Corps to respond to limited war emergencies, I am asking the Congress for \$60 million to increase Marine Corps strength to 190,000 men. This will increase the initial impact and staying power of our three Marine divisions and three air wings, and provide a trained nucleus for further immediate expansion, if necessary for self-defense.

(6) Finally, to cite one other area of activities that are both legitimate and necessary as a means of self-defense in an age of hidden perils, our whole intel-

ligence effort must be reviewed, and its coordination with other elements of policy assured. This is not a matter on which public discussion is useful, nor are current studies completed. But the Congress and the American people are entitled to know that we will institute whatever new organization, policies, and control are necessary to insure the maximum coordination and use of all political, economic, and psychological resources in the attainment of our objectives.

#### CIVIL DEFENSE

One major element of the national security program which this Nation has never squarely faced up to is civil defense. This problem arises not from present trends but from past inaction. In the past decade we have intermittently considered a variety of programs, but we have never adopted a consistent policy. Public considerations have been largely characterized by apathy, indifference and skepticism; while, at the same time, many of the civil defense plans proposed have been so far reaching or unrealistic that they have not gained essential support.

This administration has been looking very hard at exactly what civil defense can and cannot do. It cannot be obtained cheaply. It cannot give an assurance of blast protection that will be proof against surprise attack or guaranteed against obsolescence or destruction. And it cannot deter a nuclear attack.

We will deter an enemy from making a nuclear attack only if our retaliatory power is so strong and so invulnerable that he knows he would be destroyed by our response. [Applause.] If we have that strength, civil defense is not needed to deter an attack. If we should ever lack it, civil defense would not be an adequate substitute.

But this deterrent concept assumes rational calculations by rational men. And the history of this planet is sufficient to remind us of the possibilities of an irrational attack, a miscalculation, an accidental war which cannot be either foreseen or deterred. The nature of modern warfare heightens these possibilities. It is on this basis that civil defense can readily be justified—as insurance for the civilian population in the event of such a miscalculation. It is insurance we trust will never be needed—but insurance which we could never forgive ourselves for forgoing in the event of catastrophe.

Once the validity of this concept is recognized, there is no point in delaying the initiation of a nationwide long-range program of identifying present fallout shelter capacity and providing shelter in new and existing structures. Such a program would protect millions of people against the hazards of radioactive fallout in the event of a large-scale nuclear attack. To assure effective use of these shelters, additional measures will be required for warning, training, radiological monitoring, and stockpiling of food and medicines. And effective performance of the entire program requires not only new legislative authority and more funds, but also sound organizational arrangements.



(1) Therefore, under the authority vested in me by Reorganization Plan No. 1 of 1958, I am assigning responsibility for this program to the top civilian authority already responsible for continental defense, the Secretary of Defense. It is important that this function remain civilian in nature and leadership; and this feature will not be changed. Responsibilities for preparedness programs in connection with health, food, manpower, transportation, and other needs in the event of an attack will be assigned to the appropriate department and agency heads, all of whom will work with State and local agencies. For their role remains an essential one.

(2) The Office of Civil and Defense Mobilization will be reconstituted as a small staff agency to assist me in the coordination of these functions. To more accurately describe its role, its title should be changed to the "Office of Emergency Planning."

(3) As soon as those newly charged with these responsibilities have prepared new authorization and appropriation requests, such requests will be transmitted to the Congress for a much-strengthened Federal-State civil defense program. Such a program will provide Federal funds for identifying fallout shelter capacity in existing structures, and it will include, where appropriate, incorporation of shelter in Federal buildings, new requirements for shelter in buildings constructed with Federal financial assistance, and matching grants and other incentives for constructing shelter in State and local government and private buildings.

Federal appropriations for civil defense in fiscal 1962 under this program will in all likelihood be more than triple the pending budget requests; and they will increase sharply in subsequent years. Financial participation will also be required from State and local governments and from private citizens. But no insurance is cost free; and every American citizen and his community must decide for themselves whether this form of survival insurance justifies the expenditure of effort, time, and money. For myself, I am convinced that it does.

#### DISARMAMENT

I cannot end this discussion of defense and armaments without emphasizing our strongest hope: the creation of an orderly world where disarmament will be possible. [Applause.] Our arms do not prepare for war—they are efforts to discourage and resist the adventures of others that could end in war.

That is why it is consistent with these efforts that we continue to press for properly safeguarded disarmament measures. At Geneva, in cooperation with the United Kingdom, we have put forward concrete proposals to make clear our wish to meet the Soviets halfway in an effective nuclear test ban treaty—the first significant step toward disarmament. Up to now, their response has not been what we hoped; but Mr. Dean returned last night to Geneva, and we intend to go the last mile in patience to secure this gain if we can. [Applause.]

Meanwhile, we are determined to keep disarmament high on our agenda—to make an intensified effort to develop acceptable political and technical alternatives to the present arms race. To this end I soon shall send to the Congress a measure to establish a strengthened and enlarged Disarmament Administration. Such an agency can intensify and improve our studies and research on this problem, looking forward to the day when reason will prevail, and all nations of the world will be prepared to accept a realistic and safeguarded disarmament in a world of law.

#### SPACE

Finally, if we are to win the battle that is going on around the world between freedom and tyranny, if we are to win the battle for men's minds, the dramatic achievements in space which occurred in recent weeks should have made clear to us all, as did the sputnik in 1957, the impact of this adventure on the minds of men everywhere who are attempting to make a determination of which road they should take. Since early in my term our efforts in space have been under review. With the advice of the Vice President, who is Chairman of the National Space Council, we have examined where we are strong and where we are not, where we may succeed and where we may not. Now it is time to take longer strides—time for a great new American enterprise—time for this Nation to take a clearly leading role in space achievement which in many ways may hold the key to our future on earth. [Applause.]

I believe we possess all the resources and all the talents necessary. But the facts of the matter are that we have never made the national decisions or marshaled the national resources required for such leadership. We have never specified long-range goals on an urgent time schedule, or managed our resources and our time so as to insure their fulfillment.

Recognizing the headstart obtained by the Soviets with their large rocket engines, which gives them many months of leadtime, and recognizing the likelihood that they will exploit this lead for some time to come in still more impressive successes, we nevertheless are required to make new efforts on our own. For while we cannot guarantee that we shall one day be first, we can guarantee that any failure to make this effort will find us last. [Applause.] We take an additional risk by making it in full view of the world—but as shown by the feat of Astronaut Shepard, this very risk enhances our stature when we are successful. But this is not merely a race. Space is open to us now; and our eagerness to share its meaning is not governed by the efforts of others. We go into space because whatever mankind must undertake, freemen must fully share. [Applause.]

I therefore ask the Congress, above and beyond the increases I have earlier requested for space activities, to provide the funds which are needed to meet the following national goals:

First, I believe that this Nation should commit itself to achieving the goal, before

this decade is out, of landing a man on the moon and returning him safely to earth. No single space project in this period will be more exciting, or more impressive to mankind, or more important for the long-range exploration of space; and none will be so difficult or expensive to accomplish. Including necessary supporting research, this objective will require an additional \$531 million this year and still higher sums in the future. We propose to accelerate development of the appropriate lunar spacecraft. We propose to develop alternate liquid and solid fuel boosters much larger than any now being developed, until certain which is superior. We propose additional funds for other engine development and for unmanned explorations—explorations which are particularly important for one purpose which this Nation will never overlook: the survival of the man who first makes this daring flight. But in a very real sense, it will not be one man going to the moon—we make this judgment affirmatively—it will be an entire nation. For all of us must work to put him there.

Second, an additional \$23 million, together with \$7 million already available, will accelerate development of the Rover nuclear rocket. This is a technological enterprise in which we are well on the way to striking progress, and which gives promise of some day providing a means for even more exciting and ambitious exploration of space, perhaps beyond the moon, perhaps to the very ends of the solar system itself.

Third, an additional \$50 million will make the most of our present leadership by accelerating the use of space satellites for worldwide communications. When we have put into space a system that will enable people in remote areas of the earth to exchange messages, hold conversations, and eventually see television programs, we will have achieved a success as beneficial as it will be striking.

Fourth, an additional \$75 million—of which \$53 million is for the Weather Bureau—will help give us at the earliest possible time a satellite system for worldwide weather observation. Such a system will be of inestimable commercial and scientific value; and the information it provides will be made freely available to all the nations of the world.

Let it be clear—and this is a judgment which the Members of the Congress must finally make—let it be clear that I am asking the Congress and the country to accept a firm commitment to a new course of action—a course which will last for many years and carry very heavy costs, \$531 million in the fiscal year 1962 and an estimated \$7-9 billion additional over the next 5 years. If we are to go only halfway, or reduce our sights in the face of difficulty, in my judgment it would be better not to go at all. This is a choice which this country must make, and I am confident that under the leadership of the Space Committees of the Congress and the Appropriations Committees you will consider the matter carefully. It is a most important decision that we make as a nation; but all of you have lived through

the last 4 years and have seen the significance of space and the adventures in space, and no one can predict with certainty what the ultimate meaning will be of the mastery of space. I believe we should go to the moon. But I think every citizen of this country as well as the Members of Congress should consider the matter carefully in making their judgment, to which we have given attention over many weeks and months, as it is a heavy burden; and there is no sense in agreeing, or desiring, that the United States take an affirmative position in outer space unless we are prepared to do the work and bear the burdens to make it successful. If we are not, we should decide today. [Applause.]

Let me stress also that more money alone will not do the job. This decision demands a major national commitment of scientific and technical manpower, material and facilities, and the possibility of their diversion from other important activities where they are already thinly spread. It means a degree of dedication, organization, and discipline which have not always characterized our research and development efforts. It means we cannot afford undue work stoppages, inflated costs of material or talent, wasteful interagency rivalries, or a high turnover of key personnel.

New objectives and new money cannot solve these problems. They could, in fact, aggravate them further—unless every scientist, every engineer, every serviceman, every technician, contractor, and civil servant involved gives his personal pledge that this Nation will move forward, with the full speed of freedom, in the exciting adventure of space.

#### CONCLUSION

In conclusion let me emphasize one point. It is not a pleasure for any President of the United States, as I am sure it was not a pleasure for my predecessor, to come before the Congress and ask for new appropriations which place burdens on our people. I came to this conclusion with some reluctance. But in my judgment this is a most serious time in the life of our country and in the life of freedom around the globe, and it is the obligation of the President of the United States to at least make his recommendation to the Members of the Congress so that they can reach their own conclusions with that judgment before them. You must decide yourselves, as I have decided; and I am confident that whether you finally decide in the way that I have decided or not, that your judgment, as my judgment, will be reached on what is in the best interests of our country. [Applause.]

In conclusion, let me emphasize one further point, that we are determined as a nation in 1961 that freedom shall survive and succeed, and whatever the peril and setbacks we have some very large advantages.

The first is the simple fact that we are on the side of liberty—and, since the beginning of history, liberty has been winning out all over the globe. [Applause.]

A second great asset is that we are not alone. We have friends and allies all over the world who share our devotion to freedom. [Applause.] May I cite as a symbol of traditional and effective friendship the great ally I am about to visit—France. I look forward to my visit to France, and to my discussion with the great captain of the Western World, President de Gaulle, as a meeting of particular significance, permitting the kind of close and ranging consultation which will strength both our countries and serve their common purposes of worldwide peace and liberty. [Applause.] Such serious conversations do not require a pale unanimity—they are rather the instruments of trust and understanding over a long road.

A third asset is our desire for peace. It is sincere and I believe the world knows it. We are proving it in our patience at the test-ban table, and we are proving it in the U.N. where our efforts have been directed toward maintaining that organization's usefulness as a protector of the independent or small nations. [Applause.] In these and other instances the response of our opponents has not been encouraging.

Yet it is important that they should know that our patience at the bargaining table is nearly inexhaustible, though our credulity is limited—that our hopes for peace are unflagging, while our determination to protect our security is resolute. For these reasons I have long thought it wise to meet with the Soviet Premier for a personal exchange of views. A meeting in Vienna next month turned out to be convenient for us both; and the Austrian Government has kindly made us welcome. No formal agenda is planned and no negotiations will be undertaken; but we will make clear that America's enduring concern is for both peace and freedom [applause]—that we are anxious to live in harmony with the Russian people—that we seek no conquests, no satellites, no riches—and that we seek only the day when "nation shall not lift up sword against nation, neither shall they learn war anymore" [applause].

Finally, our greatest asset in this struggle is the American people—their willingness to pay the price for these programs—to understand and accept a long struggle—to share their resources with other less fortunate peoples—to meet the tax levels and close the tax loopholes I have requested—to exercise self-restraint instead of pushing up wages or prices, or overproducing certain crops, or spreading military secrets, or urging unessential expenditures or improper monopolies or harmful work stoppages—to serve in the Peace Corps or the armed services or the Federal civil service, or the Congress—to strive for excellence in their schools, in their cities and in their physical fitness and that of their children—to take part in civil defense—to pay higher postal rates, higher payroll taxes and higher teachers' salaries in order to strengthen our society—to show friendship to students and visitors from other lands who,

after visiting us, go back in many cases to be the future leaders of their country, with an image of America; and I want that image, and I know you do, to be affirmative and positive. And finally, to practice democracy at home, in all States, with all races, to respect each other and to protect the constitutional rights of all citizens. [Applause.]

I have not asked for a single program which did not cause one or all Americans some inconvenience, or some hardship, or some sacrifice. But they have responded—and you in the Congress have responded to your duty—and I feel confident in asking today for a similar response to these new and larger demands. It is heartening to know, as I journey abroad, that our country is united in its commitment to freedom—and is ready to do its duty. [Applause, the Members rising.]

At 1 o'clock and 22 minutes p.m. the President, accompanied by the committee of escort, retired from the Hall of the House of Representatives.

The Doorkeeper escorted the invited guests from the Chamber in the following order:

The members of the President's Cabinet.

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

#### JOINT SESSION DISSOLVED

The SPEAKER. The Chair declares the joint session of the two Houses now dissolved.

Accordingly, at 1 o'clock and 24 minutes p.m. the joint session of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

The SPEAKER. The President's message will be referred to the Committee of the Whole House on the State of the Union and ordered printed.

#### RECESS

The SPEAKER. The House will stand in recess until 2:30 o'clock p.m.

Accordingly (at 1 o'clock and 24 minutes p.m.) the House stood in recess until 2 o'clock and 30 minutes p.m.

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 o'clock and 30 minutes p.m.

#### COMMITTEE ON VETERANS' AFFAIRS

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent that the Committee on Veterans' Affairs may have until midnight tomorrow night to file reports on H.R. 6269, H.R. 7148, H.R. 2417 and H.R. 879.

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

There was no objection.



## STOP BULLDOZERS TO COMMUNIST CASTRO

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

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

There was no objection.

Mr. DORN. Mr. Speaker, I have today introduced a House resolution which would place this House on record as opposing the shipment of any equipment to Communist Cuba. I hope this House will follow the sentiments of the majority of the American people and oppose without compromise this blackmail. With communism knocking at the door of the United States the American people are now looking to Congress to save this Nation and the Western Hemisphere from complete Communist domination.

Mr. Speaker, our people are shocked and disturbed as never before in modern history over this fantastic and unbelievable proposal to strengthen our enemy with our own money and equipment. They are shocked even further by the suggestion that those contributing to Castro's support would be guaranteed Government tax exemption for such contributions.

Our Government leaders do not learn by experience. They make the same mistakes over and over again. With our gifts of trucks and mechanized equipment we enabled Russia to occupy and hold all of central Europe in slavery. It was British and French appeasement of the raving Hitler that gave him the time to build up his bloody and ruthless war machine. Some of the countries he later attacked even loaned him money and equipment. We have helped nation after nation only to see them join Russia and her growing list of satellites. We sent Japan the scrap iron which killed thousands of our American servicemen. Bulldozers, trucks, helium, and all such material will definitely help Castro in his wild ambitions to conquer militarily and by subversion all of southern and central America. This equipment will unquestionably enable him to build airfields, military highways, missile bases, and launching ramps with which someday to hit the civilian populations of New Orleans, Mobile, Miami, Jacksonville, and other great cities. Our Government helped Castro into power. Our Government helped him strengthen his position by the weak, unsupported April 17 invasion, and now we propose to give him the military strength to advance against our Nation and our Western allies. We should prevent any group in America by any means from shipping anything to Castro that will enable him to strengthen his Communist position economically, militarily, or otherwise.

I hope this House will adopt this resolution before it is too late. We cannot, we must not reward Communist blackmail.

## ACTION NEARS ON LEAD-ZINC SMALL PRODUCERS BILL

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

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

There was no objection.

Mr. EDMONDSON. Mr. Speaker, Chairman Aspinall of the House Committee on Interior and Insular Affairs has authorized further hearings by the Mines and Mining Subcommittee on the lead and zinc small producers bill, on June 16th.

It is my earnest hope, as chairman of the subcommittee and a sponsor of H.R. 84 on this subject, that it will be possible on that date to receive a favorable administration report and to complete subcommittee action on the measure.

While the administration has not yet announced its position, it is a matter of record that President Kennedy supported an identical proposal while serving in the other body in the 86th Congress, and publicly deplored the bill's veto after its passage by Congress last year.

With strong bipartisan support in both this House and the other body, there is good reason to hope that action is nearing in this Congress upon this life-or-death legislation for thousands of American miners.

## THE LATE DAVID LYNN

The SPEAKER. The Chair recognizes the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, David Lynn, who served as Architect of the Capitol from 1923 to 1954, died today after a short illness. Prior to his service as Architect, Mr. Lynn served for 22 years under previous architects, Edward Clark and Elliott Woods.

Mr. Lynn was appointed Architect of the Capitol by President Coolidge on August 22, 1923. He came from an old family, of Frederick and Allegany Counties, Md., who for many generations had been distinguished in the judicial, military, business and social life of the State. His great, great grandfather, Judge David Lynn, was one of the three Commissioners appointed in 1751 to lay out the town of Georgetown.

Mr. Lynn was born in Wheeling, W. Va., November 10, 1873; was educated in public schools of Cumberland and the Allegany County Academy. He entered the Office of the Architect of the Capitol on July 1, 1901 during the tenure of Edward Clark as Architect. He was appointed the seventh Architect of the Capitol, following the death of Elliott Woods.

During his tenure as Architect, there were constructed and added to the buildings in the Legislative and Judicial groups, the New House Office Building, the First Street wing of the Senate Office Building, the U.S. Supreme Court Building, the central refrigeration plant and other additions to the Capitol Power-

plant, the annex and addition to the Main Library of Congress Building, and the legislative garage.

During his tenure, the 62 acres of land lying immediately north of Constitution Avenue were acquired and developed as part of the Capitol Grounds park area; the Capitol, Senate, and House Office Buildings were completely air conditioned; the roofs over the Senate and House wings of the Capitol were reconstructed and the interiors of the House and Senate Chambers were remodeled; the terraces of the Capitol Building were reconstructed.

The U.S. Botanic Garden was relocated to its present site and the New Conservatory was constructed and the grounds developed under his direction.

In connection with construction projects, Mr. Lynn served as a member of the Commission for Enlarging the Capitol Grounds; the U.S. Supreme Court Building Commission; the Joint Commission to acquire a site and additional buildings for the Library of Congress; and was a member of the Zoning Commission of the District of Columbia and Alley Dwelling Authority.

He served as Acting Director of the United States Botanic Garden from 1934 to 1954.

Mr. Lynn retired as Architect of the Capitol on September 30, 1954. Until his death, he continued to reside at his residence, 3700 Quebec Street NW., Washington, D.C.

Those of us who knew Dave Lynn will always remember him as a man dedicated to his work, a gentleman, and a man of fine, sweet character and ennobling state of mind.

To his loved ones left behind I extend my deep sympathy in their bereavement.

Mr. Speaker, I now yield to my distinguished friend, the gentleman from Massachusetts, the former Speaker of the House of Representatives [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Speaker, I want to join with the majority leader [Mr. McCORMACK] in expressing my sincere regrets at the death of David Lynn. For over 50 years he was a valued, trusted, and able employee of the Capitol.

During his tenure of office he was able to expand not only the buildings and accommodations of the Capitol itself, but of the Capitol grounds as well. His work was exceptionally good. He was a gentleman in every sense of the word and was genuinely respected. He was first appointed by Calvin Coolidge. He had a long record as Assistant Architect previous to his promotion to the chief position.

We dislike to see a man of the distinction and integrity of Dave Lynn pass away, but that is life. It comes to all. I want to extend my deepest sympathy to his family and his many friends in this their hour of sorrow. A really great American has passed away.

## GENERAL LEAVE TO EXTEND

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which

to extend their remarks in relation to our late friend, David Lynn.

#### COMMITTEE ON BANKING AND CURRENCY

Mr. THORNBERRY. Mr. Speaker, on behalf of the gentleman from Kentucky [Mr. SPENCE] I ask unanimous consent that the Committee on Banking and Currency may be permitted to sit during general debate today.

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

There was no objection.

#### COMMITTEE ON THE JUDICIARY

Mr. THORNBERRY. Mr. Speaker, on behalf of the gentleman from New York [Mr. CELLER] I ask unanimous consent that the Committee on the Judiciary may have until midnight to file a report.

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

There was no objection.

#### FURNISHING INFORMATION TO THE POSTMASTER GENERAL

Mr. THORNBERRY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 301 and ask for its immediate consideration.

The Clerk read the resolution as follows:

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1986) to repeal the provisions of section 5 of the Act of July 28, 1916, as amended, relating to the furnishing of information to the Postmaster General by the Interstate Commerce Commission with respect to revenue received by railroads from express companies for the transportation of express matter. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. THORNBERRY. Mr. Speaker, House Resolution 301 provides for the consideration of H.R. 1986, to repeal the provisions of section 5 of the act of July 28, 1916, as amended, relating to the furnishing of information to the Postmaster General by the Interstate Commerce Commission with respect to revenue received by railroads from express companies for the transportation of express matter. The resolution provides for an open rule with 1 hour of general debate.

The purpose of H.R. 1986 is to repeal what the Committee on Post Office and Civil Service calls obsolete, unworkable, and unnecessary provisions of section 5

of the Railway Mail Pay Act of 1916 which purport to give the Postmaster General access to rail rates for carrying express matter in order to compare them with rail rates for carrying non-first-class mail and authorize the Postmaster General to reduce rail rates for such mail to the level of the express rail rates if the express rail rates so determined are lower.

According to the Committee on Post Office and Civil Service, this legislation will remove a serious impediment to the continuance of a valuable public service rendered by the only remaining private enterprise facility for the rapid and economical transportation throughout the United States of shipments for which express service is desired by the shipping public.

The committee further urges that it is increasingly evident that prompt enactment of H.R. 1986 is imperative if the American public is to be assured the benefits of adequate rapid-service express shipping facilities.

Mr. Speaker, I know of no opposition to the rule and urge the adoption of H. Res. 301 in order that the House may consider H.R. 1986 as reported by the Committee on Post Office and Civil Service.

I know of no opposition to the rule and therefore reserve the balance of my time, I now yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN. Mr. Speaker, as the gentleman from Texas has just stated, House Resolution 301 makes in order the consideration of the bill H.R. 1986 under an open rule, with 1 hour of general debate. This legislation will remove a serious impediment to the continuance of a valuable public service rendered by the only remaining private enterprise facility for rapid and economical transportation throughout the United States of shipments for which express service is desired by the shipping public.

The express service referred to is the American Railway Express which, I understand, is a cooperative effort of all the railroads in the United States.

Mr. Speaker, there was no opposition to the granting of this rule when that question was before that body. I understand that there was no minority report filed against the bill by the Legislative Committee, although I have been informed an amendment may be offered to the measure under general debate.

I now yield to the gentleman from Illinois [Mr. ARENDS].

#### PROGRAM FOR BALANCE OF WEEK AND NEXT WEEK

Mr. ARENDS. Mr. Speaker, I would like to inquire of the majority leader if he will inform us as to the program for the balance of this week, and for next week.

Mr. McCORMACK. After the disposition of this bill, if the rule is adopted, there will be no further business this week. However, there is the possibility of a conference report later on in the day.

As I understand, the conference report has been agreed upon and we are in hopes it will come in today so that we

can dispose of it. It is the intention, of course, on Monday next to adjourn from Monday until the following Thursday. In other words, there will be no business on Monday, Tuesday, or Wednesday. On Thursday there will be the State, Justice, and Judiciary appropriation bill for 1962.

I make the usual reservation that any further program will be announced later, and conference reports may be brought up at any time.

If the conference report comes in today and is disposed of, then we will go over from today until Monday and from Monday next until Thursday, but I will not make that unanimous-consent request now, until we find out what happens to the bill that is in conference.

Mr. ARENDS. What is that conference report?

Mr. McCORMACK. That is the bill carrying \$600 million in connection with Latin America. The Senate added an amendment limiting it to 8 percent.

Mr. ARENDS. I thank the gentleman.

Mr. GROSS. Mr. Speaker, will the gentleman yield so that I may ask the majority leader a question?

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

Mr. GROSS. Does the gentleman have any idea when we are going to get the "granddaddy" of them all, the foreign giveaway authorization bill?

Mr. McCORMACK. A very important bill in connection with our defense is the one to which the gentleman is referring. I am unable to answer the question now with any degree of definiteness.

Mr. GROSS. I would hope that we could get the authorization bill and then the appropriation bill in such time that we would not have to consider the conference report on the appropriation for the foreign giveaway at 2 o'clock in the morning. I would hope that for a change this would not be the situation this year. Let us have some opportunity to know what is in the conference report.

Mr. McCORMACK. Of course, the gentleman from Massachusetts cannot admit the premise of the gentleman's observation. I shall not contradict the gentleman, but I do not admit the premise. However, we always try to conduct matters so that the situation as stated by the gentleman, if ever correct, would never happen.

Mr. GROSS. I thank the gentleman for those words. I do not know exactly what they mean, but I thank him.

Mr. BROWN. Mr. Speaker, I have no further requests for time, and yield back the balance of my time.

Mr. THORNBERRY. Mr. Speaker, I move the previous question on the resolution.

The resolution was agreed to.

Mr. MURRAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1986) to repeal the provisions of section 5 of the act of July 28, 1916, as amended, relating to the



furnishing of information to the Postmaster General by the Interstate Commerce Commission with respect to revenue received by railroads from express companies for the transportation of express matter.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 1986 with Mr. Sisk in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. MURRAY].

Mr. MURRAY. Mr. Chairman, H.R. 1986 is based on official recommendations of the Interstate Commerce Commission in the Commission's last three annual reports to the Congress and is distinctly in the public interest. It is also recommended by Chairman OREN HARRIS of the Committee on Interstate and Foreign Commerce, who has sponsored an identical bill, H.R. 5600.

H.R. 1986 will repeal an obsolete, unworkable, and unnecessary provision enacted 45 years ago as part of the Railway Mail Pay Act of 1916. The provision authorizes the Postmaster General to request from the Interstate Commerce Commission information on rail rates for transporting express matter and, in effect, to equalize payments for rail transportation of mail—other than first class—with such rates.

This provision has never once been applied and, in fact, cannot be applied. The Interstate Commerce Commission has so ruled three times—in 1949, 1954, and 1959—in response to requests from the Postmaster General. But it stands as a very serious impediment to the continued existence of a valuable public transportation service rendered by private enterprise.

This public transportation service is the Railway Express Agency—the sole remaining private enterprise facility for the rapid and economical transportation throughout the United States of shipments for which express service is desired by the shipping public.

The whole purpose of the 1916 provision was based upon rates paid by express companies for railway transportation of their shipments. There were then seven independent express companies dealing with the railroads substantially as other shippers did. That is, the express companies paid rates for the transportation of their shipments over railroad lines.

Conditions under which the 1916 provision was enacted were far different than those obtaining today. All of the independent express companies long since have vanished from the picture. There is now only one express facility—the Railway Express Agency—and it is not an independent entity as were the express companies operating in 1916. Railway Express Agency was created in 1929 by the major railroads of the United States—under strong Federal urging—as a consolidated railroad-owned facility

to provide express service over railroad lines. The consolidation and operations thereunder were governed by a standard agreement, including an arrangement for pooling revenues and incomes.

Under this pooling arrangement, in view of competitive conditions and the prospect of loss operations, no rates could be fixed by the railroads for the transportation of express shipments. Instead, the standard agreement provided that Railway Express Agency would accept shipments from the public at competitive rates, collect its revenues, pay all expenses for terminal operations and pickup and delivery services, and turn over to the participating carriers whatever amounts remained.

This standard agreement continued for a number of years, but in recent years the resulting losses to the railroads have become so heavy that they can no longer afford to sponsor the express operation under the agreement. The express company has been unable to pay the railroads their bare out-of-pocket costs of carrying express shipments from city to city. In fact, for several years past Railway Express has not even been able to meet all of its own direct costs.

The Interstate Commerce Commission at one time required Railway Express Agency to report revenues paid to the railroads and made the information available to the Postmaster General during the 5-year period 1950 to 1955. The Post Office Department in 1955 agreed that the requirement should be discontinued. This strongly substantiates the position taken by the Interstate Commerce Commission and its recommendation for enactment of H.R. 1986.

Complete hearings were held by our subcommittees, both last year—on a similar bill—and this year. Many organizations and associations representing the shipping public strongly support the legislation and urge its early enactment. A number of these organizations submitted carefully considered resolutions in favor of H.R. 1986, which are included in the printed record of hearings.

Failure to enact H.R. 1986 seriously threatens the continued existence of the fine and valuable public service rendered by Railway Express Agency as a part of our private enterprise system. The railroads can no longer continue to absorb heavy losses from operation of the agency each year. Nor can they safely enter into a proposed new contract with Railway Express Agency, providing for further reorganization and maximum improvements in efficiency and economy of operation, unless H.R. 1986 is enacted.

If the 1916 provision remains on the statute books, the railroads will always face the threat that they may be forced to reduce their rates for transporting parcel post to the low level at which they must maintain their charges to Railway Express Agency if the agency is to continue as a private enterprise. If this were to occur—that is, if the railroads were forced to so greatly reduce their parcel post rates—they would have no alternative but to close up Railway Express Agency. They could not afford

the tremendous losses which would result from carrying parcel post at less than cost.

It seems to me that H.R. 1986 gives us a rare opportunity in this day and age. We have the chance to preserve a very important public transportation service for the people of this country and it will not require the spending of \$1 of the taxpayers' money. We have only to remove an unnecessary legislative obstacle from the path of its development.

One thing should be clearly understood. Enactment of H.R. 1986 will cause no additional cost to the Government or the users of the mails. Amounts paid the railroads for transporting mail are within the complete control of the Interstate Commerce Commission, as they have been for many years, and enactment of H.R. 1986 will not interfere with that control. The Commission, in its sound discretion, will always have the right to consider conditions relating to the transportation of express matter when it is fixing rates for the transportation of mail. It does not need, and should not be burdened with, an arbitrary and wholly unnecessary statutory provision such as the one to be repealed by H.R. 1986.

In this connection, the committee report spells out the desirability of full disclosure of all pertinent railway express revenue and rate information for the Interstate Commerce Commission, the Post Office Department, and the public after enactment of H.R. 1986. We have full assurance from representatives of the Railway Express Agency, in the printed record of hearings, that all such pertinent information will be made available.

In the judgment of our committee, it is distinctly in the public interest that H.R. 1986 be enacted to assure the public the continued benefits of a nationwide railway express service operating as a self-sustaining private enterprise.

I strongly urge approval of this legislation.

Mr. CORBETT. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. BARRY].

Mr. BARRY. Mr. Chairman, we have before us today H.R. 1986 which the Post Office Committee, of which I am a member, feels to be an essential piece of legislation. If we do not pass this bill today there is a real possibility that it may mean the end of Railway Express, the only remaining private enterprise facility for express service for the shipping public throughout the country.

If the provisions of section 557, to be repealed by this bill, were to be enforced it might very well critically reduce the postal revenues of the railroads. This our railroads could not afford. Therefore they might be forced to abolish REA rather than incur such a loss. In addition there is a plan which it is hoped will be put in operation July 1 of this year that will place REA on a profit and loss basis. In the judgment of the committee this is necessary to assure the efficient and economical operation required to preserve the business. This

change, essential to the survival of REA, cannot be made if this bill is not passed.

Under the present system of operation of the railroad, with the Railway Express as a pooled subsidiary, the competitive rate situation envisaged when this law was first passed in 1916, simply does not exist. Since the situation has changed so completely, the law instead of benefiting the public is now merely a dead letter and an anachronism. REA cannot compete with the Post Office on terms of equality.

The Post Office Department pays no interest on debt.

The Post Office Department pays no charge for borrowed vehicles.

The Post Office Department does not need to obtain truck rights.

The Post Office Department is not regulated by the 50 States.

The Post Office Department is not subject to strikes or work stoppages interrupting the service.

The Post Office Department has space priority and can control rail service.

The Post Office Department makes no payment for loss and damage except on insured parcels, for which an extra charge is made.

Parcel post does not handle certain costly commodities.

The Post Office Department has no worries about bankruptcy or liquidation. In spite of what the law says, as a practical matter, it does not even have to operate without a loss.

The Post Office Department receives extensive terminal and en route services from railroads which are furnished by REA at its own expense.

The Post Office Department pays railroads only for "space used" in the line haul; express pays for "space assigned."

The Post Office Department pays no taxes of any kind.

The Post Office Department pays no fees for licenses or permits.

The Post Office Department is in the Federal Government retirement plan, rather than the more costly social security or railroad retirement systems.

The enactment of this bill will result in no additional cost for the Government. It is essential to the survival of a private railway express in the United States. It is supported by the great majority of those concerned. I urge this House to vote for the passage of H.R. 1986.

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

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

Mr. HOLTZMAN. I understand that the Postmaster has voiced opposition to this program, is that correct?

Mr. BARRY. According to my understanding, the Postmaster is not in favor of this legislation.

Mr. HOLTZMAN. The report would indicate that the Department is opposed to the legislation.

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

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

Mr. DULSKI. The Postmaster has only a slight objection to it, but he has

had the same objection for the last 45 years.

Mr. HOLTZMAN. Can the gentleman tell me whether the authority given the Postmaster in this legislation has ever been used by him?

Mr. BARRY. No. The authority has never been used since the bill was enacted in 1916.

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

Mr. BARRY. I yield to the gentleman from Nebraska.

Mr. CUNNINGHAM. The gentleman is a member of the subcommittee that considered this legislation, he has gone into it very thoroughly, and I want to compliment him on the fine presentation he has made. I want to associate myself with the remarks he has made on this bill. It is something that should have been enacted long ago if we are going to save a great industry. I hope all of the members of the committee will listen to the debate carefully and that the bill will be passed unanimously.

Mr. MURRAY. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. DULSKI].

Mr. DULSKI. Mr. Chairman, it was my privilege to serve as chairman of the subcommittee which considered H.R. 1986 and reported it favorably to the Post Office and Civil Service Committee. I believe I am correct in saying that all but one of the seven members of the subcommittee favor this legislation.

The purpose is simply to strike from the law an obsolete provision which, regardless of the soundness of its intent when enacted 45 years ago, today is worse than useless—it is damaging. The provision in question has never once been applied during its 45-year history. Indeed, since 1928 there has been no way to apply it. The Interstate Commerce Commission, as the agency directly concerned, has asked for repeal of the provision in each of its last three annual reports to the Congress.

I will not review the very comprehensive record in detail. I will simply emphasize certain important points. First of all, as the record shows, the provision in question has never been used and there is no reasonable prospect that it can be used. Certainly, there is no justification for keeping useless language on the statute books.

Secondly, no one can be hurt by repeal of the 1916 provision. Not 1 cent will be added to postal costs of operation, to expenses of mail users, or to the taxpayers' burden. All too seldom do we have the opportunity to consider beneficial legislation that has no cost.

Finally, enactment of H.R. 1986 is necessary to remove a serious and unjustified impediment to the continued operation of a valuable public service rendered by private enterprise.

We do not here have the usual case of a statute which has grown old but does no harm. This 1916 statute is more like the ship which sinks in the channel. It not only is no good to anybody, it is a downright menace to navigation. This old statute, which never has and never can be used, is a menace to those who

are trying desperately to navigate the Railway Express Agency out of a great crisis. But it is worse than useless when viewed in the light of present and future public service requirements.

Conditions in the 120-year-old express business had deteriorated by 1958 to the point where the railroads were suffering \$40 million annual losses on express service. Obviously, with competition facing the railroads in every aspect of their business, they could not go on absorbing such losses. They prepared to liquidate the express company. This country was about to lose an essential service and 37,000 employees were about to become unemployed. This near tragedy was averted. By drastic measures and revisions of the terms of the express contracts with the railroads and the airlines, the express business was continued for a trial period. We are fast approaching the end of that trial. It has been singularly successful. Wise, dedicated men have exerted tremendous effort to insure the continued availability of express service to the people of this country. The single barrier to the successful launching upon a new era is the obsolete legislation which our committee has recommended we repeal.

The plan which has been devised for gradual reinvigoration of this old company provides for the payment of a basic amount to the railroads for services rendered and then a distribution of any remaining amount after all expenses on a 50-50 basis between the express company and its railroad owners. I doubt whether this arrangement, even if it were put into effect, would be such as to permit the application of the statute in question any more than the present arrangement will permit such application. The owners of the agency cannot take the risk, however, that someone would attempt to apply the statute to the new arrangement. They cannot risk having their mail revenues reduced below the reasonable level fixed by the ICC while they are trying to breathe new life into the express company. They will sacrifice the company before they will take that risk, and I do not blame them.

There is one aspect of the hearings on this matter which I believe was most unusual. We have here a bill which is really a very special type of legislation in that it directly affects only one company in our vast country. One would scarcely expect such a bill to call forth broad public interest and support, but that is just what has happened here. This bill has the unqualified endorsement of the Interstate Commerce Commission, the National Industrial Traffic League, the National Retail Merchants Association, the National Association of Railroad and Utilities Commissioners, the Transportation Association of America, the Brotherhood of Railway Clerks, the Air Transport Association, the Associations of American Railroads and American Short Line Railroads, and seven shippers' advisory boards representing every section of this country.

Our subcommittee received presentations from all of these sources and also from those who appeared in opposition.



The opposition was largely limited to the competitors of the Express Company. We reviewed all of these expressions and carefully considered all of the possible ramifications of this bill. On the basis of my study of the matter, I unreservedly recommend the adoption of H.R. 1986. I am convinced that it is in the best interests of the American people.

One last point should be reemphasized. The repeal of this unused legislation can hurt no one, including the postal service. The rates for the transportation of mail are fixed by the Interstate Commerce Commission at a reasonable level. They are subject to review at any time. The Commission can take into consideration any relevant matters when it is determining the proper level for mail rates—including amounts received by the railroads for the transportation of express. There is no chance of the postal service being unfairly dealt with by the railroads.

We really have only one decision to make here and that is whether we will remove the blockage in the channel which impedes the progress of a rejuvenated company. Refusal to do so will cut the American people off from an enterprise which has been an important part of American transportation since the days of the stagecoach, and which has an equally important role to play in the space age to come.

I strongly urge that the House approve H.R. 1986.

Did the gentleman from Connecticut desire me to yield?

Mr. MONAGAN. The gentleman answered the question I was going to ask about how the rates are set. They are now set by the ICC, as I understand.

Mr. DULSKI. That is true.

Mr. MONAGAN. I thank the gentleman.

Mr. CORBETT. Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, regardless of whether this bill should or should not pass, and regardless of my opinion of it, I do think that we ought to make the record very clear as regards the position of the administration.

On page 13 of the report, in a letter to the chairman of our committee, the Postmaster General states:

This Department opposes the enactment of this bill.

And then over on page 14 of the report he concludes by saying:

In these circumstances, the Department cannot support the proposal to repeal a provision of law designed by the Congress to provide a means for avoiding discriminatory rates for the transportation of mail by railroad which are in excess of those applicable to comparable commercial shipments.

Sincerely yours,

J. EDWARD DAY,  
Postmaster General.

I hope that answers the gentleman from New York.

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

Mr. CORBETT. I yield to the gentleman from Arkansas.

Mr. HARRIS. Is it not also true that the Parcel Post Association opposes this legislation?

Mr. CORBETT. I am told that the answer is in the affirmative. I did not serve on the subcommittee. I do not know.

Mr. HARRIS. Is it not also true that the parcel post program is associated in part with the Post Office Department?

Mr. CORBETT. That is correct.

Mr. HARRIS. Is it not also true that the parcel post business is in competition with the Railway Express business?

Mr. CORBETT. I would hardly say that. What has happened over the years is that when one charge is made for similar parcels to the Railway Express, then a different charge is made to the Post Office Department. This is because the old law, the law which I assume is going to be repealed, stated that the facts and figures as to what the Railway Express pays ought to be made available to the Interstate Commerce Commission and the Post Office Department because of our law requiring that the Postmaster General maintain parcel post rates at or about the break-even point.

Mr. HARRIS. Yes, but they do not ask them to maintain rates that are below cost, do they?

Mr. CORBETT. They are supposed to say within 4 percent of the average cost.

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

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

Mr. GROSS. I may say to the gentleman from Arkansas that Congress some years ago passed Public Law 199, which permitted the express company to skim the cream off the top of the Parcel Post Service.

Mr. GEORGE P. MILLER. Mr. Chairman, will the gentleman yield?

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

Mr. GEORGE P. MILLER. May I point out that when Congress had before it Public Law 199 it allowed the express company to skim the cream off the top of the express business.

Mr. GROSS. Of the express business or the parcel post business?

Mr. GEORGE P. MILLER. The parcel post business. Definite promises were made by the express company that if this was repealed they would maintain the service. I do not know how it is in other parts of the country, but if you want to send a package of over 20 pounds now that cannot go into parcel post in my part of the country you have to travel miles to an express office. It is true they will tell you they will send a truck over to pick it up, but—

Mr. CORBETT. I cannot yield further because I have run out of time. I took the time only to correct the record, not to get into an argument.

Mr. GEORGE P. MILLER. I just wanted the record to show the facts.

Mr. CORBETT. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. WALLHAUSER].

Mr. WALLHAUSER. Mr. Chairman, I served as a member of the subcommittee which held hearings on this legislation and I want to commend the subcommittee chairman, the gentleman from New York [Mr. DULSKI], and all members of the subcommittee for their very conscientious and diligent attention to this important measure.

I must confess that I experienced considerable difficulty—and perhaps this was shared by other members—in gaining a grasp of the complexities of our vast transportation system as they are involved in this legislation. After extensive hearings, during which all parties at interest were given full opportunity to express their views and were subjected to intensive examination by the members, I concluded that the legislation is meritorious, will not cost the Government or the mail users any money, and should be enacted to remove a serious impediment to the continuance of a valuable private transportation enterprise—the Railway Express Agency.

Summed up as briefly as possible, there seem to me to be two fundamental questions involved. One, What has section 557 of the statute books accomplished in 45 years; and, two, What would be the effect if this bill is passed and the section repealed?

The answer to question No. 1 is that absolutely nothing has been accomplished by the passage of this section. Others have explained its purpose and its ineffectiveness. In this connection, I was struck by the fact that, since its enactment in 1916, no affirmative action has been taken by the postal establishment to obtain the benefits that supposedly were intended to accrue to the postal service when the legislation was enacted in 1916. One would reasonably expect, after the Interstate Commerce Commission had ruled that the provisions of section 557 contained no mandate for the Commission to set up rates and that, in effect, the 1916 provisions were impossible of application, that the postal establishment should have recommended official legislative action to the Congress to strengthen or implement the provisions of section 557. But, so far as I have been able to determine, this has not been done, and I believe this weakens the position of the Post Office Department in opposing H.R. 1986.

Question No. 2, relating to what the effect will be if section 557 is repealed, as applied to the cost of parcel post service to the Government or to the taxpayer is that, in my judgment, supported by much testimony on the record, there will be no effect.

All rail rates for mail are fixed by the Interstate Commerce Commission on the basis of cost plus 3 percent on investment. Section 557 is not required to insure reasonable railroad rates for the transportation of such mail, and I believe that the Post Office Department has fair and ample protection because of the authority of the Interstate Commerce Commission.

And so, Mr. Chairman, I find that the overwhelming weight of direct and

factual evidence presented for our consideration strongly supports the recommendation of the committee, that enactment of H.R. 1986 is desirable to remove an obsolete and useless provision from the statute books and to clear the way for modernization of the essential public transportation service now available only through the Railway Express Agency.

Mr. MURRAY. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. HENDERSON].

Mr. HENDERSON. Mr. Chairman, I too served as a member of the special subcommittee which considered this legislation and which reported it favorably to the full committee after we had held complete and detailed hearings and received the views of all of the interested parties.

Our chairman and other members who have spoken have very well expressed and explained the provisions of H.R. 1986 and the unusual merit of this legislation. The distinguished gentleman from New York has been most helpful and has pointed out some of the great differences between the parcel post service of the Post Office Department and the express service performed by the Railway Express Agencies. These differences, I believe, have created the conditions which make the provisions which are to be repealed by the bill before us today useless in the system of our laws in the United States. The most obvious difference, of course, is that the postal service is operated by the Government while the Railway Express is supported by private capital. The Post Office Department, as the gentleman pointed out, pays no taxes and pays no license or other fees. It pays no interest on debt. It is not regulated by every State in which it operates. Most importantly, it seems to me, from the viewpoint of the consideration of the specific bill before us, and the provisions of the 1916 law which will be repealed, are the substantial differences in the services performed by the railroads for the mail traffic and for express traffic. The Post Office Department has the right, and we know they exercise that right, to demand priority of space, and control the railway service to meet these requirements.

In short, there are so many differences between the services performed by the Post Office Department and by the railroads through the Railway Express that there seems to be no justification for the 1916 provisions which have never been used and have never been effective.

As the gentleman pointed out, just 2 short years ago the Railway Express Agency, the employer of 32,000 persons, was on the verge of liquidation or nationalization. The situation at that time was so bad that Resolution 8 was introduced in the Senate in 1959 and hearings held, looking to the nationalization of the express business. We came close at that point of having further serious Government encroachment into the business of transportation. Through ingenuity and determination and sound management and reorganization, which is the keystone of any successful private

enterprise, the Railway Express thus far has averted this catastrophe. A complex plan for reorganization of the express company was carefully worked out. They assured us it stands ready to go forward. Labor and management have worked together in this plan for the future. They have told us the only barrier to this progress is the threat that this 45-year-old law poses for the railroads in their attempt to reorganize the express company.

In my opinion this 1916 statute would probably be inapplicable even if the reorganization were to proceed without pause. But the railroads themselves are in too precarious a financial position to risk substantial reduction in revenues. I don't think I would take such a risk if I were a railroad official, and I don't believe they should be expected to do so.

We should not discourage this commendable effort to preserve the valuable public service rendered by the express business in the ranks of private enterprise. We can and should encourage it and render badly needed assistance by removing a serious impediment through enactment of H.R. 1986.

I strongly urge that the House approve this legislation as reported by the Post Office and Civil Service Committee.

Mr. CORBETT. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. GROSS], who is ranking minority member of the subcommittee.

Mr. GROSS. Mr. Chairman, I rise in opposition to the bill under consideration, H.R. 1986, in its present form. This legislation was considered by a subcommittee of the House Post Office and Civil Service Committee and, following hearings, the subcommittee amended the bill in order to make it more palatable to the American people. But I regret to say that the recommendations of the subcommittee were not followed by the full committee and the subcommittee amendment was eliminated from the bill. At an appropriate time I shall offer this amendment, and I hope the Members will carefully consider the issues involved and give their approval to its adoption.

I might explain that I offered the amendment in the subcommittee, a two-part amendment, one amendment being the amendment which I will offer and explain later; the other amendment amended the Postal Policy Act. I have dropped that amendment.

When my amendment, the two-part amendment, was not accepted, I voted "present" on the bill in the subcommittee, reserving the right to offer the amendment in the full committee or bring it to the House floor.

The subcommittee then adopted the first part of my amendment and brought it to the full committee. It was only 24 hours later that a majority of the subcommittee members reversed their votes and with the greatest of ease repudiated their action. Why, I do not know. I leave it to your conjecture.

This legislation is being considered at a time when the Post Office and Civil Service Committee is considering an increase in postal rates recommended by

the administration. There is a direct relationship between H.R. 1986 and the postal rate increase legislation.

What is proposed to be done by the bill under consideration today is to strike a provision from the law which has existed since 1916 that affords protection to the Post Office Department in connection with its payments for the transportation of non-first-class mail to the railroads.

Mr. Chairman, I desire that any remarks which I make on this legislation shall not be construed to be in opposition to payments which are now made to the railroads by the Post Office Department for the movement of mail. It is not my desire to see these payments reduced. However, I do believe that in accordance with the 1916 law, which is sought to be repealed here, the American people are entitled to know how much more is paid the railroads by the Post Office Department than is paid to the railroads by the Railway Express Agency for the movement of similar weight commodities.

Those who know this subject intimately have estimated that the difference between the Railway Express Agency payments to the railroads and what the Post Office Department pays the railroads for similar movements is somewhere between \$50 and \$100 million annually. It is my view that the American people are entitled to know how much this difference is exactly.

I would like to call the attention of the Members to page 196 of the hearings on this legislation which contain a colloquy between Mr. H. W. Brawley, now Deputy Postmaster General, and Mr. Maurice Stans, who was Deputy Postmaster General in the Eisenhower administration. Mr. Brawley, at the time this colloquy took place, was the chief counsel for the Senate Post Office and Civil Service Committee.

The colloquy follows:

Mr. BRAWLEY. Do you believe after working at this thing for 4 years that there is any substance of facts in this statement that they [the railroads] probably are overcharging the Post Office Department if you compare it to the charges they make to the Railway Express Agencies?

Mr. STANS. I would like to answer in this way, that they are obviously getting more from us for carrying the mails.

Mr. BRAWLEY. If the Interstate Commerce Commission would grant petition how much do you think it would save the Post Office Department currently?

Mr. STANS. It would be considerable. I would have to make some computations, but it would be a very considerable amount of money.

Mr. BRAWLEY. Apparently close to the hundred million?

Mr. STANS. I would not be surprised.

In addition, Senator PAUL DOUGLAS, of Illinois, told the Senate on May 13, 1957, that the overpayment by the Post Office Department to the railroads for the transportation of non-first-class mail amounted to about \$100 million a year. Again, let me stress I do not desire to see the railroads suffer by the loss of any of this payment but I believe that Congress should not completely abandon



this policy of public information which is in the national interest.

While I recognize the strong contentions of the formidable proponents of this legislation, including the distinguished chairman of our committee and others, yet what I propose would not injure the purpose of this bill, but would strengthen it by retaining a safeguard which Congress wisely provided when the Railway Mail Pay Act was approved.

Our subcommittee has heard a great number of witnesses, in connection with this legislation. The bill is opposed by the Post Office Department this year as it was last year. It is opposed by the truck and bus industries. It is opposed by the parcel post users and freight forwarders, whose concern was to make certain that the American public pays the lowest cost for the movement of commodities. On the other hand, the supporters of the legislation are the Railway Express Agency and the railroads and the Interstate Commerce Commission. It is quite understandable why the railroads and the Railway Express Agency approve the bill. They have selfish reasons. The Railway Express Agency is completing a contract with the railroads by which the Express Agency will become a separate and independent operation. Thus, under this new contract the law which is sought to be repealed would become meaningful and the excess cost of transportation paid by the Post Office Department over the transportation costs of the Railway Express Agency would become identifiable. The provisions of the Railway Express Agency contract state clearly that the contract will not be effective unless H.R. 1986 is enacted. This special interest legislation is only justifiable, in my opinion, if some measure of protection is afforded the American public as I propose to accomplish in my amendment.

Mr. Chairman, I ask my colleagues not to be deluded by specious arguments presented by the proponents of this bill. They say its enactment is advisable by reason of the fact that the law is obsolete and that it is meaningless and that it cannot be enforced. Do not be misled. I am certain that the Railway Express Agency would not seek the enactment of this bill if present law were as meaningless and obsolete and unenforceable as they state. Of course, it has meaning and the single fact that it does have justification is the very reason why they seek to have it repealed.

The testimony of witnesses who appeared before our committee this year and last year is replete with statements showing why this repeal legislation is inadvisable without proper amendment.

Mr. Gross. Mr. Moore says in his statement:

"The Post Office Department is at a loss to understand why the railroads and the Express Agency persist in their attempts to conceal the rates received by the railroads for the transportation of express."

Mr. Moore. That is exactly our position, Mr. Gross. We feel that the purpose of section 557, which is sought to be repealed here, was to provide the Postmaster General with sufficient information upon which to

compare the rates for the movement of express and the rates for comparable movement of mail, which I tried to show at the present time I believe in line-haul movements are comparable.

Mr. Gross. Is this considered to be none of your business, or why are you denied the information?

Mr. Moore. I think the Interstate Commerce Commission would have to answer that question as to why they denied it. I think Mr. Warburton has mentioned in some detail why we understand they have denied it. But the fact is they have not implemented the mandate of the Congress in connection with section 557.

Mr. Chairman, all sorts of dire predictions have been made as to what will happen if this legislation fails of enactment. Indeed, it might well fail of enactment by reason of the Post Office Department's strong opposition. Even if the bill in its present form is approved by the Congress, there is every reason to believe that the President will veto it because it is strongly opposed by a member of his Cabinet, Postmaster General Day. Mr. Chairman, I implore my colleagues not to approve the bill in its present form while it faces the constant threat of veto.

I propose, therefore, to afford some measure of protection by offering an amendment which reads as follows:

Page 2, immediately following line 5, insert the following:

"SEC. 2. Notwithstanding the repeal of existing law made by the first section of this Act, the Interstate Commerce Commission shall determine annually the amount of revenue paid to the railroad companies by the Post Office Department during the immediately preceding twelve months which is in excess of the amount which such Department would have paid to such railroad companies if the rates of payment for mail matter other than first-class matter had been established at rates the same as those prescribed for express companies."

The purpose of this amendment is to enable the Interstate Commerce Commission to determine annually the amount of revenue paid the railroads by the Post Office Department which is in excess of the amount which the Post Office Department would have paid to the railroads if the rates of payment for mail matter had been established at rates the same as those prescribed for the Railway Express Agency.

The amendment does not require the Postmaster General to reduce his payments to the railroads. It does not make mandatory any action by the Interstate Commerce Commission on the Post Office Department except to provide information to the American people as to the difference between the amounts paid the railroads by the Post Office Department and the amounts paid the railroads by the Railway Express Agency. What could be more reasonable? The amendment does not affect the completion of the agreement between the Railway Express Agency and the railroads. It does not prevent the Railway Express Agency from continuing to operate on an efficient and businesslike basis. It would seem to me that the Railway Express Agency and the railroads would support this amendment. In fact, when

it was offered in the subcommittee it was approved overwhelmingly.

Another important fact which, Mr. Chairman, I hope my colleagues will understand is that our committee presently is conducting hearings on postal rate increase legislation and what we do here today will have a direct effect on how much additional revenue will be required in that bill. It is my view that a majority of the Members of Congress are not anxious to vote for an increase in postal rates—particularly in an amount that is excessive. If it were established that \$100 million was the amount of excess payment to the railroads by the Post Office Department, it would simply mean that the Department would require \$100 million less in revenue from the rate bill now pending in our committee.

I hold the same opinion as many of my colleagues concerning the failure to establish full and complete public service costs for the Post Office Department before a rate bill is given serious consideration. If the Members approve H.R. 1986 in its present form without my amendment they are compounding a grave error which may cost the users of the mail several hundred million dollars in violation of the provisions of the Postal Policy Act of 1958.

Mr. Chairman, I urge my colleagues to give careful consideration and thought to this matter. The issues are not simply as cut and dried as you might be led to believe. In my opinion, you can satisfy the desires of the Railway Express Agency and the railroads and at the same time approve an amendment which will protect the interests of the American people and the users of the mail all the way from the first-class housewife user to the third-class users who support their small businesses by direct mail advertising.

Mr. MURRAY. Mr. Chairman, I yield 3 minutes to the gentlewoman from Pennsylvania [Mrs. GRANAHAN].

Mrs. GRANAHAN. Mr. Chairman, I would like to speak briefly in favor of this bill because I believe it is of the greatest importance to the people of this country and especially to the 32,000 employees of the Railway Express and their families.

Ever since I can remember, I have been close to the Railway Express Agency. I have known many of its employees and I know them to be a most earnest and devoted group. They have dedicated their lives to this work. The average employee with that company has been with it for 21 years. It would indeed be tragic if a useless statute were to be permitted to deprive these people of their livelihood.

Just 2 years ago all of them were living under the constant threat that tomorrow their company would be no more. Their fears were justified. No company has ever come closer to the precipice without falling over. This near-miss was not the fault of the employees, but they would have been the greatest losers. Thank goodness this tragedy did not occur. Bold new courses were charted and one and all set out to steer this company to successful operation. The results

have been truly amazing, and you can see it on the faces of the people in Railway Express. They have a new hope. They even have a new name—"REA Express." They need only the repeal of an outmoded statute to permit them to be on their way. I recommend that we approve H.R. 1986 and give them an opportunity to demonstrate that they can operate a successful enterprise by the normal standards of American business.

Mr. BOLAND. Mr. Chairman, I rise in support of H.R. 1986, a bill to repeal the provisions of section 5 of the act of July 28, 1916, as amended, relating to the furnishing of information to the Postmaster General by the Interstate Commerce Commission with respect to revenue received by railroads from express companies for the transportation of express matter.

The unanimous report of the House Committee on Post Office and Civil Service points out clearly that the purpose of this legislation is to repeal certain obsolete, unworkable, and unnecessary provisions of section 5 of the Railway Mail Pay Act of 1916 which purport to give the Postmaster General access to rail rates for carrying express matter in order to compare them with rail rates for carrying non-first-class mail and authorize the Postmaster General to reduce rail rates for such mail to the level of the express rail rates if the express rail rates so determined are lower.

Mr. Chairman, the Railway Express Agency performs a valuable public service and it is the only remaining private enterprise facility for the rapid and economical transportation throughout the Nation of shipments for which express service is desired by the shipping public. I urge the House to pass this bill which would remove a serious impediment to the continuance of the Railway Express Agency's public service.

Mr. MURRAY. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby repealed that portion of section 5 of the Act of July 28, 1916 (39 Stat. 428), which reads as follows: "The Postmaster General shall, from time to time, request information from the Interstate Commerce Commission as to the revenue received by railroad companies from express companies for services rendered in the transportation of express matter, and may, in his discretion, arrange for the transportation of mail matter other than of the first class at rates not exceeding those so ascertained and reported to him, and it shall be the duty of the railroad companies to carry such mail matter at such rates fixed by the Postmaster General."*

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

The Clerk read as follows:

Page 2, immediately following line 5, insert the following:

"Sec. 2. Notwithstanding the repeal of existing law made by the first section of this Act, the Interstate Commerce Com-

mission shall determine annually the amount of revenue paid to the railroad companies by the Post Office Department during the immediately preceding twelve months which is in excess of the amount which such department would have paid to such railroad companies if the rates of payment for mail matter other than first-class matter had been established at rates the same as those prescribed for express companies.

Mr. GROSS. Mr. Chairman, I should like to read a brief colloquy in support of my amendment that occurred when the Postmaster General appeared before the House Post Office and Civil Service Committee on the first day of the hearings on the pending postal rate bill. I said to the Postmaster General:

Now you come up here with a figure of \$62,700,000 as the total charge for public service. You can call it a subsidy, public service, or anything you want. It seems to me that there is a charge that ought to go into public service if it is a subsidy, and my contention with respect to that bill [H.R. 1986] is to get it out where the Congress can see it. I am not opposed to subsidizing the railroads if that be necessary, through the Post Office Department or anywhere else, but I want it out where we can identify it and I don't want it to be charged, if that be true, to the users of the mail.

And Mr. Day, the Postmaster General, responded by saying this:

I couldn't agree with you more. We are very anxious to get those figures as to what the actual discrepancy may be between the charges to the Express Agency and the charges to the Post Office Department but we have been consistently told that those figures are not available \* \* \* and I would think that probably the only way to get the figures is for the congressional committee that has interest and responsibility in that area to insist that they be given such figures.

That is precisely what my amendment would do.

The subcommittee in its original report said this:

Although the provisions of section 557 of the 1916 act are useless and should be repealed, in the judgment of the subcommittee it is in the public interest to write into the law a new provision as a replacement which will provide an effective aid to the postal service and the shipping public with respect to the relationship of rail rates for carrying parcel post and express matter.

This was the original report of the subcommittee to the full committee, and it deals exactly with the same amendment I am asking you to approve.

The subcommittee report goes on to say:

Accordingly, the subcommittee recommends that the committee approve the amendment shown in italic type in the committee print on each Member's desk. This amendment is consistent with present and reasonably foreseeable future operations of the railroads and the Railway Express Agency, as well as the postal service. Its enactment will assure a ready, convenient, and useful means for the Interstate Commerce Commission to obtain meaningful data and information with respect to the payments made by the Railway Express Agency, either as fixed rates or otherwise, to the railroads for carrying express matter. Such data and information, in turn, will for the first time establish an effective means of comparison between rail charges for carrying express matter and rail charges for carrying parcel post.

That is all I am asking you to do, what the subcommittee originally recommended to the full committee, and bring this problem out in the daylight rather than try to deal with it in the dark.

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

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

Mr. CORBETT. Is the full force of the gentleman's amendment to make available information only? In no way would it affect the rates paid by anyone to the railways?

Mr. GROSS. Exactly.

Mr. CORBETT. I think the amendment should be adopted.

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

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

Mr. MURRAY. This is the same amendment that was offered before our committee?

Mr. GROSS. Yes.

Mr. MURRAY. It was voted down 2 to 1.

Mr. GROSS. I do not recall the vote. But there could be no better argument for my amendment than the original report of the subcommittee to the full committee from which I have just read. How and why the field was reversed in a matter of 24 hours I do not know. I should like some day to have an explanation for this mysterious procedure and the reasons for it.

Mr. Chairman, this amendment deals with the right of the people of this country to know whether their Government is paying out \$100 million a year more than others are paying for the transportation of similar things. I sincerely believe it is in the interests of those who pay the bills to have this information and I urge adoption of the amendment.

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

Mr. Chairman, there is a very good reason why the bill was changed overnight. It is because we were informed by the Interstate Commerce Commission that any such amendment as this would be unworkable, just as the law has been unworkable for many, many years. It is just a bogey that is being placed here before you. It is not enforceable. It cannot be done. It is in the letter from the ICC which was received by the subcommittee following their final action. When it was received and discussed in the full committee, then the full committee saw the light and decided that this amendment was not a good amendment.

I might say that the railroads are burdened with all kinds of rules and regulations now. This is one of the things we ought to be concerned about. We ought to be for a bill getting rid of some of these regulations and allowing them to do business as an ordinary industry should. This amendment would put an additional burden on them, an additional regulation, even though it is unworkable. There may be somebody in the administrative branch who may take a liking to trying to force some investigative or regulatory machinery upon the railroads.



I do not think we ought to regulate them any more. They are regulated to death.

The main thing I wanted to say is that the committee did reject the amendment. The Interstate Commerce Commission has said it is unworkable. This is in a communication under date of May 4 of this year. So I say the amendment ought to be defeated and the bill ought to be passed.

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

Mr. CUNNINGHAM. I yield to the gentleman from North Carolina.

Mr. HENDERSON. The gentleman will recall that in the subcommittee on which we both served the amendment as adopted by the subcommittee was not the full amendment offered by the gentleman from Iowa.

I oppose the passage, or the recommendation of the final amendment as it was adopted. In the full committee the amendment of the subcommittee was stricken. Is that not correct? Does the gentleman recall that that is the fact? At that time it was my position, and I repeat it for the benefit of the Members, that the amendment now proposed to this bill, it seems to me, does nothing more than rewrite into law, the provisions of the 1916 law, which it is the purpose of the pending bill to eliminate from the law, since it has not been used for 45 years. I do not have any argument with the gentleman who sponsors the amendment so far as the objectives of his amendment are concerned, but it seems to me if the enactment of the pending bill, H.R. 1986, is proper, then the amendment now offered is not appropriate. If we are going to leave the 1916 law on the books and vote down H.R. 1986, then we ought to put that 45-year-old law into effect.

Mr. CUNNINGHAM. The gentleman is absolutely right. We might as well leave the legislation on the books as it is now if we are going to adopt this amendment. I am quite surprised that the gentleman from Iowa, whom I know so well, and realizing the philosophy to which the gentleman preaches, would want this further regulation on private industry.

Mr. Chairman, I certainly hope the amendment will be voted down.

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

This amendment is both unnecessary and undesirable. It is identical to an amendment that was considered by the Post Office and Civil Service Committee and voted down by a 2 to 1 majority. It would create an administrative monstrosity by directing the Interstate Commerce Commission to perform burdensome and expensive tasks that would accomplish nothing at all.

The official report of the Interstate Commerce Commission opposed the amendment when it was before our committee in these words:

The proposed amendment, like the present provisions of the act, would require a determination by the Commission based on "rates \* \* \* prescribed for express companies." As we have stated before, rates, as such, are not now prescribed as between rail-

road companies and the Express Agency. It is our understanding that under the proposed new contract services performed by the railroads for the Express Agency will still not be performed entirely on a basis of prescribed rates. The Commission, therefore, would still be in the same position, i.e., it would be impossible, if our understanding is correct, for us to make the determination required by the proposed amendment.

We recommend that the proposed amendment not be adopted.

The Post Office Department also submitted an adverse report on the amendment.

It is clear, from these reports of the Department and the agency directly concerned, that the amendment would result in useless expense to the Government and would have no effect on postal costs for the transportation of mail. The postal service is fully protected, in the rates it pays for rail transportation of mail, by other provisions of law administered by the Interstate Commerce Commission.

I strongly recommend that the amendment be voted down.

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

Mr. Chairman, let me say at the outset the Interstate Commerce Commission recommended this legislation. It was included in their annual report. It was sent to our Committee on Interstate and Foreign Commerce and I introduced the original bill at the request of the Commission. The Speaker appropriately referred it to the great Committee on Post Office and Civil Service. I think we should understand just what we are dealing with here before we make matters much worse than what they are.

As I understand the amendment of the gentleman from Iowa, whom I of course highly respect and whose views I respect—and I know the gentleman from Iowa studies these matters before taking a position on them—as I understand the gentleman's amendment it would not affect the action of the committee in repealing this provision of section 5. Is that right?

Mr. GROSS. Yes, that is correct.

Mr. HARRIS. In other words, you would repeal section 5 but you would then by your amendment provide section 2 which you have read. Is that correct?

Mr. GROSS. That is right, to close the void, so that we can look over the shoulders of some people and find out what is going on.

Mr. HARRIS. I respectfully suggest it would be far worse than it is now.

Let me explain. In the first place, this provision of law was adopted by the Congress in 1916. There was no competition at that time; the railroads had all the business; there was no other way, and they thought it was necessary to do what? For the Postmaster General to tell the railroads that they had to carry the mails at a certain price set by the Postmaster General that did not exceed a rate that was reported by the Interstate Commerce Commission. Just figure that one out.

Obviously, it has never been used. But a situation developed over the years, and in 1928 by the pressure from the Federal

Government the railroads organized the Railway Express Agency. That was a separate entity controlled by the railroads which the railroads had to support and have had to support ever since. It is not a profit or loss organization.

If you believe in free enterprise, then you will vote for this bill as reported by the committee.

All the bill would do would be to require the Railway Express Agency for the first time in the existence of the organization to get itself on a sound business operation. If it does not it is going to deteriorate more; it is simply going to become no organization at all, and there will be no service. I say the gentleman's amendment will do nothing but make the present situation worse than it has been for the last 40 years.

I think the amendment should be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. Gross].

The question was taken, and on a division (demanded by Mr. Gross) there were—ayes 14, noes 47.

So the amendment was rejected.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SISK, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1986) to repeal the provisions of section 5 of the act of July 28, 1916, as amended, relating to the furnishing of information to the Postmaster General by the Interstate Commerce Commission with respect to revenue received by railroads from express companies for the transportation of express matter, pursuant to House Resolution 301, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. GROSS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. GROSS. In its present form, I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. GROSS moves to recommit the bill H.R. 1986 to the House Committee on Post Office and Civil Service, with instructions to report the bill back to the House forthwith, with the following amendment:

"Page 2, immediately following line 5, insert the following:

"SEC. 2. Notwithstanding the repeal of existing law made by the first section of this Act, the Interstate Commerce Commission shall determine annually the amount of revenue paid to the railroad companies by the Post Office Department during the immediately preceding twelve months which is in excess of the amount which such department would have paid to such railroad companies if the rates of payment for mail matter other than first-class matter had been

established at rates the same as those prescribed for express companies."

The **SPEAKER**. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the "ayes" had it.

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

The **SPEAKER**. Evidently a quorum is not present.

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

The question was taken; and there were—yeas 16, nays 347, answered "present" 0, not voting 72, as follows:

{Roll No. 65}

YEAS—16

Bailey	Hall	Miller,
Bow	Horan	George P.
Corbett	Hosmer	Passman
Dingell	Joelsen	Ray
Gross	Johansen	Yates
Hagen, Calif.	Kyl	

NAYS—347

Abbutt	Conte	Griffiths
Abernethy	Cook	Gubser
Adair	Corman	Hagan, Ga.
Addabbo	Cramer	Haley
Addonizio	Cunningham	Halleck
Alger	Curtis, Mass.	Halpern
Andersen,	Curtis, Mo.	Hansen
Minn.	Daddario	Harding
Andrews	Dague	Hardy
Anfuso	Daniels	Harris
Arends	Davis,	Harrison, Wyo.
Ashbrook	James C.	Harsha
Ashley	Davis, John W.	Harvey, Mich.
Ashmore	Delaney	Hays
Aspinall	Denton	Healey
Avery	Derwinski	Hébert
Ayres	Dole	Hechler
Baker	Dominick	Henderson
Baldwin	Donohue	Hiestand
Barrett	Dooley	Hoeven
Barry	Dorn	Hoffman, Ill.
Bass, N.H.	Dowdy	Holland
Bass, Tenn.	Downing	Holtzman
Bates	Doyle	Huddleston
Battin	Dulski	Hull
Becker	Durno	Ichord, Mo.
Beermann	Dwyer	Inouye
Bell	Edmondson	Jarman
Bennett, Fla.	Elliot	Jennings
Bennett, Mich.	Ellsworth	Jensen
Berry	Everett	Johnson, Calif.
Betts	Evins	Johnson, Md.
Blatnik	Fallon	Jonas
Boland	Farbstein	Judd
Bolton	Fascell	Karsten
Boykin	Feighan	Karh
Brademas	Fenton	Kastenmeier
Bray	Findley	Kearns
Breeding	Finnegan	Kee
Brewster	Fisher	Keith
Brooks, La.	Flood	Kelly
Brooks, Tex.	Flynt	Kilday
Broomfield	Ford	Kilgore
Brown	Forrester	King, Calif.
Broyhill	Fountain	King, N.Y.
Bruce	Frazier	King, Utah
Burke, Ky.	Frelinghuysen	Kirwan
Burke, Mass.	Friedel	Kitchin
Burleson	Fulton	Kluczynski
Byrne, Pa.	Gallagher	Kornegay
Byrnes, Wis.	Garland	Kowalski
Cahill	Garmatz	Kunkel
Cannon	Gary	Laird
Carey	Gathings	Lane
Casey	Gavin	Langen
Cederberg	Gaiamo	Lankford
Celler	Gilbert	Latta
Chamberlain	Glenn	Lennon
Chelf	Goodell	Lesinski
Chenoweth	Gooding	Libonati
Chiperfield	Granahan	Lindsay
Church	Grant	Lipscomb
Clancy	Gray	Loser
Clark	Green, Oreg.	McCormack
Coad	Green, Pa.	McCulloch
Cohelan	Griffin	McDonough

McFall	Perkins	Sisk
McIntire	Peterson	Slack
McMillan	Pfost	Smith, Calif.
McVey	Philbin	Smith, Iowa
Macdonald	Pike	Spence
MacGregor	Pillion	Springer
Macrowicz	Pirnie	Stafford
Mack	Poage	Staggers
Madden	Poff	Steed
Magnuson	Powell	Stephens
Mahon	Pucinski	Stratton
Mailliard	Quie	Stubblefield
Martin, Mass.	Rabaut	Sullivan
Martin, Nebr.	Rains	Taber
Mathias	Randall	Taylor
Matthews	Reece	Teague, Calif.
Meador	Reifel	Teague, Tex.
Merrow	Reuss	Thomas
Michel	Rhodes, Ariz.	Thompson, La.
Miller, Clem	Rhodes, Pa.	Thompson, Tex.
Milliken	Rivers, Alaska	Thomson, Wis.
Mills	Rivers, S.C.	Thornberry
Minshall	Robison	Toll
Monagan	Rogers, Colo.	Tollefson
Montoya	Rogers, Fla.	Tuck
Moore	Rogers, Tex.	Tupper
Moorehead,	Rooney	Udall
Ohio	Roosevelt	Ullman
Moorhead, Pa.	Roudebush	Utt
Morgan	Roussellot	Vanik
Morris	Rutherford	Van Pelt
Morrison	Ryan	Van Zandt
Morse	St. George	Wallhauser
Mosher	St. Germain	Walter
Multer	Santangelo	Watts
Murphy	Saund	Weaver
Murray	Saylor	Weis
Natcher	Schadeberg	Whalley
Nelsen	Schenck	Wharton
Nix	Schneebeli	Whitener
Norblad	Schwelker	Wickersham
Norrell	Schwengel	Wildnall
Nygaard	Scott	Williams
O'Brien, Ill.	Scranton	Willis
O'Hara, Ill.	Seely-Brown	Wilson, Calif.
O'Hara, Mich.	Selden	Wilson, Ind.
Olsen	Shelley	Winstead
O'Neill	Shibley	Wright
Osmer	Shriver	Younger
Patman	Sibal	Zablocki
Pelly	Siler	

ANSWERED "PRESENT"—0

NOT VOTING—72

Albert	Fino	Moulder
Alexander	Fogarty	O'Brien, N.Y.
Alford	Harrison, Va.	O'Konski
Anderson, Ill.	Harvey, Ind.	Ostertag
Auchincloss	Hemphill	Pilcher
Baring	Herlong	Price
Beckworth	Hoffman, Mich.	Riehlman
Belcher	Hollifield	Riley
Blitch	Ikard, Tex.	Roberts
Boggs	Johnson, Wis.	Rodino
Bolling	Jones, Ala.	Rostenkowski
Bonner	Jones, Mo.	Scherer
Bromwell	Keogh	Sheppard
Buckley	Kilburn	Short
Collier	Knox	Sikes
Colmer	Landrum	Smith, Miss.
Cooley	McDowell	Smith, Va.
Curtin	McSween	Thompson, N.J.
Davis, Tenn.	Marshall	Trimble
Dawson	Mason	Vinson
Dent	May	Westland
Derounian	Miller, N.Y.	Whitten
Devine	Moeller	Young
Diggs	Moss	Zelenko

So the motion to recommit was rejected.

The Clerk announced the following pairs:

Mr. Buckley with Mr. Kilburn.  
 Mr. Johnson of Wisconsin with Mr. Belcher.  
 Mr. Keogh with Mr. Collier.  
 Mr. Roberts with Mr. Short.  
 Mr. Hemphill with Mr. Westland.  
 Mr. Dent with Mr. Fino.  
 Mr. Price with Mr. Mason.  
 Mr. Rodino with Mr. Knox.  
 Mr. Davis of Tennessee with Mr. Harvey of Indiana.  
 Mr. Rostenkowski with Mr. Anderson of Illinois.  
 Mr. Zelenko with Mr. Brownell.  
 Mr. Young with Mr. Ostertag.  
 Mr. Whitten with Mr. O'Konski.

Mr. Trimble with Mr. Scherer.  
 Mr. Moulder with Mr. Hoffman of Michigan.  
 Mr. Boggs with Mr. Auchincloss.  
 Mr. Fogarty with Mr. Curtin.  
 Mr. Riley with Mr. Miller of New York.  
 Mr. Sikes with Mr. Derounian.  
 Mr. Hollifield with Mr. Riehlman.  
 Mr. Herlong with Mr. Devine.  
 Mr. Bonner with Mrs. May.

The result of the vote was announced as above recorded.

The **SPEAKER**. The question is on the passage of the bill.

The bill was passed and a motion to reconsider was laid on the table.

## INTER-AMERICAN SOCIAL AND ECONOMIC COOPERATION PROGRAM

Mr. **PASSMAN** submitted the following conference report and statement on the bill (H.R. 6518) making appropriations for the inter-American social and economic cooperation program, and the Chilean reconstruction and rehabilitation program for the fiscal year ending June 30, 1961, and for other purposes.

### CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6518) "making appropriations for the Inter-American Social and Economic Cooperation Program, and the Chilean Reconstruction and Rehabilitation Program for the fiscal year ending June 30, 1961, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

The committee of conference report in disagreement amendment numbered 1.

OTTO E. PASSMAN,  
 J. VAUGHAN GARY,  
 CLARENCE CANNON,  
 JOHN TABER,  
 GERALD R. FORD, Jr.,

*Managers on the Part of the House.*

CARL HAYDEN,  
 DENNIS CHAVEZ,  
 ALLEN J. ELLENDER,  
 LISTER HILL,  
 HUBERT HUMPHREY,  
 STYLES BRIDGES,  
 LEVERETT SALTONSTALL,  
 MILTON R. YOUNG,

*Managers on the Part of the Senate.*

### STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6518), making appropriations for the Inter-American Social and Economic Cooperation Program and the Chilean Reconstruction and Rehabilitation Program for the fiscal year ending June 30, 1961, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to such amendment, namely:

The amendment is reported in disagreement. A motion will be made to recede and concur with an amendment.

The conferees direct that quarterly reports be made to the Foreign Relations and Appropriations Committees of the Senate and the Foreign Affairs and Appropriations Committees of the House by the President or such officer as he may designate, showing



loans made and rates of interest charged thereon.

OTTO E. PASSMAN,  
J. VAUGHAN GARY,  
CLARENCE CANNON,  
JOHN TABER,  
GERALD R. FORD, Jr.,

*Managers on the Part of the House.*

Mr. PASSMAN. Mr. Speaker, I call up the conference report on the bill (H.R. 6518) making appropriations for the inter-American social and economic cooperation program, and the Chilean reconstruction and rehabilitation program for the fiscal year ending June 30, 1961, and for other purposes.

The Clerk read the conference report.  
The SPEAKER. The Clerk will report the Senate amendment.  
The Clerk read as follows:

Senate amendment: page 2, line 7, insert: "Provided, That the funds herein appropriated shall not be available to be loaned or reloaned at an interest rate in excess of eight per centum per annum."

Mr. PASSMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PASSMAN moves that the House recede from its disagreement to the amendment of the Senate and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: "Provided, That the funds herein appropriated shall not be available to be loaned or reloaned at interest rates considered to be excessive by the Inter-American Development Bank or higher than the legal rate of interest of the country in which the loan is made."

Mr. PASSMAN. Mr. Speaker, I believe the amendment speaks for itself. Those who understand the House version of the bill, as well as what effect the amendment will have, should be, in my opinion, satisfied with the conference report.

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

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

Mr. GROSS. Does that mean that the interest rate is practically unlimited except as to the interest rate in the various countries?

Mr. PASSMAN. The interest rates in all of these countries are a part of their economy. What we are doing is giving them the right to charge up to, but not in excess of, the prevailing interest rates in their countries.

Mr. GROSS. This bill still contains \$600 million, is that correct?

Mr. PASSMAN. That is correct.

Mr. GROSS. One hundred million dollars for Chile in earthquake relief and \$500 million for general South American aid?

Mr. PASSMAN. That is correct.

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

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

Mr. TABER. There is nothing in here relating to the \$600 million that could be changed.

Mr. PASSMAN. There is \$500 million in the Latin American package for the social reform program, and there is \$100 million for earthquake disaster re-

habilitation in Chile. The Chilean loan is made by our Government and is repayable to our Government. It has nothing to do with the \$500 million in the Latin American special assistance program of social reform and economic development.

Mr. GROSS. How much now have we dispensed, if the gentleman can give us figures, on foreign aid, on foreign giveaways, in the present fiscal year by this Government?

Mr. PASSMAN. Is the gentleman's question intended to be directed to a determination of the amount of the requests submitted to the Congress?

Mr. GROSS. Yes. I was going to ask what were the requests we have up to today.

Mr. PASSMAN. It is my understanding that the original budget request for the so-called mutual security program was for \$4 billion. In addition to that sum, the President today requested an additional \$535 million, using round figures. The Latin American social reform and economic-aid package and the \$100 million for Chile total \$600 million, bringing the aggregate requests to \$5,135 million. But, we are dealing here with requests, and not with actual appropriations.

Mr. GROSS. But there is not very much doubt but that the money will be obtained through appropriations?

Mr. PASSMAN. I can speak only for the gentleman from Louisiana. Reviewing the bills considered during the past 6 years, there is a sizable difference between the amount requested and the amount appropriated in every instance. It is my belief that the same type of situation will prevail again this year.

Mr. GROSS. I know what the position of the gentleman from Louisiana has been, and I hope in light of this message we got today he will continue the position he has taken in the past and try to reduce, at least to some extent.

Mr. PASSMAN. I can assure the gentleman that we hope to make a substantial reduction, and one which the administration also will recognize as being prudent and fiscally sound.

Mr. GROSS. Does the gentleman have any idea where President Kennedy expects to get this \$535 million that he called for in his message today?

Mr. PASSMAN. I, myself, should like to ask where he would expect to get the \$4 billion-plus previously requested.

Mr. GROSS. He said he is against a tax increase now.

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

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

Mr. GRIFFIN. From reading the RECORD made on the floor of the other body, it was indicated that interest rates as high as 18 to 20 percent would be charged on money that was made available under this act. Does the gentleman have any information as to whether that is correct, and how will this changed language in the conference report affect it, if that is the case?

Mr. PASSMAN. Many of our own States—rather, in fact, probably most

of our States—permit interest rates that are in excess of some of the interest rates charged in Latin America. It depends upon whether the borrower is dealing with a bank, a finance company, or a loan company; whether it is a lump-sum repayment loan or whether it is on an installment basis. A study of the records will verify that probably most of the States of our Union permit interest rates in excess of those charged in Latin America.

Mr. GRIFFIN. We are talking about money made available for housing, for instance, Federal funds. We certainly put on an interest ceiling which is much below the 8 percent.

Mr. PASSMAN. I understand that most of these funds will go out to the individual, who may want to put an addition to his home or to use the funds for other constructive purposes. This program is intended to help all the people. Much of the money will go from the Inter-American Development Bank to small business, credit unions, and so forth, and they, in turn, will make loans to their customers, to make money available to purchase the goods and services needed. Many of those institutions now pay up to 18 percent interest on the money that their own people invest in their associations. So, we are leaving it up to the Inter-American Development Bank to prevent interest rates that are higher than the rates charged in the country which is receiving the money.

Mr. GRIFFIN. The gentleman's answer is not entirely satisfactory, but I thank the gentleman.

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

Mr. PASSMAN. I yield to the gentleman from Illinois.

Mr. DERWINSKI. As I read the language, I take it from the gentleman's statement that we are not actually being told if any of these countries do have legal limitations on interest rates.

Mr. PASSMAN. As far as I know, every country in Latin America has ceilings on interest rates. Offhand, I can name only three or four:

For example, Argentina, bank loans, 10 percent; mortgages, 12 percent; development loans, 8 percent.

Bolivia, bank loans, commercial, 21 percent; industrial, 18 percent.

Colombia, maximum rate, 18 percent. Chile, maximum rate, 24 percent.

Mr. DERWINSKI. The gentleman will correct me if I am wrong, but is it not true that the reason we have to provide this program for Latin America is because of the great disparity in wealth, the great mass of poor people and the handful of wealthy people? As I see this bill, the rich get richer and the poor get poorer, because you are going to pass the high interest rates onto the poor man.

Mr. PASSMAN. We are dealing with a trust fund to be administered by the Inter-American Development Bank. There are different conditions in the various countries. Many of the savings and loan associations must attract capital from their customers in order to have surplus money, and they pay 15 and 16

and sometimes 18 percent for that money. This is a condition that has developed over a number of years. So, we have placed in the conference report language to the effect that they will not charge excessive rates, or, rather, that they will not charge rates higher than the prevailing legal rate of the country. We could hardly go any further than that.

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

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

Mr. GAVIN. Has the gentleman any indication of what countries in Latin America are going to participate in this loan?

What I am trying to find out is this. We know that \$100 million is going to Chile; but with respect to the \$500 million, has the gentleman any idea where it may be expended?

Mr. PASSMAN. There are about 17 countries which would be eligible to borrow money from the Inter-American Development Bank. We do not know just which of those countries will actually receive funds. But 17 of them will be eligible.

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

Mr. PASSMAN. I yield.

Mr. JONAS. I understand that if this conference report is adopted we will be putting up \$394 million for the Inter-American Development Bank, to be loaned to lending institutions in the Latin American countries, and that some of them may be permitted to charge individual borrowers as much as 21 percent.

Mr. PASSMAN. It all depends on the legal rate prevailing in the country. There are, as you are aware, different conditions in different Latin American countries, and the conditions there are, of course, different from the conditions here. As a matter of information, from this \$500 million package, \$394 million goes to the Inter-American Development Bank, \$6 million goes to the Pan American Union, which is the administrative arm of the Organization of American States, and \$100 million is going to the ICA.

Mr. JONAS. At any rate, it may be said that we are not giving a great deal of help to a poor peasant in some South American country if he has to pay 21 percent interest; is that right?

Mr. PASSMAN. I do not know; but I do know that in one of our own States an interest charge up to 42 percent is permitted. I know of another State which permits interest charges up to 36 percent. So, frankly, I do not think we are in a particularly strong position to be lecturing people of other countries about their interest rates.

Mr. JONAS. We have a usury rate of 6 percent in my State.

Mr. PASSMAN. I shall, if it is desired, insert in the Record a table showing the interest rates prevailing at this time in each State of our Union.

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

Mr. PASSMAN. I yield to the gentleman.

Mr. GROSS. So far as the interest rate is concerned that will not make any direct difference to the American taxpayers because we are not going to get the money back anyway; is that so?

Mr. PASSMAN. The gentleman is correct. The witnesses made it clear that in all probability none of the money will come back to the U.S. Treasury.

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

Mr. PASSMAN. I yield to the gentleman.

Mr. McDONOUGH. Can the gentleman inform me what rate of interest the United States is going to charge the financial institutions in South America for the money?

Mr. PASSMAN. That matter will be worked out by our State Department. This money, the \$394 million, is being used to set up a revolving fund through the Inter-American Development Bank. This is a contribution we are making; literally, a gift or a grant. It is not really intended that any of it will ever come back to the U.S. Treasury.

Mr. McDONOUGH. There is no assurance that the money will be paid back?

Mr. PASSMAN. No; it was stated in the beginning by the witnesses that it was not intended that the money would come back to the U.S. Treasury. The hope is that it will serve to improve living conditions and strengthen the economy of the recipient Latin American countries.

Mr. McDONOUGH. I thank the gentleman.

Mr. PASSMAN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Louisiana [Mr. PASSMAN].

The motion was agreed to.

A motion to reconsider was laid on the table.

#### ESTABLISHMENT OF A U.S. TRAVEL SERVICE AND A TRAVEL ADVISORY BOARD

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 610) to strengthen the domestic and foreign commerce of the United States by providing for the establishment of a U.S. Travel Service within the Department of Commerce and a Travel Advisory Board, with House amendments thereto, insist on the House amendments, and agree to the conference requested by the Senate.

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

The Chair hears none, and appoints the following conferees: Messrs. HARRIS, MACK, DINGELL, HEMPHILL, BENNETT of Michigan, GLENN, and CURTIN.

#### AMERICAN SECURITY COUNCIL URGES END TO GENEVA TEST-BAN NEGOTIATIONS

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

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

There was no objection.

Mr. HOSMER. Mr. Speaker, the top-level civilian National Strategy Committee's first recommendations to President Kennedy urge that atomic test-ban negotiations at Geneva be discontinued and that underground nuclear tests be resumed immediately.

The recommendations came from a special 16-page report authorized by committee members and sent to the President by Committee Chairman Loyd Wright, previously Chairman of the bipartisan Commission on Government Security formed by Congress, and past president of the American Bar Association, who said the recommendations were the first of many the committee would send to the White House, Congress, and the public on key issues of national security.

The National Strategy Committee was formed recently by the American Security Council of Chicago to prepare detailed studies and recommendations on key issues of vital interest to all Americans. Its next report will deal with the dangers of admitting Red China to the United Nations and will be ready in a few weeks.

The following distinguished Americans are members of the committee:

Lt. Gen. Edward M. Almond, U.S. Army, retired; former Chief of Staff of the VI Army Corps; and former Commandant of the Army War College.

Adm. Ben Moreell, U.S. Navy, retired; former chairman of the board, Jones & Laughlin Steel Co.; and now chairman, Americans for Constitutional Action.

Adm. Arthur W. Radford, U.S. Navy, retired; former Chief of Naval Operations; and Chairman, Joint Chiefs of Staff, 1953-57.

Adm. Felix B. Stump, U.S. Navy, retired; former commander in chief, Pacific; and now vice chairman, Freedoms Foundation.

Rear Adm. Chester C. Ward, U.S. Navy, retired; former Judge Advocate General of the Navy; and former professor of international law at George Washington University.

Gen. A. C. Wedemeyer, U.S. Army, retired; former Deputy Chief of Staff, U.S. Army; and former commanding general, Sixth Army.

The committee arrived at the following conclusions after studying 2½ years of proceedings and results of the test-ban negotiations:

First. The Soviets are not interested in negotiating. The only agreements they have made have been made on their own terms. They have deliberately prolonged the conference because we agreed to suspend our tests as long as the negotiations were in progress.

Second. The United Kingdom has not been too effective because it continually has been after us to make additional concessions toward Soviet positions.

Third. Some American scientists have not been too effective as far as the negotiations are concerned. They have given negotiators inaccurate, hasty and ill-considered advice. For example, they



said they had developed a control system to detect any nuclear explosion over 2 kilotons being made by foreign powers. Tests have proven this is not so.

Fourth. On the home front, national security considerations have, for the most part, been disregarded in the almost frantic effort to secure an agreement with the Soviet Union on their terms.

Because of these developments, the committee said, four definite conditions now exist which directly relate to our survival and which lead it to make its recommendations:

First. Progress in the development of U.S. nuclear weapons technology, defensive as well as offensive, has been brought to a virtual halt. For all practical purposes, U.S. competence in this vital area of national defense remains at the October 1958 level.

Second. Since it is impossible with present techniques to detect underground tests in the lower yield ranges or tests in outer space, it would be dangerous for the United States to assume that the Soviet Union may not have made important advances in nuclear weapons technology during this period. These advances could have a crucial effect on the relative power position of the United States and the U.S.S.R.

Third. The U.S. offer to refrain voluntarily from any underground tests for another 3 years from the date of signature of the test-ban treaty while the three powers carry out an agreed joint research program for seismic improvements and peaceful uses, would, if accepted, only perpetuate the current situation which is clearly prejudicial to the security of the United States.

Fourth. The present prohibition on all U.S. nuclear weapons tests amounts to a unilateral, unpoliced moratorium which is not in the national interest.

On this basis it specifically recommended:

First. The current test-ban negotiations be discontinued and an orderly program of underground and outer space tests which would not contaminate the earth's atmosphere be started without further delay.

Second. Any future international discussions of a nuclear test-ban be resumed only as an integral part of a broader arms control negotiation and then only with the clear understanding that the U.S. test program will not be impaired by any moratorium arrangement during the course of the negotiations.

As to the National Strategy Committee and its sponsor, the American Security Council, outside the Government itself, there is no group of men better qualified to review national security matters and make considered recommendations on the subjects.

These men have spent their careers in the service of their country and their background and training has not only exposed them to the full spectrum of international communism, but has provided them with intimate knowledge of the organization, capabilities, and limitations of our National Defense Establishment.

The American Security Council, in forming and sponsoring the committee,

will be of utmost service to the country if the committee's recommendations are given the attention they merit.

The council, a bipartisan not-for-profit association, consists of over 2,500 member organizations including every type of business, newspapers, universities, and other institutions throughout the United States. Its primary service is gathering, correlating, and disseminating factual information about Communist strategy and tactics to members and a variety of organizations and individuals.

#### PRESIDENT KENNEDY URGES CLOSING OF SPACE GAP

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

The SPEAKER. Is there objection to the request of the gentleman from Utah? There was no objection.

Mr. KING of Utah. Mr. Speaker, I arise to applaud the proposals which the President has just made to the Congress and the American people to put this country back in the space race.

In my experience in the Congress this is the first time, I believe, that the White House has really faced up to the hard realities of the space race.

For almost 4 years now, our people and their leaders in the administration and the Congress have been fretting and talking about the space gap and about closing the space gap. We established a new agency to run the space program; we have supported the program with increasingly large appropriations. We are designing and building some big boosters which eventually will carry our astronauts far into space.

But the evidence has shown our current effort is not closing the gap.

The President has now put the whole program, and the contest in space, in the perspective which it has long needed.

In the decisive manner which has become the trademark of his work, the President has identified and isolated the relevant questions, and he has spelled out the objectives which he believes will satisfy those questions. He has offered proposals and made requests which will achieve those objectives.

As a first objective, he has said this country does want to get to the moon.

More important, he has said we want to get to the moon within a specified period of time, with the implicit hope that we will beat the Russians to it and thereby regain the leadership we once held in space technology.

And, still more important, he has frankly told us what we may expect to pay to achieve this goal. Besides making additional requests for the next fiscal year, he has spelled out the costs, and the sacrifices, we must expect in the next 5 years.

In effect, he has asked the American people to meet the space challenge.

He has given the Nation a definite target. He has stated in clear terms where, in his best judgment, our effort should be headed.

A courageous leader, under our system, may pick a target; and the President has picked the target. But the

Nation must hit the target. The Congress and the people must accept the target, and then must shoot hard enough to hit it.

This is the challenge he has given the Nation.

I was impressed with this challenge more than 2 years ago, soon after I began working in the Space Committee, and I have been pursuing that challenge with growing intensity over the last 2 years.

The President has said, and I quote:

If we were to go only halfway, or reduce our sights in the face of difficulty, it would be better not to go at all.

I share that conviction with all of my heart. I want him to know that I accept his challenge, and I will work with renewed vigor to support a program that will put us in the race and keep us in the race.

At the same time, I want to stress, as the President has, that money alone will not win the contest. We must be selective. As we pursue new programs, or pursue with greater intensity those programs which promise the most certain gains, we must prune out the programs which are yielding only meager gains. We also must show a competitive attitude. I know, from the volumes of testimony which the Space Committee has received, that we have been too complacent.

Too many programs have been pursued, and are being pursued, with a 5-day-a-week, business-as-usual attitude. This is where the people themselves can help most. This contest will be waged with only as much spirit as the people will put into it.

#### AUTHORIZING THE SPEAKER TO SIGN ENROLLED BILLS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Monday next, the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

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

There was no objection.

#### ADJOURNMENT UNTIL MONDAY, MAY 29, AND FROM MONDAY UNTIL THURSDAY, JUNE 1

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next, and when it adjourns on Monday next, it adjourn until the following Thursday.

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

There was no objection.

#### NEW AIRCRAFT, MISSILES AND NAVAL VESSELS

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

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

There was no objection.

Mr. JOELSON. Mr. Speaker, I want to take this opportunity to hail the unanimous passage yesterday by the House of Representatives of the authorization bill for new aircraft, missiles, and naval vessels for the 1962 fiscal year. The fact that the authorization of a sum in excess of \$12 billion passed without a single dissenting vote should prove to the rest of the world that Democrats and Republicans alike are determined that we will be ready for any eventuality that may occur.

We have shown any potential enemy that politics in our Nation stops at the ocean's edge. No foreign power dares now to hope that the United States will ever be divided in the momentous responsibility of meeting our defense needs.

It is especially fitting that as Memorial Day approaches, we have kept faith with our war dead by showing our willingness to face our duty to do everything to keep our country strong. I am sure we will do everything that might further be required to assure our security.

#### CASTRO REQUEST FOR \$1.1 MILLION U.N. DOLLARS APPROVED

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, yesterday Fidel Castro was successful in getting \$1.1 million dollars from the United Nations for the purposes of improving the technological level of Cuba. The United Nations Special Fund supposedly is set up to award loans for technical improvements without political considerations entering into the decisions. However, this loan has great political considerations—the United States paid 40 percent of it.

Loan applications are subject to a two-third vote of the Governing Council. The voting nations are almost entirely U.S. allies or sympathetic with the Western Hemisphere. Yet despite the efforts of the U.S. delegation, the loan was granted with remarkably large consent. The reason for this shocking turn seems difficult to understand.

With the idea that political considerations were unethical to use in their argument, the U.S. delegation presented a broad, highly documented report of Castro's present technological condition. The Cuban request listed the following needs: First, \$763,500 for experts and consultants; second, \$200,000 for equipment; and third, \$50,000 for fellowships.

The United States challenged the Cuban request on the grounds that it has not cooperated with the world organization, has misused its natural resources as demonstrated by its wanton slaughter of livestock, and must not need

too many experts and consultants as there are already over 300 Soviet and Peiping operatives in Cuba now.

Mr. Speaker, this decision yesterday appalled me, as I am sure it did the rest of the Congress. Castro may use this money to feed and clothe the Communist experts he has featherbedded, buy more tractors to add to those he hopes to get in exchange for his fellow countrymen, and send impressionable young Cuban students abroad for a thorough exposure to the curriculums offered at Peiping University.

We must develop a coordinated policy in this country. We must begin to act with some semblance of purpose, in contrast to our present and past policy on Cuba, which presents an unbelievable paradox. On one hand we have withdrawn diplomatic relations, stopped most exports, branded Castro's government as Communist, supported free Cubans in their efforts of liberation. On the other hand we are still permitting Cuban imports into this country, giving Castro more U.S. dollars, permitting foodstuffs, lard, helium gas, and many other items to be exported to Cuba. Now our Government has, in effect, contributed \$400,000 to Communist Cuba through the United Nations. Surely this policy cannot continue if we expect to advance freedom full speed.

#### THE GOLDEN WINGS OF THE NAVY

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. GEORGE P. MILLER] is recognized for 30 minutes.

Mr. GEORGE P. MILLER. Mr. Speaker, in a year which marks the 50th anniversary of the naval air arm, and in a month when we commemorate Armed Forces Week, I desire to address this honorable body on the subject of the heroic role of U.S. naval aviation in our history.

The event which signaled the birth of U.S. naval aviation took place in San Francisco Bay early in 1911, when a young civilian pilot, Eugene Ely, flying a Curtiss biplane, landed on and took off from an improvised flight deck erected on the U.S.S. *Pennsylvania*. This event added a new dimension to the traditional concept of seapower. Henceforth, aircraft would not be restricted to fixed, land bound airfields, but would operate from moving bases anywhere on the world's oceans.

In commenting on Ely's landing aboard the *Pennsylvania*, the San Francisco Examiner on January 19, 1911, stated:

Eugene Ely's success in San Francisco Harbor yesterday was epoch making. It changed in an instant the whole theory of naval warfare. In a single spectacular flight, Ely convinced the admiralties of the world that the aeroplane must be a necessary part of naval equipment in the future.

This statement was quite prophetic, because few observers at the time anticipated the magnitude of naval aviation which developed during the next 50 years. Fewer still could have predicted the influence that naval aviation would exert on our national military posture.

A few months after that first successful flight, the Navy purchased its first airplanes; two from the Wright Brothers and one from Glen Curtiss. The first three Navy pilots, Lts. T. G. Ellyson, John Rogers, and John H. Towers were taught flying by the planemakers themselves. The following year the marines sent two officers—Lts. A. H. Cunningham and B. L. Smith—to Curtiss for flight schooling. Today the Navy has in its pilot training program, over 3,000 students.

By 1914, aviation had gained public as well as congressional interest, and Secretary of the Navy Daniels had decided "that the science of aerial navigation—must form a large part of our naval forces for offensive and defensive operations" and that "we should take our proper place with other nations and fully recognize the value of aeronautics in preparing for war." Accordingly, an organizational change placed aviation in the Office of Operations under Adm. Bradley Fiske. Unique among many fine officers of his time, Admiral Fiske's sympathetic interest assured an opportunity for air enthusiasts to plan and to boost this concept of seapower.

In 1916 as the Nation began preparing for war—Congress voted increased funds for naval aviation and created the Naval Reserve Flying Corps which attracted men whose names are now well known: Robert A. Lovett, F. T. Davison, David S. Ingalls, Artemus L. Gates, and James F. Forrestal, all of whom won their wings during World War I and later occupied responsible Government positions in our national defense organization.

During the First World War, naval aviation experienced rapid growth. Both aviation personnel and aircraft—mostly patrol type seaplanes, were considerably increased. The most promising technical development was the long-range flying boat found to be so necessary in antisubmarine warfare. Later, improved versions of the World War I types set overwater flight records and brought Navy pilots Towers, Read, Richardson, and Mitcher to public attention. During World War II, the Korean war, and even now, the flying boat—the PBM—constitutes a significant part of our antisubmarine force.

The flying marines also took an active, though limited, part in World War I. Upon their arrival in France, their eagerness to get into the fray was blunted by only one drawback—they had no airplanes. Undaunted they made the rounds of allied squadrons begging for flights. Their exploits in the air tell their own success story—one incident stands out as typically marine—a lone "Devilbird," Lt. Everett Brewer, surrounded a flight of 15 Fokkers and shot down 3 before a machinegun would force him to break off. In 1919 during action against the Cacos in Haiti, Marine Lt. Lawson Anderson rigged a rifle sight to his plane, stuffed a bomb in a gunnysack and made the first dive-bombing attack in history.

The first decade of naval aviation was spent in perfecting seaplanes and in testing catapults on various combatant ships. During this time the development



of a dependable aircraft carrier was uppermost in naval aviation planning. In 1922 the first American carrier, the U.S.S. *Langley*, was commissioned. A new and formidable force was beginning to take shape.

The period 1925 to 1935 is often referred to as the "golden decade" of naval aviation. The carriers, *Saratoga*, *Lexington*, and *Ranger* joined the fleet—dive bombers and torpedo planes were perfected—and the first fighter plane with retractable landing wheels—the FF-1—joined the fleet. Perhaps the most dramatic event in the history of aviation strategy took place in Washington, D.C., in 1925. The memorable "Billy Mitchell Controversy," involving the role of aviation in national defense, reached the point where a high level decision was needed. President Wilson appointed a board headed by widely respected Dwight W. Morrow to recommend a basic aviation policy for the United States. Membership included the distinguished CARL VINSON of Georgia. Rear Adm. William A. Moffett expertly represented the Navy during these hearings. Within the Navy itself there was no doubt that aviation was and would continue to be an integral part of sea power—but its exact role was the subject of heated discussions—Admiral Moffett, an officer of unclouded vision, foresaw that the Navy's responsibility for control of the seas, would require an aviation arm integral with surface forces to establish security in the airspace over naval and marine forces and over our seaborne commerce. He accurately visualized the aircraft carrier as the capital ship of the future.

The Morrow Board's far-reaching recommendation established a pattern for U.S. aviation that produced a working relationship among the armed services, civil aviation and the aircraft industry. There is no doubt that the Morrow Board strengthened naval aviation. The violent attacks on the Navy had been felt down to the smallest unit and had precipitated a general rededication to the principles and ideals which had guided our Navy for so long.

Recalling this controversy in naval history is important for two reasons: First, we should occasionally be reminded that for many years organized groups—many composed of patriotic and sincere Americans—have been working diligently to shape our national defense posture into a single inflexible strategy. We must be alert to any desire to concentrate military power in a single force. We must continue to encourage, and insist upon, a flexible strategy which can respond in different ways to the requirements of the Nation's weapons policies. Secondly, this controversy pointed up that the requirements for a balanced military force are inherent in air, land, and sea environments. The fact that environment can determine the utilization of a weapon must be appreciated. A scientific breakthrough might have direct application in a sea environment, but the same discovery might have little practical utilization in the air. There may be no possible use of a particular weapon in land warfare, but its

rejection for possible use at sea or in the air must be avoided. The history of naval aviation gives concrete evidence of how technical skill and responsible management, working within the sea environment, successfully advanced and integrated aviation with the fleet and made a major contribution to our national defense.

During the years immediately preceding World War II, naval aviation demonstrated it could do more than serve as eyes for the fleet. Fleet exercises conducted off the California coast proved conclusively that carrier planes could project devastating power far inland from floating bases at sea. These exercises, in which Admirals Reeves, King, and Halsey had responsible roles, established carriers as the Navy's principal offensive weapon.

After the Japanese attacked Pearl Harbor the Navy's battleship fleet was almost completely immobilized—there was no choice—the carriers had to become the spearhead of the U.S. Navy offensive power. The Japanese were first checked in the Coral Sea; then at Midway; they were rolled back at Guadalcanal and finally lost the initiative as U.S. naval carrier forces unleashed their growing strength across the central Pacific from New Guinea to Japan. Naval aviators Halsey, Mitscher, and Reeves again became the public image of carrier power and new names, O'Hare, McCampbell, Foss, and Boyington, gained laurels for their daring exploits in the air.

But any review of accomplishments by carrier forces should not obscure the contributions of other vital elements of naval aviation. The Marines accounted for one-fourth of all Japanese planes lost to our naval aviation. They developed a system of tactical ground support—still the model for this oft-neglected but vital adjunct to land warfare. The escort carriers forced submarines from convoy lanes, and pinned them down where they could not operate against our lifelines to Europe. The patrol planes ran the gamut from fierce action over enemy territory to monotonous patrols over an endless sea; the blimps ceaselessly patrolled the convoy routes—all these represent naval aviation.

With the war won and demobilization proceeding swiftly, naval forces were reduced to accommodate the needs of a Nation at peace. The National Defense Act of 1947 established the Department of Defense and the Air Force emerged as a separate service. The following year bitter controversy—reminiscent of the 1925 Morrow Board hearings—between the services over service unification and the future role of military air power drew national attention. Disagreements were sharpened by the reductions in the annual defense budget, but the salient point of the controversy hinged on the adoption of a national military policy. The Navy stood for a balanced strategy—for forces responsive to the needs of our country and the free world, forces capable of countering aggression on both a limited and general level. The Air Force stressed the

massive retaliation strategy, based on one weapon, the atom bomb carried by the B-36 bomber—one neat package for quick and easy victory. The Russians had not yet exploded their first A-bomb. To a people fed up with 4 long years of war, it was a comforting solution. In support of this new strategy, Defense Secretary Johnson's first move was to halt the construction of the carrier U.S.S. *United States*—the first carrier to be laid down after World War II. It appeared that the U.S. Navy was about to be sacrificed for the "more bang for the buck" philosophy.

But in July 1950, this philosophy was shaken by the beginning of a new war in the remote new Republic of South Korea.

The United States was actually unprepared for a war, but moved swiftly, nevertheless, to prevent Communist seizure of this independent country. Naval forces, though small, responded quickly and effectively. Naval air power operating from its mobile carrier bases off the Korea coast played havoc with Communist supply and communications lines—naval air gave General MacArthur the flexibility needed for the end run Inchon Landing—the move which turned the tide in favor of United Nations forces.

This conflict proved that the single inflexible strategy of retaliation could not adjust to counteract Communist moves against the free nations bordering the Soviet domain. Subsequent Communist probes around the perimeter of Asia and Europe forced a reevaluation of our national strategy. The Communist scheme of encroachment, infiltration, and pressure continued and precipitated evacuation of the Tachen Islands in 1955; the Lebanon and Formosa crises in 1958. In each of these areas, U.S. naval forces on the scene, spearheaded by fast carrier forces, have confined possible explosive situations to local incidents. Right now the Pacific Fleet is standing off the coast of Thailand and Vietnam to support U.S. national policy.

Perhaps the most significant influence on naval aviation since World War II has been the technological breakthrough which has completely revolutionized our potentials of power and speed.

The Navy completed the transition from propeller to jet aircraft just after the Korean war. These new aircraft were heavier and landed faster than their displaced predecessors, so World War II carriers had to be altered to handle them. It was found that these old hulls could be altered only within specific size and weight limits—after this, no more adaptations were possible. In addition, these ships had already begun to show signs of old age, and under the severe demands of the newer aircraft, the aging process was accelerated. The only answer was new carriers, constructed to handle the high performance aircraft. The first of the *Forrestal* supercarriers was introduced into the fleet in 1956 and four more have been added since. Three more, including the nuclear powered *Enterprise*, are under construction.

Carrier improvements were made to increase flight safety and efficiency, such as the angled deck and the more powerful steam catapult. Improved long range communications and special electronics equipment provide faster and more effective flight control. Navy aircraft can now carry a wide assortment of nuclear or conventional weapons farther and faster than ever before. A few months ago a new altitude record for combat loaded aircraft was set by a Navy A3J—Vigilante—and only recently a Navy Phantom II set a closed course speed record of 1,390 miles per hour. Navy aircraft, though built under design restrictions imposed by carrier operations, have consistently held international performance records. Just yesterday, May 24, 1961, the Navy won new laurels by receiving the Bendix Trophy for a new transcontinental speed record set between Los Angeles and New York. A Navy Phantom fighter plane, piloted by Lt. Richard F. Gordon with Radar Intercept Officer Bobby R. Young made the 2,500-mile flight in 2 hours and 47 minutes, breaking a record which had just been set a few minutes earlier by Navy pilot Lt. Comdr. L. R. Lamoreaux and Radar Intercept Officer Lt. Thomas J. Johnson. These officers are to be highly commended for their accomplishment.

My State of California has played an important role in the development of naval aviation. With the landing of Ely on the U.S.S. *Pennsylvania* in San Francisco Bay, naval aviation was born, and with the advent of the Navy's aviation program extensive facilities were developed on the west coast, including Terminal Island, San Pedro, and San Clemente Island. The two major centers of new air power were located at Alameda and San Diego.

In 1923 the development of the facilities at Alameda were recommended and this installation is now of gigantic proportions. It was formally commissioned on November 1, 1940. The Alameda Naval Air Station has had a brilliant record of supplementing the needs of naval aviation during World War II, the Korean war, and during the Pacific crises which have arisen during the past decade. The military and civilian personnel have served with distinction and honor.

At the present time, the many thousands of employees, both civilian and military, make the installation one of the largest employers in the Bay area. Now, as the Navy expands into the use of missiles, Alameda Naval Air Station is becoming an important link in the installation and servicing of these weapons aboard our ships. The overall 28 years of achievements of this base are quite outstanding and it will go down in the annals of naval history as one of the most important links in the U.S. Navy's air armor.

In 1932, Congress authorized the establishment of the facility at the southern end of San Francisco Bay near Sausalito, which is now named Moffett Field.

California now has nine commissioned air installations being used for support of fleet aviation, and seven others that support reserve and other

types of naval aviation activity. Only recently has the Navy augmented its facilities in California by the opening of a new master jet fleet support air station in the San Joaquin Valley at Lemoore.

The history of naval aviation has been short, but glorious. It has been one that California has been intimately and materially involved with. My State can justifiably take great pride in having contributed to the success and present strength of this formidable and versatile force for freedom in the world today.

Of course, this review has been merely a thumbnail sketch. To naval aviation pioneers of the past for whom this year is the 50th anniversary, we owe the lessons which should help to shape our future programs.

First, it is abundantly clear that each service must develop its own weapons systems to fit its responsibilities within its own operational environment. The use of a new innovation, such as the airplane was, in its earlier days, cannot be anticipated. The services must have the freedom to develop and the freedom to choose the way in which they provide for national security with their basic mission. If the Navy had been denied the freedom to develop carrier aircraft we would not have had any significant opposition to the Japanese offensive. If the Navy had not had the freedom to develop ballistic missiles, we would not now have the Polaris, the only invulnerable operational deterrent in our national arsenal.

The second lesson we can learn, and it is partly related to the first, is that not all Americans have or even desire a clear understanding of how the Navy contributes to the security of the United States. The Navy's functions are unlike those of the Air Force or the Army. The Air Force is usually associated with a single weapon strategy; namely, the delivery of high-yield nuclear bombs. The Army is also concerned with a single, but decisive strategy, the occupation of land area. The Navy's functions are that it must exploit the sea to the fullest so that the Army and the Air Force can better perform their tasks. Additionally, the Navy provides, independently, a power base for our trade and commerce and for the whole gamut of diplomatic actions and cold war policies. The Navy has never limited itself to a single weapon, or a single strategy. It provides the means to project any degree of power from the broad expanses of the seas, utilizing many weapons and providing a unique flexibility with alternate strategies. It is not difficult to grasp the significance of seapower, but this significance must be more widely understood and adequately supported if seapower is to be utilized to its optimum potential.

In 1775 when our country was fighting for its right to exist independently, John Adams wrote the commissioning document for the brig *Lexington*. This document stated in part:

Neither nature nor art have partitioned the seas into empires. The treasures of the oceans belong to all free men. Upon this ultimate foundation do I build and go forward to fortify free men's rights.

As long as Khrushchev and the Communist Party aim to control free men everywhere, there is no question in my mind that seapower will continue to play a decisive role in resisting this aggression. To the vocal minority, who feel that seapower is no longer a vital force in international affairs—that the ICBM and the nuclear bomb have displaced naval forces as instruments of national power—to this group—there are clear and straightforward answers.

If by seapower we mean the ability to keep cargo-laden ships moving between the nations of the free world; the ability to control the war at sea, and make naval power felt far from its point of origin; the ability to provide flexibility of response in the right amount at the right time and place with a wide selection of weapons; the ability to launch attacks against the periphery of land masses; the ability to position measured forces near tension areas without stepping on friendly or neutral political toes—if these then are the capabilities required in our time, then there is no doubt that seapower, with its integral naval aviation, will continue indispensable to the destiny of the free world.

#### RESPONSIBILITY FOR ECONOMIC STABILITY OR IRRESPONSIBLE WASTEFULNESS—WHICH SHALL IT BE?

The SPEAKER pro tempore (Mr. PATMAN). Under previous order of the House, the gentleman from Ohio [Mr. SCHENCK] is recognized for 30 minutes.

Mr. SCHENCK. Mr. Speaker, a thermometer is a very important device for the measurement of the temperature in its vicinity. It goes up or down with conditions as they vary from time to time—in other words it just goes along and faithfully records the results. On the other hand, Mr. Speaker, a thermostat seeks to control the conditions and environment of the area in which it is located. Each of us, Mr. Speaker, can well ask ourselves a very pertinent question, Are we just thermometers going along with conditions as they occur, or are we thermostats who regulate our personal actions within the policies, principles, and standards we have set for ourselves?

Each of us has, or will have, grandchildren or loved ones, and one of our greatest ambitions and purposes should be to assure an opportunity for these generations to come to know the joy and privilege of the American way of life as we have known it.

All too many of us, Mr. Speaker, have taken for granted the very precious freedoms, privileges, and opportunities provided for us under the Constitution of the United States. Our apparent willingness at times to compromise these sound principles for some imaginary or temporary advantage is much too high a price to saddle upon future generations. Although it is late, much later than many think or realize, we must all do some sound, sincere, and dedicated thinking and planning so that the principles which have made our Nation the greatest place in the world in which to



live will remain so for our children and our children's children.

Our Nation, Mr. Speaker, must, of course, and in spite of the tremendous costs, maintain a strong and adequate defense for our own protection during these times of worldwide tensions. We must also maintain essential services to make sure all our citizens are healthy, strong, and well trained. Requirements to obtain these objectives change rapidly and we must be ready to meet these challenges as they occur. Yet in all these matters we must continually strive for economy and efficiency consistent with our needs if we are to remain economically strong.

The economic stability of our Nation, Mr. Speaker, for both the present and the future, is of particular importance to each of us as individuals and is completely essential if our Nation is to remain strong and able in the face of rapidly changing worldwide conditions. The strength, wealth, and ability of our Nation are the sum total of the strength, wealth, and ability of all our citizens. The wealth and resources of our United States are tremendous and yet they are not without limitation. Just as individuals can spend themselves into bankruptcy so can our Nation spend itself into bankruptcy. No one seems to know this better than Nikita Khrushchev. Through constant Communist pressures, our Nation is forced to spend more and more. Khrushchev does not want a hot war because he knows Russia will be completely destroyed. Therefore, Khrushchev keeps cold war pressures on constantly throughout the world in the full expectation that this will force our Nation further and further toward socialism and bankruptcy. Thus the Communists, Mr. Speaker, are fully convinced that their ideology will eventually succeed and they will be able to take us over lock, stock, and barrel, without any of our resources being damaged by war. Khrushchev's often repeated statement, "your grandchildren will live under communism," is not an idle threat from his point of view. The only hope for our Nation lies in our ability to be completely strong militarily and at the same time remain economically and morally strong and sound. To do this we must continuously strive for the greatest possible degree of economy and efficiency in our Federal Government, reserving for the States and local communities those functions which, in accordance with the 10th amendment to the Constitution of the United States, can be done best and most economically by them.

It might be useful, Mr. Speaker, to take just a quick glance at the budget as originally presented for the fiscal year beginning July 1, bearing in mind that these requests will be increased substantially by recommendations already made by President Kennedy for greatly expanded and entirely new Federal programs. Major national security expenditures will require some 57 to 60 percent of the budget; interest alone on our present national debt of \$287 billion requires 11 percent; already existing programs of benefits for veterans require 6 percent; agriculture programs already

existing require 6 percent; all other operations and departments require 18 percent. This not only does not provide for a reduction in our national debt, but indicates that expenditures will be more than \$3,000 million above income even with the present high Federal taxes.

Mr. Speaker, where does all this money come from? Fifty-five percent comes from Federal individual income taxes; 25 percent from corporation taxes, but these become a part of the price of all products and are, therefore, also paid by purchasers; 12 percent are Federal excise taxes which are also paid by individuals. Thus only 8 percent of the cost of our Federal Government comes from all other receipts.

Why all folks in general do not realize that the money to pay for any and all programs and services of government must first come from each of us in the form of taxes continues to be a mystery to me. Mr. Speaker, current expenditures of our Federal Government are at the annual rate of \$82 billion and are rapidly increasing. This means that all of us in just the third district alone are paying more than \$330 million a year—about \$240 million in Montgomery County and about \$90 million in Butler County—to pay the present annual cost of just our Federal Government alone and this cost will undoubtedly increase substantially. In addition, of course, all of these very same people must also pay all local, school, and State taxes.

Mr. Speaker, many of the expanded and new Federal programs already recommended by President Kennedy have considerable merit but they will cost additional and tremendous sums of money. Obviously it would be completely wrong, improper, and irresponsible to appropriate Federal taxpayers' money for any purpose without safeguards to guarantee its proper expenditure. Thus Federal controls are both unavoidable and inevitable regardless of provisions or assurances to the contrary. Our Nation is fast becoming a nation of government by official edict and order established almost entirely by politically appointed bureaucrats who are responsible to no one except to the person who appointed them. This is wrong, Mr. Speaker, regardless of the political party under which the appointments are made. After a legislative measure is approved by the Congress and signed into law by the President the vast army of bureaucrats then go into action. It is the bureaucrats who determine the rules and regulations and it is they who administer and enforce these same rules and regulations. There is no appeal from the rules and regulations and the enforcement of them by these politically appointed bureaucrats except through the courts, which is frequently a very expensive and long drawn out procedure.

Thus many of our freedoms, privileges, and opportunities provided for us in the Constitution of the United States and which all too many of us have taken for granted, Mr. Speaker, are slowly but just as surely being taken away. This does not mean that all bureaucrats and the rules and regulations they promulgate are all bad but it should serve to warn each of us, Mr. Speaker, that the

continuing growth of unbridled controls exercised by our Federal Government over the lives and daily actions of each of us only speeds the day toward complete socialism in an increasingly larger and more powerful Federal Government centralized in Washington. Power over people begets more and more power and becomes self-perpetuating.

Mr. Speaker, the only cure for this very dangerous trend away from our American way of life as we have known it is an upsurge of public opinion and action before it is too late. The larger and more expensive our Federal Government becomes the less tax resources remain to properly finance the operations of our local and State governments and school districts. The trend of local communities, school districts, and State governments through their officials to obtain more and more Federal assistance compounds these problems and only weakens still further these very important units of government. A very wise person once said, "a government strong enough to give its people everything they want is also powerful enough to take away everything they have."

It is much later than we think or realize, Mr. Speaker. The trend toward socialism already has a running start and the pace is increasing. The only way it can be slowed up, stopped, or reversed is by making our views heard. We shall continue to have good government at all levels only so long as large numbers of people maintain an active interest in the affairs of government.

How can we be most effective?

First, we must keep ourselves well informed. We can do this in any number of ways and there are many sources of information. Thoughtfully reading news stories and editorial comments in our local newspapers and magazines is one excellent source. Let the editors know you want this kind of vitally important news. Thoughtfully listening to radio and television newscasts and reports is another source. Libraries have many excellent up-to-date reports and books. It is fun to have pleasant social evenings with one's friends and neighbors but an occasional discussion of current events and problems is also not only stimulating but it is also helpful to learn the points of view and opinions of others.

Second, we can and should discuss our views with officials of our local communities, school districts, county governments, State governments, and the Federal Government. We should ask questions of these officials because they have sources of information available in the daily course of their responsibilities and duties which are not readily available to the average citizen. We should let our local, school, county, and State officials know we realize fully that Federal aid is not free but on the contrary is much more expensive to each of us. In addition it adds more and more controls which are not in the best interest of our local operations. Officials of all local subdivisions of our Federal Government should be made fully aware of our personal disapproval of any efforts on their part to secure Federal aid for local government projects and local schools.

Every thinking American, Mr. Speaker, fully recognizes the need and value of Federal leadership and information in many matters of special interest to every citizen in connection with the operations and functions of local government. Such knowledge and the free availability and exchange of such information can be of lasting and helpful benefit to each State and local community. It is much more helpful and wise, however, Mr. Speaker, if local communities and their leadership are encouraged to use their own needs and resources, in the light of information available to them, to meet their own problems. Only through taking full advantage of the stature and ability of local community leaders and their elected officials can our great Nation achieve the highest potential of which it is capable.

Third, we should write to our Congressmen and Senators. We should give them the benefit of our personal views and opinions while at the same time recognizing that they have a great deal of information available upon which they can base their judgment and decisions. We should not hesitate to write to them and commend them when we feel they have had the courage to make sound judgment and decisions in the face of other pressures. We should also not hesitate to write to them and express our frank displeasure if we are convinced they have sacrificed and compromised sound principles for the sake of political expediency or in the hope of being re-elected.

Fourth, we should have no hesitancy in writing to President Kennedy personally so that he and his advisers will know how we each feel on these many matters which affect each of us in such personal ways.

Finally, Mr. Speaker, we should remember the admonition of President Kennedy in his inaugural address on January 20, 1961, when he said, in part, "Ask not what your country can do for you. Ask what you can do for your country."

#### MR. KENNEDY, MR. KHRUSHCHEV, VIENNA, AND THE A-TEST BAN

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. HOSMER] is recognized for 30 minutes.

Mr. HOSMER. Mr. Speaker, during his campaign, Mr. Kennedy indicated he would give the Soviets a reasonable time to show good faith and negotiate a nuclear test ban. Presumably if they did not so negotiate, the Geneva talks were to be ended and the United States pursue its own necessary course. Over 4 months have passed since Mr. Kennedy was inaugurated, no progress has been made at Geneva and, it seems clear, a reasonable time has passed. In terms of "ask not what your country can do for you, but what you can do for your country" I suggest that for the good of the country Mr. Kennedy should take the initiative and end these fruitless talks, rather than talk about prolonging them as he did earlier today.

The existing situation with respect to nuclear testing is highly favorable to the Soviets in the following respects:

First, they have on their side a preponderance, or at least the articulate majority, of misinformed, almost hysterical world opinion on nuclear weapons and their testing. This gives them great propaganda gains by dragging out the test negotiations indefinitely. Such tactics have extended far beyond the testing issue to now make the ownership, let alone the testing or use, of any nuclear weapons fair game for Communist propagandists. This has long been a major Communist objective.

Second, the Soviets are free to test surreptitiously almost at will without detection while we are stopped, thus offering an opportunity to surpass our nuclear capability by an unknown magnitude. There is no significant detection system for even the larger clandestinely conducted Soviet tests. The Soviets can easily verify that we have stopped testing by information from their many infiltrators and conscientious Western scientists who would leak any attempt at clandestine U.S. testing.

Third, even if the Soviets have not taken advantage of their freedom to develop and test new nuclear weapons, by accepting the nuclear weapons status quo they have been able to free resources and valuable scientific talent from nuclear efforts and employ them on accelerated missile and space efforts, all to the West's disadvantage.

Four, there are presently no foreign inspectors inside the U.S.S.R. For as long as the negotiations drag on there is no chance of them getting there. The U.S.S.R. is a closed society, always has been. The longer it can remain so, the better off it is for them. This is a strong reason for them to stall, stall, stall when it comes to any agreement which might open up that country, even the slightest.

Fifth, by holding constantly the popular side on the nuclear testing issue, the Soviets encourage a defensive inferiority complex in Western statesmen who do not understand the basic fact that the moral question involved is not the weapons with which the West must stock its arsenals to preserve its freedom and guarantee its survival, but the immorality of not doing what must be done to save Western civilization from the onslaughts of international communism.

This confusion respecting moralities is a great help to the Soviets in other areas as well as in the nuclear testing area.

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

Mr. HOSMER. I yield.

Mr. PUCINSKI. I have listened to the gentleman's fine dissertation with great interest. I wonder if the gentleman would not clarify something. It is my impression and understanding that it was President Eisenhower who ordered an end to nuclear testing some 3 or 3½ years ago. Is the gentleman suggesting that after a little more than a hundred days Mr. Kennedy is to reverse and rescind the policy without giving him at

least a chance to show what he can do with it?

Mr. HOSMER. I am suggesting that Mr. Kennedy himself during the campaign stated that he would make an honest effort to obtain agreement at Geneva, and if the effort failed then he would end the negotiations.

I am suggesting that a considerable time has passed and it has resulted in nothing. Therefore it is now time for Mr. Kennedy to initiate action. If the gentleman will permit me, I will detail the reasons therefor.

Mr. PUCINSKI. I certainly congratulate the gentleman on his approach, but I am just wondering whether the gentleman is not expecting the President to move too fast in view of the fact that Mr. Eisenhower ended the testing 3½ years ago but did not succeed in getting an agreement out of the conference.

Mr. HOSMER. The voluntary moratorium was announced by President Eisenhower on October 28, 1958, in conjunction with the arrangements for nuclear talks in Geneva and in a climate in which it appeared that honest negotiations toward a fair and effective agreement with self-enforcing mechanisms was to be made at Geneva and that within a reasonable time the matter would be concluded in the form of a formal treaty. That expectation did not come to be; and at the time of the initiation we were in the midst of presidential campaigns last year. It was impossible because the new President would be coming in and exercising responsibility after January 20 of this year to decide in the matter of major change in the policy. I think that both parties agreed at least tacitly that the situation should persist, and I say tacitly because both candidates discussed this at length during their campaigns, that this situation would persist into future negotiation.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield further?

Mr. HOSMER. I yield.

Mr. PUCINSKI. Yes, the President has made that clear as late as this afternoon, that our patience is not inexhaustible in this field. But I do think that in all fairness we certainly should not criticize Mr. Kennedy for trying to accomplish something in slightly more than 90 days, or 120 days, something which the previous administration did not accomplish in 3½ years. I think in all fairness and sincerity President Kennedy should be given a fair chance to accomplish his goal.

Mr. HOSMER. I am afraid the gentleman has contradicted himself in his statement, because he was just saying it was impossible to deal with the Soviets at the conference table, and then he is asking for more time.

Now, sir, I will proceed, and then we can discuss this later. I want to get to the subject, Mr. Speaker.

Each day's delay with the test ban conference is a day closer to the convening of the general conference on disarmament scheduled for July.

If the highly controversial test-ban issue can be kept alive, then incorporated into the highly controversial disarmament



ment conference, it will guarantee that nothing will come out of either parley that in any way impedes the Soviets' ambition for world domination.

In face of these advantages, if the Soviets should break off the talks, in the sense that they offered no concessions whatever and in effect encourage the resumption of U.S. tests, the significance of this would be startling. It would mean that they are so very confident of their power, regardless of what the United States does, that their present advantages in this area no longer seem important. This would mark a significant and ominous change in Soviet thought and tactics. They have never previously abandoned a clear advantage through indifference. It is certain they would not do so in this case. Such action on their part would simply mean they calculate they can do just about what they please without incurring any serious risks of effective opposition from the United States in particular or the free world in general.

Even though the Soviets may so calculate at this point, it still is probable they will find greater advantage in pursuing another course of action. The logic of this derives from the statement I made yesterday to this body and which ties in directly with the forthcoming meeting between Mr. Khrushchev and Mr. Kennedy in Vienna.

Yesterday I asserted: First, that the Soviets are keen students and competent judges of a country's mood, the qualities of its leaders and the implications of these to them; second, that for many years Soviet experts have made very careful, continuous and probably accurate appraisals of the strengths and weaknesses of the United States, their foremost opponent; third, that from the day of Mr. Kennedy's inauguration they have pressed him very hard, and, since the Soviets do not act on impulse, there must be a logical reason.

I also indicated yesterday that Khrushchev, being an old hand at summitry, would not expect to leave Vienna without some substantial gains. I mentioned the possibility he would expect to obtain a tacit ratification of Communist advances in Cuba, Laos, and elsewhere in return for delaying a crisis over Berlin for a while. Today I will discuss another, much more likely gain, which Khrushchev probably seeks from the Vienna meeting.

Recollect the advantages to the Soviets from keeping the test ban discussions going that I have mentioned.

Recollect public statements by former Atomic Energy Commissioner Thomas E. Murray, hinting at an entire new family of nuclear weapons in the offing which will give the nation first developing them a very, very, substantial superiority—a superiority which, if possessed as a monopoly by the Soviet Union, might well render Western Europe and other vital free world areas indefensible and make the possibilities for nuclear blackmail by the Kremlin unlimited.

Next recollect that the Soviets very closely observed last fall's presidential

campaign. It exhibited a mood of the United States of impatience with the long drawn-out test ban talks. Both candidates reflected this mood by promising, if elected, to make a last try at an enforceable agreement; and if the effort failed, to lift the voluntarily imposed U.S. nuclear test moratorium and end the Geneva talks.

Thus even before voting on election day named the new President, the Soviets had judged what his course would be and had a fairly accurate appraisal that without some concessions on their part the test ban talks would be ended and the considerable advantages they gain from them terminated.

The Soviet experts also have known for a long time that any treaty which might come out of Geneva would have to be ratified by the U.S. Senate; and that the continuing mood of that body has been against approving any treaty which fails to nail down and specify with reasonable clarity self-enforcing mechanisms, including inspection and control procedures, sufficient to give reasonable assurance of Soviet compliance with the treaty.

The Soviets were thus confronted with two problems in prolonging their advantages from continued Geneva talks: First, to overcome the country's mood against delays; and second, to overcome Senate resistance to a loosely drawn treaty. These problems were apparent to them early last fall. They have had a long time to work out their solutions. In contrast, Mr. Kennedy has had little time—a few weeks at the most. He has been engaged in all the other problems of setting up a new administration.

Unquestionably the Soviets have logically reasoned that the solution to these two problems involved pressing the new President hard from the beginning—Laos, Cuba, the U.N., the Congo—place him in a bad light, make it really necessary for him to pull something out of the hat to regain prestige abroad, at home, and with respect to his political party. Also it would be logical for them to make the new and untenable demands they have made since the test ban talks resumed in March in order later to back down from them by way of supposed, but illusory, concessions.

After this softening up and stage setting, the next logical step for Khrushchev and company would be to suggest quietly, through diplomatic channels, a meeting between the two heads of state. But in the face of Mr. Kennedy's campaign promise not to engage in summitry without proper preliminary meetings between Foreign Ministers and lesser lights to determine areas of possible agreement, some sweetener would be needed. Some kind of concession must be offered, something Mr. Kennedy badly needs to carry home from Vienna.

The concession? Easy. Back down from numerous untenable demands which have been made for this very purpose and which cost nothing by way of really substantive changes in the Soviet position.

Concessions, which coming in the nick of time, can be propagandized as proof positive of Mr. Khrushchev's and communism's alleged love of peace, and which give him, for nothing, a nice, fat prize to take home.

Concessions which will make the new President appear to have succeeded where others have failed and thus build his prestige.

Concessions accepted by the President which the Senate, with its strong majority of members of the President's own political party, could hardly repudiate by dogged insistence on adequate self-enforcing mechanisms in any resulting treaty.

Concessions which need not necessarily speed the pace of negotiations to a very large degree, just keep them alive.

Concessions which, even if finally resulting in an agreement, still need not result in any significant opening of the Iron Curtain and change in the U.S.S.R.'s closed society status for years because inherent in them will be possibilities for interminable delays when it comes to putting them in treaty language, further agreements to be negotiated on the infinite details involved and many other dilatory possibilities.

And, most importantly for the U.S.S.R. and for international communism: Concessions which will give their scientists the time secretly to develop and surreptitiously to test the new family of nuclear weapons—achieve the technological breakthrough—which will tip the balance of power decisively in favor of the Soviet bloc.

Mr. Kennedy's multiple references to the Geneva test ban talks and assertion that our patience at the bargaining table is nearly inexhaustible during his message to the Congress earlier today is ominous in this regard. The message has heightened my fear and the belief that Mr. Khrushchev has offered and Mr. Kennedy has accepted certain so-called test talk concessions which will be announced at Vienna and which will eventually prove disastrous to the United States and to the entire free world. I sincerely believe Mr. Kennedy's clear duty to the Nation is not to take such a course, is to end these talks, and is to announce resumption of U.S. testing; that the time to execute that duty is now, before he takes the boobytrapped road to Vienna which well may end at history's most gigantic and deadly Trojan horse.

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

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

Mr. SCHWENGEL. I would like to say that I deeply appreciate the gentleman's discussion of this subject. It is quite evident that he has given much thought and careful study to the subject.

I think it is indeed fortunate for us and for our country that he has taken the lead in this matter in such a fine manner.

I would like to ask the gentleman a question to bring out another viewpoint that I feel is important for us to consider, and that is this. Is it not true

that Mr. Khrushchev's objective continually is to gain prestige for himself, for his system and his ideals?

Mr. HOSMER. That is part of the mythology of achieving the Communist goal of world domination in which the methods may range anywhere from the most peaceful to the most violent. In other words, they select out at the particular time, in accordance with the principles of Marxist-Leninist dialectic materialism the degree of violence which they will use to pursue their ultimate objective, depending upon what the circumstances of the moment will tolerate, and whether it is well to change their doctrine of proceeding with less violence at any one moment, or to proceed with more violence.

Mr. SCHWENGEL. And is it not also true that he seeks continually opportunities to downgrade the free society that we represent; and if he can gain the world stage by bringing the President into his presence, in this kind of situation, he will take full advantage of it?

Mr. HOSMER. That is quite right; that is the other side of the coin.

Incidentally, it is interesting to recognize that this worldwide propaganda with respect to nuclear weapons has proceeded from the Soviet Union ever since 1945 when the United States exploded its first nuclear weapon. In the period roughly 1945-52 the basis of that propaganda was negatory; in other words, it was aimed at creating world public opinion which was so antagonistic to the use of the weapon that by the force of that public opinion the United States would be denied the use of the weapon. In the meantime they, themselves, could proceed to develop nuclear weaponry on their own. As a matter of fact, they rejected the Baruch plan, which was a bold move on our part to internationalize all technical know-how and all nuclear material. They rejected it because they knew that internationalized, they themselves would not be able to obtain nuclear weapons. So they rejected it and proceeded in their laboratories and now they have acquired nuclear capabilities themselves. But they have kept up the propaganda drumfire since then, because it is still important to them to have the force of public opinion working on the free world, and against the free world's using the kind of weapons that it must use in order to equate its manpower with the vastly greater manpower available to the Soviet bloc for use in conventional types of conflict.

Mr. SCHWENGEL. Mr. Speaker, will the gentleman yield further?

Mr. HOSMER. I am glad to yield further to the gentleman from Iowa.

Mr. SCHWENGEL. I would like to point out that the present Secretary of State has an article in a recent issue of a national magazine in which he rather questions the idea of summitry on the part of our Chief Executive. I have not had the opportunity to read the article thoroughly, I just scanned it, but if the gentleman has read it he knows that he used somewhat the same argument. Therefore I suggest that perhaps this administration ought to listen to some

of its own talents, to some of its own people who have had much more experience in this field than he has.

Mr. HOSMER. The article was written last year, prior to his appointment as Secretary of State. He was not only against summitry but he stated that it was better for the Secretary of State of the United States not to go traveling around the world; that he should base his operations in Washington and run the State Department from here. The Secretary of State apparently has changed his views, on that at least, since he has taken office. Mr. Kennedy's idea was not to go to a summit conference without adequate preparation by lesser lights in that Department. Now he is going out there. He has apparently changed.

So we are not getting exactly what we expected, according to the words of these people prior to the time they took office.

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

Mr. HOSMER. I yield to the gentleman from Illinois.

Mr. PUCINSKI. Mr. Speaker, I think the gentleman has demonstrated in his remarks a remarkable depth of understanding of the full treachery of the Soviet mind. I certainly wish to associate myself with the gentleman's remarks in evaluating Khrushchev's deception. There is no question in my mind that the Soviet Union has used these conferences and various other techniques to further their ultimate plans for conquest of the world. But I do think the gentleman has underestimated the full determination of Mr. Kennedy, the President of the United States, in dealing fairly. The President today, unlike any message we have had in this House since the end of the war, stated in no uncertain terms that he is going to the meeting in Vienna with no agenda. There is going to be no discussion of treaties or agreements. The meeting is merely a courtesy call, a meeting of two heads of state. He wants to emphasize to Mr. Khrushchev at this brief meeting America's determination to stand up for the dignity and rights of man.

The gentleman has mentioned someone's speaking of summitry. This is a meeting that among other things was recommended and suggested by the former Vice President, Mr. Nixon.

Very recently, a few weeks ago in Chicago, he stated that the two heads of government ought to meet. Frankly, if the President is going to Vienna it is certainly in keeping with a suggestion made by the former Vice President, Mr. Nixon himself, who is today, I believe, the titular head of the Republican Party.

Mr. HOSMER. I thank the gentleman for the nice words he said at the beginning. I recall to him that yesterday I said this about the President, that Mr. Pierre Salinger and others have intimated that Mr. Kennedy is at heart a resolute and courageous man. But I also suggested this, that if Mr. Kennedy is going to Vienna to warn Mr. Khrushchev against going too far he is wasting his time, because the Soviets do not read their signals from words but only from deeds. Mr. Kennedy's time in that

respect might much better be consumed in a very, very important job that needs to be done, which he failed to mention in speaking of the very many other things to do when he spoke to us, and that is the organization of the United States of America and the free world to engage upon the kind of nonmilitary conflict we are in.

For instance, the President asked us for \$250 million for a contingency fund, yet as I listened to his message the question repeatedly came to my mind that certainly such a fund could be well spent, could be effectively utilized, in opposing the Communist maneuvers in the non-military conflict. But in this message so far the President has not convinced me that he understands the nature of the conflict sufficiently as the means of carrying it on to the extent that this money could be placed in his hands with confidence that it would accomplish the purpose for which it was asked. Until Mr. Kennedy does the job of organization for the conduct of a nonmilitary war and has as efficient an organization as we have for the conduct of military war we still will not be able to meet the challenges against us.

Particularly in his message today I noticed he said that we must do things here and there and the other place, and where must we be doing them? In the areas of the free world where the Communists are making their progress. Why the purely defensive psychology and philosophy? The Communists have divided the world into two areas, a war zone and a peace zone. The peace zone is Iron Curtain territory and the war zone is all the rest of the world. One of their major tenets is that the war is to be conducted in our territory.

Now, if we were to win every battle that they force upon us we can no more than break even under those conditions. Unless we carry this conflict back into their peace zone we can never win, and we can never terminate it. That is what I am asking the President of the United States to do. That is what the American people, as a matter of fact, and you and I both know when we speak to them—they know there is something wrong—they do not know what it is—they are waiting, desperately waiting, for someone to come up and say, "This is what is wrong." We need to organize and fight this new kind of war which we have not had experience with before, and in which the Soviets have had 40 years of leadtime in fighting, and which we need to know about in order to win.

Mr. SCHWENGEL. And our candidate for President had some pretty sound ideas in this regard, and he spoke very eloquently in the campaign about it, and those ideas need to be listened to.

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

Mr. HOSMER. I yield.

Mr. BELL. I would like to pay tribute to the gentleman on the remarks he has made, and associate myself with his views. I would like to ask the gentleman this one question:

Is it not also true that the test ban may be adversely affecting the potentials



of our country in the field of nuclear propulsion, in the area of working toward outer space on which the President expressed himself as being vitally concerned?

Mr. HOSMER. The gentleman, who is a very respected member of the Space Committee, well knows the answer to that, and he is referring to the Project Orion which involves the use of nuclear explosives as distinguished from rocketry in the space effort.

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

Mr. HOSMER. I yield.

Mr. PUCINSKI. I believe the gentleman has again demonstrated his very, very deep understanding of the Communist conspiracy. I only hope after listening to the gentleman's remarks that when the President's very dramatic program, which he outlined to the Congress today to meet this worldwide Communist conspiracy head-on, comes before the Congress, I honestly hope that we will be able to put party labels aside and put partisan considerations aside and get behind our President because I believe President Kennedy has given us a program that will lead to the survival of freedom in this country.

I wish to congratulate the gentleman for his very keen understanding of this Communist conspiracy. But I do think within the framework that the President outlined today we can meet that challenge and survive.

Mr. HOSMER. I think my dispute with you, sir, would be that the program the President outlined today is partial, it is a program of bits and pieces—it is not tied together as an integrated whole which can be operated, orchestrated and coordinated and timed to produce the victory that the American people so desperately want, and which the free world so desperately needs and, yes, that those who yearn for freedom, and there are millions behind the Iron Curtain, look to us in their hope for that freedom.

#### IOWA PLAN FOR GROWTH IN HIGHER EDUCATION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Iowa [Mr. SCHWENGEL] is recognized for 30 minutes.

Mr. SCHWENGEL. Mr. Speaker, first I want to comment on the dissertation and eloquent statement presented by the gentleman from California [Mr. HOSMER]. I want to associate myself completely with his observations and findings, and his study and the presentation that he has made of it.

I want to add further that I have in the past supported mutual security programs and those programs that are designed to bring about a better understanding among the freedom-loving and peace-loving peoples of the world, and to enhance the cause of freedom everywhere.

I have been aware of some shortcomings that we have been responsible for, and I have tried to be helpful in every instance to make adjustments and corrections that were necessary. I here

again today pledge my support to the President—and I think he is right. I was impressed in some respects with his presentation today, and I have received some messages with misgivings.

I am not in complete agreement with the advisability of going to a summit. Some say this is not a summit. I think it will be accepted as a summit meeting by most of the world. The eyes of the world would be upon what happens there, watching closely. I hope it turns out for the best. I have some misgivings about it, but most of all I am concerned today about the cost of this program that is being offered. I want to suggest that there is a right and a wrong way to do the right thing in all these important problems that we have before us, and I want to suggest that to finance the cost of this whole program at the expense of the little fellow is wrong. We should find some other way, some better way to pay for the program that must be paid for in some way.

Now, Mr. Speaker, I want to address my remarks to a subject I have referred to earlier as the Iowa plan for growth and progress in higher education.

Last week I took the floor to discuss generally the subject of Federal aid to education and aid to higher education in particular. I indicated to the House that I had introduced some legislation which I considered the first phase of an "Iowa Plan for Growth and Progress in Higher Education." A plan that would have a salutary effect on resolving at least some of the problems that have presented themselves to those interested in education and especially to the students who desire the advantage of higher education; an advantage that is not only of interest and value to each student as he makes plans to prepare himself for the future but is of great value to our Nation as we make plans to contend with the great challenge that is being presented in this new atomic space age in which we live.

Mr. Speaker, today I take the floor again to indicate my interest and concern for the problems in the field of education and to remind my colleagues again that the suggestions that our study and research have revealed are the proper approach to the solution of these problems. An approach that in the long run will not only serve to make it easier for more boys and girls to attend colleges, but will serve to extend opportunities and make it easier to obtain the great goals of equality and liberty that remain as a great challenge for our people, our system of free enterprise and our country.

Mr. Speaker, as we contemplate the situation that exists in the world and indeed within our own boundaries as a nation, it is plain to see that misunderstanding, lack of understanding and an appeal to the passions of our people are having far too much influence in determining our national character and it is leaving us with an image that is very undesirable as we contend with the great overriding issue of peace and good will which is needed more today than ever before in the history of the human family. The one great answer, if not the

principal answer, to all of these problems is education.

Somewhere it is written:

The great end of education is to discipline rather than to furnish the mind; to train it to the use of its own powers, rather than fill it with the accumulations of others.

I think there is abundant evidence that we in this country and especially the great leaders of the world need to note this admonition.

Sir Alfred Zimmern reminds us:

All true educators since the time of Socrates and Plato have agreed that the primary object of education is the attainment of inner harmony, or, to put it into more up-to-date language, the integration of the personality. Without such an integration, learning is no more than a collection of scraps, and the accumulation of knowledge becomes a danger to mental health.

As we reflect on the temper of world leaders it is quite evident that this admonition is very worth while to ponder on today.

We have found, also, in our research, that as we look at the future it is necessary to give more opportunities to more of our people. We need to offer a plan to make it easier for a much larger percentage of high school graduates to have the advantage of higher education. This suggested legislation, if passed, could be invaluable to many families as they plan the education for their children.

Having this in mind, as I indicated earlier, we have introduced three bills to secure an increased income tax exemption or a tax credit for college educational expenses. If any one of these bills are passed it will serve to encourage many thousands more of our high school graduates to go to college.

One of the bills would increase the personal exemption from \$600 to \$1,000 for each full-time student, taxpayer, spouse, or dependent paying the expenses at any institution of higher learning. A proportionate deduction would be available to part-time students.

The other two bills would authorize a tax credit for certain educational expenses. One would permit a credit up to \$100 for each full-time student and a proportionate deduction for part-time students. The other bill would allow a credit of \$100 for full-time students who had expenses of \$500 or more for a school year or one-fifth of the exact amount when the expenses are less than \$500.

In all of the bills, approved expenses are listed as amounts paid for tuition, fees, charges, and required textbooks, and for board, lodging, and transportation for those students living away from home.

The definition of a full-time student is the historic one for tax purposes. The status of a part-time student and the amount of his exemption or credit would be determined by a special committee named by the Secretary of the Treasury.

Today I take the floor again to discuss in particular the second of the three bills which I have introduced providing for a tax law change that will encourage students and/or their families to take advantage of an opportunity to receive training or education in college.

In my speech concerning the first of these proposals I tried to point out the need for this tax relief. I have some additional information on this subject which should further point out why this relief is so badly needed.

As I indicated earlier, the basic research for this material has been done by my research team of college students in the law school at the State University of Iowa. The work of this team has been ably supervised and directed by Dr. Deil Wright, of the department of political science at the university. The present members of this fine research team, of which I am very proud, are Robert Downer, of Newton, Iowa; Tom Scheuerman, formerly of Rock Island, Ill., now residing in Iowa City, Iowa; and Ivan Ackerman, of Allison, Iowa.

The Department of Health, Education, and Welfare has computed the average costs to students for the 1960-61 school year. Tuition averages \$179 for State or municipally supported institutions and \$676 for private colleges and universities. Room costs at public institutions average \$187 and \$189, respectively, for men and women, and at private institutions these costs averaged \$216 for men and \$231 for women. For food at publicly supported institutions the costs averaged \$383 for men and \$379 for women, while at privately supported colleges the average costs were \$404 for men and \$436 for women. The total averages of these three items at the Nation's tax-supported colleges and universities are \$749 for men and \$747 for women, while at their privately financed counterparts these figures amount to \$1,296 for men and \$1,343 for women.

These are by no means the average total amounts spent by each student per year to obtain a college education, however. Books, laundry, clothing, and other miscellaneous expenses swell these averages to \$1,450 for students attending tax-supported institutions of higher learning in their home State of residence. For those attending private colleges the average swells to \$2,475 for men and \$2,530 for women.

Per capita income figures show that many families who currently have children in colleges and universities cannot afford these high costs. For example, the Bureau of Business and Economic Research at the State University of Iowa made a survey in 1959 of the finances of students attending the three State-supported colleges and universities in Iowa—the State University of Iowa, Iowa State University, and Iowa State Teachers College. This report showed the average adjusted gross income of families with a member or members attending one of these three institutions was \$5,500 per year, or the same as the adjusted average gross income of all Iowa families. However, the average family in the State contained 3.49 persons at that time, where the average family in the State, with students attending one of these three institutions, contained 5.15 persons. Thus, the per capita income in families as a whole in the State was \$1,576, as compared with only \$1,068 for families with members in one of these institutions. The report further showed

that 28 percent of these families had more than one child in college at that time, and that the families average contributions amounted to 43 percent of the student's yearly expenses.

The second proposal for tax relief to students or their parents which I have introduced is based on a tax credit, rather than a tax deduction or exemption. My research team's findings, with which I agree, feel that a tax credit is more advantageous to the solution of this particular problem, for the reason that the lower-income families are the ones most in need of this tax aid, and by using a tax credit each family with a student in college, will have his Federal income tax obligation credited with an equal amount.

In this proposal a tax credit of \$100 would be granted for the expenses which each college student incurred up to \$100 for tuition, fees, books, and necessary supplies, such as those needed by medical, dental, or engineering students.

This proposal would not take \$100 off the tax bill of part-time students, but it would materially aid them. Presently, a great many students are enrolled part-time in our colleges and universities, primarily because they cannot afford to attend college on a full-time basis. These, in most instances, would be the students who need this benefit the most. They are delaying their education for a number of years in many cases because of the pressing nature of their financial obligations, and thus they are delayed in reaching their full potential income. This will more than offset any tax benefit which they might obtain from remaining in college for a longer period.

This plan would also encourage those persons with bachelor's degrees to further their education part time by seeking masters or doctoral degrees. It seems to me that this is an important aspect of this plan which should not be overlooked.

The way in which part-time students would be aided by this plan is that 20 semester hours per year would be enough to be classified as a full-time student for the purposes of this bill. Anyone with less than 20 hours of credit in 1 year would be entitled to \$5 of tax credit for each semester hour of credit gained in college classes.

This plan would not completely answer the problem of those students who cannot afford to attend college, but it will be helpful. The \$100 benefit that students or their parents would receive from this would, in many instances, pay a semester's tuition, a month's room and board, or for other necessary expenses. Often the lack of such a seemingly small amount as \$100 will force a student to drop out of school for a semester, due to the inability to pay pressing bills. The aid given to these students alone makes this plan worthy of enactment.

My research team feels that another advantage of this plan is the simplicity with which it would be administered. Taxpayers, they point out, would not need to keep records of all money spent for tuition, fees, room, board, books, and supplies, but would only take the amount of credit to which they were entitled,

corresponding to the number of semester hours taken during the year. In the case of an audit of the taxpayer's returns he would need only a simple statement from the registrar of the college or university stating how many hours of credit had been received by that person during the particular year.

This is the type of plan which we feel we must have to ease the financial burden borne by our college students and their parents. Each student obtaining a college education is better equipped to serve our Nation. It is our duty to see to it that their full potential is realized.

#### SPECIAL COMMITTEE ON CAPTIVE NATIONS

Mr. GOODELL. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mrs. DWYER] may extend her remarks at this point in the Record.

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

There was no objection.

Mrs. DWYER. Mr. Speaker, the most tragic fact in the world today is the necessity to formalize the existence of the captive nations.

If we look at a map of the world we will see the reason why. Through the eyes of political freedom we will see one huge area of the globe separate and distinct from all the rest, surrounded and shut off, in effect, by an Iron Curtain through which none of the winds of freedom are permitted to penetrate.

This area extends eastward from East Germany, embracing the countries of eastern Europe and the regions of European Russia, across the vastness of Asia, down into southeast Asia as far as North Vietnam, and across the China Sea to North Korea. It is an area of many countries and cultures and peoples.

In the colors of political freedom, this large section of the map is painted red—red for the color of international communism, red for the color of the blood shed in defense of lost freedoms.

These are the captive nations. Their many hundreds of millions of people are the captive peoples.

Since 1917, when Communist revolutionaries seized control of the Moscow Government, the process of Communist subjugation has continued. One by one, nations have fallen to the twin weapons of communism: internal subversion and external force. In place of the national independence which they destroyed, the Soviet Russian-Communist China partnership has instituted the most ruthless tyranny the world has even known. In exchange for personal freedom, Moscow and Peiping have substituted godless slavery. Forced-labor camps and death have been the rewards of those who fought to preserve their freedom.

This is a grim and disheartening picture. But it is a picture from which we must not look away. It is a picture which must be imprinted indelibly in our minds. The lessons taught by Communist butchery in the Ukraine, by Communist treachery in Poland, by Communist massacre in Hungary, and by Communist



invasion and aggression in China, Korea, and Tibet must be learned well and never forgotten.

This is the purpose of House Resolution 267. This is also the reason why the Congress in 1959 authorized the designation of the third week in July of each year as "Captive Nations Week." Through both means, we of the free world can direct constant attention to, Communist tyranny and provide continuous study of the problems and the diplomatic opportunities created by this gigantic conspiracy against free people.

This purpose will be well served if we take advantage of the priceless opportunity which free men have to reexamine our position in the world, to sharpen our vision of reality, to strengthen our resolve, and to equip ourselves militarily, economically, and spiritually for the continuing struggle between freedom and totalitarianism.

It is a struggle we must wage on all the frontiers of the world. Free men and free nations must be first in conquering the challenges of science and of outer space. Free men and free nations must be first in extending the means to less privileged people to share in the prosperity and the plenty which modern technology has made possible. Free men and free nations must be first in wiping out social and racial and religious discrimination and in welcoming all peoples as a matter of fundamental justice into the brotherhood of men and nations. And free men and free nations must be first in protecting liberty from the insidious subversion of communism and from the constant threat of Communist military aggression.

But, above all, free men and free nations must make their devotion to freedom real and meaningful to all peoples. We cannot afford merely to preach freedom and fail to promote it and protect it wherever possible. The world will follow the banners of freedom only when free men and free nations make it clear beyond a shadow of a doubt that we are willing to work, fight, and sacrifice in behalf of freedom for all people in all parts of the world.

Freedom and justice and peace—these three are the inseparable causes for which we must stand. As justice is the foundation of freedom, so is freedom the only possible basis of true peace. We cannot have one without the other two. Together they constitute the most glorious cause for which men have ever fought.

So it is that here today we owe it to ourselves and to our own freedom, and to our brothers who have lost their freedom, to rededicate ourselves to the cause of freedom and justice and peace throughout the world. The whole world looks to us for the leadership and the sense of direction and the unwavering resolution which can bring our cause alive and rekindle in the hearts of people everywhere the hope and assurance of freedom and justice and true peace.

This is the moral of the captive nations resolution. This is the great issue of our time.

#### INCOME TAX RELIEF TO DU PONT STOCKHOLDERS UPON DIVESTITURE OF GENERAL MOTORS STOCK

Mr. GOODELL. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. MASON] may extend his remarks at this point in the Record.

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

There was no objection.

Mr. MASON. Mr. Speaker, the proposed bill I am offering today is intended to differentiate between those that purposely intend to circumvent existing law and those interests that have sustained a normal growth due to skilled management and observance of the public interest, and as a result have gained the confidence of investors.

The Du Pont Co. supplied gunpowder to the Continental Army of George Washington, and since these early days of our country, and under the competitive system of our economy and due to fine management has outstanding success. Many thousands of investors large and small having confidence in this good management of Du Pont are partial with due regard to existing law, purchase of its shares.

The hairsplitting legal decision of the Supreme Court, in which the Justices were almost equally divided on the question involved may play directly into the hands of those who question the morality of our capitalistic system, and certainly will shake the confidence of investors in general.

The Du Pont Co. in its growth, and with due regard to existing laws, purchased shares of General Motors Co. during the period of the First World War, and has held them as an asset ever since. It is not contended that the Du Pont should not now divest itself of these shares, under rules and regulations of the Court. Such divestiture should take into full account the effect upon the national economy and the innocent stockholders of the company, particularly at a time when the country is emerging from a depression and a large unemployment exists.

The proposed bill if enacted will not only simplify the divestiture of General Motors Co. stock by Du Pont, but will protect many thousands of innocent stockholders of that company from a punitive fine, which itself is unconstitutional under the 8th amendment of the Constitution of the United States which reads "Excessive bail shall not be required, nor excessive fines imposed nor cruel and unusual punishments inflicted."

If an innocent stockholder of Du Pont is forced to receive shares of General Motors Co., due to the recent decision of the Supreme Court, as income on which the stockholder must pay an income tax, instead of a return of capital, it is an excessive fine and punishes a citizen in an unusual manner.

The payment of any tax upon a repayment of capital to a stockholder is unusual. Such repayment dilutes the

value of the parent company by the value of the asset delivered and the stockholder of the parent company upon sale or transfer of his share or shares should be subject to a capital gains tax on the difference between the market value of the Du Pont shares on the date of the Supreme Court's decision and their value after adjustment by delivery of the General Motors Co. stock. The proposed bill contemplates such corrective legislation to employ the capital gains tax rather than the punitive income tax or fine upon a stockholder of Du Pont Co.

#### SUGAR LEGISLATION

Mr. GOODELL. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. LANGEN] may extend his remarks at this point in the Record.

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

There was no objection.

Mr. LANGEN. Mr. Speaker, I have today proposed legislation to amend the Sugar Act of 1948, as amended, in order to provide increased domestic sugarbeet acreage, to assure an ample and stable supply of sugar at reasonable price, and to extend the provisions of the act for 4 years. As the Members of the House know, the Sugar Act is scheduled to expire on June 30 of next year, and it is imperative, in my opinion, that it be extended during this session of Congress and extended in such a manner as to give a substantial increase to the domestic sugarbeet areas.

I believe it is imperative that the act be extended during this session in order to give both producers and processors opportunity to prepare for the increased quotas which should be forthcoming. If this is not done, we will find ourselves, almost certainly, in the same situation which has plagued the consideration of Sugar Act extensions during both this and the previous Congress. That is, we will find ourselves with insufficient time to give proper consideration to the act, and will thus be forced to make some inadequate, stopgap decision. Surely we have ample time during the remainder of this session to give the domestic producer the consideration which he deserves and for which he has patiently waited. This will not only provide for a proper consideration of his case, but will, as noted above, give him ample time to prepare for increased production.

I believe increased domestic beet production is imperative for several reasons:

First. The American farmer deserves to produce a larger share of the sugar consumed in this country. He has a difficult time understanding why, with the cost-price squeeze and the other problems facing American agriculture, he is not given the opportunity to produce a larger share of a cash crop which has proven to be extremely lucrative. In addition to providing the farmer and our agricultural communities with the increased income they so badly need,

increased domestic production of sugarbeets would be a relief to the taxpayers as well. In our Red River Valley area of northwestern Minnesota and eastern North Dakota, for example, every additional acre planted to sugarbeets will mean almost invariably two less acres planted to crops which are in surplus.

Second. The American farmer has the desire and the ability to produce a greater share of this country's sugar needs. This was amply proven at the recent hearings of the House Committee on Agriculture, when farmers, agriculturalists, and legislators from Midwestern, Southwestern, and Western areas presented carefully detailed testimony substantiating both the desire and the ability of American farmers to economically grow high quality sugarbeets. As a case in point, the fine testimony presented by several representatives of the various sugarbeet development associations in the congressional district which I have the privilege of serving showed that all that is needed to increase sugarbeet production in our Red River Valley of the North is the authority to do so. This is a proven beet-producing area, with three processing plants already in existence. Beets have been grown in the valley for over 35 years, and for almost that long, farmers have been expressing their desire for increased acreage. Climate, soil, water, and the many other factors affecting sugarbeet production are all ideal, as proven by the outstanding production record of the area to date, and all that is needed for increases is for Congress to give the authority.

Third. The expressed purpose of the Sugar Act is to insure that American consumers will have an adequate supply of sugar at a reasonable cost, and the domestic areas are able to fulfill this purpose far more adequately than any other area. The recent tragic events in Cuba show how quickly a major foreign supplier of sugar can cease to fulfill its obligations under the act. This problem would be alleviated in the domestic areas, where a stable sugar supply would be assured. As to cost, and once again using the Red River Valley of the north as an example, studies and research have shown this Minnesota-North Dakota area to be one of the most economical for the production of sugar. Add to this the high quality of the product, and you have further reason for increasing the domestic quotas.

Fourth. Termination of the Cuban quota and the increasing consumptive needs of the American people very simply mean that this Nation must provide for increased supply. In the light of the above reasons, I submit that our domestic areas should be the source of this supply.

The bill which I have proposed today is designed to carry out this objective, and to substantiate the testimony given before the Agriculture Committee at its recent hearings. It is estimated that the provisions of this bill would increase the domestic sugarbeet quota by more than 800,000 tons in 1962, increasing by 1966

to an annual quota well in excess of 1 million tons larger than the present quota.

It will accomplish this by awarding to the domestic beet-producing areas a share of the quota formerly supplied by Cuba, by increasing from 55 to 100 percent the amount of the annual consumptive increases going to domestic producers, and by a distribution of the deficits which it is expected will be forthcoming from other producing areas.

Several other features of the bill should be mentioned also:

First. The increased domestic beet quota provided in the bill will accommodate at least four or five new processing plants throughout the Nation. In addition to an increase in farm income, therefore, the bill would also mean increased income in the towns and cities in agricultural areas, increased employment, and the many other desirable results which accrue from the establishment of new industry.

Second. Continuous growth and expansion are provided for both new and old growers.

Third. The bill takes nothing away from any foreign country, other than the provisions which are already in effect for Cuba and the Dominican Republic.

Fourth. The President and the State Department retain their control over the foreign quotas, so as to make provision for the relationship between the Sugar Act and this Nation's foreign policy.

These are but some of the main features of the bill. The reasons given above in favor of its enactment, together with the testimony presented to the Agriculture Committee recently, reemphasize the need for recognition by the Department of Agriculture, the House Agriculture Committee, and the committee's chairman of the desire and ability of the American farmer to produce a larger share of the country's sugar needs.

We have had little encouragement along these lines recently. The Department has been silent on what its sugar policy will be, and the chairman of the House Agriculture Committee, as reported in the May 19 issue of the *Journal of Commerce*, has said he looks with little favor on expansion of the domestic industry's sugar quota. In the light of the present problems besetting American agriculture and the opportunity for improvement which the production of sugarbeets offers, it is hard for me to understand either of these attitudes. As spokesmen for the farmer and his interests, it would seem to me that the Department, the committee, and its chairman would be in the forefront of those working for expanded production of sugarbeets by American farmers.

It is certainly my hope that they will assume this responsibility immediately, and that Congress will look with favor on the proposal which I have made today.

#### ANNOUNCEMENT

Mr. GOODELL. Mr. Speaker, I ask unanimous consent that the gentleman

from Montana [Mr. BATTIN] may extend his remarks at this point in the *RECORD*.

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

There was no objection.

Mr. BATTIN. Mr. Speaker, I was absent yesterday when the House voted on S. 1852 authorizing appropriations for aircraft, missiles and naval vessels for the Armed Forces. My absence was due to a trip I took to my district, at my own expense, and if I had been present I would have voted in favor of this bill. I think without question, in our troubled times we must use our facilities to provide for our common defense and to do so with reason and dispatch. From a reading of the *RECORD* covering the debate on this bill it appears the Armed Services Committee did an excellent job in going over the requested appropriations.

#### GOVERNMENT COMPETITION WITH PRIVATE INDUSTRY—THE PRESIDENT'S STAND ON THE PANAMA CANAL STEAMSHIP LINE

Mr. GOODELL. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the *RECORD*.

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

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, I feel that praise is due President Kennedy for his reaffirming the action of the Eisenhower administration ordering the Panama Canal Steamship Line to discontinue all of its commercial activities.

The significance of this order goes far beyond the actual termination of the Panama Canal Line's competition with private enterprise. Here is a longstanding example of Government competition with private enterprise wherein the Government activity was not only in competition with private shipping lines and private airlines but duplicated in great part other military sea transport services of the Government.

Its operation and participation in commercial services was a flagrant violation of the principle that the Government should not operate business-type enterprises that could be effectively performed by private industry.

This question of Government-operated business-type enterprises—commercial-industrial activities—has long been of great concern to the Congress. As early as 1933 a special committee of the House of Representatives reported that the problem of Government competition with private industry had reached alarming proportions.

Of course, Government competition has increased manifold since 1933 and numerous congressional committees have continued to express the concern of the Congress. For example, part II of the 1960 report of the Senate Select Committee on Small Business on "Use of Government-Owned Facilities in Competition with Private Commercial Refrigeration"



ated Warehouses" concluded that its findings were typical of many examples of continued Government competition with private enterprise which have been condemned by congressional committees, the Hoover Commission, and the President himself.

In line with the far-reaching recommendations of the Hoover Commission for eliminating nonessential services, functions, and activities, which are competitive with private enterprise, President Eisenhower in 1955 directed that—

The Federal Government will not start or carry on any commercial activity to provide a service or product for its own use if such product or service can be procured from private enterprise through ordinary channels.

That program was carried forward under a series of guidelines published by the Bureau of the Budget that required all agency heads to report on, and evaluate against established standards, their activities of a commercial-industrial nature.

Under this program, the Department of Defense alone identified 5,000 such commercial-industrial activities. Of that number, only 450 activities have been discontinued or are scheduled to be discontinued.

I would urge upon the President, the Director of the Bureau of the Budget, and the Secretary of Defense that an aggressive program to eliminate such Government competition could have far-reaching benefits as a stimulant to private industry, in broadening the tax base and as a means of effecting efficiencies and economy without in any way affecting the national security or any essential governmental function.

#### COMMUNIST PROPAGANDA DELIVERED AT TAXPAYERS' EXPENSE BY THE U.S. POST OFFICE AS A RESULT OF PRESIDENT KENNEDY'S ORDER

Mr. GOODELL. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. CRAMER] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. CRAMER. Mr. Speaker, many people have been disturbed over President Kennedy's reversal of former President Eisenhower's position that Communist propaganda shipments into this country should be prohibited. I join in expressing equal concern.

The Communists are now taking full advantage of the open-door policy for Communist propaganda which resulted from President Kennedy's order of March 17, 1961, in which he called a halt to Government interception of Communist propaganda mailed from behind the Iron Curtain. The White House at that time—after having been in office for less than 2 months—said an administration review of the program, which has been in effect since 1948, has disclosed that it "serves no useful intelligence function at the present time." In addition,

the White House said that Secretary of State Dean Rusk has been concerned about the program in view of "efforts to improve cultural exchanges with Communist countries."

The Post Office Department has estimated that it has seized some 15 million newspapers, magazines, books, and similar types of mail coming into this country from Communist dominated nations.

The program aroused a protest recently from Soviet newsmen in this country who complained of delays in receiving their publications. It also has aroused complaints from American addresses, including scholarly institutions, which have use for the Iron Curtain publications.

The Linn's Weekly Stamp News recently carried a reprint of the March 21, 1961, issue of *Christian Economics*, which discussed the results of the President's order permitting the Communists to ship free of charge unlimited quantities of such propaganda material, obviously at taxpayers' expense.

I commend the article to my colleagues for their consideration:

FOR MOSCOW: COMMIES BRUTALLY ABUSE U.S. COURTESY LAW WHICH EXTENDS THEM FREE SECOND-CLASS MAIL

(By Lawrence Sullivan)

High school and college students throughout the United States are richly supplied with Communist youth literature which is delivered free of charge by the U.S. Post Office. This report, from the House Committee on Un-American Activities, has alerted educators once more to the tide of ever more aggressive student leadership in pro-Communist demonstrations throughout the country.

When Moscow determines upon a new propaganda drive aimed at U.S. students it ships over its "educational literature" in ton lots to U.S. ports of entry, already addressed individually. Uncle Sam then distributes the Moscow periodicals free anywhere in the 50 States and the territories.

"Every school and college in the United States is directly or indirectly the recipient of some of these Communist propaganda publications," the committee's report said. (Communist Training Operations, pt. 2; GPO, Washington, October 12, 1960, p. 1327.)

Our own Bureau of Customs made a 12-month spot check of Moscow's training literature through New Orleans. It counted at least 300,000 packages of Communist propaganda destined to schools and colleges in the United States.

Each package contained 5 to 15 different publications on youth leadership for communism.

New Orleans is one of the lesser ports of entry from the standpoint of Communist propaganda. A heavier volume of this material is coming into the United States via approximately 40 other ports of entry.

The endless lists of U.S. students are compiled and addressed through the World Federation of Democratic Youth, a pro-Communist transmission-belt organization in London; and by the International Union of Students in Prague, Czechoslovakia.

Both of these major international Communist-controlled youth organizations publish at least 40 periodicals, which are disseminated regularly in schools and colleges. \* \* \* None of these publications bears labeling as Communist propaganda, in accordance with requirements of the Foreign Agents Registration Act.

In one recent year 7 million pieces of such Communist literature were cleared through New York, and tons more through San Francisco, Seattle, Baltimore, Los An-

geles, Philadelphia, Boston, and New Orleans. Every Russian, Polish, or Czech ship touching a U.S. port brings its quota of Red educational literature for domestic free mailing. During 1 week last year the San Francisco Post Office cleared 17½ tons of postage-free Red propaganda to U.S. addresses.

"It is frustrating and disappointing to see the sanctity of the mails abused," said Chief Postal Inspector David H. Stephens before the House Appropriations Committee, "In this country we are governed largely by the sanctity of the seal of mails, a tradition which has served us well, and I would hate to see it weakened."

Congressman FRANK T. Bow, Republican, of Ohio, a ranking member of the Appropriations Committee, disagrees:

"No other country in the free world permits Moscow's propaganda to be delivered at the expense of its own taxpayers," said Congressman Bow. "Many countries refuse to let such subversive material in under any circumstances. Instead of increasing postage rates at home, why not start on budget-balancing in the Post Office by refusing to distribute this Communist propaganda free of charge?"

In a few cases, when non-Communist ships are available, foreign postage pays for fetching the Russian literature to our ports of entry. But at shipside U.S.A. the mail is handed over to the U.S. Post Office. The entire cost of distribution and delivery to any address in the United States, Puerto Rico, the Virgin Islands, or Guam, is borne by the U.S. Post Office.

"This propaganda is unsolicited," Congressman Bow continued. "Much of it is addressed to colleges and student groups throughout the United States. Under the Foreign Agents Registration Act all of this stuff is supposed to be labeled 'political propaganda,' but none of it is."

"The only way to discover propaganda is to open the literature and study it for subversive content. Of course, if the Russian packets are never opened, there would be no way to determine the content to be 'political propaganda.'"

Not even first-class mail from the United States to Russia is delivered without being opened and examined in Moscow. Every piece of mail is read carefully for content. That which is approved is forwarded to the addressee. That which is not deemed in the Russian national interest is thrown into the trash. The U.S. mailer is not even notified that his mail will not be delivered. Much of the "pen-pal" mail sent by American youth to Russian teenagers under the Washington-Moscow cultural exchange agreement is never delivered in Russia, but all Russian letters are delivered here.

Our U.S. law extends to Communist countries free second-class mailing privileges anywhere in our national territory. Section 226, title 39, of the United States Code provides these preferential postage rates " \* \* \* for the dissemination of information of a public character, or devoted to literature, the sciences, arts, or some special industry."

Never has any U.S. Government agency compiled for Congress a statement showing the total annual tonnage of incoming Communist propaganda distributed free, nor even an official guess of the total cost of this subsidy to the Kremlin's "special industry" mail.

"Does not commonsense dictate the complete elimination of all postal subsidies for Communist propaganda before American readers are taxed further for their own daily, weekly, or monthly publication?" Congressman Bow asks.

"I think the flow of propaganda material into this country is a very serious matter, indeed," said Chief Postal Inspector David H. Stephens before the Appropriations Committee (p. 162). "I am sure you know that

the Government is limited as to what it can do to combat this influence with respect to denying use of the mails to the senders of this material."

The Supreme Court has ruled in several controlling cases that the doctrine of "clear and present danger" from Red propaganda does not apply to mere advocacy of Communist principles, but applies only when specific overt acts of sabotage, subversion, or revolution are at hand to offer "a clear and present danger" to the national security.

Congressman JOHN R. PILLION, of Lackawanna, N.Y., pressed Inspector Stephens on the matter of incoming Red propaganda.

"Actually, if you had a great bundle of propaganda, no matter how vicious, coming from Red China or Moscow, and if I were to receive it in New York City or San Francisco and you attempted to investigate it, under the Supreme Court decision would you say you have the power to take that propaganda material away from me?"

Inspector Stephens answered: "I would say in this country, No." (P. 164.)

"So when we talk about using our law enforcement machinery to stop Communist propaganda, you are helpless, and your hands are tied completely under the decisions of the Supreme Court today; is that correct?"

"That is correct," replied Chief Inspector Stephens, "and I might say that living with it from day to day is a very frustrating experience."

"Could this situation be corrected by legislation?" queried Congressman OTTO E. PASSMAN, of Monroe, La., "or would it require a constitutional amendment to offset these rulings of the Supreme Court in order to give you power to seize this Communist propaganda?"

This urgent question is now under crash study, both in the General Counsel's Office in the Post Office and by constitutional experts in the House and Senate.

Meanwhile, the Kremlin's youth-training literature continues to flow inward daily by the ton.

At the same time the United States of America through its U.S. Information Agency, is spending an average of \$110 million a year the world around in news, radio, library, and TV operations calculated to defeat Moscow's unrelenting propaganda drive against freedom.

#### COMMITTEE ON THE JUDICIARY

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight tonight to file reports on the following bills: H.R. 5343, H.R. 6243, H.R. 6691, and H.R. 6834.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

#### HOW WHEAT FARMERS WOULD ADJUST TO DIFFERENT PROGRAMS

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that the gentleman from Kansas [Mr. BREEDING] may extend his remarks at this point in the Record.

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

There was no objection.

Mr. BREEDING. Mr. Speaker, I would like to call to the attention of the Members of this body a publication just released. It is entitled "How Wheat Farmers Would Adjust to Different Programs." This is Research Report No. 52, published by the Department of Agriculture.

This publication presents a technical study of the effect or the present program and five other different types of wheat programs on wheat producers. It is my understanding that this work was started about a year ago in the Department in an effort to determine in an unbiased, nonpolitical manner what effect each of the several different proposals for solving the wheat problem would have on the wheat producers.

The six different types of programs studied are—

(a) The present allotment program.

(b) A program having allotments 25 percent less than current allotments, with price supports at 85 percent of parity.

(c) A program having allotments 20 percent greater than current allotments, with price supports at 65 percent of parity.

(d) A bushel control program limiting marketings for food and export, at a price for domestic food wheat at about \$2.35 per bushel, exports at 65 percent of parity, and other wheat sold at feed grain prices, coupled with a 20-percent land retirement program.

(e) A bushel control program with wheat for domestic food priced at 90 percent of parity, and all other wheat at \$1.25 per bushel.

(f) No control program, and no price supports.

The results of this study are of extreme interest to me, and should be the concern of every Member of this body, as we soon will be forced to deal with this wheat problem. None of the hypothetical programs in this study exactly parallel any of the proposals which currently are being considered, but they are similar enough to provide a basis for sound judgment.

Program (b) is similar to the emergency wheat program passed by the last Congress and vetoed by Mr. Eisenhower. Program (d) is similar to the one developed by the National Association of Wheat Growers, the National Grange, and the National Farmers Union. Program (f) is similar to that advocated so vociferously by the Farm Bureau.

In all eight of the wheat producing areas studied, the bushel control program (d) would result in less total grain being produced than any of the other programs. This is a very important consideration; as with any wheat program we enact, we must also recognize its impact on the production of other grain crops. As a general rule, the next most effective method for reducing total grain production was no controls.

But that is only one side of the coin. The other is how does each program affect producer's net income. In six of the eight areas, this same bushel control program results in the highest net return to the farm, and in every area, the no control program results in the lowest net income on the farm.

These are only some of the highlights of this very important study. I commend the Department of Agriculture for providing such factual information, and I urge every interested Member to study it.

#### THE CHALLENGE OF WORLD COMMUNISM

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. REUSS] may extend his remarks at this point in the Record.

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

There was no objection.

Mr. REUSS. Mr. Speaker, President Kennedy in his message to the Congress of May 25 recalled the United States to the same spirit of freedom which inspired our beginnings in 1776.

The President pointed out that the great battleground for the defense and expansion of freedom today is the whole southern half of the globe—Asia, Africa, Latin America, and the Middle East. The enemies of freedom seek to extend their new and relentless form of totalitarian imperialism:

#### CONCEALED AGGRESSION

Their aggression is more often concealed than open. They have fired no missiles; and their troops are seldom seen. They send arms, agitators, aid, technicians, and propaganda to every troubled area. But where fighting is required, it is usually done by others—by guerrillas striking at night, by assassins striking alone, by subversives and saboteurs and insurrectionists, who in some cases control whole areas inside of independent nations.

They possess a powerful intercontinental striking force, large forces for conventional war, a well-trained underground in nearly every country, the power to conscript talent and manpower for any purpose, the capacity for quick decisions, a closed society without dissent or free information, and long experience in the techniques of violence and subversion. They make the most of their scientific successes, their economic progress, and their pose as a foe of colonialism and friend of popular revolution. They prey on unstable or unpopular governments, unsealed or unknown boundaries, unfulfilled hopes, convulsive change, massive poverty, illiteracy, unrest, and frustration.

With these formidable weapons, the adversaries of freedom plan to consolidate their territory—to exploit, to control, and finally to destroy the hopes of the world's newest nations. It is a contest of will and purpose as well as force and violence—a battle for minds and souls as well as lives and territory. And in that contest, we cannot stand aside.

The aims of the leaders of world communism are no secret. Two recent Communist manifestos set forth these aims for all to see. The first is the statement of Communist leaders from 81 countries in Moscow in November 1960. The second is Khrushchev's speech of January 6, 1961.

The language of the two documents is repetitious and muddy; "imperialist" and "warmonger" describe anyone who opposes communism. But from the two manifestos emerge four major trends of Communist thought. We can ignore them at our peril.

#### PEACEFUL COEXISTENCE

First. Peaceful coexistence has lost its ordinary live-and-let-live meaning, and instead masks the Communists' strategy for world domination. This is clear from the two manifestos:

January 6, 1961: Peaceful coexistence of states with different social systems does not



mean reconciliation between the Socialist and bourgeois ideologies. On the contrary, it implies an intensification of the struggle of the working class and of all Communist Parties for the triumph of Socialist ideas. Now that there is a mighty Socialist camp with powerful armed forces, the peoples can undoubtedly prevent war and thus ensure peaceful coexistence provided they rally all their forces for active struggle against the bellicose imperialists. Scolding will not halt the imperialist adventurers. There is only one way they can be curbed: steady strengthening of the economic, political and military power of the Socialist countries, vigorous consolidation and reinforcement of the world revolutionary movement.

November 1960: The policy of peaceful coexistence is a policy of mobilizing the masses and launching vigorous action against the enemies of peace. The coexistence of states with different social systems is a form of class struggle between socialism and capitalism. It implies intensification of the struggle of the working class, of all the Communist Parties, for the triumph of Socialist ideas.

#### WARS OF LIBERATION

Second. Moscow and Peiping, while theoretically opposed to war, ardently support Communist-inspired "wars of liberation." Again, the two manifestos:

January 6, 1961: Now about national liberation wars. Recent examples of wars of this kind are the armed struggle waged by the people of Vietnam or the present war of the Algerian people, which is now in its seventh year. Such wars are not only justified, they are inevitable. The Communists support just wars of this kind wholeheartedly and without reservations and they march in the van of the peoples fighting for liberation.

November 1960: The national liberation movement is striking blows at imperialism and accelerating social progress. At present, Asia, Africa, and Latin America are the most important centers of the revolutionary struggle against imperialism. Communists have always recognized the progressive revolutionary significance of national liberation wars; they are the most active champions of national independence.

#### U.S. IMPERIALISM

Third. Moscow and Peiping both consider the United States their real enemy. The manifestos:

January 6, 1961: I should like to deal with the prospects of the further development of the general crisis of capitalism. Capitalism has suffered irretrievable losses.

The strongest capitalist country has been affected by the general crisis more than any other capitalist country. Since the war the United States with its frequency of economic shocks, has already experienced three slumps. The imperialist powers, above all the United States, are doing their utmost to harness the countries that have cast off the colonial yoke to their system and thereby strengthen the position of world capitalism.

November 1960: The world capitalist system is going through an intense process of disintegration and decay. Its contradictions have been accelerated by the development of monopoly capitalism into state monopoly capitalism. The decay of capitalism is particularly marked in the United States of America, the chief imperialist country of today. The most developed capitalist country has become a country of the most distorted, militarized economy. More than any other country the United States drains Asia, and especially Latin America of their riches, holding up their progress. U.S. capitalist penetration is increasing in Africa. U.S. im-

perialism has become the biggest international exploiter.

#### RUSSIAN-CHINESE UNITY

Fourth. It would be a mistake for the West to bank on any Russian-Chinese split. Because the Kremlin sometimes sounds more moderate than saberrattling Peiping, some have hoped for a split between the two chief Communist powers which might somehow make the world safer for us. While Moscow sometimes "speaks softly," while Peiping always "carries a big stick," the two Communist states need each other: China needs Russian industrial and military help; Russia needs China as a propaganda triumph and as a foothold to spread communism throughout Asia. The two statements echo the unity theme:

January 6, 1961: The rise of growing numbers of nations through revolution provides most favorable conditions for an unprecedented extension of the sphere of influence of Marxist-Leninist ideas.

November 1960: The Socialist countries and the Socialist camp as a whole owe their achievements to the proper application of the general objective laws governing Socialist construction, with due regard to the historical peculiarities of each country, and to the interests of the entire Socialist system. They owe them to the efforts of the peoples of those countries and above all to the fraternal, internationalist assistance from the Soviet Union.

What does all this mean? It means that from Laos to Iraq, from Vietnam to Cuba, in Berlin and at the United Nations, we can expect Communist terrorism, infiltration, guerrilla wars, economic aid, political subversion, threat of Soviet rockets. To meet this worldwide threat, America must make an effort more sustained and more vigorous than at any time in our history.

#### MEETING THE CHALLENGE

President Kennedy has laid out a positive course for us to follow to meet the challenge. Included are recommendations for economic and social progress at home and abroad, for communicating our devotion to freedom throughout the world, for strengthening the military and intelligence shield of ourselves and our allies, for a meaningful program of civil defense, and for space exploration.

Finally—

Says the President—

our greatest asset in this struggle is the American people—their willingness to pay the price for these programs—to understand and accept a long struggle—to share their resources with other less fortunate peoples—to meet the tax levels and close the tax loopholes I have requested—to exercise self-restraint instead of pushing up wages or prices, or overproducing certain crops, or spreading military secrets, or urging unessential expenditures or improper monopolies or harmful work stoppages—to serve in the Peace Corps or the armed services or the Federal Civil Service—to strive for excellence in their schools, in their cities and in their physical fitness—to take part in civil defense—to pay higher postal rates, higher payroll taxes, and higher teachers salaries, in order to strengthen our society—to show friendship to students and visitors from other lands—and, finally, to practice democracy at home, in all States, with all races, to respect each other

and to protect the constitutional rights of all citizens.

#### RESPECT FOR EACH OTHER

Mr. Speaker, I am confident that the great majority of the American people are willing to make the sacrifices, exercise the self-control, and pay each other the respect that the President has called for. Those who would sow division and discord at home are but a tiny minority. They would do well to read President Kennedy's answer to the question at his April 22 press conference as to how he felt about the John Birch Society:

Well, I don't think that their judgments are based on accurate information of the kinds of challenges that we face. I think we face an extremely serious and intensified struggle with the Communists. But I am not sure that the John Birch Society is wrestling with the real problems which are created by the Communist advance around the world.

I would hope that all those who are strongly concerned about it would address themselves to the kinds of problems which are created by Laos, Vietnam, by internal subversion, by the desperate life lived by so many people in this hemisphere and in other places which the Communists exploit.

These are the kinds of problems we are dealing with. I said something about them yesterday. The use which the Communists make of democratic freedoms and the success which they are able to—once they have seized power—maintain their power against dissent.

This seems to me to be the problem. We have talked about and read stories of 7,000 to 15,000 guerrillas operating in Vietnam, killing 2,000 civil officers a year and 2,000 police officers a year—4,000.

Now, there has been an election in Vietnam in which 75 percent of the people, or 80 percent, endorse the Government, and yet we read how Vietnam is in danger because of guerrilla operations carried on by this small, well-disciplined, well-supplied, across-the-border group of guerrillas.

How we fight that kind of a problem which is going to be with us all through this decade, seems to me to be one of the great problems now before the United States. And I would hope all those who are concerned about the advance of communism would face that problem and not concern themselves with the loyalty of President Eisenhower, President Truman, or Mrs. (Franklin D.) Roosevelt or myself or someone else.

#### RACIAL AGITATORS INCITE RIOTS AND VIOLENCE

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that the gentleman from Mississippi [Mr. WINSTEAD] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. WINSTEAD. Mr. Speaker, I was glad to note that the Attorney General has called for an end to the trips being made by the so-called freedom riders; however, it is most unfortunate that he did not use his talents of persuasion and the powers of his office to dissuade this group from ever embarking on their journey of agitation.

In a letter to the Attorney General, our most able colleague, the distinguished gentleman from North Carolina, Hon.

RALPH J. SCOTT, has set forth the illegality and subversive purpose of the so-called freedom riders.

Under leave to extend my remarks I include Representative SCOTT's letter:

MAY 22, 1961.

HON. ROBERT F. KENNEDY,  
Attorney General of the United States,  
Department of Justice,  
Washington, D.C.

DEAR MR. KENNEDY: I note with approval your public appeal for a return to reason in dealing with the racial tensions and violence in Alabama, triggered by two or more small groups of so-called freedom riders.

While the freedom riders have already done great and perhaps irreparable damage to the cause of better race relations, further violence and increased tension may be avoided by discontinuing ventures into the South by such groups, when it is well known beforehand that resentment, tension, and violence may be the result. Though it may rightly be said that all citizens have a constitutional right to travel by interstate transportation facilities, it is certainly not reasonable or wise for organized groups such as the freedom riders to widely publicize and enter upon a venture in effect amounting to an invasion of an area where it is known that such concerted action will meet bitter resentment, if not violent resistance.

The freedom riders, in my opinion, have been morally, if not legally, guilty of a breach of the peace in Alabama by voluntarily engaging in acts they had every reason to believe would incite riotous conduct. The ventures of the freedom riders were instigated by the Committee on Racial Equality, operating out of New York. Their common and stated purpose was to challenge and break down State segregation laws in bus terminals. If such laws are unconstitutional and invalid, they cannot be so declared by an organized group of citizens. Only the courts can invalidate existing State laws. Therefore, the stated purpose of the freedom riders to challenge and break down State segregation laws was itself unlawful. Their group constituted an "assembly" within the meaning of the law on riot. Having assembled for the purpose of breaking State segregation laws, and voluntarily, in concert, after being warned against violence, having gone to a place where they expected resistance, brings them well within the common law definition of "riot."

If the Federal Government has authority to protect passengers lawfully traveling by interstate transportation, then it would seem that it would also have authority to restrain an unlawful assembly from interstate travel by bus for the purpose of challenging or breaking down State laws. State segregation laws pertaining to bus terminals are valid until legally set aside and they cannot be invalidated by a group of freedom riders.

I question their good faith and intentions and strongly suspect that many, if not all of them, were simply out on an expense-paid lark seeking the publicity of martyrdom they correctly guessed that a prejudiced press would give them. Groups so motivated will never be able to make any contribution to the cause of better race relations.

Reports in the press indicate an intention on the part of these groups of freedom riders to continue their inflaming ventures. Nothing of a constructive nature can thus be accomplished, while increased bitterness, tension, and violence will be thereby encouraged. I was alarmed by the public statement of an Assistant U.S. Attorney General that "there are other pending movements of bus passengers which might provoke more racial violence here." Since your Department has prior knowledge of plans for other similar excursions into the South, I urge you to take action to prevent them.

In the interest of good order in the South, I sincerely hope those in positions of authority, including yourself, and the people or groups responsible for the organization and actions of the freedom riders, will use their influence to have these provocative ventures discontinued. This would seem to me a very simple way to meet your appeal for a return to reason. And I can think of no other method through which good order may be immediately achieved.

With best wishes, I am,

Sincerely yours,

RALPH J. SCOTT.

### GOLD, THE DOLLAR, AND CONFIDENCE

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

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

There was no objection.

Mr. MULTER. Mr. Speaker, my bill, H.R. 6900, to repeal the 25-percent gold reserve requirement for Federal Reserve obligations, has brought a considerable number of inquiries to our colleagues. Some of it no doubt was caused by the syndicated column of George E. Sokolsky entitled "Who's Behind Move To Kill Our Dollar?"

The article appeared on May 17, 1961, as follows:

WHO'S BEHIND MOVE TO KILL OUR DOLLAR?

(By George E. Sokolsky)

When the House of Morgan abdicated its leadership of the American financial world in 1929, no other leadership appeared. J. P. Morgan, the elder, was essentially a patriot and therefore his first concern was the maintenance of the status of the American dollar throughout the world. No banker in this country has succeeded to his position of leadership. We may have been regarded as not too bright by Britain and German bankers, but our money was sound because it was secured by gold.

Today, all sorts of fantastic ideas come out of the banking world—ideas which one might expect from someone who is taking Economics I from a Keynesian professor at Harvard. These ideas have culminated in the inflationary bill which is now being proposed in Congress that would take all the gold coverage off the American dollar and leave it nothing more than a scrap of paper.

The proposal of Secretary of the Treasury Douglas Dillon to change the gold law is an easy way out of our gold problem. We lack gold; therefore abolish gold. This is an easy solution to the shift in the balance of international settlements, and as this subject is not romantic and not easy to understand, the great minds who turn corners on two wheels believe that they can solve a difficult problem by running away from it.

What they seek to do is to remove all metallic security of the dollar, to leave it a scrap of paper as valuable as the faith in trade, commerce, economic stability may at any time be. It is often said that fiat money is based upon confidence in the country which issues it. This is economic bushwa, to use an accurate expression, because fiat money is based not on love of country but on the economics of the moment.

Congressman ABRAHAM J. MULTER, of Brooklyn, has introduced a measure in Congress which, it is said, has Secretary Dil-

lon's support, which will shift our currency from having a 25 percent gold support to being fiat money; that is, money with no gold or silver support whatsoever.

The reason that, for three decades, a world in revolution has accepted the American dollar as the most valuable currency is that it has a gold protection while other moneys were just printed paper. Now that Great Britain, West Germany, France, and Soviet Russia have obtained enough gold to set up reserves, along comes this proposal to knock down the value and respectability of the American dollar.

It is expected that the removal of the gold reserve will strengthen the dollar, when actually it will destroy confidence in the dollar which has steadily been losing confidence. What does that mean?

Money possesses only such values as acceptability gives it. In a word, if you want to buy a banana, you expect to pay, let us say, 1 cent. You discover that you are being charged 5 cents. You pay. Then you are charged 25 cents or even a dollar. You reject the bananas. Let them rot. The reason you will not pay the high price for bananas is that they seem not to be worth that much to you. The vendor, however, will not accept 1 or 5 cents for the banana because the money is no good. He doubts whether he should accept 25 cents or a dollar because that too is of uncertain value.

Finally, he says that he will give you a banana if you give him your necktie or handkerchief. That is called barter, a very primitive system, often employed by savages and sometimes by so-called civilized peoples who have things but no acceptable money. The result of barter is that the people at home go hungry in order that the nation as a whole may get something it needs. Soviet Russia, for instance, in the 1920's and early 1930's, bartered butter for iron ore. The Russian people were deprived of butter so that they might have iron ore. But the United States, where money was fairly good, possessed both butter and iron ore.

The Multer bill was not prepared by Congressman MULTER, who, while a fine man, is not an economist and has never claimed to be one. The bill was prepared by bankers and Keynesian economists. They ought to come out in the open so that we might know who seeks to kill our money.

On May 24 I wrote to Mr. Sokolsky as follows:

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
Washington, D.C., May 24, 1961.

MR. GEORGE E. SOKOLSKY,  
New York, N.Y.

DEAR GEORGE: I have read your column "Who's Behind the Move To Kill Our Dollar?"

I appreciate the kindly way in which you referred to me.

You are right that I am not an economist, yet I do pretend to know something about our economy. At the same time, although I am not a banker, I do pretend to know something about banking.

Without intending to be, you have been unfair to me and to any number of fine bankers, economists, and businessmen.

I am prepared to concede that we may be wrong. I will not concede, however, that all of the people who approve the principle proposed by H.R. 6900, are anything but good Americans, who have the interest of their country at heart. This goes for the President's task force on the economic situation and balance of payments, headed by Allan Sproul, former president of the Federal Reserve Bank of New York; the vast majority of the members of the committee for economic development's research and policy committee, headed by T. V. Houser, former chairman of Sears, Roebuck & Co.;



John J. McCloy, chairman of the Chase Manhattan Bank; Henry C. Alexander, chairman of the Morgan Guaranty Trust Co.; Roy L. Reiersen, senior vice president and chief economist of the Bankers Trust Co.; and many other respected businessmen, present and former Government officials, economists, and bankers of both political parties, conservatives as well as liberals, all of whom have advocated repeal of the 25-percent gold reserve requirement at the propitious time. I think the most favorable time may well be now.

Our experience over the last 27 years raises serious questions whether the 25 percent gold reserve requirement serves any useful purpose. Assume that we continue it. Do you suggest that we liquidate the Federal Reserve notes? If so, will we give the first in line all of the gold? Or will we say, for every \$5 Federal Reserve note that is presented we will deliver \$1.25 in gold? Which ever we do, what will the recipient do with this gold when the law requires him then to turn it back to the Government? And when he turns it back to the Government what will the Government give him in exchange for it? A negotiable receipt? And for how much?

When you deposit money in a bank, if its accounts are insured, the Federal Deposit Insurance Corporation insures the deposits only up to \$10,000 in each account. The insurance is backed by the surplus funds held by FDIC and the assets of the insured institutions. (Most, but not all, banks insure their accounts.)

On the other hand, your Federal Reserve note (most of our currency) is guaranteed not only by the surplus and assets of our Federal Reserve banks (they are all owned by the U.S. Government) but, in addition, are backed by every dollar of assets of the U.S. Government. Those assets are many times more than enough to meet all the obligations of the Federal Reserve banks. The 25-percent gold reserve is not needed to make up any possible deficit.

The full faith and credit of the U.S. Government is more than a philosophic concept. I look upon it as a guarantee that as long as there is a free world the United States of America will never default on its obligations. I for one, as an American, do not require my Government to back up its guarantee with a gold reserve.

Please take the time to read the obligation set forth on the currency in your pocket.

Some bills read: "Silver Certificate—this certifies that there is on deposit in the Treasury of the United States of America five (or some other figure) dollars in silver payable to the bearer on demand." To be valid they must be signed by the Treasurer of the United States and by the Secretary of the Treasury. They also bear an inscription: "This certificate is legal tender for all debts, public and private."

Now take a Federal Reserve note. It reads: "The United States of America will pay to the bearer on demand five (or some other figure) dollars." To be valid it must also be signed by the Treasurer of the United States and by the Secretary of the Treasury. It, too, bears an inscription which reads: "This note is legal tender for all debts, public and private, and redeemable in lawful money at the United States Treasury, or at any Federal Reserve bank."

There is not a single reference to gold on any of our currency. Even if we had a 100 percent gold reserve, not a dollar of our currency is redeemable in gold.

The U.S. dollar has been the respected medium of exchange the world over for years and will continue so. In most countries throughout the world, it is acceptable and interchangeable for the local currency. In many places it is the only currency in use

and in a larger number of countries, it is more desirable than the local currency.

If you had a substantial sum of gold, coin or bullion, where would you put it for safe keeping? In a vault in the United States of America or in a vault in an Iron Curtain country or in a vault in a country that at any time, without notice, might be taken over and subjugated by the Communists?

There is no safer place for it than the United States of America. As long as there is a free world, there will be no safer place.

Every country, every banker, every economist, every militarist, every realist, knows the accuracy of that statement.

That is why the loose talk about the inflow and the outflow of gold has been so confusing.

Little or no gold has left our shores or the vaults of the Federal Reserve banks. It is the foreign claims against this gold that have fluctuated.

Gold produces no income as a medium of exchange and as such is a nonearning asset. If its only use is to serve as a guarantee of redeemability of some of our currency, which cannot be redeemed for gold in any event, a gold reserve serves no purpose.

You mention in the same paragraph love of country and confidence in it. There is no economic relationship between the two. Many a person who loves his country has no confidence in it, its officialdom, or its economics. The Communist has no love for our country but he would love to take over its economy. No one knows better than you that the motivating force of communism, despite its protestations to the contrary, is its love of power based on a lust to acquire all capital goods, including gold.

Who tells you that our "dollar has been steadily losing confidence?" I have traveled the world over, talking to bankers, economists, businessmen, and government officials. I have neither heard nor seen any evidence of loss of confidence in our dollar.

The run on gold last year in London, pushing the price up to \$40 an ounce, was caused by the speculators' confidence in the American dollar. They planned to force us to raise the price of gold to maintain confidence in the dollar. We did maintain confidence in the dollar by sitting tight. The speculators were burned to the extent of \$5 an ounce (we will never know for how many ounces) because our confidence in the dollar did not need to be bolstered by a stock of gold.

You properly say "money possesses only such values as acceptability gives it."

Money is a medium of exchange. The value of a medium of exchange, whether gold, silver, or currency, being dependent on acceptability will vary in accordance with confidence. Confidence in what? Not confidence that the paper or the metal is available but confidence in what and how much can be obtained in exchange for it.

When you transact business other than by barter you deal by and with credit.

Credit is faith—confidence.

When gold is taken in exchange for anything it is because of credit, i.e., confidence in its value.

The same goes for currency including Federal Reserve bank notes.

The same goes for a check issued by a nonbanker on a bank account.

The same goes for one's oral or written promise to pay for what is received, without giving gold or money or a note in exchange.

I get paid by check issued by the good, old U.S.A. Its promise to pay is good. I do not rush to the Treasury and demand gold or silver. I might cash it and get currency—silver certificates or Federal Reserve notes.

Again neither I, nor anyone I give them to, rushes off to the Treasury and demands silver or gold.

We are all content with the promise of our Government to pay. Not because we have confidence in the dollar nor even in the value of the gold or the silver that may or may not be in the Government's coffers. We credit—we believe in our Government. We have confidence in it and in its ability to pay. We have confidence that as long as there is a free America, there will never be a default in its promises.

This matter deserves the most thorough, serious, and constructive consideration, without emotion, and without proponents or opponents insisting only their views are correct.

With kindest regards, I am,  
Sincerely,

ABRAHAM J. MULTER.

I hope that my letter will be helpful to our colleagues in answering their mail.

There is no question in my mind that the confidence of the world in the ability of the United States to meet its obligations will not be affected by the passage of H.R. 6900.

### "I AM GLASS"

The SPEAKER pro tempore. Under previous order of the House, the gentleman from West Virginia [Mr. STAGGERS] is recognized for 15 minutes.

Mr. STAGGERS. Mr. Speaker—

I am created of the admixture of earth's minerals, formed by the alchemy of time; I am born transformed in the blazing heat of the fiery furnace;

In molten mass I am tediously fashioned by the hand of cunning artisan—or fed into the maw of intricate machine;

I assume 10,000 hues of all the spectrum—either transparent, translucent, or opaque—upon my maker's will;

I can masquerade as ruby—emerald—topaz—moonstone; and all the other precious jewels of man;

But frivolous baubles are not my aspiration—I serve 10 million purposes in as many different places, forms, and ways;

My duties are unnumbered—infinite; pay heed to my utility.

—George J. Overmyer.

Glass is a most stubborn and unmanageable substance. It yields to only one master—fire. In the heat of the furnace it becomes as soft and pliable as the lightest down, only to reassume its original characteristics when cooled. And therein lies its serviceability to modern man and its adaptability for so many purposes. But it has taken thousands of years of experimentation and of thoughtful planning to subdue glass and make it man's obedient servant. Glassworkers are among earth's most ancient artisans, going back side by side with their rivals, the potters, to a time when all craftsmanship originated, a time beyond the reach of history. The basic material of the potterymaker was clay, while the basic material of the glass industry is sand, and both are humble materials existing in abundant supplies in many areas and regions. From the standpoint of modern chemistry, sand is the more durable and unchangeable of the two materials. It is composed of the elements oxygen and silicon in unvarying proportions, and it withstands all attacks of nature to break it down into something simpler as the years and the centuries glide by.

Pottery itself is indebted to glass for the glaze which covers up its porosity, and makes it capable of holding fluids. But it was a long while before man found this out.

Glassmakers probably existed at least 15,000 years before Christ. Probably we should call them glassworkers, for they did not manufacture glass, but worked the glass they found in nature. The earliest glassworkers satisfied two distinct needs, the need for weapons and the need for ornaments. Nature itself manufactured the glass. One form in which it was manufactured naturally is the substance we call obsidian, whose origin is volcanic. It was discovered early in time that obsidian could readily be broken into sharp, elongated pieces. These were used as spearheads, arrowheads, knife blades and razors. Pieces of obsidian were the traditional tools of sacrifice to the gods. Even after steel was invented, obsidian knives were used in sacrifice, the steel being regarded as an impure and hence profane substance. In all countries where pointed weapons were used, including the Americas, these weapons were headed with shaped slivers of obsidian. It was the job of a glassworker to shape the arrowheads and spearheads, and his was indeed a toilsome and tedious task, but one of incalculable value to his countrymen.

Natural glass also existed in the form of fused silicon resulting from intensely hot fires accidentally set ablaze by lightning or from fires kindled by man. The glass formed by these processes tended to be globular in shape, and often they were brilliantly colored by impurities. The color and the smoothness of the exterior made them suitable for ornaments. Many thousands of years ago workmen were engaged in the task of finding these beads, polishing them carefully and shaping them somewhat to the needs of their customers. They were highly valued as amulets, or charms. Actual glassmaking in the form of glaze on pottery is believed to have been employed in Egypt by 12000 B.C. Green glaze was applied to powdered quartz, a still more advanced form of glassmaking, about 9000 B.C. The oldest known piece of glass deliberately manufactured is a molten amulet of deep lapis lazuli color, dated about 7000 B.C. But it was still a long while before glass came into use as a commodity for the masses. For some four or five millenia, glassworkers were engaged in the task of finding or molding glass beads and other trinkets, shaping and polishing them toilsomely. Only the wealthy could afford such baubles.

Just when it became known that one of the most important properties of glass is its ability to hold liquids without damage to the liquid or to the container is not recorded. At some time in the distant past this fact struck the mind of some curious individual, possibly induced by observation of the usefulness of glaze on pottery. But there was still the job of finding a way of making a hollow receptacle of such a difficult substance as glass. Suddenly, apparently about 2500 B.C., a method was discovered. Babylonia is given the credit of being the

birthplace of glass containers. However, the process soon spread to Egypt, where it was developed to a high degree of perfection. The method used consisted in covering the end of a spindle with a core of sand held together by some light adhesive, the core being in the shape of the interior of the desired vessel. A mass of viscous glass was then prepared in a suitable furnace. A thread of glass was pulled from the molten mass and wrapped round and round the sand core as the spindle was revolved. Before the spun glass could cool it was rolled on a flat surface until the threads fused together, making a watertight exterior. More threads were wound around until the object was of the desired thickness. Decorations of different colored glass were added as fancy and skill dictated. When all was completed, the structure was permitted to cool. The spindle could then be drawn out of the neck, and the sand core emptied out. This necessarily left the interior somewhat rough but still adequate for the material it was destined to contain.

The color of the glass thus formed depended on the source of the sand from which it was made. Different impurities in the sand produced different colors, and the primitive workmen did not know how to remove these impurities. The colors most common were blue, green, a greenish black, yellow, and something approaching a white. The body of the vessel was ordinarily a darker colored material, with the decorations in white or yellow. Or the reverse use of colors might appear. Very much later in time it was discovered that manganese could be used to dissolve some of the impurities and thus produce more or less clear or transparent glass. But at this period there was very little demand for clear glass. Its use in windows, optical instruments, and the many other purposes served by modern glass was far in the future. The glass vessels produced by the core process were still largely ornamental. They were used mainly to hold unguents, oil, cosmetics, and the like.

For the use of these aids to beauty is also exceedingly ancient. As might be expected, the female of the species was most addicted to ointments, salves, and creams, sometimes highly perfumed. The males were not altogether lacking in vanity. Athletes anointed their bodies liberally with oil previous to exercise, for various reasons, some having to do with an improvement in their performance. In wrestling, for instance, a well-oiled body presented a difficult object to hold. The glass vessels produced by the core method became known as containers of unguents, "unguentaria," they were called. Both the unguents and the containers were still luxury objects, unavailable to all except the wealthy.

Egypt manufactured these unguentaria in considerable quantity, some of them for export. They gradually spread all around the Mediterranean. In some areas their import was opposed by statesmen and philosophers as symbols of luxury and decadence. In Greece, both Solon and Socrates tried to exclude such objects, of course to no avail.

People have never willingly deprived themselves of luxuries, no matter how great the consequent loss of strength and vigor. The epithet, "effeminate," has never been successful as a scare word.

For about a thousand years Egypt persisted as the preeminent manufacturer and exporter of luxury glassware. Then, suddenly, the manufacture seemed to cease. Decline coincided with a period of political and social troubles in the country. The glass industry appears to be quite sensitive to national economic and political conditions. In periods of prosperity and progress, glass production flourishes; in periods of depression and warfare, production declines. This is due partly to the fragile nature of the material, to its early association with ideas of luxury, and to the fact that the skilled artisans necessary for its production are otherwise engaged. For a time, knowledge of glassmaking seemed almost lost. But as the political fortunes of Egypt revived, manufacture was resumed and trade again increased. By this time, other nations had learned the art. In Crete, in Greece, in southeast Europe, and in Sicily numerous factories sprang up. The shape and the decoration of glass articles in these areas was influenced by Greek ideas of artistic design and workmanship. As in other matters, they lead us closer to the modern age.

Our knowledge of ancient glass is of course derived from objects found in tombs and other monuments of antiquity. The ease with which glass was shattered makes these relics somewhat scarcer than other more durable objects. Students of archeology are able to date finds with reasonable accuracy, and we can trace the development of the glass-making art through its various periods. One remarkable thing about this development is that it was so slow over so long a period of time. For a period running from roughly 2500 B.C. to about 500 B.C., glassmakers seemed to improve their skill, their imagination, and their artistic sense only to a slight degree. Glass experts today distinguish four general types of production, differing from each other only in minor details.

The most numerous type was what are now called alabastrons. This name is also applied to small vessels carved from the mineral alabaster. This material is easily worked by suitable tools, and was in general use in ancient times, though it suffers from the disadvantage that it is stained by substances placed in it. It is not known whether the word, alabastron, was applied to the unguents originally, or whether it was a name for the container, whether made of alabaster or glass. It is interesting to speculate whether the alabaster box which Mary broke to anoint the feet of Jesus was of genuine alabaster or a product of Egyptian glass factories. Either container would have been equally costly.

The alabastrons, or alabastrai, to use the Greek plural, were small slender vessels some 4 or 5 inches in height. They were made of various colored materials, brown-violet, blue, greenish or greenish-black, and yellow. Body was made of one color and decorations of a



contrasting color. There was a narrow neck with a flaring, outturned rim. Generally there are two handles on the body, small and ear-shaped, with holes which could be threaded by a cord for suspension of the flask. The method of manufacture made it difficult to produce a base or bottom on which the vessel could be placed. Instead a ring, often of metal, was provided in which the object could be placed. Decorations were inlaid in crisscross patterns and festoons, covering the body.

Another type of vessel was the amphoriskoi. These were shorter and broader, and they tend to follow a fixed style of color and ornamentation, the latter often in the form of broad belts around the body. This type had a small foot on which the vessel could rest precariously. It was provided with true carrying handles, starting at the body and ending at the top of the small neck. The early glassmakers evidently did not trust the weight of their products to glass handles fused to the body. They reinforced their handles with metal tubes. But the vessels were not intended to be suspended from a cord, and hence were not easily carried about from place to place.

Still another type was the arayballoi, which were more nearly spherical in shape. The handles were again of the ear pattern, with holes for a cord, and with curious projections and decorations on the handle itself. Comparatively few of this type have been found.

Finally we have the true juglike vessel. These were somewhat larger, and seem to have been used mainly by athletes and physical exercise devotees to contain oil rather than cosmetics. They are found mingled with masculine bones in the graves which have been excavated. They were shaped with three lips to facilitate pouring, and with large handles. Some of them were provided with projecting feet to permit stability when put down. The ornamentation was various and became bolder and more imaginative after 400 B.C., when Greek influence became important. The Greeks also seem responsible for an adaptation of the pug to the bowl or goblet form, which could be done by cutting off the top of the jug, leaving a roughly hemispherical drinking glass. Thus was the original purpose of glass perverted from a container of precious unguents to an instrument useful in everyday life. And that, of course, brings us to the dawn of the modern era in glassmaking.

About that time also a slightly improved process of shaping glass was invented. It was called the millefiori method. The procedure was to place a number of comparatively long glass tubes side by side and fuse them together under heat. Larger vessels were possible, and shapes could be varied to suit needs and tastes. But in 200 or 300 years the millefiori process was outdated. Somebody found out that glass could be melted and blown into form and shape. And that was the death knell of the ancient glass industry. The technological unemployment resulting is difficult to measure or imagine. A whole in-

dustry was dislocated. Its purpose in life, to provide dainty toys for the idle rich, was destroyed. An entirely new industry, devoted to the common good, took its place, but with new technicians and employing new skills. After about 100 B.C., sand-core glass vanished from the marts of trade, and your predecessors started the vast development of glass production and glass use which may someday bring in the age of glass to displace the age of metals.

It seems to be fair to say that the modern glass industry has solved, or is solving, every problem that is placed before it, except one. That is, what to do with broken, useless glass. As you melt mountains of sand into glass, the customer uses it and throws it away, the trash collector hauls it off and buries it in some glass cemetery. There it accumulates and rests unchanged by the centuries and the elements. No moth or worm doth corrupt and resolve the substance into its constituent elements to be reborn in the crucible of time in fairer form or shape. Is it possible that some traveler 10 million years hence, from some far-distant galaxy shall accidentally stumble upon a long-dead earth, and conclude that it was originally constituted wholly of glass?

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ALFORD (at the request of Mr. MILLS), for today, May 25, 1961, on account of death in family.

Mr. KNOX (at the request of Mr. HALLECK), for 2 weeks on account of illness.

Mr. THOMPSON of New Jersey (at the request of Mr. KITCHIN), for today, May 25, 1961, on account of official business.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HOSMER, for 30 minutes today, to revise and extend his remarks, and include extraneous matter.

Mr. BAILEY, for 5 minutes today.

Mr. HOFFMAN of Michigan, for 10 minutes, on Monday, May 29, Thursday, June 1, and Monday, June 5, and to revise and extend his remarks and include a newspaper article.

Mr. SCHWENGEL (at the request of Mr. LANGEN), for 30 minutes today.

Mr. STAGGERS (at the request of Mr. CORMAN), for 10 minutes today, to revise and extend his remarks, and to include extraneous matter.

#### EXTENSION OF REMARKS

By unanimous consent, permission, to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. SCHENCK, to revise and extend his remarks made in his special order, and to include extraneous matter.

Mr. PHILBIN in two instances.

(The following Members (at the request of Mr. GOODELL) and to include extraneous matter:)

Mr. KEARNS.

Mr. ROUBEUSH.

Mr. VAN ZANDT.

(The following Members (at the request of Mr. CORMAN) and to include extraneous matter:)

Mr. MACDONALD.

Mr. CELLER.

Mr. KOWALSKI.

Mr. CLARK.

Mr. COAD.

#### ADJOURNMENT

Mr. CORMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 32 minutes p.m.), under its previous order, the House adjourned until Monday, May 29, at 12 o'clock noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

953. A letter from the Postmaster General, transmitting a draft of a proposed bill entitled "A bill to amend title 39 of the United States Code relating to funds received by the Post Office Department from payments for damage to personal property, and for other purposes"; to the Committee on Post Office and Civil Service.

954. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated September 29, 1960, submitting a report, together with accompanying papers and illustrations, on a review of reports on Big South Fork, Cumberland River, Ky. and Tenn., requested by resolutions of the Committees on Public Works, U.S. Senate and House of Representatives, adopted March 12, 1949, and April 18, 1951 (H. Doc. No. 175); to the Committee on Public Works and ordered to be printed with five illustrations.

955. A letter from the Administrator, Federal Aviation Agency, transmitting a draft of a proposed bill entitled "A bill to create the National Capital Airports Corporation, to provide for the operation of the federally owned civil airports in the District of Columbia or its vicinity by the corporation, and for other purposes"; to the Committee on Interstate and Foreign Commerce.

956. A letter from the Chairman, Alaska International Rail and Highway Commission, transmitting the final report of the Alaska International Rail and Highway Commission, pursuant to Public Law 884, 84th Congress (H. Doc. No. 176); to the Committee on Interior and Insular Affairs and ordered to be printed with illustrations.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CELLER: Committee on the Judiciary. S. 847. An act to change the name of the Army and Navy Legion of Valor of the United States of America, Inc.; with amendment (Rept. No. 429). Referred to the House Calendar.

Mr. O'BRIEN of New York: Committee on Interior and Insular Affairs. H.R. 4750. A bill to amend section 6(a) of the Virgin Islands Corporation Act; with amendment (Rept. No. 430). Referred to the Committee of the Whole House on the State of the Union.

Mr. PASSMAN: Committee of conference. H.R. 6518. A bill making appropriations for the inter-American social and economic co-operation program and the Chilean reconstruction and rehabilitation program for the fiscal year ending June 30, 1961, and for other purposes (Rept. No. 431). Ordered to be printed.

Mr. FORRESTER: Committee on the Judiciary. H.R. 6691. A bill to amend title 18, United States Code, sections 871 and 3056, to provide penalties for threats against the successors to the Presidency, to authorize their protection by the Secret Service, and for other purposes; without amendment (Rept. No. 432). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIS: Committee on the Judiciary. H.R. 5343. A bill to amend section 5021 of title 18, United States Code; without amendment (Rept. No. 433). Referred to the House Calendar.

Mr. WILLIS: Committee on the Judiciary. H.R. 6243. A bill extending to Guam the power to enter into certain interstate compacts relating to the enforcement of the criminal laws and policies of the States; without amendment (Rept. No. 434). Referred to the House Calendar.

Mr. WILLIS: Committee on the Judiciary. H.R. 6834. A bill to amend section 35 of title 18, United States Code; without amendment (Rept. No. 435). Referred to the House Calendar.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HARRIS:

H.R. 7333. A bill to amend the Communications Act of 1934, for the purpose of facilitating the prompt and orderly conduct of the business of the Federal Communications Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. BAKER:

H.R. 7334. A bill to establish Regional Public Park at Oak Ridge, Tenn.; to the Joint Committee on Atomic Energy.

By Mr. DAGUE:

H.R. 7335. A bill to amend the Packers and Stockyards Act, 1921, to provide that marketing agencies acting in good faith shall not be liable for selling livestock mortgaged under the Bankhead-Jones Farm Tenant Act until the Secretary has exhausted his civil remedies against the mortgagor; to the Committee on Agriculture.

By Mr. DOWNING:

H.R. 7336. A bill to authorize the Secretary of the Interior to make loans to certain producers of oysters, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. FENTON:

H.R. 7337. A bill to provide for adjusting conditions of competition between certain domestic industries and foreign industries with respect to the level of wages and the working conditions in the production of articles imported into the United States; to the Committee on Ways and Means.

By Mr. FINO:

H.R. 7338. A bill to amend section 9 of the Federal Reserve Act, as amended, section 18(d) of the Federal Deposit Insurance Act, and section 5155 of the Revised Statutes,

as amended, and for other purposes; to the Committee on Banking and Currency.

H.R. 7339. A bill to provide that no member of the Board of Directors of the Federal Deposit Insurance Corporation shall hold any other public office or position and for other purposes; to the Committee on Banking and Currency.

By Mr. HALPERN:

H.R. 7340. A bill to authorize assistance to public and other nonprofit institutions of higher education in financing the construction, rehabilitation, or improvement of needed academic and related facilities, and to authorize scholarship grants for undergraduate study in such institutions; to the Committee on Education and Labor.

By Mr. HARRIS:

H.R. 7341. A bill to extend the provisions of title XIII of the Federal Aviation Act of 1958, relating to war risk insurance; to the Committee on Interstate and Foreign Commerce.

H.R. 7342. A bill to amend section 1(14) (a) of the Interstate Commerce Act to insure the adequacy of the national railroad freight car supply, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 7343. A bill to amend sections 216(c) and 305(b) of the Interstate Commerce Act, relating to the establishment of through routes and joint rates; to the Committee on Interstate and Foreign Commerce.

By Mr. HEALEY:

H.R. 7344. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer a deduction from gross income for tuition and other expenses paid by him for the education of any of his dependents at a parochial or private elementary or secondary school; to the Committee on Ways and Means.

By Mr. KEOGH:

H.R. 7345. A bill to provide a more definitive tariff classification description for lightweight bicycles; to the Committee on Ways and Means.

By Mr. LANGEN:

H.R. 7346. A bill to amend and extend the provisions of the Sugar Act of 1948, as amended; to the Committee on Agriculture.

By Mr. LIBONATI:

H.R. 7347. A bill to carry into effect a provision of the Convention of Paris for the Protection of Industrial Property as revised at Lisbon, Portugal, October 31, 1958; to the Committee on the Judiciary.

By Mr. McDOWELL:

H.R. 7348. A bill to amend the Internal Revenue Code of 1954 with respect to the taxation of distributions of stock and dispositions of property made pursuant to orders enforcing the antitrust laws; to the Committee on Ways and Means.

By Mr. MASON:

H.R. 7349. A bill to amend the Internal Revenue Code of 1954 so as to provide that certain distributions of stock made pursuant to orders enforcing the antitrust laws shall not be treated as dividend distributions but shall be treated as a return of basis and result in gain only to the extent basis of the underlying stock is exceeded; to the Committee on Ways and Means.

By Mr. MILLER of New York (by request):

H.R. 7350. A bill to amend section 8c(2) of the Agricultural Adjustment Act (of 1933) as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, so as to provide for the removal of the regional restriction on apples eligible for marketing orders and to make all apples, both for fresh fruit sale and for processing, eligible for marketing orders, but providing that apple products which are canned or frozen

are not so eligible; to the Committee on Agriculture.

By Mr. NYGAARD:

H.R. 7351. A bill to amend and extend the provisions of the Sugar Act of 1948, as amended; to the Committee on Agriculture.

H.R. 7352. A bill to authorize a 3-year program to assist States in meeting the costs of providing education to their children; to the Committee on Ways and Means.

By Mr. RIVERS of South Carolina:

H.R. 7353. A bill to amend title 18, United States Code, to proscribe travel in interstate or foreign commerce for purposes of inciting to riot or committing other unlawful acts; to the Committee on the Judiciary.

By Mr. SHORT:

H.R. 7354. A bill to amend and extend the provisions of the Sugar Act of 1948, as amended; to the Committee on Agriculture.

By Mr. WALTER:

H.R. 7355. A bill to provide that the House of Representatives shall be composed of 439 Members beginning with the 88th Congress; to the Committee on the Judiciary.

By Mr. WINSTEAD:

H.R. 7356. A bill to amend title II of the Career Compensation Act of 1949 so as to provide that certain members of the uniformed services shall not be entitled to receive any pay or allowances from the United States after engaging in any activity or conduct, while a prisoner of war, which results in the giving of aid or comfort to an enemy of the United States; to the Committee on Armed Services.

By Mr. ABERNETHY:

H.R. 7357. A bill to amend title II of the Career Compensation Act of 1949 so as to provide that certain members of the uniformed services shall not be entitled to receive any pay or allowances from the United States after engaging in any activity or conduct, while a prisoner of war, which results in giving of aid or comfort to an enemy of the United States; to the Committee on Armed Services.

By Mr. CELLER:

H.R. 7358. A bill to amend section 4126 of title 18, United States Code, with respect to compensation to prison inmates for injuries incurred in the course of employment; to the Committee on the Judiciary.

By Mr. FLYNT:

H.R. 7359. A bill to amend section 90 of title 28, United States Code, so as to provide for a new division within the northern judicial district of the State of Georgia, and for other purposes; to the Committee on the Judiciary.

By Mr. HENDERSON:

H.R. 7360. A bill to retrocede to North Carolina jurisdiction over the southern, eastbound lanes of North Carolina Highway 24, and the eastern, northbound lanes of U.S. Highway 17, as these highways traverse and parallel Camp Lejeune, N.C.; to the Committee on Armed Services.

By Mr. RHODES of Pennsylvania:

H.R. 7361. A bill to amend the act of October 30, 1951, by placing an annual limitation on publishers' second-class mail subsidies; to the Committee on Post Office and Civil Service.

By Mr. CELLER:

H.J. Res. 435. Joint resolution to provide for recognition of the centennial of the establishment of the Department of Agriculture, and for other purposes; to the Committee on the Judiciary.

H.J. Res. 436. Joint resolution to provide for recognition of the centennial of the establishment of the national system of land-grant universities and colleges; to the Committee on the Judiciary.

By Mr. ROSTENKOWSKI:

H. Res. 317. Resolution establishing a Special Committee on the Captive Nations; to the Committee on Rules.