and participation in World War II left the country in a deplorable condition.

Since the close of World War II, Italy has made great strides in a closer unification of north and south, a more equitable distribution of the economic improvements; a modern nation in every sense of the word. Much of this improvement can be attributed to American aid. However, much remains to be done to bring about a stable political situation and continued economic growth. With continued help and understanding, I believe we will see rapid strides toward these goals.

The Italians who emigrated to the United States have contributed greatly to our culture, our economy, and our own national growth, and many have achieved positions of distinction and honor. It is, therefore a pleasure to join with them and the Italian nation in commemorating the 100th anniversary of the unification of Italy. We wish for that country a long, peaceful period, so that their progress may continue its rapid upward growth, and they may thus strengthen the free, democratic world.

Tribute to Julius I. Kislak

EXTENSION OF REMARKS

OF

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 29, 1961

Mr. RODINO. Mr. Speaker, I want to welcome Julius I. Kislak and his organization to the 10th Congressional District.

Mr. Kislak, a dynamic septuagenarian, has been contributing to the growth of New Jersey for 55 years as the head of J. I. Kislak, Inc., the State's largest real estate, mortgage banking, and insurance firm.

His move to 581 Broad Street in Newark—after 55 years in Hudson County—is significant. It is indicative of the resurgence of downtown Newark and the desire of big business in our State to use Newark as a home base.

Like Newark—and the rest of the 10th Congressional District—the Kislak organization is growing. And I am happy that Mr. Kislak has chosen to become a partner in this growth.

I feel that his personal ability, augmented by the hard-driving organization of more than 300 persons, will become a forceful arm in the social and economic betterment of my district and State.

We expect this from J. I., because Mr. Kislak is not the average person by any means. His exceptional real estate accomplishments have been hard won.

Mr. Kislak began his career in the home of his parents at 406 Clinton Street, Hoboken. There, in 1904, Mr. Kislak got his first taste of the real estate business.

His father was an immigrant of little means. However, he had succeeded in accumulating sufficient funds to purchase a $3,500 house in Hoboken, which he traded for five others.

Then his father took a trip to Palestine and the job of managing these units fell to the young Kislak—and so did the problem of getting new mortgages.

Soon thereafter he obtained a notary public license and then in 1906 hung out his real estate shingle over his doorstep. In 1909 he rented space in the Jersey Observer building in Hoboken.

During World War I, Mr. Kislak served as a sergeant in the Quartermaster Corps, negotiating industrial leases for the U.S. Army.

It was in the mid-1920's that Mr. Kislak moved his offices from River Street in Hoboken to Journal Square, Jersey City.

The Kislak organization, often referred to as the "department store of the real estate business," is active in chain-store leasing, shopping centers, industrial sales and leases, apartment house investments, commercial property sales, property management, homes, appraisals, mortgages and mortgage banking, general insurance and life insurance.

And Mr. Kislak, his voice booming, is still putting in 18-hour days, keeping a firm grasp on the day-to-day operation of his organization.

He is up at 6:30 daily, checking his work-filled attaché case and planning his tomorrows. His mind is sharp and quick to move on an important deal or philanthropic project.

Mr. Kislak is active in the United Jewish Appeal of Essex County, the American Jewish Committee's Institute of Human Relations, Anti-Defamation League of B'nai B'rith and the Technion Institute of Israel.

He is a member of the Newark Association of Commerce and Industry, New Jersey Historical Society, New Jersey State Chamber of Commerce, and the Jersey City Chamber of Commerce.

I sincerely hope that Mr. Kislak will have many more fruitful and productive years to devote toward his family, his community, and his business.

I am confident that his energy, his talents, and his organization, will be of great benefit to the social and economic betterment of the 10th Congressional District and our great State of New Jersey.

SENATE

THURSDAY, JUNE 1, 1961

The Senate met at 12 o'clock meridian, and was called to order by the President pro tempore.

Rev. James A. Payne, Jr., pastor, First Presbyterian Church, Annandale, Va., offered the following prayer:

Almighty Governor of the Universe, who dost see without distortion and judge without prejudice the motives and deeds of individuals and nations, as the Members of this body seek today to carry out the weighty responsibilities placed upon them by the high privilege of their elected office, enable them to acknowledge honestly before Thee the frailty of all human endeavor, and so to reorient their lives to that true standard of personal character which Thou hast set forth in history that they may conduct the matters before them in accordance with Thy holy will.

Harken to us as we invoke Thy special blessing upon the journey of our President. Augment Thy gifts already bestowed upon him with the gift of Thy spirit, so that, in consultation and cooperation with the leaders of nations both friendly and hostile to our way of life, he may contribute to the easing of international tensions and to the uplifting of the peoples of the world to that state of dignity and personal worth which Thou dost intend for all mankind.

Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Monday, May 29, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT

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

EXECUTIVE MESSAGES REFERRED

As in executive session,

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

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

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

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

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Patents, Trademarks, and Copyrights Subcommittee and the Antitrust and Monopoly Subcommittee of the Judiciary Committee were authorized to meet during the session of the Senate today.

On request of Mr. JOHNSTON, and by unanimous consent, the Committee on Agriculture and Forestry was authorized to meet during the session of the Senate today.

On request of Mr. MANSFIELD, and by unanimous consent, the Committee on

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Finance was authorized to meet during the session of the Senate today.

On request of Mr. HUMPHREY, and by unanimous consent, the Internal Security Subcommittee of the Judiciary Committee was authorized to meet during the session of the Senate today.

EXECUTIVE COMMUNICATIONS, ETC.

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

PEACE CORPS ACT

A communication from the President of the United States, transmitting a draft of proposed legislation to provide for a Peace Corps to help the peoples of interested countries and areas in meeting their needs for skilled manpower (with an accompanying paper); to the Committee on Foreign Relations.

PROPOSED MODIFICATION OF NATIONAL AERONAUTICS AND SPACE ADMINISTRATION FACILITIES AT LEWIS RESEARCH CENTER, CLEVELAND, OHIO

A letter from the Deputy Administrator, National Aeronautics and Space Administration, Washington, D.C., reporting, pursuant to law, the proposed modification of its facilities at Lewis Research Center, Cleveland, Ohio; to the Committee on Aeronautical and Space Sciences.

ADVANCES OF PAY TO CERTAIN MEMBERS OF THE ARMED FORCES

A letter from the Under Secretary of the Navy, transmitting a draft of proposed legislation to provide for advances of pay to members of the armed services in cases of emergency evacuation of military dependents from oversea areas, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

REPORT ON AIR FORCE CONTRACT WITH THE MAGNAVOX CO., FORT WAYNE, IND.

A letter from the Comptroller General of the United States, reporting, pursuant to law, on Department of the Air Force negotiated contract AF 33 (600)—31283 to the Magnavox Co., Fort Wayne, Ind., for ARC-34 communications equipment; to the Committee on Government Operations.

REPORT ON REVIEW OF ADMINISTRATION OF DEPENDENTS' MEDICAL CARE PROGRAM BY DEPARTMENT OF THE ARMY

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of administration of the dependents' medical care program by the Department of the Army, dated May 1961 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON BOARD FOR FUNDAMENTAL EDUCATION

A letter from Ross McCord Ice and Miller, Indianapolis, Ind., transmitting, pursuant to law, an audit report on the Board for Fundamental Education, covering the calendar year ended December 31, 1960 (with an accompanying report); to the Committee on the Judiciary.

AGE LIMITS IN CONNECTION WITH APPOINTMENTS TO U.S. PARK POLICE

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation relating to age limits in connection with appointments to the U.S. Park Police (with an accompanying paper); to the Committee on Post Office and Civil Service.

REPORT OF BOARD OF ACTUARIES OF CIVIL SERVICE RETIREMENT SYSTEM

A letter from the Chairman, U.S. Civil Service Commission, Washington, D.C., transmitting, pursuant to law, a report of the Board of Actuaries of the Civil Service Retirement System, for the fiscal year ended June 30, 1959 (with an accompanying report); to the Committee on Post Office and Civil Service.

DEVELOPMENT AND TRAINING OF MANPOWER RESOURCES—COMMUNICATION FROM THE PRESIDENT

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the communication from the President of the United States transmitted to the Senate on May 29, 1961, relating to the development and training of manpower resources be printed in the RECORD, together with a letter from the Secretary of Labor and a statement in explanation of the bill.

There being no objection, the communication, letter and statement of explanation were ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, D.C., May 29, 1961.

Hon. LYNDON B. JOHNSON,
President of the U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I am transmitting herewith a draft of a bill designed to carry out the recommendation contained in my message of May 25 to the Congress providing for the training and retraining of several hundred thousand workers in new occupational skills over a 4-year period.

The need for prompt enactment of this legislation is clear. As I stated in my message, this measure is of special importance in abating unemployment and achieving full use of our resources, as well as in meeting the occupational demands of our Nation's expanded defense, space, aid, and trade programs.

The unemployed whose skills have been rendered obsolete by automation and other technological changes must be equipped with new skills enabling them to become productive members of our society once again. The skills of other workers must also be improved to enable them to meet the more demanding requirements of modern industry.

Also enclosed is a letter sent me by the Secretary of Labor describing the legislation more fully, and a memorandum explaining the draft bill in detail. A similar letter is being sent the Speaker of the House of Representatives.

Sincerely,

JOHN F. KENNEDY.

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, D.C., May 26, 1961.

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed herewith is a draft bill relating to the training and development of the manpower resources of the Nation, and a statement explaining in some detail its purpose and provisions. As you indicated in your message of May 25 to the Congress, this legislation is of the utmost importance in dealing with the problems of unemployment and in meeting the occupational demands of the Nation.

The five titles of the bill are related, each dealing with aspects of the same broad subject matter. The bill as a whole is designed to deal with the problems presented by the large numbers of unemployed workers who cannot reasonably be expected to secure full-time employment without retraining, as well as the need of the Nation to upgrade the skills of its work force so that it will be qualified for the types of jobs that are and will be available in our highly advanced industrial society.

This bill proposes to deal with these problems through the development of new and accelerated training and retraining programs designed to provide unemployed persons whose skills have become obsolete the opportunity for retraining in skills which are, or will be, in demand in the labor market. On-the-job and related training will be developed through the Department of Labor; vocational education and training through the Department of Health, Education, and Welfare.

Since the unemployed whose skills are obsolete are generally unable to undertake a training program without financial assistance, this bill authorizes Federal payment of a minimum level of income, for a maximum period of 52 weeks, to such people while they are undergoing retraining. In addition, Federal payments are authorized to finance the movement of certain unemployed workers and their families who are willing to relocate to other areas of the country where jobs have been offered to them.

Title I will enable the Secretary of Labor to review the national skill development efforts and stimulate public and private actions needed to achieve improved balance between occupational resources and requirements. It will authorize the Department of Labor to make needed studies of the problems created by automation, technological progress, and other changes in the structure of production, as well as methods of encouraging the mobility of labor.

Title II directs the Secretary of Labor to develop and encourage the development of broad and diversified on-the-job and related training and retraining programs, and encourage the development of vocational training programs. Those unemployed persons will be eligible for training under the bill who cannot reasonably be expected to secure full-time employment without retraining. Other workers will also be eligible who need training and instruction in order to qualify them for the types of jobs that are and will be available in the Nation's industries. To carry out these programs, the Secretary of Labor is directed to provide appropriate methods for the selection of workers for training, for determining the skills for which they should be trained, for referral of the workers for training, and for placement services to them after they have completed their training.

Titles III and IV of the bill generally divide responsibilities for the training programs to be conducted under this bill between the Department of Labor and the Department of Health, Education, and Welfare. Primary responsibility for on-the-job and related training programs will rest with the Department of Labor. Primary responsibility for vocational education and training programs will rest with the Department of Health, Education, and Welfare. Detailed provisions governing the manner in which each of the agencies shall operate in their respective spheres are set forth in the bill.

Title V contains general provisions which authorize the Secretary of Labor, in order to avoid unnecessary expense and duplication of functions among Government agencies, to use available services or facilities of existing Federal agencies and instrumentalities of

the Federal Government, with their consent and on a reimbursable basis.

You have directed that the present National Vocational Education Acts be thoroughly reviewed and evaluated and recommendations made for improving the programs under those acts. The administration has, therefore, already recommended to the Congress that certain vocational education programs which are about to expire be extended for a temporary period pending the receipt of these recommendations. Similar temporary authority, for a 4-year period, is provided for the programs under this bill.

Yours sincerely,

ARTHUR J. GOLDBERG,
Secretary of Labor.

STATEMENT IN EXPLANATION OF A BILL RELATING TO THE DEVELOPMENT AND TRAINING OF THE MANPOWER RESOURCES OF THE NATION

This bill is designed to provide broad and integrated programs to help workers to adjust to the problems which arise out of automation and technological change and foreign competition, as well as to provide for the effective development and use of the Nation's manpower to meet the skill requirements of the economy.

It is of preeminent importance to achieve maximum levels of employment, production and purchasing power, in accord with the national commitment set out in section 2 of the Employment Act of 1946. To achieve these goals, it is essential that there be rapid technological progress. Automation and other technological advancements are essential developments, necessary if we are to survive in a competitive world. It is the development of improved technology which holds promise for greater productivity, higher wages, and higher standards of living for the workers of this Nation.

The short-term effects of automation and technological change can impair the livelihood of individual displaced workers and can depress the economies of entire communities. The remedy, however, is not to stay the development of an improved technology. Instead, it is to find solutions for the problems which this progress creates for workers.

This bill is designed to provide some of these solutions through the development of new training and retraining programs designed to provide unemployed persons whose skills have become obsolete the opportunity for retraining in skills which are, or will be, in demand in the labor market.

This bill is also designed to permit upgrading of the skills of other workers who will have to acquire higher levels of training and education to meet the more complicated requirements of jobs that are and will be available in our highly advanced industrial society.

The objective of these proposed manpower development and training programs is to strengthen our manpower services and occupational training programs both in classrooms and on the job. They will build on the base of existing Federal-State employment service and vocational training programs and will make available additional Federal resources to supplement and improve these programs so that they may better meet national manpower needs.

Diversified types of training programs will be provided under the direction of the Department of Labor and the Department of Health, Education, and Welfare. Maximum cooperation of all groups in the community—employers, labor, civic groups, educational institutions and others—will be enlisted in providing the facilities and services needed.

Since the persistently unemployed in need of retraining are unable to undertake a training program without financial assistance, Federal payment of a minimum level of income to trainees from this group is provided. In addition, Federal payments are authorized to finance the movement of certain unemployed workers and their families who are willing to relocate to other areas of the country where jobs are known to be available.

To further the broad training purposes of this bill, title I directs the Secretary of Labor to maintain a continuing overall review of the national skill development effort and to stimulate public and private actions needed to achieve improved balance between occupational resources and requirements as well as accelerated upgrading of skill levels generally.

Title II directs the Secretary of Labor to develop, and encourage the development of, broad and diversified on-the-job and related training and retraining programs, and encourage the development of vocational training programs, designed (1) to qualify for reemployment unemployed persons who cannot reasonably be expected to secure full-time employment without retraining, and (2) to provide the training and instruction needed to upgrade the skills of other persons in the labor force to qualify them for the types of jobs that are and will be available in the Nation's industries.

To carry out these programs, the Secretary is directed to provide appropriate methods for testing, counseling, and selecting workers for occupational training, for determining the skills for which they should be trained, for referral of the workers for training, and for placement services to them after they have completed their training.

Unemployed workers who cannot secure full-time employment without retraining generally are unable to undertake a training program without financial assistance. Title II, therefore, authorizes Federal payment of a minimum level of income to individuals in this group who are selected to undergo training. This Federal allowance for full-time retraining is not to exceed the average weekly unemployment compensation paid in the State.

The allowance for unemployed individuals undergoing on-the-job training is not to exceed 50 percent of the average weekly unemployment compensation or the amount paid by the employer, whichever is the lesser, and in no case an amount which when added to the hourly wages received from an employer will bring the total weekly compensation to more than $46.

Training for reemployment could be obviated in some cases if an existing skill no longer needed in one area was transported to another. In such circumstances, it seems desirable to increase labor mobility by authorizing the Secretary of Labor to assist individuals involuntarily unemployed for 6 months or more, whose skills, while no longer useful in their present community, could be employed elsewhere, to relocate to other areas of the country where jobs are known to be available to them, by paying 50 percent of the relocation cost. The Secretary will, of course, develop appropriate standards to avoid excessive costs, possible abuses, or unnecessary relocation.

Although priority is to be given the unemployed who cannot reasonably be expected to secure full-time employment without retraining, and only this group is to be eligible for Federal allowances for training and relocation, other persons will have access to the training provided. The facilities of the Department of Labor and the training programs operated under this act are to be utilized to the maximum extent possible to help the worker whose skills are not sufficient to enable him to participate fully in the Nation's economy.

Title III of this bill directs the Secretary of Labor to encourage and develop broad on-the-job and related training programs to provide the workers who have been selected for training with the appropriate skills, and to secure the adoption of such programs through the cooperation of appropriate community groups or public or private agencies qualified to conduct such programs. In addition, the Secretary of Labor is authorized to provide such additional on-the-job and related training programs and facilities as he finds necessary.

Title III also specifies certain minimum standards for the operation and content of on-the-job or related training programs and requires the Secretary of Labor to make appropriate provision for continuous supervision of these programs to insure the quality of the training provided. The Secretary of Labor is authorized to enter into an agreement with a State or with the appropriate agency of the State providing for the utilization of State services and employees to carry out the functions and duties assigned to him under title III of this bill.

Title IV of the bill directs the Secretary of Health, Education, and Welfare to enter into agreements with the States under which the States will provide the vocational training needed to equip individuals referred by the Secretary of Labor for the occupations specified in the referral. As in title III, although priority in placement for training under title IV will be given to the unemployed, the vocational training programs operated under this title will also be available to other individuals the Secretary refers for the purpose of upgrading their skills.

The vocational training programs of title IV are to be provided through the appropriate State vocational education agencies using public facilities, but if they are not adequate, using private educational or training institutions. The Secretary of Health, Education, and Welfare shall provide the needed training through public or private institutions if there is no State agreement or the State agency does not provide the training. Agreements entered into between the Secretary of Health, Education, and Welfare and the State agencies may provide for payment to the agencies of up to 100 percent of the cost to the State of carrying out the agreement with respect to unemployed individuals, and up to 50 percent of the cost with respect to other individuals, and must contain provisions for reports on the attendance and performance of trainees and for continuous supervision of the training programs conducted.

Title V of the bill contains general provisions which authorize the Secretary of Labor, in order to avoid unnecessary expense and duplication of functions among Government agencies, to use the available services or facilities of existing Federal agencies and instrumentalities of the Federal Government, with their consent and on a reimbursable basis, and authorize funds appropriated under the act to be transferred, with the approval of the Director of the Bureau of the Budget, between departments and agencies of the Government.

The President has directed that the present National Vocational Education Acts be thoroughly reviewed and evaluated and recommendations made for improving these programs. The administration has therefore recommended to the Congress that certain vocational education programs which are about to expire be extended for a temporary period pending the receipt of these recommendations. Similarly, temporary authority, for a 4-year period, is requested for

the programs incorporated in titles II through IV of this bill. Titles I and V deal with general authority of a continuing nature and are thus not subject to a time limitation.

PETITIONS AND MEMORIALS

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

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California; to the Committee on Agriculture and Forestry:

"ASSEMBLY JOINT RESOLUTION 25

"Joint resolution relative to extending and expanding the school milk program

"Whereas the health, growth and physical fitness of our school children is a matter of paramount importance to the Nation; and

"Whereas milk is one of the foods most needed by school children for proper health, growth, and physical fitness; and

"Whereas in many areas of the United States children are unable to obtain sufficient milk at home for proper health, growth, and physical fitness; and

"Whereas in recognition of this need on the part of our school children for milk and the inability of many children to obtain sufficient milk, the Government of the United States has instituted and maintained a school milk program; and

"Whereas the school milk program, unless extended, will terminate on June 30 of this year and leave hundreds of thousands of our school children without its many benefits: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to extend and expand the school milk program in order that our school children will continue to receive sufficient milk for their continued health, growth, and physical fitness; and be it further

"Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Armed Services:

"ASSEMBLY JOINT RESOLUTION 33

"Joint resolution relative to the stockpiling of food, clothing, and medicines in appropriate areas of California

"Whereas in the event of an outbreak of major hostilities between the United States and an enemy power intent upon our destruction, the primary targets of any enemy would probably include the main centers of population in California and the major military establishments in this State; and

"Whereas for the most part, the stores of food, clothing, and medicines in California are located in or near the main centers of population of the State, the same areas that would in all likelihood be destroyed or contaminated by radioactive fallout, in the event of an attack; and

"Whereas without substantial stores of food, clothing and medicines the citizens of California cannot hope to survive an attack or to assist in the defeat of our enemies; and

"Whereas there are in the several portions of this State vast areas accessible by means of adequate roads and railway facilities, which are located at some distance from any primary target areas, out of the probable fall-out patterns; and

"Whereas the stockpiling of food, clothing, and medicines in these areas would preserve these vital items from destruction or contamination in the event of enemy attack: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to undertake the stockpiling of food, clothing, and medicines in the appropriate areas of this State in order to better prepare our citizens to survive any possible future conflict; and be it further

"Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Foreign Relations:

"ASSEMBLY JOINT RESOLUTION 37

"Joint resolution relative to securing a Nubian temple to be located in California

"Whereas it has come to the attention of the people of the world that the Aswan Dam now being constructed on the Nile River in Egypt will inundate the fabled Nubian Valley; and

"Whereas the world will, upon the completion of this work, lose the priceless treasures of early civilization including such ancient monuments as the Semna Fort (erected 2000 B.C.), Buhen Temple (erected 1500 B.C.), Abu Simbel, Gerf Hussein and Sebua Temples (erected 1300 B.C.); and

"Whereas the United Arab Republic and Sudan have launched into the tremendous task of conservation of the treasures for future generations and have offered them for sale to UNESCO and foreign nations; and

"Whereas the President of the United States, John F. Kennedy, has proposed that the U.S. Government give $10 million for the preservation of these temples; and

"Whereas Lucile Carnes, secretary of the Indio Chamber of Commerce, has initiated a program to secure one of the Nubian temples for location and preservation in Indio, Riverside County, Calif., a climate and surrounding very similar to that found in Egypt and which will lend a great deal of atmosphere and interest to those works of art; and

"Whereas Mr. John A. Wilson of the University of Chicago and executive secretary of the U.S. National Committee for the Preservation of Nubian Monuments, has shown a real interest in this movement and aided the Indio Chamber of Commerce in the project; and

"Whereas Mr. Vittorino Veronese, Director General, UNESCO, now advises that the United Arab Republic is seriously considering the offer of the Indio Chamber of Commerce; and

"Whereas this will offer a rare museum of early civilization and historical interest within our State as a cultural and educational attraction for all people: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorialize the President and the Congress of the United States to provide funds and institute negotiations with the appropriate agencies of the Governments of the United Arab Republic and Sudan, and with the UNESCO to the end that they try to secure for location at Indio, in the State of California, one of the Nubian temples, as a cultural and educational monument in the United States; and be it further

"Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A resolution of the House of Representatives of the State of Florida; to the Committee on Labor and Public Welfare:

"HOUSE MEMORIAL 815

"Memorial to the Congress of the United States to expand the Veterans' Administration's hospital facilities in the State of Florida

"Whereas there exists, at the present time, an acute shortage of beds and facilities in Veterans' Administration's hospitals in the State of Florida, and

"Whereas the acute shortage of Veterans' Administration's hospital facilities has been occasioned by the lag of new facilities in the State of Florida, behind the average across the United States, and

"Whereas the acute shortage of Veterans' Administration's hospital facilities has been further occasioned by the greatly increased veteran population in the State of Florida during recent years, and

"Whereas the people of the United States, upon learning of the plight of the veterans who so valiantly defended this great country in time of need, will desire the necessary increase of veterans' hospitals and facilities to adequately care for these deserving men: Now, therefore, be it

"Resolved by the Legislature of the State of Florida, That the Congress of the United States is hereby memorialized and respectfully urged to increase the number of beds and other facilities in the Veterans' Administration's hospitals in the State of Florida;

"That copies of this memorial be transmitted forthwith by the secretary of state of the State of Florida to the President of the United States, the President of the Senate and the Speaker of the House in the U.S. Congress, to each member of the Florida delegation to the Congress of the United States, and to the Administrator of the Veterans' Administration; and

"That a copy of this memorial be spread upon the Journal of both the Senate and the House of Representatives."

A resolution adopted by the Republican Committee of One Hundred, Inc. of New York City, N.Y., favoring a reaffirmation that the Monroe Doctrine is as valid and effective today as when first adopted; to the Committee on Foreign Relations.

Three resolutions adopted by Pennsylvania for America, in Wayne, Pa., relating to Cuba, the Dominican Republic, and the Connally reservation in regard to jurisdiction of the World Court; to the Committee on Foreign Relations.

A paper in the nature of a petition entitled "Statement of Principles of the Civic Institutions of Puerto Rico," asserting faith in the democratic way of life and government, and so forth; to the Committee on the Judiciary.

A resolution adopted by Pennsylvania for America, in Wayne, Pa., relating to the Federal security agencies; to the Committee on the Judiciary.

WATER USES IN MISSOURI BASIN—RESOLUTION OF NEBRASKA LEGISLATURE

Mr. HRUSKA. Mr. President, I present, for appropriate reference, a resolution which was passed by the Nebraska Legislature on May 23, 1961, concerning water uses in the Missouri Basin.

With the enactment of the Flood Control Act of 1944, more commonly known as the Pick-Sloan plan, it was expected

that the water resources of the Missouri River Basin would be developed in accordance with the so-called multiple-purpose concept. This concept recognized that each of the various interests such as flood control, irrigation, navigation, sanitation, domestic consumption and industrial purposes should be served by the waters of the Missouri River and that each is entitled to share in the vast potential of the river basin. These different interests are bound to conflict in certain areas, and Congress wisely foresaw that the Missouri River must be developed according to a coordinated plan in which each water use is considered in the light of the overall benefits to the entire basin.

Through the years since 1944 the multiple-purpose concept has been followed with substantial progress and benefits. However, in recent months certain groups in the Upper Missouri Valley have contended that the production of hydroelectric power should be given a priority over other beneficial uses of the river. If the demands of the power interests are met, the existing plans of reservoir operation would have to be changed with a resulting curtailment of waters available for downstream users. This would contravene the multiple-purpose concept and would cause serious damage to the downstream interests, particularly navigation. It would also have other, and sundry detrimental effects and implications.

In support of their position, the proponents of hydroelectric power place a strained interpretation on the O'Mahoney-Millikin amendment to the Flood Control Act of 1944. This raises a rather complicated technical question which I propose to analyze at length in the near future, Mr. President. At this time, I would like to say, however, that there is no sound justification for the conclusion that the production of hydroelectric power has a priority over other uses. In short, this alleged priority just does not exist.

Those of us who are interested in the entire Missouri River Basin as well as the future of the downstream interests, are seriously concerned by these proposals which threaten the orderly and effective administration of the basin in the future. The Nebraska State Legislature has recently adopted a resolution reaffirming its support of the multiple-purpose concept. I ask unanimous consent that the text of Legislative Resolution 30 be printed at this point in my remarks.

There being no objection, the resolution was referred to the Committee on Public Works, as follows:

LEGISLATIVE RESOLUTION 30

Whereas the State of Nebraska is deeply interested in the full development of all the multiple benefits of Missouri River improvement and control contemplated by the comprehensive Pick-Sloan plan and the Federal Flood Control Act of 1944, which require that the new reservoirs upriver be operated in such manner as to give fair recognition to all multiple uses including flood control, navigation, and hydroelectric power, giving only to irrigation and domestic consumptive uses for the upriver areas to irrigation and domestic consumptive uses for the up-river areas priority over the other beneficial uses, and

Whereas demands are now being made that the production of firm hydroelectric power in South Dakota be given priority in reservoir releases over other uses such as navigation and flood control and that existing plans of reservoir operation heretofore officially approved and followed be altered to accomplish this result, and

Whereas the State of Nebraska is engaged in an all-out effort to gain new industry for Nebraska, in which effort the full development and maintenance of the navigational facilities will be of incalculable value to the State as a whole as well as Missouri River port cities: Now, therefore, be it

Resolved by the members of the Nebraska Legislature in 72d session assembled:

1. It is the sense of this legislature that such demands for priority for a sectional use and benefit are wholly unjustified and that the original multiple benefit concept for the construction and operation of the great reservoir system on the Missouri River be adhered to so that benefits therefrom may accrue along the great reaches of this river which bound and flow through this State, and the Governor and other officials of this State are urged to do everything in their power to resist any and all attempts to change or alter the original objectives which made possible the authorization and construction of these important public improvements.

2. That copies of this resolution be transmitted to the Vice President of the United States as President of the Senate of the United States, to the Speaker of the House of Representatives of the United States, and to each member from Nebraska in the Senate of the United States and in the House of Representatives of the United States.

DWIGHT W. BURNEY,
President of the Legislature.
HUGO F. SIB,
Clerk of the Legislature.

RECOGNITION OF FEDERAL EMPLOYEE UNIONS

Mr. MORSE. Mr. President, the Legislative Assembly of Oregon recently passed House Joint Memorial 16. This memorial supports in substance legislation providing for the recognition of Federal employee unions. I am pleased to ask unanimous consent to have the memorial and supporting correspondence inserted in the CONGRESSIONAL RECORD.

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

HOUSE JOINT MEMORIAL 16

To His Excellency, the Honorable John F. Kennedy, President of the United States, and to the Honorable Senate and House of Representatives of the United States of America, in Congress assembled:

We, your memorialists, the 51st Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent that:

Whereas congenial labor management conditions are more and more considered an essential part of our economic system; and

Whereas provision for this relationship between personnel and management is provided in nearly all labor laws and certainly all labor contracts; and

Whereas there exists no vehicle for this purpose in the relations between the various department heads of the Federal Government and its employees; and

Whereas bills have been introduced in the Congress to accomplish this purpose: Now, therefore, be it

Resolved by the House of Representatives of the State of Oregon, the Senate jointly concurring:

1. The Congress of the United States is memorialized to support in substance legislation providing for recognition of Federal employee unions and to provide procedures for the adjustment of grievances.

2. Copies of this memorial shall be sent to the President of the United States, Chief Clerk of the U.S. Senate, Chief Clerk of the U.S. House of Representatives, and to all members of the Oregon congressional delegation.

Adopted by house, April 20, 1961.

(S) FRANK L. ROBERTS,
Chief Clerk of House.
(S) ROBERT B. DUNCAN,
Speaker of House.

Adopted by senate, May 8, 1961.

(S) HARRY D. BOIVIN,
President of Senate.

OPPOSITION TO AGRICULTURE ACT OF 1961—RESOLUTION OF KANSAS LIVESTOCK ASSOCIATION

Mr. CARLSON. Mr. President, I have received many letters and resolutions from farm organizations in regard to the pending Agricultural Act of 1961.

The Kansas Livestock Association at a recent meeting studied the Agricultural Act of 1961 and has written its views concerning several features of it.

The membership of the Kansas Livestock Association is composed of the outstanding livestock producers in our State and their views merit serious consideration.

I ask unanimous consent that their statement be made a part of these remarks and referred to the Committee on Agriculture and Forestry.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

STATEMENT BY KANSAS LIVESTOCK ASSOCIATION

1. Farm Advisory Committee: Farmers and stockmen are being grossly misinformed. They would be handpicked by the Secretary, serve at his pleasure and at no time would he be required to accept their counsel. Especially objectionable is the provision for appointment of nominees of appropriate farm organizations. The Secretary could choose from one of our minor organizations who represent an extremely small portion of Kansas farmers whose philosophy is and has been extremely objectionable to Kansas stockmen.

2. Throughout the act, it is repeatedly stated that the decision of the Secretary should be final and conclusive. He presumably would have had the approval of the President, however.

3. We feel that no program so extensive and vital to one of the Nation's important industries should be imposed upon us until it has positive action and approval in Congress.

4. Referendum: In certain cases the act calls for referendum of producers. The provision for these referendums is rather vague but seems to be a fraud upon the people the way they are being publicized. It is our understanding there is some gimmick involved where producers would not necessarily vote as individuals but that the Secretary would be required to consider the approval or disapproval of cooperatives as being representative of their members.

5. Checkoffs: We violently oppose compulsory Government checkoffs for advertising, promotion, etc.

6. Quotas and marketing orders: The act would make possible quotas and marketing orders on livestock producers. These have been and are being used with some very questionable degree of success with certain vegetables, fruit, and, in some cases, milk. These cover relatively small groups of producers confined to relatively small areas where special processing, packing, grading, etc., is required and is performed by the producer or the producer group. Authorities on such programs have for years pointed out that the above circumstances were practically essential for any degree of success. Livestock production, marketing, processing and distribution does not fit into such a pattern in any way whatsoever.

7. Assignment of allotments and/or quotas: This procedure can be administered and fit in with the farm program relatively easy insofar as acres are concerned, especially where only one crop, as wheat, is involved. Such an annual procedure does not adapt itself to the livestock producer. Imagine, if you can, allotting a different number of cows to a cowman each year. As we read the act, these livestock allotments would be issued to individuals, not farm or ranch units. Also, they would be transferable by sale, etc., between individuals. To anyone who knows anything about cows and people it is not difficult to foresee the development of an impossible situation.

8. Conclusion: Livestock people have their problems, some of them serious, but want no part of a Government program where it will be necessary to ask some Government official what they can do and how they can do it before they move. They want no part of it.

RESOLUTION OF GREAT PLAINS WHEAT, INC., RELATING TO SUGAR ACT

Mr. CARLSON, Mr. President, when the extension of the Sugar Act was approved in the Senate on March 29, I offered an amendment which provided that preference should be given in the allocation of nonquota sugar to the countries of the Western Hemisphere and to those countries purchasing agricultural commodities.

This amendment to the House bill was adopted by the Senate. When the amendment was in conference and I was a member of the conference committee, there was opposition to the word "preference" by the State Department and the Department of Agriculture.

The language agreed on by the conference committee and approved by the House and Senate was that special consideration should be given in the allocation of nonquota sugar to countries of the Western Hemisphere and to those countries purchasing agricultural commodities.

Hearings are now being held on the extension of the Sugar Act by the House Committee on Agriculture, and I have no doubt that hearings will soon be held by the Senate Finance Committee, as this act will expire within the next year.

In the assignment of sugar quotas to Western Hemisphere countries, it is important that we give some consideration to their agricultural needs as we allocate them sugar quotas and purchase their sugar.

There are several countries in the Western Hemisphere that are anxious to enter into agreements to purchase agricultural commodities, based on sugar purchases in the United States. It is my sincere hope that both the State Department and the Department of Agriculture will take advantage of this opportunity to increase agricultural exports, particularly wheat. Several Latin American countries are interested in the purchase of wheat on the basis of these agreements.

At a meeting of the board of directors of the Great Plains Wheat, Inc., in Denver, Colo., on May 24, a resolution was adopted dealing with wheat and sugar, and I ask unanimous consent that the resolution be made a part of these remarks and referred to the Finance Committee of the Senate.

There being no objection, the resolution was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

A RESOLUTION OF THE BOARD OF DIRECTORS OF GREAT PLAINS WHEAT, INC., ADOPTED AT A REGULAR MEETING IN DENVER, COLO., MAY 24, 1961

Whereas the Congress of the United States in its recent extension of the Sugar Act of 1948, as amended, provided that "special consideration" should be given in the allocation of nonquota sugar "to countries of the Western Hemisphere and to those countries purchasing United States agricultural commodities"; and

Whereas one of the purposes of the Sugar Act of 1948 is "to promote the export trade of the United States"; and

Whereas prior to the cancellation of the Cuban sugar quota, sugar was imported from Cuba, and that country and other sugar-producing countries purchased substantial quantities of agricultural commodities from the United States, thus promoting U.S. export trade; and

Whereas it has become necessary to reallocate Cuban and Dominican Republic sugar quotas to other countries; and

Whereas the purchase of imported sugar requires a substantial outflow of U.S. dollars which aggravates existing foreign exchange problems; and

Whereas Congress provided a partial solution of this problem by the provision for "special consideration" in the recent extension of the Sugar Act of 1948 as amended; and

Whereas the implementation and use of this provision would provide an immediate means of financing substantially increased sales of U.S. agricultural commodities for dollars or dollar equivalents in sugar; and

Whereas there are now countries, including Brazil, which have supplies of sugar which they are willing to exchange for surplus agricultural commodities or in the alternative are willing to use some of the exchange secured from sales of sugar to purchase surplus agricultural commodities, including wheat from the United States: Now, therefore, be it

Resolved, That the agencies of the U.S. Government dealing with the allocation of sugar quotas are respectfully urged to implement and carry out the intent of Congress as expressed by the provisions for special consideration in the recent extension of the Sugar Act.

FEDERAL AID HIGHWAY PROGRAM—REPORT OF A COMMITTEE—SUPPLEMENTAL VIEWS (S. REPT. NO. 293)

Mr. McNAMARA. Mr. President, from the Committee on Public Works, I submit a report on title I of the bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes. I ask unanimous consent that the report be printed, together with the supplemental views of Senators COOPER, METCALF, LONG of Hawaii, MUSKIE, GRUENING, PROUTY, and SMITH of Massachusetts.

The PRESIDING OFFICER (Mr. METCALF in the chair). The report will be received and printed, as requested by the Senator from Michigan; and, under authority of the order of the Senate of May 8, 1961, the bill will be referred to the Committee on Finance, for the consideration of title II.

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON, from the Joint Select Committee on the Disposition of Papers in the Executive Departments, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States, dated May 22, 1961, that appeared to have no permanent value or historical interest, submitted a report thereon, pursuant to law.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

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

Ernesto Flores, of New Mexico, to be collector of customs for Customs Collection District No. 50, with headquarters in Columbus, N. Mex.;

Cornelius F. Reardon, of Montana, to be collector of customs for Customs Collection District No. 33, with headquarters in Great Falls, Mont.;

A. Bayard Angle, of Florida, to be collector of customs for Customs Collection District No. 18, with headquarters in Tampa, Fla.; and

Mrs. Edna M. Scales, of Oregon, to be collector of customs for Customs Collection District No. 29, with headquarters in Portland, Oreg.

BILLS INTRODUCED

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

By Mr. SCHOEPPEL:

S. 1993. A bill to amend the Second Washington Airport Act in order to provide for toll charges on access roads constructed for such airport; to the Committee on Commerce.

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

By Mr. FONG:

S. 1994. A bill for the relief of Anna An-Hua Hsiung, Annie Chu-Hua Hsiung, Judy Jieh-Hua Hsiung, and Lulu Ku-Hua Hsiung; to the Committee on the Judiciary.

By Mr. HAYDEN (for himself and Mr. GOLDWATER):

S. 1995. A bill to authorize an exchange of lands at Wupatki National Monument, Arizona, to provide access to certain ruins in the monument, to add certain federally owned lands to the monument, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PROXMIRE:

S. 1996. A bill to provide for appointment by the Postmaster General of postmasters at first-, second-, and third-class post offices; to the Committee on Post Office and Civil Service.

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

By Mr. SMITH of Massachusetts:

S. 1997. A bill for the relief of Talaat Moreau; and

S. 1998. A bill for the relief of Miss Antonia Muscolino; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 1999. A bill for the relief of Anna Marie Erdelyi; to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself and Mr. FULBRIGHT):

S. 2000. A bill to provide for a Peace Corps to help the peoples of interested countries and areas in meeting their needs for skilled manpower; to the Committee on Foreign Relations.

(See the remarks of Mr. HUMPHREY relating to the above bill, which appear under a separate heading.)

By Mr. TALMADGE:

S. 2001. A bill for the relief of Mrs. James R. Westberry; to the Committee on the Judiciary.

By Mr. CLARK:

S. 2002. A bill for the relief of Yun Hwa Yu; and

S. 2003. A bill for the relief of Domenico Martino; to the Committee on the Judiciary.

By Mr. JAVITS:

S. 2004. A bill to amend the National Defense Education Act of 1958 in order to promote the interests of the United States in international affairs; to the Committee on Labor and Public Welfare.

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

By Mr. JAVITS (for himself and Mr. KEATING):

S. 2005. 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; and

S. 2006. 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.

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

By Mr. GOLDWATER (for himself, Mr. HAYDEN, Mr. BRIDGES, Mr. WILEY, Mr. BURDICK, Mr. CHAVEZ, Mr. YOUNG of North Dakota, Mr. METCALF, Mr. MANSFIELD, Mr. HART, and Mr. MCCARTHY):

S. 2007. A bill to amend the Tariff Act of 1930, as amended, to provide for reimbursement of services performed at special places, and for other purposes; to the Committee on Finance.

By Mr. JACKSON:

S. 2008. A bill to amend the act of September 16, 1959 (73 Stat. 561, 43 U.S.C. 615a), relating to the construction, operation and maintenance of the Spokane Valley project; to the Committee on Interior and Insular Affairs.

By Mr. SMATHERS:

S. 2009. A bill to provide research and technical assistance relating to the disposal of solid municipal refuse; to the Committee on Labor and Public Welfare.

By Mr. BYRD of West Virginia:

S. 2010. A bill for the relief of Samuel A. Romine; to the Committee on the Judiciary.

CONCURRENT RESOLUTION

ONE HUNDRED AND FIFTIETH ANNIVERSARY OF THE BATTLE OF TIPPECANOE

Mr. HARTKE submitted the following concurrent resolution (S. Con. Res. 26), which was referred to the Committee on the Judiciary:

Whereas the State of Indiana proposes to celebrate the one hundred and fiftieth anniversary of the Battle of Tippecanoe; and

Whereas the Battle of Tippecanoe constitutes an event of great historical importance in opening the Northwest Territory for settlement: Now, therefore, be it

Resolved by the senate (the house of representatives concurring), That the Congress of the United States join the people of Indiana in commemorating the one hundred and fiftieth anniversary of the Battle of Tippecanoe, with celebrations being held at Battle Ground, Indiana, commencing August 17, 1961, and extending through August 20, 1961.

SEC. 2. The Congress of the United States recognizes the establishment of the Battle of Tippecanoe Sesquicentennial Committee, Inc., which has been charged with the responsibility and duty of planning the anniversary celebrations above described.

SEC. 3. A copy of this resolution, suitably engrossed and duly authenticated, shall be transmitted to the Governor of the State of Indiana and the Battle of Tippecanoe Sesquicentennial Committee, Incorporated.

RESOLUTION

AMENDMENT OF RULE XXV OF STANDING RULES OF THE SENATE, RELATING TO JURISDICTION OF COMMITTEE ON APPROPRIATIONS

Mr. BENNETT submitted a resolution (S. Res. 155) to amend rule XXV of the Standing Rules of the Senate relating to the jurisdiction of the Committee on Appropriations, which was referred to the Committee on Rules and Administration.

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

TOLL CHARGES OF ACCESS ROADS CONSTRUCTED FOR SECOND WASHINGTON AIRPORT

Mr. SCHOEPPEL. Mr. President, construction of the new Dulles International Airport for the Nation's Capital is proving to be much more expensive than anticipated. According to reports of testimony given before a committee of the House, it is now expected that the new airport will cost almost double the original estimates.

Part of the trouble, of course, can be attributed to the severities of the past winter. Other increases in cost flow from an apparent change in policy on the matter of erecting hangars. The original proposal was to have the airlines build their own hangars on land leased to them by the airport. Now, apparently, the new administration prefers to complete the hangars and then lease them.

One item of expense which has had unusual magnitude from the outset is the access road.

I do not say this critically, but merely in recognition of the fact that it is going to be very expensive. But it has to be built.

I regard it as essential to smooth operation of the Capital's major international airport that people be able to get to and from it with minimum waste of time. It is simply a fact of life in this metropolitan area that 17 miles of dual lane highway running from the neighborhood of Falls Church to a point over the Loudoun County line, is going to cost a great deal of money.

The first-phase construction for the new access road runs from the airport terminal building to an intersection with the Capital Beltway and the McLean By-Pass. This construction is 14½ miles long, and has been let as five contracts. The earliest completion date for a part of the road is August of this year.

The whole of the first-phase construction is to be finished by May 1962, some 5 months before the airport itself is expected to be operational.

An interesting fact about the plans for the access road is that its interchanges at four important intersections permit travel only to and from the airport. That is, a motorist cannot drive onto the access road and leave it a few miles further on. He has to have business at the airport or else the road is of no value to him.

I understand that enough land is being acquired by the Government to permit later construction of full interchanges and additional lanes on each side of the median strip. However, there is no present plan or commitment for such additional construction.

Acquisition of land for the new Dulles access road, including the cost of relocating utilities, has cost $2,305,000. Construction of the parts of the road now under contract will cost an additional $11,964,000. This makes about $14¼ million in all saddled as a cost on the new airport.

In my judgment, the access road should be made to pay for itself. I am confident it can do so.

To that end, I now introduce, for appropriate reference, a bill to make the access road to Dulles International Airport a toll road, and directing the Administrator of the Federal Aviation Agency to set such tolls as will reimburse the Government for construction cost and pay for maintenance.

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

The bill (S. 1993) to amend the Second Washington Airport Act in order to provide for toll charges on access roads constructed for such airport, introduced by Mr. SCHOEPPEL, was received, read twice by its title, and referred to the Committee on Commerce.

APPOINTMENT OF POSTMASTERS AT FIRST-, SECOND-, AND THIRD-CLASS POST OFFICES

Mr. PROXMIRE. Mr. President, in a small village of 750 people in my part of the country a middle-aged widow with 3 children will lose her home this year

and her chance to send her son to college because she has lost her job. She was not dismissed on grounds of incompetence, inefficiency, insubordination, or lack of industry. She was replaced as postmistress because she was not in the inner circle of the local Democratic Party. I do not believe she was an active Republican; but when she had to compete for the job against the son of the town Democratic chairman, her party credentials were just not good enough.

That is one aspect of the post office patronage system. Another part of the picture is the burden placed on Senators and Representatives. I have received more than 2,000 letters, telegrams, and telephone calls on behalf of candidates for postmaster appointments in Wisconsin. Whatever decision is made in any case, there will be more unhappy people than happy ones, for more people will feel they have been mistreated by their Representative in Congress than will feel they have been helped by him. Or as former Postmaster General Jesse Donaldson put it, the political "adviser" on post office appointments usually creates at least 20 enemies and 1 ingrate. The time consumed by Senators, Representatives, their staffs, and the committee staffs, makes our present method of handling these appointments costly and inefficient.

It is not necessary for me to review the history of the spoils system in the United States. We have long ago turned our backs on spoils, and have accepted the merit system for the vast majority of Federal employees. In fact, the principle of competitive examination has been accepted even in the Post Office Department; but it has never worked as effectively there as it has in other Government agencies.

Because of the retention of Presidential appointment and Senate confirmation, politics still play a big role in the appointment of local postmasters.

In 1952, President Truman sent to Congress a reorganization plan which would have accomplished the step I am recommending. The Post Office and Civil Service Committee at that time reported a resolution which prevented the plan from taking effect. However, an excellent minority report was filed by the present assistant majority leader, the Senator from Minnesota, Mr. Humphrey, along with Senator O'Connor, and the junior Senator from Oklahoma, Mr. Monroney. They felt that the system, as it now operates, has two political effects:

1. Prospective applicants for postmaster positions, who are not active for the party in power, rarely bother to take examinations, since they know that regardless of their qualifications, experience, and position on the list of eligibles certified by the Civil Service Commission, they probably will not be appointed.

2. Qualified individuals within the postal service, who desire to seek in-service promotion to the position of postmaster, but who do not have the proper political affiliations or prestige of patronage, are simply barred from appointment. Thus, a postal clerk with long experience and genuine ability, who, in a similar position in another Government agency, would have an opportunity for promotion to the top of the ladder, has no opportunity for such promotion, in the absence of a change in party control.

Finally, I should like to point out that every major study of the executive branch of the Government since President Taft's Commission on Economy and Efficiency in 1912 has recommended that postmasters should be under a strict merit system. This includes President Roosevelt's Committee on Administrative Management, in 1937, and the Hoover Commission, in 1949.

Mr. President, the bill I am introducing today provides that the Postmaster General, rather than the President, shall appoint postmasters at post offices for the first, second, and third classes in the competitive civil service without term. No Senate confirmation would be required; and the law would read as follows:

In making such appointments, no political test or qualification shall be permitted or given consideration, but such appointments shall be made solely on the basis of merit and efficiency.

Mr. President, I introduce the bill, and ask that it be appropriately referred.

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

The bill (S. 1996) to provide for appointment by the Postmaster General of postmasters at first-, second-, and third-class post offices, introduced by Mr. PROXMIRE, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

INTERNATIONAL AFFAIRS STUDIES

Mr. JAVITS. Mr. President, I introduce for appropriate reference a bill to establish a Government program to prepare Americans for work in international affairs at home and abroad. My plan is designed to evoke the spirit of "Go world, young man" among young Americans and to help to provide the Peace Corps with well-trained applicants. I introduce the bill with the intention that it shall be an amendment to the National Defense Education Act, which the Committee on Labor and Public Welfare is now considering. I shall take occasion to present the text of the bill as an amendment to that act.

Entitled the International Affairs Study Act, the bill would provide:

First. Graduate fellowships in international affairs study at U.S. colleges and universities, with preference given to those planning to teach in this field or to seek oversea employment.

Second. Aid to colleges and universities, through grants or contracts, to help them establish or improve international affairs programs for research and training of personnel for oversea work.

Third. Stipends to gradute students for study abroad.

Fourth. Stipends to undergraduate students to help them participate in studies overseas as part of their regular college work in the United States.

Fifth. Stipends to teachers for study in the United States and abroad in various phases of international affairs and foreign languages.

This bill is an outgrowth of a Library of Congress survey of 32 universities and colleges in the United States, conducted at my request, which proved the need for expanding and improving programs in international affairs studies.

The cry today is "Go world, young man." The international programs and activities of the U.S. business community, cultural and educational institutions and the Federal Government have attained a position of primary importance to the national security and the economic and social welfare of the United States.

Our young people have already demonstrated dramatically their understanding of the spirit of "one world" by their response to the Peace Corps. So far, the Peace Corps has received 8,800 applications, but the rate of applications has been diminishing and the administration already has requests from foreign nations for 3,500 volunteers. We must encourage this spirit and make available a solid base for training the future members of the Peace Corps.

The national need for young men and women with knowledge in fields related to international affairs is not being met currently, and large-scale and long-term efforts will be required to meet the mounting needs of the future. A greater number of students, teachers, businessmen, professional people, and Government officials must be chosen for aptitude and be better prepared in special skills to deal with the international field.

The purpose of my bill is to improve and develop the facilities in institutions of higher education for the training of students and others for work abroad for private and public employers.

I am offering this bill as an amendment to the National Defense Education Act because the purpose of that act is to insure trained manpower of sufficient quality and quantity to meet the national defense needs of the United States. The bill would amend several sections of the act in order to place greater emphasis on its international affairs purposes.

I estimate that this bill would add less than $20 million to the $211 million appropriation request for the National Defense Education Act in fiscal 1962. After the fourth year of operation, when the program would be operating fully, the cost would rise to an estimated $40 million annually.

There are now some 665,000 permanent U.S. civilian residents in foreign nations. They represent the physical presence of and the interests of our Nation abroad. More than 36,000 are in oversea posts with the State Department, ICA, and USIA. Another 125,000 perform civilian functions for other U.S. Government agencies, such as the Department of Defense and the Department of Agriculture. Others form a part of the managerial and technical personnel of some 1,500 privately owned U.S. plants and subsidiaries abroad. At least 25,000 American business people are participating in our rapidly expanding international commercial relations. Others work for international organizations, foreign business firms, philan-

thropic foundations, and in missionary activities. Americans working in foreign nations are accompanied by some 250,000 wives and dependents, whose understanding of and sympathy with indigenous surroundings must contribute greatly to our effectiveness abroad.

Serving as both a vanguard and a source of trained personnel for this group of 665,000 oversea Americans, we have 15,000 U.S. students and teachers engaged in educational activity abroad, plus a small group, numbered in the low thousands, intensively concerning themselves with the study of international affairs and foreign languages in the United States. This reservoir of talent represents less than 5 percent of the American citizens in foreign nations and less than 1 percent of the nearly 4 million students enrolling in U.S. institutions of higher education. The International Affairs Study Act should, within the next 5 years, double the number being trained annually for the task of representing the United States abroad.

Mr. President, I ask unanimous consent to have printed in the RECORD at the end of my remarks excerpts from the survey prepared for me by the Library of Congress, as well as an editorial published in the New York Times of April 3, 1961, commenting on the survey and discussing the need for action in this field.

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

EXCERPTS ON REPORT ON SURVEY OF SELECTED INSTITUTIONS OF HIGHER EDUCATION WITH STUDY PROGRAMS PREPARING STUDENTS FOR WORK ABROAD

INTRODUCTION

The following report is based on a survey conducted by the Legislative Reference Service at the request of Senator JACOB K. JAVITS. In December 1959 a questionnaire was submitted to the presidents of 35 U.S. institutions of higher education, seeking information and opinions relating to the preparation of young men and women for work abroad. The responses were to provide background data for consideration of possible amendments to the National Defense Education Act of 1958.

The institutions to be included in the survey were selected with the intention of getting a representation of both public and private institutions, institutions with well-developed international affairs programs and those with small or beginning programs, and institutions with a wide variety of kinds of programs, reflecting the various kinds of programs which are available in the United States.

Information was requested on such questions as the kinds of programs which are now offered in international affairs studies, the national need for persons who have specialized in these studies, needs of the institutions which have international affairs programs and of the students enrolled in them, and suggestions for improving these programs, including suggestions on how the Federal Government could assist in improving them through amendment of the National Defense Education Act.

Responses were received from 32 of the 35 institutions included in the survey. Most of the programs covered were at the postgraduate level, because U.S. institutions offer specialized international affairs programs principally to graduate students. Information on some undergraduate programs was also obtained, however. In addition, some of the questions, although directed to institutions with graduate programs, requested pertinent information and opinions on the preparation available at the undergraduate level.

Most of the institutions responded to the questionnaire with considerable thoroughness. Some, however, either could not or did not reply to all of the questions. Because of this, and because of the complexity and diversity of the information received, it was decided that for the most part the emphasis in the report should be on allowing the institutions to speak for themselves. General conclusions are made where possible, and the material has been organized with the intention of presenting as fairly and completely as possible the views of the institutions on the questions submitted to them.

Among other conclusions, the report brings out the following points: Although U.S. institutions of higher education are now offering a wide variety of international affairs and area study programs, there is considerable sentiment that these programs should be expanded and improved.

In general, it is believed that our national need for people with knowledge in fields related to international affairs is not currently being met. To meet these needs, it is suggested that more and better prepared students should be recruited, and their opportunities for learning should be improved. Respondents indicate that development of specialized programs preparing students for work abroad is most important at the graduate level, but improvements should also be made at the undergraduate level, especially in the teaching of foreign languages.

Responses to the survey indicate that the present provisions of the National Defense Education Act relating to language and area centers are of great value in assisting both new and already existing programs. There is, however, widespread interest in expanding the present scope of the act to provide greater Federal assistance, both to students and to institutions, to promote the preparation of American students planning to work abroad.

BACKGROUND INFORMATION ON INTERNATIONAL AFFAIRS STUDIES

Kinds of programs offered

Institutions of higher education in the United States now offer a great variety of programs to students interested in preparing themselves for careers involving work abroad. Some of these programs were well established prior to World War II. For the most part, however, they are of more recent origin, and represent the greater participation by the United States in world affairs, and the growing concern with areas and peoples on all continents in the last 15 or 20 years.

Perhaps the most significant development has been in the establishment and expansion, mostly on the graduate school level, of area studies programs, which may take the form of institutes or centers, or may be only a series of courses offered on a particular country or area, without a formal designation. In addition there are schools, or departments, or programs in international affairs, which may cover a multiplicity of subjects from American foreign policy to international trade. There are also schools or programs for international business, international law, and others.

All of the institutions included in our survey offer their students some opportunity to study international affairs, used in the broadest sense. This opportunity may involve only a limited number of broad subject courses, or it may involve comprehensive study programs in a great variety of subjects. Most institutions appear to occupy a kind of middle ground between these two extremes.

ENROLLMENT IN PROGRAMS COVERED BY THE SURVEY

So far as we know, no study has been undertaken to determine the number of students enrolled in U.S. institutions of higher education who are taking programs in the general field of international affairs. Our own survey did not attempt this. We did, however, ask the institutions to give their present enrollment of students specializing in this field. On the basis of their responses, we estimate that some 3,000 postgraduate students were covered by our survey.

It must be pointed out, however, that this figure represents only what the institutions answering our survey defined as constituting study in this area, and these definitions varied. Some, for example, appeared to include all relevant studies in the field, others gave more limited responses. Some evidently included part-time students, and others did not. Most apparently did not include all or even some of their students majoring in languages, although many people would argue that these students were indeed receiving training preparatory to work abroad. In addition, one institution gave no specific enrollment figures at all, and several more gave only approximations.

Along with asking for overall enrollment figures, we requested figures showing the numbers of students specializing in various fields or area. Here again, however, the figures are incomplete, and presented in such different forms that it is difficult to draw meaningful conclusions. Generally, it can be said that more than half of the students may be identified as concentrating in some kind of area studies program. Some of the others, listed as enrolled in general international affairs programs, international economics, and so forth, may also be concentrating in study of a specific foreign area, but are not listed in this way.

THE OUTLOOK FOR STUDIES IN INTERNATIONAL AFFAIRS

Despite the wide variety of programs which U.S. institutions of higher education are developing to meet the educational demands of students planning to work abroad, most of the persons responding to our survey agree that our national requirements are not yet being met. They indicate a need not only for more students with education in international affairs, but also for better educated students. To meet these needs, they indicate that new programs will have to be developed, and existing ones improved and expanded.

LIST OF INSTITUTIONS RESPONDING TO QUESTIONNAIRE

Letter addressed to—

Nathan M. Pusey, president, Harvard University, Cambridge, Mass.

J. L. Morrill, president, University of Minnesota, Minneapolis, Minn.

Novice G. Fawcett, president, Ohio State University, Columbus, Ohio.

Conrad A. Elvehjam, president, University of Wisconsin, Madison, Wis.

Deane W. Malott, president, Cornell University, Ithaca, N.Y.

Milton S. Eisenhower, president, Johns Hopkins University, Baltimore, Md.

Hurst R. Anderson, president, American University, Washington, D.C.

Quigg Newton, president, University of Colorado, Boulder, Colo.

Carroll V. Newsom, president, New York University, New York, N.Y.

Nils Y. Wessell, president, Tufts University, Medford, Mass.

Franklin D. Murphy, chancellor, University of Kansas, Lawrence, Kans.

Lawrence A. Kimpton, chancellor, University of Chicago, Chicago, Ill.

Barnaby C. Keeney, president, Brown University, Providence, R.I.

Grayson Kirk, president, Columbia University, New York, N.Y.

Norman H. Topping, president, University of Southern California, Los Angeles, Calif.

Harlan H. Hatcher, president, University of Michigan, Ann Arbor, Mich.

Glenn S. Dumke, president, San Francisco State College, San Francisco, Calif.

A. Whitney Griswold, president, Yale University, New Haven, Conn.

Laurence M. Gould, president, Carleton College, Northfield, Minn.

John S. Dickey, president, Dartmouth College, Hanover, N.H.

Buell G. Gallagher, president, City College, New York, N.Y.

Gaylord P. Harnwell, president, University of Pennsylvania, Philadelphia, Pa.

Edgar F. Shannon, Jr., president, University of Virginia, Charlottesville, Va.

Carl A. Sauer, president, American Institute for Foreign Trade, Thunderbird Field, Phoenix, Ariz.

Robert F. Goheen, president, Princeton University, Princeton, N.J.

James H. Hilton, president, Iowa State University of Science and Technology, Ames, Iowa.

Robert M. Strozier, president, Florida State University, Tallahassee, Fla.

Herman B. Wells, president, Indiana University, Bloomington, Ind.

O. S. Colclough, president, George Washington University, Washington, D.C.

Edward B. Bunn, S.J., president, Georgetown University, Washington, D.C.

James Roscoe Miller, president, Northwestern University, Evanston, Ill.

William Pearson Tolley, chancellor, Syracuse University, Syracuse, N.Y.

Response from—

E. L. Pattullo, assistant dean, faculty of arts and sciences.

Malcolm M. Wells, vice president, academic administration.

W. Todd Furniss, assistant dean, college of arts and sciences.

J. Homer Herriott, associate dean, graduate school.

Damon Hoynton, dean, graduate school.

Keith Spalding, secretary of the university.

Ernest S. Griffith, dean, school of international service.

Covering letter from Quigg Newton. Questions answered by Dean W. F. Dyde, director of the office of international education.

E. Frederic Knauth, assistant to the chancellor and executive vice president (report compiled by several professors).

Reply from Wessell.

Francis H. Heller, associate dean.

Reginald Batholomew, committee on international relations.

John K. McIntyre, assistant to the president.

Schuyler C. Wallace, director, school of international affairs.

Ross N. Berkes, director, school of international relations.

James K. Pollock, chairman, department of political science.

Charles A. McClelland, chairman, division of social science.

Hartley Simpson, dean, graduate school.

Philip H. Phenix, dean.

H. Wentworth Eldridge, chairman, international relations program.

Oscar Zeichner, assistant dean in charge of graduate studies, division of graduate studies, college of liberal arts and science.

Covering letter from Donald K. Angell, vice president, assistant to the president. Material compiled by Prof. Norman D. Palmer, chairman, international relations group committee.

Covering letter from J. L. Vaughan, provost. Material compiled by Dr. Rowland Egger, chairman, department of political science and foreign affairs.

Reply from Sauer.

Gardner Patterson, director, Woodrow Wilson School of Public and International Affairs.

Reply from Hilton.

Covering letter from M. W. Carothers, associate dean of the faculties. Questionnaire answered by Dr. Vincent V. Thursby, adviser, international affairs major.

J. W. Ashton, dean, graduate school.

A. M. Woodruff, dean, the school of government.

Dr. John F. Parr, dean, Edmund A. Walsh School of Foreign Service.

Richard C. Snyder, chairman, department of political science.

Gerard J. Mangone, director, Julian Friedman, assistant director, oversea training program, Maxwell Graduate School of Citizenship and Public Affairs.

[From the New York Times, Apr. 3, 1961]

TRAINING FOR OVERSEAS

The front pages of our newspapers are bristling these days with the names of Laos, Congo, Cuba and other trouble spots of the world. The financial pages tell of new American business developments in the Far East and in South America. This is an ever-shrinking world and the smaller it gets, the larger a problem grows. That problem is the lack of trained Americans ready to handle our Government and business interests abroad.

The need for expanded and improved training to prepare students for these tasks has been pointed up by a survey of 32 colleges and universities offering programs in international affairs. The results of the survey were published recently by the Legislative Reference Service of the Library of Congress.

The 28 page Senate document urges the expansion of the National Defense Education Act to provide greater Federal assistance to both students and institutions to promote the preparation of American students planning to work abroad. The survey reported that the most frequently noted failing of students applying for graduate programs in the international field was inadequate preparation in foreign languages.

Here, then, is an important challenge for our educators and legislators. The future of the United States will depend to a large extent upon the people trained to represent it in the international arenas. No effort should be spared to perfect that training.

Mr. JAVITS. Mr. President, in closing, I should like to compliment once more the persons who worked so diligently at the Legislative Reference Service in the compilation and analysis of the answers received from the 32 institutions of higher education. I believe that we are especially indebted to Mrs. Margaret Malone, whose imaginative direction is apparent throughout the survey. Also, I should like to express my thanks to the colleges and universities which supplied the thoughtful and thorough answers around which my proposed legislation took shape. It should be emphasized that the institutions of higher education surveyed and listed below are not a complete list of those offering programs of international affairs studies in the United States. The title of the survey makes that clear. It is a survey of selected institutions. I believe that an excellent cross-section of the programs in this country was covered and that the opinions expressed in the survey are representative of the needs felt by our academic community.

This formidable component of American civilian strength needs to have the right training in order to do the work which our country needs to do throughout the world, based upon the very authoritative survey to which I have just referred.

Having introduced the bill, I intend to press for its consideration before the Committee on Labor and Public Welfare, of which I am a member.

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

The bill (S. 2004) to amend the National Defense Educaton Act of 1958 in order to promote the interests of the United States in international affairs, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

STATE REPRESENTATION IN FEDERAL DEPOSIT INSURANCE CORPORATION

Mr. JAVITS. Mr. President, I introduce for myself and on behalf of my colleague, the distinguished Senator from New York [Mr. KEATING], two bills which would assist in securing State representation in the Federal Deposit Insurance Corporation.

At present, the Comptroller of the Currency, as the head of the Federal Deposit Insurance Corporation, supposedly represents both Federal and State regulatory agencies in his supervision over the broad insurance and inspection functions of FDIC. However, because he is charged, in his chief capacity, with the supervision of the National banks only, State banks have no direct representation in the actual control of FDIC. As a result, the present arrangement results in different rules being applied to State bank and National bank members of FDIC.

The bills which we are introducing at the request of the State of New York have already been introduced in the House by Representative MULTER, of New York.

The first bill would remove the Comptroller of the Currency as head of FDIC and substitute a three-man board on which State banking interests could also be represented.

The second bill would assign to FDIC the responsibility for the approval of bank applications for State as well as National banks. At the present time, the State applications are handled either by FDIC or the Federal Reserve Board, depending on whether the State bank is a member of the Federal Reserve System.

Mr. President, I ask unanimous consent that the texts of the bills may be printed following my remarks.

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

The bills, introduced by Mr. JAVITS (for himself and Mr. KEATING), were received, read twice by their titles, re-

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

S. 2005

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Federal Deposit Insurance Act is amended by striking the first five sentences and by inserting in lieu thereof the following: "The management of the Corporation shall be vested in a Board of Directors consisting of three members, all of whom shall be citizens of the United States to be appointed by the President, by and with the advice and consent of the Senate. One of the members shall be the Chairman of the Board of Directors of the Corporation and not more than two of the members of the Board shall be members of the same political party. Each such member shall hold office for a term of six years. None of the members hereafter appointed shall concurrently hold any other public office in municipal, State, or National Government or be a member of the Board of Governors of the Federal Reserve System, or hold any office or position in any part of the Federal Reserve System. In the event of a vacancy in the office of the Chairman of the Board of Directors, and pending the appointment of his successor, the senior member of the Board shall act as Chairman. In selecting the members of the Board, the President shall have due regard to a fair representation of the various segments of the banking interests of the country."

S. 2006

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the third paragraph of section 9 of the Federal Reserve Act, as amended (U.S.C., title 12, sec. 321, third paragraph), is further amended by striking from the first sentence the words "Board of Governors of the Federal Reserve System" and inserting in lieu thereof the words "Federal Deposit Insurance Corporation," and by striking from the last sentence the word "Board" and inserting in lieu thereof the words "Federal Deposit Insurance Corporation".

SEC. 2. Section 18(d) of the Federal Deposit Insurance Act (U.S.C., title 12, sec. 1828(d)) is amended to read as follows:

"(d) No insured bank shall establish and operate any new branch or move its main office or any branch unless it shall have the prior written consent of the Corporation. The Corporation may grant such consent only after an application therefor has been approved by either the Comptroller of the Currency (in the case of a national or district bank) or by the appropriate supervisory State authority (in the case of a State bank). In granting or withholding such consent the Corporation shall consider the report of investigation made by either the Comptroller of the Currency (in the case of a national or district bank) or the appropriate supervisory State authority (in the case of a State bank) in approving such new branch. The factors to be considered by the Corporation in granting or withholding its consent under this subsection shall be those enumerated in section 15 of this Act."

SEC. 3. Before acting upon any application hereunder the Corporation shall require the applicant to give appropriate public notice thereof and shall permit any other bank, or thrift, or savings institution to become a party to the proceeding and be heard in opposition thereto.

SEC. 4. Subsection (c) of section 5155 of the Revised Statutes, as amended (U.S.C., title 12, sec. 36(c), is further amended by inserting after the words "Comptroller of the Currency" in the first and second sentences thereof the following words "and subject to the provisions of section 18(d) of the Federal Deposit Insurance Act".

Mr. KEATING. Mr. President, I am happy today to join with my colleague as a cosponsor of two bills which we are introducing to change certain of the operations and modify the organizational structure of the Federal Deposit Insurance Corporation.

The first of these bills would provide for State representation on the Corporation. This is a much needed innovation, and is one which has been supported by a number of States, including my own. The second bill relates to the powers of the Federal Deposit Insurance Corporation to approve bank applications for State as well as National banks. This clarifies responsibility for such approval by clearly assigning it to the Federal Deposit Insurance Corporation.

Representative MULTER of New York, introduced similar bills in the House on January 25. I am glad today to join with my colleague and with Representative MULTER in urging prompt favorable action on these two measures.

PROPOSED LIMITATION ON SPENDING POWER

Mr. BENNETT. Mr. President, the statement has often been made: "What you don't know won't hurt you." However, there are exceptions to this theory, and one is that Government spending which is based on a direct pipeline to the Treasury, without the scrutiny of the Appropriations Committees of Congress, hurts. This is "hidden" spending of which people are often unaware. Yet it hurts our pocketbooks, both in the form of tax drains and decreased purchasing power through inflation. It weakens our control over Government spending in general. It can result in loss of confidence in our dollar at home and abroad.

Under the rules of the Senate, exclusive jurisdiction over spending legislation rests with the Appropriations Committee. The same is true of the House of Representatives. This has been the general rule since about 1920, when these committees were given this responsibility in order to obtain better control over Government expenditures. Prior to that time, the individual committees of Congress had control over the spending authorized for the agencies or departments which came under their jurisdiction.

However, we have gradually relaxed our rules to allow certain programs to be financed outside of the normal appropriations process and have given these programs access to the "back door" of the Treasury. The most recent example is the new depressed areas program which became law in April. The administrator of that program may borrow $300 million directly from the Treasury without congressional review. This represents the most common form of back-door spending. An agency or department merely makes use of public debt receipts, and goes directly to the Federal Treasury for its funds.

Another commonly used type of back-door spending is contract authority, through which an agency is authorized to obligate funds in advance of appropriations for the various "contract" programs. This does not do away with the appropriations process, but it reduces the function of the Committee on Appropriations to one of honoring a commitment already made. No matter what the fiscal situation, the Government's contract liabilities must be honored. Annual review of the program is thereby made meaningless.

The most significant programs financed via the "back door" are the housing programs. For example, in the housing bill which is now the pending business of the Senate, S. 1922, there is authorized a total of $6 billion in programs excluding public housing, to be financed via back-door spending of two types. Treasury borrowing authorization is granted in the case of FNMA special assistance; and in the case of loans for college housing, public facilities, mass transportation, and veterans' housing. In the case of grants for the urban renewal, open space, and mass transportation programs, contract authority is given to commit the Government up to the limits of the authorizations. In the case of these latter programs the Appropriations Committee comes into the picture only in honoring these commitments, by appropriating the money to meet them.

Other important programs which have direct access to the Treasury are grants-in-aid for airports, the International Monetary Fund, the Defense Production Act, direct highway expenditures in our forests and public lands, and the National Park Service. And President Kennedy is now asking that our giant foreign aid program also be given a key to that same back door. If this trend continues, we might as well abolish the Appropriations Committee and simply issue debt receipts to any agency any time it wants them. I am not prepared to have Congress abdicate in such a manner its rightful responsibilities under article I of the Constitution, whereby Congress, not the executive branch, is given power over the public purse.

I am aware that the use of loan repayments is really no drain on the taxpayers, but the initiation of a revolving fund loan program, and its perennial annual increases in size and scope are direct drains on the Treasury beyond the careful scrutiny of our Appropriations Committees. Also it is my observation that we never seem to be satisfied to allow these revolving funds to stay at their initial levels. It seems to

be politically popular to increase these funds continually, despite loan repayments.

I am cosponsor of Senate Concurrent Resolution 13, introduced by the Senator from Virginia [Mr. BYRD], which would bring all spending authorization under the jurisdiction of the Appropriations Committees and would bring them together into one bill. It would require annual spending limitations on each item. This resolution also requires concurrent consideration of the latest estimates of expected revenue at each stage of action on the omnibus bill. In a sense, the resolution I am submitting covers a phase of Senate Concurrent Resolution 13—that relating to appropriations approval of programs. However, I feel there is need for this separate bill because of the recent action in the House on a resolution sponsored by Representative PELLY, House Resolution 115, which would have accomplished the same end as the Senate resolution I am submitting today. The wording and approach differ somewhat, but the end result is the same.

Mr. PELLY's resolution was blocked in the revamped House Rules Committee by a vote of 8 to 6. It never reached a test in the House itself. Because of that action, and because Senate Concurrent Resolution 13 would have to have House approval, I feel it necessary to make an attempt to close this back door to the Treasury by the Senate. My resolution would not require House approval but would achieve the desired end by requiring at least the Senate Appropriations Committee to give its approval to any spending proposals. The resolution would amend subsection (b) of Senate rule XXV. I ask unanimous consent that the language of my resolution be printed in the RECORD at this point.

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

The resolution (S. Res. 155) was referred to the Committee on Rules and Administration, as follows:

Resolved, That paragraph 1 of subsection (b) of rule XXV of the Standing Rules of the Senate (relating to the jurisdiction of the Committee on Appropriations) is amended to read as follows:

"1. Expenditure authorizations. As used in this paragraph the term 'expenditure authorizations' means current appropriations, permanent appropriations, contract authorizations, authorizations to expend from public or corporate debt receipts, reappropriations, reauthorizations, and any other authorizations to withdraw moneys from the Treasury of the United States except authorizations to withdraw moneys from the Treasury of the United States for the payment of private claims."

EXTENSION OF NATIONAL DEFENSE EDUCATION ACT—AMENDMENTS

Mr. JAVITS submitted amendments, intended to be proposed by him, to the bill (S. 1726) to extend and improve the National Defense Education Act, and for other purposes, which were referred to the Committee on Labor and Public Welfare and ordered to be printed.

HOUSING ACT OF 1961—AMENDMENTS

Mr. CLARK submitted an amendment, intended to be proposed by him, to the bill (S. 1922) to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. AIKEN submitted an amendment, intended to be proposed by him, to Senate bill 1922, supra, which was ordered to lie on the table and to be printed.

Mr. CAPEHART submitted an amendment, intended to be proposed by him, to Senate bill 1922, supra, which was ordered to lie on the table and to be printed.

Mr. CAPEHART (for himself and Mr. BENNETT) submitted amendments, intended to be proposed by them, jointly, to Senate bill 1922, supra, which were ordered to lie on the table and to be printed.

STABILIZATION OF MINING OF LEAD AND ZINC—ADDITIONAL COSPONSOR OF BILL

Mr. HUMPHREY. Mr. President, on behalf of the Senator from New Mexico [Mr. ANDERSON], I ask unanimous consent that the senior Senator from Tennessee [Mr. KEFAUVER] be added as a cosponsor of the bill (S. 1747) to stabilize the mining of lead and zinc in the United States and for other purposes and that his name be listed at the next printing of the bill.

The PRESIDING OFFICER. Without objection, is so ordered.

PROPOSED AMENDMENT TO CONSTITUTION RELATING TO QUALIFICATIONS OF ELECTORS—ADDITIONAL COSPONSOR OF JOINT RESOLUTION

Mr. HOLLAND. Mr. President, I ask unanimous consent that the name of the junior Senator from Oklahoma [Mr. MONRONEY] be added, at the next printing, to the list of cosponsors of the resolution (S.J. Res. 58), which I introduced for myself and 65 other Senators, proposing an amendment to the Constitution of the United States, relating to the qualifications of electors.

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

Mr. HUMPHREY. Mr. President, this makes 67 cosponsors. I do hope that we will be able to bring this matter up and passed in as quick time as possible.

AMENDMENT OF NATURAL GAS ACT, RELATING TO HEARINGS CONCERNING LAWFULNESS OF NEW RATE SCHEDULES—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of May 23, 1961, the names of Senators METCALF, LONG of Missouri, BARTLETT, MOSS, PROXMIRE, and DOUGLAS were added as additional cosponsors of the bill (S. 1946) to amend section 4(e) of the Natural Gas Act relative to hearings concerning the lawfulness of new rate schedules, introduced by Mr. CARROLL on May 23, 1961.

NOTICE OF HEARINGS ON CERTAIN NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

Mr. FULBRIGHT. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that today the Senate received the nominations of Anthony B. Akers, of New York, to be Ambassador to New Zealand, and Erle Cocke, Jr., of Georgia, to be U.S. Alternate Executive Director of the International Bank for Reconstruction and Development.

In accordance with the committee rule, these pending nominations may not be considered prior to the expiration of 6 days of their receipt in the Senate.

NOTICE OF NEW DATE FOR HEARINGS ON REORGANIZATION PLAN NO. 1 OF 1961, SECURITIES AND EXCHANGE COMMISSION

Mr. WILLIAMS of New Jersey. Mr. President, on May 16, I gave notice on behalf of the Subcommittee on Securities of the Committee on Banking and Currency that hearings would be held on May 22 on Reorganization Plan No. 1 of 1961, which would affect a reorganization of the Securities and Exchange Commission.

Because of various conflicts, it was not possible to hold hearings during the week of May 22, and it has become necessary to postpone the hearings until 9:30 a.m. tomorrow, June 2, 1961. The hearing will be held in room 5302, New Senate Office Building. While the hearings are being held by the Subcommittee on Securities, the members of the full Committee on Banking and Currency and the members of the Committee on Government Operations have also been invited.

These hearings have been called because the chairman of the Committee on Government Operations, the senior Senator from Arkansas [Mr. MCCLELLAN], to whose committee were referred the reorganization plan and Senate Resolution 148, which would express disapproval of the plan, has requested the comments of the Banking and Currency Committee on the plan. The hearing will be a preliminary hearing designed to elicit information on the basis of which the Banking and Currency Committee can respond to the chairman of the Committee on Government Operations.

NOTICE OF HEARING ON NOMINATION OF ALBERT A. RIDGE, TO BE U.S. CIRCUIT JUDGE, EIGHTH CIRCUIT

Mr. JOHNSTON. Mr. President, on behalf of the Committee on the Judi-

ciary, I desire to give notice that a public hearing has been scheduled for Monday, June 12, 1961, at 10 a.m., in room 2228, New Senate Office Building, on the nomination of Albert A. Ridge, of Missouri, to be U.S. circuit judge, eighth circuit, vice Archibald K. Gardner, retired.

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

The subcommittee consists of the Senator from Missouri [Mr. LONG], chairman, the Senator from South Carolina [Mr. JOHNSTON], and the Senator from Nebraska [Mr. HRUSKA].

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

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

Hugh Salter, of North Carolina, to be U.S. marshal, eastern district of North Carolina, term of 4 years, vice B. Ray Cohoon.

Warren C. Colver, of Alaska, to be U.S. attorney, district of Alaska, term of 4 years, vice George M. Yeager, resigned.

Donald H. Fraser, of Georgia, to be U.S. attorney, southern district of Georgia, term of 4 years, vice William C. Calhoun, resigned.

Charles L. Goodson, of Georgia, to be U.S. attorney, northern district of Georgia, term of 4 years, vice Charles D. Read, Jr., resigned.

Herman T. F. Lum, of Hawaii, to be U.S. attorney, district of Hawaii, term of 4 years, vice Louis B. Blissard.

Sylvan A. Jeppesen, of Idaho, to be U.S. attorney, district of Idaho, term of 4 years, vice Kenneth C. Bergquist.

Edward R. Phelps, of Illinois, to be U.S. attorney, southern district of Illinois, term of 4 years, vice Harlington Wood, Jr.

Richard P. Stein, of Indiana, to be U.S. attorney, southern district of Indiana, term of 4 years, vice Don A. Tabbert.

Donald E. O'Brien, of Iowa, to be U.S. attorney, northern district of Iowa, term of 4 years, vice Francis E. Van Alstine, term expired.

Joseph S. Lord III, of Pennsylvania, to be U.S. attorney, eastern district of Pennsylvania, term of 4 years, vice Walter E. Alessandroni.

Kenneth Harwell, of Tennessee, to be U.S. attorney, middle district of Tennessee, term of 4 years, vice Fred Elledge, Jr.

Harry C. George, of Illinois, to be U.S. marshal, eastern district of Illinois, term of 4 years, vice Vernon Woods.

Floyd Stevens, of Michigan, to be U.S. marshal, western district of Michigan, term of 4 years, vice Harry Jennings.

Frank W. Cotner, of Pennsylvania, to be U.S. marshal, middle district of Pennsylvania, term of 4 years, vice Oliver H. Metcalf, deceased.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Thursday, June 8, 1961, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

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

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

By Mr. RANDOLPH:

Commencement Day address delivered by him at Shepherd College, Shepherdstown, W. Va., on May 29, 1961.

By Mr. SCOTT:

Radio broadcast by Senator BEALL over 16 Maryland radio stations, on May 18, 1961, dealing with certain reorganization plans submitted to Congress by President Kennedy.

By Mr. PASTORE:

Interview of Senator MAGNUSON on CBS program "Capitol Cloakroom," on May 18, 1961.

FEES PAID BY IRANIAN GOVERNMENT TO AMERICAN CITIZENS

Mr. SCHOEPPEL. Mr. President, let me respectfully invite the attention of the Senate, and particularly the attention of the Foreign Relations Committee and the Appropriations Committee, to an article entitled "Iranian Gold Mine," contained in the June 2, 1961, issue of the Washington newsletter, Human Events.

Actually, I have no evidence to support the allegations contained in this article. I have, however, determined that the Development and Resources Corp. is in fact a registered agent of the Iranian Government, and that, according to the report of the Attorney General of the United States, it has received from Iran fees which total $78 million during the period 1956 through 1960.

It occurs to me that the receipt of such fees on the part of American citizens from a country which itself has been the recipient of almost $600 million of the American taxpayers' money is significant.

I sincerely request that both the Senate Foreign Relations Committee and the Senate Appropriations Committee, which are duly charged with the responsibility in these matters, thoroughly investigate this particular corporation, and answer, for the benefit of all American taxpayers, some of the questions that have been raised in this article.

I ask unanimous consent that the article be printed at this point in the RECORD, as a part of my remarks.

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

[From Human Events, June 2, 1961]

Iranian gold mine: Reports filter in from one of the largest foreign aid recipients—Iran—that all is not well with that country's government, despite mammoth handouts from Uncle Sam every year since World War II ended.

One reason why Iran may be receiving such huge sums—$588.4 million in total aid since 1956—is the Development and Resources Corp., headed by David Lilienthal, former Atomic Energy Commissioner and leading figure in the Roosevelt and Truman administrations. This outfit is listed with the Justice Department as a foreign agent—or lobby for foreign interests. In every year since 1956, the Iranian Government has supplied the Development and Resources Corp. with all or most of its income from abroad. Lilienthal's firm has received fees from Iran totaling $78.3 million. This is about 13.3 percent of the entire amount of assistance the United States has given Iran during the corresponding period (1956–60).

These millions, which Lilienthal receives for promoting Iranian interests, presumably come, directly or indirectly, from the foreign aid payments which U.S. taxpayers provide.

This situation prompts several questions, such as: Isn't it unusual for a foreign agent to receive such a large sum—both in terms of dollars and percentage—from the foreign aid recipient he represents? What services does the corporation perform in the United States for the Iranian Government? How much of the $78.3 million in fees went into development projects in Iran, and how much became assets of the corporation? Does this—and possible kindred situations—call for a congressional investigation?

CONSTITUTIONAL AMENDMENT ON ELECTION OF PRESIDENT AND VICE PRESIDENT — STATEMENT BY SENATOR DODD

Mr. DODD. Mr. President, on May 26, I appeared before the Judiciary Subcommittee on Constitutional Amendments, to present testimony in behalf of Senate Joint Resolution 4, which proposes a constitutional amendment which would change the present system of electing the President and Vice President of the United States.

I wish to compliment the distinguished chairman of the Constitutional Amendments Subcommittee, the Senator from Tennessee [Mr. KEFAUVER], for scheduling hearings on this subject. I am sure that these hearings will serve to reawaken national interest in electoral college reform, which was so high a few months ago, and that as a result of them, Members of the Senate will have an opportunity during this Congress to vote on this question.

Our present system for electing the President and Vice President has many defects. In my testimony last week, I tried to outline some of these defects and to point out the ways in which the constitutional amendment I have proposed will remedy them.

I ask unanimous consent that my statement be printed at this point in the body of the RECORD.

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

STATEMENT BY SENATOR DODD BEFORE CONSTITUTIONAL AMENDMENTS SUBCOMMITTEE CONCERNING REFORM OF THE ELECTORAL COLLEGE

The 1960 presidential election has spotlighted once again the antiquated, badly corroded, and dangerously inadequate machinery which Americans continue to use in

the election of the most important and influential officeholder in the world. The razor-thin margin dividing the popular votes received by President Kennedy and Mr. Nixon, the election of so-called unpledged electors in several Southern States, and cries of "fraud" in several pivotal States, which if proven, could have reversed the outcome of the election, have rekindled the flame of controversy over the reform of the electoral college method of electing the President of the United States. Immediately following the election and for weeks thereafter congressional mailbags bulged with letters demanding electoral college reform, and editorial comment throughout the country emphasized the need for prompt remedial action.

The glaring defects apparent in the electoral college system are no reflection on the wisdom of the Founding Fathers. The plan which they devised for the election of a Chief Executive was a compromise, designed to sell and cement the Federal system; it was tailored for a society in which rapid travel and communication was impossible, and for an electorate which was largely illiterate and uninformed. Fortunately, these conditions no longer persist. In addition, the most pernicious aspect of the present system, the so-called unit system of casting all of the electoral votes of a State en bloc for the candidate receiving a plurality in that State, was far from the original plan of the drafters of the Constitution. The constitutional authors had intended that each State should choose its most distinguished citizens as electors, and that the electors would then deliberate and vote as individuals in choosing a President. The unit rule was grafted onto the system prior to the Civil War, and has controlled every presidential election during the past 100 years. Three factors have contributed to its perpetuation: the power of State legislatures to specify the method of choosing presidential electors; the fact that a safe State under the unit rule can deliver the entire electoral vote of the State for its candidate instead of merely a large proportion thereof; and the obvious political advantage of a State employing the unit rule over States refusing to adopt it.

A number of the major objections to the present electoral college system are traceable directly to the unit rule. Under the system minority popular votes not only are not counted, but they are actually counted for the opposition. As Senator Thomas Hart Benton, of Missouri, said in 1824:

"To lose their votes is the fate of all minorities, and it is their duty to submit; but this is not a case of votes lost, but of votes taken away, added to those of the majority, and given to a person to whom the minority is opposed."

The patent unfairness of this procedure needs no further comment.

In large, pivotal States which are fairly evenly divided between the parties the unit system inflates the influence and bargaining power of splinter parties and small minority groups far beyond any legitimate weight, and invites domination of presidential campaigns by small, organized, well-disciplined pressure groups. The emphasis on large, solid blocs of electoral votes is also an invitation to fraud, since juggling of a few votes can swing the electoral votes of an entire State, and perhaps an entire election, as claimed by some Republicans in Illinois and Texas following the 1960 presidential election. This same stress on large blocs of electoral votes leads almost invariably to the selection of presidential candidates from large States, foreclosing the election of gifted men and strong leaders from less thickly populated areas. In our tense modern world, such deliberate wastage of valuable human resources is unthinkable. The winner-take-all emphasis of the unit rule has also had a severe dampening effect upon the development of a healthy two-party system in States which are clearly safe for either party. There is little incentive for the Republican Party to campaign seriously in Georgia, or for the Democratic Party to intensify its efforts in Vermont, knowing beforehand that all of the State electoral votes will be cast for the majority party regardless of the intensity and quality of their own campaign. This feeling of futility in the ranks of the minority party is matched by an air of complacent apathy within the majority party. The result is an embarrassingly small voter turnout which does nothing to enhance the picture of American democracy before our free-world friends and our Communist adversaries.

Criticism of the present electoral system is not limited to the problems created by the unit rule, however. The complications inherent in the operation of the system and the varying complexity of the ballots used for the selection of electors in many States have led the American people in increasing numbers to feel that some sleight-of-hand small print is depriving them of a direct and meaningful voice in the election of a President. Even after almost 200 years of operation, the actual mechanics of the present system are relatively unknown and misunderstood. The electorate is confounded, and to some extent frustrated, by a system which translated a 0.16-percent plurality of the popular vote into an 84-electoral-vote plurality in electing President Kennedy by an electoral count of 303 to 219 in 1960. And the fact that it remains quite possible for a President to be elected under the present system by a clear majority of electoral votes despite the fact that he actually received fewer popular votes than his opponent remains a cause of puzzlement and grave concern. More serious, however, and more blatantly unfair, is the machinery provided under the present system for resolving doubtful elections. Election of a President when no candidate receives a majority of the electoral votes is thrown into the House of Representatives. Each State delegation is given one vote, regardless of the size of the State or the delegation, and the vote of evenly split delegations is not counted at all. This totally unrepresentative system can completely distort the popular will in the selection of a President, and has done so on at least one occasion in the past.

Quite clearly, these defects and criticisms are not new. Following each close and hotly contested election they have been repeated, reemphasized, and restudied, and throughout the years, a series of remedial plans have been developed. The amendment to the Constitution of the United States which I have introduced (S.J. Res. 4) is drawn from these previous proposals and represents what I believe to be the soundest approach to a difficult problem. The system which it embodies, known as the proportional distribution plan, was first introduced in Congress in 1877, and was actually passed by the Senate, in essentially its present form, in 1950. Just prior to the 1960 election, in April 1960, a Gallup poll showed 50 percent of the population favoring the proportional distribution plan, 28 percent opposed to a change, and 22 percent with no opinion. Following the election, the portion in favor of a change is almost certain to have increased significantly.

The amendment which I have introduced creates a system for the election of a President which is simple in both concept and operation, and easily understood by the average voter. Under its provisions the electoral college is abolished, but the electoral vote is retained, with each State continuing to be credited with one vote for each of its Representatives and Senators. Following a presidential election, the electoral vote in each State is apportioned among the candidates in accordance with the number of popular votes which they receive, instead of on the present winner-take-all basis. The candidate with the most electoral votes throughout the Nation is elected President if he has received at least 40 percent of the electoral votes. In the unlikely event that no candidate receives more than 40 percent of the electoral vote, the President is selected from the persons having the two highest numbers of electoral votes by the Members of the Senate and House of Representatives siting in joint session and voting individually. A majority of the votes of the combined authorized membership of the Senate and the House of Representatives is necessary for a choice.

This is a system which the American people can understand and respect. Each voter can readily see that his vote has a direct effect upon the outcome of the election, and will not and cannot be counted against the candidate of his choice. The innate fairness and equity of the system is buttressed by Gallup poll evidence of the fact that it seems fair and normal to the average citizen. The middleman elector is eliminated, together with the very real possibility of election manipulation by State legislatures. Since these bodies have complete control over the method of selection of electors, they may, if they like, choose the electors themselves, perhaps even after the election but before the electoral vote as threatened by Louisiana in the 1960 election. Death, incapacity, or disqualification of electors would no longer be a factor, and the possibility of a natural disaster preventing the casting of votes by some or all of the electors in a given State on the designated day would also be removed.

In addition to these beneficial effects, the proportional distribution system which I propose will provide a series of remedies for existing defects, and a number of advantages over existing methods, which lead me to urge strongly its immediate adoption and submission to the American people for their approval.

1. Under most circumstances the proportional distribution system will prevent election of a candidate receiving less than a plurality of the popular vote. Such an event could only occur if one candidate picked up most of his electoral votes in States where the number of voters relative to the number of electoral votes is low, and with the proportional system in effect a clean sweep of those States, of the magnitude required to bring about such a result, is highly unlikely.

2. With the elimination of the winner-take-all unit rule, the proportional distribution system would give equal weight to popular votes cast in large pivotal States and to those cast in States where one party is certain to win by a wide margin. Thus, no longer could a few votes in lower Manhattan or upstate New York tip the scales of the popular vote in New York and swing the entire electoral vote of the State to one candidate or another. Within the limits of existing inequalities in the representative weighting of the States, a few hundred votes in Manhattan, N.Y., would have exactly the same weight as an equal number of votes in Manhattan, Kans. As a result, four currently existing dangers would be removed.

First, the chance that the will of the people might be thwarted by fraudulent manipulation of the few votes necessary to shift the entire electoral vote of a closely contested, large, pivotal State would be substantially reduced. In order to influence the outcome of any but the closest of elections, fraudulent conduct would have to be of monumental proportions. Only a very few electoral votes could be influenced by the most successful and widespread fraud in any single State.

Secondly, the possibility of a storm or flood or other disaster in a local party stronghold which could affect the vote sufficiently

to tip the scales in favor of the opposite party and shift the entire electoral vote of a closely contested pivotal State would be eliminated.

Thirdly, the exaggerated influence of small, tightly knit, minority organizations and pressure groups upon the policies and activities of the major parties will be sharply curtailed. Under the proportional distribution system, the power of such groups to influence the outcome of a national election will depend solely upon their numbers and the effectiveness of their arguments upon other voters. No longer will they be able to blackmail party leaders with threats of their very real pivotal strength.

And, fourthly, the choice of presidential candidates will no longer be limited to men from the large States. With the threat of losing entire blocs of electoral votes from large pivotal States removed, party leaders will be able to consider good men from any area of the Nation, north or south, rural or urban, on the basis of merit and political appeal alone.

3. New life and vigor would almost certainly be breathed into the two-party system in America by the proportionate distribution plan. Since the number of electoral votes received by each party candidate in each State would depend entirely upon the total number of popular votes which he received in each State as compared with those received by his opponent, the plan would provide a powerful incentive for campaigning in every State, especially those presently considered as safe by either party and in which little or no campaigning is carried on under the present system. Despite the tremendous impact of radio and television on modern campaign methods, voters in relatively safe States today have little opportunity to obtain and digest accurate information on campaign issues or to personally assess the relative merits of the candidates. Under the system which I have proposed, no candidate will dare ignore any area of the country without running the risk of losing important electoral votes. This will mean, of course, that State party organizations will have to be strengthened and rebuilt and staffed with able leaders in every State in the Union. No longer will mere delivery of a majority of the popular vote in a State be considered as a successful campaign. The highest possible favorable vote, contrasted with the lowest possible adverse vote, will be the goal of every State party organization, and the competition will be tremendous. This will lead directly, of course, to an improvement in the embarrassingly small turnout of American voters at the polls in presidential elections. In selling our American form of democratic government to the uncommitted and newly formed nations of the world, it is frequently difficult to explain the fact that many Americans apparently do not care about or believe in their own governmental system enough to take part in the election of their Chief Executive. Under the proportional distribution system, the emphasis on overwhelming numbers as the basis for winning electoral votes will force political leaders to emphasize the need for getting out the vote in every campaign, and can only result in a vast improvement in the numbers of Americans participating directly in presidential elections.

The type of campaign required to win elections under this system can only be organized and carried out successfully if local workers are mobilized in force and are carefully coordinated by tightly knit national organizations. In the face of such party fronts, splinter parties will find barren ground in which to sow their seed. They will, of course, be able to pick up a few electoral votes in States where their strength can be concentrated, but their hopes of winning an election are as small or smaller under proportional distribution as they are under the present system. And the few electoral votes which they manage to win will be poor payment for the loss of the highly magnified bargaining power which they presently enjoy in the pivotal States. No longer will they be able to dictate party policy in the fields of their special interest on threat of upsetting the balance in pivotal States by throwing their small, compact, highly organized vote to the opposition. Their influence in party councils will be limited to the number of votes which they can deliver throughout the country, and to the cogency of their arguments in support of their position. Outside of party councils, their effect will be gaged solely upon their ability to convince the voters of the justice and desirability of their programs. As a result, the major parties will be freed from the disproportionate pressure which such groups now can and do apply, and will be better able to formulate distinctive national policies designed to provide for the good of the greatest majority of the people of the Nation.

4. Proportionate distribution of electoral votes in a presidential election would reflect more accurately the popular strength of the various candidates. The present system, with its winner-take-all allocation of electoral votes, carries a built-in distortion of popular support which leads to landslide election triumphs when popular support is only lukewarm. In 1912, Woodrow Wilson, with only 42 percent of the popular vote, received 84 percent of the electoral vote. In 1936, Franklin Roosevelt received 98 percent of the electoral vote on the basis of 60 percent of the popular vote. These are not isolated instances, but illustrations of the normal effect of the present system. This type of illusory electoral strength provides a questionable basis for the exercise of power, and could easily lead to an abuse of authority.

The system, once again, was not planned by the drafters of the Constitution with this effect in mind. In the interests of stability, they did provide for a slight distortion in favor of the smaller States by apportioning electoral votes on the basis of the number of representatives in both Houses of Congress. The votes corresponding to the two Senators from each State weight the scales slightly against the larger States. This advantage was probably necessary to secure the support of the smaller States for the original Constitution, and while at this point it may no longer be essential for the preservation of our Federal system, it still goes far toward prevention of feelings of dissatisfaction and injustice among the smaller States without appreciably damaging the rights or the powers of the larger States. It has therefore been retained in my proposal under the proportionate distribution plan.

5. One additional feature of the present electoral college system remains undisturbed by the amendment which I have submitted. Voter qualifications under the Constitution are left entirely within the control of the States. There is still a great enough disparity among the cultural patterns in the various States of the Union to justify retention of this authority by the States. It is still essentially a local matter. Even if this were not the case, as a matter of political reality, this is perhaps the worst time in the past half century to attempt to impose Federal controls upon voter qualifications, and any such attempt would almost certainly fail. My amendment makes no change in the present system, and leaves this power where it rightly belongs, in the hands of the States.

6. The last, and perhaps the most important, adjustment which is accomplished by the proportional distribution plan outlined in my amendment is the elimination of the grossly unfair method provided at present for the decision of elections which are thrown into the House of Representatives because no candidate receives a majority of the electoral votes. Under this antiquated system, only Representatives are permitted to vote. This means that the large delegations from States such as New York, Pennsylvania, and California carry no more weight than the delegations from Idaho, Alaska, and Rhode Island. Under such a system, the will of the people can readily be perverted, as it was in the election of 1824, when Adams was elected President by the House despite the fact that Jackson received a plurality of more than 12 percent of the popular vote. The continuing concentration of our population in large urban areas and the consequent growth in the proportionate strength of States encompassing such areas increases the blatant injustice of this system with each passing year. My amendment provides for the election of a President by both Houses of Congress, sitting jointly and voting individually, in the event that no candidate receives at least 40 percent of the popular vote. This type of vote reflects with a much greater degree of accuracy the popular will, and will result in most cases in a decision acceptable to a majority of the voters of the Nation.

These, then, are the major considerations which have led me after much deliberation to propose the serious step of amending our Constitution in order to provide a sounder method for the election of our President. I have not taken this step lightly. The proportionate distribution plan which forms the heart of my proposed amendment is not a perfect system, but its merits so far outweigh any objections which have been brought to my attention that I feel compelled to bring it before you for your consideration. The present electoral college system is grossly unfair and unduly complicated, and must be replaced at the earliest opportunity. The proportional distribution plan in my judgment, stands head and shoulders above any of the alternative solutions which have been formulated, and provides a sound, easily understood and equitably designed election plan. It is my conviction that it should be adopted, and soon. I earnestly solicit your support in this serious and important undertaking.

THOMAS E. MURRAY

Mr. DODD. Mr. President, last Friday, Thomas E. Murray, for 9 years Atomic Energy Commissioner under President Truman and President Eisenhower, passed away, in New York. I believe that in his death, America lost one of her best and greatest sons. As a business leader, as a philanthropist, as a prolific inventor, as a distinguished scholar, as a prominent Catholic layman, and, finally, as one of our most dedicated public servants, Thomas E. Murray made many notable contributions to his country.

His honors and his good fortune he accepted humbly. But more than anything else, Thomas Murray was a moral man; indeed, I consider him one of the most intensely moral men of our time.

Thomas Murray was not a businessman who contented himself with his many directorships. He was at the same time an electrical engineer and an inventor of genius, who held more than 200 electrical and welding patents, some of which were of great importance to the American war effort.

During World War II, he converted his plants to the production of mortar shells

for the Government; and for his wartime inventions in this field he received from President Roosevelt a citation for distinguished service.

As a member of the Atomic Energy Commission, Thomas Murray's rare technological ability and fertile imagination enabled him to play a role of outstanding importance in developing the nuclear power potential of our country.

So great was the respect he commanded for his competence and integrity, that when his final term was about to expire in June 1957, the majority of the Joint Congressional Committee on Atomic Energy publicly urged President Eisenhower to reappoint him. In their letter to the President, they said that Mr. Murray was primarily responsible for many Atomic Energy Commission accomplishments. They credited him with having led the way to opening up American uranium resources, starting hydrogen bomb experiments, promoting electrical power supplies for atomic plants, and building the first big industrial atomic powerplant.

But I think that history will recall that Thomas Murray's greatest contribution to his country was made after he had left the post of Atomic Energy Commissioner, when he sought to serve his country by warning against the dangers of the nuclear test ban moratorium, and by urging us to confront without hysteria, with balance, but, above all, with Christian morality, the terrible issues raised by the specter of nuclear warfare.

The final years of his life were devoted almost exclusively to an attempt to awaken his countrymen to the disaster which could come to this country from our abandonment of further development of nuclear weapons, an abandonment imposed upon us by the nuclear test ban. Thomas Murray's final published word on this subject was an article—published in the winter issue of Orbis magazine—entitled "Nuclear Testing and American Security." This is the last testament of a very great American, and I ask unanimous consent that it be printed at this point in the RECORD.

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

NUCLEAR TESTING AND AMERICAN SECURITY

(By Thomas E. Murray)

The new President of the United States, when he takes office, will immediately come face to face with one of the most vexing problems of international relations today—the problem of disarmament and arms control. Within this complex problem, the issue of nuclear test suspension has assumed a primary place—indeed, a highly dangerous place. The nuclear test policy which our Government has pursued for more than 2 years is gravely imperiling the security of the United States and its free world allies. The incoming Chief Executive cannot afford to delay a close and critical review of the American policy decision, dating to October 3, 1958, to suspend all nuclear tests—its history, its present status, its entire rationale, and its role within the wider context of arms control policy.

During the last 2 years, many Americans have labored under the impression that the United States and the Soviet Union, through their negotiators at Geneva, have been moving inexorably toward a nuclear test ban, hammering out one treaty clause after another, making an increment of progress each month toward that time when a test ban will be put into effect. This is a pernicious illusion. Actually, as far as the United States is concerned, a test ban has already been in effect for more than 2 years. The ban has been in the form of a unilateral moratorium which is all-comprehensive, admits of no exceptions, and is accompanied by no safeguards whatsoever.

The illusion has been compounded by optimistic assumptions that adequate safeguards for an absolute and permanent test ban can possibly be agreed upon through international negotiation within the foreseeable future. The fact is that such safeguards are not feasible in terms of either the present state of technology or the world political-strategic situation. It is nonsensical, therefore, to speak of a permanent test ban treaty accompanied by sufficient guarantees of compliance as though such a compact were almost within our grasp.

What is in effect today is an unpoliced and unpoliceable test ban, which bids fair to be continued indefinitely, with increasingly dangerous consequences. The temporizing attitude which has characterized the administration's test policy during the last 2 years means that the next President will face a grim battle to gain approval of a proposition which never should have been brought into question in the first place—namely, that the United States has the right, indeed, the obligation, to carry out a program of nuclear tests if this should be required for its own security and the defense of its allies.

At present, our national policy on nuclear tests is being shaped as much by our own illusions as it is by Communist propagandists, who cynically equate any proposal for test resumption with a callous indifference to the peaceful aspirations of mankind. As a matter of fact, the preservation of world peace hinges upon the maintenance of an adequate Western deterrent, and this in turn demands that the United States retain a lead in the realm of nuclear technology. It is precisely this leadership which has been called into doubt by the American unilateral moratorium. Today, we are backing into the quicksand of the most dangerous and most subtle form of unilateral disarmament—technological obsolescence.

One of the longstanding objectives of Soviet policy has been to induce the United States to acquiesce in an all-inclusive test ban which would involve a minimally effective international inspection system. The Soviets have achieved this objective by spinning out the Geneva negotiations into the third year, while retaining their own freedom to carry out clandestine nuclear testing as part of a weapons development program. It is imperative that our national policymaking in this crucial area be liberated from hostile foreign influences and be regeared instead to the essential demands of our own security, indeed of our very survival as a free people.

I

It is essential to realize that the present U.S. nuclear test policy has been, and still is, based upon a serious mistake. This mistake dates back to 1958, and must be laid to the scientific advisers of the White House as well as to the State Department policymakers who acted precipitately on the advice of those scientists. I am convinced that President Eisenhower would never have ordered the moratorium had it not been for the erroneous judgment of the scientists.

We must remember that, originally, it had been the fear of worldwide radioactive fallout—a fear exacerbated by communist propaganda—which had stirred the world public into opposition against nuclear tests and finally prompted the United States to make the trek to Geneva. The main spur to this fear was the detonation of multimegaton weapons which contaminate the atmosphere of the earth. If the motive of the United States in going to Geneva had been to allay world apprehensions—and it apparently was—then it was on this type of tests that the scientists and the policymakers should have focused their attention. The requirements of military security no longer necessitated such tests. Moreover, a ban on this kind of testing could easily have been policed; the technical apparatus was already in existence and could have been expanded quickly into an international inspection system, fully effective.

In 1958, therefore, the United States was in a position to show appropriate respect for the legitimate demands of world opinion without jeopardizing its security on the technological front. We should have proposed an agreement to stop all tests which cause atmospheric contamination, and to institute on an international basis an already proven system for policing such a ban. Mobile teams for conducting on-site inspections would not have been necessary.

The United States did not, however, press for such a practical agreement with sufficient vigor and persistence.[1] Instead, we became involved in a much more complicated and much more dangerous quest for a universal test prohibition which would outlaw all types of nuclear explosions forever—atmospheric, oceanic, underground and outer space. In this respect, we transgressed the limits of necessity. The harmful products of underground explosions can be contained in such a way as to pose no threat to human health. Furthermore, outer space tests conducted at sufficiently high altitudes can be conducted with no known danger to human life. Both underground and outer space tests were still important to improve our defensive capabilities and to enhance our overall deterrent power. It was not necessary to include them in the scope of the ban. In fact, it was essential that they be excluded.

Nevertheless, the State Department took the position that, once our scientists could postulate an inspection system which would record a nuclear explosion larger than 2 kilotons anywhere in the earthly environment, the United States could enter a total test ban agreement with equanimity. In the spring of 1958, the scientists informed the administration that they had come up with the answer. By now it is well known that the scientists had erred seriously. They had based their conclusions regarding the possibility of policing underground tests upon the results of but a single experiment—the 1.7-kiloton "Rainier" shot of September 1957, detonated deep within a mountain tunnel. This experiment had been planned well before the special committee of scientists had been established under the President's chief scientific adviser, Dr. James Killian. The "Rainier" explosion had not been planned to meet specific detection needs; the resulting data relating to detection capabilities were an almost accidental byproduct of the test. Yet, on the basis of

[1] Several months after the Geneva negotiations had started, President Eisenhower, on Apr. 13, 1959, sent a letter to the Soviet Premier proposing that the three powers agree for the time being to ban only atmospheric and underwater tests, leaving underground and outer space tests for later consideration. This was one of the most sensible moves made by the administration throughout the test ban negotiations. But after Prime Minister Macmillan suggested the quota of on-site inspections (discussed below), Khrushchev rejected the President's proposal and treated the Macmillan suggestion with decided favor. From that time on, the administration dropped the President's sound proposal of Apr. 13.

this scant evidence from a single explosion, the scientists concluded that from an analysis of wave patterns registered on seismographs they could differentiate from earthquakes nuclear blasts as small as 2 kilotons.

When this scientific information was placed before President Eisenhower, he proposed that a Geneva Conference of Technical Experts be held in the summer of 1958. It was most unfortunate that the scientists lacked the wisdom or the patience to wait a few more months before proceeding to Geneva. They were well aware that the "Hardtack" series, scheduled for September 1958, would provide them with an opportunity to verify their hypothesis before undertaking to discuss the technical details of a treaty on which the security of the free world would depend. Urged on by the State Department, American scientists went to Geneva with a proposal for a system of some 650 to 700 seismic stations around the world capable, so they thought, of detecting all underground tests above 2 kilotons.

In the summer negotiations at Geneva, our scientists were induced to retreat from their original position and accept a less comprehensive system. A joint communiqué issued on August 21, 1958, declared that it was "technically feasible to set up * * * a workable and effective control system" which would be 90 percent reliable in detecting underground tests not of 2 but of 5 kilotons or more. This system need only comprise 180 stations throughout the world, including some on the territory of each nuclear power and 10 on shipboard in the oceanic areas.

A few months later this formula had to be scrapped by our scientists. The completion of tests at Yucca Flats made it crystal clear that our scientists had ratified conclusions that were erroneous. Nuclear explosions in the "Hardtack" series appeared on some seismographs in the United States as earthquakes, instead of nuclear explosions. With the number of control points approved at Geneva, the experts had now to admit a serious blunder. It was demonstrated that the minimum size of underground tests that could readily be identified was five times greater than had originally been estimated. Still later, nuclear scientists learned that it is possible to muffle underground explosions almost beyond the range of detectability by detonating them in large, deep cavities (such as those naturally or artificially washed in salt domes) or in smaller underground holes containing pressure-absorbing substances. It is difficult to understand why the President, with this evidence before him, did not revoke the test moratorium until such time as the scientists could calculate with a reasonable degree of accuracy the full requirements of an effective inspection system. The only reason which I can adduce for his inaction is pressure from the State Department, reflecting in turn pressures from abroad.

II

For more than 2 years, the United States has adhered stubbornly to a moratorium and a test ban negotiations policy which are founded upon discredited scientific assumptions. No American military leader in possession of all the facts would ever have recommended the test moratorium or consented to it except under heavy organizational pressure. Undoubtedly, the tacit consent of the military to the imprudence of the test moratorium has been exacted through an appeal to the classic imperative of "overriding political considerations."

But has our current policy on tests been a success even from the political standpoint? Has it, for instance, convinced the Soviets of our sincere desire to brake the arms race? Has it altered their conviction, rooted deeply in their own ideology, that the capitalist camp is warmongering and intent upon destroying the socialist camp? Has it placated world opinion and convinced the peoples of our peaceful intentions? Has it offered a realistic hope of limiting the membership of the so-called nuclear club? Does it contain a real promise of opening up Soviet society? Has it contributed to a relaxation of international tensions? Has it diminished the fear of war, accidental or deliberate? Has it gained for the United States the initiative in disarmament negotiations, or helped to advance the possibility of success in other areas of negotiation? Has it reinforced the confidence of our allies in our political wisdom? The answer to all these questions is no. Our entire test policy has been demonstrably a failure. There have been no political gains to warrant the security risks which have been incurred. The argument of "overriding political considerations" simply does not stand up under scrutiny.

Our moratorium has not prevented the Communists from returning to a noticeably tougher cold war line in 1960. The mere fact that the Soviets seem to take a less dogmatic position than their Chinese partners on the question of the inevitability of war does not mean that they have really moved one inch toward genuine accommodation with the West. Not only has our moratorium failed in the bid to mellow the Kremlin, but it has not brought the United States any significant propaganda returns. Indeed, large segments of world opinion have been persuaded by the Communists to believe that Americans want controls without disarmament—one of the most singular successes scored by Soviet propaganda in the entire postwar period. Actually, the United States has already committed itself to the most drastic form of disarmament which it has ever undertaken in its history—and without the slightest semblance of controls.

One of the arguments adduced for the test ban treaty (for the sake of which the moratorium was ordered) is that it will solve the "*n*th country problem" and thereby help to prevent a future catalytic war started by a smaller nuclear power. Yet, few responsible observers can deny that the Geneva discussions have been carried on in a strange political vacuum. They have not come to grips with the difficulty of imposing a Big Three prohibition upon the half dozen or more nations which will be in a position to develop nuclear weapons during the next decade if they wish to do so. The most immediate problems focus on France and China. For a time it was assumed that, in the event of a test ban treaty, the United States would bring France into line and the Soviets would persuade the Chinese Communists to adhere to the compact. But politics is not that simple. General de Gaulle has displayed a rigid determination to create a separate national deterrent in order to enhance French international prestige.

China is expected to test a nuclear device within the year. Even the most ardent proponents of a test ban agree that the proposed inspection system would be meaningless if the vast land area of Communist China were excluded. Nevertheless, our scientists in 1958 ignored this question, and our negotiators appear no closer today to solving this dilemma. An inspection system devised largely at the insistence of the United States will not be accepted by a country which the United States, for many complex reasons, refuses to recognize and which is, if anything, even more bellicose than the U.S.S.R. The nuclear test issue is not an argument for suddenly reversing U.S. policy toward China. But the China problem is in itself a sufficient reason for the United States to reverse its nuclear test policy. It is absurd to think that we will bring the final solution of the China problem within our reach by prolonging the moratorium and the Geneva negotiations a little more—with intensified patience, sincerity and flexibility.

One of the political advantages most frequently claimed for the test ban is that internationally staffed inspection posts on Soviet soil will reduce the Soviets' secrecy complex and represent a first step toward opening the closed society of communism. There is no question that Soviet secrecy has significantly compounded the security problem of the Western allies. It is highly desirable that the Soviet Union be transformed gradually into a more open society. But since the start of the Geneva negotiations, Premier Khrushchev has consistently described the Western inspection plan as little more than a sinister scheme to organize spy rings in the Soviet Union. The atmosphere produced by such accusations has not been conducive to any agreement which would open up Soviet society.

The Russian negotiators, who had agreed 2 years ago to the establishment of 21 inspection stations on Soviet territory, began to argue during the summer of 1960 that 15 stations ought to be sufficient. In other words, they were retreating from the principle that the inspection system be used as an instrument for increasing cooperation on international arms control through a freer flow of information. But perhaps most serious of all was the alacrity with which the Soviets picked up the suggestion made by Prime Minister Macmillan for an annual quota of veto-free inspections to be carried out in each host country. The American negotiators had contended for some time that the number of on-site inspections (i.e., to check cases in which the seismic signal was ambiguous) would have to be determined by scientific criteria. They argued logically that, after the inspection system was constructed and set in operation, it might be discovered that a few dozen on-site inspections per year would be enough to guarantee effective policing, or that perhaps several hundred would be required. The Macmillan proposal, made on a trip to Moscow, and without prior consultation with President Eisenhower, called for a predetermined number of inspections, fixed by political agreement. The Soviets were quick to seize upon this proposal as a means of restricting the activities of "prying foreigners" on their soil. Premier Khrushchev has stated that he sees no need for more than a few inspections per year—probably three. The Macmillan formula, if embodied in a test ban treaty, will essentially defeat the concept of effective policing upon which the United States has insisted throughout more than a decade of disarmament negotiations.

The chances that a nuclear test ban will contribute significantly to the cause of world peace are virtually nil. Given the oppressive dangers inherent in the current world situation, an arms control plan whose initial phase involves a cessation of testing begins at the wrong end. A test ban, accompanied by a continuation of the moratorium until the inspection system has been completed (perhaps 5 or 6 years after the treaty is signed), cannot possibly furnish any adequate sense of international security against the perils of surprise attack or war by accident or miscalculation. An absolutely foolproof policing system against tests, even if it could be devised and put into effect (and it cannot), would constitute no guarantee against the continued danger of thermonuclear war for several years to come.

Certainly, the test moratorium which has been in force for more than 2 years has not led to a relaxation of international tensions, as its advocates assumed it would. If a treaty should ever be signed, it may usher in a brief euphoria, a period of friendship, good will and accommodation similar to the "Spirit of Camp David" which was dispelled

brutally by Premier Khrushchev at the abortive Paris meeting. But the United States is involved in an ideological-power contest of indefinite duration and of global dimensions. If the United States continues to let its nuclear technology rust, no one can predict what will be the state of our security and that of our allies in the next decade. A test ban treaty which does not eliminate cheating and which remains at the mercy of Soviet obstructionist tactics will not reduce tensions. Rather, as time goes on it will give rise to mounting suspicions and fear that the side which seems obsessed by the desire for strategic secrecy is trying to gain a unilateral advantage. This will be bound to have a destabilizing effect on the international situation, tightening rather than easing world tensions.

III

We frequently take pride in our operational striking power now in being, which we boast to be the most awesome ever wielded by any nation in history. But, we must ask ourselves, of what use will be all our stockpiles of weapons and our delivery systems developed during the last decade if the Soviets exploit the American test moratorium to design radically new and infinitely more awesome weapons? We would be myopic indeed to think that the world has arrived at a technological stalemate which permanently renders war unthinkable for both sides. Today, in a rapidly changing environment of pure and applied science, the notion that any weapons art can somehow be frozen is as wistful as it is naive. The patent fact is that nuclear technology is still in its infancy. In many of their public pronouncements, the Soviets indicate that they have grasped this simple truth much more clearly than have our own policymakers.

The present symbols of our military strength are the multimegaton bomb in the bay of a jet bomber and the megaton warhead on a long-range missile. Implicit in the possession of these weapons of almost limitless destructive capacity is the threat of their use. This, we hope, will effectively deter all aggression. We assume that neither party will dare use its weapons for fear of a retaliatory strike that would prove too devastating.

Our strategy of deterrence, however, could be robbed of its credibility, and therefore its effectiveness, if the Soviets were to accomplish a major breakthrough in some aspect of military technology, either offensive or defensive. Nuclear technology is still capable of significant progress, especially in the areas of tactical weapons, antimissile defenses, communications jamming, the military uses of outer space explosions, and related areas.

Until now, nuclear technology has progressed principally along one line—namely, toward massive megaton weapons of an offensive character, whose destructive capacity is completely undiscriminating. The result of a policy of stockpiling these huge weapons and of integrating them into a strategy of deterrence through the threat of mass annihilation is to jeopardize the survival not only of the material fabric of civilization, but also of the human race itself. These, however, are not the only kinds of weapons which nuclear technology can yield.

There are other practical lines of nuclear development—they lead toward the third generation weapons which are as radically different from the H-bomb as the H-bomb was from the Hiroshima-type A-bomb. These new weapons will not be larger and more efficient H-bombs, nor smaller and more efficient A-bombs. They will be weapons of a different category which, when combined with refined delivery systems, will lend themselves to strategies and tactics more narrowly military in character than those to which we have grown accustomed. They will be capable of being used without posing suicidal hazards for the nation employing them. Furthermore, compared with the nihilistic weapons systems on which we now rely, the use of the third generation nuclear weapons—or at least some of them—will be easier to justify on moral grounds.

Such new weapons of conflict—weapons which differ from those now familiar to us not merely in degree or specific type, but also in basic structural principles and operational performance—are not the remote dreams of isolated scientists. The conceptual designs for these weapons already exist in American laboratories. The possibility of their development is more realistic than was that of the H-bomb a year before its detonation. In fact, these weapons would already have been tested had it not been for the moratorium. It is no exaggeration to assert that, if the veil of nuclear secrecy could be lifted and the American public informed of all the weapons possibilities of which our nuclear scientists are aware, the popular clamor for the immediate resumption of nuclear tests would be loud and insistent.

The crucial question before us is not whether we should or should not acquire this or that specific weapon—a cluster of warheads, or an antimissile missile, or a communications-jammer, or a tactical A-weapon—however important each of these may prove to be. What should be a matter of concern to Americans is the range of scientific-technological possibilities upon which we have arbitrarily, and needlessly, turned our back.

An advocacy of the resumption of nuclear tests is by no means synonymous with the wish to see the United States produce weapons more frightful than those which are now in our stockpiles. Some of the weapons of the future which have been suggested as technologically feasible are indeed awful to contemplate.

The United States should abjure the development of weapons which could not possibly be used operationally under any circumstances and which could never be integrated into any rational military strategy or political policy. But, although the United States might wisely decide that certain types of weapons should never be developed, it cannot afford to remain blind to the possibilities now available to a power which, according to all past evidence, will not hesitate to exploit them in war or in blackmail. Surely, we cannot develop adequate defenses for the United States in the next decade unless we know all that there is to be known about the performance characteristics of new weapons which may soon be—if they are not already—in the hands of the Soviets. An up-to-date program of active and passive continental defense demands constant technological research, and research requires testing.

The primary value of testing does not lie, as the opponents of test resumption imply, merely in improving by marginal amounts the efficiency of weapons which are now in our stockpiles. If this were so, then a plausible case could be made against resumption. The main point is that the United States cannot hope to compete in the race for the technological leadership of the world if it stops testing. We cannot stay in the running if we seal off forever all avenues of nuclear investigation which entail explosions, whether they be in the earthly or the extra-terrestrial environment, irrespective of whether they are harmful to mankind, and regardless of whether they are for peaceful or military purposes.

That the Soviets can conduct crucial nuclear tests without detection has been publicly conceded by high-ranking officials of our State Department, Defense Department, and other governmental agencies. Must we await empirical evidence before being convinced that the Soviets are, indeed, carrying out clandestine tests? The Soviets' avowed aim, stated often enough by their leaders, is to beat the United States in the technological and military race. According to their own Leninist ideology, they would be guilty of criminal negligence if they were to let the opportunity afforded by the unpoliced moratorium slip by.

We know by now of the tremendous effort which the Soviets exerted in the late forties and early fifties to draw abreast of the United States in atomic and thermonuclear weapons technology. More recently, we have seen how they have striven to forge ahead in the technology of satellites, rockets, and intercontinental missiles. Is there any reason to suppose that they suddenly brought their nuclear weapons technology to a halt as of 1958? Can we stake our security on the assumption that they are not continuing research and testing to develop capabilities for disrupting the defender's communications systems; to increase the efficiency of offensive missile warheads and develop their own antimissile defenses; to improve the flexibility of small atomic weapons; and to move toward the production of the third generation of nuclear weapons?

The combination of these two factors—the possibility of achieving new breakthroughs plus the ability to carry on tests without risking detection—should constitute sufficiently compelling political proof that the Soviets are indeed exploiting the American moratorium to advance their own aims. On October 31, 1960, Charles C. Stelle, the U.S. representative at the Geneva negotiations, frankly told the Soviet delegation that "the U.S. Government would be remiss in its duty to the American people if it continued to check the development of such a major military field as nuclear weapons when it has no way of knowing what its major rival is up to in this field." He declared that the United States could not "afford to rely on Soviet assertions that the Soviet Union has in fact observed a moratorium and has not conducted any nuclear tests."

One might be excused for observing that the United States is doing precisely what its accredited representative in Geneva said that it cannot afford to do. Mr. Stelle's statement, nevertheless, was noteworthy insofar as this was presumably the first time in the Geneva talks that an American official had hinted at the necessary premise of U.S. nuclear test policy, namely, that the Soviets have in fact been testing new nuclear weapons. The United States cannot afford to dismiss as idle boasting Premier Khrushchev's mention of "fantastic new weapons" in his now famous speech of January 1960—more than one year after the de facto moratorium supposedly had gone into effect.

IV

A few American scientists have sought to impress upon the American public the apparent sincerity of Soviet scientists at Geneva in wishing an end to nuclear tests. Yet, can such subjective judgment serve as a meaningful guide to policy? Our statesmen have contended steadfastly for more than a decade that we cannot stake our national security on the mere utterances of Soviet negotiators. This is why we have always insisted arms agreement be accompanied by an effective control system. One may add parenthetically that, so long as scientists do not make policy in the Soviet Union, their apparent sincerity or insincerity is completely irrelevant to our own decisionmaking.

Some of our scientists are opposed to an open discussion of new weapons possibilities

on the grounds that such revelations would jeopardize the success of the Geneva negotiations. They view the nuclear test ban as an overriding objective to which all other considerations must be subordinated. Some of them have publicly stated that nothing must deter the Government in its endeavor to arrive at an accommodation with the Soviet Union on the cessation of tests. A sector of the scientific community seems obsessed with the belief that a treaty to end nuclear tests is the only available gateway to universal disarmament and lasting peace. This obsession, unfortunately, has been communicated to the Government. For nearly 3 years now, the test ban has been virtually the only string to our disarmament bow. If we must base our whole arms control policy upon the shaky foundation of a ban on nuclear tests, we are indeed at the end of our political and diplomatic rope.[2]

Some scientists who support a continuation of the test ban characterize appeals for resuming nuclear weapons development as "irresponsible." They take the position that no one but a nuclear physicist is qualified to debate issues of public policy in this area. This attitude is as presumptuous as it is arrogant. One need not be a nuclear physicist in order to pass judgment on essential national security requirements. All that one needs is access to the facts. If the curtain of nuclear secrecy could be raised, and if the American people could glimpse the conceptual designs of revolutionary new weapons which now exist, they would realize that our current moratorium represents to many of its adherents an escapist flight from the realities of the technological world. They would realize that the new weapons possibilities are not, as some exponents of the ban aver, a "gleam in the eye" of certain AEC scientists. Fortunately, the Army, the Navy, and the Air Force have taken a more sober view of these new weapons possibilities. The three services have already arrived at the unanimous decision that a study be made, on an urgent basis, of the third generation weapons.

One cannot but recall another occasion when some of the present proponents of the test ban erred in their estimate of new weapons possibilities. A decade ago, they were profoundly wrong in their scientific estimates of both the feasibility and the practicability of developing a thermonuclear weapon. At that time, opinion within the General Advisory Committee of the AEC varied widely, but several of the scientists contended that it would take 15 or 20 years or even longer to develop an H-bomb. Yet, once the necessary resources were allocated to the task, the United States was able to detonate its first thermonuclear device less than 2 years later. In 1952, the Soviets were only about 6 months behind the United States in nuclear technology, and they were pressing hard to match and surpass us. They knew they were competing in a weapons race. Today, we do not. The proponents of the test ban who deplore the current arms race are guilty of using faulty terminology. It takes two to make a race. So far as the quality of nuclear technology is concerned, the United States has been out of the running since the moratorium went into effect in 1958.

V

The United States can continue to risk technological obsolescence only at the price of undermining the deterrent which is the sole meaningful guarantee of international peace today. If the Joint Chiefs of Staff were asked—and the American people are entitled to pose this question—whether our test policy is endangering our overall national defense posture, their answer would be yes. Our current test policy is clearly at variance with our general defense policy, which demands a relentless advance in the research and development of nuclear weaponry.

The American moratorium is at variance, also, with a basic principle of our wider disarmament policy—namely, that all arms agreements be subject to inspection and control. Our free society is open to the scrutiny of all who wish to inspect us; Communist society remains tightly sealed to the outside world. The moratorium, to the extent that it bestows clear-cut advantages upon the Soviets, militates against genuine arms control efforts on their part. By proffering to the Kremlin what it has always sought—disarmament without controls—we have relieved the Communists of the need to make at least a plausible gesture toward real negotiations. If the United States commits the supreme folly of extending the moratorium for several more years until the inspection system is set up, the death knell will be sounded on meaningful arms control. Arms control then will indeed come—but it will come on terms dictated by the Soviets, after they have demonstrated a decisive superiority in nuclear know-how.

The Geneva test ban negotiations stand today at the very center of the global strategic struggle. The Soviets sabotaged the summit meeting at Paris last May. Since then, they have scuttled the 10-nation disarmament talks, preferring to carry their disarmament campaign into the General Assembly of the United Nations where, they know as well as we, genuine negotiations are virtually impossible. Meanwhile, they have worked with skill and perseverance on the shores of Lake Geneva to set a snare for the United States. Already, we have become enmeshed to the point of near helplessness, and the Soviets have no intention of allowing us to extricate ourselves.

Perhaps the greatest single danger confronting this Nation in the area of defense technology is the prospect that the Soviets, rather than let us escape from their trap, will make a token concession and finally bind us in a formal treaty with continued moratorium. Given our present national mood, we may leap at this disarmament straw, thus forfeiting irretrievably our freedom to take steps essential to an up-to-date national security posture.

This is why it is not sufficient to advocate resumption of nuclear tests merely for purposes of improving seismic detection capabilities or exploring the peaceful applications of nuclear explosions. If we convince ourselves that these are the only justifiable purposes of conducting tests, the Soviets may generously concede and agree to cooperate in a joint testing program for seismic improvement and peaceful uses, in return for a comprehensive, permanent test ban treaty. The Soviets could then stall indefinitely on cooperative research. Counting on the fact that the development of detection techniques will lag behind discovery of disguising methods, they would be able to continue their testing programs unhampered for several years, while the hands of the United States remain tied. By the time the inspection system is installed and operating, the Soviets might very well be 7 or 8 years ahead in weapons technology.

The policy course to be pursued, therefore, seems clear. In the Geneva negotiations, the United States should return to the position contained in President Eisenhower's letter of April 13, 1959, which called for a permanent ban on atmospheric and underwater tests. This constitutes a sound and a workable approach. Meanwhile the moratorium on underground and outer space tests should be revoked immediately so that safe forms of testing can be resumed as quickly as possible. Tests should be conducted not merely to enlarge our scientific knowledge of seismic or outer space phenomena but explicitly for the purpose of advancing the technology of nuclear weapons. The penalties which the moratorium already has imposed upon our total military-technological position must be voided. Even more important, we must prevent the potentially disastrous effects of prolonging an unpoliced moratorium for several more years after the signing of a test ban treaty until a far-from-adequate inspection system has been put into effect.

At the same time that we make the necessary shift in our testing policy, we should undertake a complete review of the military and political implications of nuclear secrecy. If the elimination of nuclear secrecy is the political price which has to be paid for resuming tests, we should be willing to pay that price. I would suggest that, as we resume the tests, we invite the Soviets to witness them. The invitation would be extended without prior commitment of reciprocity from the Russians. It is not at all certain that the Soviets would accept our invitation. But our willingness to lift secrecy would make Soviet propagandists hard put to impute sinister motives to the American test resumption. Our invitation would demonstrate our overriding concern with the defensive aspects of nuclear technology. We would be saying to the Soviets, in effect, that we are less worried over their purloining our technological know-how than over the possibility that they are clandestinely developing weapons which may some day devastate our cities. Simultaneously, we could use the United Nations as an educational forum to persuade the world that the greatest threat to mankind is an armaments competition conducted in secrecy, and that the elimination of secrecy is the first step toward abolition of international distrust. The anguished cries of Communist propagandists and Western pacifists notwithstanding, a resumed program of nuclear weapons development, if handled properly, can contribute meaningfully to a sense of free world security rather than enhance morbid fears of nuclear holocaust.

Certainly, the Geneva talks should be continued. The negotiations already have yielded valuable insights into the problem of arms control, and they may yet bear good fruit, provided that both sides approach them realistically. But it is absolutely essential that the United States, in continuing the Geneva talks, back away from two positions into which it has drifted: (1) The concept of a politically fixed quota of annual on-site inspections to investigate doubtful signals; and (2) the presumption that the test ban treaty, for all practical purposes, goes into full effect as soon as it is signed through an accompanying moratorium agreement which would cover the period prior to the completion of the network of inspection stations. Neither of these positions satisfies the basic

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[2] Within the last year or so, an increasing number of American strategy analysts have sounded a new note on the subject of arms control. They admit realistically that there are no prospects for disarmament as traditionally understood and as propounded by Premier Khrushchev. But they do foresee a chance that the Soviets and the United States might achieve security through the maintenance of a balanced deterrent. This would involve developing a mix of various offensive and defensive weapons to make any form of aggression, large or small, unprofitable to attempt. A variety of weapons systems, both offensive and defensive, would enhance the flexibility of the United States, permit the application of more rational strategies, and render it extremely difficult or impossible for a potential aggressor to compute victory with certainty. But such an approach to security, which has much to commend it, demands that the United States continue to make progress in the realm of nuclear weapons technology.

demands of our national security. Unless the Soviets can be persuaded to accept whatever number of on-site inspections may be deemed necessary in the light of scientific criteria, and to agree that tests will be prohibited only after they can be policed, the United States should sign no agreement whatsoever. Barring such agreement, we will have no choice but to announce frankly to the world that the Geneva test ban negotiations were, from the beginning, a tragic mistake.

The change of policy recommended here will not be popular, either at home or abroad. It will be greeted by a storm of protests. Somehow, the public has become obsessed with the idea that the stoppage of tests is the sure road to disarmament and peace, because it is the easiest issue on which to reach agreement with the Russians. This has been proved to be a profoundly false illusion. The diplomacy of disarmament, wrongly joined by us at Soviet insistence on the issue of test cessation, has reached a dead end. Nothing short of a reversal of the U.S. test policy can now salvage any promise for arms control and for international peace.

WEATHER BUREAU PRESENTS AWARDS TO 29 VOLUNTEER OBSERVERS

Mr. MANSFIELD. Mr. President, today the Chief of the U.S. Department of Commerce Weather Bureau, Dr. Francis W. Reichelderfer, announced 29 volunteer weather observer awards. The Thomas Jefferson and John Campanius Holm Awards were created by the Weather Bureau in 1959 to honor voluntary observers for outstanding achievement.

Most of these observers serve without pay; and I understand that there are some 12,000 cooperative observers throughout the United States. I am especially pleased about this year's awards, because a Montanan is a recipient of the John Campanius Holm certificate commemorating the first known systematic weather observer in the American colonies.

The posthumous award is being made to W. C. Wiggins, for more than four decades of dedicated service as voluntary weather observer at Flatwillow, Mont., ending with his death in January of this year. The citation is being presented to his son, Stanley E. Wiggins, who is carrying on his father's work in this capacity at Winnett, Mont.

Mr. President, I ask unanimous consent that the press release from the Weather Bureau announcing these awards be printed at the conclusion of my remarks in the RECORD.

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

WEATHER BUREAU TO PRESENT AWARDS TO 29 VOLUNTEER OBSERVERS

Dr. Francis W. Reichelderfer, Chief of the U.S. Department of Commerce Weather Bureau, today announced that 29 volunteer weather observers will receive the Bureau's 1961 Thomas Jefferson and John Campanius Holm awards.

The Weather Bureau has more than 12,000 cooperative observers throughout the United States who make and record daily observations. The cooperative observer program has been in existence longer than the Weather Bureau itself, and many families of observers have been collecting weather data for generations. The information provided by these observers has been of inestimable value to the Nation, Dr. Reichelderfer said.

The Thomas Jefferson and John Campanius Holm awards were created by the Weather Bureau in 1959 to honor voluntary observers for outstanding achievement. Most of these observers serve without pay, although a few of them receive small payments for special assignments such as participation in the current national severe storms project.

Five observers are to receive the Thomas Jefferson Award for unusual and outstanding accomplishments in the field of meteorological observations. This award is named for Jefferson because the statesman-scientist took an almost unbroken series of weather observations from 1776 to 1816.

Thomas Jefferson Award recipients are:

Mr. Charles E. Barret, Anchorage, Ky.
[1] Dr. William B. Fulton, Dadeville, Ala.
Mr. J. Smith Lanier, West Point, Ga.
Mr. D. Paul Oswald, Chewsville, Md.
[1] Mr. Ralph E. Weber, Oakland, Md.

The John Campanius Holm certificate commemorates the first known systematic weather observer in the American Colonies. In 1664 and 1665 the Reverend Campanius made records of climate without the use of instruments, near the present site of Wilmington, Del.

Receiving the John Campanius Holm Award are:

Mrs. Lucy C. Allen, Neuse, N.C.
Mr. Robert E. Bradbury, Roberts, Ill.
Mr. L. Monroe Cason, Warrenton, Ga.
Mr. A. R. Cox, Redig, S. Dak.
Mr. Wayne W. Creasman, Tryon, N.C.
Mr. William C. Cromley, Brooklet, Ga.
Mr. Paul O. Feldrappe, Plymouth, Wis.
Mr. Ralph H. Guy, Kenton, Okla.
Rev. Plummer F. Jones, New Canton, Va.
Mr. Harry W. Knipp, Napoleon, Ohio.
Mr. Allin W. Ladd, Holyoke, Mass.
Mr. Clyde O. Laughner, Whitestown, Ind.
Mr. C. R. Lovell, Greenville, Ky.
Mr. Ernest E. Martin, Salem, Mo.
Mrs. H. F. McCall, Ulysses, Kans.
Mr. J. C. Overpeck, State University, N. Mex.
Mrs. Bessie Powe Page, Cheraw, S.C.
Mr. Edwin L. Paulson, St. Helena, Calif.
Mr. Charles M. Richardson, Willoughby, Ohio.
Mr. Joseph C. Robinson, Laketown, Utah.
Mr. C. O. Romig, Dennison, Ohio.
Mr. Frank J. Southmayd, Franklin, N.H.
Mr. R. L. Staats, Chugwater, Wyo.
[1] Mr. W. C. Wiggins, Flatwillow, Mont.

[1] Award to be posthumous.

TRIBUTES TO THE LATE SENATOR JAMES E. MURRAY

Mr. METCALF. Mr. President, a number of newspapers throughout the country and Montana paid fitting tribute to a great man upon the death, March 23, 1961, of my distinguished predecessor, former Senator James E. Murray.

I ask unanimous consent to have printed in the body of the RECORD a collection of editorials and articles.

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

[From the Great Falls (Mont.) Tribune, Mar. 24, 1961]

SENATOR JAMES E. MURRAY DIES IN BUTTE

BUTTE.—Retired U.S. Senator James E. Murray died Thursday in Butte at the home of his son, U.S. District Judge W. D. Murray. The former Senator was 84.

Murray, a liberal stalwart in the Senate more than a quarter of a century, died at 5:10 p.m.

Funeral services will be held at 10 a.m. Monday morning from the Daly-Shea Funeral Home in Butte. The cortege will proceed to the Immaculate Conception Church, where solemn requiem mass will be held at 10:30 a.m.

Burial will be in the family plot in Holy Cross Cemetery in Butte beside his widow, who preceded him in death in May 1950.

A physician said death was due to the infirmities of age. The alertness and appetite of the long-time New Dealer waned in the past week.

He had flown into Butte from Florida February 14, was hospitalized for 9 days, then taken to his son's home. While hospitalized, Murray was chipper, showing the spark reminiscent of his long political career, which brought him the title of "Montana's Mr. Democrat."

A few hours before death, Murray's son admitted the veteran Senator's health "was not good." Last rites of the Roman Catholic Church were administered Wednesday.

The veteran Democratic Senator became ill in Florida after his retirement from the Senate and asked "to come home" to Butte.

In his 25 years in the Senate, Murray was regarded as a "100 percent New Dealer." He never wavered from his party's liberal wing.

He rose by seniority to chairman of the Interior and Insular Affairs Committee, where he became known as a champion of western mining interests and an advocate of reclamation, irrigation, and other natural resources development projects. He also was a member of the Labor and Public Welfare Committee.

At the time of his retirement, Murray was the fourth-ranking Senate Member from the standpoint of service and its second oldest Member. The oldest was 92-year-old Senator Theodore Francis Green, Democrat, of Rhode Island, who also retired in January.

Last April 28, the deadline for filing for reelection, Murray withdrew his candidacy, saying he had bowed to his family's request that he not seek a sixth term.

He was first elected to the Senate in 1934 to fill the unexpired term of the late Thomas J. Walsh, who was appointed U.S. Attorney General by President Franklin D. Roosevelt but who died before he could take office.

Murray was reelected in 1936, defeating T. O. Larsen; in 1942, defeating Wellington D. Rankin; in 1948, defeating Tom J. Davis, and in 1954, defeating former Congressman Wesley A. D'Ewart.

He had two close general election races—in 1942 when his margin was 1,212 votes and in 1954 when it was 1,728. His largest lead was 1934—84,304 votes.

Murray was the originator of the Small Business Committee in the Senate. As its chairman, he secured amendments to the financing of small concerns in war production of essential minerals.

A number of major laws bear Murray's name. Included are the Smaller War Plants Act, the Full Employment Act, Murray-Patman Act, and others relating to mining, agriculture, reclamation, and power development.

As chairman of the PWA advisory board in the State, before going to Washington, he urged construction of Hungry Horse Dam.

Later, as a Senator, he sponsored legislation bringing about the surveys and initial work on the dam in northwest Montana. More recently, he worked for funds to start construction of Yellowtail Dam in south-central Montana.

In the field of health, Murray either initiated or cosponsored such legislation as the Dental Research Act, the National Cancer Act, and the national heart bill. He also advocated a national system of health insurance.

Murray once said he considered the Employment Act of 1946 one of his major legislative accomplishments. This law, aimed at eliminating recurring booms and depressions, made the Government responsible for promoting maximum employment, production, and purchasing power.

He sponsored the resolution, enacted in 1946, which provided for U.S. membership in the United Nations Educational, Scientific, and Cultural Organization. In 1948 he was one of UNESCO's two official congressional advisers. Murray was a longtime advocate of a Missouri Valley Authority.

The Senator, who would have been 85 May 3, was born in Toronto, Canada. He was an 1895 graduate of St. Jerome's College in Berlin, Canada, and of the New York University Law School in 1900. He came to Butte after receiving his law degree and was admitted to the bar in Montana in 1901.

After serving as Silver Bow County attorney from 1906 to 1908, Murray went into private practice, where he gained wealth and prominence.

Murray's wife, the former Viola E. Horgan, of Memphis, Tenn., preceded him in death by many years.

In addition to Judge Murray, the former Senator is survived by four other sons, James A., a Washington, D.C., lawyer; Charles, of Washington, D.C.; Edward, of New York, and Howard, of Radersburg, Mont. Also surviving are a sister, Sister M. Ethelbert of the St. Joseph's Convent of London, Ont., and 12 grandchildren.

Murray was the second former Montana Senator to die this month. Zales N. Ecton, the first Republican Montana ever sent to the U.S. Senate by popular vote, died March 3.

Murray, aged and ill, announced his retirement last April amid one of the most bitter Democratic Senate primaries in Montana's history. Both of Montana's Democratic Congressmen, Lee Metcalf and LeRoy Anderson, were candidates, and Murray did not hide his feelings about them, charging they had cast "both personal and political loyalty to the winds."

Murray endorsed former Gov. John W. Bonner as his choice for his Senate seat.

Metcalf won the primary handily and on the eve of the general election, Murray announced his support of Metcalf, who had been regarded as Murray's protege in Congress. Metcalf won the elderly Senator's seat.

The announcement on the Senate floor of Murray's retirement brought eulogies from both sides of the aisle.

Senator GEORGE D. AIKEN, Republican, of Vermont, said Murray has been one of the "most kindly, considerate" men he had ever known.

Senator LISTER HILL, Democrat of Alabama, told the Senate the Montana Democrat's decision "saddens my heart." Murray, he added, had maintained Montana's "liberalism."

On both sides of the aisle Senator after Senator praised Murray's long record as a public servant and as a man who fought for the "little people."

[From the Independent Record, Mar. 24, 1961]

LEADERS PAY TRIBUTE TO SENATOR MURRAY

BUTTE.—Tributes from President Kennedy, Vice President Lyndon B. Johnson, Montana Congressmen, Gov. Donald G. Nutter, and Secretary of State Frank Murray came after the death of former Senator James E. Murray, who died in Butte Thursday.

Kennedy, Johnson, and Mansfield got word of Murray's death during a conference at the White House.

PRAISE FROM PRESIDENT

The President said:

"I feel a deep sense of personal loss. Senator Murray fought for much important legislation in the Senate during my association with him in that body. It was with deep grief that I heard of his death."

VICE PRESIDENT JOHNSON

Said JOHNSON:

"There was no greater man in the Senate. Senator Murray's death is a deep and personal loss to me."

SENATOR MANSFIELD

MANSFIELD, who conveyed the regrets of the President and Vice President, said:

"I never worked with a better partner than Jim Murray. He was a father, a counselor and adviser to me. He looked after the best interest of Montana and the Nation during his long, illustrious career in the Senate. His death is a great shock to me. Butte, Silver Bow County, and the Nation will mourn the passing of this great man. He contributed mightily to the welfare of our country in its most critical times."

SENATOR METCALF

Senator LEE METCALF said, "For more than 25 years Senator Murray was Montana's first citizen. He was one of the greatest humanitarians ever to sit in the U.S. Senate."

CONGRESSMAN OLSEN

Representative ARNOLD OLSEN spoke in similar manner. He said:

"I have known Senator Murray and his family as long as I can remember. I knew him when I was a small boy. I always admired him as a great leader and a great progressive for Montana and the Nation."

GOVERNOR NUTTER

Nutter said:

"We in Montana will be ever grateful for his years of public service. His many friends will mourn his passing. To members of his family, on behalf of myself and all Montanans, I extend our deepest sympathy."

STATE AUDITOR HOLMES

State Auditor John J. Holmes, like Murray, a Democrat, described the former Senator as "a very fine and great Montanan."

Murray, no relation, lauded Murray as a "true champion of and for the people." He said, "The people of Montana and the United States will miss this great humanitarian."

The State railroad and public service commission, in a prepared statement Friday said, "Murray was always for whatever was good for the people of Montana.

"Over the years he had been a tremendous help to this office when we were trying to work out our problems in Washington. He was never too busy to cooperate with us in every way."

Leo C. Graybill, Democratic national committeeman, said Montanans owe a debt of gratitude to Senator Murray.

"Since his first entry into public service on a statewide basis as WPA Director and throughout his long career in the U.S. Senate he was ever mindful of the people in his home State of Montana.

"Farmers know of his fight on their behalf when the going was toughest. He was always a friend of organized labor and of all working people. His record of service to Montana will be remembered irrespective of party," Graybill said.

[From the Great Falls (Mont.) Tribune, Mar. 28, 1961]

SENATE HONORS MURRAY AS LIBBY DAM FATHER

HELENA.—Burial of former Senator James E. Murray, Democrat, of Montana, was noted twice in the U.S. Senate Monday: with prayer and an appropriation.

Murray, who retired last year after 26 years in the Senate, was buried in Butte, where he died Thursday.

Senate was in recess over the weekend in respect to Murray. When it met this noon, Senate Chaplain Frederick Brown Harris said a prayer for the Montanan.

Later, the Senate passed an appropriation bill containing $350,000 for planning Libby Dam, to be built on the Kootenai River in Montana.

Senate Majority Leader MIKE MANSFIELD, of Montana, told the Senate Murray was the father of Libby Dam, having written the project authorization bill 11 years ago.

"I think this item is a fitting memorial," MANSFIELD said, "to a great Senator who advocated a great project and worked hard and constructively to get it going.

"The goal which he set is now in sight," MANSFIELD said, "and the rest of us in Montana and the Northwest will benefit because of the foresight shown by this great man."

Senator SPESSARD L. HOLLAND, Democrat, of Florida, said "I think this is a wonderful step which is being taken."

Senator LEE METCALF, Democrat of Montana, said it was tragic Murray could not live to see construction of the project he fathered.

METCALF said Murray was not only an advocate of Montana water projects, but in a quarter century had fathered water resource programs for the Nation.

[From the Peoples Voice, Mar. 31, 1961]

EXIT, A GREAT MONTANAN

Senator James E. Murray, after an extended illness, passed away in Butte last Thursday at the age of 84. Thus came to a close the life of a man who had been closely associated with Montana affairs since the turn of the century, and an active architect of Montana and national progress for more than 25 years.

While, in later years, Senator Murray was best known for his continuing efforts in behalf of development and conservation of the Nation's resources as chairman of the Senate Interior and Insular Affairs Committee, his senatorial role was not of a single purpose.

From the time he first went to Washington in January 1935, he was an active partner of Franklin Roosevelt and others in pushing the New Deal. Later, he devoted his energies just as wholeheartedly in support of Harry Truman's Fair Deal.

During his 26 years in the Senate he was a consistent champion of improved working and wage standards, particularly for the unorganized, and was actively instrumental in securing enactment of the Fair Labor Standards Act of 1938. His Full Employment Act of 1946 provided the President, for the first time, with ways and means of keeping an accurate check on the Nation's economic pulse. He worked incessantly for more and better public housing and easier financing for private homebuilding. He was one of the original sponsors of legislation to provide prepaid Federal health insurance for all Americans—a goal still denied, but nevertheless a worthwhile program that will eventually be achieved. He continually strove to improve social security, public health programs, educational standards, etc.

In a word, Senator Murray during his more than a quarter of a century in Washington, was actively identified with every major effort to improve America for the benefit of all Americans. We honor his memory by stating that in our opinion, he was the greatest Senator Montana ever sent to the Nation's Capital.—H. L. B.

[Washington (D.C.) Post, Mar. 25, 1961]

JAMES E. MURRAY

For 26 years, James E. Murray was a fixture in the U.S. Senate, a politician known for his steadfastness to principle and gentleness of manner. In Montana, politics can be as rugged as the terrain, but somehow Mr. Murray came through the rawest battles with

his serenity of spirit unimpaired. Although he was a millionaire, his sympathies were with the dispossessed and his voting record rarely swerved from his down-the-line New Deal convictions.

Yet the soft-spoken Montanan who died on Thursday at 84 was able to combine forthrightness and courtesy in a way that won respect if not agreement. When he retired from the Senate last year he could look back on a long and fruitful career. He was the chief sponsor of the Full Employment Act of 1946, a leading champion of conservation and of statehood for Hawaii and Alaska, and an ardent supporter of a broad range of welfare measures.

His passing recalls to mind Montana's notable constellation of Democratic Senators who have left their mark in politics. There were Thomas J. Walsh, the investigator of Teapot Dome, and Burton K. Wheeler, the temperamental insurgent and one time America Firster who now practices law in Washington. And the tradition which Jim Murray so capably represented is being continued by Mike Mansfield and Lee Metcalf. The State's copper economy and brassy politics have been impressively productive.

[From the Western News, Mar. 30, 1961]

SENATOR MURRAY SERVED STATE AND NATION WELL

It is sometimes difficult to assess the character and accomplishments of a man who has been active in public life upon the occasion of his death. Not so with Senator James E. Murray, who passed away Thursday, March 23, at his home city of Butte. He would have been 85 years of age had he lived until May 3.

Here was a man of more than usual ability who possessed more than ordinary wealth and who used his ability and the stature he gained through a term of service extending over 26 years membership in the U.S. Senate, in behalf of the masses of mankind.

Too often when men of wealth attain power they are tempted to use it for the benefit of people similarly situated. Not so with Senator Murray. His heart was with the people.

No other Montanan who has served in the Congress has had his name attached to so many monumental legislative efforts. No other Montanan to date had so imposing a record of accomplishments. Murray was not one to avoid unpopular causes nor one who would shun the risk involved in grappling with formidable opponents. It was enough for Jim Murray to find the cause was just and favorable to the interests of the majority of Americans.

Because of his attitude in behalf of the majority of Americans Senator Murray won the implacable hatred of many powerful individuals, groups, and corporations seeking or holding special interests. Some of them went out of their way to attack him, sometimes stooping very low in such practices. It became apparent to many Montanans that Murray must be right because of who opposed him. Happily the majority of Montanans sensed that Murray was almost always right and the majority stuck with him no matter how rough was the going.

Montana has been fortunate in having a number of very able men represent the State in Congress. It is possible that some of them were more spectacular than Senator James E. Murray, but certainly none of them left a richer record of accomplishment. Really that is the measure of the public servant.

[From the St. Louis Post Dispatch]

MURRAY OF MONTANA

Senator James E. Murray, of Montana, who died recently at the age of 84, was one of the Senate's leading progressives from 1934 until his retirement early this year. He was a man of wealth who nevertheless had a great sympathy for the underdog. There have been few pieces of liberal legislation in the last quarter-century that did not have his indorsement. He supported the New Deal, the Fair Deal and measures for full employment and health insurance. For many years he was a devoted advocate of the proposed Missouri Valley Authority and of virtually every sound proposal for conserving natural resources. Liberals in and out of Congress could always count on Mr. Murray for help. It is fortunate that he was succeeded by the able LEE METCALF, his work, in a measure, will go on.

[From the Great Falls (Mont.) Tribune, Mar. 25, 1961]

MONTANA MOURNS THE PASSING OF GREAT LIBERAL LEADER

Few men have left a deeper imprint on Montana government, politics and social welfare than Senator James E. Murray who died in Butte Thursday at the age of 84. At the time of his retirement he was the fourth-ranking U.S. Senate Member, and the second oldest.

Throughout his 25 years in the Senate he was an ardent and forceful advocate of the interests of the common people. He was recognized as a leader in the cause of labor, education and small business.

He was an effective champion of western mining interests, an advocate of reclamation, irrigation and other national resource development. Many important Montana projects stand as a monument to his sponsorship and influence in these fields.

In Montana Democratic councils he was a top figure throughout his political career—an unwavering champion of the liberal New Deal philosophy. His popularity with the voters was evidenced in succeeding election contests for his Senate seat.

Aside from that, he was a kindly man whose friends were legion, even among those who disagreed sharply with his political position.

His death marks the passing of an outstanding Montana and national statesman and a great humanitarian.

[From the United Mine Workers Journal, Apr. 1, 1961]

FORMER SENATOR JAMES E. MURRAY

Former U.S. Senator James E. Murray, of Montana, a good friend of the UMWA and one of the pioneers of the New Deal, died March 23 in Butte, Mont., where his political career began. He was 84.

Mr. Murray, a Democrat, retired from the Senate this year after more than 25 years of service.

Upon learning of his passing, President Emeritus John L. Lewis and the UMWA's International officers—President Thomas Kennedy, Vice President W. A. Boyle and Secretary-Treasurer John Owens—sent the following telegram to Mr. Murray's son, Judge W. D. Murray at 925 West Quartz, Butte:

"The tragic news of the death of Senator James E. Murray has brought grave sorrow to the officers and members of the United Mine Workers of America. Senator Murray's brilliant and distinguished career in the U.S. Senate has been chronicled by the historians of this country and his courageous dedication to improving the welfare of the working people will long benefit the generations to come. We extend the heartfelt condolences of our membership to your family on this sad day which will long be remembered for the Nation has lost one of its leading statesmen and the United Mine Workers has lost a true friend for whom we have so much affection, gratitude, and respect."

A good friend of the coal industry and coal miners, Mr. Murray was one of the very few Senators who aided the late Senator Matthew M. Neely, Democrat of West Virginia, in guiding through the Senate both in 1940 and 1952 versions of the Federal Coal Mine Safety Act.

At the time of his retirement he was chairman of the Senate Interior Committee and a high-ranking member of the Labor and Public Welfare Committee. His tenure in the Senate was exceeded by only three persons at that time.

It was under his guidance as chairman of the Interior Committee that the Coal Research Act was pushed through the 86th Congress.

In other fields, political projects of which Mr. Murray was particularly proud included: the Full Employment Act of 1946; health insurance financed through the Social Security System; statehood for Alaska and Hawaii, and a lifelong defense of public parks.

In the last session of Congress, the controversial Murray-Metcalf aid-to-education bill, close to that being pushed by the present administration, came to a vote in the Senate and failed to pass.

Mr. Murray was born in Canada and graduated from the New York University Law School, was admitted to the Montana bar in 1901 and since then had maintained a law practice in Butte.

Mr. Murray is survived by five sons: Federal Judge William D., Butte; Charles A., who served as his administrative assistant; James A., Edward E. and Howard A.

[From the Glendive (Mont.) Ranger, Mar. 30, 1961]

IN TRIBUTE TO SENATOR MURRAY

Senator James E. Murray, who died at the age of 84 at Butte Thursday, was recognized as one of the Nation's most able leaders as he served the country in the U.S. Senate for a quarter of a century.

At his recent retirement he was a top ranking member of several important Senate committees and was second oldest from the standpoint of service.

Senator Murray, during his 25 years in the Senate, although reputed to have a personal fortune of several millions of dollars, was an advocate of much legislation for the betterment of the common folks. Always interested and a leader in the cause of the welfare and progress of sound labor programs, his unwavering attention to the need of educational facilities and advancement through Federal aid, his effort and influence in the current health enedavor made him a pioneer in working for the adoption of the Federal laws of social security, public housing and fair employment standards.

Jim Murray, a true and loyal westerner from the mining city of Butte did much during his service in the Senate to further the improvement of the State's mining industry, and was a champion of sound legislation of benefit to the farmers and ranchers of the country.

Senator Murray was a busy man in Washington with his attention to national and international programs, but his devotion to Montana affairs and his assistance to the people of his State were such that endeared him to so many, regardless of political affiliation and beliefs. He will be greatly missed by the home folks, and will long be remembered and recognized as one of America's outstanding citizens and statesmen.

[From the Davenport (Iowa) Daily Times]

SENATOR MURRAY SERVED STATE

Montana kept Senator James E. Murray in the U.S. Senate 26 years, and he main-

tained a record of support of public power development which is of major interest in Montana and nearby States.

His record was that of democratic liberalism, and in his more active years he wielded potent influence in his party.

Murray, dead in Butte at 84, gave his adult life to public service, starting with the office of county attorney in 1906.

Political associates prevailed upon Murray last fall to relinquish his seat after he had announced his candidacy.

His age and his health provided the reason.

He served longer in the Senate than all but three of its present Members: BYRD of Virginia; RUSSELL of Georgia; and HAYDEN of Arizona.

Murray was one of three Montana Senators who gained national prominence. Senator Thomas J. Walsh, astute chairman of the 1932 national convention in which Franklin D. Roosevelt was nominated, accepted appointment as Attorney General, but died March 2, 1933, before taking office. Murray succeeded him.

Burton K. Wheeler served four terms as Senator, was a candidate for Vice President when Robert M. LaFollette was Progressive candidate for President, and was mentioned as a possible candidate for Vice President with Franklin D. Roosevelt when Henry Wallace got the nod and was nominated. Wheeler left the Senate in 1947.

Montana last fall elected a Democrat, Representative LEE METCALF, to succeed Senator Murray. At the same time, Montana elected a Republican Governor. Had Murray remained in the race and been elected, Montana would now have a Republican Senator through appointment. Thus Murray served his party by withdrawing, as he had served it faithfully in the Senate and in subordinate office.

MEMORIAL ON HON. SENATOR JAMES E. MURRAY

We, the South Valley County Farmers Union, in convention on this 25th day of March 1961, deem it proper and fitting that we pause momentarily to pay tribute to one of the greatest Americans of his time, Senator James E. Murray, of Montana. Time and space does not permit listing the many great things that were accomplished under his untiring leadership. It can be truly said that he gave the best years of his life to the welfare of the State of Montana and its people.

Therefore, we unanimously mourn the passing of this great American. The State of Montana and the Nation have sustained a great loss.

Let us all stand in a moment of silence as a tribute to the accomplishments for which he so rightly deserves credit.

Copies to be sent to: Montana congressional delegation, family of Senator Murray, and Montana Farmers Union.

SOUTH VALLEY COUNTY
FARMERS UNION,
MARION HELLSTERN, *Secretary*.

[From the Montana Standard, Mar. 28, 1961]

INDIAN TRIBE PAYS TRIBUTE TO SENATOR MURRAY

The family of James E. Murray, 84, former U.S. Senator from Montana, Monday received a personally delivered message from the Rocky Boy Indian Tribe of Montana.

Members of that tribe, and also of the Blackfeet Tribe, attended funeral services held here for the longtime Democratic Senator. The communication, signed by Joe Stanley, Rocky Boy Tribe, read:

"We Rocky Boy Indians made our way to here, about 210 miles, to attend this day with James E. Murray, to give him thanks for what he done for us, an Indian nation.

"We feel we owe it to him to come to his funeral for helping us out when we really needed it, for what he gave us to live on in 1956—a Federal help for our children and grandchildren. He got our tribe a sawmill for housing this past year. Ever since I saw him in Washington in 1958, I had hope for better times for the Indian people, and again in 1960.

"I know it and I see it and I really believe it—he is an honest man.

"I said to him this last time when we were leaving his office. I waited until the last and I said, 'I am glad you let us in here to talk over our problems. You are an old man now. When you leave this seat I hope God will put a man in this place who will have a heart for the Indian people like you have.'

"He sure was glad. He grabbed me by the shoulders and shook me. We talked for a long time.

"These things we will never forget as long as we live. I hope the ones that are here—his family—that they will have a good future, their children and their grandchildren.

"We always pray for that old man in our prayers, for his family and his grandchildren, his secretary, and the ones he worked with in Washington, D.C. That is the way we have been doing on the Rocky Boy Reservation and we will keep it up."

[From News for Electric Consumers, Mar. 31, 1961]

A GREAT MAN PASSES

ECIC joins in mourning the passing of Senator James E. Murray of Montana, who died March 23. He was 84 years old and had retired last year after more than 25 years in the Senate. In a special luncheon in his honor last yeaf, ECIC presented a citation to Senator Murray expressing the deep gratitude of ECIC groups for "his many contributions and his leadership in the struggle for a better life for all." The citation read, in part:

"James E. Murray has given the people of the entire Nation, as well as his State of Montana, an outstanding demonstration of the true meaning of serving the public welfare. He has provided leadership and inspiration for many of the social and economic gains which have been achieved in the past 25 years. He has been a guardian and a champion of the Nation's human and natural resources, striving throughout his distinguished career to:

"Assure all consumers of an abundant supply of low-cost electricity; harness the power of the Nation's rivers, and conserve and develop in the interests of all the people the Nation's water, mineral, forest and land resources; protect the consumer—the wage-earner, the farmer and the small businessman; improve our schools and elevate the teaching profession; advance an economy of abundance through full employment and full production; improve and protect the health of the people.

"As the sole or chief author of 65 major laws, and throughout his Senate career, James E. Murray has helped build, conserve and strengthen much that is fine in this Nation."

[From the Montana Farmers Union News]

JAMES E. MURRAY

James E. Murray, one of the outstanding figures in the history of the U.S. Senate, died at his son's home in Butte the evening of March 23. Solemn Requiem Mass was sung at Immaculate Conception Church, March 27, and burial was in Holy Cross Cemetery.

Mr. Murray was first elected to the Senate in 1934 to complete the unexpired term of the late Thomas J. Walsh, and was reelected four times. Last April 28 he bowed out of the race for a sixth term. He would have been 85 on May 3.

The former Senator was eulogized by the President, by his colleagues of both parties, leaders of State government, and by friends and admirers throughout the Nation and the world.

Leonard Kenfield, president of Montana Farmers Union, said that "With the passing of Senator James E. Murray, one of America's great men is gone.

"He was a warm friend of the Farmers Union from his first days in the U.S. Senate in 1935 until his death. He helped us with every proposal on which we sought his aid, gladly, with vigor, and with keen understanding of farm problems.

"We are all deeply indebted to him for his lifetime of stanch devotion to improving the general welfare. Farmers, workers, small-business men and all citizens are benefiting from his achievements. Income protection, rural power and telephone cooperatives, and farm credit are among the legislative programs he faithfully supported for farm people. For the working men and women it was minimum wages and collective bargaining that he championed. He led in the establishment of the Small Business Committee of the Senate and was its first chairman," Mr. Kenfield said.

"All citizens are better off for his statesmanship in the areas of social security, health, education, and resource development. He ended a brilliant career as chairman of the important and powerful Senate Committee on Interior and Insular Affairs. He will be remembered for his important work in helping to bring into existence Federal Hungry Horse Dam in northwestern Montana and for legislation and funds for Yellowtail Dam, soon to be constructed in southeastern Montana. Several vital pieces of legislation bear his name, and among them is the Full Employment Act. His proposals for national health insurance, Federal aid to education and multipurpose river development are renowned benchmarks in legislative efforts.

"Although he experienced sometimes big and sometimes very narrow vote margins at the polls during his political career, Senator Murray never wavered from vigorous support of progressive and often bitterly contested measures for Montana and the Nation. He was identified during all his years in the Nation's Capital as a New Dealer."

RECOMMENDATIONS FOR ACTION ON MASS TRANSPORTATION

Mr. WILLIAMS of New Jersey. Mr. President, I should like to take this opportunity to review some recent developments relating to the question of mass transportation, in light of the administration's present study of the subject.

Last year the Senate passed a bill, S. 3278, whose provisions have been expanded and refined and have now been incorporated into the general housing bill, S. 1922.

Extensive hearings were held last year by both Houses and, in reporting the bill to the Senate, the Banking and Currency Committee Report No. 1591, June 15, 1960, stated:

The committee believes that the urban transportation problem is of vital concern to all levels of government, and that the Federal Government must help overcome the decline and deterioration of mass transportation services. The committee believes further that the impact of the urban transportation crisis on the economic health of the metropolitan areas, on the free flow of goods in interstate commerce, and on the

Federal highway program is of such gravity as to warrant immediate Federal action.

That was a year ago. Conditions have continued to deteriorate, adding steadily to the ultimate cost of solution.

This last March the Senate Housing Subcommittee again held extensive hearings, with witnesses from all over the country, representing a wide variety of interests. These hearings are now available, and they contain a wealth of information on the subject.

At about the same time, the Regional Plan Association was completing a $50,000 study of passenger transportation in the New York metropolitan region, with particular reference to railroad commutation.

In its report to the Senate Commerce Committee, the association recommended that—

The Federal Government should make available, at the lowest possible interest, the capital funds necessary to save and improve commuter rail service. This is far less a burden on the taxpayer than is providing alternative commuter facilities. The investment should be used as a lever to move the railroads toward a modern and efficient commuter rail system.

The association made a particularly valuable recommendation in stating that the administering agency should insist on certain standards for the equipment purchased with Federal loans, particularly interchangeability among railroads and convertibility to a technologically improved system where possible.

I think it is probably safe to say that, had the study not been primarily oriented to the problem of the commuter rails, the association would also have agreed on the need to improve the whole range of facilities necessary to achieve a comprehensive and coordinated mass transportation system for the urban area, including transit and bus as well as rail, together with such facilities as fringe area parking lots and coordinated terminals.

More recently, the Advisory Commission on Inter-Governmental Relations concluded a several-month study of the mass transportation problem.

The 26-member Commission, representing all levels of government from all parts of the country, made the following recommendation without dissent:

The Commission recommends enactment of legislation by the Congress: (1) to provide grants to assist State and local governments in developing comprehensive plans for mass transportation in urban areas; (2) to underwrite special demonstration projects designed to develop and test innovations in mass transportation facilities and service arrangements; and (3) to initiate a program of long-term low interest rate loans to State and local governments for the construction and modernization of mass transportation facilities and equipment in urban areas.

As the Commission noted in its report, this recommendation represents "substantial endorsement of the objectives and major provisions of S. 345," which I introduced with 18 of my Senate colleagues.

Also, a study of National Transportation Policy by the Senate Commerce Committee's special study group, after extensively analyzing the loan guarantee program available under the Transportation Act of 1958 concluded that an attractive loan program—a loan of Federal money rather than guarantee of a private loan—must be provided so that railroad companies can put new equipment into service with minimum financial strain and that desirable terms would be 25- to 40-year amortizations and an interest rate no higher than the current average yield of similar term marketable U.S. obligations.

Finally, I should like to excerpt some comments that have been made on the subject by two men who are involved in the administration's present study, Mr. Wilfred Owen, of the Brookings Institution, now heading up the joint HHFA-Commerce task force, and Dr. Luther Gulick, president of the Institute of Public Administration, which is now undertaking a $98,000 study for the administration.

In his book "Cities in the Motor Age," Mr. Owen writes:

It is clear that even the current extraordinary roadbuilding effort will fall short of meeting all the transport requirements of the big metropolis in rush hours. Often it seems that the more roads we build the heavier the congestion becomes. By 1975 we may find ourselves with a highway system that can handle more vehicles than ever before, yet one that will be just as overburdened as ever. The answer to the transportation problems of our densely built-up urban centers does not lie in the private car alone. It is becoming more and more difficult to acquire land for rights-of-way and parking. Any real effort to make our vertical cities completely accessible by automobile would eliminate much of the downtown development that makes access worth while.

In order to preserve the core of the large city, there should be a more balanced attention to all methods of movement—and this means that an adequate public-transit system is essential. Without it the motorist in today's big city may strangle in his own congestion. Two conclusions seem warranted. First, where rapid transit lines already exist, facilities and equipment should be preserved and modernized to meet the requirements of present users. Subsidies for this purpose are warranted where they will mean a net saving in total outlays for the transport system as a whole. Some additional facilities may be warranted in densely developed central cities, but no large-scale return to rail transit is probable in view of the highly dispersed pattern of metropolitan areas. Second, since an expressway system must be built in any event to accommodate weekend and holiday traffic peaks and to meet the needs of truck transport as well, the most practical rapid transit for many communities will be the express bus operating on express highways. New techniques for vertical takeoff and landing will make air travel an important additional factor in the regional transport of the future.

While this is not the time for an exhaustive discussion of this subject, there are a few points I would like to make on Mr. Owen's statement. First, I question his skepticism about any large-scale return to rail transit. I believe such a statement can only be predicated upon the assumption that our present patterns of low-density suburban sprawl will continue and upon the assumption that new technology will not play an important role in future rail transit operations. I think, first of all, that there is a rapidly growing awareness of the need to come up with some alternative to urban sprawl, perhaps in the form of new satellite cities which would considerably improve the feasibility of expanding rail rapid transit.

But whether this development comes to pass or not, the legislation I have introduced and the provisions now incorporated in the housing bill would enable us to make a start on providing a comprehensive mass transportation system, whether it involves rail, bus, or helicopter.

Dr. Gulick, who is now heading up a $98,000 study on urban transportation for the President, testified both last year and this year on the mass transportation bills considered by the Senate Housing Subcommittee.

During the course of his testimony this March Dr. Gulick commented:

I see in this bill the first practical step—not the last step—toward the solution of the rapidly worsening urban transportation crisis. This bill looks forward, not backward. It is not trying to save anything. It goes at the fundamentals and encourages, yes it forces, a comprehensive approach.

Mr. President, I ask unanimous consent that the "Conclusions and recommendations" section of the RPA study, written by Mr. Anthony Arpaia, the recommendations of the Advisory Commission on Intergovernmental Relations, and the provocative and penetrating testimony of Dr. Luther Gulick at the hearings last March be printed in the RECORD at this point.

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

CONCLUSIONS AND RECOMMENDATIONS

(By Anthony F. Arpaia)

The attached study by the Regional Plan Association staff is the factual basis for my conclusions and recommendations as follows:

DESCRIPTION OF THE NEW YORK METROPOLITAN REGION

1. One-tenth of the Nation—some 16 million people—live in the 7,000-square-mile, three-State New York metropolitan region.

2. In addition to its large segment of the national population, the region is essential to the Nation because it performs important and unique services for the national economy. It is the capital of business decision-making.

3. Two of every five jobs in the region are performed in a 9-square-mile area in the southern half of Manhattan Island, New York's central business district. Its area is the size of an average American town of 20,000 people.

4. More than 3 million persons enter and leave the central business district every day. Of these, half come and go during peak rush hours, entering and leaving at about the same time because they work with each other in a complex face-to-face communications network.

THE NECESSITY OF MAINTAINING COMMUTER RAIL SERVICE

5. Some 400,000 persons working in the central business district live outside New York City. Half of these go to work on seven commuter railroads and the Hudson and Manhattan tubes (a subway system running between Newark and Manhattan).

6. Without railroads, the 200,000 commuters would have to travel on highways which are jammed during rush hours. There is no road capacity left during peak hours.

7. The cost of new expressways and river crossings to bring today's rail commuters into the Manhattan central business district by bus or car would be enormous. Once on Manhattan Island, the cars and buses would strangle normal and necessary street use. In addition, the vast stretches of costly space for extra parking and bus terminals would disrupt the economic life of the city. If the people who work in the Empire State Building drove to their jobs, it would take another Empire State Building to park their cars.

CRISIS OF COMMUTER RAILROADS

8. The physical condition of commuter railroad equipment has deteriorated seriously.

9. The region's commuter railroads are in serious financial condition.

WHY THE PHYSICAL AND FINANCIAL STRUCTURE OF COMMUTING RAILROADS HAS DETERIORATED

10. Most of the non-rush-hour traffic has been lost because of changed living patterns. The railroads are left with high peaks of activity about 20 hours each week; little equipment is used to rest of the time. The 5 day workweek further shortened the rails' utilization of commuter plant and equipment.

11. Deficits caused by losing off-peak riders made it necessary for the railroads to cut maintenance and replacement of equipment and to pare schedules. Resulting passenger discomfort and inconvenience lost further off-peak business and deepened the deficit.

12. In the past, railroads made up commuter deficits from profitable freight business. The eastern railroads have had difficulties maintaining freight profits because they have relatively short hauls. Trucks provide intense competition. Recently built expressways have brought sharp cuts in railroad freight business.

13. Despite the increasing deficits, property taxes on railroads have remained high. Commuters and local groups have misunderstood the railroads' problems and so have not been enlisted in efforts to contribute to solutions of the rail commuter problem without cutting essential services.

THE REASONS FOR FEDERAL LEADERSHIP TO SAVE THE COMMUTER RAIL LINES

14. Manhattan's central business district is the nerve center of the Nation's economy because of its large role in commerce, finance and world trade. Any lessening of Manhattan's business district activities would mean a tremendous waste of capital investment, private and public.

15. Because of the national stake in maintaining Manhattan's business district as a hub of the economy, failure to act quickly on commuter problems could result in the need for more drastic Federal intervention later.

16. The Federal Government has indicated interest in an adequate transportation system for the region by heavy investment in highways—$426 million over the past 5 years. In the next 10 years, the U.S. Government is expected to spend $3 billion in the region on the interstate highway program alone.

17. As one of the region's largest employers, the Federal Government has a stake in preserving the efficiency and economy of its service and the ability of its employees to get to and from work.

18. Because the region covers parts of three States, the region's interstate transportation problem falls under the jurisdiction of the Federal Government through its constitutional powers.

19. Rail service is essential to the national security. It will be required in any national emergency to move people and goods; and it will conserve fuel, rubber, manpower and materials.

WHAT NEEDS TO BE DONE

20. A major capital investment must be made to save and improve commuter rail service. Without immediate investment in equipment and facilities, operating deficits will continue to spiral upward while service declines. Eventually, if conditions continue to deteriorate, the safety of the public may be jeopardized. The background study estimates that $650 to $800 million is needed to stabilize operating costs and service and to take a step toward cutting costs and improving services.

21. New equipment should be designed so as to achieve greater operating economies and better service. This means that it should be interchangeable among railroads and convertible to what must gradually become a technologically improved system.

22. Some operating deficits are likely to continue on the commuter runs even with new equipment. The deficits must be met from some source other than railroad income.

THE FEDERAL TASK

23. The Federal Government should make available, at the lowest possible interest, the capital funds necessary to save and improve commuter rail service. This is far less a burden on the taxpayer than providing alternative commuter facilities. The investment should be used as a lever to move the railroads toward a modern and efficient commuter rail system.

24. It would be helpful also if the Federal Government would provide research funds for new equipment design. A similar procedure is embodied in the Federal highway and urban renewal programs.

25. Should the State and local governments grant tax concessions to the railroads, recommended below, the Federal Government should not dilute the concessions by maintaining full income taxes on the railroad corporations.

26. The Federal tax on passenger fares should be repealed. It was originally imposed as a World War II measure to discourage travel and is a relatively unimportant revenue source.

RESPONSIBILITY OF STATE AND LOCAL GOVERNMENTS

27. State and local governments already have demonstrated their recognition that they have a stake in maintaining service on the commuter rail lines. It should be their responsibility to recommend the level of fares, to set standards of frequency of service, to determine type and location of passenger stations, and to make up any operating deficits.

28. The railroads should be relieved of real property taxes on commuter services.

FEDERAL MACHINERY FOR INVESTING IN RAILWAY EQUIPMENT

29. Any appropriate Federal agency could administer the proposed capital loans.

30. The agency should insist on certain standards for the equipment purchased with Federal loans, particularly interchangeability among railroads and convertibility to a technologically improved system where possible.

MACHINERY AT THE REGIONAL LEVEL

31. The Federal loans could be made directly from the Government to the railroads. However, it seems reasonable for the Federal Government to work through the State and local governments involved for two reasons:

(a) The capital investment will directly affect future operating costs and are, therefore, related to the responsibility suggested for the State and local governments of making up operating deficits.

(b) Commuter rail service affects and is affected by the whole pattern of regional development. How this development takes place is primarily a State-local concern.

32. Although a single tristate agency would represent the best medium for effectuating combined State and local participation, there are reasons for proceeding with a tristate agency or individual State agencies if necessary; otherwise the failure of legislative authorization or action by one State might delay the progress of prompt improvement to the fullest extent possible in this highly critical period.

33. The States should retain regulatory responsibility for the intrastate portions of the rail service.

ACTION LOOKING TO THE FUTURE

Action is now imperative, but it should be action that will provide permanent improvements for the region's passenger transportation system. Federal investment in suburban railroads should be regarded as an integral part of the total Federal aid effort in the region.

It is also imperative that the executive branch of the Federal Government establish appropriate machinery to coordinate all Federal programs that affect the urban area, such as highway, airport, housing, urban renewal, etc., so that these activities are effectively correlated with comprehensive metropolitan plans developed by State and local governments.

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS,

Washington, D.C., May 3, 1961.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

DEAR MR. SPEAKER: For the past several months the Advisory Commission on Intergovernmental Relations has been giving attention and study to the question of mass transportation in metropolitan areas. The Commission was created by Public Law 86-380 as a continuing body made up of representatives of National, State, and local governments and the general public for the purpose of studying and making recommendations with regard to intergovernmental relations. Among other duties the Commission is charged with "making available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system; and encouraging discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation."

At its fifth meeting held on April 27-28, the Commission considered at length the question of Federal-State-local responsibilities with regard to mass transportation facilities and services in metropolitan areas. The resulting Commission report is being prepared for publication and will be available in a few weeks. However, since legislation on this subject is pending before the Congress, the Commission desires to make available promptly, the major points resulting from its deliberations. Consequently, there is enclosed a copy of that portion of the report which summarizes and explains the recommendations of the Commission.

Respectfully,

FRANK BANE,
Chairman.

RECOMMENDATIONS OF THE ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS REGARDING MASS TRANSPORTATION IN METROPOLITAN AREAS

A. RECOMMENDATIONS TO THE STATES

1. The Commission recommends the enactment of legislation by the States to au-

thorize local units of government within metropolitan areas to establish, in accordance with statutory requirements, service corporations or authorities for the management of areawide transportation facilities and services, such entities to have authority to borrow and to impose user charges, but with the initial establishment of any such entity being subject to voter approval on the basis of an areawide majority.[1]

The Commission has no general brief to offer either for or against direct local government provision of mass transportation. Private ownership and operation of facilities is by far the prevailing arrangement, and presumably will continue to be so. We believe policy on this matter can best be determined by the people of the area involved in the light of their particular transportation conditions and needs. The Commission does believe, however, that where those directly concerned wish to establish a governmental agency to provide public transportation in a particular metropolitan area, action on the matter should not be unduly delayed or hampered.

This is in accordance with the general philosophy that the widest possible range of potentially appropriate means should be available for meeting problems which accompany metropolitan development.

The Commission fully appreciates the various arguments which have been advanced against the use of functional authorities. These include the following: (1) It is a piecemeal approach to metropolitan problems. (2) The creation of authorities adds to the number of local units of government within the metropolitan area, of which there are already too many. (3) Authorities, being typically governed by a board of directors of private citizens appointed for staggered terms, are not directly responsive to the will of the people and to a considerable extent are beyond the reach of any one level of government. On the other hand, the Commission recognizes that the "authority" device constitutes one way of handling areawide functions within the the context of overlapping local units of government, and believes that the residents of metropolitan areas should be free to use this device if they see fit.

The Commission suggests a number of safeguards for inclusion in the kind of enabling legislation recommended above. In the first place, it is highly desirable to avoid the eventual establishment of numerous functional authorities; to that end, the enabling legislation should, where otherwise appropriate, permit the new entity to assume other areawide functions in addition to transportation, if the citizens concerned so desire.

Secondly, in order that the transportation authority be politically accountable and responsive, its initial establishment should be subject to approval of the voters of the area. It is further suggested that the board of directors of the authority be selected from among popularly elected officials of units of government making up the metropolitan area (mayors, county commissioners, city councilmen, etc.). Under such an arrangement, poor functional performance of the authority could lead to retribution at the polls for its directors.

2. The Commission recommends that the States take legislative and administrative action to extend technical and financial assistance to their metropolitan areas with regard to the planning of mass transportation facilities and services.

A small number of States, mostly in the Northeast, have already moved aggressively into the local transportation problem. Many others should do so. It is an abdication of the constitutional role of the State if it takes no action on a problem affecting its local communities when at the same time local officials of those areas are pleading with the President and the Congress for Federal financial aid. By becoming a partner with the local governments in the field of urban transportation, the State can play a vital role.

The metropolitan areas in general have within their borders sufficient administrative ability and financial resources to meet their needs; however, due to fragmentation of responsibility among various units and the lack of coincidence between service needs and tax jurisdictions, it is frequently impossible for local government to assemble effectively the technical and financial resources required for meeting the service needs of metropolitan areas residents. Since a large share of State general revenue comes from the metropolitan areas and since, in many instances, the State represents the only single force which can be brought to bear upon such areas in their entirety, it is reasonable and necessary that the State governments direct an increased share of their technical and financial resources to the problems of the metropolitan areas. The policies and activities of State highway departments, planning agencies, tax and regulatory authorities, and any special agencies having cognizance over local government and/or urban affairs all need to be marshaled and coordinated for sustained attack on the problems of urban transportation.

B. RECOMMENDATIONS TO THE NATIONAL GOVERNMENT

1. The Commission recommends the enactment of legislation giving congressional consent in advance to compacts among two or more States for the creation of agencies to be responsible for mass transportation planning in those metropolitan areas which cross State lines.

Nearly 40 million people live in interstate metrepolitan areas. Special difficulties confront efforts to achieve coordinated handling of the public transportation requirements of such areas. No one of the State governments concerned can, in its own right, deal with the problems involved for the area as a whole. If there is to be effectiveness and continuity of planning with regard to public transportation needs in areas of this kind, the task must be handled on an interstate basis.

The device of a compact between the respective States to establish a joint agency for transportation planning is a way to meet this need on a more durable basis than is likely to be achieved through informal ad hoc cooperative arrangements between the States concerned. Article 1, section 10, of the Constitution requires congressional consent for States to enter into an interstate compact. Ordinarily, such consent is sought after particular States have initiated action toward a compact, but it is possible for congressional consent to be granted in advance to compacts dealing with a specified subject matter.

The Congress has used this approach in various fields, including crime control, airport construction, and civil defense. Where, as in the case of urban mass transportation, there is an important and definable problem on which effective joint State action needs to be expedited in numerous geographic areas, the device of advance congressional consent seems highly appropriate.

In recommending that this device be used in the present instance, the Commission contemplates that the Congress might indicate in some detail the nature of the responsibilities for transportation planning that would be handled by the compact agencies. The Commission also suggests that, in the enactment of advance consent legislation, the Congress consider providing for appropriate representation on the compact agency by the Federal Government, since past failures to integrate properly Federal highway and urban renewal planning interests with each other and with those of State and local governments have contributed significantly to the present "urban transportation problem." We do not presume that such a planning agency could or should have power to regulate either interstate or intrastate transportation, although it might properly consider and comment on the effects of existing regulation upon mass transportation within the metropolitan area.

The intent of this recommendation would be served if, instead of taking action specifically with regard to transportation-planning agencies, the Congress were to enact somewhat broader legislation to provide its advance consent to compacts between States setting up agencies charged with planning for interstate metropolitan areas on a comprehensive basis, and dealing not only with mass transportation but also with other issues of areawide significance. In the connection, legislation proposed by the administration in the fields of housing and urban renewal contains a provision for advance congressional consent to compacts directed toward urban planning in general.

2. The Commission recommends enactment of legislation by the Congress: (1) to provide grants to assist State and local governments in developing comprehensive plans for mass transportation in urban areas; (2) to underwrite special demonstration projects designed to develop and test innovations in mass transportation facilities and service arrangements; and (3) to initiate a program of long-term low interest rate loans to State and local governments for the construction and modernization of mass transportation facilities and equipment in urban areas.[2] The Commission further recommends, however, that Federal support for special demonstration projects be restricted to projects undertaken at the initiative of the administering Federal agency.

This recommendation of the Commission represents, in effect, substantial endorsement of the objectives and major provisions of S. 345, which is under consideration by the 87th Congress, and which would authorize these several types of Federal financial assistance with respect to urban mass transportation.

PLANNING

The Commission believes that Federal stimulation and assistance with respect to urban planning in general, as currently authorized by section 701 of the Housing Act of 1954, is especially justified with respect to transportation planning. First, it is essential that mass transportation planning at the local level be integrated and keep pace with highway planning, which is already federally supported. The mere availability of highway planning funds should not be permitted to result in "highway dominated" transportation plans and policies in the metropolitan areas. Second, the longer State and local governments delay in the development of coordinated transportation plans in the metropolitan areas the greater will become the financial and social difficulties associated with transportation congestion, culminating no doubt in even greater pressure than at present for massive Federal assistance. In other words, since it is our view that Federal planning grants of moderate size will stimulate State and local governments to assume

[1] Mr. Burton did not concur in this recommendation.

[2] Senator MUSKIE and Congressman FOUNTAIN reserved their respective positions on this recommendation. Mr. Burton asked to be similarly recorded for the time being.

their rightful responsibilities with respect to this function, Federal expenditure for this purpose would be justified in terms of intergovernmental relations alone.

DEMONSTRATION PROJECTS

The Commission believes there is an urgent need for the conduct of technological research in the field of mass transportation with a view to developing improved methods and equipment. In addition to the direct expenditure of Federal funds for the conduct of such research within the Federal establishment, the Commission believes that it should also be possible to use research funds in the form of grants made to State or local units of government for this purpose.

Under proposed legislation now pending before the Congress, Federal financial assistance would be made available for the conduct of particular pilot demonstration projects which the Government determines would make a significant contribution to the development of research data and information of general applicability relating to the improvement of mass transportation service and the contribution of such service toward meeting total urban transportation needs at minimum cost. Under the proposed bill, these funds could be used to test the effect of such factors as service frequencies, fare levels, availability of transfer and feeder service, availability and location of parking facilities, speed of service, condition and placement of facilities and equipment, and technological developments affecting public acceptance of mass transportation service.

The underwriting of such demonstration projects, in the opinion of the Commission, should be viewed as part of the responsibility of the National Government to undertake and support research which is urgently in the public interest but which other levels of government and private enterprise are not in a position to carry on. Moreover, such projects should be specifically focused at research and demonstration needs, rather than in any way offering a subsidy to transportation facility construction or operation, or serving as a possible alternative to borrowing for ordinary capital purposes. To assure meeting these conditions, the Commission believes that—contrary to provisions of the measure now pending in the Congress—Federal support of special demonstration projects should be undertaken solely at the initiative of the administering Federal agency.

FACILITY LOANS

The financial difficulties of urban transit systems and rail lines are well known. Many transit systems are finding that borrowing at commercial rates of interest results in debt service charges which cannot be fully recovered, in added passenger revenues and reduced maintenance costs, from the modernization undertaken. In these cases borrowing for plant modernization tends to create or increase financial losses.

Congressional sponsors of Federal lending authority for mass transportation have pointed out that private commuter carriers have been unable to utilize to any significant degree the $500 million loan guarantee program that was provided under the Transportation Act of 1958. That act guarantees commercial lenders against any losses sustained through loans to the railroad industry for capital expenditures and maintenance of property. As of July 1960, loan applications had been filed for approximately $90 million. However, only a very small proportion of the requested funds have been for the purpose of directly improving rail commuter service.

To help meet this situation, the urban transportation measure now before the Congress (S. 345) would authorize Federal loans to States or local public agencies for their financing of expenditure to acquire, contract, or improve "facilities and equipment for use, by operation or lease or otherwise, in mass transportation service in urban areas" and closely related capital outlays. The bill limits the rate of interest to the rate paid to the Treasury by the administering Federal agency plus one-fourth of 1 percent. It also specifies a maximum loan period of 50 years, and limits availability of Federal loans to those instances where funds cannot be borrowed otherwise on equally favorable terms.

With such provision of Federal loans for financing of urban mass transportation facilities at approximately the same rate of interest which the Treasury has to pay in obtaining new funds, local governments will have a new source of borrowing for this purpose, at a reasonable rate, and—if the program is kept on a businesslike basis—at no net cost to the Nation's taxpayers.

EXCERPTS FROM HEARING ON URBAN MASS TRANSPORTATION—1961

Senator WILLIAMS. Our next witness is Mr. Luther Gulick, president of the Institute of Public Administration, who is becoming an annual visitor to this subcommittee.

As I suggested yesterday, Senator BUSH, our good friends who were here last year are here this year. I hope they will not have to return next year.

We are very honored to have you with us, Mr. Gulick.

STATEMENT OF LUTHER GULICK, PRESIDENT, INSTITUTE OF PUBLIC ADMINISTRATION, NEW YORK, N.Y.

Mr. GULICK. Mr. Chairman and members of the committee, that is going to be my first wish.

As you know, my name is Luther Gulick. I live in New York City. I have come here on your invitation to testify in my capacity as a research director and public administrator who has been concerned with urban development and urban transportation for many years.

The Institute of Public Administration which I direct is a nonprofit, endowed, research, and educational institution established in New York City in 1906. We do not lobby for any particular bills, but when requested we consider it an obligation to present our professional views with reference to any matter of public administration or public policy which falls within our field of competence.

We have devoted a great deal of attention to urban development and metropolitan transportation. My associates and I participated in the Washington metropolitan mass transportation survey and drafted the administrative proposals and compacts adopted by the 86th Congress.

We have been similarly engaged in a number of other basic studies including the current New York staggered-hours study, and have submitted technical reports on urban transportation to Senator Magnuson's Committee on Interstate and Foreign Commerce, and are under contract similarly to the Federal Advisory Commission on Intergovernmental Relations. We deal not with the engineering specifications and operations but with the administrative, governmental, and fiscal aspects.

First let me say I endorse the bill which is now before you, S. 345. The immediate adoption of this bill is the next forward step toward a real solution of the urban transportation chaos.

In the year that has elapsed since we met here to consider the earlier draft of this bill, conditions have been getting worse. With each accident, fire, snowstorm, or strike, the situation as to transportation in and around the great cities has been deteriorating. The opening of each new throughway, tunnel, or bridge, though highly useful in itself, has served to increase the traffic, parking, and other tieups.

The current economic slump has temporarily eased some of the pressure in the more depressed areas. But with the return of high employment, and the open season for travel, vacations, weekends, and outdoor recreation, we will see this summer a new high of traffic overloads, a new high of public resentment.

With each month, the plight of the private railroad is also more precarious. We face a dangerous crisis, dangerous to the big cities and to the Nation.

The most serious difficulty is now experienced in those major urban regions which were built on a commuter rail and transit network, that is, in Boston, the tristate New York region, Philadelphia, Chicago, and San Francisco, and their environs. These cities cannot maintain their managerial, financial, commercial, industrial, and residential efficiency and viability without the rail skeleton on which they were evolved.

Senator BUSH. I am glad to see that statement, Mr. Chairman, because that is the key to this whole business as far as the East is concerned. This acknowledgment of yours that the rail skeleton is absolutely basic and vital in the tristate complex that you are speaking of.

Mr. GULICK. Senator, the cities were built on that basis. It is like a man with a skeleton. You cannot change that man without dealing with his skeleton, maintaining his skeleton.

The next point is equally important. Unless the Congress is prepared to give up national responsibility for interstate commerce and for the regulation and development of railways, airways, waterways, and interstate highways, and to turn these duties over to the States and the localities, you in Washington must recognize that the States and localities are all but powerless to meet the developing situation.

If the National Government is responsible for these elements of national life and power, you cannot escape a major involvement in finding solutions and making them effective at the local level.

The collapse of circulation today in and around the big urban centers has been created by national policies and national failures in meeting the new technological requirements created by national action as to railroads, highways, airways, ports, urban renewal, housing, mortgages, immigration, and other programs, including those which have encouraged rural populations to leave the farm and flood into the cities.

I do not conclude that the Federal Government must therefore install traffic lights in Times Square. But I do say that the Federal Government cannot stand aside now and expect the State or local governments alone to find the solutions and finance the remedial measures.

The traffic problems of the great urban centers are created largely by the acts and policies of the Federal Government. As a result, all levels of government are now fundamentally involved, Federal, State, and local.

And what is required, Mr. Chairman, is not primarily money, or more highways, more parking lots, more bypasses, or more traffic controls. What we need now is a totally new approach, with new ideas, and new powers of action. Only then will come the need for added investment and new institutional arrangements.

Let me give you some illustrations which will show you what I mean:

First are the commuter railroads. They are essential for the efficient life and work of not less than a third of the American economy. We all thought these services were part

of the national rail system into which they are tied by bands of steel. We therefore let the ICC and the rail managements worry about this public service until we have all but killed the goose that carries the commuter to work to lay the golden eggs.

In truth, we should long ago have seen what was happening. We should have regarded this commuter aspect of railroad service as primarily connected with local circulation—that is, with streets and highways, tunnels and bridges, with housing and urban renewal, with land use, planning, and zoning.

From a functional standpoint, the commuter railroads are a part of the comprehensive local circulation system and can be dealt with successfully only through areawide systems analysis.

Second come the interstate highways. These have been laid out for long interurban and interstate movement, with an eye to the broader economy, and to defense and recreation. This was fine, but the major economic and traffic impact has been within 75 miles of the big urban areas. In most of these there was no advance awareness as to what these new national linkages would produce, and therefore no preparedness with local planning and zoning, and no accommodation to meet the new traffic potentials.

Third is air transport. The National Government, singlehanded, has converted the United States to modern air transport. The Nation did all the developmental work, designed and financed the airports, established all the controls, and subsidized the initial operations.

But here again the leadership has been too narrow. The air enthusiasts have been concerned with the gadgets, not with the total air service to the public and the Nation. Nobody is "total system minded." The public does not travel or ship by air for the fun of it any more. We want to get people and goods swiftly from center to center, from factory to factory.

In other words, we are concerned not with the flight above the clouds, but with the total trip, portal to portal.

And I do not need to point out to you that the air trip gets shorter and shorter—with the Federal Government paying most of the cost of experimental and developmental work—while the ground end of the trip gets slower and slower, because the ground trip is left to the tender mercies of the local street commissioners and traffic police.

From this point forward, more can be done for air travel and shipment by comprehensive, functional systems analysis, design, and management, including the ground components, than by any amount of space travel research.

Fourth is the breathless approach to panic solutions as to commuter railroads. Those who run the railroads are short of money; they are reported in many cases to be bankrupt. Thus they ask desperately for tax relief, spiraling and self-defeating increased rates, guaranteed loans and for subsidies from frightened legislative bodies and Governors.

Railroads seem to think that their problems are primarily money shortages. This is not the case. The trouble with the railroads is not primarily money; it is a failure to understand what is happening and what is needed as a service by urban populations.

The railroads are committing suicide because they are tied to an antiquated system, and antiquated ideas, which may have been useful two generations ago. They operate with obsolete equipment and terminals and layout, and they and the public still think in segmented terms.

They seem to believe that rail problems can be solved in terms of the railroads. This is the basic blunder. The commuter rail problems are not rail problems. They are urban problems, urban circulation problems, and can be dealt with intelligently only as part of the total circulation system and in terms of future circulation needs of the metropolitan areas.

Because of this failure of fundamental systemwide thinking, I strongly suspect that most of the money now being poured by the Federal Government, the States, and some localities into saving the railroads is being thrown down the drain. It might be justified if work were being rushed on the constructive systems analysis and on system action. Standing alone, grants and loans for the tottering railroads are a worthless gesture of panic.

On this point, a little history is worth remembering. If the same kind of psychology had been applied when the streetcars began to fail, the sailing vessels lost out to the steamships, and the tractors displaced the horse, we would still have an economy based on these antiquities, supported by Government controls and Government subsidies.

Make no mistake. Commuter services with completely separate rights-of-way, on rails, or with a similar general design, will continue to be required in cities now structured on such a circulation system and in cities like Los Angeles which have grown beyond the capacity of the paved highway and the rubbered vehicle to carry their commuter service.

Not a single mile of railroad right-of-way should be abandoned. It should be donated to or acquired by the Government. The rail system must be kept intact. But the design—equipment, terminals, and interconnections—and the management must be completely new, geared to the requirements and desires of the next generation, not to that of the past.

Fifth, and finally, let me make an observation as to the controlling principles of the new metropolitan transportation which will now be required.

The commuter system is basically a peakload, workday operation. It should be so designed and operated. Railroad managers come before you weeping over the fact that all their business is crowded into 20 hours a week, while as much as 69 percent of their expenses are incurred in the remaining 148 hours.

Gentlemen, we have the same problem in every big building with the elevators, including this building, and have completely satisfactory solutions.

And look at the peaking problem at the consolidated rural schools, ordinary farmers, garage mechanics, and rural school board members, gentlemen, in all of your States. At the schools, ordinary farmers, garage mechanics, and rural school board members have solved this problem all over America, without the help of traffic engineers and railroadmen.

So I say again: Look at the job to be done, the whole job, solve that, and give up the effort to "save" something that is now finished.

The elevator system of a big building gives us another key lesson as we look into the future. The elevator system is the most successful circulation system developed by man. This success rests on four things:

1. Continual technical improvement of each part of the system, with prompt application of mechanical and electrical advances.

2. The elimination of needless manual labor, on the principle that such application of needless labor in mechanical work is both degrading to the labor and extremely expensive to the customer.

3. "System integration"—that is, the design and operation of the elevators as an integral part of a total system which relates the movement of persons and goods to the floor use of the total building served.

4. "Integrated financing" which finances the elevators as an integral part of the economy of which the elevator is a part.

With these four simple principles we have solved vertical transportation in the urban areas, though anyone would have thought that the vertical would be more difficult than the horizontal problem.

This brings me to the end of my testimony. I have come here to support S. 345 because I see in this bill the first practical step—not the last step—toward the solution of the rapidly worsening urban transportation crisis.

This bill looks forward, not backward. It is not trying to "save" anything. It goes at the fundamentals and encourages, yes, it forces, a comprehensive approach.

With this bill the Federal Government accepts its share of responsibility and agrees to join hands with the States and the localities in finding for each major region an appropriate approach toward constructive action.

With this bill there will emerge in each major urban area teamwork machinery with power to develop a comprehensive approach toward "systemwide operations analysis," planning, and action.

With this bill the millions of dollars now being poured into subsidies may be saved for a useful purpose and the new equipment being acquired by the railroads may be designed to work together and fit future needs.

With this bill you will encourage developmental work and practical demonstration projects along entirely new lines, geared to future transportation needs.

With this bill we will develop a general understanding of the direct connection between land uses, transportation, and zoning controls.

And, finally, with this bill you introduced the powerful influence of Federal seed money and low-interest loans and grants to hasten and coordinate State and local initiative.

This ends my statement, Mr. Chairman.

Senator WILLIAMS. This was a magnificent statement. I am sure it raises many inquiries in our minds.

Senator Bush?

Senator BUSH. Mr. Gulick, I join with the chairman in complimenting you on this statement. I think it is an excellent statement and shows a remarkable grasp of the problem which is facing us in these troubled areas.

Mr. GULICK. Thank you.

Senator BUSH. I think you are a little tough on the railroads. I think the unfortunate thing about the railroads is that they are locked into a situation, you see, and they do not really have much choice to think the way you are thinking about this problem and the way it must be thought about.

They have a frightful problem facing them every day, which is to run the railroads and transport the people with the equipment that they have, and they have been faced with competition, heavily subsidized competition, both by highways and by air. So that they find themselves in a terribly difficult position.

I agree with you, however, where you say that the Government—that is, the Federal Government, the States, and some localities—must be careful about "saving the railroads." I think some of them—and I am thinking particularly of the New Haven with which my State is involved—have come to the point where additional loans will not save it. That is not what it needs. It needs something else.

As I have said before, I think probably that can only come about with bankruptcy proceedings and the appointment of a receiver who will safeguard the situation and be able to do things with the court behind him that private management simply cannot do.

I do not look for a turn in that situation until we have the eventuality of a receiver.

Have you given that any particular thought, Mr. Gulick? Would you care to comment on that or not?

Mr. GULICK. I agree with you quite heartily. I recognize that the railroads have been in an extremely difficult situation. This involves not only the fact that they are tied into the national freight picture in a very extensive way but also that under Government regulations and controls we had first the creation of the railroads at a time when they become the target of high taxes which have lingered on through the years.

Second, they were not able to engage in research and developmental work, while the Government was financing the research and developmental work for air travel, and the motor companies through their extremely efficient structures were financing their own programs through the payments by citizens for automobiles. We were subsidizing the rights-of-way for rubber-borne vehicles.

So the railroads have been in a very difficult situation, and I am not criticizing them on that ground. What I am saying is that because of the nature of the circulation problem in the urban area the railroads cannot be expected to find the answers even for the problems of the commuter.

I think your suggestion that in certain circumstances there must be receivership and a new program is a first step. I suspect that there must also be the creation of some type of regional, governmental authority which will take over the responsibility for the development of operating plans and coordination of the various types of circulation within the metropolitan areas.

Senator BUSH. It seems to me when a road has gotten to the point where it can only be sustained by periodic loans from the Federal Government, then is the time when the Federal Government has got to step in and take charge of the situation and take responsibility for it.

Mr. GULICK. That is quite true.

Senator BUSH. I am afraid that is the situation that faces the New Haven.

Mr. GULICK. This is necessary also to preserve the Federal Government's investment in the highway system.

Senator BUSH. Yes.

Mr. GULICK. Because in these big metropolitan areas the highways are not able to perform the function for which the Federal Government has made its great investment. They are completely clogged by the peak-hour service.

This peak-hour service in urban areas must be transferred to another form of mass transportation.

Senator BUSH. I note your simile to the elevator. I think that is quite apt. We can, after all, put new elevators in an old building and renovate the service, whereas we cannot very well do that with a railroad. We cannot have that type of renovation there.

Do you not think——

Mr. GULICK. However, you can design your rail system. I was very happy to hear that the Bay Area Rapid Transit District is going to take advantage of the improvements. The cars are going to be operated as just stated more like an elevator with automatic handling of the progress of the train from station to station.

Senator WILLIAMS. Senator BUSH, that was one point I had. Those of us who work in this building might not fully understand your statement that the elevator system is the most successful circulation system developed by man. Maybe it can be, but it is not always.

Senator BUSH. It turns out to be one of the most frustrating developments sometimes in this building anyway.

Mr. GULICK. I took in too much territory.

Senator BUSH. I think I have no further questions, Mr. Chairman. It has been a very interesting bit of testimony I think.

Senator WILLIAMS. I certainly agree with that, Senator BUSH.

I would like to make one observation, Mr. Gulick. I certainly would agree with your analysis that we must think in new terms about the railroads and commutation. You suggest we should have regarded this commuter aspect of railroad service as primarily connected with local circulation. We certainly agree, and we accept this. It, however, causes certain problems.

We have no Federal program of concern for commutation, for mass transportation in our metropolitan areas. This is a new departure. It has not been accepted. We run into this kind of narrow thinking. The chamber of commerce advised us yesterday—the National Chamber of Commerce, not to be confused with the local chambers, many of whom support this concept—the National Chamber said the problem of mass urban transportation, however, is primarily local in nature. Ipso facto, they do not accept this program.

I think that probably the most efficient way of replying to that is the way you did. You affix the national responsibility for metropolitan transportation with all of the Federal impact that has brought us to where we are.

It should seem clear to anybody who reads you and comprehends you that the national responsibility is fixed because national policy has us where we are today. That is the point as I see it that you are making.

Mr. GULICK. And the national benefit. The contribution of the great metropolitan areas to the added value of American industry. The existing processes of American industry and management have turned the entire highway system, including the streets within the urban areas, into a part of the assembly line of the American economy. So that the efficiency of our urban areas is of tremendous significance to the National Government.

Senator WILLIAMS. And the failure to realize the potential efficiency in our centralized metropolitan areas in turn would put unbelievable new burdens at the national level. Is that not true?

Mr. GULICK. That is right.

Senator WILLIAMS. Unbelievable.

Mr. GULICK. Yes.

Senator WILLIAMS. For example, in New York City there is a proposal that is being discussed, kicked about, that would bring $52 million, is it not, to bear on the parking situation? I am sure you are familiar with that.

Mr. GULICK. Yes.

Senator WILLIAMS. Last week it was rejected by the mayor?

Mr. GULICK. No, the city planning commission rejected the three downtown garages in the center of the city.

Senator WILLIAMS. Oh. It is the mayor's program?

Mr. GULICK. No; it was presented by the traffic engineer who heads the Department of Traffic of the City of New York. All such plans are then referred to the city planning commission for screening in relation to the total master plan of the city. The planning commission rejected these three garages.

Senator WILLIAMS. We have estimates that there are 200,000 rail commuters into New York City.

Mr. GULICK. Daily.

Senator WILLIAMS. Daily. If we should lose even present rail commuter service, the impact would be unbelievable on the city of New York, would it not, in terms of highways and parking?

Mr. GULICK. It would be. The cost of taking care of a group of this sort if shifted from rails to rubber and buses, and so forth, has been variously estimated at the level of $10, $11, $12 billion—the cost of the new tunnels, bridges, highways, parking, and so forth.

For every building the size of the Empire State Building the amount of parking that would be required for people who come to work in that building, if they came by automobile, would be a building of equal size.

This would destroy the city, because it would take every other piece of property and turn it into car storage.

This is what has happened to Los Angeles. Seventy-five percent of the city is already paved and used for not too rapidly moving vehicles during the peak hours.

The modern city cannot exist—that kind of managerial city, production city cannot exist—without a framework of rapid mass transportation in the peak hours.

Senator WILLIAMS. Do you have something, Senator Bush?

Senator BUSH. Yes, Mr. Chairman. I would just like to ask Mr. Gulick this: In the event that we should have a shutdown, let's say, on the New Haven Railroad, where we have—is it 30,000 commuters a day? Is that about the right order of magnitude there?

Mr. GULICK. I thought I had the figure here. Yes, 59,000 to Weschester and Fairfield.

Senator BUSH. All right. Westchester and Fairfield. In that event, if those roads that go in through Westchester and Fairfield—there are two branches, I guess, involved in that figure? Part of that is the New York Central, is it not?

Mr. GULICK. Yes. This is not just the New Haven.

Senator BUSH. Let's just say for the purpose of my question that service was abandoned. Do you estimate that that would provide an insurmountable traffic problem immediately?

Mr. GULICK. Yes.

Senator BUSH. In other words, it would present an impossible situation immediately?

Mr. GULICK. Immediately.

Senator BUSH. It would not be something that would develop?

Mr. GULICK. Oh, no.

Senator BUSH. It would be overnight?

Mr. GULICK. It would be the next day.

Senator BUSH. My point is then that the operation of that transportation system represented by these railroads coming in there, from that standpoint is an absolute necessity.

Mr. GULICK. Yes.

Senator BUSH. And it should be approached in the light of that fact? Is that right?

Mr. GULICK. That is right.

Senator BUSH. Thank you.

Senator WILLIAMS. There is just one further point that I want to express our gratitude to you for, Dr. Gulick. That is, you have helped us deal with the misconception that some have about the scope or the goals of this bill. Many look at it as a railroad bill, a bill with loans to—this is the misconception—just prop up now existing methods of travel. It is far from that. The goal of this bill is, as you suggest, a systemwide comprehensive effort to deal with the transportation of people, a transportation related to land use as it now is, and perhaps even more important, land use as we hope it will be in the future.

I believe your statement could not be clearer or more forceful in that respect.

Senator BUSH. I am glad to hear the chairman explain his conception of the bill. I fully agree with what he said about that.

Senator WILLIAMS. Thank you again, Dr. Gulick.

FOREIGN AID POLICY

Mr. McGEE. Mr. President, I wish to call the attention of the Senate to a column which appeared in this morning's Washington Post entitled "Foreign Aid Policy," written by Walter Lippmann. In it Mr. Lippmann carefully diagnoses the fundamental issues at stake in the new approach to our foreign aid program and further assesses its particular importance at this time.

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

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

FOREIGN AID POLICY

(By Walter Lippmann)

In its effect on our power and influence in the world, much the most important business before this session of Congress is foreign aid. It is an unpopular subject. But so are many other things that are important and necessary, such as paying taxes and contributing to the Community Chest. At bottom foreign aid is an obligation which the rich and powerful nations owe to the poor and weak nations. There is no escaping it. An attempt to escape it can produce only a very bad conscience at home, envy and ill will abroad.

In several messages the President has now put forth his policy and program. In the total amount of money he asks Congress to let him spend he is in substantial agreement with the last Eisenhower budget.

There is an important difference, however, in the emphasis on two crucial questions. One is the need to authorize long-range planning, instead of yearly planning as at present. The other is the desirability of giving a stable financial base to the long-range planning by granting the agency authority to borrow specific amounts from the Treasury.

At one time or another President Eisenhower endorsed both points, and in 1957 Secretary Dulles argued eloquently for them. But in 1959, in view of opposition in Congress, President Eisenhower did not fight for them.

The arguments for long-range financing derive from the practical experience of this country in dealing with the problem. Most of the arguments come down to one basic proposition. It is that the big constructive economic projects, which really develop a backward country, have to be planned, administered, carried out, and financed over a term of years. It takes more than 1 year to build roads, to make ports, to modernize agriculture, to open mines, to build factories. Indeed it can be said that projects which can be carried out by an annual appropriation are likely to be unimportant or wasteful.

If our aid is to achieve results, we must be in a position to encourage an underdeveloped country to draw up plans of capital investment which will take years to execute. Only if there exists such long-range plans can a country hope to generate the self-help which is indispensable. Indeed, students of the problem have come to realize that the country which receives the aid must play the principal part, must make much the largest contribution, in the realization of the plan. Our role is to be the catalyst, to say that we will provide x amount of dollar exchange when the undeveloped country has started a land reform program or an improvement in its educational system. But if we are not able to say with certainty how much we will contribute from year to year, we can exercise little useful influence on the development of the country.

Under the present system funds appropriated for a given fiscal year must be obligated during that year, or they revert to the Treasury. This is extremely wasteful. It leads to a scramble at the end of each fiscal year to obligate all unused funds before July 1. The more popular government programs—notably defense—are not required to do this with all their funds.

The second essential point in the administration program is that in order to give the foreign aid agency the capacity to make long-range plans, it should be given the authority to borrow from the Treasury funds according to a specified schedule and over a 5-year period. This proposal is attacked by men in Congress as back-door spending, as a way of circumventing the appropriation process.

This so-called back-door spending is not a new bright idea of the Kennedy administration. A very large number of agencies, beginning with the RFC under President Hoover, and going on to such agencies as the Home Owners Loan Corporation, the Commodity Credit Corporation, the St. Lawrence Seaway Development Corporation, are financed by authorized borrowing from the Treasury. In this term of Congress, Treasury borrowing is provided in the depressed areas, veterans' housing, and farm-surplus-disposal bills.

The question is, Would Congress, if it authorized this kind of borrowing, lose its proper constitutional control over public money?

It can be said truthfully that it would not lose this control. For it would establish the terms of the authorization and the criteria for the use of the funds. It could at any time move to reduce or to abolish the authority to borrow. It would pass upon a budget, drawn up in accordance with the Government Corporation Control Act, submitted annually to the Appropriations Committee. It would receive every 6 months a detailed report on the whole operation. It could and would investigate at home and in the country concerned. Congress would retain vast and extensive and continuing powers of control.

Congress would in short have the power to stop the whole business at the end of any fiscal year. What new thing then, it may be asked, would have happened if Treasury borrowing is authorized? While Congress would have retained the right to review, to investigate, to criticize, to reduce or to abolish, it would have granted by its own vote the power to make gentlemen's agreements over a period of 5 years. It would have approved the idea of long-range planning and would have accepted the moral commitments that are inherent in long-range planning.

All of this would be done in the open, and it would be unduly apprehensive to suspect that it would open up new opportunities for skulduggery.

NEW STUDY OF FEDERAL COMMUNICATIONS COMMISSION VERIFIES ITS POWERS

Mr. McGEE. Mr. President, I also call attention to a column which appeared in this morning's Washington Post entitled "New Study of FCC Verifies Its Powers" written by Lawrence Laurent. It is a comment on a new book, which has just been published, written by Walter B. Emery, of Michigan State University. The book is entitled "Broadcasting and Government: Responsibilities and Regulations."

Because it bears upon some of the questions at issue in a recent address by the new Chairman of the Federal Communications Commission, Mr. Minow, I think it important that the book be laid alongside the new responsibilities and opportunities open to the FCC at this time.

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

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

NEW STUDY OF FCC VERIFIES ITS POWERS

(By Lawrence Laurent)

The Federal Communications Commission used to be known as the forgotten Government agency. This was back in quieter times when the seven members of the FCC were complacent about the state of broadcasting and eager to deny any broad authority over the stations.

In recent years, however, the FCC has been one of the liveliest, busiest, and most controversial agencies. There were scandals that brought resignations from the Commission. A new attitude about the industry was developed, an attitude which reached a peak recently with Chairman Newton N. Minow's blunt accusation that the schedule was a "vast wasteland."

The FCC's new attitude and the heightened public awareness of the agency's work has given new importance to a book that was published this week. This is "Broadcasting and Government: Responsibilities and Regulations" (Michigan State University Press. $7.50). This is easily the most complete and most thoroughly documented book on the FCC's duties and powers that has ever been published.

The book is by Walter B. Emery, a man with unusual qualifications to make such a study. He came to Washington in 1934 to work on the legal staff of the newly created FCC. He left Washington for teaching jobs at the University of Wisconsin, the University of Oklahoma, and Ohio State University before returning to the FCC in 1943.

During his second term at the FCC, Emery was, successively, attorney, examiner, chief of the renewals and revocation section, and legal assistant to Chairman Paul A. Walker.

In 1952, Emery left the Government and spent the next 5 years as a general consultant for the Joint Council on Educational Television. He joined the Michigan State University faculty in 1957.

He has written, first, an excellent history of the FCC with proper emphasis on the economic and social factors of broadcasting. As a good lawyer, Emery has set out the statutory powers and functions of the FCC and has charted its organizational and administrative machinery. In turn, this has required an examination of the other agencies of Government—at all levels—which have a role in broadcasting regulations.

You can learn how to apply for a broadcasting license and you can learn the rules of good conduct in broadcasting.

Professor Emery also makes recommendations about the future of the FCC. In the heat of the present controversy, Emery's judgments about the FCC's authority over programing is worthy of notice. He writes:

"While the courts have held that under the present law the Commission does have legislative authority to consider program service in the exercise of its licensing functions, there is some vagueness and ambiguity in the wording of the statute that has been troublesome. Section 326 of the Communications Act says the Commission cannot censor programs. Well, what is censorship?

"The courts have clearly held that the term, when interpreted in connection with the provisions of the act, prohibits critical review by the FCC of particular programs carried by stations except where violation of specific laws such as indecency or lottery statutes may be involved. They have not,

however, precluded FCC review of the overall performance of a station when it comes up for renewal of its license."

RECENT EVENTS IN DOMINICAN REPUBLIC

Mr. McGEE. Mr. President, I call attention to a series of columns which seek to interpret the brunt of recent events in the Dominican Republic, including an editorial in the Washington Post of today entitled "The End of Trujillo"; an article in the same paper by Thomas Wolfe, entitled " 'Dictator' Pale Term for Trujillo"; and a column by George Southworth, which appeared in the same paper, entitled "Dictatorship of Trujillo Won't Fall Immediately."

I ask unanimous consent that these publications be printed in the RECORD as a part of my remarks.

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

[From the Washington Post, June 1, 1961]

THE END OF TRUJILLO

Assassination, even of a tyrant, is repulsive to men of good conscience. Rafael Trujillo, the often bloodthirsty dictator of the Dominican Republic for 31 years, perhaps deserved his fate in an even-handed appraisal of history. But whether the murder of El Benefactor in Ciudad Trujillo means freedom for the people of the Caribbean fiefdom is a question that cannot now be answered.

Trujillo knew a great deal about assassination. The responsibility for scores of deaths, including the abduction and murder of Jesus Maria Galindez, a professor at Columbia University in New York, has been laid at his door. He had been involved in countless schemes to do away with democratic leaders in neighboring countries such as President Romulo Betancourt of Venezuela. It was a sort of poetic justice that at the time of his own demise a new plot to overthrow the Venezuelan Government, reportedly involving the use of Dominican arms by former Venezuelan Dictator Marcos Perez Jimenez, has been uncovered and quashed.

The recent history of the Dominican Republic is an almost classical study of the way in which even a professedly benevolent dictatorship tends to become oppressive. Unquestionably Trujillo did some good things for his country: he improved public facilities such as roads and sanitation, attracted industry and investment and raised the standard of living notably. But the price was the silence of the grave for all criticism or opposition.

El Benefactor's vanity grew with his personal wealth. The jails were filled to overflowing with political prisoners who had incurred his displeasure. He maintained amply financed lobbies in the United States and elsewhere which sycophantically chanted his praise, and his influence extended even to Congress.

Until the last year or so the profession of friendship with the United States had been an article of faith with Trujillo, and altogether too often this profession was accepted here as evidence of his good character. Tardily the Government here came to understand how this country's own reputation was tarnished by the association with repression. Last year, after Trujillo had been cited for numerous aggressions in the Caribbean, the United States and many other members of the Organization of American States broke diplomatic relations with him.

Thereupon followed a demonstration that tyranny knows no ideological confines. Trujillo's dictatorship had been along conservative, rightwing lines. But after the censure he and his propaganda started mouthing Communist slogans. There was considerable evidence of a tacit rapproachment with Castro in Cuba, previously a bete noire to Trujillo—thus illustrating the way in which totalitarianism of the right and left coalesces.

What comes after Trujillo is now the puzzle. The Dominican people have known no democratic institutions and precious little freedom for a generation, and all alternative leadership has been suppressed. Perhaps the army will be able to maintain stability, but the vacuum of free institutions creates a great danger. The Dominican Republic could turn toward Communist-type authoritarianism as easily as toward Western freedom. Such a twist would be a tragedy for the Dominican people, who deserve to breathe without fear. For that reason any democratic reform and effort to bring genuine representative government to the Dominican Republic will need the greatest sympathy and help.

[From the Washington Post, June 1, 1961]

THE ORGANIZATION MONARCH—"DICTATOR" PALE TERM FOR TRUJILLO

(By Thomas Wolfe)

Rafael Leonidas Trujillo Molina was known as a dictator. The word is too pale. The man was a sultan, a khan, a pharaoh, a totalitarian among totalitarians.

Probably no man in history ever bent a single nation more completely and personally to his own will than this Benefactor of the Fatherland, Father of the New Fatherland, restorer of financial independence and—by any of his estimated 40 titles—absolute ruler of the Dominican Republic.

Trujillo took power in the 19,000-square-mile, sugar-coffee-chocolate-producing Caribbean country and its two million people on August 16, 1930. Monarchies were already out of style. Trujillo became a monarch who rigged his country in all the trappings of democracy and socialism—and a strictly 20th century style organizational network that vied with anything produced by the great dictators of the East or West.

EERIE ATMOSPHERE

The upshot was an eerie, never-never-land atmosphere that even casual visitors felt immediately. Trujillo cooked up bogus political parties, held bogus elections, leaked out fantastic stories of intrigue and opposition, and staged mob uprisings—that always fell on the necks of his opponents.

Other foes had a way of ending up in conspicuously similar fatal accidents, often on the highway. Still others simply disappeared off the face of the earth. And from the prisons of the Dominican secret police comes stories of medieval torture and brutality.

An organizing genius, Trujillo brought spectacular economic growth to the Dominican Republic, improved standards of health and education. But his reputation for ruthlessness dogged him to the end—when he died in what he had organized so many bodyguards and spies to prevent: an assassination.

OBSERVE ORIGIN

The son of a rural postal official—Trujillo always kept the details of his upbringing vague—he began his rise to power during the American Marine occupation of Santo Domingo (the country's old name) from 1916 to 1924. The Marines admired Trujillo as a soldier and he admired the United States and American efficiency. He advanced swiftly in the army.

His military junta won out in an old-style Latin American power struggle in 1930. But he solidified his position with a swiftness and precision Latin America had never seen before.

In the wake of the country's gory political infighting, the Marines had stripped many Dominican citizens of their firearms. Trujillo completed the process and built up a high-powered counterintelligence force with four agencies. Paramount among them was the feared SIM, the Military Intelligence Service. His army became one of the biggest, best armed and most highly trained in Latin America.

Trujillo took meticulous measures to preserve his absolute control. He ceaselessly rotated the army high command and the governors of the provinces. Members of the legislature, which was little more than a camouflage for Trujillo's direct orders, handed him their signed resignations—which he could enforce when he saw fit.

TIGHT LITTLE ISLAND

Trujillo was blessed with a small, homogeneous island country having only one border—with weak, impoverished Haiti. The Dominican Republic was a tight little dictatorship that the world heard little about.

That was until 1937. Under circumstances that have never been fully cleared up, the Dominican army moved into the farm districts to the west and began driving Haitian farm laborers back into their own country. It turned into a slaughter. The number of Haitians killed has been estimated from 2,000 to 10,000.

When the news got out, Trujillo took on an international reputation he could not afford to have.

So—as in his next major crisis, the Organization of American States meeting of 1960—Trujillo formally retired from the government. But his picture remained on the walls of every store, every public building and in virtually every home.

Whoever was official leader of the land approached his presence with the humility of a satrap.

In 1952, in a typical piece of legerdemain, he installed his passive, colorless brother, Hector, as president. In 1960—just before the other 20 members of the Organization of American States broke relations with him because of the attempt on the life of Venezuelan President Romulo Betancourt—he replaced Hector with another old follower, Joaquin Balaguer, who gave the news of his death.

[From the Washington Post, June 1, 1961]

EL BENEFACTOR BUILT FENCES WELL—DICTATORSHIP OF TRUJILLO WON'T FALL IMMEDIATELY

(By George Southworth)

Don't look for Trujillo's dictatorship to crumble immediately with his death.

He spent 30 years building the most powerful totalitarian government that ever existed in the Western Hemisphere, and it will take time for this unbeatable political machine to disintegrate. He kept it oiled with terror and graft and very carefully selected his leaders or named them from his own family.

Remember when Dictator Anastasio Somoza was assassinated in Nicaragua in 1956? A son, Luis, took over as president and another son Tacho, took over as head of the army.

Trujillo, too, has two sons coming on strong. Maj. Gen. Ramfis Trujillo has a lot of military training and Capt. Rhademes Trujillo is politically ambitious.

Enemies of the ruthless Trujillo estimate that he stole $500 million from his private empire. He used a lot of it to maintain absolute control over his 225 million people.

Most Dominicans left on the island actually loved him because his propaganda reminded them ceaselessly that he took over their bankrupt and revolt-ridden country and brought about prosperity and peace and order.

His controlled press and radio told his subjects what he wanted them to know and nothing else. News from outside didn't come in if it said anything against "El Benefactor."

This is the reason that communism will have great difficulty gaining a foothold in the Dominican Republic even after the death of the dictator.

He hated communism with a vengeance and he taught his people to hate it also. His announced goal was always to rid his nation of poverty and to fight communism.

Trujillo played rough with his enemies and forced them to remain in exile. He put down uprisings with an iron hand. But there were plenty of Dominican exiles plotting to overthrow his government.

These exiles have been organizing in the United States, Puerto Rico, Venezuela, and Cuba. Last year he had a little political opposition at home and it was complicated by economic problems.

There was a plot to assassinate him in January 1960, by Dominicans and he jailed some 2,000 persons. He later released all except 100 who received long prison sentences.

He was a brave man, but he knew more assassination attempts were coming. He was guarded constantly and refused to eat when invited out.

There have been several attempts at invasion. The last one came from Cuba and was put down by his machete-swinging Campesinos in June of 1959.

One reason why Trujillo's enemies have not fared very well is that they, like Cuban exiles, are always at war with each other.

The closest thing to a coalition of Dominican exiles seems to be the Dominican Liberation Movement, with headquarters in New York. The principal aim of this group is to overthrow by all possible means the dictatorial regime of Trujillo.

Inside the Dominican Republic the people will mourn the death of the "great benefactor" and the monuments that he built to honor himself will remain to remind them of the good they believe he has done.

And in the presidential chair will continue to sit a man who has always been in Trujillo's shadow, President Joaquin Balaguer.

There is another popular Trujillo, the younger brother of the Generalissimo. Jose Armendaris Trujillo is a smart, tough politician and said to be ambitious.

Also sitting tight will be two more of Trujillo's top aids, Brig. Gen. Manuel de Moya, currently Dominican Ambassador to the United Nations, and Maj. Gen. Arthuro Espaillat, a West Point graduate.

It may be that these men needed Trujillo far worse than he needed them. After all, it was his personal empire. But it is likely that they will be able to lean on his reputation for awhile.

One of Trujillo's sons, his brother, or a top aid probably will try to fill the shoes of "El Benefactor" and it may be that Trujillo picked his successor in advance. He fixed everything else in this country for 30 years.

Exiles from the Dominican Republic in a dozen countries will be watching and waiting. They hope that this is the end of the Trujillo system. They want to go home. But they had better wait.

ARMENIAN INDEPENDENCE DAY

Mr. PROXMIRE. Mr. President, Armenians are one of the oldest peoples in the Middle East; they can trace their national origin to 1,000 years before the birth of Christ. In their ancient highland, the Biblical Garden of Eden situated within sight of Mount Ararat, they maintained their independence for centuries before the discovery of America, resisting the attacks of Asiatic invaders.

Very early in modern times Armenia was ravaged and divided among its conquerors, but the Armenian people retained a spirit of freedom and independence. Early in the First World War wholesale massacres of Armenians perpetrated by the Turks came perilously close to exterminating them as a nation. At the end of that war the surviving Armenians pulled themselves together in northeastern part of their homeland and proclaimed their national independence.

This took place on May 28, 1918. The rebirth of Armenian independence after a lapse of more than five centuries was hailed by all friends of freedom, and it was joyously welcomed by Armenians everywhere. The Government of the United States proclaimed sympathy with the newly created Republic of Armenia, and President Wilson undertook to draw its boundaries. But neither his official acts, nor all the good will in the world could save the new state from its foes.

Late in 1920 Armenia was attacked by Turkish nationalist and Russian Communist forces; early in December of that year its fate was sealed. Thus came to an end the Armenian Republic born in 1918, but this tragic event did not put an end to the aspirations of the Armenian people. At the present they are incorporated into the Soviet Union, but they still cherish their freedom and celebrate the anniversary of their Independence Day, in the hope that some day they will regain their liberty and independence.

TRIBUTE TO ORIS V. WELLS

Mr. HUMPHREY. Mr. President, I wish to pay tribute today to a man who has rendered outstanding service to the United States, and especially to American agriculture, Mr. Oris V. Wells.

As an economist and administrator, Mr. Wells received the highest honors that the U.S. Department of Agriculture can award. Now, his rare talents will be available to the whole world as he embarks on a new career as Assistant Director-General of the Food and Agriculture Organization of the United Nations. I extend to him our best wishes for success in this vital undertaking.

Mr. Wells personifies the ideal career civil servant. Individually and through the staff he directed, he has helped to supply continuity of skills and continuity of experience in support of the policies of successive administrations—without becoming a partisan advocate or opponent of any particular policy.

As coordinator of statistics throughout the U.S. Department of Agriculture, he sought to make agricultural statistics a valid currency that could be accepted and used without question by all citizens. He felt that policymakers throughout the legislative and executive branches of Government should be supplied facts and figures on which they could agree, and thereby limit their debate to the conclusions to be drawn from those facts and figures.

As Chief of the Bureau of Agricultural Economics and Administrator of the Agricultural Marketing Service, he urged his subordinates to be dissatisfied with moderately good performance and recruit employees of exceptional skill.

In the administration of programs, he sought for courses of action that would benefit all segments of the population, rather than merely help one group at the expense of another. At the same time, he firmly championed the right of American farmers and ranchers to receive incomes commensurate with those received by other groups for comparable services performed.

As an administrator, he also understood and respected the historic and Constitutional relationships between the Federal Government and State and local governments, and between the various branches of the Federal Government.

Mr. Wells has devoted 32 years to analyzing the agricultural situation and directing economic, statistical, and marketing programs of the U.S. Department of Agriculture. He has exhibited some of the clearest thinking and most effective action among all our leaders during the trying years of the last third of a century.

He leaves on June 1 for Rome, where he will become Assistant Director-General of the Food and Agriculture Organization of the United Nations, in charge of Economics. In this capacity, he will direct all the economic and statistical activities of FAO.

A familiar figure on the Hill, Mr. Wells has appeared at numerous agricultural hearings. He is a good friend of the farmer and the rancher.

O. V. Wells began his career in Government in 1926 while still in college. He started out doing field work in farm management research for 40 cents an hour. At the time of his resignation, he held a grade GS-18 with a salary of $18,500.

Mr. Wells' career exemplifies not only his own diligence and ability but the opportunities afforded by the civil service system. He gained his first permanent Government job in 1929 as a junior agricultural ecenomist in the Department of Agriculture through a civil service examination.

Except for 1 year—1931-32—when he did graduate work at Harvard University on a fellowship from the Social Science Research Council, Mr. Wells continued to work for USDA, next with the Agricultural Adjustment Administration, then with the Bureau of Agricultural Economics and its successor, the Agricultural Marketing Service.

In 1941, he became Assistant Chief in charge of price and marketing work in BAE and 5 years later he was made Bureau Chief.

When the Agricultural Marketing Service was established in the reorganization of 1953, Mr. Wells was chosen to head the new agency. It was in this capacity the following year that he received from the Department of Agriculture a Distinguished Service Award for his "outstanding vision and initiative in developing and evaluating economic and statistical analyses and interpretations

for use in the development and administration of sound agricultural programs for the Nation."

Born in Slate Springs, Miss., Mr. Wells was reared in the New Mexico ranch country. He was graduated from New Mexico A. & M. College and took graduate work one term at the University of Mexico A. & M. College and took graduate work at Harvard University. He was awarded an honorary doctor of science degree by Montana State College, in 1950, and an honorary LL.D. from the New Mexico A. & M. College in 1952.

Mr. Wells is married, and has a son and a daughter.

Mr. Wells is a past president of the American Farm Economic Association and a member of the Rural Sociological Society, the American Statistical Association, the International Conference of Agricultural Economists, the American Marketing Association, and the Agricultural History Society.

He was statistical adviser to the War Food Administration in 1942–45, and was a visiting lecturer at the University of Wisconsin in 1949. He has taught in the USDA Graduate School, and has served as a member of its General Administration Board since 1946. He has also served as liaison representative, USDA, to the Food and Nutrition Board, National Research Council, since 1952; and as a member of the Board of Directors, Commodity Credit Corporation, from November 1951 to January 1961.

Mr. Wells has already rendered great service to the Food and Agriculture Organization. He was a statistical adviser to that body in 1945–46, and adviser to the U.S. delegations to FAO Conferences in 1946, 1948, 1949, 1951, 1955, and 1957, and a member of the FAO program committee from 1953 to November 1959.

No other activity is so vital to the peace and progress of mankind, to his freedom, and to his very survival, as agriculture. And in agriculture, the United States maintains its greatest technological superiority over the rest of the world. Even the Communist countries frankly urge their people to catch up with American agriculture. Our industrial and military strength could not exist side by side with our abundance and variety of consumer goods and services without this capacity to produce so much food and fiber with so few people in agriculture—less than 9 percent of our population.

When the day comes that the rest of the world has the know-how and the will to match this achievement—and to make the resulting abundance accessible to all people—men and nations will lose their chief motive for making war, hot or cold.

It is with this great possibility in mind that we congratulate both O. V. Wells and the Food and Agriculture Organization, and wish them Godspeed.

PROPOSED EXCHANGE OF TRACTORS FOR CAPTURED CUBAN INVADERS

Mr. BUTLER. Mr. President, perhaps no recent event has created so much indignation as the offer of Fidel Castro to trade tractors for lives. I have received many letters protesting any dealings with the Cuban dictator and I am certain that my colleagues have been similarly deluged.

As was pointed out in a recent editorial in the Cecil Whig:

> The FBI, as it deals with hundreds of cases of kidnaping every year, never recommends paying the ransom. There is just no reasonable and just way to act in good faith with criminals on their terms. Payers of ransom and blackmail always keep on paying.

Mr. President, I ask unanimous consent that the editorial in the Cecil Whig of May 25, 1961, entitled "It's Unbelievable," be printed in the RECORD following my remarks.

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

IT'S UNBELIEVABLE

How can we bargain in any way with Fidel Castro for the lives of the captured Cuban invaders?

The United States has been very patient with the present dictator of Cuba, giving him every opportunity to demonstrate his responsibility as the new leader of his people. After flagrant violations of international justice, we have broken diplomatic relations. This act signifies our conviction that Fidel Castro cannot be depended upon to act in good faith in any negotiations and has forfeited his right to represent his country's best interests. How then can prominent Americans with the tacit approval of our President, justify the gathering together of tractors, bulldozers, or anything else for a "deal" with Castro?

We supported the invasion of Cuba because we are convinced that Castro is a criminal whose crimes are against his own people and who has voluntarily placed himself outside the laws of international society. This makes his recent offer blackmail.

As a nation we have a history of rejecting blackmail. In 1798, when the French Government offered to stop capturing U.S. ships on the high seas in exchange for a $10 million loan, our citizens were enraged. "Millions for defense but not one cent for tribute" was the cry from one end of our land to the other. Eventually France relented and agreed to a legitimate treaty.

In 1804, when the Barbary pirates captured the *Philadelphia* and demanded ransom for U.S. ships and men captured on the high seas, our country again refused. Instead, Stephen Decatur and other brave U.S. naval leaders led the attack on the pirates and blew up the *Philadelphia*. Later, the pirates were defeated in battle.

But pass up history for a moment. Let's be practical. The FBI, as it deals with hundreds of cases of kidnaping every year, never recommends paying the ransom. There is just no reasonable and just way to act in good faith with criminals on their terms. Payers of ransom and blackmail always keep on paying.

But Fidel Castro is more than a criminal with crimes against his own people. He is the announced enemy of the United States. And this makes any deal with him an act of treason since treason is "giving aid and comfort to the enemy."

The bulldozers and tractors he asks in ransom will be used to clear jet strips and missile bases from which our country may be showered with Russian-made nuclear weapons. And the lives of the 1,200 men saved in the deal may be traded for millions of lives if Khrushchev stocks the new bases with short and intermediate range missiles.

It is shocking to note that many prominent citizens of our country are urging that we demonstrate our moral responsibility to the invasion that failed by entering such a deal. It seems to us that we can best demonstrate our support of the invasion by continuing to treat Fidel Castro as the criminal and enemy he has proven himself to be.

S.S. "HOPE"—DOCTORS AND NURSES TO INDONESIA

Mr. BUTLER. Mr. President, in a recent issue of the Baltimore News-Post Bob Considine, the well-known columnist, discussed the great white fleet of American mercy ships which will travel to underdeveloped lands around the world. As Mr. Considine pointed out:

> The zeal of these people is enormous, and their contribution to that touchy part of the world is so great that the Russians—who thought they had it made out there—are beginning to worry.

There is great hope to be found in the S.S. *Hope* and its future sister ships.

Mr. President, I ask unanimous consent that the article, "Project Hope Brings U.S. Doctors, Nurses to Indonesia," from the Baltimore News-Post of April 15, be printed in the RECORD following my remarks.

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

PROJECT HOPE BRINGS U.S. DOCTORS, NURSES TO INDONESIA

(By Bob Considine)

The ancient mayor of Sumbawa, an island in the Indonesian archipelago, grateful for what American doctors and nurses aboard the SS *Hope* had done for his people recently spoke as follows:

"This is the first time foreigners came to Sumbawa who did not come to steal our rice. I do not know where the United States of America is. I had not seen the flag of your country until this great white ship came to us, though I am an old man. But hear me: We will never forget you for what you have done."

The mayor was speaking to Dr. Bill Walsh, founder and president of Project Hope which, with a bit of aid from all of us, would one day send a great white fleet of American mercy ships to all underdeveloped lands—manned by volunteer U.S. doctors and nurses.

So far, there is only one ship the SS *Hope*. It is a demothballed Navy cargo ship turned into a floating hospital. Since arriving in southeast Asia last fall it has treated thousands of desperately sick persons. Its personnel has trained dozens of nurses, midwives and doctors. This is its prime mission.

Sumbawa has a population of 750,000, with 2 doctors. The day the ship arrived, after a proper advance announcement, there were 153 patients lying in the sultan's palace in drastic need of surgery. All were taken care of.

Walsh is a dynamic, good-looking product of Georgetown University's school of medicine. His elder brother delivered a child named John Fitzgerald Kennedy, Jr., at Georgetown Hospital last Thanksgiving. Project Hope originated in the Eisenhower administration as a part of the people-to-people program which was a favorite of the former President. A letter from Ike triggered the whole machinery into operation, though 27 (count them) Government agencies had to pass on the project before the ship could sail on its mission.

Doctors and nurses who volunteer to fly to southeast Asia to join the effort for a month

or two pay their own plane fare and received only bunk-and-board during their stay. Those who sign on for a year receive a small living wage, far below what they could earn in the States. But the zeal of these people is enormous, and their contribution to that touchy part of the world is so great that the Russians—who thought they had it made out there—are beginning to worry.

FIFTEENTH ANNIVERSARY OF THE FOUNDING OF THE REPUBLIC OF ITALY

Mr. BUTLER. Mr. President, tomorrow, June 2, is the 15th anniversary of the founding of the Italian Republic. It is a significant holiday for the 150,000 Americans of Italian descent in my State of Maryland and for Americans of Italian heritage in every State of the Union. There will be cause for double celebration tomorrow for this year is the centennial of the unification of Italy—a profound occurrence in the history of one of the most influential and historic nations in the world.

Italy has always been a symbol of soaring music and splendid art. The opera houses and art museums of the world would be bare indeed without the composers and artists of Italy. The United States, for example, has been enriched by the talents of such singers as Enrico Caruso and Mario Lanza. In fashion, in cuisine, in moving pictures, Italians have deeply affected American life.

The bonds of friendship between the United States and Italy have been forged for more than two centuries. It is a process which dates back to our earliest days when small groups of Italians joined the early explorers and settlers who landed on our shores. Those new citizens sought and found freedom of opportunity, of speech, of assembly. They and succeeding generations of Italian immigrants have made lasting contributions to our American heritage.

Mr. President, I was particularly struck by the remarks of President Giovanni Gronchi, of Italy, a few weeks ago when he launched Italy's formal celebration of the hundredth anniversary of its unification as a constitutional monarchy.

President Gronchi stressed the development of an economic democracy. He said that he looked to private initiative to bring about a richer life for all.

He said and I quote:

> There is an underlying necessity—not to be distorted by the pressure of blind or selfish interests—a moral law above cautious political concepts—which demands that liberty be accompanied by justice. And this justice must be realized by a more equal distribution of riches.

These words, Mr. President, express the hopes of every citizen of every free nation in the world—liberty with justice, prosperity for every man. They are concepts inherent in the new Republic of Italy and in the hearts and minds of every Italian.

Mr. President, I know that I speak for every Marylander when I extend congratulations to the thousands of Americans of Italian descent in the Free State upon the 15th anniversary of the founding of the Republic of Italy.

OZARK RIVERS NATIONAL MONUMENT

Mr. SYMINGTON. Mr. President, on March 20, my colleague from Missouri [Mr. LONG] and I introduced a bill (S. 1381) to provide for the establishment and development of the Ozark Rivers National Monument in Missouri.

A companion measure was introduced by Congressman RICHARD ICHORD in the House of Representatives.

There has been a great deal of support and interest expressed in Missouri, not only by the people in the area concerned, but also throughout the State and the Middle West.

The plan contained in S. 1381 will provide both development and preservation of one of the most beautiful natural areas of America.

I am hopeful that in the near future the Congress will be able to consider this proposal, one which is important to the future development of Missouri and the Middle West.

In this connection, Mr. President, I ask unanimous consent that an editorial from the St. Louis Post-Dispatch, dated March 21, 1961, and an article from the St. Louis Post-Dispatch, dated May 21, 1961, with reference to the Ozark Rivers National Monument, be printed at this point in the RECORD.

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

[From the St. Louis Post-Dispatch, Mar. 21, 1961]

TREASURE OF THE OZARKS

Conservation of the Ozarks' most beautiful rivers—the Eleven Point, Jacks Fork, and Current—became a genuine expectation rather than a subject for perennial debate when Senators SYMINGTON and LONG and Representative ICHORD introduced identical bills in both branches of Congress for the establishment of the Ozark Rivers National Monument.

Broadly, the bills follow the plan evolved by the National Park Service at the request of the Missouri Legislature. They authorize $6 million for the project, more than enough to cover the $5,500,000 estimated value of private property in the area. The remainder of the land already is owned by the Federal and State Governments; and the State should gladly contribute its holdings.

The bill also calls for Federal payments in lieu of local taxes for a few years—to offset the loss of county income until new revenue is obtained from the economic development expected after the park is established. For Washington, the amount involved is relatively nominal.

Present owners will be allowed to use land for residential but not commercial purposes so long as they live. The Park Service had proposed this for farms, but the broadening of its provision is quite acceptable. All of a farm of 500 acres or less will have to be taken, instead of only a part, to avoid leaving a farmer with an inefficient bit of land.

The bill allows hunting in the area, subject to regulation by the Secretary of the Interior. This should enable the Park Service to protect park visitors, especially float fishermen, against the danger of irresponsible discharge of firearms. The bill also calls for the appointment of an 11-member citizen advisory committee, with most of its members to be residents of the region. So adequate safeguards are provided for all valid interests.

In spite of those who agree in principle that the rivers must be saved but take exception to virtually all proposals for doing so, we believe most of the Ozark people not only desire to keep the streams in their still relatively natural state, but also realize that time is running out. People elsewhere who know these clear, cool, fast-running streams and the great springs which feed them long have recognized the region as one of the scenic treasures of the Midwest. And they dread the honkytonk exploitation which grows as more and more visitors are attracted.

Only in dreams can the population be reduced to what it was when Indians roamed the time-gentled hills. In fact, better use must be made of the area for the support of its inhabitants. To do this while also preserving its semiwild character is almost magician's work. The Park Service plan provides the answer as nearly as is humanly possible. Missourians especially should support the national monument bill. It would be scandalous not to guard jealously what already is a treasure beyond price.

[From the St. Louis Post-Dispatch, May 21, 1961]

PARK SERVICE BACKS PROPOSAL FOR RECREATION AREA IN OZARKS—AGENCY REPORT POINTS OUT ECONOMIC BENEFITS OF 113,000-ACRE NATIONAL MONUMENT ALONG THREE RIVERS

WASHINGTON, May 20.—A proposal to establish a national recreational area in the Missouri Ozarks promises substantial economic benefits for the surrounding area and the entire State, the National Park Service reported today.

A report by the Federal agency said this conclusion was borne out both by a study of the projected Ozarks Rivers National Monument and by analysis of the economic impact of national parks and other Federal recreational units in other areas of the United States.

BILL INTRODUCED

Legislation to create the Missouri recreational area and make it part of the national park system was introduced recently in Congress. It would authorize the Federal Government to acquire 113,000 acres of land about 175 miles southwest of St. Louis in a move to preserve a rugged wilderness section of the Ozarks and the unspoiled beauty of three of Missouri's rivers, the Current, Jack's Fork and Eleven Point.

Data gathered by the Park Service indicated that the substandard economy of the Ozark region would be raised significantly as a result of the monument's expected attraction for tourists.

Spending by tourists brought to Missouri by the monument could be expected to amount to $5,500,000 annually within 5 years after establishment of the proposed recreational facility, it was estimated. The number of new tourists attributable to the monument would total 800,000 annually after 5 years, the report added.

CONSTRUCTION REQUIRED

To care for this influx of tourists, heavy construction of hotels, motels, gasoline stations and other facilities outside but close to the monument area would be required. Park Service estimates put the cost of needed facilities at $33 million.

Development on this scale would have a significant effect on tax assessments and revenues in the area. The land that would be taken off the tax rolls as a result of inclusion in the monument has an assessed valuation estimated at $1,300,000. New tourist facilities, however, would be assessed at about $10 million, leaving a net increase in valuation of nearly $9 million.

This gain is reflected in a substantial increase expected in county tax revenues.

About $45,000 in tax revenue would be lost through removal of monument lands from the tax rolls. But new tourist facilities in the area would produce $350,000 in tax income, leaving an annual gain of some $300,000, it was estimated.

Although the Park Service made no mention of State revenues, increases apparently could be expected there, too. Greater economic activity in the area should boost the yield from income and gasoline taxes and other sources of State income.

The Ozark region would benefit also from jobs created within the monument itself. It was estimated that within 5 years a staff of more than 25 persons would be required to manage the recreation area. The annual payroll would be about $140,000.

EFFECT ON REGION'S ECONOMY

The anticipated benefits resulting from creation of the monument became even more significant when viewed against the background of the present economic level of the Ozark area.

The Park Service study showed that the region is poor. In 1950 the median family income in the proposed monument area was only 42 percent of the State average. In Shannon County in the proposed monument region the level was only 37 percent of the State average, or $969.

Farming is the main source of income although the report noted that conditions are not favorable for agriculture. In 1955 the cash income of 40 percent of the farm families in the area was less than $1,000.

The economic picture is worsened by the fact that very little industrial development has taken place in the region. The report stated that in June 1959 only 27 firms, giving employment to 585 persons, were located in Carter, Oregon, Shannon, and Ripley Counties. These four counties contain about 97 percent of the proposed monument lands.

HOW OTHER AREAS HAVE FARED

The Park Service cited figures from a number of other Federal recreational areas to substantiate its claim that the Ozark Monument would produce economic growth. It pointed out that establishment of the Cape Hatteras National Seashore area in North Carolina was followed by an increase of more than 100 percent in valuation assessments in Dare County. The local tax rate was cut by one-fifth.

It reported that in the region adjacent to the seashore recreational area, business generated by tourists rose more than 150 percent in 6 years. Bank deposits doubled in the 9 years after establishment of the seashore area.

A study of the economic impact of Grand Teton National Park in Wyoming showed that valuation assessments and collections of sales and use taxes doubled in an 8-year period after the park was enlarged. In the same period population of the county in which the park is located rose 27 percent, retail sales climbed 96 percent, and bank deposits nearly doubled.

STUDIES OF TOURIST SPENDING

The importance of tourist spending in areas near national recreational facilities was shown by two other studies. One disclosed that 2,500,000 persons visited Great Smoky Mountains National Park in Tennessee and North Carolina in 1956 and spent more than $28 million in a 30-mile radius of the park.

A similar survey at Glacier National Park showed that in the year ended September 1951, tourists spent $4 million in the vicinity of the park and an additional $8 million elsewhere in Montana.

Much of the economic data concerning the Ozark region was obtained by the National Park Service from an economic study prepared for it by the University of Missouri.

Hearings were held recently in the Ozark area on the proposal to establish a national recreational monument there. There has been no action yet by Congress on the proposed legislation. The pending measure would authorize appropriation of $6 million in Federal funds to acquire land and set up the monument.

The monument would be located in narrow strips along the three rivers. Land within 2 miles of Eminence, Van Buren, and Doniphan, Mo., would be excluded.

PROBLEMS OF THE UNEMPLOYED

Mr. HARTKE. Mr. President, on May 25 I inserted in the RECORD the first of a series of four articles on the problem of the unemployed in America which were then appearing in the Scripps-Howard newspapers.

I ask unanimous consent to have the remaining three articles of this series inserted in the body of the RECORD.

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

[From the Washington Daily News]

WORKERS FIND BREAKING INTO A NEW FIELD IS MOST DIFFICULT

(By Dickson Preston, Scripps-Howard staff writer)

Eddie Williams, of Detroit, can tell you a lot about this "retraining" program the experts here in Washington say is going to solve the problems of the unemployed.

So can Howard Phillips, auto worker; Jim Chiodi, welder; Bill McClellan, steelworker.

They're four among thousands who have seen their production line jobs vanishing and taught themselves new skills—only to find that breaking into a different field isn't as simple as it seems.

Their stories are useful if only to point a warning: before we spend millions retraining factory workers for the automated world of the 1960's, we'd better make sure we know what to retrain them for.

"I took a course in auto salesmanship after I was laid off at the Ford plant," Mr. Williams told me.

"Since then, I've applied to at least 70 auto dealers in the Detroit area without success. They all say they want only experienced men."

ANOTHER REASON

Without his saying it, you knew there was another reason Eddie Williams had had trouble getting a job selling cars. He's a good salesman—as he has demonstrated in selling vacuum cleaners, radios, books, and even ice cream—but he's a Negro trying to break into what has been almost exclusively a white man's field.

Jim Chiodi didn't have that problem. He's of Italian-American background. But he ran into other problems when he decided the introduction of automatic welding equipment could be converted into an opportunity for him to fulfill a lifelong dream.

A 10-year man with a Pittsburgh-area steel fabricating firm, he survived a wave of layoffs in 1958—but a second wave got him in 1959. Altogether, 150 welders lost their jobs at this plant, he says.

After his layoff, Mr. Chiodi and his wife talked it over. They owned their home; their bills were paid; they even had a little money in the bank. So, they decided, Jim would do what he had always wanted to do—go into hotel management. After all, he was only 40, a comparatively young man.

FAMILY SAVINGS

Mr. Chiodi drew on the family savings, went to Washington, and took a course in hotel management from a widely advertised school. It cost $1,200—$400 tuition, $800 room and board.

"I passed it with flying colors," he says bitterly today. "But what good did it do? I write in every time I see an ad—but I don't even get an answer. I even went down to Florida where there are so many hotels, but I didn't get anywhere.

"So the Government says: 'The men who are out of work will just have to train themselves in something else.' So you do—and then nobody wants you. What's the sense of doing it? That's what gets me."

He looked up challengingly. I didn't have any answer.

"I'd work for 2 months for nothing just to get the experience, if I thought there'd be a job at the end of it," he said. "But you can't expect people to take training unless it leads to something."

CHANCE IN ARMY

Howard Phillips, a former die-press operator at a Detroit Chevrolet plant, found his "opportunity" in the Army. He took a course in telephone installation, and returned to civilian life proudly carrying the diploma he'd won.

What happened? At 28 he's supporting his wife and three children with $55 a week in extended unemployment compensation. Before that program took effect in April, they were on relief. He's never even heard from any of the telephone offices to which he so hopefully applied.

Bill McClellan of Pittsburgh is also just out of the Army, where he learned to operate heavy construction equipment such as bulldozers, and caterpillar tractors. As with the others, it hasn't helped him get a job.

At Pittsburgh's downtown State employment office I looked over a list of 65 jobs which are unfilled despite the area's 110,000 unemployed. They ran to such openings as—

"Summer camp cook—male—knowledge of kosher cookery."

"Beauty op.—exp.—must have Pa. beauty shop mgrs. license."

"Electronic technician—speak Spanish—experienced on aircraft."

"Auditor—No exp. needed if college degree, B-average, plus accounting major. Car required."

"Case aide—college degree, sociology—like to be around senior citizens. Must type."

And I wondered as I read the list: What kind of retraining program would fit unemployed steelworkers into jobs like these?

[From the Washington Daily News, May 25, 1961]

THERE ARE MANY FLAWS IN THE JOBLESS PAY SYSTEM

(By Dickson Preston)

"I've been lucky," said Homer Cubbage, a good-looking 20-year-old in a neat tweed jacket. Then he went on to explain.

In less than 3 years since he finished high school, Mr. Cubbage has had two jobs. The first was as an inspector in a factory in Fostoria, Ohio. When he was laid off, he drew $42 a week for 26 weeks in Ohio State unemployment compensation.

Then he moved to Pittsburgh and got a steel mill job. That, too, lasted only a few months. And Mr. Cubbage now is in the process of drawing 30 weeks at $35 from Pennsylvania—and from the Federal Government through the much-heralded extension plan.

That kind of "luck" illustrates one of the flaws in the jobless pay system for which no one has found an answer. It can become a

way of life and—for a person with not too expensive tastes—a fairly pleasant one, as I soon found out.

"Are you married or engaged?" I asked.

"No," said Mr. Cubbage with unconscious irony, "I'd like to be, but I'm paying on a car, you see."

JOB TRAINING

In the 11 months since he last worked, Mr. Cubbage has not gone back to school. If he had, his compensation would have been cut off. He has taken no job training—that, too, might have jeopardized his weekly check—but has looked faithfully, but without success, for a job. But he has given little thought to leaving Pittsburgh to seek work elsewhere. Why should he?

His story and others I ran across in talking to scores of unemployed raise serious questions about the compensation system. Among them:

Jobless pay can be a life saver to a family man. It can also be a racket. Two examples can be cited.

There was a man who explained quite frankly that he worked on Detroit's docks all summer, and then from Thanksgiving to April—while the winter freeze is on—he lives on his unemployment checks. He has been getting along nicely in this way for 5 years.

There was the woman, wife of a well-paid engineer, who has collected a weekly check since she retired as a sales clerk in a department store. She's 64. Each week, of course, she bows to formality and checks to see if any one wants to hire a 64-year-old salesclerk. No one does.

The system tends to clog the economy because it deters people from ordinary job-hunting.

"People aren't as job hungry as they used to be," said Carmen Smith, a veteran statistician in the Pittsburgh employment service.

"Twenty-five years ago, whenever a steelworker was laid off, his wife immediately went on the 'domestic help' market. You don't see that any more."

Its existence tends to keep people from moving around into other areas in search of jobs. One result: Detroit today is clogged with unemployed although it is evident thousands of them will never get auto industry jobs again. Another: Of a dozen young, single men I talked to, not one had seriously considered "hitting the road" in search of either adventure or a job.

It is, in many cases, a disguised form of charity. We are not going to solve the problems of older workers, of the unskilled and the ill trained, by longer and longer extensions of compensation. But the very fact there is jobless pay keeps us from facing up to those problems as they really are.

ROUGH SITUATION

It is a hideous thing to be out of a job, and without much prospect for work. I've seen it in the eyes of beaten men growing old but still too young to retire, in the eyes of the sick and the handicapped. But the answer is not adding more and more weeks onto extensions of jobless pay.

The truth is—we might as well acknowledge it—the country has a growing number of people who are unemployable by today's exacting standards of industrial efficiency. How many, nobody knows. But it could be 2 million or more.

They're unemployable for many reasons—too lazy, too dumb, too old, too sick. But they're unemployable, and no amount of "job retraining" or stimulation of the economy is likely to put them into jobs.

"If ever there is a big job demand again, more women are going to be moving into the labor force," Carmen Smith pointed out. They have the skills industry is looking for—nimble fingers, quick minds.

"And the dumbbell will still be out of a job."

[From the Washington Daily News, May 26, 1961]

WORKERS CLAIM THE DEMAND FOR JOBS IS LESS NOW

(By Dickson Preston)

Fire all the design engineers and outlaw machines.

Make women stay home if their husbands are working.

Cut wages and prices so management could afford to provide more jobs.

Pass laws forbidding plants to move.

These are a few of the ideas the unemployed themselves suggested when asked what should be done to create more jobs.

I talked to scores of them while surveying the problems of "hard core" unemployment in big production centers such as Detroit and Pittsburgh. And I was surprised at some of the things I learned.

EXAMPLES

For instance:

Even among people who had been jobless 2 or 3 years, not one suggested the time had come to establish a new WPA—the leaf-raking project of the 1930's depression. They were realistic in their appraisal of what the Government can do—and can't.

"Public works will help—but they're only temporary," was a typical comment. And many echoed former shipping clerk Albert Babcock of McKees Rocks, Pa., who chuckled when I asked his views and replied:

"Honest, I haven't the faintest idea. If I knew, I'd be down at Washington—not here."

Many of the unemployed have an unreasonable fear and anger against machines. All they can see is that the machines have taken their jobs. If there are advantages to an automated society, they are not evident to a man who has been displaced by it.

"Machines are taking the place of people," said Cleothe Sly, a former Chrysler production worker. "The big man is making all the money and there's nothing for the little man.

"I think they should outlaw machines. If you can't work, you can't buy cars."

Said another Chrysler worker, Howard Phillips:

"I was in hopes of a callback, but now I don't know. They keep moving in so much automation stuff. I worked on a line that took 25 to 30 men. Now they've cut it down to five."

FORCING WAGES

Next to machines (and management for bringing them in), the unemployed denounce unions for forcing wages too high. This is somewhat surprising since union leaders are highly vocal in demanding action to create more jobs.

"The unions should stop being so hard on management," said Eddie Williams, former Ford worker.

"Lower wages would mean more jobs. I'd rather see a lot of us working at $60 or $70 a week than a few at $120. The way I look at it, if I can live on $1,000 a year, the $6,000 man could live on a little less."

In Pittsburgh, former steelworker George McCary agreed.

"What would help most would be to pull wages and prices down," he said. "Wages are too high. They could have shorter hours and more jobs—but the unions want the same pay for less work. That won't help."

On the other hand, Bill Maniaci, a former United Auto Workers Union shop steward, argued that the real trouble is that the older workers won't back up their union.

"The company pulls these speedups and they tell you: 'If you don't like it, go ahead and strike,'" he said. "But the workers are too afraid for their jobs. If they would back up their union, we could get somewhere."

RESENTFUL

Unemployed women, rather than men, are the more outspoken against working wives. They resent seeing another woman on a job if her husband is employed.

"I've seen too many of them," said Louisa Joba, a former Detroit glass factory worker. "They've got everything paid for—cars, homes, and all—and still they work.

"If they have a husband working married women belong at home."

Many blame themselves for failing to get more education or take training when they had the opportunity.

"I could have taken some kind of training in GI school," said George McCary. "But I didn't know then. I thought I'd always have a job. Now I can't afford it."

"Even a high-school diploma doesn't mean much any more," said Mrs. Joba. "The jobs that are open—they call for college."

And too many for comfort just sit and stare hopelessly at a future which holds nothing for them.

As William Stewart, onetime inspector for Cadillac, put it:

"There's nothing you can do. We're just going to have less demand for people, that's all."

EXAMINATIONS FOR PEACE CORPS APPLICANTS

Mr. HARTKE. Mr. President, last Saturday, May 27, the Peace Corps held preliminary examinations for applicants at various centers across the Nation.

Many students and young people in my home State of Indiana applied and were tested. To assist the applicants and to demonstrate their support of this imaginative foreign affairs program, the 433 American Legion posts in the State of Indiana volunteered to provide transportation for the applicants to the examination sites.

This gesture on behalf of the American Legion in Indiana again demonstrates the spirit of helpfulness and national duty or this great veterans organization. I commend the Indiana American Legion and its commander, Orin Nowlin, for this project. I hope that other organizations in communities and States across the Nation will follow the lead of the American Legion in seeking to be of service to the Government and its programs.

WISCONSIN PARISH TO DO MISSIONARY WORK IN LATIN AMERICA

Mr. WILEY. Mr. President, it was my privilege yesterday to talk to Sargent Shriver, head of the U.S. Peace Corps, and Mr. Edwin Baley, as well as Mr. William D. Moyers.

I was very much impressed with the earnestness of all three in their approach to the problems as they see them in establishing and carrying out the objectives of the Peace Corps.

We recognize, of course, that this is not a new concept. Previously in history, there have been children's crusades; for centuries, also, missionaries have served in outposts around the world. In more recent time, we have

had student exchanges under both publicly and privately sponsored programs.

The Peace Corps, as now proposed, differs somewhat from the previous endeavors. While there are special problems involved, the corps in my judgment has a real potential for good.

In addition to the Government's efforts to bring better economic standards to less developed areas through the Peace Corps organization, we also recognize and appreciate the outstanding contributions that missionaries of religious faiths are making in certain regions of the world. I think that we should give every encouragement to these nongovernment groups to engage in human and economic betterment projects.

Recent activities in Latin America, especially, have brought to the fore the need for even greater economic and spiritual leadership to fight poverty, malnutrition and disease—the breeding grounds of communism.

It has been brought to my attention for example, that a Wauwatosa Roman Catholic church has recently aproved a program which will send volunteers from the St. Pius X Parish to selected areas of Central and South America to do missionary-type work.

I think this is a splendid example of a church group at its best—expressing its desire through positive action to help our neighbors south of the border.

I ask unanimous consent to have an article from the Milwaukee Sentinel of May 29, 1961, on this fine program printed in the RECORD.

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

TOSA CATHOLIC CHURCH VOTES LATIN MISSION

Members of a Wauwatosa Roman Catholic Church Sunday approved a program which could result in a parish family being sent to South America to do missionary work.

First in the Milwaukee archdiocese to be polled, parishioners of St. Pius X Church, N. 76th and N. Wright Streets, voted 1,636 to 183 to accept in principle the program of the Papal Volunteers for Latin America (PAVLA).

The group aims at sending North American Catholic laymen to South American countries to aid them materially and spiritually, according to Dr. Richard J. Connell, member of a committee which sponsored the balloting.

Now that the parish has approved the idea, Connell said, the committee will try to raise funds to send one or more volunteers to Latin America.

He said it would also begin taking and evaluating applications.

Connell said the amount of money to be raised would not be large. He pointed out that for $2,860 an unmarried volunteer worker can be trained, sent, supported, and brought back, the total period of service being 3 years.

Many skilled persons are needed, Connell noted, including carpenters, farmers, teachers, physicians, nurses, and businessmen equipped to set up cooperatives and other economic betterment projects.

Recruits are trained in a Mexican school for 4 months in language and customs of the country they will work in, Connell explained.

He said the committee hoped to interest other Milwaukee area Catholic parishes in setting up programs for lay missionary activity.

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

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

Mr. ROBERTSON obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator yield, without losing his right to the floor?

Mr. ROBERTSON. I yield with that understanding.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

PROBLEMS OF ECONOMIC DISTRESS IN THE BITUMINOUS COAL MINING INDUSTRY

Mr. BYRD of West Virginia. Mr. President, I have been greatly impressed by a most thoughtful and discerning memorandum on the problems of economic distress in the bituminous coal mining industry, which was prepared by Mr. Philip Sporn, president of the American Electric Power Co. In his memorandum, Mr. Sporn not only points out pathways by which the distress in the bituminous coal fields can be overcome, but also offers challenging ideas for revitalizing the economies of our distressed areas—ideas which, if put into practice, could bring solid economic growth to many of our Appalachian States.

Bcause I believe Mr. Sporn's memorandum deserves the attention of Senators, I ask unanimous consent to have his remarkable paper printed in the RECORD at this point as a part of my remarks.

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

MEMORANDUM ON THE PROBLEMS OF ECONOMIC DISTRESS IN THE BITUMINOUS COAL MINING INDUSTRY AND THE PERSISTENT DEPRESSED ECONOMIC CONDITIONS IN THE BITUMINOUS COAL MINING REGIONS OF THE UNITED STATES

SUMMARY

Although the difficulties of the coal mining industry have contributed to and intensified the depressed economic conditions of the coal mining areas of the country, they are not the same as the depressed area problem. While aid to the coal industry would help to alleviate the severe distress in the coal mining regions, an equally important reason for assisting the coal industry is the need to assure its ability to meet an increasing share of the Nation's growing energy requirements for the next several decades.

U.S. coal consumption, together with exports, reached a peak of almost 614 million tons in 1947, but by 1960 was only slightly below 417 million tons. This sharp drop in coal consumption, together with the more than doubling in the coal output per man per day, has resulted in severe unemployment in the coal industry. The expectation of a continuation of the highly desirable advances in productivity requires substantial increases in coal production if further declines in coal mine employment are to be avoided. This will come—in time. But help is needed now.

Immediate help to the coal industry can be achieved by an increase in the demand for coal by 15 to 30 million tons per year. This can most quickly be accomplished by the following measures:

1. A strict administration of the residual oil import program. Annual residual oil imports are presently the equivalent of 30 million tons of coal. Of this amount, at least 10 million tons equivalent are being consumed in facilities capable of utilizing either coal or residual oil with present fuel-burning equipment.

2. Use by the Federal Power Commission of its regulatory powers to encourage the development of natural-gas storage facilities and to discourage the off-peak sale of natural gas at prices below average cost. Use of natural gas for electric utility generation should be discouraged where coal is an economical alternative. These steps would both prevent inroads by natural gas into coal's boiler fuel market and serve the desirable conservation function of reserving our relatively scarce supply of natural gas for higher-value use.

3. Encouragement by the Interstate Commerce Commission of more competitive rate-making practices by the railroads to lower coal's rail transportation costs and to enhance coal's competitive market position on a delivered-cost basis. Rising transportation costs have increased the delivered cost of coal despite virtual stability in the mine price of coal in the postwar period.

4. Giving more consideration to the use of coal or electric space heating, cooking, and water heating (coal by wire) in new Government installations, public housing, and the like wherever there is a broad economic justification.

5. Exploration by the Federal Government of the possibility of providing coal to foreign nations, both allies and other non-Communist nations, to assure them an adequate energy supply in those cases where fear of energy shortage threatens to affect adversely economic development and international policy.

For the long-term enhancement of the economic position of coal, the following are recommended:

1. Investigation of the opportunities for electrification of the railroads. Electrification of commuter lines, as an integral part of an urban renewal program, should be studied as a possible starting place.

2. An expanded program for the development of processes for the production of liquid fuels and/or chemicals and char from coal should be undertaken. Private construction of prototype plants should be encouraged by a Federal Government guarantee to purchase the limited output of a small number of such plants. Similar programs have worked in the past—for example, the program to encourage exploration and development of uranium mining. In the case of combination char and chemical plants, the electric utility industry would provide a ready market for the char.

3. Establishment of a national fuels policy based on a full and careful study of the Nation's energy resources base, the long-term expansion of the demands to be placed on these resources, and of the present energy resources policies that may be in conflict with the best long-term interest of the country in assuring the availability of an adequate and economical supply of energy for the next four decades.

Giving aid to depressed areas will basically require long-term measures. Among the most promising are the following:

1. Improvement of transportation facilities by highway and waterway improvements.

2. Improvement of community facilities through a program of loans and grants.

3. Assistance by the Federal Government in local development planning.

4. Expansion of vocational training programs.

5. Reorganization of Federal Employment Service to provide improved informational services regarding employment opportunities on a regionwide and nationwide basis.

6. Financial assistance for out-migration of families or those finding employment outside depressed areas.

7. Permitting those taking on-the-job training to qualify for benefits under vocational training programs.

8. Development of industrial sites by diking rivers to protect against maximum flood levels and by leveling hilly land.

9. Exploitation of natural advantages for development of parks, national forests, and other tourist facilities, with accompanying service industries.

THE PROBLEMS OF BITUMINOUS COAL AND OF THE DEPRESSED COAL-MINING REGIONS

The difficulties of the coal-mining industry and the severe economic depression in which the coal-mining regions of the country have found themselves in the post-World War II period are closely related, but they are not identical. The economic distress of the coal-mining industry has contributed to and has intensified the depressed economic conditions of the coal regions, but the bituminous-coal industry's difficulties and their remedies are not the same as those of the severely depressed economic conditions in the coal-mining areas. Although the recovery of economic health in the coal industry can contribute significantly to an alleviation of the depressed area conditions, measures to assist the recovery of the coal industry from its present distress have a justification apart from and equal in importance with that of assistance to depressed areas.

Coal represents one of the great, important energy resources of the United States upon which this country has grown and developed to its present high level of economic welfare in the past century, and one upon which it is likely to become increasingly dependent over the next several decades. If this Nation is to have available a viable coal industry capable of supporting a skilled labor force and continued capital expenditures to increase its productivity to meet the growing demands expected to be made upon it in succeeding decades, it is essential that steps be taken to assure the industry's survival through the difficulties through which it is now passing.

A BRIEF HISTORY OF BITUMINOUS COAL MARKETS

In 1940, prior to World War II, consumption of bituminous coal in the United States was 430.9 million tons, and an additional 16.5 million tons were exported. The industry reached its peak year in 1947, when the U.S. consumption reached 544.9 million tons and the need to fill the gap left by the wartime disruption of Europe's energy industries added 68.7 million tons in exports. Since 1947, however, U.S. consumption has declined sharply and by 1960 had fallen to 380.4 million tons, while exports were only 36.5 million tons.

Most of the decline in bituminous coal consumption is accounted for by losses in two markets. Railroad consumption of coal in 1940 was 85.1 million tons; at the height of the war, in 1944, it reached a peak of 132 million tons. But with the virtual completion of the dieselization of the railroads that began at the end of World War II, railroad consumption of coal had fallen by 1960 to barely more than 2 million tons.

The second market accounting for the very large decline in coal consumption is retail deliveries, represented mostly by household use. Retail deliveries rose from 84.7 million tons in 1940 to a peak of slightly over 122 million tons in 1944; but by 1960 this market had declined to only 30.4 million tons, largely as a result of the rapid extension of natural gas pipelines after the end of World War II. The increase in the number of gas house-heating customers, from 7.4 million to 19.4 million in the decade 1949–59, clearly illustrates the shift in consumer fuel preference that has adversely affected the coal industry.

A third market in which coal use has declined sharply, although not to the extent of the declines in the railroad and retail delivery markets, has been manufacturing other than coke, steel, and cement. In 1940 this market accounted for almost 111 million tons of bituminous coal, reached a peak in 1943 of over 145 million tons, but by 1960 had fallen to only 76.5 million tons.

There are three markets in which this drastic decline in coal consumption has been resisted.

Although the cement industry is a relatively small market for coal, its coal consumption has risen substantially from a low of 3.8 million tons in 1944 to a high of 9 million tons in 1956. The 1960 figure, mainly as a result of the recession, fell slightly to 8.2 million tons. Consumption in this industry can be expected to stay around this level or to rise slightly, depending on the level of cement output.

The consumption of coal in the coke and steel industry is of course primarily dependent on the level of steel production. In the postwar period, coal consumption by this industry has fluctuated cyclically with the level of steel production, ranging from a low of 83.8 million tons in 1958 to a high of 121.6 million tons in 1953. Consumption of coal by the coke and steel industry can be expected to remain in the 100-million-ton range for the next several years.

Coal consumption by the electric utility industry has been the coal industry's strongest growth market, and the growth in consumption from slightly over 49 million tons in 1940 to almost 174 million tons in 1960 has approximately offset the loss of the railroad market. Growth in the electric utility industry consumption of bituminous coal can be expected to continue to be the major long-term growth impetus for the coal industry.

IMPROVEMENTS IN COAL MINE TECHNOLOGY

During the postwar period, when the consumption of bituminous coal was falling so very rapidly, productivity in the coal mining industry made dramatic advances. From 1947 to 1960 output per man per day more than doubled from 6.42 tons to 13.1 tons. This rapid improvement in coal mine productivity has been made possible by very large capital expenditures for modern machinery and equipment such as continuous mining machines, large mechanical stripping shovels, automatic loading machinery, shuttle conveyors, and numerous other types of automatic equipment in every phase of the coal mining operation.

The productivity gains resulting from the introduction of modern mining machinery have made possible the maintenance of a virtually stable mine price of coal in the postwar period in the face of the doubling of hourly wages for the miners and the general price inflation experienced in the United States during this period. The ability of the coal mining industry to achieve this remarkable gain in productivity (especially remarkable when compared with average productivity in England of only about one-tenth the 13.1 tons per man per day in the United States), and thus price stability, has prevented an even more disastrous deterioration in coal's competitive position than has in fact occurred. It is also worth noting that in the process of improving productivity the modern coal miner has been converted from a pick-and-shovel laborer to a highly skilled machine operator. This is a significant indication of his adaptability through training for other skilled occupations.

EMPLOYMENT IN THE BITUMINOUS COAL INDUSTRY

The adverse effects on employment in the coal mining industry thus stem from two sources: (1) the sharp decline in production and (2) the rapid increase in productivity through mechanization. Both trends reinforced each other in exerting a severe downward pressure on coal mine employment, causing a decline from 419,200 in 1947 to 160,200 in 1960. There is every reason to hope and expect that the trend of mechanization and rising productivity in the coal industry will continue at the rates experienced thus far in the postwar period and will continue to contribute to improving coal's competitive market position. However, under such circumstances it will be necessary that coal production increase substantially simply to prevent any further declines in employment in the industry, and very rapid increases in coal production will be required to provide even moderate increases in the levels of employment.

POSSIBLE STEPS FOR IMMEDIATE HELP TO COAL

Aid to the coal industry breaks down into those things which can be done to provide immediate help and those steps which will provide assistance over the long term. Immediate help is urgently needed, and those steps which would have a beneficial impact in the shortest possible time are particularly important. Although the long-term outlook for the coal industry is optimistic, the industry must be able to survive the immediate future of the next 4 or 5 years if it is to realize its bright long-term prospects and be in a position to make the vitally important contribution to the Nation's growing energy requirements expected of it.

1. Of most immediate help would be an increase of 15 to 30 million tons in the demand for coal. Hence, of most immediate help would be a strict administration of the residual oil import program to reduce or at least prevent further inroads by residual oil imports into coal's markets on the east coast. Such imports now are the equivalent of about 30 million tons of coal, of which approximately 10 million tons equivalent are now consumed in facilities capable of switching from oil to coal instantaneously with changes in market conditions. Residual oil is almost a waste product remaining after higher value products are removed in the oil refining process. It can be priced, therefore, at whatever level is necessary to sell the available supply. Under such circumstances the imposition of import quotas is necessary to improve coal's competitive opportunities in these markets and to prevent further losses in these markets to residual oil. Perhaps even more significant than the effects on present competitive markets, the strict administration of the residual oil import quota system would serve as a clear signal to consumers that they could not without risk plan new facilities based on residual oil use and further increase this country's dependence on foreign sources of energy.

2. A second step to expand the production and consumption of coal would be for the Federal Power Commission to use its regulatory power to minimize the offpeak sale of natural gas at prices below average cost

to compete with coal. Steps should be taken to encourage the more rapid development of natural-gas storage facilities close to major gas market areas, which would itself discourage offpeak sales at excessively low prices. The FPC could also continue to utilize its powers, recently confirmed by the Supreme Court in the case of Consolidated Edison Co., to discourage the use of natural gas for electric utility generation wherever coal is an available economic alternative. Such a program would have merit apart from aid to coal in that it would preserve the relatively scarce supply of natural gas for its higher value uses.

3. While the coal industry over the last 15 years has done an excellent job of holding down the mine price of coal, the delivered cost of coal has continued to rise. Since it is necessary for coal to compete with alternative fuels on a delivered cost basis, and since railroad freight represents as much as 40 to 50 percent of the delivered cost of coal, a significant contribution could be made to the competitive position of coal if the Interstate Commerce Commission were to permit more competitive ratemaking practices by railroads for coal transportation such as special trainload rates. On the average, railroad revenue in 1947 represented 58.9 percent of the mine price of a ton of coal; by 1958 this had risen to 68.9 percent so that despite the stability in the mine price of coal in this period, the average price of coal delivered by rail rose by 24 percent. It is clear that transportation costs are an important component of the delivered cost of coal. Therefore, improvements in the transportation facilities available to move coal to market would greatly enhance coal's competitive opportunities.

A program to canalize and improve the navigability of the river systems throughout the coal mining regions would contribute markedly to expanding coal's market opportunities and would in addition make a major contribution to the economic and industrial development of these depressed areas. The time required to plan and carry through the construction of such a program is lengthy and cannot have an immediate impact except that construction, once undertaken, would offer immediate employment opportunities.

4. More consideration than has been given in the past should be given to the use of coal or electric space heating, cooking, and water heating in new Federal Government installations, public housing projects, and the like wherever they can be justified on a broad economic basis. Electric heating represents an important means for expanding coal's markets, and the sale of coal by wire represents a significant and potentially expanding contribution toward improving coal's competitive position.

5. The Federal Government should explore the possibility of providing coal to those foreign nations, both allies and other non-Communist nations, whose industrial growth may be threatened by an inadequacy in the domestic supply of energy. The coal to meet this need could be supplied at subsidized prices under a program similar to the surplus disposal program for agricultural commodities.

Only a few short years ago in a great many nations of the non-Communist world, fear was expressed that a deficiency in the supply of energy resources would inhibit industrial growth. At that time many misdirected, almost panicky, programs were undertaken for the development of nuclear electric energy generation which have since been abandoned or cut back sharply as the realization has grown that a shortage of fossil fuels is not an immediate threat. Nevertheless, there are still many countries without endemic supplies of energy in which the persistence of the concern for the future adequacy of fossil fuel supplies represents a significant influence on national policy. This is likely to be especially true in those less-developed countries which, as the drive for industrialization gains momentum, can expect to experience sharp increases in their energy requirements. The assurance of a supply of coal for the next decade, possibly the next several decades, could contribute importantly to the more confident planning of economic growth in these countries.

In the more highly industrialized countries such assurance would help materially in making possible a smoother, more economical, and less disruptive integration of nuclear power into their economies and a more rational transition over the next several decades from primary dependence on fossil fuels to a nuclear-fueled economy. Such a program would relieve some of the pressure that has compelled the consideration in some countries of expanding trade with the Soviet Union and its satellites to obtain needed energy supplies.

In short, then, the following five steps are suggested to provide immediate assistance to the bituminous coal industry:

1. Strict administration of the residual oil import program.

2. Use by the Federal Power Commission of its regulatory powers to minimize the offpeak sale of gas at below-average cost and to discourage the use of natural gas for electric utility generation where coal is an available economic alternative.

3. Encouragement by Interstate Commerce Commission of more competitive ratemaking practices by railroads hauling coal to make possible the reduction of the delivered price of coal.

4. Giving more consideration to the use of coal or electric space heating, cooking, and water heating in new Federal Government installations wherever they can be justified on a broad economic basis.

5. Exploration by the Federal Government of the possibilities of supplying coal to foreign nations, both allies and other non-Communist nations, which may be facing the threat of inadequate domestic supplies of energy. Such supplies of coal should be provided at subsidized prices under a program similar to that for the disposal of surplus agricultural commodities.

POSSIBLE STEPS FOR LONG-TERM HELP TO COAL

For the long term, there are several steps which can be taken and a number of areas which could be fruitfully investigated.

Since the expanding use of electric energy appears to be the major opportunity for expansion of coal's markets, steps should be taken to encourage greater use of electric energy wherever possible. This is vitally linked to the long-term transition in the United States to an increasingly important role for nuclear energy. Nuclear power will contribute to the Nation's energy supply principally in the form of electric energy. Therefore, it is only where the economy will be geared to utilize electric energy in place of other energy forms that nuclear power will be able to pick up the burden of our increasing energy needs. For the transition period of the next several decades, as research and development and then actual plant construction on a large scale make possible the assumption by nuclear fuel of a growing share of the national energy requirements, the conversion to electric energy utilization of a growing share of the total energy use can be promoted and accelerated on the basis of highly efficient coal-fired electric generation. Steps in this direction will make easier the introduction of nuclear power as a major component of the energy supply.

1. One such very important sector of the economy suitable for electrification that is capable of making a major contribution to an expansion of coal's market, and which at the same time would represent a significant contribution to the entire economy, is the railroad industry. Many railroads are facing severe difficulties in many parts of the country, and it is possible that some rationalization of our railroad system will become necessary and will be undertaken. In this process, attention should be given to the possibilities and opportunities through tax and other incentives to encourage and promote railroad electrification. A significant start can be made on commuter railroads to provide high-speed transportation in urban areas. Such a program could be integrated into the urban renewal program.

2. The Department of the Interior operated a coal hydrogenation research program between 1944 and 1955. This effort was abandoned and since then only a very modest program has been maintained. There has been some work in the coal industry in recent years on various processes to produce both liquid fuels and chemicals, and also processes to produce chemicals in combination with char that would be usable for electric power generation. The further development of such processes should be encouraged; a possible approach would be for the Federal Government to guarantee a market for the relatively small amount of liquid fuels that would be produced by a limited number of such plants. A similar program has successfully encouraged the exploration for and development of uranium mines. This could provide the necessary support for the construction of these plants by firms in the coal industry and the technical development of the processes. Tax and other incentives for the construction of char plants should also be considered. The electric utility industry would provide a ready market for the char that would be made available from such plants.

3. Of very great importance is the need to develop a national fuels policy based on a full and careful study of the Nation's energy resources base, the long-term expansion of the demands to be placed on these resources, and of the present energy resources policies that may be in conflict with the best long-term interest of the country in assuring the availability of an adequate and economical supply of energy for the next 4 decades. From such a careful study, guidelines for a national fuels policy should emerge that would serve to resolve contradictory and conflicting regulatory, legislative, and administrative policies with respect to our energy resources.

Such a fuels policy would assure the economic strength of all of the Nation's fuel resources, including coal, and would assure the continued abundance of energy with which this country so fortunately abounds.

THE DEPRESSED AREA PROBLEM

Although aid to the coal industry would alleviate the severe depression in coal mining areas, it would not eliminate the depressed area problem. Additional aid would still be necessary in these areas.

Even though the structural unemployment with which these depressed areas are beset stems from other than cyclical causes, recovery of the economy to full employment levels would represent a major step toward the alleviation of their difficulties. Indeed, the maintenance of a rate of economic growth adequate to sustain full employment is a prerequisite for the satisfactory solution of the depressed area problem. All suggested solutions, such as the location of new industry in depressed areas and the outmigration of labor from the depressed areas, are dependent on the maintenance of a low rate of unemployment in the country as a whole if the opportunities are to be available for the successful implementation of these solutions.

Short-term aid, such as the surplus food program, relief payments, and extended unemployment insurance, provides only temporary relief from distress. The basic solutions must be undertaken on a long-term basis. Among the more promising solutions, the following are suggested:

1. In many of the coal mining areas the inadequacy of social facilities is a major deterrent to industrial expansion. Transportation facilities in all too many communities, particularly in such mountainous areas as West Virginia and eastern Kentucky, do not provide adequate access for people and materials. A highway program which would provide access to these communities would contribute significantly to the opportunities for industrial development.

In this regard what was said earlier concerning the navigability of waterways in the region merits repetition. Canalization and improved navigability of the water systems in these regions could be a major step toward their revitalization.

2. These communities are also beset by the inadequate water and sewerage facilities, inadequate recreational facilities, deficient educational plant, deteriorated housing and shopping areas, and inadequate or nonexistent zoning regulations for the preservation of desirable industrial sites and attractive residential areas. A program of loans and grants to remove these obstacles to area development, in addition to their important contribution to the long-term solution of the problem, would also have an immediate impact on employment that would help significantly to relieve the present distressed conditions.

3. These deficiencies in community facilities must be remedied for the most part at the local level, but Federal financial assistance and community planning assistance can be extremely helpful. In many cases the long period of depression has created an atmosphere of lassitude and despair on the part of the local inhabitants which, combined with the extensive out-migration of people who otherwise might have furnished local leadership, necessitates outside stimulation to mobilize the resources of the community.

The depressed area bill passed by the Congress on April 26 is an important step in that direction. Although it has been criticized on the grounds that the amount of money involved is inadequate to do the job, its contribution lies not so much in the total sum of money, but in the availability of a relatively small amount to serve as seed money to mobilize, encourage, and stimulate local participation and to develop pilot cases to serve as examples to others. Expansion of the program in the future should be considered, if necessary, however.

4. An expansion of vocational training programs in depressed areas is urgently needed. Such a program should include the construction of vocational training facilities. Those unemployed who undertake vocational training should receive unemployment benefits, and where unemployment benefits have been exhausted those enrolled in vocational training programs should receive supplementary living allowances. As part of the vocational training program, a program of vocational guidance should be established which could guide those enrolled in the program in the choice of skills that would offer the greatest opportunity for employment.

This would not only increase the opportunities for employment after completion of the program but would result in supplying the country with people trained in skills that are in greatest need for the foreseeable future.

5. In conjunction with the vocational training effort, a reorganization of the Federal Employment Service should be undertaken. The Federal Employment Service as presently organized is utilized, for the most part, as an agency for the distribution of unemployment benefits. It should be reconstituted to supply information on job opportunities not only in the local area but regionwide and even nationwide, and steps should be taken to encourage potential employers and skilled workers to utilize, to a much greater extent than at the present time, the Federal Employment Service.

6. At the same time that efforts to improve local economic conditions are taking place it may also be necessary to encourage some out-migration. It is often difficult to induce people to change their place of residence because of a multitude of social and psychological reasons. The inability to finance such relocation compounds the difficulty. In many cases when the family wage earner does relocate, it is frequently impossible because of limited financial means for the family to move with him. The result is a breakup of the family and undesirable social consequences. A program should be undertaken to provide financial assistance to make possible family relocation for those finding employment opportunities outside the depressed areas.

7. In conjunction with the vocational training program, it should be made possible for employers who add to their employment, either by expanding existing plants or by building new plants, to train new employees on the job. These employees should be permitted to qualify for payments under the vocational training programs, which together with minimal payments by the employer during the specified training period would provide adequate living allowance. Such a program should be safeguarded from abuse by the requirement that a specified percentage of those trained under such a program be retained by the employer for a minimum length of time.

8. In some depressed areas, topography is unfavorable for industrial sites. A program to develop such sites should be undertaken. There are numerous locations along rivers where the construction of dikes to protect land from maximum flood levels would make available at relatively low cost highly desirable industrial sites. In some areas, such as West Virginia, flat land is not available in sufficient quantity. In such cases the possibility for flattening land to provide industrial sites, such as was done in the construction of the Charleston, W. Va., airport, should be considered. It is worth noting in this regard that the Netherlands have been reclaiming land from the North Sea for agricultural purposes for something over $1,500 per acre. In many parts of West Virginia, Virginia, and eastern Kentucky, industrial sites could be developed at such a level of cost, or perhaps slightly higher. Sites developed by these means could then be sold or leased at prices comparable to the value of similar industrial sites, with the Federal Government absorbing the cost of the difference between that price and the actual cost of the land development.

9. Greater effort should be made to exploit the natural advantages of the depressed areas for other than industrial purposes. Some areas, because of their mountains, forests, and lakes, may be particularly suitable for year-round vacation resorts, the establishment of national forests, and other measures to encourage tourism and the accompanying service industries. These opportunities have not been fully exploited, and the Federal Government together with local development agencies should give further consideration to the opportunities that may be present in these areas.

In summary, the following nine steps are recommended as promising significantly fruitful results in starting the depressed coal mining areas on the road to economic health:

1. Improvement of transportation facilities by highway and waterway improvements.

2. Improvement of community facilities through a program of loans and grants.

3. Assistance by the Federal Government in local development planning.

4. Expansion of vocational training programs.

5. Reorganization of Federal Employment Service to provide improved informational services regarding employment opportunities on a regionwide and nationwide basis.

6. Financial assistance for out-migration of families or those finding employment outside depressed areas.

7. Permitting those taking on-the-job training to qualify for benefits under vocational training programs.

8. Development of industrial sites by diking rivers to protect against maximum flood levels and by leveling hilly land.

9. Exploitation of natural advantages for development of parks, national forests, and other tourist facilities, with accompanying service industries.

OVERALL REMARKS ON THE NATURE OF THE PROBLEMS OF ECONOMIC DISTRESS IN THE BITUMINOUS COAL INDUSTRY AND THE PERSISTENT DEPRESSED ECONOMIC CONDITIONS IN THE BITUMINOUS COAL MINING REGIONS OF THE UNITED STATES

The problems discussed in this memorandum are not new; they all have been a long time in developing. The coal problem in particular is highly complex. Not all of the picture is black, by any means—far from it. Indeed, the fact that we are today the most advanced technologic-economic society in the world is due in no small measure to the contribution, sometimes so preponderating as to render the other contributions almost negligible, that coal has made in the last century to the vast energy demands and needs of the country. Coal is in distress right now, but one of the most optimistic and encouraging items about coal is the great future that is ahead of it. If this were not so, there might be some basis for at least considering writing coal off as one of the social-economic, important phenomena or tools that has had its usefulness, which has now gone and which has to be abandoned in the inevitable march of progress toward perhaps other, and better, forms of energy.

But the case is just the reverse. The country has an acute need for coal in its future, and coal has a great future. Therefore, what we need is to make certain that coal so lives in the present that it can have this great future and that the country can have the benefit of coal in its future.

From this it follows quite naturally that the recommended steps toward the improvement of the position of coal are basically short-term steps—steps for the present—and it is believed they are all practical.

But there are long-term steps that need to be taken, and they, too, it is believed, are entirely pragmatic. But, basically, coal in the long term will be able to take care of itself.

The depressed areas also represent a problem that has been long in developing, although many of these areas did not clearly show what was happening to them only a short time ago. But even if we were not now in one of the low troughs of cyclic unemployment, many of these areas would have begun to show the bad cumulative effects of the loss of coal markets, the even greater loss of employment, and the failure over a period of many decades, in some cases going back a century, of the communities to plan for a future not entirely based on coal. With the resumption of an upswing in our economy, many of these communities will begin to look better, but they will not look enough better, because the basic conditions for a bright and stable and expanding future economy in their midst are not right. Therefore, quite naturally, many of the steps rec-

ommended are in the nature of basic steps, and at least one of the steps that is recommended, the encouragement of outmigration, is a step that helps solve the human problem but does not solve the area problem. Converting a depressed area into an uninhabited or ghost area is not a good way of solving the depressed area problem.

The steps recommended to help solve the depressed area situation independently of the coal problem, it is believed, as stated above, are pragmatic, but it does not mean they are final. We need, however, to make a quick and immediate start. In that start, some things will get done that are good. Some of them may even be mistakes, but all of them will improve the morale of the people in the areas. The power of the human spirit, when inspired by such pragmatic steps as those recommended in this memorandum, is incalculable. Once a turnabout is started, the program can be revised and reoriented in the light of experience.

On the whole, the programs discussed and recommended above represent a wide-ranging, varied attack on the depressed conditions in the coal mining regions. They are not uniformly applicable in every case and will have to be applied with a high degree of discrimination in each of the areas involved. Nevertheless, the proper time to start such a program is long past. The longer these difficulties are further neglected and the more serious these problems become, the deeper will become the despair of the local populations and the more difficult will it become to effect a remedy. But with determination and with action now, the beginnings of a solution can be effected now, and a more comprehensive solution can certainly be developed with time.

TREASURY, POST OFFICE, AND TAX COURT APPROPRIATIONS, 1962

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 261, H.R. 5954.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 5954) making appropriations for the Treasury and Post Office Departments, and the Tax Court of the United States for the fiscal year ending June 30, 1962, and for other purposes.

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

The motion was agreed to; and the Senate proceeded to consider the bill (H.R. 5954), which had been reported from the Committee on Appropriations with amendments.

Mr. ROBERTSON. Mr. President, the Committee on Appropriations has authorized me to present a statement in regard to the pending bill. I therefore, wish to present to the Senate, and for the permanent record, a brief summary of what is in the bill.

GENERAL STATEMENT

The Treasury and Post Office Departments have the responsibility of administering a total of nearly $13.9 billion of budgeted items.

More than $8.6 billion of these items, however, are fixed and permanent indefinite appropriations which are not carried in the bill. The 1962 estimates of the Treasury Department in this category are for appropriations of $8.6 billion. Of this total, $8.5 billion is for interest on the public debt, a decrease of $400 million from the 1961 estimate.

Trust funds also are not carried in this bill. The 1962 estimate in this category is for $16.5 million. The Federal old-age and survivors insurance trust fund, Federal disability insurance trust fund, and unemployment trust fund previously carried in the report accompanying this bill, were not included in the House report this year.

Details of the items comprising the Treasury Department's estimates for the general and special funds and the trust funds may be found in the tables included in the report accompanying this bill.

The bill which is recommended to the Senate provides total appropriations of $5,327,631,000. This amount is an increase of $45,766,000 over the House allowance, $189,881,000 over the 1961 allowance, and $44,170,000 under the estimates for 1962.

Increases over the House figure were approved by the committee on the basis of what it regarded as convincing testimony that to allow less amounts either would be false economy, because loss of essential services would outweigh the value of the attempted savings, or would seriously impair the capabilities of the agencies to perform their missions effectively and economically.

TREASURY DEPARTMENT

Appropriations totaling $938,981,000 are recommended in the accompanying bill for the regular annual requirements of the Treasury Department for fiscal year 1962. This is a decrease of $6.95 million in the estimates and an increase of $27,366,000 over the House allowance. The amount recommended is $71.5 million more than the 1961 allowance.

A large part of the increase mentioned was applied to the Internal Revenue Service. The committee recommended an appropriation of $456,800,000, the revised budget estimate, for salaries and expenses. This amount is $16.8 million over the House allowance. As is stated in the report, the committee was convinced by the testimony that the 1962 program, if carried out with the amount allowed, would result in an increased enforcement program and a substantial increase in the collection of additional revenue. It is estimated that the total revenue loss from the failure to report some $24.4 billion income on tax returns was at least $4 billion. The Secretary assured the committee that personnel for the 4,575 additional positions requested could be wisely recruited, properly trained, and usefully absorbed within the year, and these additional employees will be recruited from and assigned to the more than 900 field offices throughout the country.

For the Office of the Secretary, the committee recommends $4,233,000, an increase of $657,000 over 1961, and an increase of $233,000 over the House. In view of the testimony presented, the committee feels that 60 additional positions should be provided if the Secretary is to fully discharge the responsibilities of his office.

For the Division of Disbursement, Bureau of Accounts, the committee recommends $25,800,000, an increase of $1,734,000 over 1961, $400,000 under the estimate and $200,000 over the House. This Division is responsible for disbursing funds of all executive departments and agencies except Defense, the postal service, and certain Government corporations, and the sum provided over the House should strengthen the category "Personal services and employee benefits" for regular work of the Division.

For the Bureau of Customs, the committee recommends $62,650,000, the House allowance, and a decrease of $750,000 in the estimate, but $2,835,000 over 1961. In its recommendation, the committee has allowed funds for 141 additional man-years of employment over 1961 to support expanded enforcement and administrative workload, and has provided funds for the annualization of 22 positions authorized in fiscal 1961.

For the Secret Service, salaries and expenses, the committee has allowed $4.8 million, an increase of $303,000 over 1961. This is $100,000 under the estimate and $100,000 over the House. The allowance provides for an increase of 38 positions over 1961, which should strengthen the capability to curb the increase in counterfeiting and reduce the growing backlog of check and bond forgery investigations.

In connection with that increase, the committee was quite cool to a newspaper report that the Treasury Department was considering issuing new money of varied hues. The committee thought that such a program would increase counterfeiting. We were proposing to add new manpower to cope with the counterfeiting problem rather than decreasing personnel. With all due deference to the lovely Treasurer of the United States, who perhaps envisioned the beauties of pastel money, the committee felt that those who could not read enough to know the difference between a $1 bill and a $10 bill would not be too much protected if one were printed green and the other bright red, to say nothing of the expense of destroying all the present currency, making new plates, and new printing machines—a very sizable expense.

For the Bureau of the Mint, the committee recommends $6,350,000, the budget estimate. This amount is an increase of $350,000 over the House bill. For the past few years the mint has been operating with little, if any, reserve stocks and has not been able to satisfy the heavy demand for domestic coins during the period from July through December each year. With funds provided, the mint is expected to produce 3,350 million coins on a multiple-shift basis, without extensive overtime operations.

For operating expenses of the Coast Guard, the committee allowed $212 million. This is an increase of $7 million over 1961 and $4 million over the House, but a $500,000 reduction under the estimate.

The committee's recommendation should provide for most of the program increases proposed in the estimates. These estimates include operation of additional loran stations; the extension

of aids to navigation system on Federal waterways; an increased maintenance, repair, and replacement program; and extension of search and rescue and boating safety capabilities to meet the most urgent needs of the public.

The committee feels that any further reductions in this appropriation will seriously impair the Coast Guard's capabilities to perform its mission effectively and economically.

For "Acquisition, construction, and improvements" of the Coast Guard, the committee recommends $44,333,000, a reduction of $5 million in the revised estimate, but $14.3 million over 1961. This is $5.3 million over the House bill.

The Coast Guard is now operating many overage vessels and shore facilities which are unsafe, costly, obsolete, or ill suited to modern operations. These conditions manifest themselves today in vessels which are either unseaworthy or barely adequate to perform expanded and more complex missions; and in shore plants many of whose operating facilities were constructed prior to 1900 or built as World War I and II temporary facilities.

The committee's recommendation should provide for what it feels is a moderate replacement and capital improvement program.

For "Retired pay," the committee recommends $31,350,000, the budget estimate, an increase of $1.3 million over 1961, and $350,000 over the House.

The amount recommended over the House will support the planned numbers of retirement and will preclude postponement of retirements to which military members are eligible as set forth by law.

Other Treasury items included in the bill and for which there were no appeals for restoration made, appear on pages 16 and 17 of the report before the Senate.

POST OFFICE DEPARTMENT

The committee recommends for the Post Office Department, for 1962, appropriations totaling $4,386,900,000. This is an increase of $118,261,000 over 1961; $18.4 million over the House allowance; and a decrease of $37.2 million under the estimate, which incidentally, is the largest ever submitted to the Congress for the Post Office Department.

PAYMENT FOR PUBLIC SERVICES

The committee recommends $62.7, the budget estimate, for "Payment for public services." The House disallowed this amount. The Postal Policy Act of 1958 authorizes the appropriation of such amount as Congress may deem to be attributable to the performance of public services based upon estimates submitted to the Congress. The estimates submitted are limited to two items of public services: First, the revenue loss from rate concessions on free and preferred rate mail, and second, the excess rates paid to foreign air carriers. This is merely a bookkeeping device by which the Congress will establish each year that portion of the Department's net cost to be borne by the general taxpayer and does not increase or decrease the obligational or expenditure authority of the Department.

POSTAL DEFICIT

The estimated postal deficit for 1962 is $894 million and is reduced to $831 million after deducting the $62.7 million to be charged to "Public services." The Department's rate bill now pending before Congress is based on the assumption of a $62.7 million appropriation for this item and it is well to point out that unless Congress provides for the postal rate increases recommended by the President this bill will involve a deficit of $794 million.

The committee recommends $82 million for the "Administration, regional operation, and research" item. This is the same as the House recommendation; $4,080,000 over 1961 and $6.8 million under the estimate. The committee believes that the sum allowed in the pending bill will provide for an adequate program, considering the many improvements in management and efficiency which have been brought about and which should result in a substantial reduction in regional office operating expenses. The amount recommended provides for an increase of 33 additional average positions in the inspection service over 1961.

For "Operations," the committee recommends $3,443 million, an increase of $88.4 million over 1961; a decrease of $9 million in the estimate and $9 million under the House allowance. The Department estimate was based on a 3.8 percent increase and the committee's recommendation is based on a 3.35 percent increase in mail volume. The amount recommended provides for an increase of approximately 10,962 additional man-years of employment over fiscal 1961.

The committee has deleted language included in the House bill relating to expenses of delivery to postal patrons of mail matter under congressional frank, as now authorized by law. By administrative action the Postmaster General now has the legal authority to issue regulations that would permit the use of the so-called simplified address for mail at all points including city delivery carrier offices. This committee does not consider that this language changes the basic law in any manner and does not in itself require the Department to make any changes in its present rules and regulations with respect to the use of the so-called simplified address for any mail, including that for Members of Congress.

For transportation, the committee recommends $591,800,000, a decrease of $1.8 million under the estimate; $1.8 million over the House and $24.2 million over 1961. The amount recommended is based on volume of mail and is in consonance with the amount recommended for operations.

For "Facilities" the committee recommends $160.1 million, a decrease of $7.6 million in the estimates and $7.6 million over the House. This appropriation provides funds for building occupancy; fuel and utilities; supplies and services and for facilities field personnel. The rent program for 1951 was $19.9 million; for 1961 it is estimated to be $62.5 million; and the 1962 estimate submitted was $79.1 million. The estimate for rents for fiscal year 1963 is tentatively projected at $100 million.

I wish to emphasize these figures, because they show what inflation has done to us in the course of the operation of the Government, and what, in my opinion, it will do even more in the future. Ten years ago we paid $19.9 million in postal rents. During the coming fiscal year we will pay $79 million. The following year we expect to pay $100 million. The committee feels that the amount allowed will provide for a moderate and adequate building occupancy program for fiscal 1962.

For "Plant and equipment" the committee recommends $110 million, the House allowance, and a decrease of $12 million under the estimate. The amount recommended provides the budget estimate for the vehicle program and the amount requested for equipment for standard improvement program. Approximately $85.5 million is allowed for the modernization program.

In both the "Administration" and "Plant and equipment" items the committee has included language requested by the Department but deleted by the House. This language permits the continuance of research and development work on several specific contracts started in prior years out of available current year funds with certain dollar limitations.

For the Tax Court, the committee recommends, $1,750,000, a decrease of $20,000 in the budget estimate. The amount recommended is the same as the House allowance and $120,000 over the 1961 appropriation.

Mr. President, as chairman of the subcommittee, I wish warmly to commend the other members of the subcommittee and the members of the staff for helping to prepare a bill which we can favorably recommend to the Senate. I ask unanimous consent to have printed at this point in the body of the RECORD a one-page general statement in regard to the items in the bill as reported by the committee.

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

GENERAL STATEMENT

The bill as recommended by the Senate committee contains a total of $5,327,631,000. This is an increase of $45,766,000 over the amount of $5,281,865,000 recommended by the House and a decrease of $44,170,000 under the budget estimate for 1962 of $5,371,801,000.

For the Treasury Department, the bill recommends appropriations of $938,981,000. This is an increase of $27,366,000 over the amount of $911,615,000 recommended by the House and a decrease of $6,950,000 under the budget estimates for 1962 of $945,931,000.

For the Post Office Department, the bill recommends an appropriation of $4,386,900,000, which is an increase of $18,400,000 over the amount of $4,368,500,000 recommended by the House and a decrease of $37,200,000 under the budget estimate for 1962 of $4,424,100,000.

For the Tax Court of the United States, the bill recommends an appropriation of $1,750,000. This is a decrease of $20,000 under the budget estimate of $1,770,000 for 1962 and the same as the amount recommended by the House.

Permanent indefinite appropriations are not carried in the bill. The 1962 estimates of the Treasury Department in this category are $8,622,132,000. This is a decrease of $419,747,000 from the 1961 estimates of $9,041,879,000. Of this total, $8,500,000,000 is for interest on the public debt, a decrease of $400 million from the 1961 estimate of $8,900,000,000.

Trust funds, also, are not carried in this bill. The 1962 estimate of the Treasury Department in this category is $16,551,000. This is an increase of $1,780,000 over the 1961 appropriation estimate of $14,771,000.

Mr. ROBERTSON. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc, and that the bill thus amended be regarded for purposes of amendment as original text, provided that no point of order shall be considered to have been waived by reason of agreement to this order.

The PRESIDING OFFICER (Mr. HICKEY in the chair). Is there objection? The Chair hears none, and it is so ordered.

The amendments agreed to are as follows:

Under the heading "Title I—Treasury Department—Office of the Secretary—Salaries and Expenses", on page 2, line 9, to strike out "$4,000,000" and insert "$4,233,000".

Under the subhead "Salaries and Expenses, Division of Disbursement", on page 2, line 16, to strike out "$25,600,000" and insert "$25,800,000".

Under the subhead "Internal Revenue Service—Salaries and Expenses", on page 3, line 24, after the word "employment", to strike out "$440,000,000" and insert "$456,800,000".

Under the subhead "United States Secret Service—Salaries and Expenses", on page 4, line 14, after the word "vehicles", to strike out "$4,700,000" and insert "$4,800,000".

Under the subhead "Bureau of the Mint—Salaries and Expenses", on page 5, line 7, after the word "commission", to strike out "$6,000,000" and insert "$6,350,000".

Under the subhead "Coast Guard—Operating Expenses", on page 5, line 19, after "(5 U.S.C. 2131)", to strike out "$208,000,000" and insert "$212,000,000".

Under the subhead "Acquisition, Construction, and Improvements", on page 7, line 2, after "(5 U.S.C. 55a)", to strike out "$39,000,000" and insert "$44,333,000".

Under the subhead "Retired Pay", on page 7, line 8, after "1953", to strike out "$31,000,000" and insert "$31,350,000".

Under the heading "Title II—Post Office Department", on page 9, after line 17, to insert:

"CURRENT AUTHORIZATIONS OUT OF GENERAL FUND

"Payment for public services

"For payment into the postal revenues for public services, in accordance with section 104 of the Postal Policy Act of 1958 (39 U.S.C. 2303), for the loss resulting from the transmission of matter in the mails free of postage or at reduced rates, and for the additional cost of transporting mail by foreign air carriers, $62,700,000."

Under the subhead "Current Authorizations Out of Postal Fund Administration, Regional Operation, and Research", on page 10, line 20, after the word "program", to strike out "(including current increases made as a result of changes in plans in prior year contracts thereunder" and insert "(including not to exceed $3,000,000 for current increases in prior year contracts thereunder in addition to current increases made as a result of changes in plans".

Under the subhead "Operations", on page 12, line 3, after the word "law", to strike out "$3,434,000,000" and insert "$3,443,000,000", and in line 3, after the amendment just above stated, to strike out "including expenses of delivery to postal patrons of mail matter under congressional frank, as now authorized by law".

Under the subhead "Transportation", on page 13, line 5, after the word "mail", to strike out "$590,000,000" and insert "$591,800,000".

Under the subhead "Facilities", on page 13, line 15, after the word "Government", to strike out "$152,500,000" and insert "$160,100,000".

Under the subhead "Plant and Equipment", on page 13, line 20, after the word "purposes", to strike out "including current increases made as a result of changes in plans in prior year contracts therefor" and insert "including not to exceed $3,000,000 for current increases in prior year contracts or orders therefor in addition to increases made as a result of changes in plans, $110,000,000, of which $35,000,000 shall remain available until expended".

SENATOR ELLENDER RECEIVES THE GEORGE WASHINGTON MEMORIAL AWARD FOR DISTINGUISHED SERVICE TO THE CAUSE OF WATER RESOURCES DEVELOPMENT

Mr. HOLLAND. Mr. President, I am pleased to report for the RECORD that our highly esteemed colleague, the senior Senator from Louisiana [Mr. ELLENDER] recently received from the National Rivers and Harbors Congress its George Washington Memorial Award for distinguished service to the cause of water resources development. At this organization's annual meeting on Friday, May 26, 1961, it was my great privilege as its representative to present this magnificent award to our friend and colleague.

It is not necessary for me to remind the Members of the Senate of the Herculean efforts put forth each and every year by the Senator from Louisiana in making certain that development of our Nation's water resources shall progress at optimum speed. His energy in conducting exhaustive hearings before the Public Works Subcommittee, Senate Appropriations Committee, with complete fairness and consideration to every State, has frequently been the subject of comment on the Senate floor.

Mr. President, in receiving the award, the Senator from Louisiana delivered an address which is an excellent statement of water resource development needs in our Nation today. I ask that the address be printed in the RECORD at this point as part of my remarks.

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

ADDRESS DELIVERED BY SENATOR ALLEN J. ELLENDER, DEMOCRAT OF LOUISIANA, BEFORE THE NATIONAL RIVERS AND HARBORS CONGRESS, FRIDAY, MAY 26, 1961

It is always a pleasure to address a group dedicated to the development of our water resources. The National Rivers and Harbors Congress has the broadest base of any organization in the country devoted to resource development and, accordingly, I am particularly pleased with the opportunity to address you.

My interest in water resource development comes almost naturally. I recall as a boy the devastation wreaked by the hurricanes that periodically swept in from the gulf, spending their fury on the Louisiana coast. I have witnessed the untold losses and have come in contact with the suffering that occurred in the lower Mississippi Valley when the main stem levees broke, particularly during the flood of 1927. I claim to be an expert on the destructive forces of wind and water, and I have a healthy respect for their power. I have confidence, however, in the ability of the Corps of Engineers to design and build the engineering structures necessary to protect the valley.

The value of storage capacity already constructed and in operation on the major tributaries of the Mississippi River, together with the protection afforded by the levee system, has restored the confidence of the people in the lower valley. As a result, we have observed a tremendous industrial and agricultural expansion, which could never have occurred except for the protective works designed and constructed by the Corps of Engineers.

I believe there is one more field in which I can qualify as an expert. I refer, of course, to the benefits resulting from navigation improvements. My hometown of Houma, La., is on the Gulf Intracoastal Waterway. This waterway is a living tribute to the two men who had the vision and the determination to push the project through to a successful conclusion. I refer, of course, to Mr. C. S. E. Holland and Mr. Roy Miller, the father of Mr. Dale Miller, who badgered a reluctant Congress into providing funds for this project over a period of almost 40 years. That waterway now carries 41 million tons of freight, some 7 billion ton-miles annually—more tonnage over a greater distance than either the Kiel or the Panama Canal.

As important and impressive as those figures are, they do not reflect the most significant contribution which this waterway has made to the great gulf coast area. Without it the enormous industrial complex that has developed all along the gulf coast, including the surging chemical and petrochemical industries, would never have developed into the economic asset to that entire region that it has become.

As all of my friends know, I am a frugal man, not only with my personal funds, but also with public funds. I have supported increased appropriations for resource development, not only for Louisiana, but for all the Nation, because I have looked upon them as an investment in America's future, rather than as an extravagance.

In general, I oppose the creation of select and special committees of the Congress, because these temporary committees usually are extended from year to year, and they spend considerably more funds than originally estimated.

Such was not the case with the select committee headed by the senior Senator from Oklahoma [ROBERT S. KERR]. His Select Committee on Water Resources, of which I

was a member, turned in its report without asking for an extension of time and spent only about $90,000 of the $325,000 the Senate had approved for the study. Not only that, but upon submission of the report the committee was immediately dissolved. The select committee's report is being hailed by Members of both parties in Congress and by experts in the field of water resource development as the most significant contribution ever made in this field.

As you know, the Select Committee on Water Resources held extensive hearings throughout the country and obtained information on the problems and needs of many areas, not only from the local interests, but from the various Government agencies charged with the development of relatively small segments of water resources. When we consider that the actual population of the contiguous portion of the United States in 1958 was 174 million, whereas the mean estimate of the population projection for the year 1980 is 244 million, and for 2000 it is estimated at 329 million, it is only then that we become conscious of the necessity for preserving, protecting, and developing our precious water resources.

Now what does this mean in terms of additional needs of water to sustain this great increase in population? In 1954 our daily consumption of water was 109.5 billions of gallons. For 1980, with a population of 244 million, our daily requirements are estimated to be 119.3 billion gallons, and by the year 2000 our daily consumption will aggregate 156.3 billion gallons of water. These estimates are conservative, and in order for us to develop our industries, and in order to provide our daily requirements we must begin now to implement the plans suggested in the select committee's report.

Our studies show that to meet the future needs for water supply would require a minimum expenditure of $12 billion in the next 20 years. The projection of traffic moving on our waterways shows that this commerce will double in the next 20 years and will be four times the present commerce by the year 2000. Hence, our rate of expenditures in the next 20 years to meet this need will have to be approximately double the current rate of expenditures for our water developments, which of course includes navigation, flood control and harbor development.

Our Select Committee on Water Resources has studied the water needs and problems of the country. It has developed a blueprint for the future development of our water resources. I can assure you that only by complete development can we hope to meet the water requirements which the economic growth of this country will demand in the years to come. The report of the Select Committee on Water Resources and the 32 technical papers prepared in connection therewith should be our guide in this field in the future.

It is important for the American people to realize that to a major extent their future lies in the development of their natural resources. But this is not enough. It is essential that Washington and the President recognize this need.

For 8 long years we have labored under a philosophy of no new starts; vetoes for rivers and harbors and flood control bills; and vetoes for appropriation bills that dared to provide unbudgeted new starts for resource development projects. That situation fortunately has changed. President Kennedy has challenged us all in these words from his special message to Congress on natural resources:

"This Nation has been and is now especially fortunate in the blessings [of natural resources] we have inherited. Our entire society rests upon and is dependent upon our water, our lands, our forests, and our minerals. Wise investments in our resource program today will return vast dividends tomorrow and failure to act now may be opportunities lost forever. We cannot now ignore our country's need for future development. Our available water supply must be used to give maximum benefits for all purposes: Hydroelectric power, irrigation, reclamation, navigation, recreation, health, home and industry. That is the challenge."

We have a blueprint of our resources and of the problem, and a challenge from our President. There remains only the application of engineering technique and vision to conceive the projects which will be necessary to nourish our future economic growth. When faced with a stagnant economy and a declining birth rate the conservatism of the economist is needed to temper the imagination of the engineer. Conversely, in an expanding economy and with an increasing birth rate, the economy of an area develops proportionately to the boldness and the imagination of the engineer.

To the economist falls the task of applying the hard rules of economy which can turn these dreams into realities. Here again, the success or failure of a project may hinge on the vision and imagination the economist uses in his application of sound principles of economics.

For a number of years I have been appalled at the loss of valuable topsoil, the destruction of roads, sewers, intakes, bridges, pipeline crossings, and similar facilities by the forces of erosion along the banks of the Red River, as an example. My pleas to the Engineers to provide bank protection, instead of continually setting back the levees, have fallen on deaf ears. They have steadfastly maintained that under existing law they have had no alternative but to provide the setbacks in the majority of cases. The Engineers are currently engaged in preparing a review report of the Red River. In that report they will not be hampered by the restrictions of existing law. It remains to be seen whether they will have the vision and foresight to determine that in the long run, bank stabilization is more economical than repeated setbacks of levees, with the accompanying destruction of existing facilities.

I am convinced that bank stabilization is the only permanent solution to the erosion problems on the Red River. I hope that the Corps of Engineers will be the Federal agency to recognize and recommend this needed protection.

Since assuming the chairmanship of the Subcommittee on Public Works, I have recommended increased appropriations for resources development projects, not only in Louisiana but throughout the country. I have fought for some new starts in both planning and construction each year in order to maintain a well balanced construction and planning program. With constant opposition from the administration and the Bureau of the Budget, I have frequently felt that mine was a voice crying in the wilderness when I tried to point out the importance of wise investments in our future resources, if we are to continue to prosper as a nation. Today, I repeat, the picture is somewhat brighter, with a concise statement from the Senate Select Committee on Water Resources as to the need, and a direct challenge by the President of the United States to meet that need.

Another important resource field that has been given little attention is pollution abatement. Aggressive action must be taken to eliminate both manmade and natural sources of pollution if we have any hope of meeting the water requirements of our industry and population by the year 2000.

One of the serious natural pollution problems in the country affects a river flowing through my home State of Louisiana. I refer, of course, to the Red River.

The Congress has authorized a comprehensive cooperative investigation of the Arkansas-Red River problem by the Corps of Engineers and the Public Health Service. Pursuant to that authorization the Committee on Appropriations has provided funds to initiate this study as an unbudgeted item. The Arkansas-Red River pollution study by the Public Health Service and the Corps of Engineers will be directed primarily to the location and isolation of sources of natural salt pollution. Preliminary investigations have shown that the major portion of this pollution originates in relatively small areas.

For instance, one spring in particular contributes 1,000 tons of salt a day. It is apparent, therefore, that the location and isolation of these sources of pollution in Oklahoma and Kansas could change the entire quality and character of the Red River water in Louisiana.

There are still major threats, however, to certain phases of the water resource problem. I have in mind particularly navigation developments. One of the major threats to navigation is posed by the drive of the railroads to have Congress impose a user charge on waterways. During the last few years of the Eisenhower administration, the Bureau of the Budget directed the Department of Commerce to make a study of user charges. As might be expected, their report recommended the imposition of a user charge on our waterways.

During the last campaign the Democratic nominee, John F. Kennedy, was asked to express his views on the user charge question. His reply was unequivocal and forthright in rejecting any and all proposals to impose user charges. He said: "We must reject all proposals such as those of the Department of Commerce and the Bureau of the Budget." This is a very positive statement. The President went on to say that "such restrictive policies could not fail to increase the Nation's transportation cost burden and to deprive shippers of the advantages and economies of low-cost water transportation of basic commodities as an important element of a coordinated national transportation system."

Later, in his message on April 13, 1961, to the Congress on Regulatory Commissions, the President stated in part:

"The Transportation Act of 1940 sought, so far as surface transportation was concerned, to describe as a goal a national policy that would give each method of transportation its appropriate role in our economy. It is disturbing, however, to note that, for example, our common carrier inland waterway traffic, our Great Lakes traffic, our intracoastal and coastal traffic, have been withering away at a pace far more rapid than appears desirable, in the light of the low-cost nature of this method of transportation and its potential role in the event of war."

An example of ruthless rate cutting engaged in by railroads was discussed by Mr. Herbert G. West, executive vice president of the Inland Empire Waterways Association, in his monthly publication, the Log, for September 1960. In that article he presents a very interesting analysis of a proposed freight rate reduction requested by the railroads for the shipment of grain moving from the interior producing points of Washington and northern Idaho to the seaports of Oregon and Washington. The requested reduction of rates amounted to approximately 24 percent. The preliminary investigation of the facts indicated that the railroads carried 88 percent of all the tonnage of grain to Pacific Northwest ports in 1955, in contrast

to 77 percent in 1959. Taking the official tonnage figures for 1959, at the new rate, in order to break even, the railroads would have to capture 93 percent of the total truck and barge haul. To handle this additional grain, 21,808 additional railroad cars would be required. It is obvious that if the railroads find it necessary to employ the use of 21,808 additional railroad cars to haul the additional tonnage of grain to bring the railroads up to the 1959 revenue figures, they will find a considerable increase in their operating costs. It is apparent that under the proposed rate schedule they would not obtain the net revenue achieved in 1959 under the former freight rate even if they should capture all of the indicated additional tonnage. This raises an important question: Why are the railroads seeking such drastic freight rate reductions on grain movements in the Pacific Northwest at this time, while at the same time they are requesting a 5-percent national increase across the board? Are their requests for reduction valid, or are they being proposed merely to eliminate truck and barge competition?

In the years ahead there will be many problems facing the waterway operators of this country. I believe it is important for every citizen to acquaint himself with the effect of navigation improvements on his own individual economy. The threat of waterway tolls has demonstrated the desirability of the waterway operators, shippers and all the industries that are dependent upon waterway development, to coordinate their efforts in a uniform program to acquaint the average citizen with the advantages he derives from waterway facilities.

As one Member of the Congress, I can assure you of my continued vigorous support of resource development programs in the United States, including the free use of our waterways.

TRIPLE CROWN OF BROADCAST JOURNALISM AWARDS RECEIVED BY STATION WTVJ OF MIAMI, FLA.

Mr. HOLLAND. Mr. President, television station WTVJ of Miami, Fla., has just won the "Triple Crown of Broadcast Journalism," which term refers to the three leading awards recognizing excellence in television news presentation. This is the first time any station in our Nation has won these three awards in a single year.

The awards are the Sigma Delta Chi Award for distinguished service in journalism-television reporting; the designation as "Newsfilm Station of the Year" by the National Press Photographers Association, University of Missouri School of Journalism, and the Encyclopaedia Britannica; and the National Headliners Club Award for consistently outstanding coverage of local news events.

Mr. President, WTVJ is Florida's oldest television station, having first gone on the air in March 1949. In 1957, WTVJ became the first television station in the Nation to embark on a program of daily broadcast editorials.

Representing the people of Florida, I am happy to congratulate this fine television station, its owner, Col. Mitchell Wolfson, and his associates and staff, on their receiving the triple crown of broadcast journalism in recognition of its excellent news coverage.

U.S. THEATER ABROAD

Mr. JAVITS. Mr. President, the importance of Federal participation in a program to help the development of our Nation's resources in the performing and visual arts becomes especially evident against the backdrop of the cold war. The international aspects of the arts in this context provide a note of urgency that we may ignore only at our peril. It is high time that we, as a people, realize that the visual and performing arts are not a luxury but a necessity in the defense of our free society at home as well as abroad.

Right now, for example, our international cultural exchange program has sent abroad the Theatre Guild American Repertory Company on a 15-week tour of Europe and the Middle East. With Helen Hayes as the leading player, this company has met with outstanding success which has enormously enhanced U.S. prestige. However, compared with the widespread and elaborate programs of the Soviet Union and Communist China in this field, our effort is very small and inadequate for our country. We need to have many more of our great figures in the theater, music, and the arts participating in our international cultural exchange program so that our country can present the cultural face abroad which befits our position as leader of the free world.

I have urged that hearings on legislation for the development of the arts be held by the Committee on Labor and Public Welfare at the earliest possible moment so that we can move ahead with this program.

I ask unanimous consent to have printed in the RECORD the feature article written by Richard L. Coe entitled "U.S. Troupe Passing Test," published in the Washington Post, May 21, and the comments by John Crosby entitled "Theater in a Fix," published in the New York Herald Tribune of recent date.

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

[From the Washington Post, May 21, 1961]

U.S. TROUPE PASSING TEST—PATH THROUGH EUROPE IS STREWN WITH SUCCESS FOR HELEN HAYES, AMERICAN REPERTORY COMPANY

(By Richard L. Coe)

Four weeks remain of the 15-week tour Helen Hayes has headed for the State Department in Europe, a tour which was previewed here when "The Skin of Our Teeth," "The Glass Menagerie," and "The Miracle Worker" were performed at the National a week before the Madrid opening night.

The results—to the surprise of many scoffers—have been sensational. Neither the New York Times nor Variety were wildly enthusiastic for this notion, but both these favorite journals of the theatrical profession have been printing the most laudatory stories from their correspondents abroad.

Items: The Vienna Burg Theater, which bars curtain calls, was forced to have 12 for Miss Hayes on the opening night of "The Skin of Our Teeth." Extra performances were added in Tel Aviv. Writes Vienna's Kurier critic: "One forgets a foreign language is spoken as a wave of spiritual understanding flows from stage and back." Of "The Skin of Our Teeth," the Nieuwe Rotterdamse Courant observed: "the play is a masterpiece of our era."

One could go on, for the clippings are piling up. But let us go further behind the scenes:

Prices: Despite what some have written about the difficulty and expense of nationals latching onto tickets for the brief split-week engagements of Miss Hayes' company, the record appears to be good. For instance, while the company was in Ankara the Bolshoi Ballet, without its major stars, played an opening night for $12 a ticket, whereas the Americans charged $6 top, scaling down to 62 cents. It was publicly noted that Miss Hayes is a major star, that the Bolshoi's top stars were not with the company.

In all cities from Madrid to Tel Aviv and up to Copenhagen certain sections were reserved for students only.

Naturally, in smaller theaters than Americans are used to, nothing like all who wish to see the American company can get in. This was never expected. The aim was to hit two targets, the young and the opinion makers—newspaper people, intellectuals and important locals. Sometimes these people have been guests of the resident American colony and in virtually all instances national leaders have headed audiences.

The difficulties of playing split weeks across a whole continent from North Sea to the Mediterranean can scarcely be imagined. Returned from a month with the company, producers Lawrence Langner and Armina Marshall recently confided:

"The trek has been hardest on the crews. Their work means setting up and taking down a whole production, lights included, before and after each performance. They work during the performances. It's been virtually a 20-hour day for our crews and small wonder a couple of them have collapsed. This is a job for the very young."

Gertrude Macy, general manager for ANTA, just back from a business visit with the company, literally beams at new developments for the first 6 weeks it had seemed that such hardy touring plus a plague of Middle East illnesses would demolish plans for a Latin American continuation this summer.

To make touring easier and cut expenses it would have been easy to drop Thornton Wilder's play for South America but this has never seriously been contemplated. "South America must have the same A-1 priority given Europe," the State Department and Miss Hayes' fellows agreed. It will be tough, but there'll be a 6-week lapse between the company's return to New York and its departure in August for 16 cities in 10 South American countries.

These will be: Caracas, Venezuela; Cali, Colombia; Bogotá, Colombia; Lima, Peru; Santiago, Chile; Vina del Mar, Chile; Buenos Aires, Argentina; Rosario, Argentina; Montevideo, Uruguay; São Paulo, Brazil; Rio de Janeiro, Brazil; San José, Costa Rica; Guatemala City, Guatemala; Mexico City, Monterey and Guadalajara, Mexico.

This week is split between Hamburg and Rome, with Florence, Genoa, Turin and Paris to follow.

Critical receptions for the plays have been fascinatingly diverse, the way they always are.

In some places one has been a favorite, in another it has been the least admired. Germany has been intrigued with "The Skin of Our Teeth," which Germans admit to having played with gravity instead of with the

Americans' humor. German productions of the Wilder, one newsman wrote, used to last 45 minutes longer than that of the American visitors.

"The Miracle Worker," as sensational before some audiences as here, strikes others as "obvious." I've not yet read a reviewer who was not bowled over by Miss Hayes in "The Glass Menagerie" and the writers seem fully aware of this play's place in Williams' chronological record.

Differences of opinions in the notices are healthy as they are in any theater that does not rely on hit-or-miss fates. One does not want everyone to agree about everything and rave about all details. One sidelight struck me, leafing through the notices: admiration for the players' diction.

There have been any number of unseen heroes involved with this precedent-making tour, including European reporters who had once visited America under early exchange programs. They have been helpful in any number of ways. So, too, has the staff of "The Miracle Worker's" producer, Fred Coe (no relation), who chipped in extra energies when older hands faltered from illness or weariness. Fred sent his top personnel, a real and generous sacrifice, as has been his willingness to break precedent by letting a play tour while the New York run continues. Let's hope others follow suit for new plays are wanted.

While the tour still has sophisticated audiences to face, it already is clear that this venture of the President's international cultural exchange program has been a striking success. With this laudable start, the program is gaining the strength and vital aspects of continuity and preparedness.

One area of this at last is being explored through what amounts to a perceptive inspection by the troupe's advance agent, Joseph H. Salyers. He has made some fascinating discoveries about the popularity of our jazz, the value of American theatrical styles in dictatorial countries, the alertness of small, vocative groups in backward nations. His notes, too voluminous to be printed here, suggest a 20th century cultural Baedecker.

It is cheering to report that at last thousands of key people abroad are aware that the United States is not all Old West, Gangsterland, or Peyton Place.

[From the New York Herald Tribune]

THEATER IN A FIX

(By John Crosby)

The theater is truly in an awful fix. Robert Whitehead, president of the League of New York Theaters, has said: "We truly believe that additional burdens will bring about the extinction of the living theater as we have known it, perhaps as early as next season." Those are strong words and the terrible thing is that they are accurate.

Mr. Whitehead's statement was made in an effort to get Mayor Wagner to eliminate the city's 5-cent tax on theater tickets. It should be eliminated. But that wouldn't help much. If the Government clamps down on the tax-deductible theater ticket—certainly if it clamps down on the charity tax deduction, which is the theater party—the theater would truly be doomed.

Even without these disasters, the Broadway theater seems headed for extinction unless drastic changes are made—and tax eliminations won't help. Everything to do with the theater is priced too high—playwrights, actors, stagehands (especially stagehands), musicians, property, scenery, lighting, rent. Ticket prices ($7.17 for straight shows and $8.57 for musicals) are outrageous, but actually they are not half as outrageous as they ought to be for shows when straight dramas cost $125,000 and musicals cost $400,000.

Nothing should cost that much. But it will continue to be outrageously expensive to produce unless every one from musicians to actors make sacrifices, and this is about as likely as snow in July. Obviously, at current prices no one is going to take risks on Broadway, and since risk and experiment are vital steps to success—Eugene O'Neill's "Strange Interlude," Thornton Wilder's "Our Town," Rodgers and Hammerstein's "Oklahoma" were all great risks that were immensely profitable—the theater is going to decline not only in vigor but in profits.

Off Broadway is not much better and costs there, while much lower than Broadway, are still outrageous. I think genuine freshness and vigor and originality are going to have to come from out of town. All over the country, little theaters and some professional repertory theaters are springing up, thousands of them, all training actors and directors and amateur stagehands. But they're all doing "Bus Stop," or "Seven Year Itch." There's hardly a theater in America—except the Frank Lloyd Wright in Dallas, the Alley in Houston, or the Poinciana Playhouse in Palm Beach—doing new plays.

This is a pity because new plays, far from the rapacity of Broadway unions, can be tried out for next to nothing. These playhouses could nurture young playwrights as Joan Littlewood's theater workshop in England nurtured Shelagh Delaney and Brendan Behan. David Merrick has been using Paris and London stages as tryout towns for Broadway, which is why Broadway is loaded with European plays, including all the best ones. It was not so long ago that it was the other way around: All European stages from Berlin to London were loaded with American plays.

We are living in an age of increasing leisure time and the quality of our use of that time is going to be of enormous importance to our cultural growth. Are we going to be a nation of time wasters, turning on television to distract us until it's time to go to bed? I doubt that the country can stand this; in fact, I doubt that it puts up with it now. There's great cultural restlessness in America which is shown by the explosion of cultural activity from ballet companies to symphonies, concerts, little theaters, lectures, museums across the country.

Senator JAVITS has introduced a bill to establish a U.S. Arts Foundation, which intends, among other things, to canalize and encourage the living theater in all its forms, and I think this should be adopted. The Foundation is modeled after the British and Canadian Arts Councils, which have given much sustenance to the theaters in those countries.

Actually, the United States is the only civilized country anywhere which has given no governmental support to its theater or opera or arts. It's always been felt that these things would flourish best if the Government stayed out of them. But spoken nonmusical drama has almost expired already on Broadway.

COMMITTEE PROGRESS ON AMENDMENT OF NATIONAL DEFENSE EDUCATION ACT

Mr. MORSE. Mr. President, on behalf of the Subcommittee on Education of the Committee on Labor and Public Welfare, I have been asked to make an announcement concerning the procedure of the subcommittee with respect to the National Defense Education Act. The subcommittee met this morning to continue with the markup of the bill. We shall meet tomorrow morning at 10:30 o'clock, and we shall meet just as frequently as we can possibly arrange to have meetings to conform with the convenience of a quorum of the committee.

The Senate should know that the subcommittee has already had submitted to it a series of amendments, including one from the distinguished Senator from New York [Mr. JAVITS] which deals with certain international education problems, and another in the form of, practically, a substitute, proposed by the distinguished Senator from Connecticut [Mr. BUSH]. I am assured that other amendments will be submitted which will expand the application of the National Defense Education Act to various activities, including private school facilities and loans to them, already authorized under the law, but pertaining in substance to an expansion of the authority already granted.

Because we wished to make certain that Senators, both members of the full committee and other Members of the Senate, were kept informed as to the procedures of the subcommittee, the subcommittee suggested this morning that I make this announcement. We adopted this morning a procedural policy that Senators who wished to have the committee consider amendments in the markup stage must submit them to the subcommittee 24 hours before the subcommittee will consider them. The reason is a very sound one. The subcommittee insists that when we proceed with amendments, we have a memorandum from our professional staff and have at least provided an opportunity to the Department of Health, Education, and Welfare to file with the subcommittee a statement concerning the amendments. That is the course of action we shall follow.

In the case of some amendments, such as the one offered by the distinguished Senator from Connecticut [Mr. BUSH], and two or three others, I propose to extend to the Senators who offer them the courtesy of an invitation to sit with the subcommittee for such period as they wish to explain their amendments and answer the questions of the subcommittee. Because I consider this bill to be another very important educational measure which the Senate will have to consider in the not too distant future, I desire that the preparation in the committee be so thorough that when the bill is reported to the Senate, the committee will have the answers, to the best of our ability to prepare for those answers, to any questions which Senators wish to raise on the floor of the Senate.

All of us know that the newspapers in recent days have published much information concerning the national defense education bill. Many articles have appeared, stating what the bill will or will not encompass. While there is no way of knowing at present what the bill will encompass, I give my pledge to the Senate that the subcommittee will give thorough and careful consideration to

every amendment which any Senator submits to us. Every Senator will have a full opportunity to appear before the committee in executive session and discuss his proposed amendment, whether it be an amendment which seeks to expand the National Defense Education Act in relation to private schools, or to expand it to international education problems, such as the Javits amendment proposes to do, or as the Bush amendment proposes to do in regard to its subject matter.

Mr. President, after stating that, let this RECORD show that we are not going to be able to report a national defense education bill this week. It is my hope that we shall be able to report it within the next 10 days. That, in and of itself, is a change of expectation, because previously I had announced that we would be able to report the national defense education bill within a very few days after there was action on the housing bill. But I have no control over amendments; and when I made that announcement, I did not have the slightest idea that there would be submitted to my subcommittee the number of amendments that are coming in. So to my colleagues in the Senate who are very much concerned about getting early action on the national defense education bill, I repeat my pledge: They will get that action just as fast as I can get the bill out of my subcommittee and to the full committee, and out of the full committee, consonant with thorough consideration of every amendment that is submitted to the bill. My general estimate is that probably within the next 10 days we shall be in a position to report the bill to the full committee.

CORRECTION OF THE HISS LAW

Mr. CLARK. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a thoughtful and constructive editorial entitled "Correcting a Bad Law." The editorial, which was published in the Harrisburg Patriot of May 29, has to do with the so-called Hiss Act.

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

CORRECTING A BAD LAW

In one respect governments are much like individuals. Actions they take in haste and anger have a way of proving later on to be unfair and not exactly what was intended.

A 1954 law, dubbed the Hiss Act, is a case in point.

This is the legislation passed in the wake of the Alger Hiss conviction when Congress decided to deprive him and others in Government like him, of a Federal pension.

Under its terms any civil servants, Members of Congress, and servicemen who are convicted of felonies against their Government lose their pension rights. Those who plead the fifth amendment and those who were or are Communist Party members are also affected.

Sounds reasonable enough on the surface. But look what has happened as the bill's sweeping provisions have been enforced:

An Army sergeant, who pleaded guilty to unauthorized use of a Government vehicle in 1947, lost $38,992 in retirement pay.

A chief warrant officer, who was told to plead guilty to some minor offenses in exchange for a reprimand and a fine of $400, wound up losing $103,000 in possible retirement pay.

Another sergeant, court-martialed for driving a military vehicle less than a mile off his scheduled route, also forfeited more than $30,000 worth of retirement pay.

They are but a few examples of the people being caught in this loosely drawn net. They aren't traitors or proved subversives in any sense of the word.

Nor are they exceptions. It is reported that only 10 of the cases so far handled under terms of this law fall into a category where the offenses threatened national security in any way. With each passing year more retirement age Government workers are being caught in the Hiss Act trap.

President Eisenhower asked that the law be amended at the last session of Congress, but it never was. The Kennedy administration has repeated the request for an amendment.

This Hiss law should be amended so that its original intent can be carried out, penalizing only those convicted of treason and subversion. In practice, the current law has proved to be extremely harsh on Government workers convicted of lesser offenses. This is one matter that Congress, in all fairness, shouldn't be too busy to attend to before it adjourns.

FEDERAL AID TO EDUCATION BILL—MEMORANDUM FROM ASSISTANT SECRETARY OF THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Mr. CLARK. Mr. President, if I may have, briefly, the attention of the Senator from Delaware [Mr. WILLIAMS], I now ask unanimous consent to have printed at this point in the RECORD a memorandum I have received from Wilbur J. Cohen, Assistant Secretary of the Department of Health, Education, and Welfare, dealing with some tables inserted in the RECORD by the Senator from Delaware during the debate on the Federal aid to education bill.

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

MAY 26, 1961.

To: Mr. Wilbur J. Cohen, Assistant Secretary.
From: Eugene P. McLoone, specialist, Economics of School Finance.
Subject: Response to Hon. JOSEPH S. CLARK's request for comments on the attached table.

This table compares S. 1021 which is to be financed out of general revenue with H.R. 4806 which is financed by a special levy on taxable wages. It is reasonable to expect differences in the distribution of the tax collections by States and also differences in benefits.

Column 2 is merely the allotments as calculated. The statistics in columns 2 and 3 on S. 1021 are acceptable. No completely accurate estimate exists for column 3. Estimates have been prepared at various times by different groups. The most recent summary of these is reported in "Federal-State-Local Relations," 30th report by the Committee on Government Operations, in appendix table 13, page 92. It would seem reasonable in view of the continuing interest that either the Treasury Department or the Advisory Commission on Intergovernmental Relations should prepare such estimates for a period of time, say 3 years to eliminate year-to-year fluctuations. The statistics in column 6 are accurate estimates of the Department of Labor. Column 5 figures, however, are estimates of the individual States. Footnote 2 on the table acknowledges that they are computed differently for Pennsylvania than for the other States. There may be other State-to-State differences. While the totals of columns 2 and 3 are equal, the total of column 6, "cost to States," exceeds the total of column 5, "benefits to States," by $53.7 million. This difference alone means that many additional States will have losses in column 7 than in column 4. Likewise, under H.R. 4806 the "benefits to States" are really payments to individuals for a different time period than the "cost to States." The benefits begin now; the taxes are to be collected in 1962 and 1963. Under S. 1021 the time period is the same for payments and taxes.

Both S. 1021 and H.R. 4806 recognize a national interest in all the States. S. 1021 recognizes greater needs in the poorer States and differences in need within all the States. This bill is designed to give an incentive for raising the quality of education in all the places where the need is greatest. For financing the bill, the administration position is that a modest part of the increased needs for education should come from Federal taxes, which fall less heavily on low-income groups than State and local taxes. Certain States contribute more than others because they have more persons at the upper ranges of the income scale. In 1949, the latest year for which such data are available, only 5 percent of Mississippi's families and unrelated individuals had income of $5,000 or over. In New Jersey, the proportion was 24 percent or almost five times as great. In seven States—New Jersey, Illinois, Connecticut, New York, Michigan, California, and Delaware—the proportion of families with $5,000 or more of income was four to five times that in Mississippi. Over 49 percent of the families in Mississippi had incomes of less than $1,000 in 1949. In contrast, the corresponding percentages were 15 percent for New Jersey, 16 percent for Connecticut, 18 percent for New York, and 19 percent for Delaware and Pennsylvania. Taxes in accordance with ability and expenditures in accordance with need have long been accepted principles of Government finance. It is the good of the whole which is considered.

H.R. 4806 recognizes a national interest in providing funds for persons who have exhausted their unemployment benefits. In providing a special Federal levy of four-tenths of 1 percent on federally taxable wages, Congress recognized that States needed assistance beyond that provided by the tax credit used since the inception of the program. The State reserves for unemployment compensation were dwindling. Under these circumstances, one would not expect the need for unemployment benefits to match the tax on wages. This was clear evidence that States with their own tax based on Federal tax credit could not meet the demands for unemployment compensation.

The philosophy accepted in H.R. 4806 is the same as that proposed for S. 1021. Taxes are collected on the basis of ability and funds are disbursed on basis of need. The tax-sharing basis did not work for unemployment compensation. An additional State tax might only aggravate State-to-State tax competition, industry relocation, and unemployment. Only a federally collected tax disbursed on basis of need met the situation.

[Figures in millions]

(1)	S. 1021, School Assistance Act: Benefit payments [1] (2)	Cost to State (3)	Gain or loss (4)	H.R. 4806, Unemployment Extension Act: Benefit payments [2] (5)	Cost to State [3] (6)	Gain or loss (7)
Alabama	$24.0	$8.3	+15.7	$10.0	$12.2	−2.2
Alaska	1.1	.9	+.2	2.2	1.2	+1.0
Arizona	7.4	4.8	+2.6	2.1	5.7	−3.6
Arkansas	12.8	3.9	+8.9	4.7	5.3	−.6
California	46.2	93.0	−46.8	80.0	99.4	−19.4
Colorado	8.8	7.9	+.9	2.0	8.3	−6.3
Connecticut	5.2	18.4	−13.2	18.2	18.5	−.3
Delaware	1.2	4.7	−3.5	2.0	3.2	−1.2
Florida	21.9	21.3	+.6	9.5	21.4	−11.9
Georgia	28.0	11.2	+16.8	12.0	16.7	−4.7
Hawaii	3.7	2.5	+1.2	.7	3.1	−2.4
Idaho	4.4	2.2	+2.2	1.6	2.5	−.9
Illinois	31.5	60.8	−29.3	40.0	68.6	−28.6
Indiana	22.7	19.3	+3.4	26.0	28.0	−2.0
Iowa	14.3	10.0	+4.3	3.5	10.8	−7.3
Kansas	11.1	8.1	+3.0	3.5	8.5	−5.0
Kentucky	21.4	8.9	+12.5	15.0	10.6	+4.4
Louisiana	22.2	10.0	+12.2	12.9	13.1	−.2
Maine	5.1	3.6	+1.5	2.0	4.5	−2.5
Maryland	13.6	16.2	−2.6	10.0	15.8	−5.8
Massachusetts	14.7	29.4	−14.7	30.0	34.2	−4.2
Michigan	37.9	38.0	−.1	93.0	46.6	+46.4
Minnesota	18.3	13.6	+4.7	14.4	16.0	−1.6
Mississippi	17.4	3.8	+13.6	2.2	5.7	−3.5
Missouri	18.5	19.4	−.9	11.0	23.6	−12.6
Montana	3.8	2.3	+1.5	1.1	2.6	−1.5
Nebraska	$7.3	$5.3	+2.0	$0.5	$5.2	−4.7
Nevada	1.0	1.7	−.7	2.0	2.0	-------
New Hampshire	2.7	2.8	−.1	.4	3.4	−8.0
New Jersey	10.5	36.9	−20.4	51.2	39.7	+11.5
New Mexico	6.3	3.1	+3.2	2.3	3.9	−1.8
New York	40.6	116.1	−75.5	170.0	119.9	+50.1
North Carolina	33.7	11.7	+22.0	7.9	10.0	−12.0
North Dakota	4.5	1.6	+2.9	.9	1.6	−.7
Ohio	39.5	49.0	−9.5	85.0	62.4	+22.6
Oklahoma	12.6	7.8	+4.8	5.8	8.9	−3.1
Oregon	9.0	8.0	+1.0	10.6	9.6	+1.0
Pennsylvania	44.0	58.9	−11.9	85.0	70.7	+14.3
Rhode Island	3.4	4.4	−1.0	5.5	5.5	-------
South Carolina	20.3	5.1	+15.2	7.3	9.1	−1.8
South Dakota	4.4	1.5	+2.8	.2	1.6	−1.4
Tennessee	23.5	10.1	+13.4	8.0	15.0	−7.0
Texas	58.0	36.7	+21.3	30.0	42.1	−12.1
Utah	6.3	3.0	+3.3	2.0	4.1	−2.1
Vermont	2.0	1.4	+.6	.6	1.7	−1.1
Virginia	23.8	14.4	+9.4	5.5	16.1	−10.6
Washington	12.9	13.8	−.9	8.9	15.4	−6.5
West Virginia	12.9	5.7	+7.2	9.5	8.4	+1.1
Wisconsin	20.0	17.5	+2.5	16.0	21.5	−5.5
Wyoming	1.7	1.3	+.4	1.1	1.5	−.4
District of Columbia	1.5	5.8	−4.3	2.2	5.5	−3.3

[1] Based on committee report.
[2] Excludes payments to Federal civilian employees and ex-servicemen in all States except Pennsylvania. Figures furnished by State employment security agencies.
[3] Figures furnished by Department of Labor.

TREASURY, POST OFFICE, AND TAX COURT APPROPRIATIONS, 1962

The Senate resumed the consideration of the bill (H.R. 5954) making appropriations for the Treasury and Post Office Departments, and the Tax Court of the United States for the fiscal year ending June 30, 1962, and for other purposes.

Mr. CLARK. Mr. President, I should like to commend the distinguished junior Senator from Virginia [Mr. ROBERTSON], the chairman of the subcommittee, who is handling the pending appropriation bill, for the splendid action which he and his subcommittee and the full committee took in restoring to this appropriation bill the sums—which were cut by the House of Representatives—intended to enable the Internal Revenue Service to hire more tax-enforcement personnel. This is either the second time or the third time that the Senator from Virginia has taken this courageous action in the interest of supporting the Treasury. The last couple of times it was the Eisenhower Treasury Department; this time it is the Kennedy Treasury Department. In both instances, the Senator from Virginia has recognized the importance of cutting down on tax chiseling, the importance of cutting down the amount of the deficit, and the importance of supporting the Internal Revenue Service when it says it can employ and can train a substantial number of additional personnel to crack down on the tax dodgers who are defrauding the Federal Government out of hundreds of millions of dollars, and also on members of the taxpaying public who, while not tax dodgers, are nonetheless just sloughing off a little bit on their fair obligations to the Government.

I ask unanimous consent to have printed at this point in the RECORD, as part of my remarks, a letter addressed to the Senator from Virginia, under date of May 8, by nine Members of the Senate, including myself, together with an attached table.

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

The Honorable A. WILLIS ROBERTSON,
Chairman, Subcommittee on Treasury and Post Office Departments of the Senate Committee on Appropriations, Washington, D.C.

DEAR MR. CHAIRMAN: We support the Kennedy administration's appeal to your committee to restore in full the $16.8 million cut by the House of Representatives from the funds requested for the Internal Revenue Service to permit the employment of 2,296 additional employees. The additional revenue produced by these new employees would exceed the cost of their employment several times over.

The need for more IRS employees is demonstrable in many ways. Due in large part to unwise and uneconomic personnel cuts early in the preceding administration, there were, as you know, 7,026 (12 percent) fewer employees in IRS in 1960 than there were in 1946, although the Service collected 2½ times more revenue and handled 6 million more income tax returns in 1960 than 14 years earlier. (See attached table.)

When these statistics are considered in conjunction with the statement last year of the Commissioner of Internal Revenue that $25 to $26 billion of otherwise taxable income is not reported annually in the United States at an annual revenue loss to the Federal Government of "several billion" (House hearings, 1960, p. 62), the need for greatly strengthened tax enforcement seems clear.

The present Commissioner, Mortimer M. Caplin, told the House Appropriations Subcommittee on March 8, 1961, that the Service was able to audit only 4.5 percent of the income tax returns filed in 1960. He stated: "Present audit coverage * * * is not adequate to secure the full revenue which should be reported and collected under existing revenue laws. Errors of significant amounts of money often are undetected. The inadequate coverage is known as a fact in the field—people know this and some of them will deliberately understate their income or overstate deductions. * * * Actual delinquency in filing returns * * * often goes undiscovered" (House hearings, 1961, p. 468).

If the Congress approves the full amount requested by the administration, and the Service employs all of the new employees it seeks, it would still be able to audit only 5.3 percent of all income tax returns—a percentage "much too low" in Commissioner Caplin's estimation when compared to the "optimism" audit coverage of 10 percent of all returns (Id., pp. 484, 512).

When the results of a recent IRS study showing that 62 percent of all returns examined contained deficiencies are considered, it is possible to understand the Service's estimate that the revenue return to cost ratio of audit activity is 11 to 1 (Id., pp. 476, 499).

In view of the latest estimate of the Council of Economic Advisers that there will be a $2 billion deficit in fiscal 1962, it would seem shortsighted in the extreme for Congress not to attempt to reduce the deficit substantially by approving the requested expenditure for better tax enforcement.

We are confident that when your subcommittee has considered all testimony on the Treasury-Post Office appropriation bill (H.R. 5954), it will recommend to the Senate the full appropriation for the Internal Revenue Service sought by the administration.

Respectfully submitted,

JOSEPH S. CLARK, WAYNE MORSE, STEPHEN M. YOUNG, RALPH W. YARBOROUGH, E. L. BARTLETT, FRANK CHURCH, PAT MCNAMARA, WILLIAM PROXMIRE, STUART SYMINGTON.

Fiscal year	Number of returns filed		Internal revenue collections	Average number of employees		Additional tax from enforcement		
	Individual income tax returns	Total returns		Enforcement personnel	Total personnel	World War II excess profits tax	Total, excluding World War II excess profits tax	Total
	Millions	*Millions*	*Billions*			*Millions*	*Millions*	*Millions*
1945	48.4	83.8	$43.8	19,053	49,317	$253	$669	$922
1946	46.5	81.4	40.7	23,192	54,735	417	863	1,280
1947	54.3	91.7	39.1	26,507	58,025	451	1,477	1,928
1948	54.9	93.8	41.9	21,257	50,399	585	1,312	1,897
1949	53.3	92.8	40.5	22,454	52,024	562	1,330	1,892
1950	51.7	89.3	39.0	24,775	54,411	326	1,422	1,758
1951	52.4	82.6	50.4	26,380	56,262	281	1,576	1,857
1952	54.6	89.3	65.0	26,788	56,336	202	1,638	1,840
1953	58.5	93.2	69.7	25,455	54,596	157	1,399	1,556
1954	58.5	88.9	69.9	24,551	52,726	----------	1,442	1,442
1955	57.6	88.7	66.3	23,984	51,821	----------	1,479	1,479
1956	57.9	90.2	75.1	24,027	52,682	----------	1,413	1,413
1957	59.5	93.2	80.2	23,935	53,181	----------	1,663	1,663
1958	60.0	93.5	80.0	23,712	52,508	----------	1,688	1,688
1959	59.2	92.8	79.8	22,846	51,209	----------	1,821	1,821
1960	60.5	94.4	91.8	25,198	50,994	----------	2,052	2,052
1961 (estimated)	62.5	97.0	95.7	26,673	53,314	----------	2,101	2,101
1962 (estimated)	63.6	98.7	100.0	29,533	57,889	----------	2,301	2,301

Mr. CLARK. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD, as part of my remarks, the first three paragraphs of a letter directed to the Senator from Virginia, dated May 6, signed by the Secretary of the Treasury. The letter appears on page 183 of the hearings.

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

THE SECRETARY OF THE TREASURY,
Washington, April 6, 1961.

Hon. A. WILLIS ROBERTSON,
Chairman, Subcommittee on Treasury-Post Office,
U.S. Senate, Washington, D.C.

DEAR SENATOR ROBERTSON: The Treasury-Post Office Appropriations Act, 1962 (H.R. 5954), which was passed by the House on March 28, 1961, recommended appropriations for the Treasury Department totaling $911,680,000, a reduction of $34,316,000 below the amounts of the budget estimates. A detailed breakdown of these amounts by individual appropriation item is shown on the schedule attached. After careful consideration of the anticipated effects of the House action, we have determined that it will be necessary to appeal to your committee for the restoration of reductions in various appropriation items as indicated on the attached schedule.

The largest single reduction by the House was accorded the estimate for the Internal Revenue Service. The reduction of $16.8 million in this item, as explained in the report accompanying the bill, was imposed because of a view that "* * * the request for 4,575 new personnel is unrealistic and far beyond the capability of the Service to wisely recruit, properly train, and usefully absorb into the Service in any one year." Thus, the action by the House in connection with this item would seem to present a relatively narrow issue hinging on the ability of the Service to accomplish the employment goals projected in the 1962 budget estimate. On this question, our actual experience last year, further supported by recent surveys, tends to confirm our conviction that we will be able to hire and assimilate recruits in the numbers requested without sacrificing quality.

In his recent message outlining the budget and fiscal policies of the new administration, the President indicated, with respect to tax enforcement, that "I want to reemphasize my earlier request to the Congress for additional funds for the Internal Revenue Service. More and better qualified agents can both increase the collection of Federal revenues and help curb corruption in and out of Government, racketeering, and organized crime." The need for strengthening enforcement of our tax laws is so compelling that, in my view, any question concerning the available supply of capable recruits should be resolved in favor of proceeding with our expansion program as planned. You have my assurances that in doing so any steps that may be necessary will be taken to tighten our testing and selection procedures so as to prevent the acceptance of any unqualified applicants.

Mr. CLARK. Mr. President, finally, I ask unanimous consent to have printed at this point in the RECORD a table which appears on page 182 of the hearings. The table is entitled "Income Received by Individuals During 1959, Not Accounted For on Tax Returns."

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

Income received by individuals during 1959 not accounted for on tax returns, by type [1]

	Billion dollars
Total income not reported on tax returns	[2] 27.9
Less: Income received by individuals not required to file returns	3.5
Equals: Total reportable income not accounted for on tax returns	24.4
Dividends	.9
Interest	2.8
Annuities and pensions	.6
Business and farm profit	12.0
Wages and salaries	6.5
Other income [3]	1.6

[1] Estimates based on preliminary data.

[2] "The Federal Revenue System: Facts and Problems, 1961," p. 10 (publication of Joint Economic Committee).

[3] Unreported income from all other sources not specified, such as rents, royalties, and capital gains.

Source: Research Division, Internal Revenue Service, May 4, 1961.

With respect to the revenue effects of this underreporting, we have made estimates for some of the categories but not for all. The failures to report dividend and interest incomes were estimated to have reduced revenues by $342 and $522 million, respectively, or a total of $864 million at the 1959 income levels. Our studies in the other areas have not progressed far enough to make comparable estimates. One problem is that while this income should have been reported under the tax filing requirements, not all of the income would have been taxable even if reported. For example, some of the unreported income from businesses and farms would have been on returns which would not be taxable after allowances for deductions and exemptions. As a rough overall estimate I would say that the total revenue loss from the failure to report the $24.4 billion was at least $4 billion.

Mr. CLARK. Again, Mr. President, I wish to congratulate the able Senator from Virginia on the action his subcommittee took.

Mr. ROBERTSON. Mr. President, will the Senator from Pennsylvania yield?

Mr. CLARK. I yield.

Mr. ROBERTSON. I wish to express my deep appreciation of the compliment just now paid me by the distinguished Senator from Pennsylvania; and I wish to assure him that when this bill goes to conference, the junior Senator from Virginia, the chairman of the subcommittee, will insist upon the maintenance of the Senate's position on the restoration of this item of $16,800,000.

Mr. CLARK. I am most happy to have that assurance from my friend.

Mr. HRUSKA. Mr. President, as the minority member on the Treasury-Post Office Department appropriations bill, I should like to take this opportunity today to congratulate the junior Senator from Virginia for the fine job, the fair manner in which he conducted the hearings, and the conclusions his subcommittee and the full committee arrived at in reporting the Treasury-Post Office appropriations bill.

The subcommittee hearings on H.R. 5954, a copy of which is on every Member's desk today, are conclusive evidence that the subcommittee explored all avenues and dug deeply into the items for the departments whose funds are contained in this bill.

Under the Treasury Department title of the pending bill, I want to direct the attention of every Member of this body to the fact that there was restored the reduction of $16,800,000 made by the other body, to the full budget estimate as requested by the Department. This does not mean that the Senate Appropriations Committee just rubberstamped the full request of the Department.

What the committee is trying to accomplish here is the fair and equitable review of all taxpayers' returns—both large and small.

Senators should note in the testimony divulged to our committee that statistics produced show conclusively that the Federal Government is losing several billions of dollars annually by not staffing the Internal Revenue Service properly.

Last year, so we were informed by the Commissioner of Internal Revenue, $25 to $26 billion of taxable income was not being reported annually.

It should be clearly understood that even with the full budget estimate allowed in this bill, and an additional 4,575 positions, this will allow the Department to audit only 5.3 percent of all income tax returns—in my judgment and in the judgment of the committee, a figure that is far too low.

When we examine the matter further, and find that a recent study made by the Internal Revenue Service showed that 62 percent of all returns examined contained deficiencies, it is proof enough that the action taken by our committee is justifiable.

It is my hope that the committee and the conferees will stand firmly on the matter when it goes to conference, and that we shall prevail in connection with this item.

Mr. ROBERTSON. Mr. President, will the Senator from Nebraska yield?

Mr. HRUSKA. I am happy to yield.

Mr. ROBERTSON. I warmly thank the distinguished Senator from Nebraska and repeat what I previously said, namely, that I thank the members of my subcommittee for their help, because without the wise counsel and assistance of colleagues such as my distinguished friend, the Senator from Nebraska [Mr. HRUSKA], we could not bring to the floor of the Senate a bill which appropriates over $5 billion with such general approval by the Senate Members.

Mr. HRUSKA. I thank the Senator from Virginia.

Mr. President, I should like to direct some remarks to the House provision which appears on page 12 of the Senate committee print of House bill 5954, reading as follows: "including expenses of delivery to postal patrons of mail matter under congressional frank, as now authorized by law."

This language was stricken by the committee after it had deliberated on its text.

The purpose of the House amendment seems to be to express the intent of the Congress that the Postmaster General modify existing instructions to permit the use of the "simplified address" for congressional franked mail addressed to patrons in addition to those residing on a rural or star route.

The present regulations provide that mail may be addressed to a "rural or star-route boxholder" followed by either the word "local" or the name of the community. The mailer then sends a sufficient quantity so that the rural or star-route carrier just deposits one in each mailbox on his route.

In a similar manner, mail may be addressed to "postoffice boxholder" for patrons at post offices who do not have either city or village delivery service. The mailer sends the postmaster a sufficient number of copies so that one may be placed in each box.

For communities having city or village delivery service, present regulations require that the mail be addressed to the box or street address. The word "Occupant" may be used in lieu of a name, but the box number or street address must be shown. The mailer must have a mailing list showing the correct box numbers or street numbers in order to obtain delivery of this mail.

The use of the simplified address for patrons at offices having city or village delivery service is now prohibited by administrative action, as I understand, except for those served on rural or star routes. The Postmaster General now has the legal authority to permit the use of the simplified address throughout, including the city delivery. However, he has not seen fit to approve this franked mail within cities, nor the use of the simplified address within cities having delivery service to those patrons who pay for their service.

It is apparently the objective of those who seek the amendment on page 12 of the House bill to urge upon the Postmaster General, as congressional policy, that he should extend this franking privilege to city-delivered mail.

Sometimes, in an effort to justify franked mail within cities having delivered service, it is said that there is a discrimination which now exists, the discrimination being that simplified addresses are allowed in all other types of franked mail, but are not used in this instance. However, if the intention of the amendment to strike out the language, which is explained in the committee report, is carried out, a new and a more vast and a more vital discrimination will appear. There will be franked mail on a simplified basis available in cities where the mail is delivered by carriers, but the discrimination will lie in the fact that paying patrons of the post office will not have available to them the simplified addressed mail for delivery within cities. So there will be discrimination by the Post Office Department as between franked mail, which is paid in a sense, and mail for paying customers.

It was the thinking of the committee, after analyzing all the questions and the factors which go into the question, that the position which we took last year should be reiterated and should be contained anew in the report this year. That objective was accomplished not only by the language in the report, as indicated on page 11, the last paragraph, but likewise by the deletion of the language to which I have referred.

On this point it is hoped that the members of the committee will stand fast when the matter goes into conference with the Members of the House, if determined opposition develops there.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. HRUSKA. I am happy to yield.

Mr. WILLIAMS of Delaware. I congratulate the Senator from Nebraska and the members of the committee for striking the language on page 12. Unquestionably, the Senate last year went on record as overwhelmingly opposing the extending of this principle of franked mail. It was pointed out in the debate at that time, as the Senator has pointed out today, that such a privilege would be giving unfair advantage to Members of Congress who used the franking privilege and particularly to Members of Congress who were seeking reelection. They could in effect finance their campaigns by means of the use of the franking privilege, an advantage which the opponents for their seats in Congress would not have. It is definitely unfair from the standpoint of the opponents of those Members of Congress, and also unfair to the taxpayers who would have to pick up the bill.

At a time when we are proposing, both at the administration level and at the congressional level, that users of so-called junk mail pay higher rates than they are paying, we certainly should not extend the franking privilege on bulk mail to Members of Congress.

I congratulate the committee on its action. I certainly hope the House will sustain the Senate's position in this connection.

Mr. HRUSKA. I thank the Senator from Delaware. I am sure the members of the committee, as well as of the subcommittee, will appreciate the support which the Senator from Delaware has expressed. We will also appreciate his support in the event we run into determined opposition in the other body.

Mr. WILLIAMS of Delaware. I assure the Senator they will have my support.

RESIDENCE REQUIREMENTS IN ELECTIONS

Mr. HRUSKA. Mr. President, in this age of convenient travel, brought about by our rapidly expanding economy, millions of Americans are constantly on the move. They are citizens, and the mere fact of their mobility does not lessen their interest in their country's Government.

But the fact is that an estimated 5 to 8 million persons were barred from voting in last year's presidential election for the sole reason that they were unable to meet residency requirements in the area where they were living on election day.

Without in any way interfering with the right of States and local governments to set the rules for election of their own officials, Congress could well explore the possibilities of protecting the right of these Americans to vote for the President and Vice President of the United States.

In this connection, Mr. President, my attention has been called to two thoughtful editorials on the subject. They are of particular interest in light of Senator KEATING's introduction of S.J. Res. 90, to make 90 days the maximum residency requirement for voting in presidential elections. The first editorial was published in a recent issue of the New York Daily Mirror; the second in the May 19 issue of the East St. Louis (Ill.) Evening Journal. I ask unanimous consent that they be printed at this point in the CONGRESSIONAL RECORD.

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

[From the New York Mirror]

WIDEN THE FRANCHISE

Right after the national election, the subject of voting reform was hot. Then people began a 4-year forgetfulness, as they usually do.

One who did not forget, however, is Senator KENNETH KEATING, Republican, of New York, who has just introduced legislation to allow 2 days of voting for a President and Vice President. This is a reform urged by the Hearst newspapers. Ballots, under KEAT-

ING's proposal, would not be counted until the entire Nation, in all its time zones, had voted.

This looks like a good plan to us and we congratulate the Senator. It should be approved by the Congress.

But there is another area in which reform is needed. That is at the State level.

Three of our 50 States have a 2-year residence requirement for voting. Thirty-five have a 1-year requirement, and 12 have a requirement of 6 months.

Ours is a roving and volatile country in which millions are constantly on the move. This is characteristic of our changing and expanding economy. Too many Americans are deprived of the franchise just because they have moved to a place of better opportunity.

There should be a nationwide movement to liberalize State voting laws.

Wisconsin's good example might serve as a model. By special arrangement, a U.S. citizen who has been in Wisconsin for 10 days may vote a presidential ticket if he can show he was a qualified voter in the State of his prior residence.

The voting laws should not only be liberalized, but standardized as far as possible.

[From the East St. Louis (Ill.) Evening Journal]

RESIDENCE LAWS

A majority of the Nation's Governors apparently favor relaxing residency requirements for voting to serve the needs of a mobile population.

Senator KENNETH B. KEATING, Republican, of New York, told the Senate that 26 of the 32 Governors who answered his request for comment favor a more liberal approach. The other six replies were incomplete, he said.

Five to eight million Americans, most of whom are ambitious, well-educated and anxious to improve their station in life, were unable to vote in last year's presidential election because they were ineligible under State or local residence requirements.

Illinois is only one of the offending States which disfranchises a large number of mobile Americans.

Senator KEATING said the mixture of residency laws is not only chaotic but also unjust, unreasonable, discriminatory and dangerous. States which raise legal barriers to voting, he said, have the smallest percentage turnout at elections.

The Governors who responded to his request for comment overwhelmingly felt that any changes in residency laws should be made at the State or local level. Only two favored Federal action; presumably a constitutional amendment setting forth the nationwide requirements for voting in Federal elections would be needed.

In Senator KEATING's own State of New York, the legislature has proposals before it to change the State constitution's suffrage provisions which, if accepted, would give New York the most advanced residency requirement law in the Nation.

Most reformers would be happy to see the States take the initiative, but they should get on with it. There is no, absolutely no, reason why Illinois or any other State should impose obstacles to voting by new residents at least in the presidential elections.

Furthermore, the old concept that a residence requirement is needed to give prospective new voters time to become acquainted with local candidates and issues is thoroughly outmoded. The State of communications being what they are today, a voter can be as informed as he wants to be. It is high time State legislatures recognized this fact and acted to end denial of representation to taxation without representation of a large and valuable group of Americans.

THE FUTURE OF OUR NATIONAL PARKS

Mr. GRUENING. Mr. President, one of the current problems to which the Kennedy administration is wisely addressing itself is the preservation of our magnificent natural heritage. This is taking place through the efforts to establish national seashores.

Recently, the Subcommittee on Public Lands of the Senate Interior and Insular Affairs Committee, under the distinguished chairmanship of our able colleague, the Senator from Nevada [Mr. BIBLE], has been conducting hearings on bills to create three great national seashores at Cape Cod, Mass.; Point Reyes, Calif., and Padre Island, Tex. It is my hope that similar additional areas will be set aside and that our national park system will be thereby and in other ways extended.

Recently, in the Atlantic Monthly, there have appeared several articles critical of our national parks policy. An admirable reply to them and a statement of national policy in regard to national parks appears in the current issue of the Atlantic Monthly written by Stewart Udall, our excellent Secretary of the Interior. It points to the interesting conflict which exists in the very legislation concerning the parks enacted by the Congress nearly half a century ago when it directed the National Park Service "to conserve the scenery * * * and the wildlife therein and to provide for the enjoyment of the same in such a manner and by such means as will leave them unimpaired for the enjoyment of future generations."

Secretary Udall gives an excellent picture of the dilemma which this somewhat contradictory mandate imposed on the Park Service and outlines the policies which he believes should be followed.

I ask unanimous consent that the article entitled "National Parks for the Future," be printed in the RECORD at this point.

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

NATIONAL PARKS FOR THE FUTURE

(By Stewart Udall)

In the summer of 1953, Bernard De Voto, the Cambridge conservationist and chronicler of the West, made his way through some 15 of our great national parks. With him traveled, figuratively speaking, some 17 million Americans who sought, with De Voto, to renew their spirits in the wild and scenic places of our land. On his return De Voto pronounced a verdict on what he had seen, and a disturbing verdict it was to all who knew his deep affection for our national parks. "Let's close the national parks," De Voto wrote caustically. "Let us, as a beginning, close Yellowstone, Yosemite, Rocky Mountain, and Grand Canyon National Parks—close them and seal them, assign the Army to patrol them, and so hold them secure for a more enlightened future."

De Voto's anger was directed at the rot, decay, and neglect he had encountered everywhere. Sewage was seeping into Yellowstone Lake, and the campgrounds of the park looked like outdoor slums because, as De Voto put it, "they are slums." On the breath-taking rim of Black Canyon of the Gunnison, the guard rails had rotted away; not one ranger was assigned to the area; and even the visitor's register had been stolen. Fire, health, and safety hazards were prevalent at every turn.

At about the same time, the Reader's Digest warned prospective visitors that "your trip is likely to be fraught with discomfort, disappointment, even danger," and Conrad Wirth, then as now the Director of the National Park Service, had to agree that "We actually get scared when we think of the bad health conditions." The Saturday Evening Post took its turn at bat and editorialized that the "great canyons, pristine lakes, and the endless beauties of nature of our national parks" were being displaced by "traffic jams on beatup highways, beer cans in the geysers, honky-tonk commercialism * * * outdoor slums."

America's glory has been its natural wonders; how, then, did we allow our national parks to suffer such disfigurement?

The answer is that up until 1941 the resources of the National Park Service, the custodian of our parks and monuments, were reasonably adequate. But, with the onset of World War II, money and manpower were cut to the bone, and when millions of Americans turned to the parks in the postwar period the rangers were overwhelmed.

In 1940 some 7 million people visited the parks. By 1953, the year of De Voto's trek, the figure had more than doubled, and the Park Service, with a smaller ranger force, had to administer 18 new areas as well.

Today, few in Washington would dispute the proposition that the esprit and dedication of the men who run the National Park Service are unexcelled in our Government. Yet the postwar years found some rangers and their families living in rat-infested shacks and paying the Government a painful percentage of their modest salaries for the privilege. Not only the parks but the morale of the men charged to conserve them had become eroded to the danger point. These were the conditions which in 1956 called into being the restoration work of Mission 66.

RESTORATION

Mission 66 was designed as a 10-year rehabilitation program to accommodate the flood tide of visitors without compromising basic conservation values. A series of master plans was developed for each of the 181 areas administered by the Park Service, and sizable appropriations were obtained from a responsive Congress to enhance maintenance and underwrite new capital improvements. Thus, a frontal attack was made on the conditions that aroused De Voto's ire and caused misgivings in his fellow Americans.

Mission 66 is now at the halfway mark; a new administration has come to power; and it is an opportune moment to review the scope of the program and assess its work.

The Park Service takes justifiable pride in maintenance systems that now protect the health and safety of park visitors. And, unquestionably, the main new capital development projects—roads, trails, campsites, interpretive exhibits—have made the parks more hospitable and have quickened appreciation of their wonders. But problems of delicate judgment have been created also.

For example, take the problem of roads. In 1924, Stephen Mather, the first Director of the Park Service, enunciated the basic guidelines: "It is not intended to have the parks gridironed with roads, but in each it is desired to make a good sensible road system so that visitors may have a chance to enjoy them. At the same time, large sections of each park will be kept in a natural wilderness state without feeder roads, and will be accessible only by trails for the horseback rider and the hiker."

CAMPSITES

In the late forties, the road systems in the parks were miserably inadequate and unsafe. However, 653 miles of existing roads have now been improved under Mission 66, while nearly 144 miles of new roads provide scenic vistas and access to new campground areas.

Camping is one of the more intimate park experiences. To encourage it, 7,000 new campsites have been created, and an additional 4,000 sites renovated. For access both to the spectacular and the humbler sites of natural beauty, 300 miles of trails have been built or improved. For many visitors, the most meaningful moments in the parks come when they join together around the fire in the evening to learn from ranger naturalists more of the natural history that surrounds them. There are now campfire circles for more than 25,000 persons, and 54 new interpretive centers to encourage the vital educational work of the Park Service.

Yet Mission 66 has inevitably evoked both praise and blame from those who love and use our parks. The truth of the matter is that in 1916 the Interior Department was pitched onto the horns of a dilemma by congressional directive to "conserve the scenery * * * and the wildlife therein and to provide for the enjoyment of the same in such a manner and by such means as will leave them unimpaired for the enjoyment of future generations."

Examining this singular congressional mandate, Wallace Stegner, the well-known novelist and conservationist, once wrote perplexedly: "Provide for use, but leave unimpaired. Use, but protect. Keep the parks primitive, but open them to millions. Make the scenery accessible with roads, trails, lookouts, but don't scar it up. Provide—invisibly—campsites for millions, lodge and motel accommodations for hundreds of thousands, and the facilities of whole towns to take care of them * * *. Protect and restore wildlife, even wolves and mountain lion, in order to keep the balance of nature, but do it in a show window where millions can thrill to see it."

Over the years, some of the wisest men in the Interior Department have wrestled with this dilemma, and it is not surprising that many policy directives have touched off controversy. There have been mistakes; I would cite Tioga Road in Yosemite and the tower on Clingman's Dome in the Great Smokies as two. But when you view the many Mission 66 projects in perspective, it is amazing that so few egregious errors have been committed.

TO USE AND YET PRESERVE

During the Kennedy administration, special care will be taken that in the planning of roads, buildings, and village developments, nature will take precedence over the needs of modern man. The Park Service cannot be too zealous in its work to maintain, and raise, the standards of the facilities and the services it provides. No road or lodging is an end in itself, but exists to enhance the value of the park it serves.

But too often critics have failed to concede that many of the wrong decisions have actually been dictated by conditions and compromises which preceded the establishment of the parks. For example, Floridians stipulated a developed area outside its heartland when they donated the land and money which led to the establishment of the Everglades National Park. And the Santa Fe Railroad and others owned land on the rim of the Grand Canyon long before it became a national park.

In my view, wise park administrators must steer judiciously between those who would ignore the park standards and those who construe each alternative according to their personal tastes. In any event, the pressure of tens of millions of people on a limited and often fragile land mass will surely grow more intense. Can our parks be both used and preserved at the same time?

The answer is, They must be if we are to keep faith with future generations and serve the men and women of today.

One concept long respected by the Park Service in its approach to the inherent dilemma has been the development within the wilderness of zones of civilization linked by roads. The result is that today 99 percent of our national parkland still enjoys wilderness status, and a visitor need only wander 200 yards off any road to enter primitive and untouched country.

In Yellowstone, our oldest and most intensively used national park, the road system has been improved to carry the hundreds of thousands of cars that use it annually, but the natural wilderness has not been penetrated 1 foot farther than when the first motorcar was admitted 45 years ago. And here it should be borne in mind that Yellowstone is nearly three times the size of Rhode Island. All too few of the millions of visitors venture beyond these paved corridors, yet the opportunity is there for anyone who wants to seize it.

Looking at the vast panorama of our parks, one is impressed by the wisdom with which the Park Service has resolved the conflict between use and conservation. There are no more zealous guardians of our places of extraordinary beauty than those who cherish the purity of our wild lands. Fortunately for all of us, each noble stand of trees, each solitary mountain promontory, each desert canyon has its devoted band of friends. And this is as it should be, because wilderness land, paradoxically, is a fragile asset.

PARKS ARE FOR PEOPLE

However, it is also plain that parks are for people, and not people for parks. And these people are entitled to what De Voto has called "amiable diversions" in keeping with the purpose of their visit and the character of the park. The test of whether to allow such diversions as winter sports, for example, should be whether participants scar the terrain. Furthermore, we must consistently ask ourselves whether a particular organized activity adds a worthwhile dimension to the purpose for which our parks were established.

This brings into focus the central domestic crisis which confronts America today, the fact that population tends to outrun space, and that the very spaciousness which has formed the face and character of our people is now threatened. The most noticeable scarcity in this society of abundance is land. The pressures on our land—especially land suitable for parks and outdoor recreation—are relentless. Another 4 million Americans will be born into this country this year. Given fair weather each day, another 300,000 acres of countryside will fall to bulldozers, cement mixers, and logging crews.

If we want to save some of this land for parks and for the enjoyment of the outdoors, we must act now. The enemy is time, not people. And time has run out for piecemeal action. The day is long past when a stroke of the pen could create new national parks out of the public domain. The time is now past when we could hoard a few more acres of park land in the West, where it is still relatively plentiful, and hope that some philanthropist would give us a little more elsewhere.

NEW NATIONAL PARKS—NOW

What is needed today, and needed urgently, is a truly national and wisely balanced program of land acquisition and park development. Last February, within a month of assuming office, President Kennedy spelled out in a message to Congress the broad goals of a national land-conservation program.

We have already come to the second phase of Mission 66. From 1956 to date, we rescued the national parks from rot and erosion; now, quickly, we must round out our park system by the inclusion of the remaining areas of exceptional scenic beauty. But new national parks are only a part of the answer to the exploding demand for outdoor recreation in all parts of the country. Our great national parks represent one of the few remaining opportunities for vacationing families to enjoy the early morning experience of the wilderness. We did not set aside our parks for casual inspection. These unique areas were meant to provide what Laurance Rockefeller has called "the cathedral experience" of nature.

Furthermore, most of our finest parks are located in the western part of the United States, a considerable distance from centers of population. Yet America's families should have opportunities for outdoor recreation within easy reach of their homes. And, properly, they should rely for such recreation on their State and local governments. State and local action to set aside land for outdoor recreation would take pressure off the national parks, but more important would be the benefits which carefully developed open land would bring to the communities themselves and to their residents.

In most areas of our country, enough land is still available if we act now. But in the heavily industrialized parts of America, the only hope of salvaging what remains lies in inspired, and inspiring, leadership from our Governors and mayors.

The challenge is a double one: to preserve the face of our country for ourselves and our children, and at the same time to provide plentiful and varied opportunities for people to enjoy the outdoors.

I should like to see new national parks to protect such unique areas, for example, as the deep, sandstone canyons that surround Rainbow Bridge in southern Utah; the last remaining prairie lands in Kansas; Santa Cruz Island, Calif.; and the proposed Great Basin Park in Nevada. We must also move quickly to add the Great Beach and adjoining land of Cape Cod; Padre Island, Tex.; and Point Reyes to the national seashore system.

Nowhere are the opportunities for outdoor recreation more limited than in or near our cities. What little open country separates the sprawling urban complexes on the east and west coasts is being preempted by various "developments." Only bold action can save what remains. For example, at the Delaware Water Gap a magnificently varied recreation area could be created surrounding the proposed Tocks Island Reservoir. This would give nearly one-third of the Nation's population 75 miles of shore front for outdoor sports and recreation.

America's land and water are on the block. The highest bidder is seldom the wisest user. Short-term developments and short-term gains will be debited a thousandfold against the assets of future generations, whose claim on America is as valid as ours.

Some of us in Washington sense an ever-increasing interest in the land and in man's relationship to it. President Kennedy has already struck the keynote. If we seize the opportunity and act to save the spaciousness and grandeur of our land, later generations may record this period as one of the most significant in the American conservation movement.

TREASURY, POST OFFICE, AND TAX COURT APPROPRIATIONS, 1962

The Senate resumed the consideration of the bill (H.R. 5954) making appropriations for the Treasury and Post Office

Departments and the Tax Court of the United States for the fiscal year ending June 30, 1962, and for other purposes.

Mr. WILLIAMS of Delaware. Mr. President, I offer the amendment which is at the desk, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. Beginning on page 8, line 15, it is proposed to strike out all down to and including line 14 on page 9.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware.

Mr. WILLIAMS of Delaware. Mr. President, I have discussed the amendment with the chairman of the subcommittee. The amendment would strike from the bill the provision which would allow $65,000 to be used for the further liquidation of the RFC.

In 1957 Congress passed the Reorganization Act which abolished that agency. We turned the various functions of the agency over to the Secretary of the Treasury, the administrator of the Small Business Administration, the administrator of the Housing and Home Finance Agency, and the administrator of the General Services Administration. All functions of the RFC were divided among these agencies, and it was the clear intention of the Congress that the agency should be abolished and the outstanding loans liquidated by the Treasury Department.

It is absurd that we continue to provide five employees working for an agency which has been abolished for 5 years.

Mr. President, it is proposed that we continue one employee as a director for the Office of Defense Lending. We have not made any defense loans through this agency for 5 years. The agency has been dead for 5 years. We certainly do not now need a director of the Office of Defense Lending.

There is a provision to carry one attorney. I can visualize some use occasionally for an attorney for the collection of outstanding loans, which amount, incidentally, to only $7.8 million. However, surely one of the attorneys employed in the Treasury Department could be used. I do not think a special attorney to work solely on the liquidation of these old loans is needed.

After the agency was abolished in 1957 the loan examiners were eliminated on the basis that there was no need for additional loan examiners because no additional loans were to be made. There were no loan examiners for 1958–59, but we now find back on the payroll a loan examiner for the years 1960–61, and it is proposed to carry him on in 1962. What is the need for a loan examiner for an agency which has been dead 5 years and is not making loans?

In addition, there are two other employees involved, and the work of these employees to further liquidate the outstanding loans could be easily taken care of by the present employees of the Treasury Department.

Apparently the only way to abolish the agency is to take these employees off the payroll. In prior years we found this to be the only effective method. Once before it took the Congress approximately 20 years to kill the War Shipping Administration. We never did eliminate and abolish that agency until we took the employees off the payroll and stopped appropriating money for them.

There was also the U.S. Spruce Corporation, which was started in World War I to obtain spruce from Alaska for use in the construction of airplanes. Before the Corporation could begin functioning the war was over and the use for the spruce had terminated. The agency was abolished in the early 1920's. I came to Washington, D.C., in 1946, and the Corporation was still functioning as a full-fledged Corporation with three employees on the payroll.

At that time we found that the agency had only two conditional sales contracts, obtained when the agency had sold a railroad to another Government agency, with semiannual payments. There were four payments coming in annually on these two conditional sale contracts. In 1947 there was still a President of the Corporation. There was also a treasurer. There was also a Secretary. The agency had a car and a chauffeur. All of this staff was for the collection and handling of four checks per year and transmitting them to the Treasury Department.

That agency was finally abolished by striking from the appropriation bill the money to pay the salaries of the employees.

I think we should take the same action today and really put the stamp of approval upon the burial of this agency which we abolished 5 years ago.

Mr. President, I understand that the chairman of the subcommittee is willing to accept this amendment, which if approved will stop the salaries of these employees of the old RFC on June 30.

Mr. ROBERTSON. Mr. President, the junior Senator from Virginia has Scotch blood in his veins and an economy spirit in his heart, and is always pleased when the distinguished Senator from Delaware offers a proposal to save money, even though it is only $65,000 from a bill to appropriate $5,327,631,000.

Frankness compels the junior Senator from Virginia to admit, however, that he would have welcomed this type of support from his Republican colleague when the junior Senator from Virginia was fighting alone to cut down the expense of administering the liquidation of the RFC. When the Republicans took over, they asked for that purpose the sum of $2,660,275. The junior Senator from Virginia protested very vigorously, but he was overridden. In recognition of the continuing fight, we succeeded in cutting the amount down the next year to $1,485,000. At that time the junior Senator from Virginia said, "Now, the next year will have to wind this up." The next year the amount was cut to $1,060,000. The man who was put in as head of the agency was then made an Assistant Secretary of the Treasury, so that he would not be standing out like a sore thumb with the expenditures.

So the junior Senator from Virginia says it is unfortunate he did not have the help of his distinguished colleague during the "big money" years. We got the amount cut down and cut down, until last year it was only $75,000. The present administration said, "We will cut that amount $10,000," so the House of Representatives took the figure, and we let it go.

Of course, when one analyzes what the money is for, it is found there is to be one Director who will get $13,700 a year and a lawyer who will get $13,700 a year. There is to be a loan examiner; and all he would have to do would be to examine the loans which have been in existence for 20 or 30 years, which are now down to $7.8 million. During fiscal 1962 86 percent of the total loans or assets since inception will be liquidated. The loan examiner would examine those loans, to see how they are coming along. He can pull the papers out and look at them.

There is also requested a stenographer at $7,500, and one typist at $4,800.

In view of the fact that the junior Senator from Virginia cannot make a justification for the expenditure which is fully satisfactory to himself, although he has no authority from his committee to accept any amendments, he will agree to take the amendment to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware.

Mr. WILLIAMS of Delaware. Mr. President, I thank the Senator from Virginia. I join in saying that the Senator has consistently over the years tried to cut down the appropriation for this item. I know the Senator was not directing his remarks to me personally because this is the third time I have offered an amendment to abolish this agency, which is still alive. The other two amendments were offered under the preceding administration, and I am still trying again here today.

I still say that an agency which was abolished 5 years ago should have been closed 5 years ago. There should be no employees on the payroll; they are not needed.

This is the third time I have offered the amendment to stop this appropriation. I hope the Senate will pass it, and I hope the conferees will stand by it. If they do not, I shall join the Senator from Virginia in asking that we further insist on the Senate amendment to abolish this agency.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware.

Mr. CARLSON. Mr. President, I wish to commend the chairman of the Appropriations Subcommittee, the distinguished Senator from Virginia [Mr. ROBERTSON], and the other members of the subcommittee and of the committee, for the splendid report which they have brought to the Senate in regard to an appropriation of some $5 billion for the Treasury and Post Office Departments.

As a member of the Senate Committee on Post Office and Civil Service for many years, I have had a great interest in the Postal Department. I am pleased to see on the floor with me today the distinguished chairman of the Post Office and Civil Service Committee, the distinguished Senator from South Carolina [Mr. JOHNSTON].

We have cooperated for many years in behalf of better postal programs and better postal service. If the distinguished chairman of the subcommittee would be kind enough to yield to me for one or two questions, I would appreciate it very much.

Mr. ROBERTSON. I am glad to yield.

Mr. CARLSON. The section of the committee report dealing with facilities recommends $160,100,000, a decrease of $7.6 million from the budget estimate for facilities.

The amount recommended is $8,478,000 under the 1961 appropriation, and $7.6 million over the House allowance. I bring up the question because I believe that the citizens of our Nation will be disappointed to find that we do not propose to build new additional postal facilities in communities where they are badly needed and would be an improvement over the old type of buildings that have existed for many years. I wonder what reason the distinguished chairman of the subcommittee can give the Senate for the reduction in the proposed figure.

Mr. ROBERTSON. The committee found that its recommendation would provide 20 major leased facilities and 50 branch offices together with 1,100 or more newly constructed leased buildings.

The committee realized that everyone would like to have a new or modern post office, as he would like to have a new home or modern equipment. As I said with respect to the item of $65,000 concerning the RFC, we felt that the amount was not a large amount, relatively, but there was a question as to whether the item ought to be included at all.

We thought that we perhaps should approach with some caution the fact that some of the money proposed to be used might be borrowed money, and perhaps we had better go slow. The House had provided much less than we did. In any event, we could not restore the amount and expect that the House would accept everything we might attempt to restore. We thought we had compromised the point, and we proposed what we hope to hold in conference. Such an amount would carry the program forward reasonably well, but not as far as many of us would like to see it go, if money were not a major consideration.

In the coming fiscal year we face a deficit of at least $4 billion. Spending schemes are pending that could increase that amount to $6 billion or $7 billion. We can talk all we please about price spirals, but, after all, it is inflation of the currency which underlies price inflation.

Mr. CARLSON. Mr. President, I readily appreciate the problem of the distinguished chairman of the subcommittee and the committee in regard to the reduction of the fund for the construction of postal facilities. However, I wished at least to mention my concern, because our people are concerned. We have recently, in the past 8 years, engaged in the finest construction of postal facilities in this Nation. I believe our people are happy about it and proud of the buildings constructed.

The second item which I wish to mention is the committee's recommendation of $110 million—a decrease of $12 million from the budget estimate—for plant and equipment. If we do not propose to build new buildings in many of our communities, we have old buildings that need modernization, such as new lighting and air conditioning. I express my regret that we must accept a reduction in the amount for such modernization.

I appreciate also the problems of the chairman and the committee. It is not my intention, I assure the chairman, to offer any amendment, but I wished to take this opportunity to express my regret, and let the opportunity pass without noticing it.

Mr. ROBERTSON. I appreciate the point raised by the distinguished Senator from Kansas, who served for many years on the Post Office Committee and knows of the needs for plant and equipment. In presenting this phase of the bill, the chairman said that the rental program for 1961 was $19 million. For 1961 it is estimated to be $62.5 million. The 1962 estimate submitted was for $79 million. For 1963, it is estimated that the amount would rise to $100 million, which shows that inflation is increasing the costs of these projects by leaps and bounds. With regard to the plant and equipment item the committee recommended $110 million, the House allowance and a decrease of $12 million in the estimate. The amount recommended provides the sums requested for the vehicle program; equipment for standard program and approximately $85.5 million for the modernization program.

Consequently we feel that for fiscal 1962 we have provided funds for a moderate and adequate program. It is not what we would like to have done if we had had plenty of money.

The chairman of the subcommittee would like to point out that in framing these recommendations he had the capable help of the senior Republican in this body and ranking minority member of the committee, the distinguished Senator from New Hampshire [Mr. BRIDGES].

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

Mr. ROBERTSON. I yield.

Mr. BRIDGES. I compliment the chairman of the subcommittee for the job he did. The figures which we arrived at represent the best we could do. I would like to see larger amounts provided for some of the items, and I know that the Senator from Virignia would also. But I believe before the bill is finally enacted into law through conferences with the House, we can arrive at figures, which probably will be approximately what I personally would like to see.

The hearings were thorough and well conducted. The various phases of both the Treasury Department and the Post Office Department were thoroughly considered I believe the committee has done a good job, and that its effort is worthy of support.

Mr. ROBERTSON. The chairman of the subcommittee thanks the distinguished Senator for his complimentary words.

Mr. CARLSON. I assure the distinguished Senator from New Hampshire, who is the ranking Republican on the Appropriations Committee, and also the distinguished chairman of the committee, the Senator from Arizona [Mr. HAYDEN], that I did not desire to offer any amendments to the bill, but I wished to call attention to two items which I believe are of great interest to the Senate and to the country.

I commend the committee for bringing into the bill an item of some public service. When the appropriation bill came from the House of Representatives not one dollar was allowed for public service. I notice from the report that the committee has included approximately $62 million for this phase.

We are faced with a postal deficit of about $900 million and I share the feeling with many that some of this so-called gap should be closed by rate adjustments. But the Post Office and Civil Service Committees of both Houses are at a complete loss to determine the amount of this gap to be covered by postal rate increases, until such time as we have a positive recognition of public service costs involved.

There has been a great deal of confusion concerning the basis on which public services should be computed. The Post Office Department, and I am afraid the Congress itself, has been persuaded to follow the "loss of revenue" concept, which means simply the additional revenues which might have been collected if the free or special postage items, as enumerated in the law, had been paying the full rates assigned to other classes. Public Law 85–426, section 214(a)(1) repealed the Kelly Act of 1930 which was the only legal basis for determining public services on a "loss of revenue" basis. The act substituted in lieu thereof the "total loss" concept and directed that such losses on nonprofit charitable mail, free in county mail, free for the blind, losses on nonpostal and special services, the star route system and third- and fourth-class post offices be set aside and charged to the general funds of the Treasury.

Since 1958 I have urged full adherence to provisions of Public Law 85–426. Title I of this law is called postal policy and section 104(a) provides certain public services, the total loss of which shall be set aside and charged to the general funds of the Treasury. Today, I do not propose to recount the long history of appropriation enactments concerned with this law, but I shall point out that at no time since 1958 has an amount been set aside for public services equal to what we contemplated in the enactment of the law. Quite frankly, after 6 years

of study and lengthy debate in both Houses, we were of the opinion that the public services of the Post Office Department, which the law clearly states should not be charged to mail users, was somewhat in the neighborhood of $250 to $300 million.

We are confronted again with a $900 million postal deficit. I think I know the tenor and temper of the Senate and the Congress, and I doubt very much that any action will be taken on the problem. But it is a serious problem, and I hope we can obtain recognition of what we believe and can demonstrate, based upon the records, is a public service of $288 million, which was placed in the record as taken from the 1958 Postal Act.

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

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

PUBLIC SERVICE COSTS

Congress in the 1958 Postal Act made a good start at itemizing public services. Here is the list, taken from the act,[1] with the cost of each, according to the Post Office's fiscal 1959 cost ascertainment report:[2]

[In thousands]

Category	Cost or total loss	Loss of revenue (Post Office estimate, 1961)
(1) The total loss resulting from the transmission of matter in the mails free of postage or at reduced rates * * * as provided by statute, including * * *:		
(a) Reduced rates on newspapers or periodicals of certain nonprofit organizations	$60,127	$3,094
(b) Official mail, Pan American Union, sent free	71	71
(c) Free-in-county mail (free delivery of newspapers in the county where they are published)	15,445	830
(d) Free or reduced postage on material for the blind	1,276	1,276
(e) Free mail for Pan American Union countries' diplomatic corps	49	49
(f) Publications for use of the blind at reduced rates, 4th class	69	69
(g) Free mail, Pan American Sanitary Bureau	3	3
(h) Free mail for widows of Presidents	202	202
(i) Reduced 2d-class rates for religious and classroom periodicals	3,758	224
(j) Reduced 3d-class rates for nonprofit organizations	30,600	11,558
(k) Free mailing, absentee ballots		
(l) Reduced rates for books	17,815	17,815
Reduced rates for library books	3,355	3,355
(2) Loss resulting from:		
(a) Star route services to remote homes, farms, ranches, post offices	46,863	
(b) 3d and 4th class post offices	73,871	
(3) Loss "in performing nonpostal services, such as the sale of documentary stamps for the Treasury"	18,235	
(4) Loss "incurred in performing special services such as cash on delivery, insured mail, special delivery, and money orders"	15,822	
(5) Extra cost of transporting U.S. mail by foreign air carriers at rates over those prescribed for U.S. air carriers	850	850
Total	[1] 288,411	39,396

[1] Before the 1960 10-percent pay increase bill.

Mr. CARLSON. I understand that the 1962 budget contained $62 million as the amount of public services when it was submitted to the House of Representatives by the President. The House in its action has fully deleted this amount and left the figure standing at zero. This is difficult to understand.

My personal feeling as one interested in this postal deficit that we have had for years is that if we could ever reach agreement, at least among the Congress, as to what we would determine was an allowable item for public service, I think maybe we could adjust some rates, but so far we have had this difficulty.

I appreciate the action taken by the committee in including at least $62 million. I sincerely hope we can reach some agreement on this point in order that we might at least begin to balance the intake and output of postal revenues based on the present Treasury situation.

OIL IMPORTS

Mr. CARLSON. Mr. President, I was greatly disappointed and considerably alarmed to read this morning that after a most complete and thorough hearing of the oil producers' problems, the Secretary of the Interior has ruled to take no action to help solve the dilemma in which the producers now find themselves. Secretary Udall has decided to continue the extremely high oil import program to the detriment of the oil producers of Kansas and the Nation.

As is well known to my colleagues, there is now in operation what is generally termed "the mandatory oil import program." This program was designed, in the words of the President, to—

> insure a stable, healthy industry in the United States capable of exploring for and developing new hemispheric reserves to replace those being depleted. The basis of the new program, like that for the voluntary program, is the certified requirements of our national security which make it necessary that we preserve to the greatest extent possible a vigorous, healthy petroleum industry in the United States.

The program was the outgrowth of many years of careful and comprehensive study by Congress and the executive branch of Government. It has, to say the least, done a lot for the domestic oil industry; however, it must be recognized that the goals laid down by Congress and the President for this program have not been met.

Recently Tom L. Schwinn, executive vice president of the Kansas Independent Oil & Gas Association, testified at an oil imports hearing in the Department of the Interior in regard to the deteriorating position of the independent oil producer in Kansas. Annual production in the past 5 years has declined from a high of 124 million barrels to 113 million barrels. Crude oil sells for less than it did in 1957, the posted price being as low as $2.77 per barrel in some areas. In addition, wells are producing at minimum allowables, with not much apparent hope for either an increase in price or allowables under present conditions.

In short, conditions today in the domestic petroleum industry, particularly in my own State of Kansas, are more depressed than ever. For example, drilling rigs active in 1960 were at a 14-year low; and so far this year, there are less rigs active than in 1960. The number of wells drilled in 1960 was the lowest since 1952, and crude oil reserves actually went down slightly in 1960. Wildcat wells, which are really those which find the oil, are being drilled at a rate 7 percent below the dismal record of 1960, when the number of wildcat wells drilled was 26 percent below the rate in 1956—the year just prior to the finding by the President's Special Cabinet Committee that a decline in this activity "shall not be permitted." Today a further decline in the domestic exploratory activity is being permitted.

Mr. President, this is a situation that should not be allowed to continue. Everyone interested in and familiar with the oil industry in the United States must view with concern the increasing threat of expanded oil production in Russia.

Recently Mr. Ira H. Cram, an American oil man, made an extensive tour of Russia as a member of the first official delegation of American oil men to study the Russian oil industry's progress since the end of the war. Mr. Cram is a geologist and Senior Vice President of the Continental Oil Company and has participated in oil development throughout the United States, Canada, South America, and Africa. His report on the Russian oil situation, entitled "Russian Oil: New Danger for the West," was printed in the April 29, 1961, issue of the Saturday Evening Post. In this article Mr. Cram discussed the great growth and development of Russian oil and its effects on future competition for oil producing countries, with the statement that the sobering fact is that Russia is just beginning her oil development.

This fact must not be ignored by the United States as we consider future programs for oil development in the United States. The oil industry in the United States is in a depressed condition.

There are many factors which are contributing to this unhealthy situation. However, today I would like to refer to just two of these.

As is well known, shortly after the establishment of the mandatory import program, the President made an amendment in his oil import proclamation which exempts overland imports from Canada and Mexico from the mandatory program. In other words, in the

[1] Sec. 104(a), Public Law 85-426, 85th Cong.

[2] These are the latest figures available as of Mar. 1, 1960.

interest of national security, it was recognized that preferential treatment should be allowed oil imports from Canada and Mexico. It is hard to find fault with the purpose of this policy. However, as is so often the case, the beneficiaries of this policy seem to be abusing this privilege.

For example, at a time when oil production in the United States has remained flat for a period of five years, imports from Canada are rapidly increasing. Canada, whom we all recognize as a valuable friend, has increasing designs on the U.S. oil market. This is commendable from the standpoint of Canada. However, unless the brakes are placed on such imports the result would simply be that increased Canadian imports will be at the expense of our own domestic producers with no net gain in the joint security of Canada and the United States.

Earlier this year, Interior Secretary Udall took cognizance of the increased imports from Canada and declared that if such exempted imports have a marked and abrupt effect on the domestic industry such developments would call for a reconsideration of the "over-land" exemption.

Canada recently issued a statement on Canadian oil policy which laid down certain target levels for Canadian oil production—640,000 barrels daily for 1961 and 800,000 barrels daily for 1963. These target levels contemplate substantial increases of their oil exports from Canada to the United States. It is expected that Canada for 1963 would like to export to the United States 225,000 barrels of oil daily which is double the 1960 daily average shipments of 113,000 barrels daily to the United States.

In the past, Canadian crude oil has not moved into either the Detroit-Toledo area or the Chicago area. However, during the last quarter of 1960, Canadian crude oil began to move into both Detroit and Toledo refineries. During December 1960, three refineries imported 14,035 barrels daily of Canadian crude oil and thus displaced an equivalent volume of domestic crude in this area. By March 1961, imports of Canadian crude into Detroit-Toledo had increased to 24,226 barrels daily, thus further displacing domestic crude which has always served these markets.

Thus in view of the relatively flat crude oil market in the United States over the past 5 years, and the relatively small future increases that can be expected, I feel that Canada cannot expect nor be given a disproportionate share in the U.S. crude oil market.

In my opinion, two things must be done to meet this situation. Although imports from Canada should be given preferential treatment over other foreign oil, I believe that such exempt imports must be included within the total overall permissible level of imports into the United States and also I urge that Canada recognize that this preferential treatment must not be abused.

As in the case of Canada, imports from Mexico should be included in the basic overall permissible level of imports. However, in the case of Mexico, another factor has entered the picture in the last several months which calls for immediate and effective action. This special problem arises out of the fact that certain importers of Mexican oil have hit upon a method of circumventing the spirit and intent of the overland exemption authorized under the import program.

The overland exemption was written into the program in the belief that oil from Canada or Mexico coming into the United States via pipeline, rail or truck would be available during periods of emergencies. However, during the past 6 months, oil has been coming into the United States from Mexico up to 50,000 barrels per day in the following manner. The oil is brought into Brownsville, Tex., in bond—placed in trucks which haul the oil back into Mexico and then retrucked into Texas as an overland import.

In my opinion, this practice is a complete circumvention of the spirit and purpose of the overland exemption. In effect, it is just like the "unfinished oil circumvention" which broke down the voluntary crude oil import program and brought on the necessity for establishment of the mandatory program.

It is my hope that this practice will be stopped forthwith, and that it will not be permitted to break down the present program. I notice from the press that some sort of arrangement has been worked out with the people involved in this transaction whereby such imports will be held down to 30,000 barrels per day for a period of 3 years. If this be so, it would appear that our Government is giving official sanction to this circumvention and is rewarding those involved by authorizing this activity, though on a somewhat smaller scale, for another 3 years. I cannot condone this practice, and I respectfully suggest that if it is necessary to bring more oil in from Mexico, it should be authorized directly and not by giving official sanction to this current practice which is contrary to the spirit and intent of the mandatory oil import program.

I have noted from the record of the recent oil import hearings, held by the Department of the Interior, that the domestic oil industry has requested that imports into districts I–IV be reduced by some 200,000 barrels per day. I suggest that a large part of this contemplated reduction could be accomplished by carrying out the recommendations that I have set forth today and without doing violence to our friends to the north and south of us and without doing violence to any of the nations from which we receive petroleum.

In conclusion, let me reiterate that the mutual security of the United States, Canada, and Mexico require that these nations share in our oil market, but such sharing must be on a reasonable basis; and further the overland exemption must not be abused. Otherwise, the mandatory oil import program may fail to the detriment of not only U.S. producers but Mexican and Canadian producers as well.

I ask unanimous consent that the statement made by Mr. Tom L. Schwinn, executive vice president of the Kansas Independent Oil & Gas Association, at the oil imports hearing of the Department of the Interior on May 10 and 11, be made a part of these remarks, and also that the article entitled "Russian Oil: New Danger for the West," by Ira H. Cram, which appeared in the April 29 issue of the Saturday Evening Post, be made a part of these remarks.

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

STATEMENT BY TOM L. SCHWINN, EXECUTIVE VICE PRESIDENT KANSAS INDEPENDENT OIL & GAS ASSOCIATION AT OIL IMPORTS HEARING, DEPARTMENT OF THE INTERIOR, WASHINGTON, D.C., MAY 10–11, 1961

My name is Tom L. Schwinn, executive vice president of the Kansas Independent Oil & Gas Association. This association consists of more than 1,000 producers, operators, royalty owners and related independent persons doing business or having oil and gas interests in Kansas.

Kansas for many years has been either the fifth or sixth largest producing State in the Nation. Last week, production averaged in excess of 322,000 barrels per day.

We wish to thank the Secretary and the Department for according us this opportunity to appear at this hearing.

In general, we wish to endorse the position of the Independent Petroleum Association of America with regard to the oil import program, adopted at its recent meeting in New Orleans. We commend that exhaustive and detailed analysis for your serious consideration.

We should like to emphasize the deteriorating position of the independent producer in Kansas. Kansas production is derived from 40,000 wells. These wells average approximately 7.7 barrels per day. There is production in 89 of the State's 105 counties. The production of oil and gas is the biggest industry in the State.

Annual production in Kansas in the past 5 years has declined from a high of 124 million barrels to 113 million barrels. Active rigs have declined even more markedly and for the past several years total annual production has exceeded discovered reserves. Yet, vast areas of the State are virtually unexplored and development drilling in the older producing areas has subsided.

Employment in the field, on the technical side and at the administrative level, is off badly. Crude sells for less than it did in 1957, the posted price being as low as $2.77 per barrel in some areas. Wells are producing at minimum allowables, with not much apparent hope for either an increase in price or allowables under present conditions.

The result of this decline is cause for grave concern by public officials, the industry; indeed, the entire State. Tax revenues for schools and general government have naturally dropped.

It is the fixed opinion of our association that the mandatory import-control program has fallen short of its stated objective of restoring vigor to the domestic producing industry.

We find that Kansas reserves of petroleum are selling at a price substantially below replacement costs. This finding was reinforced last summer by the Kansas Corporation Commission in its order shutting down fields in two counties where a further cut in the posted price of crude was instituted by one purchasing company. The commission found that sale of oil at the new depressed price constituted economic waste under our conservation statute.

We are of the further opinion that the oil-import program will not accomplish its objective until the price for Kansas crude is reasonably restored. The purchaser and refiner of crude oil have benefited very substantially from the import program. They have not, however, passed on to the crude-oil producer any portion of these benefits. It would be nonsense to say that the program has not had its benefits. It undeniably prevented the immediate liquidation of the small independent producer. Nontheless, that person today remains in a self-liquidating position as he continues to produce oil for an inadequate price that he found when costs were substantially below those of today.

As producers, we do not quarrel with the health that is evident in some segments of the industry. But it is our view that basic health and vigor in the industry, and definitely in Kansas, can only be restored from the bottom up—starting with the producer, if you please. The independents in Kansas historically find about 85 percent of the oil there. Their role in this regard is vital; nor may it be expected that they will be replaced in these endeavors once they have been eliminated.

A revitalization of the oil-producing industry in Kansas is imperative—if premature abandonment of literally thousands of stripper wells is to be avoided, and there are 24,000 of these wells in Eastern Kansas producing no more than one or two barrels per day. These wells tap millions of barrels of marginal reserves, reserves that will be lost to this Nation if inadequate crude prices make continued operation of the wells uneconomical. Today, these reserves are a part of the abundant reserve this dear country will require in its hour of need and are thus essential to national security. But even the most efficient recovery methods are largely ineffectual in the face of what is basically an inadequate price for the product. And that is not yet the end. Consider if you will, the countless secondary recovery projects that will not be initiated because of the poor economics of the situations as they arise. Price for the product is a factor in each such calculation.

We thus urge this administration to analyze the goals of the program, the administration of which this Department is charged with. The people intended to be helped by the program have been helped very little, if at all. We submit that the price for crude is the chief indicia of the problem; parenthetically, that all other factors are correlative indeed; for to whose advantage is it to produce more and more oil for a price that is ab initio inadequate?

An adequate price is necessary. No other incentive will accomplish this goal.

[From the Saturday Evening Post]

RUSSIAN OIL: NEW DANGER FOR THE WEST

(By Ira H. Cram)

(An American oilman, recently in Russia, tells how the Soviets are increasing their oil production phenomenally: By copying our methods.)

Russia is developing its oil and gas resources at such a phenomenal rate of speed and has such great potential that Russian oil may be a key factor, indeed the deciding factor, in our growing economic battle with the U.S.S.R. throughout the world.

I recently made an extensive tour of Russia as a member of the first official delegation of American oilmen to study the Russian oil industry's progress since the end of the war. As a geologist and senior vice president of Continental Oil Co., I have participated in oil exploration and development throughout the United States, Canada, South America, and Africa. What I saw in Russia has made me reevaluate the entire world oil situation. Russia is in a stronger position to achieve its economic goals internally and abroad than perhaps even the Russians themselves realized until recently.

Our group's 7,350-mile tour inside Russia took us through two principal producing areas—the old Baku area on the west coast of the Caspian Sea and the new Ural-Volga area between the Ural Mountains and Kuibyshev, which now produces three-fourths of Russia's oil. We saw oil and gas fields, giant ones and small ones, onshore and offshore, fields which were hard and easy to discover. We inspected large new refineries and small old ones. We discussed management and planning with the executives in Moscow and Stalingrad. We were free to talk at length with technicians and workers wherever we went.

Our delegation was under the auspices of the State Department and the American Petroleum Institute as part of the cooperative exchange program with Russia in the scientific, technical, educational, and cultural fields. The 10 members were from 8 oil companies and the Department of the Interior and included specialists in various branches of the industry such as exploration, research, production, refining, and economics. Consequently we were able to assemble a comprehensive picture.

When we saw how the Russians are operating, we began to realize the significance of what they have accomplished since 1950. Whereas the world doubled its oil production between 1950 and 1960, Russia quadrupled its own production. In 1950 the United States was producing seven times as much oil as Russia. In 1960 our daily production of 7,032,000 barrels was less than 2½ times as much as their 2,960,000 barrels.

The Russians have achieved this advance by using almost the same technical and management methods we use. The sobering fact is that they are just beginning their oil development. Their current production of both oil and gas is just about what ours was in 1929. However, they will not have the difficulties in finding and developing additional oil and gas fields that we have had since 1929, for the simple reason they now have the benefit of most of the techniques and concepts which we have laboriously developed in the past 30 years. Furthermore, and of maximum importance, the territory in the U.S.S.R. which is favorable to the existence of oil and gas, covering at least 3 million square miles, is 70 percent larger than the "hunting grounds" of the United States including Alaska. They have just begun to explore their country. We have found all our "easy" oil and are trying to track down the elusive deposits which we hope are there, but which offer precious few clues.

The geology of Russia and the United States is strikingly similar. The Russians have the same assortment of stratigraphic and structual conditions that are responsible for so many oilfields in this country. For example, the new Ural-Volga area is west Texas and Oklahoma all over again. Geologically, from their past experience and our own, there is no reason to prevent them from achieving or exceeding the oil-production goals which I saw in every planning office and displayed on charts in every museum. If they achieve these goals, we will find them fiercely competitive in the world market by 1965.

In order to locate new oil and gas structures, they are operating more than 400 seismograph crews—about the same number as are operating in this country—and are talking about 1,200 in 1965. They are drilling wildcat wells in the wide open spaces as well as in the general vicinity of producing fields in order to increase their overall knowledge of the geology and potential of their country.

The Soviet high command at last has learned that a great number of wildcat wells must be drilled to find oil and gas in quantities sufficient to supply expanding needs—and that many of them will be dry holes. The Russian geologist is no longer haunted with the specter of Siberia if he drills a dry hole. This means that by increasing their explorations, the Russians are increasing their chances of opening up vast new reserves because they have so much promising potential oil territory. They actually have an advantage over American explorers which shows up in Soviet statistics. Between 1950 and 1958 in the United States, we drilled about eleven and a half times more feet of hole—exploratory and development—than they did, but an informed guess indicates that we blocked out only a little more than twice as much crude oil and natural gas. So, by virtue of exploring in virgin country, they added about five times more reserves per foot drilled than we did.

I had been predisposed to believe that the human factor, as the result of their political and economic system, would be a deterrent to the kind of vigorous development achieved under the American free-enterprise system. It jolted me out of my complacency to discover that the Russians are using capitalist techniques to do the job. The Russians have copied the structure of U.S. corporations to a large degree. The competitive drive and incentives are similar. The chatter in the fields, the refineries and the research laboratories is the same as it is in Texas or Oklahoma. The local area manager fights to get his budget through in Moscow just as the Denver office of my company tries to get its plans approved by the Houston management.

There are the same human-relations problems between different branches of the industry that we have. I asked the members of a central research group if they had any difficulty in selling their ideas to the men in the field. There was a grin on every face.

The Russians are dedicated to competition—not competition among industries and units within industries to capture customers, but competition among themselves to please Moscow. Collectively they are dedicated to competition with the United States in the entire field of international business.

The incentive to produce more is supplied by personal and plant medals, bonuses and pay raises. Plant bonuses are spent by the plant manager in cooperation with the labor leaders to improve the plant and the community. This stimulus is enhanced by the hope of promotion. Engineers and scientists, for example, are being promoted into managerial positions in greater numbers just as they are in the United States.

Russian devotion to education is impressive. The engineers and scientists we talked to were well trained, competent and enthusiastic. We heard much of the elaborate effort to train workers to do a better job and to fit themselves for the next rung up the ladder.

To our chagrin, we found that the average Russian oilman knows more about the latest publications on science and technology than the average American oilman. Isolated behind the Iron Curtain, they rely upon the world's literature—instead of personal contacts—and they read translations of all technical and trade journals published in every language in the free world. This has its disadvantages. A geologist asked me if a certain geophysical technique was widely used in the United States. I happened to know that he could have heard of it only by reading one article in a certain trade journal. I had the impression that he was being needled by his superior because he wasn't using this technique. Deprived of any practical interchange of ideas, how could he or his superior know that this was a somewhat experimental technique which had been tried without success?

Everywhere we went the Russians were eager to talk shop. They were as eager to learn from us as we were from them. They volunteered a great deal of general information about their own operations and, when asked about details, were generally cooperative. Occasionally they ducked certain technical questions, saying the information had not yet been published. Only in Moscow, among the high planning executives, did we encounter any skilled evasive tactics. We were told at the outset that costs and reserves were trade secrets. But these are matters which competitive American companies also try to keep to themselves. There was very little political conversation. Geologist was talking to geologist, engineer to engineer and refining expert to refining expert. In that regard, we all talked the same language.

The political level is another world, and how far apart these worlds are was illustrated in a conference with a local field manager. In discussing the difference between our economic systems, he threw up his hands and said, "How is it possible for your economy to work without national planning?" Various members of the group attempted to explain. He didn't understand it and finally said, "Let's get back to the technical rather than the economic."

We were quite unprepared for the cordiality and friendliness with which we were received everywhere. For example, we were inspecting the Syzran refinery, about 500 miles southeast of Moscow. When we returned to the plant office from the refinery, almost the entire population of the small town had gathered in front of the building. They had never seen an American before. They were smiling and talking—they simply wanted to touch us.

When we visited the Kuibyshev refinery, the manager had planned an evening entertainment to show off the recreation center. Since the refinery employs 4,500 people, the center was jammed with workers, old people, and children. It was amateur night—ballet, accordion players, singers, comedians, dance music—and I've seen a lot worse on some of our best television shows at home. During an intermission an old lady, who had been watching us intently, jumped to her feet. She was your, or my, concept of what a typical old Russian peasant woman looks like. She said something in a loud voice, laughed and sat down. While she beamed at us amiably, our interpreter informed us that she had said, "I have finally seen an American and now I can die satisfied."

Nor was this friendliness and curiosity confined to the interior. In Leningrad I was on my way to the hotel's main dining room, where our group was having dinner, when I heard music coming from another room. I detoured to see what kind of party was in progress. A nice-looking young Russian saw me at the door, greeted me in English and asked me to join the party. "Come meet my bride," he said. After I had toasted the newly married couple, he introduced me to a blonde, saying, "You two must dance." We did. There was nothing but American jazz on the record player, and the only question I was asked by the several English-speaking Russians present was, "Do you love Louis Armstrong as much as we do?"

When we had finished our tour, we were asked to report back to a meeting of the State Scientific-Technical Committee to give our impressions. W. W. Keeler, executive vice president of Phillips Petroleum Co., gave a restrained and polite general report. G. V. Aleksenko, vice chairman of the committee, thanked him and then said, "But what's the matter with us?" Keeler and the rest of us accepted the invitation. We were quite frank. They showed no resentment, but they had an excuse for everything.

Our principal criticism was the striking extravagance we saw everywhere—too many people on the job and too much idle equipment in both oilfields and refineries. For example, in two oilfields which produced less than one-third of Continental Oil Co.'s domestic production, they had more engineers than Continental has in its entire production department. The units within a Russian refinery are too numerous, too small, and located too far apart. Safety standards are less rigorous than ours—no hard hats or steel-toed shoes. Low overhead pipes, bad stairways, and a general absence of fire-fighting equipment were obvious safety hazards.

The Russians excused the excess manpower on the grounds that they are training people for the tremendous expansion being planned. More automation will be needed, too, and they are stressing its development. As for safety, they maintained their measures were adequate because of their record. But who reports the record and to whom?

The main reason for the extravagant use of people and materials seemed to me to be Government ownership and management. Such extravagance increases costs, whether measured in money or constructive work left undone. The Soviet planners have been unable to overcome the inherent inefficiencies of government ownership. In a country in a hurry, with an admitted manpower shortage, they have had to utilize the majority of their womanpower. In Russia, Rosie the Riveter is already riveting in the cold war.

In one refinery we found a woman in coveralls running one of the most modern, expensive and complicated units. George Dunham, a director of Socony Mobil and a refining expert, questioned her at length. I asked him if she knew what she was talking about, and Dunham said, "That woman knows as much about operations of that unit as any man." We have no women working in such jobs in America. In the Kuibyshev refinery 35 percent of the personnel are women. We saw women working in almost every type of job wherever we went.

We could have pointed out to the State Scientific Technical Committee that, judging by what we saw and heard, Soviet drilling, producing and refining technology is not up to our 1960 par. The technological improvements borrowed from the Western World, together with their own improvements, add up to an overall technology about as advanced as our American technology was in the mid-1940's. But what difference does this make in their skimming-of-the-cream stage? They can find, produce and refine an abundance of crude oil and natural gas by employing 1945 equipment and concepts.

What really concerned us was that after measuring our competitor's resources, ability and drive, we found them uncomfortably great. We needed to learn how Russia plans to use this strength and, more realistically, how Russia can use it. Are they going to keep it at home to build up their internal strength as we do? Or are they going to soft-pedal internal building somewhat by exporting crude oil and products in order to make economic and political hay in their satellites and in the free world?

In 1955 an exportable oil surplus was achieved, and the Russians have been increasing their exports ever since. That they intend to continue to increase their exports is clear, but the amount of increase isn't. At a conference with Evgueni Gourov, president of the Soviet agency in charge of petroleum export and import, the members of our delegation asked him what the agency's long-range export goal was. Although Gourov spoke fluent English, he had a great deal of difficulty in understanding the question, and no satisfactory answer was obtained. Nevertheless, his English was particularly clear when he stated that he did not object to competition for markets, considering it good and necessary. But he felt that some competitive methods which he had run up against were unfair. He felt that a more cooperative attitude by the international oil companies with the Soviet oil industry could be mutually beneficial. We wondered about this choice of the word "mutually."

The Soviet planners deny that they would penalize home consumption in order to expand exports. Nevertheless, they admit that they must balance economic opportunities outside the Soviet Union. Whenever the Russians use the word "economic" in this context, I also hear the word "political." Judging by the published 7-year plan—1959–1965—their idea of balance is approximately double present exports of crude oil and products to a rate of close to 900,000 barrels per day in 1965, or close to 19 percent of their crude-oil production. This amount would give them more than enough oil to become a major competitive force in world markets.

We already have proof of how the Russians capitalize on these "economic-political" opportunities. They traded oil for coffee in Brazil. They traded oil for sugar in Cuba. They are supplying oil to Iceland for fish products and to Egypt for cotton. They stand ready to trade for Indian jute, Italian pipe, Swedish timber. Nor does it necessarily have to be a barter deal. They have offered to supply the Indian Government with all its oil requirements at 20 percent less than anyone else offers. Recently they underbid American and British companies for the major share of Egypt's crude-oil business. At least some of the trades, such as those involving diesel fuel, which is scarce in Russia, must be politically inspired.

There is another side to their export story, however—consumer satisfaction. Up till now, many of the Soviet's customers have not been satisfied. Their most available export sources of crude are "problem crudes." They contain either too much sulfur or too much salt, and refineries must have special equipment to handle them. For example, Russian oil could not be refined in Brazilian refineries without damaging equipment. The first tankerful of gasoline to Cuba wouldn't run automobiles. The overall quality of their gasoline and products cannot compete currently on the world market. But this the Russians can remedy. They are actually beginning to do just that.

Can they afford this economic warfare? I estimated that their exploration and production costs have to be much higher than the costs of their chief competitors from the Middle East. However, the Russians are offering oil today on the Black Sea for $1.10 per barrel. The actual average cost, without profit, of Middle East oil laid down on the Mediterranean, a competitive point, is about $1.40 per barrel. Middle East oil is the cheapest in the world, owing to the great producing capacity of the wells. However, the big producing cost per barrel is the average 73 cents the Middle East producers must pay the sovereign as royalty. Russia doesn't have to pay itself a royalty.

Furthermore, costs are meaningless when the chief executive officer of Russia—a politician—is at the same time chief executive of all businesses in the country. He can claim a profit has been made if gains in certain segments of the business exceed losses in other areas. Furthermore, this same chief executive told U.S. Congressmen in 1955, "We value trade least for economic reasons and most for political reasons." When he juggles his bookkeeping to include political profits, he doesn't ever have to be in the red.

This lack of economic discipline is not enjoyed by the oil companies of the free world. On the contrary, these companies

are now engaged in a vigorous competitive struggle the like of which has not been seen for many a day because of an oversupply of oil in the world. This requires close adherence to economic realities. The oil companies are already sharpening their weapons in cutting operating costs, developing new technologies, researching new uses for oil at home and seeking out uses which will be of particular benefit to underdeveloped countries.

In the matter of utilization of oil and gas at home, Russia is definitely moving in our direction. They are rapidly replacing their expensive low-grade coal with much cheaper, more flexible and convenient oil and gas. In 1958 oil and gas supplied about 31 percent of their energy requirements. That's about where the United States was in 1929. By 1965 they expect almost to triple 1958 consumption of hydrocarbon energy with oil and gas supplying 50 percent of energy requirements. That's about where we were in 1948. They are moving very fast, but have a long road ahead to reach our present position. We consume about 3½ times as much energy per capita as they do, and oil and gas supply 72 percent of our energy.

The emphasis which the Russians are placing on gas is a clue to how they can satisfy both domestic and exporting goals. The more gas they use internally the more oil they will have to export. During the 1950's, due to their increased exploration, they found great new gasfields, and between 1950 and 1960 they increased their gas production eight times to almost 1,700 billion cubic feet. Our 1960 production was close to 13 trillion, approximately eight times theirs. They traded oil for Italian pipe and have laid—or are in the process of constructing—gaslines from producing areas to industrial areas all over the country. The gas is primarily used for industrial fuel. But in Moscow, for instance, there has been an increase in its use for home heating. They told us that by 1965 they expected to be producing more than three times as much gas as today.

We know that today the strength of a nation and its income per capita is directly proportional to that nation's consumption of energy, principally oil and gas. The Russians know it, too. They are on the verge of becoming as strong an oil-and-gas-energy-based economy as the United States. This will automatically bring a great improvement in their standard of living.

Everywhere we went we discovered that they seem to be more proud of their progress than we are in the United States. It is the same sort of pioneer pride of accomplishment which the bustling citizens of Denver had a half century ago, compared to settled New Yorkers. Their indoctrination of the general public is impressive. There are museums and exhibits every place, and they are well attended. Incidentally, Russia is a great country for the fellow who makes models. There are models of drilling rigs, oilfields and refineries, models of petrochemical plants—now only a gleam in the Kremlin fathers' eyes—with explanations of what they will mean to the country. There are maps showing where the oil and gas pipelines are and will be. There are charts showing their petroleum goals. The exhibits are loaded with propaganda—but they get the desired results. There is no propaganda in the amount of progress they have made to date, a fact which is a great selling point for them in touting the advantages of the Communist system in other countries.

As an American oilman, I am subject to and relish vigorous competition. We didn't invent it and have no patent on it, but it is our way of life. Being an oilman, I am a natural optimist. I have to be in order to forget the eight dry holes we drill in the United States in order to find each new field. I am confident that we American oilmen who operate abroad will be able to meet Russian competition not only in dollars and cents but in the political marketplace. However, we have been the world oil champion for so long it is tough to recognize the fact that we are scheduled for a championship match with an opponent who has copied our style, is fresh to the ring and, in some respects, may have more staying power. Furthermore, Ivan doesn't recognize the Marquis of Queensberry rules. Nor do I see any referees around with sufficient authority to call a foul.

In the final analysis perhaps the most significant finding of our studies is the realization that Russia no longer has to acquire energy by conquest. They have all the strength they need within their own borders. This makes Russia and the United States the only two great industrial nations who are in this position. This is why I believe that what the Russians are finding under their feet may be of more importance in the next decade to the outcome of the world's economic and political struggle than what they are doing in the stratosphere.

TREASURY, POST OFFICE, AND TAX COURT APPROPRIATIONS, 1962

The Senate resumed the consideration of the bill (H.R. 5954) making appropriations for the Treasury and Post Office Departments, and the Tax Court of the United States for the fiscal year ending June 30, 1962, and for other purposes.

The PRESIDING OFFICER (Mr. HICKEY in the chair). The question is on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS].

The amendment was agreed to.

Mr. JOHNSTON. Mr. President, I too wish to commend the chairman of the Subcommittee on Treasury and Post Office Appropriations for the excellent work he has done in the preparation of the bill for consideration by the full Committee on Appropriations and in bringing it to the floor of the Senate in its present fine form.

Mr. ROBERTSON. The chairman of the subcommittee appreciates very much the Senator's kind statement.

Mr. JOHNSTON. I appreciate what has been done with regard to the Post Office Department. It is of great concern to all of us because it costs a great deal of money to run that Department. I am also pleased to note the statement of the committee in its report on page 14 in connection with Treasury Department's appropriation, that the expense for the interest on the public debt has decreased by $400 million. That shows that the Democrats have started immediately to cut down on some costs. We intend to go further along that line as the years pass. It cannot all be done in 1 year. I predict that next year there will be a further increase in the amount of that reduction. I commend the chairman for the $400 million reduction in interest costs this year. That is money we will not have to pay on the money we owe. It represents a substantial saving in Government expenditures.

There are provisions in the bill with which I do not thoroughly agree. I refer specifically now to the public service costs of the Post Office Department. The junior Senator from Kansas has just spoken on the same subject. I wrote a letter to the Postmaster General early this year setting forth my views in regard to public service costs in the Post Office Department.

In my estimation they amounted to somewhere between $300 million and $350 million a year. The committee in its report points out that this is merely a bookkeeping device, and that the total amount allowed this year of $62.7 million, recommended for the payment for public service, does not increase or decrease the obligation or the expenditure authority of the Post Office Department. The bill now pending before us is based on this figure of $62.7 million. The truth of the matter is that we had this matter before the Committee on Post Office and Civil Service on two different occasions. First, during 1953–54, under the leadership of the chairman of the committee at that time, the Senator from Kansas [Mr. CARLSON], we made a study of the public service item. When the Democrats took over, and I became chairman of the committee, we made a similar study. Both studies found that the cost of public services was in the neighborhood of $300 million.

Both studies—one under Democratic leadership and the other under Republican leadership—agreed 100 percent that it was in that amount. Therefore, the Post Office and Civil Service Committee is of the opinion that before we begin pointing to the deficit in the Post Office Department as $700 million or $800 million, there should be deducted some $300 million to $350 million, representing the real cost of public service activities. The balance will be the true deficit. The committee members who listened, day in and day out, week in and week out, to testimony on this subject feel that the budget of the Post Office Department should reflect the cost of these services. I could enumerate a long list of operations that the Post Office Department performs as a service to the general public, which are not of a postal nature. The Post Office Department should not be charged with a deficit in the amount with which it has been charged, when many of the things it is doing are for the public at large. The amount I have suggested should be deducted in order to show the true deficit.

Then the Post Office Department and the committees of the House and the Senate should try to balance the budget by providing appropriate adjustments in postal rates.

I commend, again, the Senator from Virginia for his work in this instance. In the hearings, he was fair to everybody. He has tried to do what he thinks is the best for the Post Office Department and the taxpayers as a whole. He is to be commended.

Mr. ROBERTSON. I deeply appreciate the kind words of the Senator from South Carolina.

Mr. GOLDWATER. Mr. President, will the Senator from Virginia yield?

Mr. ROBERTSON. I yield.

Mr. GOLDWATER. Although I am not a member of the committee which handled the bill, I, as a Member of the

Senate, wish to thank the esteemed Senator from Virginia for his usual astute knowledge of matters in this field. I commend the Senator from Virginia, regretting only that the appropriation could not have been more in balance. But I know that he and the other members of his committee were thorough in their work in reporting the bill in the form in which it is now before the Senate. We feel perfectly safe, knowing his ability and intentions in trying to keep the expense of operating the Post Office Department to a minimum. As an individual Senator, I thank the Senator from Virginia.

Mr. ROBERTSON. I thank the Senator from Arizona. I assure him that we shall examine the operations of both agencies very closely. Most of the expenditures are beyond our control. For instance, the operations concerning the transportation and volume of mail, the number of persons who will be required to handle it, and what amounts will have to be paid to transportation agencies for the movement of the mails, are beyond our control. But as to any items which can be controlled, the committee intends to practice the strictest type of economy.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 5954) was read the third time.

CLOSING TAX LOOPHOLES

Mr. GOLDWATER. Mr. President, one of the parts of the President's tax message which has received much attention from Senators on the other side of the aisle is that part which pertains to the closing of the so-called tax loopholes.

I think all Senators and most other Americans realize that there are tax loopholes, and that advantage is taken of them.

There is an old saying, when people complain, that it depends on whose ox has been gored. I have a hunch that all the talk about closing loopholes depends on whose tax loopholes are being closed, or "looped."

I have received an interesting letter which was prepared in connection with the all New England birthday reception in honor of John F. Kennedy, President of the United States of America. Mr. President, I ask unanimous consent that the entire letter be printed in the RECORD.

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

ALL NEW ENGLAND BIRTHDAY RECEPTION IN HONOR OF JOHN F. KENNEDY, PRESIDENT OF THE UNITED STATES OF AMERICA

APRIL 29, 1961.

GENTLEMEN: On May 29, 1961, President John F. Kennedy will be the guest of his friends at a Presidential birthday dinner given in his honor at the Commonwealth Armory, Boston, Mass., at 7 p.m.

As a leader of Massachusetts industry, it has been suggested that you, by your attendance at the dinner, would appreciate the opportunity to demonstrate your respect and esteem for our distinguished guest on the occasion of his birthday.

Tables of 10 are available for a contribution of $1,000 and individual tickets at $100. An early response is respectfully suggested as tables and seats will be assigned on the basis of the date of return.

The encloure explains the attractive tax deduction aspect for contributors. Any contributions of $500 or more will, on request, be published in the program to comply with the tax deduction provision.

Dress is optional.

Sincerely yours,

JOHN M. LYNCH,
Chairman, Democratic State Committee.
HOWARD W. FITZPATRICK,
Chairman, Jefferson-Jackson Committee.

EXECUTIVE COMMITTEE

General chairman, John M. Lynch.

Massachusetts: Howard Fitzpatrick, Elizabeth A. Stanton, John B. Hynes.

Maine: Alton E. Lessard, Richard J. Dubord, Mrs. Richard A. Kiah.

New Hampshire: J. Murray Devine, William L. Dunfey, Winifred E. Hartigan.

Vermont: Fred Fayette, William I. Ginsburg, Beatrice P. Schurman.

Rhode Island: John G. McWeeney, James H. Kiernan, Annette Cusson.

Connecticut: John M. Bailey, John M. Golden, Beatrice Holt Rosenthal.

Page ———.

President John F. Kennedy Birthday Dinner Committee,
Boston, Mass.

Contributors of $500 or more, will be allotted space for simple greetings in a souvenir program book to be distributed at the dinner. Corporations, under a Tax Court decision (*Denise Coal Co.*, 29 T.X. 528) may "deduct this amount as an advertising expense."

Will you kindly make reservations for me for the birthday reception tendered President Kennedy on May 29, 1961, at Commonwealth Armory.

Attached is my check in the amount of $ ———.

(Signature)

Table No. —.

(Address)

Contributors of $100 will be assigned one seat.

Mr. GOLDWATER. Mr. President, I desire to stress certain parts of the letter, to demonstrate that if tax loopholes are to be closed, we had better check with the White House. One paragraph reads:

The enclosure explains the attractive tax reduction aspect for contributors. Any contributions of $500 or more will, on request, be published in the program to comply with the tax-deduction provision.

In a box at the bottom of the letter is the following statement:

Contributors of $500 or more will be allotted space for simple greetings in a souvenir program book to be distributed at the dinner.

Mr. President, in Massachusetts it takes $500 to give a simple greeting. In Arizona, $500 would buy the whole book. I suppose in Massachusetts they simply charge a higher fee. For $500, one may say, "Happy birthday, Mr. President"; or for $500 he might say, "Happy birthday, John"; or for another $100 he might be able to say, "Happy birthday, Jack."

Before we finish talking about loopholes, I think the President should explain to his friends in Massachusetts that it is rather embarrassing to the White House and to many of his Democratic friends for them to be pleading with people to take advantage of tax loopholes.

Mr. President, I shall not dwell further upon the loopholes. I shall not even try to crawl into one myself. I might be met by a good many Massachusetts people saying, "Happy birthday, Mr. President."

Mr. HUMPHREY. Mr. President, will the Senator from Arizona yield?

Mr. GOLDWATER. I yield.

Mr. HUMPHREY. Reserving the right to object—and as the Senator knows, I shall not object—I do not want the remarks of the Senator from Arizona to be interpreted as being anti-advertising, because the Senator from Arizona is a great free enterpriser, and free enterprise rests upon advertising. I simply wish to protect the Senator from Arizona from any misunderstanding or misinterpretation of these rather socialistic remarks which might indicate that he was opposed to free enterprise.

I believe in advertising. I believe the cost of advertising ought to be deductible. I believe it ought to be deductible in Arizona and in Massachusetts. As to the rates, that is something which my free enterprise exponents, who are very adept at explaining the intricacies of free enterprise, will be better able to indicate than will the Senator from Minnesota. But I believe in free enterprise.

There is one other thing I wish to say to the Senator from Arizona, in all good humor. It is possible that the folks in Massachusetts who published the letter may have picked up an all-Republican program from the last Republican Convention, and they got an idea. I have always been suspicious of one who goes around and picks up old programs.

Mr. GOLDWATER. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. Oh, happily.

Mr. GOLDWATER. I agree that it is, like all good ideas, a Republican idea.

Mr. HUMPHREY. I appreciate the Senator's coming around to admit that it is a good idea.

Mr. GOLDWATER. I was not criticizing the idea.

Mr. HUMPHREY. Of course.

Mr. GOLDWATER. I was merely suggesting that the White House might be embarrassed. I have great feeling for my friend in the White House. I do not want to have him embarrassed.

Mr. HUMPHREY. I understand.

Mr. GOLDWATER. I do not want him to be placed in the position of saying, "We are going to close loopholes, but this one will be left open. This one I am in favor of, to be rather honest and take a position."

But as to this being a Republican idea, we have done it for $100, but the Democrats have improved upon it by five

times as much. I wish we were that good.

Mr. HUMPHREY. The Senator from Arizona should stick around with us. We will make him that good. We do not want discriminatory rates as between Republicans and Democrats when it comes to programs. If the Senator wants my candid opinion, I think it is a poor way to raise finances.

Mr. GOLDWATER. I am only fearful that if I stay around with the Senator from Minnesota, I will not be able to afford it.

Mr. HUMPHREY. There is no doubt about the ability of the Senator from Arizona to afford whatever luxury the Senator from Minnesota might be able to afford.

Mr. GOLDWATER. I am happy to participate in whatever luxury the Senator from Minnesota may provide, so long as it is not of a pharmaceutical variety.

Mr. AIKEN. Mr. President, will the Senator from Arizona yield?

Mr. GOLDWATER. I yield.

Mr. AIKEN. I was not in the Chamber when the Senator from Arizona began his remarks. The last statement I heard the Senator make was a statement with respect to $500. Was the Senator referring to the $500 as a fine or as a philanthropy?

Mr. GOLDWATER. The Senator from Arizona would be hard put to answer that question, because I think there are some persons who feel that a fine should be imposed for being a member of the Democratic Party; but I think that that in itself is a penance.

A philanthropy? Yes, I think one might consider it as such, if he used the word "philanthropy" in its literal sense, that there are people who need help. Certainly I can think of no group in this country today which needs more help to guide it down some part or other—not all the paths—than the Democratic Party.

Mr. AIKEN. As retarded children?

Mr. GOLDWATER. No, not as retarded children. They would be retarded adults. I have great faith in the children of America.

Mr. HUMPHREY. Mr. President, the solicitous attitude toward the Democratic Party is deeply appreciated. There is nothing like an attitude of compassion and mercy, especially when it comes from a Republican. This attitude of repentance and philosophy of conversion is something which touches my heart. I know that when he reads the words of the Senator from Arizona, the President will feel a new sense of strength and unity in our country.

Mr. GOLDWATER. If I felt that that would be true, I would repeat what I have said time and again, because the President needs strength. He needs the strength of all of us.

So far as the Senator from Minnesota is concerned, he knows that his welfare is foremost in my heart at all times. We welcome him into our State every fall, so that he can get away from the rush and bustle of Washington and out into that great, free country to enjoy our sunshine, that country where we will share with him everything but our votes.

Mr. DIRKSEN. Mr. President, will the Senator from Arizona yield?

Mr. GOLDWATER. I yield.

Mr. DIRKSEN. What is this attitude of compassion about which I have been hearing so much?

Mr. GOLDWATER. The Senator from Illinois, I know, was unavoidably detained. The Senator from Arizona was discussing the subject of tax loopholes and was referring to a testimonial dinner given to the President in Massachusetts the other night, on the occasion of the President's 44th birthday anniversary. The letter of invitation encouraged contributors to the dinner to take advantage of a tax loophole. I was simply pointing that out, not to condemn it, but simply to warn—probably "warn" is not the correct word—to advise with my friend in the White House and to say that when he talks about closing tax loopholes, his friends in Massachusetts should not be encouraged to widen them.

Mr. DIRKSEN. So that is a degree of compassion—when everyone paid $100 for the dinner?

Mr. GOLDWATER. Five hundred dollars—more compassion than we have ever sought in our lives.

Mr. DIRKSEN. Oh, goodness. [Laughter.]

The PRESIDING OFFICER. Without objection, the letter has been printed in the RECORD.

Mr. GOLDWATER. I thank the Chair.

Mr. DIRKSEN. Was there no objection to the compassion, or was there no objection to the $500 dinner, or what?

Mr. GOLDWATER. No, there will be no objection to the $500 dinner. The only objection might come in connection with the inconsistency of the Democratic side, when they say to groups such as power companies that they cannot deduct their advertising expenses when they speak out against public power. That is a little inconsistency I found in the remarks of my friend, the Senator from Minnesota, when he accused me of Socialist statements against advertising. I am a great believer in advertising; I do not care how often they use my name, just so long as they spell it correctly. [Laughter.]

But I do not like to have my business told that it cannot deduct for advertising expenses which are purely advertising expenses.

I did not call the Senator's attention to it at that time; I shall discuss it at a later date.

EXCHANGE OF TRACTORS FOR CUBAN PRISONERS

Mr. GOLDWATER. Mr. President, in connection with Castro's tractor blackmail deal, I am reminded of a time when a Member of this body attempted to negotiate with a group of Greek shipowners an agreement whereby they would not engage in trade with Iron Curtain countries. He was at the time chairman of the Permanent Investigations Subcommittee of the Senate Government Operations Committee; and, as such, he was greatly concerned over the amount of commercial traffic being conducted with governments dedicated to the destruction of our way of life. Regardless of the propriety of the negotiation, it was aimed in a direction which would oppose the growth of communism, in a fashion that made sense to the American people.

But the revelation of these negotiations on the part of an official not connected with the executive branch of the Government brought a great storm of protest and a prompt official reaction. As I recall, Mr. Harold Stassen, then the U.S. mutual security director, told the subcommittee that the negotiations of its chairman, Senator McCarthy, were "in effect, undermining" Government efforts to halt Western trade to Iron Curtain nations. He later changed this, upon the advice of President Eisenhower, to say that the negotiations were "infringing" on the Government's efforts.

This might have led us to wonder, up until last week, why no one in the Government challenged Mrs. Roosevelt, Walter Reuther, and Dr. Milton Eisenhower, as members of a citizens committee set up to meet Castro's blackmail demand of tractors for lives, of undermining American foreign policy. But now we know why no one connected with the State Department or the Government raised any questions about the action of a group of private citizens in taking a hand in the conduct of foreign affairs. We find that the President himself set up this so-called nonofficial effort to satisfy the demands of the Communist dictator. The very fact that Government officials did not at least accuse the private committee of "meddling" in a matter of great importance to our standing as a Nation is proof enough that President Kennedy has lent the prestige of his office, as well as official sanction, to a venture that most Americans deplore as an out-and-out surrender by a powerful nation to a bush-league Khrushchev.

ADDRESS BY SENATOR PROUTY TO THE VERMONT STATE LEGISLATURE

Mr. AIKEN. Mr. President, on May 25, my colleague, the junior Senator from Vermont [Mr. PROUTY], delivered a very thoughtful and interesting address to the Vermont State Legislature. I ask unanimous consent that the address be printed in the body of the RECORD.

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

ADDRESS BY U.S. SENATOR WINSTON L. PROUTY TO THE VERMONT STATE LEGISLATURE MONTPELIER, VT., MAY 25, 1961

Two years ago when I addressed this Assembly the Foreign Ministers' Conference was opening in Geneva.

One year later, exactly a year ago this month, Mr. Khrushchev torpedoed the summit meeting at Paris.

Today, as we meet again, details are being arranged for a meeting of our President and the leader of the Soviet Union next month.

I would be inclined to doubt there is any connection between my visits to Montpelier and the periodic increase in world tensions. However, it is my hope that someday I may be able to address this body and be able to devote the major portion of my remarks entirely to domestic affairs. I have many thoughts concerning the internal affairs of our State and our Nation which I would like to share with you, but first things must come first, and in a time of peril no subject is more important than the security of our Nation. I must, therefore, concentrate primarily on the international situation; that is, the condition of our country in relation to the rest of the world.

I confess that I am something less than enthusiastic over the forthcoming meeting between President Kennedy and Mr. Khrushchev.

Everyone, I am sure, will agree that talking is to be preferred to shooting. "Let us never fear to negotiate," our President has said, and we agree. Nevertheless, we can ignore the lessons of history only at our peril. And the history of our negotiations with the Soviet Union is a flashing yellow light, warning us to proceed with caution.

Immediately following the election, Khrushchev began to create the impression he was willing and even anxious to reduce world tensions. There were some in the administration, and outside, who seemed inclined to believe him. Perhaps the leopard had changed his spots.

But while the United States and Britain were trying to bring about a cease-fire in Laos, what were the Communists up to? They used 7 weeks of pretending to consider a cease-fire in order to build up the attack on the legal Lao Government. They stalled until their armies had a stranglehold on half the country.

Now, in Geneva, they are stalling again, while they build up the guerrilla forces in South Vietnam from 3,000 to a force of over 10,000.

Now, again, we have heard threats against the security of West Berlin.

If Mr. Khrushchev wanted to reduce tensions in the world he could quickly bring about a settlement of the Lao crisis.

If Mr. Khrushchev wanted to reduce tensions in the world he could stop arming the Vietnam guerrillas.

If Mr. Khrushchev wanted to reduce tensions in the world he could quickly bring about a reasonable nuclear test-ban agreement.

If Mr. Khrushchev wanted to reduce tensions in the world he could stop the threats against West Berlin.

But he does none of these things because he believes it is to Communist advantage to increase world tensions at this time rather than to reduce them.

In such circumstances how can anyone urge anything but caution in a meeting of heads of state?

But at the same time that I urge caution, I also say that we must be prepared to negotiate. I would prefer, however, that such negotiations be carried on through regular diplomatic channels rather than through such public spectacles as summit meetings.

Meetings of heads of state are bound to raise false hopes of peace. While there is always a remote possibility that Soviet tactics may dictate a change of position on this or that particular issue, there is not the slightest possibility that Mr. Kennedy can persuade Mr. Khrushchev to renounce Communist ambitions for world domination. That central decisive issue will remain because the continued existence of free societies cannot be tolerated in the concept of an all-Red world.

Meetings of heads of state, whether it is called a summit meeting or not, especially without previous fruitful negotiations at lower levels, are bound to raise false hopes and inevitably lead to the abyss of disillusionment.

But negotiations at the diplomatic level, on limited areas of common interest, may, at least, provide us with the opportunity to demonstrate to the world our sincere desire for peace. At the same time we may be able to make clear to the non-Communist peoples where rests the blame for continuation of the cold war and the continued fear of hot war.

However, the President of the United States is the architect of our foreign policy. Since he has determined on this meeting with the Soviet head, the American people must, and will, I know, give him unalloyed support. We must back him up, not only in his search for peace, but also with a mature and knowledgeable public opinion which will, first, avoid pressure to surrender vital diplomatic positions to satisfy public demands for agreement, and secondly, which will minimize the dangers of disillusionment when results prove less than hoped for.

Since we are now committed, let us go to this meeting, but let us keep our eyes open.

Let us continue to hope for the best, but let us not be cast down if the best we can get is none too good.

If I sound skeptical of permanent solutions coming out of the meeting at Vienna, it is not because I desire peace less than others who may be more hopeful. It is only that I know peace is indivisible. And the only peace the Communists will recognize, in the long run, is the peace of death which will suffuse the world when they no longer have any opposition.

Until then, the threat of communism is going to continue and there are no signs or portents anywhere that if we shut our eyes it will go away. The conflict will continue though it may change its name and its form. Call it cold war, call it peaceful coexistence or call it hot war, as we are faced with a relentless enemy whose motivating force is, and will remain, a Communist world.

Khrushchev was not kidding when he said, "Your grandchildren will live under communism." He meant it, he believes it, his Marxian dialetical materialistic view of history tells him it is inevitable.

But that same philosophy tells him he must help history along. That is just what he has done and what he must continue to do. That is why today the Red danger is not just in Russia—it is global. It is not just military, it also has worldwide political, economic, scientific, and psychological aspects.

The points of danger are scattered over the globe and may soon even come from outside this globe.

Let us look first at Laos.

Laos may be considered a prelude to Vietnam. And if Vietnam should go the way of Laos, then SEATO could crumble and the whole southeast Asian area down to Singapore would be open to Communist penetration from both Red China and the Soviet Union.

In such a situation, how much longer could India, or Burma, or Thailand, or Cambodia, or Malaya, or even the Philippines, hold out against the pressures of Communist imperialism?

The continent of Africa is a boiling cauldron.

It is seething and churning with internal pressures which have, and which will continue to find, explosive outlets. These conditions furnish fertile soil for the spread of communism.

Cuba is a sad story. Doubtless mistakes were made. The question of our openly aiding the Cuban invaders may have been debatable but once the decision was made every effort should have been concentrated on insuring success. The debacle which resulted has cost us much in prestige and otherwise. Now, in frustration and anger some are advocating an all-out attack in force but it is doubtful that such a move could be justified in the eyes of the world at this time.

However, if Castro, with the help of the Soviet Union and Red China, continue to strengthen his military posture to the point of building missile launching pads, or if he should attempt to take over our base at Guantanamo Bay, there could be only one answer. We would have to move in, in force. I would hope we could do this in cooperation with our neighbors from the Organization of American States, for such Castro action would constitute a direct threat to all of Latin America as well as to ourselves.

Castro's offer of a deal to exchange 1,200 prisoners for 500 American tractors has exposed him before all the world as a cynical, coldblooded dictator of the Hitler stripe.

What has happened to the America that once said proudly with Pinckney, "Millions for defense but not one cent for tribute"? Has the Nation that threw the bribe demand of Talleyrand back in his face disappeared from the earth?

Castro's offer to exchange 1,200 prisoners for 500 American tractors has exposed him before the world as a cynical, coldblooded dictator of the Hitler stripe. Notwithstanding the humanitarian considerations involved, if we accede to the Castro proposal we shall be tossing the good name of the United States at the feet of a ruthless despot who has gained control of a small country and we would be seen by the world as a weak-kneed, spineless, and impotent people cowering—capitulating—before a mocking and shameful demand.

Who in the world would believe that a nation which prostrates itself before a petty tyrant has the courage to face up to the powerfully backed Khrushchev—or even Mao Tse-tung for that matter.

Let us tell Castro that he will not get 1 cent for tribute—let us tell him he will not get tractors, or any other form of assistance—except under certain conditions—and those conditions will be pronounced by the United States of America.

As a free people, we support genuine social, political, and economic reform wherever they may be developed, but we will not become a partner to immorality of the most sordid order.

The President, in the name of the United States, should not only ask—he should demand—as conditions to any aid we render—as a Government or as a people—that Castro—

1. Release the thousands of political prisoners now languishing in Cuban jails.
2. Permit religious and political freedom.
3. Renounce communism and deport all agents of Soviet Russia and Red China.
4. Hold an election under the supervision of representatives of the Organization of American States.
5. Make restitution on a reasonable basis for American and other foreign property expropriated by the Cuban Government.

Should Castro fulfill these conditions, we could then consider the question of economic and technological assistance.

If Castro refuses to comply, it will become unmistakably clear that he is determined to maintain Cuba as a bastion of communism in the Western Hemisphere. Such a threat to the United States as well as to all Latin American nations can and must be thoroughly checked.

Doubtless many in Latin America, who were taken in by Castro's claim to have only social-revolutionary aims, now see him in a clear white light. We certainly hope so, for in any anti-Castro move we should have the support of our Latin American neighbors.

Throughout Latin America, almost as much as in Africa, there is long-overdue need

for social development, economic progress, land settlement, public education, low-cost housing, health programs, low interest rates, and other measures to raise the general standard of living. After four centuries of conquest, colonization, and exploitation, the people of these countries are awakening to the challenge of modern life. It has been called the revolution of rising expectations.

In all these countries, the agents of communism exploit the widespread poverty, the illiteracy, the social unrest, the political instability, the absence of a solid middle class, and the chronic anti-Americanism of the people.

With Castro acting as an advance agent for communism in this hemisphere, we can expect this exploitation to be increased.

Yet, as the recent Canadian-American communique stated, we recognize that any Latin American alliance with foreign communism constitutes a direct threat to the peaceful evolution of democratic freedom and economic progress of all the nations of the Americas.

While the Senate only recently approved the spending of $500 million for the first phase of the President's "Alliance for Progress," we know now that money is not enough. The old idea of foreign aid as a means of making other countries more like us, or like us more, is no longer adequate if it ever was.

Along with our dollars, we must bring hope of a better way of life for the "campasinos"—the shirtless ones. We must help them realize their hope of acquiring the dignity of man and the brotherhood of equals.

Berlin continues to be another source of danger. Only the other day, Khrushchev again threatened to pull out. At the recent NATO meeting in Oslo, the Western Powers foresaw that before the year is up, Russia may sign a separate peace treaty with East Germany. That would turn over to the Russian puppet government of East Germany—which the West does not recognize—control of American, British, and French access routes to West Berlin.

At the Oslo meeting the NATO Powers agreed that if East Germany attempted to cut off those access routes, that attempt would be met with force in order to maintain the freedom of West Berlin's more than 2 million people.

Now South Korea, which many considered stable as to its internal government, has exploded. What effect this change will have on our relations with this country, into which we have poured so many millions of dollars, it is too early yet to be able to know. We do know, however, that for some time Korea will continue to constitute another danger point on the map of the world.

The negotiations on banning atomic tests and on disarmament blow hot and cold. If the Russians feel the need to allay suspicions, they make a minor concession. If they feel the time is ripe to get tough, they add a condition. But will they ever agree to that which is basic to any agreement to limit armaments or to refrain from testing atomic weapons; namely, a foolproof system of inspection and control? Not, it is now obvious, as long as they have something to hide.

Nevertheless, we should make one last desperate effort to persuade the Russians that it is in their own interests, as well as ours, to reach agreement on the banning of nuclear testing. Perhaps the President can convince Khrushchev of this. If this, too, fails, then I can see no course open to us but to resume the underground testing of atomic weapons, dangerous as that may be. While we have been waiting patiently for agreement, who knows how many tests the Soviets may have conducted in secret?

Perhaps at the summit meeting the President can make Khrushchev understand, despite his reported top dog feeling, that while we have repeatedly and sincerely stated that we would not take any preventive warlike actions, the patience of the American people and those of the free world is not inexhaustible. Perhaps he can make him comprehend that he is playing with fire, especially if he continues to subject the free peoples to ever-increasing pressures.

What do all these danger points add up to for you and me and the rest of us Americans? It adds up to a world in which, while hoping for the best, we must be prepared for the worst. It means that we, as a Nation and as individuals, must face up to the massive problems which confront us. These problems are not only military. They are also economic. They are also technological. They are also social. And they are also psychological.

On all these fronts, we are being challenged in a period of scientific and intellectual explosion unparalleled in human history. While it is true that in the world's population the headhunters still outnumber the scientists, those who challenge us have the human and material resources, the vitality, and the drive to surpass us. And they surely will, if we remain wedded to the status quo.

To meet a challenge of such magnitude we must be prepared to sacrifice some of our business-as-usual attitudes, some of our comfort and leisure and easygoing ways.

In his inaugural address the President eloquently said: "Ask not what America can do for you; ask rather what you can do for America." However, it has not been spelled out what sacrifices are needed. The President, by the very prestige of his position, can call on the American people and they will answer the summons. But he alone is in the position to make such a summons.

One of the most important fields in which we must make rapid progress is education. I have and I will continue to support legislation for funds for education. However, I am not one who believes we aid education simply by adding schoolrooms and raising teacher salaries. I proposed an amendment to the administration school assistance bill to enable the States to make use of Federal funds also for operating expenses or maintenance in accordance with their own needs and laws. Under Public Laws 874 and 815, the States which had crowded schools because of Government activity were able to handle Federal funds without Federal control and I believe this is the way to handle any Federal funds for education.

I am glad that the Senate saw fit to adopt, by a vote of 51 to 39, my freedom of choice amendment which, as I have said, allows the States to determine for themselves how the Federal grant money shall be spent on elementary and secondary education. Many of those who opposed the amendment apparently thought the Federal Government should determine how the money should be used.

I am also very happy that Senator AIKEN and I were able to assist actively in the defeat of a major amendment (the Cooper amendment) which would have caused a loss to Vermont of some $700,000 in Federal funds.

The Cooper amendment would have been injurious to Vermont because it failed to take into consideration that the State is one not populated, generally, by people with high personal incomes. It would have included Vermont with the wealthiest States and would have apportioned Federal funds on the same pro rata basis as the richer States.

I must admit, however, that we seem too prone to think that all we have to do to solve our problems is make another appropriation.

Without energy, will, talent, creative imagination, inspiration, and plain hard work, money will solve none of our problems.

It seems to me that in the whole fields of education—from kindergarten through graduate school—we need to revamp our aims and our methods. In the words of Education Commissioner Sterling McMurrin: "All too often we have sacrificed excellence for a large measure of mediocrity, because we have been unwilling to pay the price that excellence demands—rigor, discipline, and genuinely hard work."

And in this day and age our Nation can afford nothing less in the field of education than the pursuit of excellence.

I am not advocating, as some have done, that we scrap all courses except mathematics and science because we are in an age of scientific advancement. No; we need the humanities, too. We are not machines, we are men. And along with the knowledge of how to make and operate machines, we need to know how to appreciate the gift of life and all its wonders and how to thank the Deity for them. It is not enough to know how to make an atomic bomb. We have to know enough not to use it unless we have to.

What I am advocating is a change of attitude and direction. If education is important to our survival as a people, then we must be willing to raise the profession of teaching to the stature it deserves. Only when teaching receives the esteem of the community as an honored profession will it become attractive to enough talented and dedicated people to make a difference.

If we need more and better teaching, we also need new curricula, especially in the primary and secondary schools. I read of a school recently that concentrates on the 3 R's. It has no athletic teams, no baton twirlers, no dancing classes, and no courses in life adjustment. Its students, nevertheless, are way ahead of others of comparable age.

I believe our students are capable of doing better than they do, but most do only enough to get by because more is not demanded of them, either in school or at home. We have wasted the talent and energy of countless persons who should have been educated to higher levels of skills and knowledge. And we can ill afford such waste.

Of course, education is just one of our many problems. I wish there were time to discuss the others at equal length. However, I believe I have said enough to make it clear that we have many problems to solve and much work to do. We cannot rest on our laurels, we cannot expect the status to remain quo. We live today in a world in which the globe has become smaller because our rate of speed has become fantastically faster.

In considering the dangers which confront us we now have to think in global terms and in terms of hours instead of months or years. The next world war, if humanity is foolish enough to permit it to happen, will undoubtedly end the day it begins.

Someone has described the condition of our earth as analogous to a 25-foot cellar, three-quarters of which is flooded and the rest of which is occupied by 16 armed and hungry occupants. In this wet cellar the American occupies a dry area equivalent to a 6-by-2-foot plot on which he controls about half the food and other good things of life desperately desired by all the armed occupants of the cellar.

That is a graphic, if alarming, description of the situation we find ourselves in today. It is by no means a hopeless situation but it is one which requires, first of all, realization of our condition, and thereafter wisdom, fortitude, sacrifice, cooperation, and plenty of good hard work.

Believe me, with all its shortcomings, what we now have is worth all that and more. May God grant us all we need to preserve it.

TREASURY, POST OFFICE, AND TAX COURT APPROPRIATIONS, 1962

The Senate resumed the consideration of the bill (H.R. 5954) making appropriations for the Treasury and Post Office Departments, and the Tax Court of the United States for the fiscal year ending June 30, 1962, and for other purposes.

Mr. ROBERTSON. Mr. President, what is the pending question?

The PRESIDING OFFICER (Mr. METCALF in the chair). The question is, Shall the bill pass?

The bill (H.R. 5954) was passed.

Mr. ROBERTSON. Mr. President, I move that the Senate insist on its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed by Mr. ROBERTSON, Mr. MCCLELLAN, Mr. BIBLE, Mr. HAYDEN, Mr. MONRONEY, Mr. JOHNSTON, Mr. HRUSKA, Mr. BRIDGES, and Mr. KUCHEL conferees on the part of the Senate.

Mr. HUMPHREY. Mr. President, I wish to commend the chairman of the subcommittee, the Senator from Virginia [Mr. ROBERTSON] on the handling and the management of this important appropriation bill and on the splendid work which was done by the subcommittee the Senator from Virginia headed, and also by the Senator from Virginia himself. It was a fine job; and I know I speak for the majority leader and for the entire Senate when I say, "Well done," and thank the Senator from Virginia.

Mr. ROBERTSON. Mr. President, I appreciate those kind words.

DEMISE OF A DICTATOR

Mr. KEATING. Mr. President, although no one can rejoice in an assassination, an act of political murder, the death of Trujillo may ultimately open new doors of freedom and opportunity for the long-suffering peoples of the Dominican Republic. The immediate indication is that Trujillo's lieutenants are firmly in control. Their very success in concealing the assassination for some 19 hours makes this fairly clear.

But it is certainly the hope of the people of America, and of the peoples of the whole Western Hemisphere, that a new era will be possible in the Dominican Republic, an era of increasing personal freedom and of orderly economic growth. The United States should certainly take all possible steps to encourage such an evolution and to assist it as much as can be done.

The real danger in the situation, however, seems to be that there will be created a power vacuum in which the influence and ambitions of Fidel Castro many find ample scope for troublemaking and subversion. This could take place in many different ways. The rapprochement which was becoming evident between Cuba and the Dominican Republic during the last days of Trujillo revealed most dramatically how close dictatorships can become, whether they are dictatorships of the right or of the left. A closer alliance between Castro and Trujillo's successor, combined perhaps with a somewhat different ideological pitch from the Dominicans, is not only any more inconceivable than the Molotov-Ribbentrop Pact of 1939.

The other great danger, of course, is that there may develop a condition of anarchy in which Castro's trusties or Communist agents directed by Moscow may try to find a road to power for themselves. For the Dominican people this would be a worse fate than even the tyranny of Trujillo.

If there should be any move in either of these directions, if there should be any hint of further Dominican rapprochement with Castro, or if there should be any suggestion of a Fidelista or Communist movement in the Dominican Republic, it would be imperative for the Organization of American States or the United States to take a firm stand and to hold off the export of Castroism to Cuba's Dominican neighbors.

Mr. President, it would be wise to urge an immediate meeting of the Organization of American States. At such a meeting serious consideration should be given to sending a token force of the Organization of American States, to be landed in the Dominican Republic, to indicate united hemispheric interest in the establishment of a more democratic government and in orderly political and economic progress for the Dominican people. In the past the Organization of American States has condemned the Trujillo dictatorship. Now it has an unrivaled opportunity to take positive action to help stabilize the situation in this troubled country and to assist in setting up a government which will serve the true interests of the Dominican people.

PRESIDENT'S FARM BILL IN TROUBLE

Mr. KEATING. Mr. President, an articulate and thoughtful constituent of mine, Mr. Richard C. Hayden, of Sodus Point, N.Y., has written a very persuasive letter to the editor of the Rochester Democrat and Chronicle opposing the administration's new farm program. Commenting on the already high degree of governmental control over agriculture, Mr. Hayden suggests that if other industries got this much assistance, there would be nothing left that the private citizen could do for himself.

I share the sentiments expressed by Mr. Hayden. The administration's omnibus farm bill threatens to turn over more complete power to the Secretary of Agriculture than has ever been assigned to a President, or to a member of his official family. It would take away from the Congress its constitutional and inherent authority to determine basic national policy.

Mr. President, the President's farm bill is in trouble in the Congress, and rightly so. The President has given us the knife, and now he expects us to stick it in ourselves. Understandably, the Congress is not about to comply.

Mr. President, I am hopeful that we will be able this session to focus our efforts in the Congress on sound agriculture legislation to help free the taxpayer from the huge cost of Government subsidies and to permit the farmer to stand up for himself and make his own decisions.

I ask unanimous consent to include in the RECORD at the end of my remarks, a copy of the above referred to letter from Mr. Hayden, which clearly and accurately reflects the sentiments of many New Yorkers who have recently written to me strongly protesting the President's farm bill. I refer not only to consumers in urban areas, but to farmers as well. New York's agricultural community recognizes that further and more intensive governmental control is no remedy. One cannot cure a broken arm by cutting it off and giving it to someone else.

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

FARM SUBSIDIES HIKE PRICE OF GROCERIES

President Kennedy is giving the farmers a free hand in shaping up of the so-called farm program.

The other day I read that nearby farmers were gathering to sign up for their checks for not raising corn.

If in my struggles to educate and meet the expenses of raising my four daughters I could afford a toupee I am sure it would have flipped at the disclosure of this news.

Farming today is a business like many other small enterprises. These other small enterprises stand on their own two feet, take their chances and don't expect someone to throw them life preservers every time the wind comes up. If we are going to subsidize one group let's be fair about it and subsidize everybody engaged in business.

The farm program in this country is costing 9 billion a year and I think it is high time the people took a look at this expenditure and add it to their grocery bill which is where the biggest share of it belongs.

No group of businessmen in the country receives the help in operating their enterprises that the farmer does. Newspapers, magazines, and radio are continually telling them how to operate efficiently and the Government is supporting prices or paying them not to raise certain crops. What other taxpaying businessman gets this kind of help?

If we have too many gasoline stations in any one neighborhood and the business is not there somebody folds up. The Government doesn't come running to bail him out of his troubles.

RICHARD C. HAYDEN.

UTILIZATION OF SURPLUS AGRICULTURAL COMMODITIES TO ASSIST NEEDY PEOPLES

Mr. HUMPHREY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 262, Senate bill 1720.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1720) to continue the authority of the President under title II of the Agricultural Trade Development and Assistance Act of 1954, as amended, to utilize surplus agricultural commodities to assist needy peoples and to promote economic development in underdeveloped areas of the world.

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

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. HUMPHREY. Mr. President, I have cleared this bill with the chairman of the Committee on Agriculture and Forestry [Mr. ELLENDER]. It is a matter which falls within the jurisdiction of that committee, as well as the Committee on Foreign Relations. It was moved out of that committee unanimously.

Mr. DIRKSEN. Mr. President, the bill has also been cleared with the minority. I would suggest to the acting majority leader that the appropriate portions of the report with respect to the bill be inserted at this point in the RECORD.

Mr. HUMPHREY. Yes. I was about to make that request. I make that unanimous-consent request, Mr. President.

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

The purpose of S. 1720 is to continue the authority contained in title II of Public Law 480 to use grants of surplus agricultural commodities for purposes of promoting economic development in underdeveloped countries. This authority is due to expire on June 30, 1961.

S. 1720 was introduced by Senator HUMPHREY on April 27, 1961, and considered by the Committee on Foreign Relations in executive session on May 25. The prepared statement of Herbert J. Waters, special assistant to the Director of the International Cooperation Administration, is appended to this report. The committee voted without objection to report the bill favorably to the Senate.

The committee received reports in support of S. 1720 from the Departments of State and Agriculture which are as follows:

DEPARTMENT OF STATE,
Washington, May 25, 1961.

HON. J. W. FULBRIGHT,
Chairman, Committee on Foreign Relations, U.S. Senate.

DEAR MR. CHAIRMAN: In compliance with your request of May 4, 1961, the Department of State has reviewed S. 1720, to continue the authority of the President under title II of the Agricultural Trade Development and Assistance Act of 1954, as amended, to utilize surplus agricultural commodities to assist needy peoples and to promote economic development in underdeveloped areas of the world, which was introduced by Senator HUMPHREY on April 27, 1961.

We fully support the purposes of this bill which would enable the administration to continue and expand the utilization of our agricultural abundance in helping needy people in the less developed countries through development programs which are not feasible under title I of the act. Food can be used for payment of wages-in-kind for labor intensive projects such as soil conservation dams, irrigation, and drainage canals, wells, roads, and other similar activities. This would relieve hunger and unemployment and at the same time contribute to economic development of the recipient country.

Provisions to carry out these purposes are contained in title II of S. 1643 introduced in response to the President's request for legislation to carry out the principal recommendations of his message to the Congress on March 16, 1961, on agriculture. The Department, therefore, recommends that consideration of S. 1720 be deferred, pending action on S. 1643.

The Department has been advised by the Bureau of the Budget that from the standpoint of the administration's program, there is no objection to the submission of this report.

Sincerely yours,
BROOKS HAYS,
Assistant Secretary
(For the Secretary of State).

DEPARTMENT OF AGRICULTURE,
Washington, D.C., May 24, 1961.

HON. J. W. FULBRIGHT,
Chairman, Committee on Foreign Relations, U.S. Senate.

DEAR SENATOR FULBRIGHT: This is in response to your request for the comments of the Department on S. 1720, to continue the authority of the President under title II of the Agricultural Trade Development and Assistance Act of 1954, as amended, to utilize surplus agricultural commodities to assist needy peoples and to promote economic development in underdeveloped areas of the world.

S. 1720 would repeal section 601(a)(2) of the Mutual Security Act of 1960 which limits to June 30, 1961, an amendment of title II of Public Law 480 which broadened the authority to use commodities to meet the requirements of needy people and to promote economic development. The authority to undertake other title II programs expires on December 31, 1961.

The Department favors the purposes of S. 1720 and has recommended repeal of section 601(a)(2) of the Mutual Security Act of 1960 in the proposed Agricultural Act of 1961 (S. 1643). The Department proposal would also extend all title II programs through December 31, 1966.

The broadened authority of title II has been implemented by using CCC commodities as part payment of wages in localized work projects in underdeveloped areas with the remainder of the wages being paid in cash by the host government. The authority has been extremely useful in funding such projects as land clearing, irrigation and drainage ditches, feeder roads, and schools. These programs are particularly suitable for areas in Africa and the Near East where there are large numbers of people who are underemployed and underfed.

The Bureau of the Budget advises that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,
ORVILLE L. FREEMAN,
Secretary.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1720) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 601(a)(2) of the Mutual Security Act of 1960 is hereby repealed.

INTERNATIONAL FOOD AND RAW MATERIALS RESERVE

Mr. HUMPHREY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 263, Senate Resolution 128.

The PRESIDING OFFICER. The resolution will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 128) relative to the establishment of an international food and raw materials reserve.

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

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that pertinent portions of the report relating to the resolution be printed at this point in the RECORD.

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

Senate Resolution 128 is brief and reads as follows:

"*Resolved,* That it is the sense of the Senate that the President should explore with other nations the establishment of an international food and raw materials reserve under the auspices of the United Nations and related international organizations for the purpose of acquiring and storing in appropriate countries raw or processed farm products and other raw materials, exclusive of minerals, with a view to their use in—

"(1) preventing extreme price fluctuations in the international market in these commodities;

"(2) preventing famine and starvation;

"(3) helping absorb temporary market surpluses of farm products and other raw materials (exclusive of minerals);

"(4) economic and social development programs formulated in cooperation with other appropriate international agencies.

"Participation by the United States in such an international food and raw materials reserve shall be contingent upon statutory authorization or treaty approval, as may be appropriate."

Senate Resolution 128 was introduced by Senator HUMPHREY on April 27, 1961. It contains substantially the same language as that agreed to by the Senate twice before: First, as an amendment to the Mutual Security Act of 1956 which, however, was deleted in conference; and second, as Senate Concurrent Resolution 116, which was the result of President Eisenhower's request of August 8, 1960, for a resolution endorsing a proposal, which was subsequently presented in October 1960 to the General Assembly, to make greater use of the combined agricultural abundance of all nations to feed the hungry of the world.

On May 26, in executive session, the committee ordered the resolution reported favorably to the Senate. It was the committee's belief that the Senate's continued interest in the exploration of imaginative ways of utilizing our surplus agricultural commodities will be demonstrated by the adoption of Senate Resolution 128.

Mr. HUMPHREY. Mr. President, I note for the RECORD that this measure is identical with the measure which was adopted last year on the same subject.

The PRESIDING OFFICER. The resolution is open to amendment.

If there be no amendment to be offered, the question is an agreeing to the resolution.

The resolution (S. Res. 128) was agreed to, as follows:

Resolved, That it is the sense of the Senate that the President should explore with other nations the establishment of an international food and raw materials reserve under the auspices of the United Nations and related international organizations for the purpose of acquiring and storing in appropriate countries raw or processed farm products and other raw materials, exclusive of minerals, with a view to their use in—

(1) preventing extreme price fluctuations in the international market in these commodities;

(2) preventing famine and starvation;

(3) helping absorb temporary market surpluses of farm products and other raw materials (exclusive of minerals);

(4) economic and social development programs formulated in cooperation with other appropriate international agencies.

Participation by the United States in such an international food and raw materials reserve shall be contingent upon statutory authorization or treaty approval, as may be appropriate.

WHITE FLEET TO RENDER EMERGENCY ASSISTANCE IN CASE OF DISASTER

Mr. HUMPHREY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 264, Senate Resolution 154.

The PRESIDING OFFICER. The resolution will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 154) relative to the establishment of a White Fleet designed to render emergency assistance to people of other nations in case of disaster.

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

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. DIRKSEN. Mr. President, I know of the deep interest, and the early interest, which was manifested by the distinguished Senator from Vermont [Mr. AIKEN] when this fleet was created. While he is not presently in the Chamber, I think I should request for him at this point permission for him to insert a statement in the RECORD with reference to the resolution.

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

Mr. HUMPHREY. Indeed, the Senator from Vermont is one of the prime movers in this matter. It has been my privilege to join with him as a cosponsor of the measure.

Mr. AIKEN subsequently said: Mr. President, I am happy to support Senate Resolution 154, which encourages the President to establish a White Fleet for the purpose of rendering emergency aid to distressed people anywhere in the world and also to carry out technical assistance on a continuing basis in the developing nations of the world.

Last year, Mr. President, there was launched the Project Hope, a mercy ship supported by the contributions of the American people.

The success of this project has been phenomenal. Everywhere that the *Hope* has been it has lived up to its name. Grateful people from far distant places attest to this.

The sponsors of Project Hope are entitled to our deepest appreciation.

Under the White Fleet contributions of material, money, and services can still be made.

Not only will the establishment of this fleet bring with it a vast amount of good will, but it will also bring to us the satisfaction of having done a bit more to alleviate the suffering of people of other lands.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have a portion of the report which relates to the resolution, as well as a brief statement by me, printed in the RECORD at this point.

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

Senate Resolution 154 reads as follows:

"*Resolved*, That it is the sense of the Senate that—

"(a) Whenever the President determines it to be in the national interest, in furtherance of the foreign policy of the United States, and consistent with the laws of the United States, he should take such action as may be required to provide for establishment of a White Fleet designed and equipped (1) to render prompt emergency aid and assistance to peoples of the coastal regions of other nations upon the occurrence of famine, epidemic disease, earthquake, flood, hurricane, or other disaster; and (2) to carry out technical assistance and training on a continuing basis in the developing nations of the world.

"(b) Such fleet should be established through the restoration to active service and the equipment of suitable vessels of the United States now mothballed in storage, such vessels to be operated by appropriate nonprofit, private, philanthropic organizations of the United States devoted to providing emergency aid and assistance to relieve human suffering.

"(c) The vessels of such fleet should be suitably identified to proclaim their peaceful and beneficent purposes.

"(d) Fuel and operational supplies, port, repair, and navigational facilities of the United States throughout the world should be made available to such vessels in support of their activities.

"(e) Surplus food commodities of the United States should be utilized for the relief of hunger, and for furnishing medical and other supplies required for the use of the White Fleet.

"(f) The cooperation of private charitable organizations of the United States should be utilized for the furnishing of clothing and other relief supplies to meet the emergency needs of inhabitants of regions to which task groups of the fleet may be directed."

S. 324 was introduced by Mr. HUMPHREY and Mr. AIKEN, Mr. ANDERSON, Mr. CARROLL, Mr. CASE of New Jersey, Mr. CHURCH, Mr. CLARK, Mr. COOPER, Mr. ENGLE, Mr. GRUENING, Mr. HART, Mr. HARTKE, Mr. JACKSON, Mr. JAVITS, Mr. KEATING, Mr. KEFAUVER, Mr. MCCARTHY, Mr. MCGEE, Mr. MORSE, Mr. MOSS, Mr. MUSKIE, Mr. PASTORE, Mr. PROXMIRE, Mr. RANDOLPH, Mr. SYMINGTON, Mr. WILLIAMS of New Jersey, Mr. YARBOROUGH, Mr. YOUNG of Ohio, Mrs. NEUBERGER, Mr. LONG of Missouri, Mr. PELL, and Mr. CAPEHART on January 10, 1961. The committee considered the bill in executive session on May 25 and 26 and agreed to report the substance of S. 324 in the form of a Senate resolution. Authority to establish a White Fleet is already generally contained in the Mutual Security Act of 1954, as amended.

The committee's purpose in asking the Senate to express itself in favor of such an action is to stress the Senate's belief that such an undertaking would be in the national interest, as the operation of Project Hope has clearly demonstrated.

The original sponsors together with Mrs. NEUBERGER, Mr. LONG of Missouri, Mr. PELL, and Mr. CAPEHART have endorsed Senate Resolution 154, which was introduced by Mr. HUMPHREY on May 26, 1961. The committee hopes that the Senate will lend its support to this resolution.

STATEMENT BY SENATOR HUMPHREY

The Senate is being asked to consider Senate Resolution 154, a resolution designed to express the sense of the Senate that it supports the establishment by the President of a White Fleet—a force of mercy ships ready to rush assistance to disaster areas in any coastal region of the world, as well as to carry on a regular program of logistics support in the field of public health and other works of technical assistance.

The call for a White Fleet was first made in 1959, and again last year. Throughout the country, and indeed, throughout the world, interest and enthusiasm have been rising in support of the White Fleet concept.

Each year, coastal regions of the world are struck by the most terrible catastrophes—earthquakes, tidal waves, hurricanes, typhoons. And American assistance through our Armed Forces has been generously sent to assist in the rescue and rehabilitation work. Our private voluntary agencies and church groups have always rallied magnificently to bring relief to the victims of disaster.

In the great Chilean disaster of last spring, the U.S. Government joined the voluntary agencies and contingents from other nations in bringing help to the stricken Chilean people. But, as in every other disaster, what we and our friends were able to do in Chile was hastily improvised, less than we would have been able to furnish with adequate planning, and far more expensive.

I would hope, that a White Fleet Command could be established, staffed by representatives of the U.S. Government, to serve as area and local commanders in those parts of the world where disasters strike with frequency and severity. These White Fleet commanders would have the assignment of preparing contingency plans for dealing with all types of disasters and, in the event of disaster, of assuming operational control of all U.S. personnel, equipment, vehicles and ships—including specially designated vessels stationed in the area as units of the White Fleet itself.

The sponsors of the White Fleet resolution do not have in mind the creation of any large, permanent fleet of vessels, but rather the rehabilitation of a relatively small fleet of multipurpose vessels from the Navy mothball fleet, to be regularly operated largely by private voluntary organizations in missions of public health and education. It is the idea of the principal sponsor of the resolution that these vessels could be placed on permanent call by the various area White Fleet commanders, to be detached from their training missions and utilized in disaster relief when disaster strikes.

Such vessels and small craft, hopefully characterized by a distinctive color and symbol, would serve as constant reminders in the large and small ocean ports and river towns of Asia, Africa, and Latin America, of the humanitarianism of the United States.

These vessels and small craft might very well be utilized to help provide the logistics support for units of the U.S. Peace Corps, for other missions of technical assistance, and for multilateral efforts in which the United States would be joined. They could move personnel and supplies, serve as floating bases for expeditions of mercy and training working inland from the coast, and as training centers in the ports themselves.

Wherever a ship or small craft or vehicle based from a White Fleet ship would go, its distinctive insignia would represent America's continuing purpose to bring healing and enlightment to our fellow men.

And when disasters strike, as they always and regularly do, the units of the White Fleet could be pulled into action by the White Fleet commander, on schedule, on plan—integrated with the Armed Forces

units sent to serve their disaster relief missions under the local commander.

The White Fleet idea is actively under consideration in Japan, in England, in Germany, Italy, and Belgium, among others, where there is great interest in activating White Fleet units to coordinate with the American White Fleet.

I urge approval of Senate Resolution 154, and I hope that passage of this resolution will encourage the President of the United States to take active steps within his existing authority, to initiate the White Fleet Command and to outfit the first units of the White Fleet itself.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent that the names of the cosponsors of the measure be printed in the RECORD, at this point.

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

Mr. HUMPHREY, Mr. AIKEN, Mr. ANDERSON, Mr. CARROLL, Mr. CASE of New Jersey, Mr. CHURCH, Mr. CLARK, Mr. COOPER, Mr. ENGLE, Mr. GRUENING, Mr. HART, Mr. HARTKE, Mr. JACKSON, Mr. JAVITS, Mr. KEATING, Mr. KEFAUVER, Mr. MCCARTHY, Mr. MCGEE, Mr. MORSE, Mr. MOSS, Mr. MUSKIE, Mr. PASTORE, Mr. PROXMIRE, Mr. RANDOLPH, Mr. SYMINGTON, Mr. WILLIAMS of New Jersey, Mr. YARBOROUGH, Mr. YOUNG of Ohio, Mrs. NEUBERGER, Mr. LONG of Missouri, Mr. PELL, and Mr. CAPEHART.

The PRESIDING OFFICER. The resolution is open to amendment.

If there be no amendment to be proposed, the question is on agreeing to the resolution.

The resolution (S. Res. 154) was agreed to, as follows:

Resolved, That it is the sense of the Senate that—

(a) Whenever the President determines it to be in the national interest, in furtherance of the foreign policy of the United States, and consistent with the laws of the United States, he should take such action as may be required to provide for establishment of a White Fleet designed and equipped (1) to render prompt emergency aid and assistance to peoples of the coastal regions of other nations upon the occurrence of famine, epidemic disease, earthquake, flood, hurricane, or other disaster; and (2) to carry out technical assistance and training on a continuing basis in the developing nations of the world.

(b) Such fleet should be established through the restoration to active service and the equipment of suitable vessels of the United States now mothballed in storage, such vessels to be operated by appropriate nonprofit, private, philanthropic organizations of the United States devoted to providing emergency aid and assistance to relieve human suffering.

(c) The vessels of such fleet should be suitably identified to proclaim their peaceful and beneficent purposes.

(d) Fuel and operational supplies, port, repair, and navigational facilities of the United States throughout the world should be made available to such vessels in support of their activities.

(e) Surplus food commodities of the United States should be utilized for the relief of hunger, and for furnishing medical and other supplies required for the use of the White Fleet.

(f) The cooperation of private charitable organizations of the United States should be utilized for the furnishing of clothing and other relief supplies to meet the emergency needs of inhabitants of regions to which task groups of the fleet may be directed.

VISIT TO THE SENATE BY AMBASSADOR R. S. S. GUNEWARDENE AND MEMBERS OF THE PARLIAMENT OF CEYLON

Mr. FULBRIGHT. Mr. President, we are honored today by the presence of distinguished members of the fellow democratic country of Ceylon. We have present on the floor, in the rear of the Chamber, the distinguished Ambassador from Ceylon, Mr. R. S. S. Gunewardene, who has represented Ceylon in the United States for a number of years.

We also have present the Honorable Charles Percival de Silva, Minister of Agriculture, leader of the House, and a Member of Parliament for Minneriya.

Also with him are his colleagues, the Honorable Sir Razik Fareed, Member of Parliament for Colombo;

The Honorable Nanayakkarapathirage Martin Perera, Member of Parliament for Yatiyantota;

The Honorable Jinadasa Don Weerasekera, Member of Parliament for Kotagala;

Mr. Ralph St. Louis Peiris Deraniyagala, Clerk of the House.

We have just had the honor of having these gentlemen to luncheon with the Committee on Foreign Relations. We are extremely pleased that they have had the opportunity to visit our Congress. We all welcome them. We look forward to our continued fine relations with them in the future as we have had in the past. [Applause, Senators rising.]

HOUSING ACT OF 1961

Mr. HUMPHREY. Mr. President, I move that the Senate proceed to the consideration of Order No. 252, Senate bill 1922. I see the Senator from Alabama [Mr. SPARKMAN] is present.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1922) to assist in the provision of housing for moderate and low-income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes.

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

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. HUMPHREY. Mr. President, the housing bill is now the pending business. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. HUMPHREY. There will be statements made in connection with that bill later. At this time I wish to proceed to another matter.

PEACE CORPS ACT

Mr. HUMPHREY. Mr. President, earlier today I introduced, on behalf of myself and the distinguished chairman of the Senate Committee on Foreign Relations [Mr. FULBRIGHT], the bill (S. 2000) to establish a Peace Corps of American volunteers to carry America's skills and talents and idealism abroad to help other peoples help themselves.

The word "peace" is a noble, stirring word—one that rightfully belongs to those who value human dignity and liberty. For too long we have permitted others to distort and to cheapen this word.

"Peace" is not a propaganda word. It is not merely an expression for the absence of war. Peace is an active, living concept—it carries with it the promise of broader opportunities for health, for knowledge, for self-expression among individuals and peoples.

The Peace Corps is designed to provide the framework through which America's idealism, her humanitarianism, and her generosity can find a personal expression in the task of helping to build with our own hands a better world for all mankind.

To work in a highly personal way for peace, to work for the eradication of disease, for the stamping out of illiteracy, for the elimination of hunger—this is the opportunity which volunteers for the Peace Corps have been so eagerly seeking. These men and women seek a more personal involvement in the task of building a more peaceful world than our older forms of foreign assistance could give them.

The Peace Corps volunteers are in tune with our President, who has spoken of sacrifices to be made for the welfare of our Nation. They agree with him that our American assistance programs overseas must go more directly to the heart of the matter—that they must get at the roots of turmoil and violence—which are poverty, illiteracy, disease, and hunger.

And these young men and women are eager to demonstrate that America, with all its pride and power and luxury, has a warm heart and a ready hand of fellowship.

These shirt-sleeved idealists, these working and thinking young men and women now volunteering years of their lives in the service of their country will show a face of America that too few peoples of other lands have yet seen.

A NEW EMPHASIS

In a most dramatic way, too, the Peace Corps demonstrates the renewed American intention to stake our treasure and our energies on programs that are for something, rather than against. It is not sufficient to build anti-Communist programs; this is a bankrupt policy. The President of the United States has brilliantly expressed the American will and purpose to support plans and programs that are for reform and progress and for a better life for the masses of the people.

President Kennedy has announced to the world our intention to encourage and to foster the social, economic, and political reforms that will mean better lives for the common people of Asia, Africa, and Latin America—of the whole world. The whole emphasis of the aid program is on programs which will directly benefit the families and individuals in the villages, in the cities, and in the country.

The Peace Corps will be one expression of this new, more people-oriented concept of American overseas assistance, the

act of a friendly nation interested in human progress.

Peace Corps volunteers will concentrate in several areas of effort—teaching to read and write, instructing in basic agricultural and industrial techniques, providing technical skills in sanitation, health, community development, public administration, and engineering.

They will teach. They will cure. They will build. They will seek to plant their own skills among the men and women with whom they work—thus sowing the seeds of stronger, abler societies.

In the Peace Corps the United States will be putting forth a body of men and women who represent the finest in the American tradition—highly selected, skilled, emotionally mature, yet also passionately dedicated to the principles of democracy and free institutions.

The Peace Corps will be, and should be, an elite corps, in the sense that it represents the finest of our people. We want to send out our very best, and indeed, the demands on the Peace Corps volunteers will be so extraordinary that only the very best will be able to accomplish their assignments. Yes, it should be an elite, and one in which any American will be proud to serve.

FORERUNNER EFFORTS

Other Americans have pioneered the work of the Peace Corps. Private voluntary organizations and religious groups have been doing similar work for years. The work of the corps is not new nor is its concept new. But the scope of the work is importantly new. As Justice Holmes once said in a Supreme Court decision: "A difference in degree becomes a difference in kind."

So it is with the Peace Corps. The needs of the world are so staggering that we must significantly broaden the invaluable work which has already been done by nongovernmental agencies.

One of the dynamic sources of revolution in the world today is the fact that the rich nations are getting richer and the poor nations are getting poorer. We must do all we can to lessen and to close the gap—not by pulling down the more prosperous, but by building up the less fortunate.

But in doing this more is needed than injections of cash and highlevel technical advisers. Our foreign aid money has sometimes been badly invested because, after having developed sensible and elaborate project plans, we have discovered that the operational skills to carry out the program have been lacking in the host countries. Our Peace Corps volunteers will not only provide those skills, but they will also train others in the host country in those skills, so that we can hope for a multiplier effect.

But of course these volunteers will be bringing more than their skills. In earlier programs, when we have sent people to other countries, they usually have taken their American standard of living with them. Now, for the first time, we will send relatively large numbers of talented, trained, physically fit, spiritually and mentally fit, dedicated Americans who will not simply act as high-level governmental advisers, but will press in to the more remote areas, living simply and communicating with the people in their own languages.

One very important byproduct of the Peace Corps program can be the creation of a rich and enduring mutual understanding between the people we are trying to help and ourselves.

Shortly before he left for his trip to Africa and Asia, Mr. Robert Sargent Shriver, the able Director of the Peace Corps, received the following excerpts from an article by the Vietnamese Ambassador in Washington:

> The Peace Corps is an admirable and powerful idea. It is an idea force, an idea which can move people and raise mountains. Why? Because it is based on true charity which is above all donation of one's self. That is why their effectiveness will transcend * * * will be much greater than the services they may render.

Those are eloquent words, Mr. President.

As an American, I wish to thank the Vietnamese Ambassador.

The words clearly suggest the ideal that has motivated thousands of persons to volunteer for the Peace Corps—"true charity is above all the donation of one's self."

The Peace Corps represents a giving of one's self. It represents true sacrifice, not merely the giving of money but also the giving of mind, or body, of spirit, and of ability.

Peace Corps volunteers will speak two languages—their own language and the language of the host country. But as someone has put it, they will be trilingual—they will speak the language of common concern. And I would suggest that the last language is the most important of all.

In short, they will actively demonstrate that America cares, that America's goals for the developing countries are identical with their own goals. Peace Corps volunteers will help to restore that image that belongs to us and not to the totalitarians—to Russia—that of being the world's No. 1 revolutionary power.

I was pleased the other evening when our President said that the word "revolution" did not frighten him, that he did not shake or quiver when he heard the word "revolution," for we are the revolutionaries.

But speaking the language of concern, the volunteers will show that we fully associate ourselves with the revolutionary drive for a better way of life and for a healthy, functioning body politic.

There will be other valuable by-products of this great experience. The Peace Corps would be worth while, only from the standpoint of what it will do for America, for we, as a people, are appallingly ignorant about Africa, Asia, and Latin America. With friends and relatives serving in places like Tanganyika and Colombia, we Americans will become more knowledgeable, more sensitized to the hopes, aspirations, and problems of the emerging nations.

Mr. President, today the Senate had a visit from parliamentarians from Ceylon. This visit, and others like it, bring us into closer contact with and give us a better understanding of the people of other countries, of their traditions, their institutions, their countries and their histories.

The volunteers in the Peace Corps will bring back to America a rich and rewarding understanding of the world in which we live.

This may be the greatest contribution, because if there is any one failure today in America, if there is any one weakness in America relating to our foreign policy, it is that the foreign policy comes from a Government without a full understanding either of the objectives or of the means being used to fulfill the foreign policy—and, even more significantly, a lack of understanding on the part of millions of our people as to the areas of the world to which the foreign policy is directed.

Yes, we will build up a significant reservoir of young people skilled in one of the remote languages and knowledgeable about the new areas, from which our Foreign Service, information program, and aid administration can draw for professional careerists.

The Secretary of State sees great benefits to our Nation from the establishment of a Peace Corps. This he has stated in testimony before the Committee on Foreign Relations. At that time, the Secretary briefly outlined the background and the prospects for the Peace Corps as seen by the Department of State.

Mr. President, before I proceed to a discussion of the details of the bill itself, I ask unanimous consent to have printed at this point in my remarks a statement by the Honorable Dean Rusk, Secretary of State, on the prospect of a permanent Peace Corps.

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

STATEMENT BY SECRETARY OF STATE DEAN RUSK

The President on March 1 sent to the Congress a message recommending the establishment of a permanent Peace Corps through which skilled American men and women could be sent overseas, either by the U.S. Government or through private organizations and institutions, to help foreign countries meet their urgent needs for trained manpower.

The Peace Corps grows out of the crying need of the underdeveloped nations for men and women to do work for which they themselves lack skilled people; to teach in their schools, to survey roads, to work in community development projects, to introduce modern methods in agriculture and sanitation, and to perform scores of other services.

In addition to this unfulfilled need, there also exists in this country a desire on the part of increasing numbers of Americans to serve abroad in the greatest task our lifetime will see, the development of some threescore nations in all parts of the world.

The idea for combining this need with this desire originated here in the Congress with Members of both Houses. This congressional interest led to the enactment of a provision in the Mutual Security Act of 1960, which called for a study of the means by which this idea could be realized.

The Peace Corps has now had 3 months of existence. In this time, a number of pilot programs have been explored and developed. Projects in Tanganyika, Colombia,

and the Philippines have already been announced, and others will be announced soon. The Peace Corps has also begun to recruit and prepare intensive training for the American men and women who will participate in these activities this year.

Practical experience thus far, the studies which have been made, and the extensive advice submitted by universities, voluntary agencies, student groups, labor unions, and business and professional organizations—all strongly supporting this new endeavor in the cause of peace—have provided the information upon which proposals for legislation may now be made.

It is intended under the proposed legislation that the Peace Corps continue as an agency in the Department of State and that it will be headed by a director who will have the rank of an Assistant Secretary of State. Mr. Robert Sargent Shriver, Jr., the Director of the Peace Corps, and others will appear before you to discuss the proposed legislation and program.

We have already found that the governments and peoples of many countries are enthusiastically receptive to the idea of help from the Peace Corps. Eager and able young Americans, men and women, are coming forward to serve.

The young men and women we send abroad will learn as much as they give. The Peace Corps offers us an opportunity to show to the peoples of the world the picture of eager, skilled, pioneering men and women willing to work hard, side by side with peoples of other lands, in common tasks. The good which can come of this—in terms of furthering world peace and understanding and making clearer to the world what the United States really is and what it sincerely desires—can be immense.

PUBLIC SUPPORT FOR THE CORPS

Mr. HUMPHREY. Mr. President, from the moment early last year that I first publicly discussed the idea of a Peace Corps, the reaction has been overwhelming. When Congressman HENRY REUSS and our late colleague, Senator Richard Neuberger, introduced legislation asking for a Youth Corps study, they too were deluged by a flood of favorable mail. When I introduced my Peace Corps bill last year, of the first 400 letters to reach my office—and many more came—there was only a single letter in opposition to the bill.

I am told that President Kennedy received more supporting or favorable mail on the Peace Corps during the 1960 campaign than on any other issue he raised. The Gallup poll, too, has shown an overwhelming majority of Americans favoring the Peace Corps.

A notable characteristic of the unprecedented 25,000 letters of inquiry that went to the Peace Corps is that not more than a handful asked about salary.

While there has been a certain amount of inevitable and understandable skepticism here and abroad about the Peace Corps, with the exception of the Communist press—which calls this a crafty, imperialist plot—the newspaper and public reaction has been favorable.

The New York Times called the Peace Corps "one of the most remarkable projects ever undertaken by any nation." Howard K. Smith, the noted CBS news analyst, called the Peace Corps the "most important proposal that the United States has made since the Marshall plan."

OVERSEAS REACTION

The Malaya Mail in Kuala Lumpur said:

> The Peace Corps is bound to catch the imagination and is the type of move to be expected from a man who has brought a fresh and vigorous approach to national and international affairs.

The Hong Kong Tiger-Standard said:

> It will benefit the United States because of the vast amount of good will and prestige it will engender. And it will benefit the world as a whole because it will help to break down the barriers that divide it.

In England, the Birmingham Post said:

> The Peace Corps efforts will be expressed primarily in terms of service and comradeship rather than in terms of the almighty dollar. * * * The President's initiative should do something to destroy the image of the "Ugly American."

In describing the Peace Corps, the Voice of Ethiopia lauded "the sincerity of the United States in its efforts to promulgate policies that lead to the establishment of world peace."

In Brazil, the Jornal de Commercio applauded the idea and said that the Peace Corps would permit young Americans "to put into practice their ideas of democracy, human fraternity and the dignity of work by means of person-to-person contacts."

El Tiempo, of Colombia, called the Peace Corps "one of the most important undertaken by any nation."

In speaking to the chiefs of state of eight Asian and African countries recently visited, Mr. Shriver found a high degree of enthusiasm. Mr. Nehru of India and Mr. Nkrumah of Ghana, among others, expressed the hope that volunteers could serve in their countries. Mr. Shriver returned from his trip with requests for 3,500 Peace Corps volunteers, although probably only between 500 and 1,000 will be put in the field the first year.

It is impressive that the leaders of countries are asking for this help, and are enthusiastic in their praise of this project.

CATEGORIES OF EFFORT

There are certain clear areas of need to which the Peace Corps skills will undoubtedly be directed.

First, the volunteers will teach. Preliminary indications are that more than half of the requests will be in the teaching field. English is the primary language used in the school systems of many African countries and of some Asian countries, and there is a staggering need for teachers in those continents. It has been estimated that Africa alone needs 300,000 teachers. When the Congo—a country one-third the size of the United States—received its independence, it had a total of 19 college graduates.

Our volunteers will teach English, science and math, and other school subjects at various levels of education.

They will also teach literacy, certainly one of the desperate needs of our time. Over 60 percent of the world's peoples are functionally illiterate. No country can hope to have a sound, stable society or government unless there is a literate, well-informed electorate. No country can hope to break through the barrier to modernization unless there is a literate population. An illiterate person cannot read the simple instructions on a seed packet.

Second, they will participate in agricultural and rural development. This includes demonstration programs in animal husbandry, new farm techniques, as well as seed improvement and irrigation programs. It also includes community development, assistance in the construction of feeder roads, housing, and other small-scale public projects.

A good example is offered in the first announced project in Tanganyika. The Tanganyikan Government requested from 20 to 30 American road surveyors, engineers, and geologists. And may I say at this point, Mr. President, that the Peace Corps will never go into a country unless it is specifically requested.

In a country like Tanganyika, development of secondary roads are an absolute prerequisite for economic and social development of the country. Not only will secondary roads allow agricultural produce to flow to the population centers, but improved communication and increased travel will help break down the tribal provincialism and build up a national identity.

The Tanganyikan Government has estimated that its school system can produce only two persons in the surveyor-civil engineer category in the next 5 years. Without Peace Corps volunteers, its program would be drastically curtailed. The Tanganyikan Government is so enthusiastic about the program that it is willing to pay for a 7-week training program—which will be in addition to the American training program—which will include intensive Swahili.

Health projects form the third category. Well over 200 registered nurses have already volunteered for Peace Corps service, and there will be an ever increasing need for them, as well as for medical school graduates, public health experts, food and hygiene specialists, and sanitation engineers. The war against disease is one of the most challenging and promising struggles of our age.

We can win this war. We have the means, the equipment, the talent, and the know-how to win that war. I suggest that long before man ever gets to the moon and back, he can win the war against privation, hunger, and disease on earth, if he is willing to put the same amount of effort into the struggle.

Somehow or other we get excited about the possibilities of traveling to the moon and back. It is, indeed, an exciting prospect. But I suggest that mankind has been struggling since the first day of history to overcome hunger and disease. It seems to me that the nation which can lead humanity to that victory will be an even greater nation than the one which can pioneer the first trip to the moon and back. However, that will take determination and concentration.

The fourth objective of the Peace Corps is construction and industrial

projects. The lack of skilled manpower has been a severe bottleneck to many large-scale dam, urban development, and construction projects in the emerging nations.

One of the misconceptions is that the Peace Corps will be looking for only college graduates. That is not true. There will be a substantial need for skilled workers to teach basic industrial techniques as well as to take key roles in construction projects. Many of them will come from technical and vocational schools and from among graduates of apprentice programs. Many will have learned by actually doing. No other nation in the world has so large a skilled labor force as has the United States. Our young people are particularly well qualified in the many skills which are required for engineering and construction.

The four broad categories that I have listed are not exhaustive. For example, some governments may need public administration graduates to help in their civil service. A vast range of skills, ranging from economists and statisticians to secretaries to youth club organizers will be needed. The list is almost endless.

SELECTION OF VOLUNTEERS

The Peace Corps will be only as good as the people it puts into the field. There is a keen realization of this vital point among the able Peace Corps staff officers who are in charge of recruitment, selection, and training.

There is no room in the Peace Corps for those who want a joyride or who want to get away from it all. There is no room for those who have zeal but no talent, nor talent without zeal. There must be skill, dedication, and an emotional and intellectual maturity.

The Peace Corps will be highly selective. First, it will continue to make it clear that the work will be difficult and conditions will often be uncomfortable. This will help some applicants select themselves out of the Peace Corps.

Second, it will administer extensive and comprehensive tests to applicants. The tests will measure intelligence and learning ability, knowledge of American history, institutions and values, language aptitude or achievement, and skills and job competence. Those tests are underway right now.

In addition, there must be 5 to 10 letters of reference, a physical examination, and a board oral interview. Those who pass these tests will enter intensive training and will be carefully supervised and evaluated during the training period, particularly under conditions of stress. Those who seem unfit for the arduous job ahead will be weeded out. Further, there are provisions in the proposed legislation which will allow the Peace Corps to return home any volunteers who fail to carry out their jobs effectively or who are maladjusted. This is for the good of the person concerned and for the good of the Peace Corps.

Other standards of selection are that volunteers must be at least 18 years old—although, in practical terms, very few under 21 will be taken; they must be U.S. citizens; they must be single, or, if married, their spouses must also volunteer and qualify.

Interestingly, a substantial number of young married couples are volunteering. They must demonstrate an adaptability to new conditions and must have a suitable personality and sensitivity to others' views which will allow them to work cooperatively with others.

RESPONSE TO PEACE CORPS EXAMINATION

Mr. President, information has just come to my attention as to the examinations which have already been given.

Some serious doubts have been raised in recent months about the willingness of Americans to sacrifice comfort and convenience in the service of their country and in the interest of extending human freedom. Many leaders around the world are wondering if the people of our country have the courage, the fortitude, and the determination to give in peace, what twice this century they have given in war. If the response of American people to the Peace Corps is any indiction, those doubts have been erased. Last Saturday, about 4,000 Americans, representing many religions, many races, and many regions, took examinations to determine their qualifications for service abroad. These tests were not easy. They lasted more than 5 hours and included questions on just about everything in the book.

In Atlanta, a 60-year-old Negro postal worker and his wife were among those who took the tests. The man said, "I learned things on a south Georgia farm that might help Africans to help themselves." His wife, a former schoolteacher, said, "I was born in Liberia. I worked at a Baptist mission. I know how much good Americans can do. They know manual labor and they know how to show others to do it. In spite of what has been written about people not liking the United States, people all over the world know that America is the friend of small folks."

In Washington, a 20-year-old student and his wife said, after concluding the examination, "We want to teach overseas—not because we don't have anything to do here, but because we would like to share with others what we have learned in this country."

In New York, the Times reports that the words most frequently on the lips of men and women who took the examination were: "I am willing to go anywhere." Most of those taking the test, the New York Times said, appeared to be educated individuals. The Times told of a young married couple from Brooklyn who said they hoped to go to Africa to establish an improvisional children's theater project that would be useful both as an expression for African children and as a means of getting simple messages across to adults. The couple, who have directed a children's theater in Maine for 7 years, said they knew a Ghanaian who had successfully explained the need for water purification to many people by having the children dramatize the matter. In Minneapolis, the holder of a bachelor's degree in history said he wanted to teach in Africa because "This is a chance for Americans to really join hands with some of the other people of the world." A 40-year-old Wisconsin nurse, just back from 2 years of nursing in Guam, took the test because, "I don't want to be an Army nurse on the battlefield; I want to be a peace nurse."

A 30-year-old resident of Denver, Colo., who is about to receive a master's degree in English and has had teaching experience in high school and college, said she wanted to teach in Latin America. These are a few examples of the kind of people who faced the grueling examinations on Saturday. We should all be encouraged by the fact that although the Peace Corps is a very new organization, and although these tests were given when most colleges and universities were giving final examinations, 4,000 Americans have responded positively to the challenge of service abroad. When we realize that the Peace Corps expects to put only 500 to 1,000 volunteers in the field by the end of this year, we should all be heartened by the tremendous reservoir of dedicated and talented Americans of all ages who have stepped forward to say, "You can count on me."

TRAINING OF VOLUNTEERS

The training period will take from 3 to 6 months of the 2- to 3-year enlistment. Part of it will take place in the United States and the other part will be held in the host country or in a suitable staging area. The training will emphasize—

First. Skills and knowledge required in the project.

Second. Organizing and communicating skills.

Third. U.S. history, democratic institutions, and international relations.

Fourth. The geography, culture, and government of the host country.

Fifth. Intensive language training, when necessary, in order that the Peace Corps volunteer can communicate with the people with whom he will work.

Sixth. Physical conditioning and training in health care and personal adjustment to different environments.

Training will be conducted by Peace Corps staff experts, by area specialists from universities and colleges, and, in some cases, citizens of the countries in which Peace Corps members will serve.

LIVING CONDITIONS

A Peace Corps volunteer will live at the approximate level of his host country counterpart. That is, if a volunteer is teaching chemistry in a Nigerian high school, he will live roughly the same as a Nigerian high school teacher. It is not the intention to have him live luxuriously in plush surroundings. Yet he is not expected to live in a mud hut. Although the housing will be modest, certain basic health standards must be met.

The volunteer will receive an allowance for subsistence, food, clothing, housing, and local travel, plus enough for incidentals while serving abroad. He will be entitled to 30 days of leave a year, and he will receive a modest allowance for that. Seventy-five dollars a

month will accrue to his account, to be paid upon separation as a readjustment allowance or severance pay.

VOLUNTEER-LEADERS

Peace Corps volunteer leaders will receive somewhat higher subsistence allowances and readjustment bonuses and will be allowed to take dependents with them. It is estimated that there will be 1 volunteer leader to every 15 volunteers.

Volunteers will have no diplomatic privileges or immunities, and they will have no PX privileges. To the extent possible, they will be treated like their counterparts in the host country. They will not wear uniforms.

Service in the Peace Corps will defer members, but it will not exempt them from military service. Their draft status when they return will depend upon their age, the nature of the work they enter, and the measure of need expressed by Selective Service.

HEALTH PROTECTION

Health problems must be faced in some of the areas in which Peace Corps members will serve. In order to insure maximum health protection, a number of steps will be taken.

First, a doctor from the U.S. Government will inspect possible project areas, to make sure that there are no serious health hazards. Second, Peace Corps applicants will receive a thorough medical examination. Third, volunteers will receive all the necessary inoculations and an intensive course in health and sanitation. Fourth, before a project is approved, there must be the assurance that the Peace Corps teams will be serviced by adequate medical facilities which are not too geographically remote.

In case of injury or disability while on the job, compensation will be provided under the Federal Employees Compensation Act.

At the end of their service, Peace Corps volunteers will have the benefit of a Career Planning Board to help them continue their careers.

SELECTION OF HOST NATIONS

So far as selection of specific countries and projects are concerned, a number of criteria will be used:

First. As I mentioned before, the Peace Corps has no intention of forcing its personnel upon a particular country. First, there must be a request.

Second. An attempt will be made for a balanced distribution among geographic areas and countries.

Third. There must be a clear and obvious need.

Fourth. Recipient countries must indicate that they will undertake the measures for economic and social reform which the President so eloquently outlined in his Alliance for Progress speech.

Fifth. Peace Corps projects should at no time provide skills already prevailing in the country. In other words, we don't want to fill a job that a skilled national of the country can fill.

Sixth. The host country, so far as possible, should participate in the project and should endeavor that local counterparts carry on after the Peace Corps volunteers have left.

Seventh. There should be a significant impact upon the country in terms of psychological and educational effect and stimulation of related activities.

CHANNELING OF PEACE CORPS VOLUNTEERS

The Peace Corps will supply its volunteers through five channels.

One will be the private voluntary agencies. One of the essential differences between the Soviet Union and the United States is that America is not just government. Unlike Russia, America speaks with many voices. We may be thankful that America is represented not just by government, but by a healthy network of private voluntary organizations.

Thus, the private groups open a broad freeway along which Peace Corps volunteers may travel. The Peace Corps will make available volunteers to reputable and experienced private agencies, such as CARE, the Friends Service Committee, and many others, for projects that have been agreed upon by the agency, the Peace Corps, and the recipient government. In order to insure success of the projects, the Peace Corps will select private organizations which have had some years recent experience in the particular country in which the project will be placed.

Religious organizations may contract for projects, providing that they meet Peace Corps criteria and provided that no sectarian cause is furthered. There can be no proselytizing.

A second channel is through the institutions of higher learning. There is a richness of experience here, in that, already, approximately 1,000 specialists from 57 U.S. educational institutions are serving under foreign aid contracts in 36 countries. Universities with strong area specialty programs will be particularly valuable.

Furthermore, colleges are in an advantageous position to screen candidates, in that they have been able to watch the students closely over a period of 4 years.

As will be the case with the private agencies, contracts for training and research and evaluation can be contracted out to universities.

A third avenue will be the United Nations, its specialized agencies, and other multilateral bodies.

Ambassador Adlai Stevenson has proposed that the Economic and Social Council of the United Nations consider the desirability of utilizing qualified Peace Corps-type volunteers from all countries that want to make them available in the technical assistance programs of the U.N. and its related agencies.

I may add that one of the developments of the Peace Corps program thus far has been the arousing of interest in other countries for Peace Corps projects from those countries. For example, in Great Britain, in the Federal Republic of Germany, in France, in Belgium, in Holland, and in the Scandinavian countries, to mention only a few, and, I understand, in some of the Asian countries, there are already underway efforts to have Peace Corps volunteers who will be made available for work overseas in areas of need, and to work through the United Nations and its specialized agencies.

Our willingness to work through the United Nations exposes and repudiates the Communist propaganda that the Peace Corps is nothing but an imperialist plot. Of course, that charge is ridiculous on its face. Our only desire is for economic and social betterment of the developing nations, and we will work through any legitimate channel that will forward this end.

Another important argument for utilizing the United Nations agencies is that over the last decade the United Nations and related agencies have increasingly proved their operational capacity. This development has been a counterweight to the verbal battles within the United Nations. The future of the United Nations may partly depend on the extent to which the United States strengthens its technical assistance programs and makes them more effective. Particularly at the time when the Russians are trying to sterilize the United Nations, it is of piercing and vital importance that we do all we can to strengthen it.

A fourth channel for Peace Corps volunteers is through other governmental agencies, such as the Foreign aid program and USIA. For example, USIA can profitably use many more English teachers.

A fifth avenue is through direct Peace Corps-administered projects.

Finally, a word about the administration of the Peace Corps. The Peace Corps is planned as a semiautonomous agency within the Department of State. The Director will report to the Secretary of State. Various bureaus and desks in the Peace Corps will work in the closest cooperation with their counterparts in the State Department and the new International Development and Aid Administration, to coordinate Peace Corps projects. Furthermore the Peace Corps will keep USIA fully informed of its activities.

The Peace Corps, to the maximum extent possible, will utilize the facilities of the State Department and the aid administration for administrative support. This will eliminate duplication and waste.

If the Peace Corps is to recruit talented Americans with ability and high motivation, it is of supreme importance that the Corps maintain a unique identity within the State Department, rather than be simply a minor component of the whole aid administration.

When the President first announced the Peace Corps idea, it caught on because it had an identity and a vitality and a purpose of its own. That identity and the tremendous esprit de corps that the Peace Corps now enjoys and will enjoy would be minimized if the Peace Corps were to be submerged in any vast organization. Wherever Mr. Shriever went on his trip to Asia and Africa, he was warned by leaders that he should keep the Peace Corps just as President Kennedy proposed it—that it would lose its impact otherwise. This is a point that I cannot emphasize too strongly, Mr. President. The Peace Corps may look all right on the organization chart

under the aid administration, but it would not work to maximum advantage.

Finally, I want to say that the investment will be minimal. The Peace Corps which was set up under Executive Order No. 10924 will cost less than the firing of one Atlas missile.

I want my colleagues to contemplate that fact. The Peace Corps which has been set up under Executive order will cost less than the cost of firing one Atlas missile, even one that does not work. The anticipated first year's budget for the Peace Corps will cost one-tenth of 1 percent of what it will take to put a man on the moon.

Mr. President, I am intrigued by the mission of a man to the moon, but when I think of what we can do with thousands of Peace Corpsmen, volunteers serving all over the world, serving humanity on this earth, rather than trying to inquire about creatures someplace else, I am indeed enthusiastic about the possibilities of this endeavor, which will cost one-tenth of 1 percent of what it will take to put a man on the moon.

This talk of conquering outer space is challenging and exciting, and I, too, support the Nation's space effort, and I commend the President on his great proposal. But I am even more deeply interested in mastering the real terrible problems with which we live here on earth.

And to master these problems, we shall have to, figuratively—and for the volunteers of the Peace Corps, perhaps literally—get our hands dirty and our knees skinned. Peace cannot be won solely in the laboratories and university classrooms, nor in the halls of government. We must become directly, personally involved. We must be willing to work. We must be willing to take risks. We must be willing to accept the prospect of failures and even catastrophes.

If we, who have everything, demonstrate that we are willing to share not only our treasure and our know-how, but actually to share our lives with those who have had nothing, we shall recapture the leadership that we must have if the world is to be directed into the paths of peace.

Mr. President, I ask that there be inserted at the conclusion of my remarks the message by the President of the United States to the President of the Senate submitting the Peace Corps legislation, the text of the bill itself, and a section-by-section analysis of the bill.

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

THE WHITE HOUSE,
Washington, D.C.

THE PRESIDENT OF THE SENATE:

SIR: I have the honor to transmit herewith for the consideration of the Congress a legislative proposal to authorize the establishment of a Peace Corps in fiscal year 1962, as I recommended on March 1, 1961. Enactment of this legislation will provide authority for the recruitment, training, and service overseas of American men and women whose skills and knowledge can contribute in a most valuable and practical way to the achievement of social and economic development goals of developing countries.

Simultaneously with my special message to the Congress of March 1, I directed the undertaking of a Peace Corps pilot program to serve as a source of information and experience in formulating plans for a more permanent organization. The Peace Corps has already announced projects to be undertaken in Tanganyika, Colombia, and the Philippines, and others will be announced soon. Progress and planning to date has confirmed that there is a genuine and immediate need in many parts of the world for skilled manpower which the Peace Corps will be able to furnish. Moreover, the governments and peoples of many developing countries have enthusiastically received the idea of a Peace Corps.

Americans as well are responding to this opportunity to serve their country. More than 8,500 Peace Corps volunteer questionnaires have been returned, and additional questionnaires are being received at a rate of more than 100 every day.

This legislative proposal requests that Congress authorize $40 million for this program for the fiscal year 1962. This should enable the Peace Corps to have 500–1,000 volunteers abroad by the end of this calendar year, to have approximately 2,700 abroad or in training by June 1962 and to provide for the training during the summer of 1962 of volunteers expected to be enrolled in June and July 1962.

Under the proposed legislation volunteers will receive a living allowance and subsistence adequate to maintain a modest standard of living overseas. In addition, their health is carefully provided for. In return for service, each volunteer will receive a modest monthly payment which, in most cases, will be accumulated to be paid upon the termination of his duty.

I have further requested the Secretary of State to establish arrangements to assure that Peace Corps activities are consistent and compatible with country development assistance plans. These arrangements will assure that the Peace Corps and the Agency for International Development programs are brought into close relationship, while at the same time preserving the separate identity and unique role of the Peace Corps.

The Peace Corps offers a special and timely opportunity to put dedicated Americans to work for the cause of world peace and human understanding. Therefore, I urge the early consideration and enactment by the Congress of the proposal.

Respectfully yours,

JOHN F. KENNEDY.

TEXT OF PEACE CORPS BILL

A bill to provide for a Peace Corps to help the peoples of interested countries and areas in meeting their needs for skilled manpower

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. SHORT TITLE.—This Act may be cited as the "Peace Corps Act."

SEC. 2. DECLARATION OF PURPOSE.—The Congress of the United States declares that it is the policy of the United States and the purpose of this Act to promote world peace and friendship through a Peace Corps, which shall make available to interested countries and areas and to international organizations men and women of the United States qualified for service abroad to help the peoples of such countries and areas in meeting their needs for manpower; to provide broader opportunities for men and women of the United States and United States private organizations, through service abroad, to contribute actively to their country's efforts in the cause of world peace and friendship; and through the service abroad of the men and women participating in Peace Corps programs, to promote a better understanding of other peoples on the part of the American people and a better understanding of the American people on the part of the peoples served.

SEC. 3. AUTHORIZATION.—(a) The President is authorized to carry out programs in furtherance of the purposes of this Act, on such terms and conditions as he may determine.

(b) There is hereby authorized to be appropriated to the President for the fiscal year 1962 not to exceed $40 million to carry out the purposes and provisions of this Act.

(c) Unexpended balances of funds made available pursuant to chapter II of the Mutual Security Act of 1954, as amended, and allocated to the Peace Corps agency established within the Department of State pursuant to Executive Order No. 10924, dated March 1, 1961, are hereby authorized to be continued available for the general purposes for which appropriated, and may be consolidated with the appropriation authorized by subsection (b) of this section.

SEC. 4. DIRECTOR OF THE PEACE CORPS AND DELEGATION OF FUNCTIONS.—(a) The President may appoint, by and with the advice and consent of the Senate, a Director of the Peace Corps, whose compensation shall be fixed by the President at a rate not in excess of $20,000 per annum, and a Deputy Director of the Peace Corps, whose compensation shall be fixed by the President at a rate not in excess of $19,500 per annum.

(b) The President may exercise any functions vested in him by this Act through such agency or officer of the United States Government as he shall direct. The head of any agency or any officer performing functions under this Act may promulgate such rules and regulations as he may deem necessary or appropriate to carry out such functions, and may delegate to any of his subordinates authority to perform any of such functions, including, if he shall so specify, the authority successively to redelegate any of such functions.

SEC. 5. PEACE CORPS VOLUNTEERS.—(a) The President may enroll in the Peace Corps for service abroad qualified citizens and nationals of the United States (referred to in this Act as "Volunteers"). The terms and conditions of the enrollment, training, compensation, hours of work, benefits, leave, termination, and all other terms and conditions of the service of Volunteers shall be exclusively those set forth in this Act and those consistent therewith which the President may prescribe; and except as provided in this Act, Volunteers shall not be deemed officers or employees or otherwise in the service or employment of the United States for any purpose.

(b) Volunteers shall be provided with such living, travel and leave allowances, and such housing, transportation, supplies, equipment, subsistence, and clothing as the President may determine, consistent with the maintenance of a decent minimum standard of living and the maintenance of health and effectiveness. Transportation and travel allowances may also be provided, in such circumstances as the President may determine, for applicants for enrollment and for former Volunteers en route to or from places of required examinations and training, and places of enrollment and termination.

(c) Volunteers shall receive termination payments at rates fixed by the President for every month of satisfactory service, as determined by the President. The termination payment of each Volunteer shall be payable at the termination of his service, or may be paid during the course of his service to the Volunteer, to members of his family or to others, under such circumstances as the President may determine. In the event of the Volunteer's death during the period of his service, the amount of any unpaid

termination payment shall be paid in accordance with subsection (f) of this section.

(d) Subject to the provisions of this subsection, Volunteers shall be deemed to be employees of the United States Government for the purposes of the Federal Employees Compensation Act (39 Stat. 742), as amended: *Provided, however,* That entitlement to disability compensation payments under that Act shall commence on the day after the date of termination of service. For the purposes of said Act,

(1) Volunteers shall be deemed to be receiving monthly pay at the rate of $450 per month and Volunteer Leaders (as defined in section 6) shall be deemed to be receiving monthly pay at the rate of $650 per month; and

(2) any injury suffered by a Volunteer during any time when he is located abroad shall be deemed to have been sustained while in the performance of his duty and any disease contacted during such time shall be deemed to have been proximately caused by his employment, unless such injury or disease is caused by willful misconduct of the Volunteer or by the Volunteer's intention to bring about the injury or death of himself or of another, or unless intoxication of the injured Volunteer is the proximate cause of the injury or death.

(e) Volunteers shall receive such health care during their service, and such health examinations and immunization preparatory to their service, as the President may deem necessary or appropriate. Under such regulations as the President may prescribe, such health care, examinations and immunization may be provided for Volunteers in any facility of any agency of the United States Government, and in such cases the appropriation for maintaining and operating such facility shall be reimbursed from appropriations available under this Act.

(f) The President shall make provision for a death gratuity payment for each Volunteer in the amount of $10,000. Upon the Volunteer's death during his service, such amount, together with the amount of any unpaid termination payment under subsection (c) of this section, shall be payable to a beneficiary designated by the Volunteer, to his estate, or to his next-of-kin, under regulations prescribed by the President.

(g) Any period of service of a Volunteer under this Act shall be credited in the same manner as a like period of civilian employment under the United States Government for all purposes of the Civil Service Retirement Act, as amended (5 U.S.C. 2251 *et seq.*), section 852(a)(1) of the Foreign Service Act, as amended (22 U.S.C. 1092(a)(1)), and every other Act establishing a retirement system for civilian employees of any United States Government agency, and, except as otherwise determined by the President, for the purpose of determining seniority, reduction in force, and layoff rights; leave entitlement and other rights and privileges based upon length of service under the laws administered by the Civil Service Commission, the Foreign Service Act, and every other Act establishing or governing terms and conditions of service of civilian employees of the United States Government: *Provided,* That service of a Volunteer shall not be credited toward completion of any probationary or trial period or completion of any service requirement for career appointment. Under such conditions as the President may determine, examinations or other prerequisites to employment established by any law administered by the Civil Service Commission may be waived for persons who have completed training under section 8(a) of this Act and have served abroad as Volunteers. For the purposes of this subsection, Volunteers and Volunteer Leaders shall be deemed to be receiving compensation during their service at the rates mentioned in subsection (d)(1) of this section.

(h) The President may detail or assign Volunteers or otherwise make them available to any entity referred to in clause (1) of section 10(a) on such terms and conditions as he may determine: *Provided, however,* That any Volunteer so detailed or assigned shall continue to be entitled to the allowances, benefits and privileges of Volunteers authorized under or pursuant to this Act.

(i) Volunteers shall be deemed employees of the United States Government for the purposes of the Federal Tort Claims Act and any other Federal tort liability statute.

(j) The service of a Volunteer shall be terminable at any time at the pleasure of the President.

SEC. 6. PEACE CORPS VOLUNTEER LEADERS.—The President may enroll in the Peace Corps qualified citizens or nationals of the United States whose services are required for supervisory or other special duties or responsibilities in connection with programs under this Act (referred to in this Act as "Volunteer Leaders"). All of the provisions of this Act applicable to Volunteers shall be applicable to Volunteer Leaders, and the term "Volunteers" as used in this Act shall include "Volunteer Leaders": *Provided, however,* That:

(1) Members of families of Volunteer Leaders may receive such living, travel, and leave allowances, and such housing, transportation (including transportation for personal and household effects), subsistence and clothing as the President may determine;

(2) Members of the families of Volunteer Leaders accompanying them shall receive such health care as the President may determine and upon such terms as he may determine, including health care in any facility referred to in section 5(e) of this Act, subject to such regulations as the President may prescribe and subject to reimbursement of appropriations as provided in section 5(e); and

(3) Members of the families of Volunteer Leaders accompanying them shall receive such orientation, language and other training as the President may determine.

SEC. 7. PEACE CORPS STAFF.—(a) The President may employ, and may authorize any agency or officer of the United States Government carrying out functions under this Act to employ, such staff personnel as the President deems necessary to carry out the provisions and purposes of this Act. Except as otherwise provided in this Act, staff personnel shall be employed in accordance with and shall be subject to the laws applicable to personnel employed by the United States Government.

(b) Of the staff personnel employed in the United States in activities authorized by this Act, not to exceed forty may be appointed, compensated and removed without regard to the provisions of any law, of whom not to exceed thirty may be compensated at rates higher than those provided for grade 15 of the general schedule established by the Classification Act of 1949, as amended, and of these not to exceed five may be compensated at a rate in excess of the highest rate provided for grades of such general schedule but not in excess of $19,000 per year: *Provided,* That staff personnel of the Peace Corps who have served therein not less than ninety days prior to appointment to one of the above positions shall be entitled to reinstatement to the position occupied at the time of such appointment or to a position of comparable grade and salary. The positions authorized by this subsection shall be in addition to those authorized by law to be filled by Presidential appointment, and in addition to the number authorized by section 505 of the Classification Act of 1949, as amended.

(c) For the purpose of performing functions under this Act outside the United States, the President may:

(1) employ or assign staff personnel, or authorize the employment or assignment of officers or employees of agencies of the United States Government, who shall receive compensation at any of the rates provided for persons appointed to the Foreign Service Reserve and Staff under the Foreign Service Act of 1946, as amended (22 U.S.C. 801 et seq.), together with allowances and benefits provided for such persons by law; and persons so employed or assigned shall be entitled, except to the extent that the President may specify otherwise in cases in which the period of the employment or assignment exceeds thirty months, to the same benefits as are provided by section 528 of the Foreign Service Act for persons appointed to the Foreign Service Reserve, and the provisions of section 1005 of the Foreign Service Act shall apply in the case of such persons, except that policymaking officials shall not be subject to that part of section 1005 which prohibits political tests; and

(2) utilize, with respect to staff personnel, such authority, including authority to appoint and assign personnel for the duration of operations under this Act, contained in the Foreign Service Act of 1946, as amended, as the President deems necessary to carry out functions under this Act. Such provisions of the Foreign Service Act as the President deems appropriate shall apply to staff personnel appointed or assigned under this paragraph, including in all cases the provisions of section 528 of that Act: *Provided, however,* That the President may by regulation make exceptions to the application of section 528 in cases in which the period of the appointment or assignment exceeds thirty months: *Provided further,* That Foreign Service Reserve officers appointed or assigned pursuant to this paragraph shall receive in-class promotions in accordance with such regulations as the President may prescribe: *And provided further,* That under this paragraph the President may initially assign staff personnel for duty within the United States for periods not to exceed one year prior to assignment for duty abroad.

(d) Notwithstanding any other law, the President may prescribe the standard of performance which staff personnel appointed pursuant to paragraph (2) of subsection (c) of this section or section 527(c)(2) of the Mutual Security Act of 1954, as amended, must maintain, and is authorized to separate staff personnel who fail to meet such standard of performance and to grant such personnel severance benefits (not to exceed 1 month's salary at the then current salary rate of such personnel for each year of service pursuant to such appointment but in no event to exceed 1 year's salary at such rate).

(e) The President may maintain special missions or staffs abroad in such countries and for such periods of time as may be necessary to carry out the purposes of this Act. Each such special mission or staff shall be under the direction of a chief, who shall be appointed by the President and may, notwithstanding any other law, be removed by the President at his discretion. The chief shall be entitled to receive (1) in cases approved by the President, the same compensation and allowances as a chief of mission, class 3, or a chief of mission, class 4, within the meaning of the Foreign Service Act of 1946, as amended, or (2) compensation, allowances and benefits applicable to persons employed or assigned in accordance with subsection (c) of this section, as the President shall determine to be appropriate. If a Foreign Service Officer shall be appointed by the President to a position under this section, the period of his service in such capacity shall be considered as constituting an

assignment for duty within the meaning of section 571 of the Foreign Service Act of 1946, as amended (22 U.S.C. 961), and such person shall not, by virtue of his acceptance of such an assignment, lose his status as a Foreign Service Officer.

SEC. 8. VOLUNTEER TRAINING.—(a) The President shall make provision for such training as he deems appropriate for each applicant for enrollment as a Volunteer and each enrolled Volunteer. All of the provisions of this Act applicable to Volunteers shall be applicable to applicants for enrollment during any period of training occurring prior to enrollment, and the term "Volunteers" as used in this Act shall include such applicants during any such period of training.

(b) The President may also make provision, on an advance of funds or reimbursement basis, for training for persons, other than those referred to in subsection (a) of this section, who have been selected for service abroad in programs not carried out under authority of this Act which are similar to those authorized by this Act. The provisions of section 9 of this Act shall apply, on an advance of funds or a reimbursement basis, with respect to persons while within the United States for training under authority of this subsection. Advances or reimbursements received under this subsection may be credited to the current applicable appropriation, fund or account and shall be available for the purposes for which such appropriation, fund or account is authorized to be used.

SEC. 9. PARTICIPATION OF FOREIGN NATIONALS.—The President may make provision for transportation, housing, subsistence, or per diem in lieu thereof, and health care or health and accident insurance for foreign participants in activities authorized by this Act while they are away from their homes, without regard to the provisions of any other law: *Provided, however,* That per diem in lieu of subsistence furnished to such persons shall not be at rates higher than those prescribed by the Secretary of State pursuant to section 12 of Public Law 84-885 (70 Stat. 890). Such persons shall be admitted to the United States as non-immigrants under section 101(a)(15) of the Immigration and Nationality Act (8 U.S.C. 101(a)(15)) for such time and under such conditions as may be prescribed by regulations promulgated jointly by the Secretary of State and the Attorney General.

SEC. 10. GENERAL POWERS AND AUTHORITIES.—(a) In furtherance of the purposes of this Act, the President may:

(1) enter into, perform and modify contracts and agreements and otherwise cooperate with any agency of the United States Government or of any State or any subdivision thereof, international organizations and agencies, other governments and departments and agencies thereof, and educational institutions, voluntary agencies, farm organizations, labor unions, and other organizations, individuals and firms;

(2) accept in the name of the Peace Corps and employ in furtherance of the purposes of this Act (A) voluntary services notwithstanding the provisions of 31 U.S.C. 665(b), and (B) any money or property (real, personal or mixed, tangible or intangible) received by gift, devise, bequest or otherwise; and

(3) contract with individuals for personal services: *Provided,* That no such individual shall be deemed an officer or employee or otherwise in the service or employment of the United States Government for any purpose.

(b)(1) Notwithstanding any other provision of law, whenever the President determines that it will further the purposes of this Act, the President may—

(A) settle and pay, in an amount not exceeding $2,500, any claim against the United States for loss of or damage to personal property of any Volunteer or of any Peace Corps staff personnel where such loss or damage is incident to service abroad, including loss of or damage to personal property of members of the family of any such Volunteer or staff personnel accompanying him: *Provided,* That no such claim shall be paid which shall not have been presented in writing within two years after it accrues or which shall have resulted from the negligence or other fault of the claimant or owner of the property; and

(B) settle and pay, in an amount not exceeding $15,000, any claim against the United States, or against any United States private organization or firm to which a Volunteer has been detailed or assigned, for loss of or damage to real or personal property (including loss of occupancy or use thereof) belonging to, or for personal injury or death of, any person not a citizen or resident of the United States, where such claim arises abroad out of the act or omission of any Peace Corps staff personnel, or out of the act or omission of such Volunteer, but only if such claim is presented in writing within two years after it accrues.

(2) Any amount paid in settlement of any claim under this subsection shall be accepted by the claimant in full satisfaction thereof and shall bar any further action or proceeding thereon: *Provided,* That if the President determines that a meritorious claim exists in an amount in excess of the maximum amount for which settlement is authorized in the relevant subparagraph of paragraph (1) of this subsection, he may so certify to the Congress and may submit a request that payment of such excess be authorized by the Congress.

(c) Subject to any future action of the Congress, a contract or agreement which entails commitments for the expenditure of funds available for the purposes of this Act, including commitments for the purpose of paying or providing for allowances and other benefits of Volunteers authorized by sections 5 and 6 of this Act, may extend at any time for not more than thirty-six months.

(d) Whenever the President determines it to be in furtherance of the purposes of this Act,

(1) the President may exercise, in carrying out functions authorized by this Act, any authority relating to administrative or personnel functions available by law (including Appropriation Acts) to the agency primarily responsible for administering nonmilitary assistance programs under the Mutual Security Act of 1954, as amended; and

(2) functions authorized by this Act may be performed without regard to such provisions of law (other than the Renegotiation Act of 1951, as amended) regulating the making, performance, amendment, or modification of contracts, and the expenditure of Government funds as the President may specify.

(e) The President may allocate or transfer to any agency of the United States Government all or any part of any funds available for carrying out the purposes of this Act, including any advance received by the United States from any country or international organization under authority of this Act. Such funds shall be available for obligation and expenditure for the purposes of this Act, in accordance with authority granted in this Act or under authority governing the activities of the agencies of the United States Government to which such funds are allocated or transferred.

(f) Any officer of the United States Government carrying out functions under this Act may utilize the services and facilities of, or procure commodities from, any agency of the United States Government as the President shall direct, or with the consent of the head of such agency, and funds allocated pursuant to this subsection to any such agency may be established in separate appropriation accounts on the books of the Treasury.

(g) In the case of any commodity, service, or facility procured from any agency of the United States Government under this Act, reimbursement or payment shall be made to such agency from funds available under this Act. Such reimbursement or payment shall be at replacement cost, or, if required by law, at actual cost, or at any other price authorized by law and agreed to by the owning or disposing agency. The amount of any such reimbursement or payment shall be credited to current applicable appropriations, funds, or accounts from which there may be procured replacements of similar commodities, services, or facilities, except that where such appropriations, funds, or accounts are not reimbursable except by reason of this subsection, and when the owning or disposing agency determines that such replacement is not necessary, any funds received in payment therefor shall be covered into the Treasury as miscellaneous receipts.

SEC. 11. REPORTS.—The President shall transmit to the Congress, at least once in each fiscal year, a report on operations under this Act.

SEC. 12. NATIONAL ADVISORY COUNCIL AND CAREER PLANNING BOARD.—(a) The President may appoint to membership in a board to be known as the National Advisory Council persons who are broadly representative of educational institutions, voluntary agencies, farm organizations and labor unions and other public and private organizations and groups as well as individuals interested in the programs and objectives of the Peace Corps, to advise and consult with the President with regard to policies and programs designed to further the purposes of this Act.

(b) The President may appoint to membership in a board to be known as the Career Planning Board persons especially qualified to advise and consult with the President with regard to the development of policies and programs designed to assist the future careers of Volunteers after conclusion of their service.

(c) Members of the boards referred to in this section shall serve at the pleasure of the President and meet at his call. They shall receive no compensation for their services, but members who are not officers or employees of the United States Government may each receive out of funds made available for the purposes of this Act a per diem allowance of $50 for each day spent away from his home or regular place of business for the purpose of attendance at meetings or conferences and in necessary travel, and while so engaged may be paid actual travel expenses and per diem in lieu of subsistence and other expenses, at the applicable rate prescribed by the Standardized Government Travel Regulations, as amended from time to time.

SEC. 13. EXPERTS AND CONSULTANTS.—(a) Experts and consultants, or organizations thereof, as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), may be employed by any agency of the United States Government for the performance of functions under this Act, and individuals so employed may be compensated at rates not in excess of $75 per diem, and while away from their homes or regular places of business, they may be paid actual travel expenses and per diem in lieu of subsistence and other expenses at the applicable rate prescribed in the Standardized Government Travel Regulations, as amended from time to time, while so employed: *Provided,* That contracts for such employment with such organizations may be renewed annually.

(b) Service of an individual as a member of either of the boards authorized to be established by section 12 of this Act or as

an expert or consultant under subsection (a) of this section shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, or 284 of title 18 of the United States Code, or of section 190 of the Revised Statutes (5 U.S.C. 99), or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of service, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States Government, except insofar as such provisions of law may prohibit any such individual from receiving compensation in respect of any particular matter in which such individual was directly involved in the performance of such service; nor shall such service be considered as employment or holding of office or position bringing such individual within the provisions of section 13 of the Civil Service Retirement Act, as amended (5 U.S.C. 2263), section 212 of the Act of June 30, 1932, as amended (5 U.S.C. 59a), or any other law limiting the reemployment of retired officers or employees or governing the simultaneous receipt of compensation and retired pay or annuities.

SEC. 14. DETAIL OF PERSONNEL TO FOREIGN GOVERNMENTS AND INTERNATIONAL ORGANIZATIONS.—(a) In furtherance of the purposes of this Act, the head of any agency of the United States Government is authorized to detail, assign, or otherwise make available any officer or employee of his agency (i) to serve with, or as a member of, the international staff of any international organization, or (ii) to any office or position to which no compensation is attached with any foreign government or agency thereof: *Provided,* That such acceptance of such office or position shall in no case involve the taking of an oath of allegiance to another government.

(b) Any such officer or employee, while so detailed or assigned, shall be considered, for the purpose of preserving his allowances, privileges, rights, seniority, and other benefits as such, an officer or employee of the United States Government and of the agency of the United States Government from which detailed or assigned, and he shall continue to receive compensation, allowances, and benefits from funds available to that agency or made available to that agency out of funds authorized by this Act. He may also receive, under such regulations as the President may prescribe, representation allowances similar to those allowed under section 901 of the Foreign Service Act of 1946 (22 U.S.C. 1131). The authorization of such allowances and other benefits, and the payment thereof out of any appropriations available therefor, shall be considered as meeting all of the requirements of section 1765 of the Revised Statutes (5 U.S.C. 70).

(c) Details or assignments may be made under this section:

(1) without reimbursement to the United States Government by the international organization or foreign government;

(2) upon agreement by the international organization or foreign government to reimburse the United States Government for compensation, travel expenses, and allowances, or any part thereof, payable to such officer or employee during the period of assignment or detail in accordance with subsection (b) of this section; and such reimbursement shall be credited to the appropriation, fund, or account utilized for paying such compensation, travel expenses, or allowances, or to the appropriation, fund, or account currently available for such purpose; or

(3) upon an advance of funds, property or services to the United States Government accepted with the approval of the President for specified uses in furtherance of the purposes of this Act; and funds so advanced may be established as a separate fund in the Treasury of the United States Government, to be available for the specified uses, and to be used for reimbursement of appropriations or direct expenditure subject to the provisions of this Act, any unexpended balance of such account to be returned to the international organization.

SEC. 15. UTILIZATION OF FUNDS.—(a) Funds made available for the purposes of this Act may be used for compensation, allowances and travel of staff personnel, including Foreign Service personnel whose services are utilized primarily for the purposes of this Act, for printing and binding without regard to the provisions of any other law, and for expenditures outside the United States for the procurement of supplies and services and for other administrative and operating purposes (other than compensation of personnel) without regard to such laws and regulations governing the obligation and expenditure of Government funds as may be necessary to accomplish the purposes of this Act.

(b) Funds made available for the purposes of this Act may be used to pay expenses in connection with travel abroad of Peace Corps staff personnel and, to the extent otherwise authorized by this Act, of volunteers, including travel expenses of dependents (including expenses during necessary stop-overs while engaged in such travel), and transportation of personal effects, household goods, and automobiles when any part of such travel or transportation begins in one fiscal year pursuant to travel orders issued in that fiscal year, notwithstanding the fact that such travel or transportation may not be completed during the same fiscal year, and cost of transporting to and from a place of storage, and the cost of storing automobiles of Peace Corps staff personnel when it is in the public interest or more economical to authorize storage.

(c) Funds available under this Act may be used to pay costs of training Peace Corps staff personnel employed or assigned pursuant to section 7(c)(2) of this Act (through interchange or otherwise) at any State or local unit of government, public or private nonprofit institution, trade, labor, agricultural, or scientific association or organization, or commercial firm; and the provisions of Public Law 84-918 (7 U.S.C. 1883 et seq.) may be used to carry out the foregoing authority notwithstanding that interchange of personnel may not be involved or that the training may not take place at the institutions specified in that Act. Such training shall not be considered employment or holding of office under section 62 of title 5 of the United States Code, and any payments or contributions in connection therewith may, as deemed appropriate by the head of the agency of the United States Government authorizing such training, be made by private or public sources and be accepted by any trainee, or may be accepted by and credited to the current applicable appropriation of such agency: *Provided, however,* That any such payments to an employee in the nature of compensation shall be in lieu, or in reduction, of compensation received from the United States Government.

(d) Funds available for the purposes of this Act shall be available for:

(1) rents in the District of Columbia, and for repair, alteration, and improvement of such leased properties, without regard to the limitation contained in section 322 of Public Law 72-212, as amended (40 U.S.C. 278a);

(2) expenses of attendance at meetings concerned with the purposes of this Act, including (notwithstanding the provisions of section 9 of Public Law 60-328 (31 U.S.C. 673)) expenses in connection with meetings of persons whose employment is authorized by section 13(b) of this Act;

(3) purchase, maintenance, operation, and hire of aircraft: *Provided,* That aircraft for administrative purposes may be purchased only as specifically provided for in an appropriation or other Act;

(4) purchase and hire of passenger motor vehicles: *Provided,* That the cost of each such vehicle, including exchange allowance, shall not exceed $1,800 for passenger vehicles, or $2,250 for station wagons, or $3,500 in the case of an automobile purchased for the chief of any special mission or staff outside the United States established under section 14(e) of this Act: *Provided further,* That, except as may otherwise be provided in an appropriation or other Act, passenger motor vehicles for administrative purposes abroad may be purchased for replacement only and such vehicles may be exchanged or sold and replaced by an equal number of such vehicles: *Provided further,* That passenger motor vehicles may be purchased for use in the United States only as may be specifically provided in an appropriation or other Act;

(5) entertainment (not to exceed $5,000 in any fiscal year except as may otherwise be provided in an appropriation or other Act);

(6) exchange of funds without regard to section 3561 of the Revised Statutes (31 U.S.C. 543) and loss by exchange;

(7) expenditures (not to exceed $5,000 in any fiscal year except as may otherwise be provided in an appropriation or other Act) of a confidential character other than entertainment: *Provided,* That a certificate of the amount of each such expenditure, the nature of which it is considered inadvisable to specify, shall be made by the Director of the Peace Corps or such person as he may designate, and every such certificate shall be deemed a sufficient voucher for the amount herein specified;

(8) insurance of official motor vehicles or aircraft acquired for use abroad;

(9) rent or lease abroad for not to exceed ten years of offices, health facilities, buildings, grounds, and living quarters, and payments therefor in advance; maintenance, furnishings, necessary repairs, improvements, and alterations to properties owned or rented by the United States Government or made available for its use abroad; and costs of fuel, water and utilities for such proper ties;

(10) expenses of preparing and transporting to their former homes, or, with respect to foreign participants engaged in activities under this Act, to their former homes or places of burial, and of care and disposition of, the remains of persons or members of the families of persons who may die while such persons are away from their homes participating in activities under this Act;

(11) use in accordance with authorities of the Foreign Service Act of 1946, as amended (22 U.S.C. 801 *et. seq.*), not otherwise provided for; and

(12) ice and drinking water for use abroad.

SEC. 16. APPOINTMENT OF PERSONS SERVING UNDER PRIOR LAW.—(a) Under such terms and conditions as the President may prescribe, volunteer personnel who on the effective date of this Act have been engaged by contract by, or pursuant to agreement with, the Peace Corps agency established within the Department of State pursuant to Executive Order No. 10924, dated March 1, 1961, may be enrolled as Volunteers or Volunteer Leaders under this Act. Such enrollment may be made effective, for any or all purposes, as of a date prior to the effective date of this Act but not earlier than the date of final selection for service abroad of the person in question. All allowances and termination payments similar to those authorized by this Act received by any such person or by members of his family or payable with respect to any period between the effective date and the actual date of such enrollment shall be deemed for all purposes

to have been received or to be payable under the appropriate provision of this Act.

(b) Persons serving as members of the National Advisory Council and the Career Planning Board of the agency referred to in subsection (a) of this section shall be members of the National Advisory Council and the Career Planning Board, respectively, established under section 12 of this Act without appointment thereunder.

SEC. 17. USE OF FOREIGN CURRENCIES.—Whenever possible, expenditures incurred in carrying out functions under this Act shall be paid for in such currency of the country or area where the expense is incurred as may be available to the United States. To that end, there may be used in furtherance of the purposes of this Act, in such amounts as the President may specify

(a) foreign currencies accruing under Title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, for use under section 104(e) thereof; and

(b) foreign currencies in excess of the requirements of the United States Government for the payment of its obligations abroad (as determined by the President) received by the United States Government as a result of the furnishing of nonmilitary assistance under the Mutual Security Act of 1954, as amended, and Acts repealed thereby (including proceeds of sales under section 550 of the Mutual Security Act of 1951, as amended, and section 402 of Mutual Security Act of 1954, as amended), or under any Act which substantially repeals the Mutual Security Act of 1954, as amended, notwithstanding any law relating to receipts and credits accruing to the United States Government (except in the case of administrative expenses).

SEC. 18. APPLICABILITY OF MUTUAL DEFENSE ASSISTANCE CONTROL ACT.—The Mutual Defense Assistance Control Act of 1951 (22 U.S.C. 1611 *et seq.*) shall not apply with respect to functions carried out under this Act.

SEC. 19. SEAL.—The President may adopt, alter, and use an official seal or emblem of the Peace Corps of such design as he shall determine, which shall be judicially noticed.

SEC. 20. MORATORIUM ON STUDENT LOANS.—Section 205 of the National Defense Education Act of 1958 (P.L. 85-864) (20 U.S.C. 425) is amended in the following respects:

(1) by deleting the word "or" immediately preceding section 205(b)(2)(A)(ii) and by adding immediately after that section the following: "or (iii) during which the borrower is in service as a Volunteer under the Peace Corps Act: *Provided*, That this clause shall apply to any loan outstanding on the effective date of the Peace Corps Act only with the consent of the then obligee institution"; and

(2) by amending section 205(b)(3) to read as follows: "(3) not to exceed in the aggregate 50 per centum of any such loan (plus interest) shall be cancelled (A) for service as a full-time teacher in a public elementary or secondary school in a State, at the rate of 10 per centum of the amount of such loan plus interest thereon, which was unpaid on the first day of such service, for each complete academic year of such service; and (B) for service as a Volunteer under the Peace Corps Act, at the rate of 10 per centum of the amount of such loan plus interest thereon, which was unpaid on the first day of such service, for each completed 8 months of such service;"

SEC. 21. TAXATION OF ALLOWANCES.—(a) The Internal Revenue Code of 1954, as amended, is amended in the following respects:

(1) Section 912 of such Code relating to exemption for certain allowances is amended by adding the following new paragraph (3):

"(3) Peace Corps Allowances. In the case of Volunteers within the meaning of the Peace Corps Act and members of families of such Volunteers, amounts received as allowances under sections 5 or 6 of the Peace Corps Act (other than termination payments under section 5(c) of said Act)."

(2) Section 1303(b) of such Code relating to income from back pay is amended by adding the following new paragraph (4):

"(4) Termination payments authorized by the provisions of section 5(c) of the Peace Corps Act and received or accrued by an individual during the taxable year on account of any period of service as a Volunteer under the Peace Corps Act occurring prior to the taxable year."

(b) Termination payments authorized by section 5(c) of this Act shall not be deemed wages within the meaning of section 3401 of said Code.

SEC. 22. SOCIAL SECURITY COVERAGE.—During any period of service as a Volunteer under the Peace Corps Act, an individual shall, notwithstanding the provisions of section 210 of the Social Security Act and section 3121 of the Internal Revenue Code of 1954, be deemed to be performing service constituting employment for purposes of title II of such Act and chapter 21 of such Code; and, subject to the provisions of section 209(a) of such Act and section 3121(a)(1) of such Code, any such individual shall be deemed to have received wages for such service of $200 for each month during any part of which he performs such service. Notwithstanding the provisions of section 3102 of the Internal Revenue Code of 1954, the tax which would otherwise be imposed with respect to such wages under section 3101 of such Code shall not be deducted but shall be paid from funds made available for the purposes of this Act.

SEC. 23. AMENDMENT TO CIVIL SERVICE RETIREMENT ACT.—Subsection (j) of section 3 of the Civil Service Retirement Act, as amended (5 U.S.C. 2253), is amended to read as follows:

"MILITARY SERVICE AFTER DECEMBER 1956 AND PEACE CORPS VOLUNTEER SERVICE

"(j) Notwithstanding any other provision of this section or section 5(g) of the Peace Corps Act, any military service (other than military service covered by military leave with pay from a civilian position) performed by an individual after December 1956 and any period of service by an individual as a Volunteer under the Peace Corps Act, shall be excluded in determining the aggregate period of service upon which an annuity payable under this chapter to such individual or to his widow or child is to be based, if such individual or widow or child is entitled (or would upon proper application be entitled) at the time of such determination, to monthly old-age or survivors benefits under section 202 of the Social Security Act, as amended (42 U.S.C. 402), based on such individual's wages and self-employment income. If in the case of the individual or widow such military service or service under the Peace Corps Act is not excluded under the preceding sentence, but upon attaining retirement age (as defined in section 216 (a) of the Social Security Act, as amended), he or she becomes entitled (or would upon proper application be entitled) to such benefits, the Commission shall redetermine the aggregate period of service upon which such annuity is based, effective as of the first day of the month in which he or she attains such age, so as to exclude such service. The Secretary of Health, Education, and Welfare shall, upon the request of the Commission, inform the Commission whether or not any such individual or widow or child is entitled at any specified time to such benefits."

SEC. 24. REEMPLOYMENT RIGHTS.—(a) Any person who has completed a period of satisfactory service, as determined by the President, as a Volunteer, shall be entitled to all the reemployment rights and other benefits provided under subsections (b), (c), (d), (e) and (f) of section 9 of the Act of June 24, 1948, as amended (50 U.S.C. App. 459) in the case of persons inducted into the Armed Forces of the United States under the provisions of title I of that Act: *Provided*, That any such person who has not served abroad as a Volunteer shall have the reemployment rights and other benefits provided in the case of persons referred to in section 9(g)(4) of that Act.

(b) The President may render aid in the reemployment in their former positions of former Volunteers who have completed a period of satisfactory service under this Act. In rendering such aid, the President may use the then existing Federal and State agencies engaged in activities referred to in section (9)(h) of said Act of June 24, 1948.

(c) Persons in service as Volunteers under this Act shall be entitled to the same rights as are accorded under section 9(i) of said Act of June 24, 1948, to persons inducted into the Armed Forces of the United States under title I of said Act.

SEC. 25. DEFINITIONS.—(a) The term "abroad" means any area outside the continental United States, Alaska and Hawaii.

(b) The term "function" includes any duty, obligation, right, power, authority, responsibility, privilege, discretion, activity and program.

(c) The term "health care" includes all appropriate examinations, preventive, curative and restorative health and medical care, and supplementary services such as travel and escorts when necessary.

(d) The terms "personnel" and "staff personnel" do not include Volunteers.

(e) For the purposes of this or any other Act, the period of any individual's service as a Volunteer under this Act shall include:

(i) except for the purposes of section 5(g) of this Act, any period of training prior to enrollment as a Volunteer under this Act; and

(ii) the period between enrollment as a Volunteer and the termination of service as such Volunteer by the President or by death or resignation.

(f) The term "United States Government agency" includes any department, board, wholly or partly owned corporation, or instrumentality, commission or establishment of the United States Government.

SEC. 26. CONSTRUCTION.—If any provision of this Act or the application of any provision to any circumstances or persons shall be held invalid, the validity of the remainder of this Act and the applicability of such provision to other circumstances or persons shall not be affected thereby.

SEC. 27. EFFECTIVE DATE.—This Act shall take effect on the date of its enactment.

SECTION-BY-SECTION ANALYSIS OF PEACE CORPS BILL

Section 1 provides that the bill may be cited as the "Peace Corps Act."

Section 2 states the purposes of the bill. These are to promote world peace and friendship through a Peace Corps, which shall make available to interested countries and areas and to international organizations American men and women qualified for service abroad to help the peoples of such countries and areas in meeting their needs for manpower; to provide broader opportunities for Americans and American private organizations, through service abroad, to contribute actively to U.S. efforts in the cause of world peace and friendship; and through the service abroad of the men and women participating in Peace Corps programs, to promote a better understanding of other peoples on the part of the American people and a better understanding of the American people on the part of the peoples served.

Section 3(a) authorizes the President to carry out programs in furtherance of the purposes stated in section 2 on such terms

and conditions as he may determine. Following the pattern of past and proposed foreign aid legislation, this bill would vest all authority and funds in the President, with power to delegate any or all functions as he sees fit.

Section 3(b) authorizes an appropriation to the President for the fiscal year 1962 of not to exceed $40 million to carry out the purposes and provisions of the bill.

Section 3(c) authorizes unexpended balances of fiscal year 1961 funds allocated to the Peace Corps to be continued available in fiscal year 1962 for the general purposes for which appropriated and to be consolidated with the appropriation authorized by section 3(b). The funds so allocated were appropriated pursuant to the first sentence of section 451(b) of the Mutual Security Act of 1954, as amended (hereinafter referred to as the Mutual Security Act).

Section 4(a) authorizes the President to appoint, by and with the advice and consent of the Senate, a Director of the Peace Corps and a Deputy Director of the Peace Corps. The President may fix the salaries of these two officers at rates not exceeding $20,000 and $19,500 per annum respectively. The present Director of the Peace Corps occupies one of the statutory offices created by Reorganization Plan No. 7 of 1953, which carries a salary not in excess of $20,000. It is proposed that the reorganization plan will be repealed by the new foreign aid legislation.

Section 4(b) authorizes the President to exercise any functions vested in him by the bill through such agency or officer of the Government as he shall direct. The head of any agency or any officer performing functions delegated by the President is authorized to promulgate rules and regulations and to further delegate functions delegated to him. This subsection is analogous to section 521(a) of the Mutual Security Act.

Section 5(a) authorizes the President to enroll in the Peace Corps citizens and nationals of the United States, to be known as volunteers. It is intended that the terms and conditions of the service of Peace Corps volunteers be exclusively those stated in the bill and those consistent with the bill which the President prescribes. Because many of the statutory rules relating to persons regularly employed in Government agencies would be inappropriate or irrelevant to this new type of temporary volunteer service, this subsection provides that volunteers are not to be deemed to be officers or employees of the United States for any purpose except as provided in the bill.

Section 5(b) provides that volunteers shall be provided with such living, travel, and leave allowances and such housing, transportation, supplies, equipment, subsistence, and clothing as the President determines. It is intended that, while overseas, volunteers will be provided in cash or in kind with all necessities of life and that they will live at a level approximating their host country counterparts, but sufficient to maintain a decent minimum standard of living and to support health and effectiveness. This subsection also authorizes the furnishing of transportation and travel allowances to applicants for enrollment and former volunteers en route to or from places of enrollment and termination.

Section 5(c) provides for termination or readjustment payments to volunteers at rates fixed by the President. This payment would accumulate monthly but would normally not be paid to the volunteer until the termination of his service, as it is intended primarily to assist him in the transition back to life at home in the United States. However, in order to enable the volunteer while in service to meet important obligations, such as contribution to the education of other members of his family, payment of life insurance premiums, or emergency expenses, the President may permit a portion or all of the accrued amount of the termination payment to be disbursed while the volunteer is in service.

Section 5(d) provides that volunteers shall be treated as Government employees for the purposes of the Federal Employees' Compensation Act, which provides for disability compensation payments and medical care in the case of injury or disease arising out of Federal employment. For the purpose of fixing the level of disability benefits, which is related to earnings, volunteers are deemed to be receiving monthly pay at the rate of $450 per month and volunteer leaders (see sec. 6) at the rate of $650 per month. This would permit a volunteer to receive $337.50 per month and a volunteer leader to receive $487.50 per month if he became permanently totally disabled.

Where a volunteer suffers injury or illness while located in the United States, the rules applied in similar cases by the Federal Employees' Compensation Board will determine whether the illness or injury arises out of the volunteer's service. Any injury or illness occurring while the volunteer is outside the United States will be deemed to arise out of his service. Volunteers will not begin to receive disability payments so long as he is in service, since he will be provided with full medical care during that time and will continue to accrue his termination payment.

Section 5(e) authorizes the President to make provision for health examinations and immunization of volunteers preparatory to service and complete health care during service. Under regulations prescribed by the President, such examinations, immunization, and care may be provided through available medical facilities of other agencies and in such cases the agency operating the medical facility will be reimbursed from Peace Corps appropriations. Where examination, immunization or care are not furnished through other government facilities, other arrangements will be made either by the Peace Corps or, in the case of some projects administered through other agencies, by the administering agency pursuant to agreement with the Peace Corps.

Section 5(f) provides for the payment of a $10,000 death benefit to the designated beneficiary, estate, or next of kin of any volunteer who dies while in service.

Section 5(g) enables volunteers to obtain credit for the period of their volunteer service for the purposes of retirement, and also generally for the purposes of seniority, reduction in force, leave accumulation or other rights and privileges based on length of service, in the event they later become employed in any of the various Federal civilian employment systems. Under such conditions as the President shall specify, examinations and other prerequisites for admission to other Federal employment established by laws administered by the Civil Service Commission may be waived for volunteers who have successfully completed volunteer training and have served abroad.

Section 5(h) authorizes the President to detail or assign volunteers or otherwise make them available to other Government agencies, international organizations, foreign governments, private nonprofit organizations, individuals and firms. Volunteers so assigned or detailed would continue to be entitled to the benefits, allowances, and privileges provided for volunteers.

Section 5(i) provides that volunteers shall be deemed employees of the Government for the purposes of the Federal Tort Claims Act and other similar Federal claims statutes which waive the Government's immunity from suit. This means that the Government could be sued for damages for the negligent act or omission or certain other wrongful conduct of a volunteer within the United States under circumstances where the Government, if a private person, would be liable. Claims of this nature not in excess of $2,500 could be settled administratively under the Federal Tort Claims Act.

Section 5(j) authorizes the President to terminate the service of volunteer at any time at his pleasure.

Section 6 authorizes the enrollment of "volunteer leaders" in the Peace Corps Volunteer Service. Volunteer leaders would be persons, generally senior in age and experience to volunteers, who were required for supervisory or other special duties or responsibilities in the field. They would serve with volunteers and live among the host country nationals on much the same basis as volunteers, but generally on a slightly higher standard of living. They would not, however, receive compensation or fulfill the functions of regularly employed administrative personnel of the Government.

All of the provisions of the bill relating to volunteers would apply to volunteer leaders, and the term "volunteers" throughout the bill includes volunteer leaders. However, unlike volunteers, volunteer leaders might in some instances have dependent families. It would normally be preferable to send the family of a volunteer leader with him, rather than requiring a spouse or children to remain behind. Therefore the bill authorizes the provision of allowances, housing, transportation, subsistence, and clothing to families of volunteer leaders. This would also apply, during any period, such as training period, when the family might not live with the volunteer leader, or during the entire tour of duty, if the family remained at home, since the volunteer leader would not be earning a salary with which to support the family. Health care could also be provided to family members, but only while accompanying the volunteer leader. Finally, orientation, language and other training appropriate to prepare family members for overseas could be provided.

Section 7(a) authorizes the President or any agency or officer of the Government carrying out functions under the bill to employ such staff personnel as the President deems necessary to carry out the purposes and provisions of the bill. Staff personnel, unlike volunteers, would be subject to the usual rules of Government employment and to the provisions of the bill applicable to staff personnel, which are essentially the same as those applicable to personnel of ICA.

Section 7(b) authorizes employment, compensation, and removal of not more than 40 persons employed in the United States, without regard to the provisions of any law. Not more than 30 of these may be compensated at rates higher than the maximum rate of GS-15 ($15,810), of which not more than 5 may be compensated at a rate higher than the highest GS rate ($18,500), but not above $19,000 per year. The proviso gives "retreat rights" to any person removed from one of the 40 positions authorized by this subsection. This subsection is similar to section 527(b) of the Mutual Security Act, except that it waives all laws as to the employment, compensation, and removal of these top officials, and not merely the Classification Act of 1949.

Section 7(c) would give to the Peace Corps the same type of Foreign Service Act compensation and appointment authority with respect to staff personnel as has been available to ICA and its predecessor agencies. Paragraph (1) of this subsection permits persons regularly employed in the United States who have been assigned for oversea duty to be compensated at rates authorized by the Foreign Service Act and to receive Foreign Service Act allowances and benefits. Paragraph (2) of this subsection authorizes the employment and assignment of persons

for oversea service in exactly the same manner as is authorized for the State Department with respect to its Foreign Service. This includes not only compensation, allowances, and benefits, but also other personnel authority such as rotation and "selection out" authority. This subsection is the same as section 527(c) of the Mutual Security Act, except that a proviso has been added which makes clear that persons employed under this subsection may be assigned to an initial tour of duty of not more than one year within the United States.

Section 7(d) authorizes the President to prescribe performance standards for staff personnel appointed pursuant to the Foreign Service Act authority of subsection (c)(2) of this section, to separate staff personnel failing to meet such standards, and to grant limited severance benefits.

Section 7(e) provides authority for the President to maintain special missions or staffs abroad in those countries where the size or complexity of Peace Corps operations warrants them, where U.S. operations missions are not sufficiently large to form a base for Peace Corps operations, or where other special circumstances require separate Peace Corps missions. This subsection is identical to section 526 of the Mutual Security Act, except that it provides for Presidential appointment only of the chief of mission and not his deputy.

Section 8(a) authorizes the President to provide training for applicants for enrollment as volunteers and for volunteers following enrollment. During training, applicants for enrollment would be treated in all respects as volunteers and would be subject to the same conditions of service as volunteers, except that their training period would not be credited toward retirement or other benefits in other Federal services in which they may subsequently be employed (see sec. 25 (e)).

Section 8(b) authorizes the President, on an advance of funds or reimbursement basis, to provide training for persons who are not applicants for enrollment in the Peace Corps but who will engage in programs similar to those carried out under the bill. This might include, for example, persons participating in Peace Corps type programs of voluntary agencies, international organizations, or other countries. On an advance of funds or reimbursement basis, the President could provide the allowances, facilities, and benefits mentioned in section 9 while such trainees were in the United States, and such persons would be admitted to the United States as nonimmigrants under the Immigration and Nationality Act. The last sentence of section 8(b) provides for continued availability of advances or reimbursements received under this subsection and credit to the current applicable appropriation, fund, or account.

Section 9 authorizes the President to make provision for transportation, housing, subsistence or per diem in lieu thereof, health care or health and accident insurance for noncitizens of the United States while away from their homes participating in activities authorized by the bill within or without the United States. Such persons might include host country nationals participating with volunteers in Peace Corps projects away from their homes, or who might come to the United States to assist in furnishing training to volunteers. The allowances authorized by this section may be provided without regard to the provisions of any other law, except that per diem in lieu of subsistence could not be fixed at rates higher than those prescribed by the Secretary of State pursuant to section 12 of Public Law 885, 84th Congress (70 Stat. 890). The last sentence of section 9 provides for the admission of such foreign participants to the United States as nonimmigrants under section 101(a)(15) of the Immigration and Nationality Act.

Section 10(a)(1) authorizes the President, in furtherance of the purposes of the bill, to make contracts and agreements and otherwise cooperate with U.S. Government agencies, international organizations, foreign governments, private nonprofit organizations, individuals, and firms.

Section 10(a)(2) authorizes the President to accept voluntary services and gifts of money or property for the use of the Peace Corps in furtherance of the purposes of the bill. This authority is similar to authority contained in section 205(c) of the Mutual Security Act. It clarifies the Peace Corps' authority to accept gifts of money and equipment of the kind already offered to it. It would also permit contributions, for example, to establish training facilities or a model farm or a schoolhouse which might provide the framework for certain Peace Corps projects abroad.

Section 10(a)(3) authorizes personal service contracts with individuals but provides that individuals hired by contract shall not be deemed officers or employees of the Government for any purpose. With respect to operations abroad, this provision is important to avoid having to put on the Government rolls all persons who will perform personal services and is similar to the authority contained in section 537(a)(3) of the Mutual Security Act. The bill would give the Peace Corps the same authority within the United States so that persons who cannot be classified as experts or consultants and employed under section 12 of the bill may be retained for personal service functions. This might include foreign nationals employed to assist with training programs in the United States.

Section 10(b)(1) authorizes administrative settlement of two types of claims:

Paragraph (A) authorizes the President to pay up to $2,500 for loss or damage of personal property belonging to a volunteer or an employee engaged in activities authorized by the bill (including property of members of families of employees and volunteer leaders accompanying them), where such loss or damage is incident to service abroad. This would cover claims for loss or damage resulting from emergency evacuation of foreign posts, unavoidable casualty losses, and other losses incident to oversea service. The authority provided in this paragraph is similar to that provided for military personnel under 10 U.S.C. 2732, except that that provision authorizes payment up to $6,500.

Paragraph (B) authorizes the President to pay up to $15,000 for property damage or personal injury to any person not a citizen or resident of the United States where the loss or injury occurs abroad and arises out of the act or omission of a volunteer or an employee engaged in activities authorized by the bill. The authority would apply whether the claim was made against the Government or a United States private organization or firm to which the volunteer causing the loss or injury had been detailed or assigned. This authority is analogous to that granted the military departments under 10 U.S.C. 2734, which is expressly designed to maintain friendly relations abroad through prompt settlement of meritorious claims of the nature described.

Section 10(b)(2) would require, as to both categories of claims described in section 9(b)(1), that the amount offered in settlement be accepted by the claimant in full satisfaction of his claim. However, if the President determined that a meritorious claim existed in an amount larger than the maximum amount for which settlement is authorized, he might so certify to the Congress and submit a request that payment of the excess be authorized.

Section 10(c) provides that a contract or agreement may obligate funds available under the bill for a period of not more than 3 years, including funds for the purpose of paying or providing for the allowances or benefits of volunteers. Such contracts or agreements would be subject to termination if Congress terminated the program. This subsection is based upon the last sentence of section 307(a) of the Mutual Security Act, providing 3-year contract authority for technical cooperation programs.

Section 10(d)(1) provides that the President, in carrying out functions under the bill, may exercise any administrative or personnel authority available to ICA or its successor agency, whenever he determines it to be in furtherance of the purposes of the bill. The bill contains the basic administrative and personnel authorities which it is now anticipated will be clearly necessary in order effectively to carry out Peace Corps programs. However, certain authorities contained in the Mutual Security Act, or which might be added in successor foreign aid legislation, may become important to the operation of the Peace Corps in the light of subsequent experience. For example, it might become desirable to utilize the authority contained in section 530(b) of the Mutual Security Act, permitting employment of persons without compensation pursuant to section 710(b) of the Defense Production Act of 1950. Section 10(d)(1) is similar to section 2(d) of Reorganization Plan No. 8 of 1953, which established the U.S. Information Agency.

Section 10(d)(2) authorizes the President, when he determines it to be in furtherance of the purposes of the bill, to waive provisions of law (other than the Renegotiation Act of 1951, as amended) regulating the making, performance, amendment or modification of contracts and the expenditure of Government funds. This provision is the same as section 533 of the Mutual Security Act of 1954.

Section 10(e) is the same as section 522(a) of the Mutual Security Act, with minor modification. It permits funds available for the purposes of the bill to be allocated to any Government agency in connection with activities under the bill. Funds so allocated may be spent in accordance with the authority of the bill or in accordance with authority governing the activities of the agency to which the funds have been allocated.

Section 10(f) is the same as the first sentence of the Mutual Security Act, section 522(b). It authorizes any officer of the Government carrying out functions under the bill to utilize the services and facilities of other Government agencies or procure commodities from other Government agencies, either with the consent of the head of the other agency or upon direction of the President.

Section 10(g) is the same as Mutual Security Act, section 522(d), with minor modification. It provides that when commodities, services or facilities are procured from any Government agency, reimbursement to such agency shall be made from funds available under the bill, and states the manner in which the price shall be determined for purposes of reimbursement. The last sentence of this subsection describes the manner in which such reimbursements may be used by the agency furnishing the commodities, facilities or services.

Section 11 requires the President to transmit reports to Congress on operations under the bill at least once in each fiscal year.

Section 12(a) authorizes the President to appoint members of a National Advisory Council to advise and consult with him with regard to general policies and programs designed to further the purposes of the bill. The members of this Council are to be broadly representative of various public and private organizations and groups as well as

individuals interested in the programs and objectives of the Peace Corps.

Section 12(b) authorizes the President to appoint the members of a Career Planning Board to advise and consult with him with regard to the development of policies and programs designed to assist the future careers of volunteers after the conclusion of their service.

Section 12(c) provides that members of the boards referred to in sections 11(a) and 11(b) shall serve at the pleasure of the President and be at his call. It further provides that members who are not employees of the Government may receive a per diem allowance of $50 for each day spent away from their homes or regular places of business in connection with meetings or conferences of the boards, and while so engaged may receive travel expenses and per diem in lieu of subsistence in accordance with the Standardized Government Travel Regulations.

Section 13(a) authorizes the employment of experts and consultants and organizations thereof in accordance with 5 U.S.C. 55a, with compensation at rates not exceeding $75 per diem plus travel expenses and per diem in lieu of subsistence in accordance with the Standardized Government Travel Regulations. The proviso at the end of this subsection authorizes annual renewal of contracts with organizations of experts and consultants. This subsection is the same as section 530(a) of the Mutual Security Act.

Section 13(b) exempts experts and consultants appointed for temporary service under section 12(a) from Federal conflict of interest laws except insofar as they prohibit any individual from receiving compensation from non-Governmental sources with respect to any particular matter in which he was directly involved in the performance of his Government service. Exemption is also provided from laws governing reemployment of retired officers or employees and simultaneous receipt of compensation and retired pay or annuities. The same exemptions are provided for members (except regular Government employees) of the boards referred to in section 12. These exemptions are the same as those provided in section 532(a) of the Mutual Security Act for experts and consultants and members of the former International Development Advisory Board.

Section 14 authorizes the detail or assignment of staff personnel to international organizations and foreign governments. This section combines the authorities contained in sections 528 and 529 of the Mutual Security Act. The assignment or detail may be with or without reimbursement or an advance of funds from the international organization or foreign government.

Section 15(a) provides generally for administrative expenditures. It is the same as section 411(d) of the Mutual Security Act, and permits certain types of administrative expenditures abroad without regard to such laws and regulations concerning Government expenditures as may be found necessary to carry out the purposes of the act (other than laws and regulations relating to compensation of personnel).

Section 15(b) permits obligation of current fiscal year funds to pay the complete cost of travel where such travel begins in one fiscal year but will not be completed before the close of the fiscal year, notwithstanding certain Comptroller General decisions. It is similar to the first part of section 537(a)(17) of the Mutual Security Act.

Section 15(c) authorizes certain training programs for staff personnel and is identical to section 537(e) of the Mutual Security Act.

Section 15(d) contains a number of provisions authorizing specific kinds of administrative expenditures, all of which (with some modification) are authorized with respect to the foreign aid program by section 537(a) of the Mutual Security Act. Although funds may be spent generally for any administrative expenses necessary to carry out the bill, certain special statutes and decisions of the Comptroller General impose specific limitations or prohibitions which the provisions of this subsection are designed to modify or remove. Specifically, this subsection authorizes:

1. Payment of rents in the United States, for which express authorization is required by the provisions of 40 U.S.C. 34 and 40 U.S.C. 304c. Rental funds for foreign aid activities have regularly been included in the foreign aid appropriations rather than in General Services Administration appropriations, and the Mutual Security Act has long contained authority to pay rents in the District of Columbia. The extension to other parts of the United States will enable the Peace Corps to rent recruitment or training facilities outside of Washington. This paragraph also permits expenditures for repairs, alterations, and improvements to leased properties in excess of 25 percent of the first year's rent, the ceiling imposed by 40 U.S.C. 278a.

2. Expenses in connection with meetings concerned with the purposes of the bill, including meetings of experts or consultants appointed under section 13(a). This provision has been included here, as in the Mutual Security Act, in view of 31 U.S.C. 551 and 31 U.S.C. 673.

3. Purchase, maintenance, operation and hire of aircraft, for which express authorization (except in the case of hire) is required by 5 U.S.C. 78(b). However, the proviso to this paragraph would permit aircraft to be purchased for administrative purposes only as specifically provided for in an appropriation or other act.

4. Purchase and hire of passenger motor vehicles, for which express authorization is required by 5 U.S.C. 78(a). The first proviso to this paragraph would set cost limits for passenger motor vehicles slightly higher than those provided by 5 U.S.C. 78a–1, for the reason that, especially abroad, it will not always be possible for the Peace Corps to join in the large-scale purchasing of Government vehicles which makes lower prices possible. The second proviso specifies that, except as otherwise provided in an appropriation or other act, passenger motor vehicles for administrative purposes abroad may be purchased only for replacement. The final proviso of this paragraph prohibits purchase of passenger motor vehicles for use in the United States except as specifically provided in an appropriation or other act. Except for the first proviso, this paragraph is the same as section 537(a)(5) of the Mutual Security Act.

5. Entertainment expenses not exceeding $5,000 in any fiscal year except as may be otherwise provided in an appropriation or other act. This authority is necessary, in view of Comptroller General decisions, for purposes of paying hotel bills and other expenses classified as entertainment expenses incurred in connection with foreign participants and officials and others. Unlike the equivalent provision of the Mutual Security Act of 1954 (sec. 537(a)(6)) such expenses would not be limited to the United States.

6. Exchange of dollars for foreign currencies and the losses which sometimes result from fluctuating exchange rates, notwithstanding 31 U.S.C. 543. This paragraph is identical to Mutual Security Act section 537(a)(7).

7. Confidential expenditures not exceeding $5,000 in any fiscal year except as may be otherwise provided in an appropriation or other act. The Director of the Peace Corps or his designee would have to certify the amount of each such expenditure and his certification would be sufficient voucher. This paragraph is the same as Mutual Security Act section 537(a)(8) except for the amount authorized.

8. Insurance of motor vehicles and aircraft abroad. While the Government acts as a self-insurer in the United States, this is not always permissible under the laws of foreign countries, and it is often undesirable. The authority for insuring aircraft is not contained in the equivalent Mutual Security Act provision, section 537(a)(9).

9. Rental abroad for periods not exceeding 10 years of offices, health facilities, buildings, grounds, and living quarters; maintenance, equipment, furnishings, repairs, improvements, and alterations to properties owned or rented by the Government, or made available to it, and costs of fuel, water, and utilities for such properties. The authority to rent for up to 10 years and the authority to make advance payments on leases are not found in section 527(a)(10) of the Mutual Security Act, from which this paragraph is derived. These authorities are necessary where local custom calls for long-term leasing and advance payment of rents.

10. Expenses of preparing, transporting and disposition of remains of persons or members of families of persons dying away from their homes while participating in activities under the bill. This is similar to the provisions of Mutual Security Act section 537(a)(11) and to authority presently available for employees of the Government under 5 U.S.C. 103a, but would extend in this case to persons, other than employees, engaged in activities under the bill.

11. Expenses of various types authorized by the Foreign Service Act which are not authorized by other provisions of the bill. This provision is similar to Mutual Security Act section 537(a)(17).

12. Ice and drinking water for use abroad notwithstanding Comptroller General decisions requiring express authorization for this purpose.

Section 16(a) is designed to permit retroactive enrollment under the bill of volunteer personnel engaged by contract prior to enactment of the bill. This would enable those who volunteered in the early stages of the program to be placed on the same footing and receive the same benefits as those volunteering after the enactment of the authorizing legislation.

Section 16(b) avoids the necessity for appointment under section 12 of the bill of persons already serving as members of the National Advisory Council and Career Planning Board created in connection with the existing Peace Corps agency.

Section 17 directs the Peace Corps to utilize foreign currencies available to the United States to the maximum practicable extent in carrying out its programs. To that end, it authorizes the Peace Corps to utilize certain foreign currencies accruing for economic development purposes under the Agricultural Trade Development and Assistance Act (Public Law 480) and certain foreign currencies generated by foreign assistance activities, in the same manner as proposed in the new foreign aid legislation.

Section 18 provides exemption of Peace Corps programs from the effect of the Battle Act so as to make clear that volunteers may be sent to countries where conditions do not permit the United States at this time to insist upon compliance with the Battle Act.

Section 19 authorizes the President to adopt a seal or emblem for the Peace Corps.

Section 20 makes two amendments to the student loan provisions of the National Defense Education Act of 1958. The first would suspend principal and interest payments on such loans for students during the period of their Peace Corps service. The second would provide for a partial forgiveness of student loans for persons serving in the Peace Corps

on much the same basis as is provided for persons who go into teaching.

Section 21(a) amends the Internal Revenue Code of 1954 so as to exempt from Federal income tax the living and other allowances of volunteers. Termination payments would be subject to tax, but subsection (a)(2) amends the code so as to enable volunteers to avoid paying a substantially higher tax on these payments because they are received at the conclusion of their service than would be payable if they had been received during the course of their service.

Section 21 (b) exempts termination payments from the withholding provisions of the Internal Revenue Code.

Section 22 provides for social security coverage of volunteers and fixes a level of compensation ($200 per month) for purposes of determining the social security tax and the benefits payable under the Social Security Act with respect to Peace Corps service. The Peace Corps would pay the full amount of the social security tax.

Section 23 contains a technical amendment to the Civil Service Retirement Act which assures that volunteers who become participants in the Civil Service Retirement System will not receive both an annuity under that system and social security benefits on account of their period of volunteer service.

Section 24(a) would give volunteers the same reemployment rights as are accorded to persons inducted under the Universal Military Training and Service Act. Persons wishing to volunteer could secure a leave of absence from their jobs for purposes of training and would be entitled to return to his job following his training period if he were not selected for immediate service abroad.

Section 24 (b) provides for the same sort of reemployment assistance for former volunteers as for inductees.

Section 24 (c) provides for absentee voting rights for volunteers on the same basis as for inductees.

Section 25 defines various terms used in the bill.

Section 26 is a standard "separability" provision.

Section 27 provides that the bill's effective date shall be the date of its enactment.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent that there be printed at this point in the RECORD an excellent article which appeared in the May issue of the AFL–CIO Free Trade Union News entitled "The Peace Corps: Promise and Potential." Harry H. Pollak, author of the article, is an AFL–CIO international representative and has been appointed as labor liaison man with the Peace Corps. Mr. Pollak emphasizes the important role which young American workers can play in this new and dynamic program. He also comments on the importance of our Peace Corps program not being solely a function of the Government, but one in which our various democratic groups, including trade unions, will take a most active role in developing projects and programs.

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

THE PEACE CORPS: PROMISE AND POTENTIAL

(By Harry H. Pollak)

On March 1, 1961, the President of the United States issued an Executive order which established, on a temporary basis, the Peace Corps.

The Peace Corps is to be composed primarily of young Americans who, in a tour of service of 2 to 3 years, could supplement, but not supplant, the technical assistance programs of governmental and private organizations.

In the opinion of one of its congressional sponsors, Senator HUBERT HUMPHREY, the Peace Corps should be a genuine people-to-people program in which talented and dedicated young Americans by bringing special skills to the peoples of the less developed areas of the world would assist them in their struggle against poverty, disease, illiteracy and hunger.

All recruits for the Peace Corps will be volunteers. They will be drawn from the factories, the farms, and the colleges of the Nation and, after rigorous orientation and language training, be sent only where they are needed and wanted, where they can work closely with the people they assist.

ENTHUSIASTIC RESPONSE

They are to be teachers, community development workers, agricultural extension workers, sanitation workers, construction foremen and workers, medical assistants, mechanics, accountants or civil administrators. They will be social workers, librarians, vocational schoolteachers, surveyors, laboratory technicians, and—in fact—from an infinite variety of occupations. Most of them will be young, with an age span between 21 to 45 years of age, but a number of older volunteers will be employed as instructors at training centers or oversea supervisors.

The Peace Corps volunteer is expected to live on a standard similar to that of his counterpart in the host country, will get no regular salary but will receive allowances to cover the cost of clothing, housing, food, and incidental expenses. When he returns home, he will get a separation allotment based on his time overseas, which will be probably about $75 a month and will provide him with funds to live on until he obtains other employment.

American response to the Peace Corps has been highly enthusiastic and the number of volunteers who have applied for service have taxed the facilities of this new and still temporary agency—pending legislation which will make it a permanent organization.

The AFL–CIO is cooperating fully in an effort to make the Peace Corps a success. On the top-level National Advisory Council for the Peace Corps, which was named by President Kennedy, are Joseph Beirne, AFL–CIO vice president and president of the Communication Workers of America, and Cornelius J. (Neil) Haggerty, president of the AFL–CIO Building and Construction Trades Department. (In addition, this writer has been named by President George Meany as a liaison officer between the Peace Corps and the AFL–CIO.)

From the very beginning, American labor spokesmen have urged that a Peace Corps must be truly representative of American society and that it mobilize the energies, the skills of young workers in the gigantic tasks of assisting the new nations of Africa, Asia, Latin America, and the Middle East to spark their industrial revolutions.

The union schoolteacher, the mason, the carpenter, the bricklayer, the electrician, the stenographer, the printer, the newspaperman, the painter—and many others—can help. Vocational training projects, community building programs, are only part of the task. Some can work on programs and projects that are of special interest to the free trade unions.

The AFL–CIO believes that Peace Corps programs are not solely the concern of governments. Vital institutions in developing societies are the free trade unions. They should be taken into partnership, together with other democratic groups, in developing Peace Corps projects and programs. Large- or small-scale projects—Peace Corps activities or large-scale developmental programs—will have real meaning when they can be translated into terms of economic and social justice for the masses of the people.

But with all its promises and with all its potential the Peace Corps should be viewed as a frankly experimental program. There will be mistakes and difficulties not now foreseen. There will be needed vast efforts of coordination with existing facilities, in order to avoid duplication and administrative chaos. It will be essential to have some really effective training for Peace Corps recruits of all fields in the culture of other societies, and particularly about trade unions and other democratic institutions.

Peace Corps recruits, whatever their skills, should not be considered social and political automatons. They should be prepared to discuss with all the basic nature of American democracy, its emphasis on freedom, individual and national, its abhorrence of totalitarianism, red and black, and its support of social and economic justice.

American labor, with its long history of international cooperation, knows full well that a Peace Corps is not a universal patent medicine that can cure everything that ails our ravaged world. By itself, it cannot bring freedom to millions who are enslaved behind the Iron Curtain; it will not by itself solve the enormous problems of hunger and disease that afflict so many of our brethren; the hard problems, in Berlin, or Laos, or Cuba, or Moscow and Peking, or elsewhere, will still be with us.

After realistically examining its limitations as well as its potential, we can agree that the Peace Corps is a new technique in the struggle to eradicate the age-old scourges of poverty, illiteracy and disease. It is a new technique in harnessing the skills of our people in a common effort. Organized properly, administered intelligently, it should live up to its promise of utility, effectiveness and ultimate success.

Mr. HUMPHREY. Mr. President, I ask that the bill, which I have introduced today on behalf of the Senator from Arkansas [Mr. FULBRIGHT] and myself, remain at the desk until the conclusion of business on Monday of next week, so that if other Senators wish to join as cosponsors they may have the privilege of doing so.

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

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

Mr. HUMPHREY. I yield.

Mr. CLARK. I shall be happy to be included as a cosponsor, if the Senator will permit me to do so.

Mr. HUMPHREY. I am very pleased the Senator has joined us.

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

The bill will be received and appropriately referred.

The bill (S. 2000) relating to the occupational training, development, and use of the manpower resources of the Nation, and for other purposes, introduced by Mr. HUMPHREY (for himself and Mr. FULBRIGHT), was received, read twice by its title, and referred to the Committee on Foreign Relations.

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

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. Before the Senator discusses the details of the bill, I should like to commend him for the presentation he is making. I think the proposal to set up a Peace Corps is one of the most

challenging proposals which has come to us in a long, long time.

I recall that in previous Congresses the Senator from Minnesota discussed the idea of a Peace Corps. I am delighted that President Kennedy adopted the idea early; even during his presidential campaign. The President now seeks to make it a reality by recommending to Congress the enactment of a permanent program setting up a Peace Corps.

I was interested in what the Senator said about work in which the Peace Corps might engage, both in operating in a community or village, and in helping to train workers in such villages. I am sure that the Senator from Minnesota has had the privilege of visiting some of the villages in the lesser developed countries of the world and has seen the great need for this kind of work. I am sure that the Senator would agree with me that one of our finest programs, so far as foreign aid is concerned, is that which was proposed by Mr. Truman when he proposed a bold program of sharing techniques and skills with the people of the underdeveloped nations in the world.

Mr. HUMPHREY. I surely do agree.

Mr. SPARKMAN. Is that not what we seek to do with the Peace Corps?

Mr. HUMPHREY. Exactly. It would accomplish the purpose in depth, not only at the supervisory level, but also at the work level.

Mr. SPARKMAN. Yes; in both training and operation.

Mr. HUMPHREY. Yes. The program is not one merely for technical assistance, but also one for work assistance.

Mr. SPARKMAN. Yes.

Mr. HUMPHREY. It is training and operational. The Senator has well summarized the program.

Mr. SPARKMAN. Several years ago, when I was in India for the first time, I was carried into the country quite a distance from New Delhi to a native village. It was the first time I had even seen the native villages of India. I had heard how the country was building around the villages. Of course, the Senator knows how true that is.

I went through the village. It was a great experience for me. I saw the exceedingly great difficulties our country would be up against in trying to bring to that village a standard of living that we would call anything like a good or decent standard.

That evening back in New Delhi I talked with an American lady who was in India under our point 4 program. She was doing home demonstration work.

I said to her:

> I visited a village today and I saw this and I saw that—

Describing to her my experiences, I said:

> Tell me, how will you ever be able to reach those people?

She said:

> I won't. But our hope lies in taking a girl, for example, out of that village and perhaps training her in college for this kind of work, and her return to her home village to carry on the program.

That approach seemed rather far-fetched to me, and yet I realize that with slow, gradual process a great deal has been accomplished over a few years. Though I say it is "a great deal," I realize it is really small as compared with the work that remains to be done.

About 3 weeks ago I was in Korea attending an international conference on community development, which revolved around the very question about which I have spoken. I went out into the country and visited a village in which there had been some development projects. The village worker, who was a young lady trained in the manner the lady in India had suggested, and who lived in her own village, was leading the work in that village and three other villages. Under her supervision were four villages.

We were shown the different projects in which the villagers had engaged, and which were carried on as village undertakings under her leadership. All the villages were proud of their accomplishments. They were simple things. They did not require a great deal of money. For example, I saw a generating plant operated through waterpower. Not much water was available, but from this small stream the available water had been brought down to the small generating plant. Two or three small industries were operated during the daytime with that power. I remember that one plant made rope from hemp. There were two or three other plants. At night the plant would be shut down and the power would be used to light the houses in the villages.

I asked about the cost of the power, and discovered that it was amazingly low. The people of the village had contributed their labor under the leadership of the village workers, and the cost was very low.

We were then shown a kitchen which was modern from the standpoint of the villages. It was one which had utilized fuel for cooking purposes, the heat being then piped under the house so as to heat the house. There were several interesting features about the plant, one of which was that it cost only about $10 to install.

We were shown various other projects, including a sanitation project. I remember that one of the improvements in which the people took a great deal of pride in showing us was a modern latrine—a privy—that was sanitary. I remember how proud they were of that development in the village.

I could go on and name many projects of a similar nature. The standard of living of those people was being lifted through the efforts of one paid worker who had been trained by someone. I understand that the Peace Corps, as envisaged by the Senator, will accomplish that type of work; that is, members of the Corps will go out and help the people in the lesser developed countries. Is that correct?

Mr. HUMPHREY. The Senator is correct. I thank the Senator for his on-the-spot observation as to what can be done with this kind of practical work assistance, technical assistance, and cooperative endeavor. The Senator's observations have been extremely helpful.

Mr. SPARKMAN. Last July I was in the Philippines and visited several of the developments there. I saw the same type of work. I saw the construction of recreation centers and civic centers in which people could gather and hold social meetings and get-togethers. Such projects were in addition to other projects such as I have already described. There is a tremendous demand for that type of work in many countries of the world; and, as I see it, the purpose of the bill that the Senator from Minnesota and the chairman of the Committee on Foreign Relations are now introducing is to help do the job along the line that President Truman suggested in his bold new program of sharing techniques with other peoples of the world.

Mr. HUMPHREY. The Senator is correct.

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

Mr. HUMPHREY. I am happy to yield.

Mr. RANDOLPH. I hesitate to ask the Senator to yield, because I do not want to break the continuity of the very splendid address being made by our courageous colleague. He is courageous because in all the fields of endeavor with which he has been associated in the Senate we have come to recognize not only his understanding of the measures which he sponsors, but also his determination and unqualified commitment to the causes with which he is associated.

I want the RECORD to indicate that in the presentation of this proposed legislation we are seeing affirmative action being taken, and a very positive approach to the overwhelming problems of our times.

So I again congratulate my friend from Minnesota on his approach to the difficult and complex tasks of advancing the hopes for a just and honorable peace. It is very important that we realize that we must now, rather than later, adopt affirmative methods toward the elimination of the basic causes of war, which are disease and poverty and ignorance and misunderstanding. Certainly the proposed Peace Corps, an idea developed in the alert mind of the Senator from Minnesota, in association with others who believe in this cause, embodies the kind of affirmative and positive action so desperately needed today.

It is not accidental, I believe, that the idea of our Peace Corps was the topic which most intrigued a group of young men and women from the Soviet Union whom I addressed on Capitol Hill not long ago. Whether they viewed it as a potential obstacle to Soviet influence among the less developed countries, or whether they saw it as an example the Soviet Union might emulate, I do not know. But they were most anxious to acquire greater understanding of our plans in this field.

And I have little doubt that the skills and intelligence, the humanitarianism

and the idealism of American young men and women, harnessed in this fashion, will prove to be one of the most potent of forces for peace and progress among the new and underdeveloped countries of the world.

For the skeptics among us, I would point out that this is not a completely untested idea. There are already a number of voluntary service organizations functioning in this field—among them, the International Voluntary Services, Inc.; the British organization of Voluntary Service Overseas; Operation Crossroads Africa, Inc.; and the National 4-H Club Foundation of America, which for many years has been sending American farm youths to live with farm families in other countries. According to UNESCO, there are more than 300,000 young volunteers from 41 countries now participating in some form of work camp activity.

It is appropriate that the Government of the United States take the lead in this field. For even before the publication of William James' eloquent essay, "The Moral Equivalent of War," in which the concept of a peace army was first developed, our Government launched a modest experiment at the end of the Spanish-American War. American soldiers were given the option of being demobilized and returned to the United States or staying in the Philippines to become teachers in the new educational system being established.

Many of them chose the latter course, going to the villages and living in the little one-room schoolhouses where they taught. The value of this program for the people of the Philippines and for the cause of American-Philippine friendship is a matter of record—a record which will be attested to by our good friend, Ambassador Romulo, who was one of the thousands of Filipinos who had their first teaching from such soldier teachers.

Therefore, Mr. President, it is with the greatest hope that I would urge this body to take early action to make real a vision which is held by so many people of good will, not only in America, but throughout the world.

Mr. HUMPHREY. I thank the Senator from West Virginia for his very gracious and kind remarks. The record should note the Senator's help in this effort on the Peace Corps. When the study program was authorized a year ago, the Senator from West Virginia [Mr. RANDOLPH] was one of the Senators who encouraged the study, as did other Senators. I really believe that the Peace Corps offers to young Americans an opportunity they have long sought to demonstrate the quality of their citizenship, the quality of their character, the generosity of their spirit and, may I add, the tremendous ability and talent that is theirs. I believe that is going to be of great importance to our Nation and to the world.

THE TECHNICO PROGRAM

Mr. HUMPHREY. Mr. President, I call to the attention of the Senate a copy of a letter I have received from Mr. Arthur Bronwell, president of Worcester Polytechnic Institute, of Worcester, Mass., explaining a people-to-people program which is being undertaken by a reputable businessman in the State of Rhode Island—the Presiding Officer [Mr. PELL] may well know him—Mr. Charles Morrow, vice president of the Frank Morrow Co. The program known as "Technico" is a plan to find outdated shop machinery, lathes, tools, and laboratory instruments that could be of value to trade schools in underdeveloped nations and have them shipped overseas.

What the letter from Mr. Bronwell asks is that the ICA make arrangements for transportation of a vast amount of equipment that American industry is willing to give free of charge for vocational and technical schools overseas.

I have not been able to get too much consideration of this thought, so it is my desire to have the letter placed in the RECORD. It is addressed to the Honorable Charles P. Taft. I have a copy of it. I place it in the RECORD with the hope that those responsible for our foreign aid program will read this portion of the RECORD, will take note of the letter, and will attempt to do something about it in a constructive manner.

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

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

WORCESTER POLYTECHNIC INSTITUTE,
OFFICE OF THE PRESIDENT,
Worcester, Mass., May 19, 1961.

The Honorable CHARLES P. TAFT,
Cincinnati, Ohio.

DEAR MR. TAFT: May I seek your assistance in a program which I believe has high potential as a part of our Nation's people-to-people program?

Briefly, the program known as "Technico," was initiated by an able, dedicated young businessman, Mr. Robert Morrow, vice president of the Frank Morrow Co., in Providence, R.I. Mr. Morrow's plan is to find outdated shop machinery, lathes, tools and laboratory instruments that could be of value to trade schools in underdeveloped nations and arrange to have these shipped overseas. His program has been in operation for over a year and he has personally supervised the transportation of about 200,000 pounds of machinery to schools in foreign lands.

His plan is quite simple and direct. He is making arrangements with companies or other organizations so that each cooperating American unit will accept responsibility for sending shop equipment (lathes, milling machines, laboratory equipment, etc.,) to one or more technical schools in underdeveloped countries. They will find the equipment, crate it, and transport it to the point of embarkation. For overseas shipping he will need ICA assistance. He is making certain that his cooperating American units are in competent hands.

I am personally acquainted with this program, since we have an active group of students at Worcester Polytechnic Institute who have organized teams to visit the companies in the Worcester area and scout out the equipment.

This program is on a voluntary basis. I know that Mr. Morrow has put in a good deal of his own money and has devoted a large share of personal time in developing it.

You can well imagine that Mr. Morrow is faced with some difficult buildup problems. But I am convinced that he will drive it through into a program of substantial size and accomplishment. A number of Congressmen including Senator SALTONSTALL, Senator HUMPHREY, and Congressman KOWALSKI have given him assistance in getting tax exemption.

My question to you is quite direct. The plan breaks down completely unless Mr. Morrow is able to get ICA shipping support. So far he has been able to get voluntary assistance from the shipping companies, but, as you might surmise, there is a limit to this kind of generosity. I would hope very much that you would be able to exercise your influence to get ICA acceptance of Mr. Morrow's Technico program.

This is a solid working program and Bob is the kind of dedicated person that America should back. He is assembling an advisory committee of leading businessmen to help in formulating policy. He has found that companies are eager to cooperate and willing to assume local costs. Also, he is utilizing the established services of the Near East Foundation, Asia Foundation, and International YMCA in order to get a line on the schools in underdeveloped nations and to get some assistance from their field services. By this means, he has been able to do the job in a highly creditable manner without the necessity of setting up a large organization.

I do sincerely hope that you can find a way of giving Mr. Morrow the green light insofar as ICA is concerned so that he can move rapidly ahead. You can rely upon him to achieve quality results.

Sincerely yours,

ARTHUR BRONWELL,
President.

FOREIGN AID POLICY

Mr. HUMPHREY. Mr. President, I also ask unanimous consent that an article which appeared in this morning's Washington Post by Walter Lippmann, entitled "Foreign Aid Policy," which gives a splendid discussion of the foreign aid message and the foreign aid bill, and its purposes, its objectives, and the changes which are involved, be printed at this point in the RECORD.

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

[From the Washington Post, June 1, 1961]

FOREIGN AID POLICY

(By Walter Lippmann)

In its effect on our power and influence in the world, much the most important business before this session of Congress is foreign aid. It is an unpopular subject. But so are many other things that are important and necessary, such as paying taxes and contributing to the Community Chest. At bottom foreign aid is an obligation which the rich and powerful nations owe to the poor and weak nations. There is no escaping it. An attempt to escape it can produce only a very bad conscience at home, envy and ill-will abroad.

In several messages the President has now put forth his policy and program. In the total amount of money he asks Congress to let him spend he is in substantial agreement with the last Eisenhower budget.

There is an important difference, however, in the emphasis on two crucial questions. One is the need to authorize long-range planning, instead of yearly planning as at present. The other is the desirability of giving a stable financial base to the long-range planning by granting the agency authority to borrow specific amounts from the Treasury.

At one time or another President Eisenhower endorsed both points, and in 1957 Secretary Dulles argued eloquently for them. But in 1959, in view of opposition in Congress, President Eisenhower did not fight for them.

The arguments for long-range financing derive from the practical experience of this country in dealing with the problem. Most of the arguments come down to one basic proposition. It is that the big constructive economic projects, which really develop a backward country, have to be planned, administered, carried out and financed over a term of years. It takes more than 1 year to build roads, to make ports, to modernize agriculture, to open mines, to build factories. Indeed it can be said that projects which can be carried out by an annual appropriation are likely to be unimportant or wasteful.

If our aid is to achieve results, we must be in a position to encourage an underdeveloped country to draw up plans of capital investment which will take years to execute. Only if there exists such long-range plans can a country hope to generate the self-help which is indispensable. Indeed, students of the problem have come to realize that the country which receives the aid must play the principal part, must make much the largest contribution, in the realization of the plan. Our role is to be the catalyst, to say that we will provide x amount of dollar exchange when the underdeveloped country has started a land reform program or an improvement in its educational system. But if we are not able to say with certainty how much we will contribute from year to year, we can exercise little useful influence on the development of the country.

Under the present system funds appropriated for a given fiscal year must be obligated during that year, or they revert to the Treasury. This is extremely wasteful. It leads to a scramble at the end of each fiscal year to obligate all unused funds before July 1. The more popular Government programs—notably defense—are not required to do this with all their funds.

The second essential point in the administration program is that in order to give the foreign aid agency the capacity to make long-range plans, it should be given the authority to borrow from the Treasury funds according to a specified schedule and over a 5-year period. This proposal is attacked by men in Congress as back-door spending, as a way of circumventing the appropriation process.

This so-called back-door spending is not a new bright idea of the Kennedy administration. A very large number of agencies beginning with the RFC under President Hoover, and going on to such agencies as the Home Owners Loan Corporation, the Commodity Credit Corporation, the St. Lawrence Seaway Development Corporation, are financed by authorized borrowing from the Treasury. In this term of Congress, Treasury borrowing is provided in the depressed areas, veterans housing, and farm surplus disposal bills.

The question is, Would Congress, if it authorized this kind of borrowing, lose its proper constitutional control over public money?

It can be said truthfully that it would not lose this control. For it would establish the terms of the authorization and the criteria for the use of the funds. It could at any time move to reduce or to abolish the authority to borrow. It would pass upon a budget, drawn up in accordance with the Government Corporation Control Act, submitted annually to the Appropriations Committee. It would receive every 6 months a detailed report on the whole operation. It could and would investigate at home and in the country concerned. Congress would retain vast and extensive and continuing powers of control.

Congress would, in short, have the power to stop the whole business at the end of any fiscal year. What new thing then, it may be asked, would have happened if Treasury borrowing is authorized? While Congress would have retained the right to review, to investigate, to criticize, to reduce or to abolish, it would have granted by its own vote the power to make gentlemen's agreements over a period of 5 years. It would have approved the idea of long-range planning and would have accepted the moral commitments that are inherent in long-range planning.

All of this would be done in the open, and it would be unduly apprehensive to suspect that it would open up new opportunities for skulduggery.

SUPPORT OF ADMINISTRATION FARM PROPOSAL

Mr. HUMPHREY. Mr. President, I ask unanimous consent that an article which relates to a public opinion poll published in the Minneapolis Tribune, entitled "Administration Farm Procedure Supported," be printed in the body of the RECORD.

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

ADMINISTRATION FARM PROCEDURE SUPPORTED

Should farm legislation be drawn up by the Secretary of Agriculture, be submitted to Congress for its approval or veto, and if approved, be put to a vote of the farmers themselves?

More than 6 out of 10 Minnesotans (63 percent) questioned by the Minneapolis Tribune's Minnesota poll say such an approach to developing farm policies makes sense to them.

It also appeals to 78 percent of the farm men and women questioned in a statewide sampling.

The plan, recommended by the Kennedy administration, was described in the survey in the following manner:

"It's been proposed that the secretary of agriculture draw up a farm program for specific commodities with the help of the farmers themselves. Congress then could either accept or reject the program. If Congress acepted it, and if two-thirds of the farm producers concerned voted to accept it, then the farm program would go into effect."

(The agricultural committees in Congress currently have the proposal under study.)

After interviewers read the above statement, people were asked:

"Do you think this is a good approach or a poor approach to the farm problem?"

The replies of a balanced cross section of State residents and of city and town residents compared with farm people:

[In percent]

	All adults	City and town	Farm
Good approach	63	60	78
Poor approach	11	12	6
Other answers	1	1	1
No opinion	25	27	15
Total	100	100	100

People who think the Kennedy administration proposal for making farm policies is good, in the main, say that farmers should have a voice in the farm program, and that better farm legislation will be developed under the proposed system.

The proposal is criticized in the survey mainly on these points: (1) Farmers would tailor the program to their benefit, at the expense of other taxpayers; (2) this plan would mean more controls, whereas there should be fewer controls, or none at all.

How much control is needed for agriculture was explored in this survey question:

"When it comes to the problem of farm production and surplus crops, which direction do you think is better for the Federal Government to take—a trend toward reducing Federal controls on production and letting market conditions set the prices, or a trend toward greater controls on farm production, along with price supports and subsidies for farmers?"

Opposite points of view are shown between the farm and nonfarm people in Minnesota.

[In percent]

	All adults	City and town	Farm
Reduce Federal controls	50	52	41
Controls plus subsidies	29	25	52
Other answers	3	3	------
No opinion	18	20	7
Total	100	100	100

In the State as a whole, opinions of Republican voters divide 69 percent to 15 percent for fewer controls, compared with 50 percent to 25 percent among independent voters.

Democratic-Farmer-Labor voters divide 40 percent for controls plus subsidies and 38 percent for fewer controls.

Mr. HUMPHREY. The poll shows that 78 percent of the farm people think the administration's program for agriculture is a good approach. Only 6 percent think it is a poor approach. Sixty percent of the city and town people think it is a good approach, and only 12 percent think it is a poor approach.

We have justifiable pride in the intelligence of our people, and they find the farm measures of the administration to be commendable.

A FEDERAL DEPARTMENT OF URBAN AFFAIRS

Mr. MORSE. Mr. President, the auditor of the city of Portland, Mr. Ray Smith, has called to my attention Resolution 28567 which was adopted by the City Council of the City of Portland, Oreg., on May 24, 1961. This resolution endorses President Kennedy's proposal for an establishment of a Federal Department of Urban Affairs. I ask unanimous consent that the text of the resolution be included at this point in the RECORD.

I recall that on April 18 my good friend and colleague, Senator CLARK, introduced the administration's bill, S. 1633, to authorize the establishment of a Department of Urban Affairs and Housing. For this reason it gives me special pleasure to know that the city of Portland has adopted a resolution strongly endorsing this measure.

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

PORTLAND, OREG., *May 25, 1961.*

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: I am enclosing a certified copy of Resolution 28567, adopted by the Portland City Council on May 24, 1961, endorsing legislation proposed by the President of the United States to create a new Federal Department of Urban Affairs under a Secretary of Cabinet rank.

Yours very truly,

RAY SMITH,
Auditor of the City of Portland.

OFFICE OF AUDITOR OF THE
CITY OF PORTLAND,
Portland, Oreg.

I, Ray Smith, auditor of the city of Portland, do hereby certify that I have compared the following copy of Resolution 28567, adopted by the council May 24, 1961, being, "A resolution endorsing legislation proposed by the President of the United States to create a new Federal Department of Urban Affairs under a Secretary of Cabinet rank," with the original thereof, and that the same is a full, true and correct copy of such original Resolution 28567 and of the whole thereof as the same appears on file and of record in my office, and in my care and custody.

In witness whereof, I have hereunto set my hand and seal of the city of Portland affixed this 24th day of May 1961.

[SEAL]

RAY SMITH,
Auditor of the City of Portland.
By ROLIT L. MCCOY,
Deputy.

RESOLUTION 28567

Whereas the President of the United States has introduced legislation in the U.S. Senate and House of Representatives which would establish a Federal Department of Urban Affairs to be headed by a new member of the Cabinet, Secretary of Urban Affairs, whose duties among others would be to obtain coordination among other Federal activities affecting urban areas, encourage the solution of related problems through State, local, and private action, and provide for the consideration of urban problems at the national level; and

Whereas our metropolitan communities which are constantly expanding are, in many instances ringed by decay, often drab and inefficient areas, and such problems cannot always be cured by local efforts alone; and

Whereas it is of mutual interest and great importance to all cities of the United States to foster and support the legislation proposed by the President of the United States, which would create a Federal Department of Urban Affairs: Now, therefore, be it

Resolved by the Council of the City of Portland (in regular session assembled), Does, by this resolution, endorse the legislation proposed by the President of the United States which would create a new Cabinet department, Secretary of Urban Affairs; and be it further

Resolved, That the auditor of the city of Portland file certified copies of this resolution with the Honorable WAYNE MORSE and the Honorable MAURINE B. NEUBERGER, U.S. Senators from Oregon, and to the Honorable WALTER NORBLAD, the Honorable AL ULLMAN, the Honorable EDITH GREEN, and the Honorable EDWIN R. DURNO, Representatives from the State of Oregon.

Adopted by the council May 24, 1961.

RAY SMITH,
Auditor of the City of Portland.

APPOINTMENT OF GENERAL HEUSINGER AS CHAIRMAN OF THE NATO MILITARY REPRESENTATIVES COMMITTEE

Mr. MORSE. Mr. President, on April 19, 1961, I wrote to the Secretary of State, Mr. Rusk, protesting the appointment of a former Nazi general by the name of Heusinger, as Chairman of the NATO Military Representatives Committee. I asked for a letter from the State Department setting forth its views on this important appointment.

Under date of May 25, 1961, I received a reply signed by Assistant Secretary of State Hays. I ask unanimous consent to have printed the State Department's reply. I also ask unanimous consent to have printed, my brief answer to Secretary Brooks Hays' letter in which brief I stated that the Department of State's rationalization is a very unconvincing explanation of this shocking appointment.

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

DEPARTMENT OF STATE,
Washington, D.C., May 25, 1961.

Hon. WAYNE MORSE,
U.S. Senate.

DEAR SENATOR MORSE: I have your letter of April 17, 1961, addressed to the Secretary concerning General Heusinger, Chairman of the NATO Military Representatives Committee.

I can assure you that the Department sympathizes deeply with those who have themselves suffered or have lost members of their families at the hands of the Nazi regime. We consider, however, that the charges made against General Heusinger are unjustified.

I should like to explain how the appointment was made. The post of Chairman of the Military Representatives Committee was held for a number of years by a Netherlands general, Lieutenant General Hasselman. Late in 1960, the post of Chairman became vacant. After careful consideration the Military Committee in Chiefs of Staff session in December of 1960, selected General Heusinger to be the Chairman of the Military Representatives Committee (the latter is in permanent session and is subordinate to the Military Committee in Chiefs of Staff session which meets periodically. The Military Committee in turn is subordinate to the North Atlantic Council). The choice was unanimous by all 14 Governments represented on the Military Committee. (Iceland having no armed forces is not a member of the Military Committee.) The Chiefs of Staff did not act in this matter on their own authority, but with the approval of their respective Governments, who in turn considered the matter carefully before providing their chiefs of staff with guidance. As you know, the Military Committee includes representatives of a number of Governments whose countries have suffered considerably at the hands of the Nazi regime. These include Greece, Italy, France, Belgium, the Netherlands, Norway, Luxembourg, Denmark, and the United Kingdom. You may rest assured that these Governments did not arrive at their conclusion lightly. On the contrary, the Department considers that if there had been any question in the minds of any one or any number of these Governments that charges of war crimes against General Heusinger were in any way justified, they would not have consented to this appointment, particularly since all the Governments mentioned are democratic Governments responsible to public opinion.

The Department also considers that the appointment of a German officer to this post must be considered in the light of the present situation. As you know, it has been a fundamental tenet of U.S. foreign policy toward Germany in the postwar period to encourage the maximum integration into the Western community of nations. This policy was clearly set forth by the late Secretary Dulles when he said:

"We believe that the future is best served by encouraging the closest possible relations between Germany and other Western European countries which are peace loving and having such a close integration—military, political, economic—that independent, aggressive, nationalist action by Germany becomes as a practical matter impossible and also something that would not be desired."

Chancellor Adenauer and his Government are thoroughly dedicated to the integration of the Federal Republic, militarily, politically, and economically, into the Atlantic Community and the European integration movement. We know that General Heusinger, personally, holds the same view. The Federal Republic today makes a very substantial contribution to NATO defense. She is virtually the only European country which is almost on schedule in meeting her NATO military commitments. Moreover, she no longer receives any grant military assistance from the United States, but meets her NATO procurement requirements approved by the alliance entirely through purchases in the United States and elsewhere.

The Department considers that Germany's contribution to the allied effort is entirely in the NATO framework and amply justifies her occupying a number of important positions in the allied structure. Nonetheless, only two German officers at this time occupy such positions. One of these is General Speidel, who, in his capacity as Commander, Allied Land Forces Central Europe, is, along with eight other non-German senior allied officers on the same level, subordinate to the French Commander-in-Chief, Allied Forces Central Europe. (The latter in turn is subordinate to General Norstad.) The other is General Heusinger.

The Department believes that General Heusinger's personal background is also significant in the evaluation of his appointment. General Heusinger entered the German Army in World War I as a private. He was commissioned a second lieutenant in the infantry in 1916, and shortly thereafter was taken prisoner of war by the British. He remained in the German Army after the war, was eventually assigned to staff duty, and finally rose to the position of Chief of the Plans and Operations Division of the Army's General Staff (OKH). The Army's General Staff in turn was subordinate to the General Staff of the German Armed Forces (OKW), which in turn was, of course, directed by Hitler. Despite the pressures to which all German officers were subject, General Heusinger never joined the Nazi Party, and in the end actively opposed it.

General Heusinger was a staff officer throughout World War II, and as such did not command troops.

Specifically, he did not, as charged by representatives of one group to whom we have spoken, command the so-called "Einsatzgruppen" which were responsible for the mass murders and other atrocities committed by the Nazi regime. These "Einsatzgruppen" were not a part of the army, but were under control of the SS and its chief, Heinrich Himmler. Nor did either General Heusinger or the army conduct the operation against the Warsaw ghetto. This operation was conducted under the command of an SS officer directly responsible to Himmler.

Thorough investigations by both Allied authorities after the end of World War II as well as by scholarly nongovernmental investigators into the events of World War II do not bear out any of the charges now, in 1961, being made against General Heusinger. In fact, after investigations conducted immediately after World War II had cleared Heusinger, he served as consultant to the U.S. prosecution at the Nurenberg trials. Nonetheless, the Department has carefully reviewed the material sent us by various groups expressing objection to the appointment. On the basis of this review we have concluded that this material consists entirely of either allegations which are not supported by facts, or interpretations of facts, often taken entirely out of their real context, which are not warranted.

The record shows that General Heusinger was aware of the plot being conducted by a number of German officers against Hitler over a number of years which culminated in the events of July 1944. While he was not personally involved in the details of that particular attempt and the actual placing of the bomb, he, as other German officers, was aware of the general outlines of the plot and sympathized with it. This fact became known to the Gestapo. After the attempt failed, General Heusinger was arrested, and interrogated at length in a Gestapo prison. However, the Gestapo was unable to obtain sufficient proof to implicate him in this plot and consequently he was simply dismissed from the active service at that time and spent the remaining 10 months of World War II in that status.

In considering such matters as this appointment, which relate directly to NATO, the Department is also cognizant of the primary objective of Soviet policy to disrupt and weaken the North Atlantic Alliance, the principal obstacle in the way of Soviet Communist ambitions. The Soviet Government's consistent attempts to create distrust and suspicion among members of the alliance and specific endeavors to isolate the Federal Republic from its allies have recently been manifested in an organized propaganda campaign against the Heusinger appointment.

I hope this information will help clarify the position of the Department in this matter.

Sincerely yours,

BROOKS HAYS,
Assistant Secretary.

JUNE 1, 1961.

Hon. BROOKS HAYS,
Assistant Secretary of State for Congressional Relations, Department of State, Washington, D.C.

DEAR MR. SECRETARY: Thank you very much for your letter of May 25, in regard to the appointment of General Heusinger.

Frankly, I find it very unconvincing. The United States should have been no party to such a shocking appointment.

Sincerely yours,

WAYNE MORSE.

UNANIMOUS-CONSENT AGREEMENT FOR VOTE ON S. 1922, THE HOUSING ACT OF 1961

Mr. MANSFIELD. Mr. President, I submit a unanimous-consent request and ask for its immediate consideration. The request has been cleared with the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN], with the distinguished senior Senator from Indiana [Mr. CAPEHART], who is the ranking Republican member of the Committee on Banking and Currency; and with the distinguished junior Senator from Alabama [Mr. SPARKMAN], as well as with other Senators who are interested in this particular matter.

The PRESIDING OFFICER. The clerk will read the proposed unanimous-consent agreement.

The legislative clerk read as follows:

Ordered, That, effective on Friday, June 2, 1961, at the conclusion of routine morning business, during the further consideration of the bill (S. 1922), debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided,* That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided, further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided further,* That the said leaders, or either of them, may, from the time under their control on the passage of said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Ordered further, That in case a yea-and-nay vote is ordered on any amendment, action on that amendment will go over until Wednesday, June 7, until after the morning business, at which time debate on each amendment will be limited to 30 minutes, to be equally divided and controlled under the same conditions as in the first instance, and the amendments will come up in the same order as originally presented for consideration.

The PRESIDING OFFICER. Is there objection?

Mr. CAPEHART. Mr. President, reserving the right to object, do I correctly understand that the 15 minutes to be allotted on Wednesday will be on each side?

Mr. MANSFIELD. That is correct.

Mr. CAPEHART. Thirty minutes on an amendment, the time to be equally divided.

The PRESIDING OFFICER. Thirty minutes on each amendment.

Mr. MANSFIELD. Mr. President, I did not understand what the clerk read about the treatment to be accorded the so-called Javits amendment.

The PRESIDING OFFICER. That part of the proposed agreement will be read.

The legislative clerk read as follows:

Except the Javits amendment, numbered 5-23-61—B, on which there shall be 3 hours.

The PRESIDING OFFICER. Is there objection to the agreement proposed by the Senator from Montana? The Chair hears none. Without objection, it is so ordered.

The unanimous-consent agreement as reduced to writing is as follows:

Ordered, That, effective on Friday, June 2, 1961, at the conclusion of routine morning business, during the further consideration of the bill (S. 1922) to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes, debate on any amendment (except the Javits amendment, numbered 5-23-61—B, on which there shall be 3 hours), motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided,* That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided, further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided,* That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Ordered further, That in case a yea-and-nay vote is ordered on any amendment, action on that amendment will go over until Wednesday, June 7, until after the morning business, at which time debate on each amendment will be limited to 30 minutes, to be equally divided and controlled under the same conditions as in the first instance, and the amendments will come up in the same order as originally presented for consideration.

ORDER FOR ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it adjourn until 10 a.m., tomorrow.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees and subcommittees which desire to do so be allowed to meet during the session of the Senate tomorrow until 12 o'clock noon.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DIRKSEN. Mr. President, let me make an inquiry. Today is the day of the well-advertised $100 Republican dinner. It is a sellout; there is to be a full house. Some will have to appear in dinner coats, tonight. So I trust that at a reasonable hour today the Senate will adjourn, so they can be properly attired for this notable event, when we celebrate a great victory, among other things, and also extend greetings in fellowship to our former great chief, President Eisenhower.

Mr. MANSFIELD. Let me say there will be no rollcall votes today. As a matter of fact, there will be none until Wednesday, next. It is our hope that the distinguished senior Senator from Indiana [Mr. CAPEHART] will have an opportunity to make his general remarks before he leaves for this repast, which I understand will be served this evening at $100 a plate—the same price, by the way, that the Democrats charged; and I hope the Republicans get more than we did. But it is anticipated that Republican Senators who wish to speak in the Senate today will have an opportunity to do so before 5 or 5:30 p.m., so they can be on their way by that time.

Mr. CAPEHART. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. CAPEHART. I hope we not only get more than the Democrats did, but that we get more for our money when we spend it. [Laughter.]

UNEMPLOYMENT

Mr. CLARK. Mr. President, the unemployment figures for May, released

yesterday, confirm what many of us had feared: That, despite the recovery that is underway, we are not gaining on the unemployment problem.

Industrial production, the gross national product, and personal income have all been rising for several months. It is generally agreed that the recession hit bottom in February and that we have been experiencing a rather encouraging rate of recovery since that time. Yet unemployment has remained approximately even. On a seasonally adjusted basis, it stood at 6.8 percent of the labor force in February and 6.9 percent in May.

These figures show that our present rate of recovery has only been sufficient to absorb the normal increase in the labor force. It is not sufficient to cut into the present intolerable rate of almost 7 percent unemployment.

We are running hard just to stay in the same place. If we are to make progress, we must run a good deal harder.

And remember that a 7-percent rate of unemployment as a national average means a much higher rate in Pennsylvania, in Michigan, in Ohio, and in the manufacturing regions in general. In Pennsylvania, 1 out of 10 workers has been unemployed, on the average, ever since this recession began.

The reasons for this situation are clear. Productivity in industry is increasing faster than production. Output per worker is rising faster than total output. That can only mean fewer workers.

The mayor of a Pennsylvania city, which has an unemployment rate above 20 percent, summed it up in a single illustration. The major steel plant in that city, at the peak production a few years ago, employed 17,000 men. That plant will shortly reach the same level of production, but will employ just 11,000 men. With a few exceptions, the other 6,000 men will probably never work in steel again. Where will they be employed? Nobody has the answer.

It is the same story throughout the steel regions of Pennsylvania, and Ohio, and Indiana, and every other State that produces steel. In that one industry, an estimated quarter of a million workers have been displaced and few will ever return to the steel plants.

We know the many thousands of persons displaced by technological improvements in the coal industry. We passed a depressed areas bill largely to assist in the rehabilitation of the coal regions. On the horizon we can now see the alarming prospect of a new group of depressed areas—those cities, once among the most prosperous in the country, which have relied on manufacturing. It is significant that Detroit, our major auto center, and Pittsburgh, our leading steel center, already qualify for assistance under the area redevelopment bill. There are fewer people employed in manufacturing today than there were 10 years ago—and yet the labor force has grown by almost 10 million persons. Service occupations simply have not absorbed the increase—and now these occupations too are beginning to be hit by automation. Moreover, in the 1960's the labor force will grow half again as rapidly as in the 1950's.

The Chairman of the Council of Economic Advisers, Dr. Heller, and the Chairman of the Federal Reserve Board, Mr. Martin, recently engaged in a rather abstruse debate before the Joint Economic Committee as to whether our unemployment is chiefly cyclical or chiefly structural. I am not sure that a precise answer to that question is of major importance. Certainly, the total is a compound of both types of unemployment, and to attack the problem will require a combination of two kinds of remedies.

The Subcommittee on Employment and Manpower of the Committee on Labor and Public Welfare has held a series of hearings on the general unemployment problem and on certain bills which we have before us.

Our witnesses were in general agreement that present governmental measures to deal with cyclical unemployment—in other words, measures to speed recovery through fiscal policy—are inadequate. It is my understanding that witnesses before the Joint Economic Committee took the same position.

The economists who testified before both committees said that the present outlook is for a rate of unemployment above 6 percent throughout 1961, with little prospect of getting down to 4 percent before the end of 1962. They also contended that there are steps the Government can take to speed the recovery—without fear of any significant inflation, and without incurring any risk through adding to the deficit.

Among the measures is one before our subcommittee, S. 986, which would authorize Federal aid for State and local public works.

The bill as written would authorize $500 million in Federal grants to State and local governments to cover 45 percent of the cost of capital improvements of all kinds which would represent a net increase in the level of capital expenditure of the jurisdiction concerned. Priority would be given to projects which could be put under construction within 90 days and completed within 1 year thereafter. Another $500 million would be made available if, after the initial authorization were committed, the President concluded the economy required additional stimulation. Authority to make contracts would be automatically terminated when the seasonally adjusted rate of unemployment fell below 4 percent.

We have just concluded 4 days of hearings on this bill. The president of the AFL–CIO, a panel of economists, and representative spokesmen for the States, counties, and cities of America all supported a measure along the lines of S. 986. So did the Joint Economic Committee.

The witnesses who appeared before the subcommittee during the 4 days of hearings generally agreed on the following points:

First. Even with the recovery that is in prospect, unemployment will remain at unsatisfactory levels, above 6 percent during the rest of 1961 and above 4 percent during 1962.

Second. States and local communities throughout the country have a tremendous backlog of needed public works.

Third. A bill along the lines of S. 986 would serve the double purpose of stimulating the economy and helping State and local governments provide critically needed public improvements.

Some of the witnesses who supported the objectives of the bill suggested amendments to some of its specific provisions.

I turn now to a brief summary of the testimony:

Mr. George Meany, president of the AFL–CIO, contended that the end of the recession does not lessen the need for S. 986. During the last 7 years, each recovery has left us with a higher proportion of unemployment. At the 1959 peak, unemployment stood at 3.8 million, or 5.5 percent of the labor force. Total employment in manufacturing, mining, agriculture, and transportation is actually shrinking and shrinking fast. No new industries that will create massive employment are in sight, and in the 1960's the labor force will increase 50 percent faster than in the 1950's. Present projections indicate we will have more unemployed in a "prosperous" December 1961 than in the recession December of 1960. A chronic unemployment rate of 6 to 7 percent and creeping upward is intolerable.

Mr. Meany termed S. 986 a necessary supplement to other administration measures, because it will take effect immediately while they will be effective later. Billions of dollars in projects are on the "shelf" ready to be put under construction, as the result of planning undertaken with Federal assistance.

He added that if unemployment is sufficiently high to permit authorizations under the terms of S. 986, then circumstances call for a budget deficit. However, if unemployment does decline rapidly, then the President could terminate the program. Moreover, S. 986 will also have value as standby authority, ready for quick use when the next recession looms. It would be an additional built-in stabilizer in the economy.

Representative HENRY REUSS, of Wisconsin, a member of the Joint Economic Committee, said that the most optimistic witnesses before the Joint Economic Committee estimated that unemployment would still be 6 to 7 percent at the end of 1961, and could not be expected to reach 4 percent before the end of 1962. These estimates were predicated on the upturn that is now taking place.

The Joint Economic Committee concluded that the total effects of all the actions so far taken and proposed will be small compared to the gap between the Nation's expected economic performance and its economic potential. It recommended legislation along the lines of S. 986.

Mr. REUSS reported that a study made during the last administration showed an accumulated backlog of State and local public works needs of $160 billion. To overcome this backlog, and provide for

necessary expansion totaling about $40 billion, would require capital expenditures of $20 billion a year over the next decade. During 1960, actual expenditure reached a level of $12.5 billion.

A panel of seven economists expressed a consensus that additional fiscal measures are desirable at this time and that the additional deficit that would be incurred if S. 986 is passed is not, from an economic standpoint, a cause for serious concern.

Otto Eckstein of Harvard University said that if the gross national product reaches $520 to $535 billion by the fourth quarter, 5.5 to 6.5 percent of the labor force would still be unemployed. He considered it probable that, as has been true in most of the period since World War II, expansionary programs will be ruled out on practical grounds and therefore fiscal policy will not be pursued with sufficient vigor. With monetary policy constrained by international considerations, total economic policy will be inadequate. What people forget, Dr. Eckstein reminded us, is that there is nothing particularly practical about a condition of slack in the economy. It costs us vast amounts of current output and loss of investment, increases pressure for a shorter workweek, hardens the resistance of unions to technological innovation, and slows the rate of productivity gain that keeps our products competitive abroad.

Horace M. Gray, of the University of Illinois, stressed the imbalance between the public and private sectors of the economy. He estimated a need for $40 billion a year for 25 years in public investment, exclusive of defense, to bring the sectors into balance. He argued for a permanent comprehensive program of public investment rather than settling for a temporary emergency scheme like that proposed in S. 986. Moreover, arrangements would have to be made to finance such a program so that it would not increase deficits and thereby create more inflation.

Jewell J. Rasmussen, of the University of Utah, called S. 986 a most commendable step. The State of Utah this year could appropriate only $14.6 million of $51 million requested by the State building board, of which $20.8 million was for projects classified as critical. Many of the public facilities should have a high priority among various demands on our income.

Paul A. Samuelson, of the Massachusetts Institute of Technology, said that present governmental programs fall short of the optimal amount of economic effect and expressed general sympathy with S. 986. The expansion in prospect will not be so vigorous and quick as to bring us back to tolerable levels of unemployment soon enough. The rate will still be above 5 percent in the last half of 1962. The massive shift in the Federal budget during 1959–60 (from a $17 billion deficit to a $7 billion surplus over a five-quarter period, in annual rates seasonally adjusted) acted as a brake on the economy. The budget will be in balance, on an adjusted basis, at the end of this fiscal year, which could similarly abort the recovery.

In the event the optimistic forecasts prove wrong, he suggested, the bill might be enacted with a formula to trigger it in the fall if, say, unemployment remains above 6.5 percent for a specified number of months.

Gerhard Colm, of the National Planning Association, also emphasized the deficiencies in the public sector of the economy. A GNP of $525 billion in the fourth quarter would mean over 6 percent unemployment. Measures will be needed to create additional employment opportunity. In any case, a program like that of S. 986 would be useful to have on the statute books at all times as a standby antirecession measure. Because of the rapid and the automatic increase in revenues, a substantial increase in expenditures is possible without a deficit occurring under conditions of high employment. Monetary policy can offset minor misjudgments in fiscal policy.

D. Hamberg, of the University of Maryland, said that the economy needs more stimulus and this method commands praise. He felt that the measure is, in fact, too limited.

Harvey E. Brazer, of the University of Michigan, urged a variation of the local contribution according to the local rate of unemployment. Rather than abandon the bill because of the prospective deficit, he urges that revenues be increased by closing tax loopholes.

Mayor Henry Maier, of Milwaukee, on behalf of the American Municipal Association, advocated the plan outlined in S. 986 as permanent antidepression policy. There would be no time gap in Milwaukee in swinging the program into action. The city has projects totaling $35 million that could be started rapidly.

The Senator from Michigan [Mr. HART], quoted Kermit Gordon, member of the Council of Economic Advisers, as saying:

> Even with a good recovery, with a good brisk recovery from the recession, it doesn't seem very likely, I wouldn't bet, on the proposition that unemployment in the United States as a whole is going to fall below the 6 percent mark by the end of the year. In other words, we have moved up, we're turning up, the economy is moving in the right direction, but we've got a long way to go because of this accumulated slack which has developed over the years.

Senator HART said that the city of Detroit and the six metropolitan counties could place under construction within 90 days a total of $205 million in projects.

Responding to a questionnaire from the Senator, 35 Michigan cities of all sizes indicated the program would help. Of these cities, 22 have projects which clearly could be put under construction in 90 days, valued at $95 million. All of these cities could raise their share of the cost.

Gov. John B. Swainson, of Michigan, said it would be a serious error to assume that normal recovery will solve unemployment problems, and make emergency action unnecessary. Projections indicate 10 percent unemployment through 1961 in Michigan.

Mayor Joseph M. Barr, of Pittsburgh, reported that unemployment in the Pittsburgh area was 11.8 percent as of May 1 and asserted that we cannot afford to wait any longer to see if the economy will right itself.

Mayor de Lesseps S. Morrison, of New Orleans, said the bill will put people to work, pump new dollars into the economy, help to construct much needed municipal facilities which otherwise would have to be postponed indefinitely, and improve property values and thus expand the municipal tax base. New Orleans has a $6.5 million drainage project, now deferred, which could be put underway immediately. The Federal income tax from putting idle land into use would repay the Federal contribution under the bill. Other projects totaling $4 million are stalled for lack of funds.

C. D. Ward, general counsel of the National Association of County Officials, reported results of a sample poll of 65 counties showing that, with Federal aid, planned expenditures during the next year would be increased from $36 million to $136 million.

Mel F. Nielsen, supervisor of Contra Costa County, Calif., said that capital improvement needs in his county totaled $35 million in the next 5 years. S. 986 would enable the county to proceed with $1 million in public buildings, $1 million for roads, and $500,000 to $1 million for park development.

Delos Hamlin, chairman of the Oakland County, Mich., Board of Supervisors, said that a survey by the six counties in the Detroit metropolitan area revealed a need for $1.2 billion in public works. County governments do not have the financial resources to cope with the alarming inadequacy of public facilities serving the rapidly growing suburbs.

Armand H. Cote, director of the Department of Employment Security, State of Rhode Island, termed an emergency works program the State's most crying need. S. 986 would enable Rhode Island to complete within a year capital improvements now scheduled over a 5-year period. Unemployment in the State averaged 9.8 percent in the first 4 months of 1961.

William J. McSorley, of the Building and Construction Trades Department, AFL–CIO, reported that 20 percent of construction workers were unemployed in April, and that unemployment in the industry is nationwide.

Charles T. Stewart, of the U.S. Chamber of Commerce, the only witness opposing the bill, said that a tax cut would be preferable because private spending thus made possible would be manifestly more helpful to employment and to national welfare than public spending. He feared the bill would be used to finance make-work projects. He argued its impact might be felt during prosperity rather than recession, because of the delays in reducing the activities which it generated. He objected on principle to grants as impairing the independence of State and local governments. He also criticized a number of specific provisions of the bill.

Mr. President, I had hoped that the administration would reach the conclusion that this bill would be a desirable additional stimulant to the economy, or that equally effective measures would

be taken. So far, I have been disappointed. Nevertheless, the subcommittee will invite the administration to appear, conclude the hearings, and then make our own recommendations to the full committee and to the Senate. In view of the alarming trend of unemployment, I believe that we have a duty in the legislative branch to reach our own legislative conclusions as to whether action is necessary.

Our subcommittee is also proceeding on a major measure to deal with structural unemployment. This is the President's proposal, transmitted earlier this week, to inaugurate a program of mass retraining of unemployed workers whose skills have been rendered obsolete by automation or other technological advance, or who do not have any skill at all. One of the anomalies of our ecomony is that even in the midst of a recession, with 5 million persons unemployed, some jobs are going begging. Nobody knows how many there are, or how many pay standard wages, but in any case we know that there are some good jobs that cannot be filled because qualified persons cannot be found. Hearings on this bill, and on a similar bill which I introduced earlier in this session, will be concluded next Wednesday, after which I hope we can act promptly to report a measure to the full committee and then to the Senate.

These two bills complement each other by tackling two different aspects of the unemployment problem. The public works bill would help to lift the whole economy by creating jobs, production, and purchasing power. The retraining bill would equip unemployed individuals to fill the jobs. They are companion measures. On the one hand, retraining cannot be fully effective unless an expanding economy is seeking the workers who are being trained. On the other hand, fiscal measures to expand the economy will be limited in their effect if workers do not have the skills necessary to fill the jobs created.

A third bill, which we expect to have before us soon, will tackle a second phase of structural unemployment. It will provide employment opportunities, as well as job training, for the Nation's youth—among whom the unemployment rate is dangerously high. Dr. James Bryant Conant, in a startling speech the other day, pointed out that a sample census in one large area of a big city showed that 70 percent of the young men between the ages of 16 and 21 are neither in school nor at work. This is obviously an explosive situation, which is at the heart of much of the alarming rise in juvenile delinquency and crimes committed by young men.

The subcommittee has had before it since early in the year a bill to create a Youth Conservation Corps, sponsored by the able Senator from Minnesota [Mr. HUMPHREY] and patterned on the one the Senate passed last year. The administration bill, we understand, will be somewhat broader, encompassing a wider variety of programs than the YCC alone. As soon as the administration measure is received, the subcommittee will schedule hearings, with a view to reporting out a bill by the end of June.

I ask unanimous consent to insert in the RECORD at this point, as a part of my remarks, the stories from the Wall Street Journal and New York Times of this morning analyzing the May unemployment figures.

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

[From the Wall Street Journal, June 1, 1961]

JOBLESSNESS FELL, EMPLOYMENT ROSE IN MAY 15 MONTH—CHANGES TERMED SEASONAL; LONG-TIME UNEMPLOYMENT NOT DROPPING, UNIT SAYS—IDLENESS IN KEY AREAS EASES

WASHINGTON.—Unemployment declined by 194,000 persons to 4,768,000 in the month to mid-May, and the number of jobholders rose by 1,044,000 to 66,778,000, the Labor Department reported. It described the changes as "about seasonal."

The employment total was the second highest for May on record, being exceeded only by that of May 1960, when it was 67,208,000.

The seasonally adjusted rate of unemployment—the percentage of the civilian labor force that is out of work—was calculated at 6.9 percent in mid-May, up from 6.8 percent a month earlier and 5.1 percent in May 1960.

STATISTICAL SIGNIFICANCE

Dr. Seymour Wolfbein, the Department's Manpower Chief, said he saw no statistical significance in the slight increase in the joblessness rate. He did note, however, that the rate is "hanging high" for the sixth straight month. The rate rose to 6.8 percent mid-December and has varied only slightly since.

The number of workers without jobs for 15 weeks or longer fell seasonally from mid-April to 1,900,000 from 2,100,000 but the total set a postwar high for the month. Among the long-term unemployed were 900,000 workers who have been without jobs for more than 6 months.

"We are still not eating into the long-term unemployment," Dr. Wolfbein remarked.

The civilian labor force, expanding now as students begin to look for jobs, is calculated at 71.5 million, up from 70.7 million in May 1960.

EMPLOYMENT CONDITIONS IMPROVE

In a separate survey of major labor markets, the Department spotted an improvement in employment conditions in most industrial areas around the Nation. It said hiring schedules indicate a continuing slight pickup in employment over the next 2 months.

The Department removed five areas from the list of places with "substantial unemployment." This cut the list to 96 areas from the record high of 101 in March and April. Reclassified from the category of substantial unemployment (6 to 8.9 percent) to that of moderate unemployment (3 to 5.9 percent) were San Francisco-Oakland, New Haven, Fort Wayne, Indianapolis and Steubenville-Weirton (Ohio-West Virginia).

Looking ahead, Government researchers predicted moderate payroll gains to July in industries producing steel, fabricated metals and electrical machinery. They reported some aircraft and auto centers anticipated payroll reductions to mid-July because of further cutbacks in manned aircraft production and the beginning of the 1962 model changeovers.

Despite anticipated job gains, unemployment also is expected to increase as students and recent graduates enter the labor market.

[From the New York Times, June 1, 1961]

JOBLESS TOTAL FALLS BUT RATE HITS 6 PERCENT

WASHINGTON.—A high unemployment rate of nearly 7 percent continued in May for the sixth straight month despite seasonal rises in jobs, the Labor Department reported today.

Between mid-April and mid-May employment rose seasonally by 1,044,000 to 66,778,000. This total was 400,000 below that for May 1960.

The number of unemployed Americans declined, also seasonally, by 194,000 to 4,768,000, as farm and construction work picked up last month.

But the seasonally adjusted unemployment rate increased from 6.8 to 6.9 percent.

Asked if these May statistics reflected any significant recovery from the recession in terms of unemployment, Seymour L. Wolfbein, Deputy Assistant Secretary of Labor, said:

"I would say no. There has not been the job recovery we've been looking for."

Mr. Wolfbein said that upturns and downturns in employment usually lagged behind similar movement in sales and production. But he emphasized that the unemployment total, despite seasonal improvement, remained at a "very high level," 1,300,000 above the total for May 1960.

Government agencies also announced the following economic developments:

Secretary of Commerce Luther H. Hodges reported that manufacturers' inventories rose by $100 million from March to April. This increase, indicating a pickup in business, reversed a steady decline that began in September 1960.

The number of the 150 major industrial areas that have "substantial" unemployment dropped slightly from the record April total of 101 to 96 in May. The total of May 1960 was 35.

The factory layoff rate declined in April for the third successive month, especially in steel and autos. New hiring exceeded layoffs for the first time in a year, with the exception of June 1960.

LITTLE PROGRESS SEEN

Mr. Wolfbein said that if the economy had not improved, the seasonal decline in unemployment would not have occurred. However, he said, "we're really not eating into the long-term unemployed."

The number of persons jobless for 15 weeks or more declined only slightly in May from 2,128,000 to 1,915,000, Mr. Wolfbein noted, which left a record total for the month more than double the figure of a year ago.

The civilian labor force, which includes both the employed and the jobless, grew by 850,000 to 71,546,000 as farmwork expanded and students began to take nonfarm jobs for the summer.

The number of employed Americans who usually work full time but are on short workweeks dropped slightly from 2,978,000 in April to 2,833,000 in May.

Mr. Wolfbein said details of today's preliminary figures would be released next week. The details include changes in the factory workweek, a key economic indicator. Mr. Wolfbein said that employers usually got their current plant force back on a normal workweek before hiring new personnel.

If the current seasonally adjusted unemployment rate remains the same, Mr. Wolfbein said, there will be 5,500,000 unemployed in June, 5,100,000 in July, 4,500,000 in August, 4,100,000 in September and 5,600,000 next January.

PROBLEM FOR JUNE

A prime problem will come in June, he said, when 1,100,000 high school and college graduates seek permanent jobs.

Meanwhile, it was understood that the administration would postpone sending requests to Congress for a permanent Federal system of unemployment benefits, creation of an urban youth corps and an updated version of the depression-era Civilian Conservation Corps.

These proposals will await President Kennedy's return from his European trip June 6.

In its May analysis of 150 major industrial areas, the Bureau of Labor Statistics said that seasonal gains in construction and hiring in durable goods industries, including steel, had helped bolster big-city employment.

The five areas that moved from "substantial" to "moderate" unemployment categories were San Francisco-Oakland, Calif.; New Haven; Fort Wayne and Indianapolis, Ind.; and Steubenville, Ohio-Weirton, W. Va.

"Substantial unemployment" means that 6 percent or more of the local labor force cannot find jobs. "Moderate unemployment" means 3 to 5.9 percent of the local work force is idle.

Last month, as in May 1960, New York, Boston, and Atlanta remained in the "moderate" category. Newark, Chicago, Detroit, Los Angeles, and Baltimore were among the 96 areas that continued in the "substantial unemployment" class.

The Bureau of Labor Statistics said that its survey of employers' plans indicated the following trends for June and July:

A slight increase in steel employment, particularly in Baltimore, Chicago, San Francisco, and Oakland.

A similar seasonal rise in jobs in metal fabricating, especially in building products and food containers. Boston, Los Angeles, Milwaukee, St. Louis, and Youngstown were expected to show gains.

A mid-July drop in auto plant employment in several areas, including Detroit and South Bend, as companies enter the annual model changeover period. Production is now one-third below that of the period last year, and sales are 20 percent below the year ago total. A fall pickup is expected, however.

Payrolls in chemicals, petroleum, and textiles are expected to remain at or near current levels.

RUMORS OF RUSSIAN CONCESSION

Mr. MILLER. Mr. President, there have been rumors around Washington, D.C., the past few days that Premier Khrushchev has agreed to make some sort of concession—probably with respect to the negotiations over the proposal for inspection in connection with a nuclear test ban agreement—which concession will be announced during the Vienna meeting with President Kennedy.

If, indeed, such an agreement has been reached with the Soviets, one is prompted to inquire why the agreement has not been announced to the world now, instead of waiting for the Vienna conference. If, on the other hand, no agreement of any kind has been reached, then one is prompted to inquire why the President has changed his position, which he clearly set forth during the campaign, to not meet with Mr. Khrushchev unless there were some agreements which would indicate that the meeting would have some hope of success, or useful exchange of ideas.

These questions are raised in a thought-provoking article by David Lawrence in today's issue of the Washington Evening Star, and I ask unanimous consent that this article be printed in the RECORD.

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

KENNEDY AND SUMMITRY POLICY—PRESIDENT'S VIENNA TRIP HELD REVERSAL OF HIS POSITION IN DEBATE WITH NIXON

(By David Lawrence)

Has President Kennedy gone back on his word—the promise he gave to the more than 60 million people who watched the "great debates" on television last autumn? He has made no explanation to the American people for reversing the pledge of last autumn when he said flatly he would not meet with Nikita Khrushchev unless some agreement on important subjects had been reached beforehand through diplomatic channels. If there is such an agreement now, no word about it has been given to the people of the United States.

Here is what Mr. Kennedy said in the second debate of the series with Vice President Nixon on October 7, 1960:

"On the question of the summit, I agree with the position of Mr. Nixon. I would not meet Mr. Khrushchev unless there were some agreements at the secondary level—foreign ministers or ambassadors—which would indicate that the meeting would have some hope of success, or useful exchange of ideas."

Then, in the fourth debate on October 21, 1960, Mr. Kennedy said:

"Well, I think the President of the United States last winter indicated that before he'd go to the 'summit' in May, there should be some agenda, that there should be some prior agreement. He hoped that there would be an agreement in part on disarmament. He also expressed the hope that there should be some understanding of the general situation in Berlin.

"The Soviet Union refused to agree to that, and we went to the 'summit' and it was disastrous.

"I believe we should not go to the 'summit' until there is some reason to believe that a meeting of minds can be obtained on either Berlin, outer space, or general disarmament—including nuclear testing."

Has Mr. Kennedy made some secret deal with Premier Khrushchev? No intimation of it has been given to Members of Congress, especially in any conferences with the Senate Foreign Relations Committee's ranking members. There have been rumors around Washington, however, that the Communist Premier is planning to make some concession in connection with the nuclear-test negotiations in exchange for a continuance of the present moratorium on tests. One report is that he will offer to give up the veto system which Russia has insisted upon heretofore and agree to negotiate a treaty that will permit a limited form of inspection without vetoes.

Certainly, any vital change in the hitherto stagnant situation over the nuclear-test ban would be hailed as a big victory for Mr. Kennedy, and it would be inferred that some arrangement of this kind had been worked out in advance. Actually, withdrawal of the veto provision would not mean an immediate agreement on any of the other points raised in the Geneva negotiations on the nuclear-test ban. The prospect is that the conversations which have already been going on for several years would keep on for a long time to come.

Meanwhile, who gains the real victory? The Soviets have been trying to keep the United States from doing any testing. Without a formal agreement, each side is supposed to refrain from testing, but is free to resume at any time. The longer the Soviet Union can keep the United States from doing any testing, the bigger the advantage to the Communists. The scientists of the West are in disagreement as to what can or cannot be done with underground testing. Some say underground tests cannot be detected, that the Russians know this, and that they are engaged now in perfecting their methods of continuing their underground testing.

The world may never know whether a so-called nuclear test ban is being faithfully adhered to by the Russians, but it will know that the United States during the long-drawn-out negotiations has already given up precious months in which no testing has been done either underground or in the atmosphere.

What would cause great uneasiness throughout the United States would be the discovery that the Kennedy administration had entered into any secret understanding with the Communist government in Moscow in the last 3 months and that the purpose of the Vienna meeting is to consummate such a deal.

If there has really been no agreement on nuclear tests or any other subject through diplomatic channels in advance of the Kennedy-Khrushchev conference next weekend, the American people will then have a right to be told why the man who was elected President of the United States—largely by reason of the arguments presented by him in the great debates on television last autumn—went back on his promises. At least, the public is entitled to a frank explanation of the reason for the change in Mr. Kennedy's position within a period of 7 months.

SACRIFICES BY THE AMERICAN PEOPLE

Mr. MILLER. Also, Mr. President, I have been saying for some time that the real sacrifices which the American people will be called upon to make under the administration's program are inevitably going to be inflation or higher taxes, or both, as a result of the increased spending proposals which are being passed or proposed. Moreover, I have cautioned that the American people should not be fooled into thinking that such sacrifices are for the sake of national defense, but rather they will result largely from increased spending for nondefense measures. An excellent article by Mr. Gould Lincoln in today's Evening Star makes these points eminently clear, and I ask unanimous consent that this article also be printed in the RECORD.

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

BIGGER GOVERNMENT ON THE WAY

(By Gould Lincoln)

As the program of the Kennedy administration continues to unfold, it is becoming increasingly apparent that it calls for bigger and bigger spending and bigger and bigger government. It is increasingly clear that the sacrifices which President Kennedy is demanding of the American people boil down to coughing up the people's money. Quite naturally, Mr. Kennedy and his assistants do not lay stress on bigger spending and bigger government in their comments on their program. They talk instead of the great needs of national defense—including the defense of the free world. They talk, too, of the need for billions of dollars to conquer space and send men to the moon and beyond. They talk of billions more to be loaned or given to less fortunate peoples—the latest figure for this is $7.3 billion. And

they talk of great needs for domestic improvements—$2.5 billion for public education to be distributed to the States for school construction, increases in teachers' salaries and, indeed, for any use the local school authorities may find necessary.

PURSE STRINGS NOT UNTIED

The real impact of such a program has not made itself felt, because the program has not yet gone into effect. Congress still has to untie the purse strings—about the only thing Congress seems to have left to do, as Government by Executive order continues to advance. The New Deal administration of Franklin D. Roosevelt, which was quite a spender in its day, is a piker compared to the Kennedy "New Frontiers" administration. But the Kennedy administration will answer such criticism by saying that the problems are much vaster today. In a way they are, although the late President Roosevelt was faced with the problem of getting the United States back on its feet after a disastrous depression growing in the main out of the aftermath of World War I. Today the United States is not facing a deep depression—indeed, its economy has been on the upward path. The big problem for the Kennedy administration is to maintain the security of the American people and to halt the advance of international communism which is seeking control of the entire world.

Unfortunately, in the first 4 months of his term as President, Mr. Kennedy has seen an advance of international communism in the Western Hemisphere, specifically in Cuba, and in southeast Asia, specifically in Laos. And unfortunately, he has been able to do nothing about these advances. If they are not checked, the spread of the Communist influence and domination may affect other Latin American countries, and it may gobble up all of southeast Asia. It is advancing, too, toward its goals in the many newly independent countries in Africa. The U.S. Government has uttered loud protests and even threats, but it has not been effective in checking these advances.

President Kennedy is in Europe this week meeting with President Charles de Gaulle and then Russian Premier Nikita Khrushchev. He has problems to discuss with both.

One heads a friendly country; the other a government which is committed to the communization of the world, including the United States. What will come of the President's foray into personal diplomacy this country will await with the keenest hopes of success. This country needs some success in international affairs.

It undoubtedly will support President Kennedy, who is in Europe after pledging there will be no retreat from a firm intention to resist Communist aggression toward this country and toward the free world. He has further promised he will make it entirely clear to Premier Khrushchev that the Communists can touch off a third world war if they make the mistake of believing the United States will not fight. To date the Russians have continued to tie up the nuclear tests and weapons conference and the Laos conference in Geneva. This hard attitude in Geneva, on the eve of Kennedy-Khrushchev talks in Vienna is a typical Communist tactic. It looks very much as though this recalcitrance is a forerunner of a Khrushchev attempt to wring a deal out of Mr. Kennedy.

G.O.P. PREPARES ISSUES

Meanwhile, Republican leaders are building up issues which may be used against the Kennedy administration and Democratic candidates for Congress next year. They are making much of the big spending programs of the New Frontiers men, which they say will wreck the economy of the American people. They are denouncing the handling of the Cuban situation, particularly the present plan to exchange tractors for patriot rebels held by Castro, which they call "blackmail." They are beginning to ask what would have happened in Cuba, in Laos, and to the United States, had former Vice President Nixon been President instead of Mr. Kennedy—and even what the situation would be if former President Eisenhower had had another year to serve in the White House.

Senator HARRY F. BYRD of Virginia continues to warn what may happen to a country which, already having a national debt totaling $289,879,699,421 (on May 23) continues to add more billions to its budget—money which it does not have to spend. There are only two ways of meeting this financial problem—higher taxes and more taxes or more borrowing still further increasing the stupendous national debt.

HOUSING ACT OF 1961

The Senate resumed the consideration of the bill (S. 1922) to assist in the provision of housing for moderate- and low-income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes.

Mr. CAPEHART. Mr. President, I shall not take the time to talk at length now on the housing bill that is before us because I shall have several amendments to offer and shall discuss some of the most objectionable features of the bill at that time.

My purpose in making this statement is to remind Senators that we have attained the existing level of sufficient Government housing assistance on a reasonably sound basis because Senators considered the program at all times in a reasonably sound manner.

Also, at this time I add a humble caution to Senators to give careful attention to some of the provisions of this bill which I can assure Senators will be debated before the roll is called for passage.

As I wrote in the committee report, my record on housing is quite clear. I have worked with Senators on both sides of the aisle toward giving this country a good housing program in the areas where it is needed and to those who need it.

Regardless of the position I am forced to take on the bill when the vote comes for passage, I pledge my continued efforts in the future to keep Government housing within the bounds of outright assistance. At the same time, however, I pledge my opposition to housing programs that border on the fanatical.

Mr. President, the Federal Government, in concert with local governments, entered the housing assistance field many years ago by reason of a necessity which we hope and pray will never occur again.

We have been permitted by the people to remain in the housing field solely because what we have been doing has been done in sound conscience. The people will not permit any government to go beyond those limits, whether it be in housing or any other phase of their private lives.

I contend that there are provisions in the bill which go beyond conscience and border on the fanatical. I shall oppose them with all the vigor at my command.

I ask unanimous consent to have printed in the RECORD, following these remarks, 11 amendments which I propose to offer during the consideration of the housing bill. I ask that they lie on the table.

The PRESIDING OFFICER. The amendments will be received, printed, and will lie on the table; and without objection, the amendments will be printed in the RECORD.

The amendments are as follows:

(AMENDMENTS BY MR. CAPEHART (FOR HIMSELF AND MR. BENNETT)

A

On page 42, between lines 19 and 20, insert the following:

"LOCAL RESPONSIBILITIES

"SEC. 301. Section 101(c) of the Housing Act of 1949 is amended by—

"(1) striking out 'unless (1)' and inserting in lieu thereof the following: 'unless (1) the locality with respect to which an application for assistance under this title is made has had in effect for at least one year prior to the filing of such application a minimum standards housing code deemed adequate by the Administrator and which he determines has been satisfactorily enforced from the time of its adoption or for at least one year prior to the filing of such application, whichever is the lesser, (2)'; and

"(2) striking out 'and (2)' and inserting in lieu thereof 'and (3)'."

On page 42, line 21, strike out "301" and insert "302".

One page 44, line 5, strike out "302" and insert "303".

On page 45, line 4, strike out "303" and insert "304".

On page 45, line 23, strike out "304" and insert "305".

On page 47, line 12, strike out "305" and insert "306".

On page 48, line 10, strike out "306" and insert "307".

On page 48, line 15, strike out "307" and insert "308".

On page 49, line 16, strike out "308" and insert "309".

On page 50, line 9, strike out "309" and insert "310".

On page 50, line 20, strike out "310" and insert "311".

On page 54, line 5, strike out "311" and insert "312".

On page 56, line 8, strike out "312" and insert "313".

On page 58, line 2, strike out "313" and insert "314".

On page 58, line 21, strike out "314" and insert "315".

On page 58, line 22, strike out "clause (1)" and insert in lieu thereof "clause (2) (as redesignated by section 301)".

B

On page 8, line 13, strike out "interest" and insert in lieu thereof "an interest rate".

On page 8, line 15, after the parenthesis insert the following: ", uniformly established by the Commissioner for all classes of borrowers,".

On page 8, strike out line 21 and insert in lieu thereof the following: "of 1 per centum, and adding one-half of 1 per centum per annum".

C

On page 45, line 8, strike out "$4,500,000,000" and insert in lieu thereof "$3,800,000,000".

D

On page 15, line 8, strike out "$10,000" and insert in lieu thereof "$7,000".

On page 15, line 24, strike out "twenty-five" and insert in lieu thereof "fifteen".

E

On page 2, line 6, strike out the quotation marks and the semicolon and insert in lieu thereof the following:

"For the purposes of this section, a family shall be deemed to be a 'low or moderate income family' if the normal stable monthly income of such family does not exceed (1) an amount equal to five times the monthly payments to be made by such family for the rental of a dwelling unit in a property or project assisted under this section, or (2) an amount equal to five times the monthly amortization payments (including principal, interest, and insurance) to be assumed by such family under a mortgage insured under this section".

F

On page 64, beginning with line 22 strike out all through line 13 on page 65.

Renumber succeeding sections in title V accordingly.

G

On page 10, lines 14 and 15, strike out "any accrued interest and".

On page 19, line 10, strike out "any accrued interest,".

On page 29, line 7, strike out "any accrued interest and".

On page 74, lines 13 and 14, strike out "any accrued interest and".

H

On page 8, strike out lines 4 through 9, and insert in lieu thereof the following:

"(10) striking out in subsection (d)(5) the words 'forty years from the date of insurance of the mortgage or three-quarters of the Commissioner's estimate of the remaining economic life of the building improvements, whichever is the lesser' and inserting in lieu thereof the following: 'thirty years from the date of insurance of the mortgage or three-quarters of the Commissioner's estimate of the remaining economic life of the building improvements, whichever is the lesser: *Provided*, That any such mortgage may provide, under such regulations as the Commissioner may prescribe, that (1) during the first through the fifth years of the amortization period the level total payments of principal and interest shall not exceed an amount equal to the level total payments of principal and interest on a mortgage in the same principal amount having an amortization period of not to exceed forty years, (2) during the sixth through the tenth years of the amortization period the level total payments of principal and interest shall not exceed an amount equal to the level total payments of principal and interest on a mortgage in the same principal amount having an amortization period of not to exceed thirty years, and (3) during the balance of the amortization period the level total payments of principal and interest shall not exceed an amount equal to the level total payments of principal and interest on a mortgage in the same principal amount having an amortization period of not to exceed twenty years';"

I

On page 3, lines 20 and 21, strike out "a public body or agency,".

On page 8, strike out lines 10 through 21.

On page 8, line 22, strike out "(12)" and insert in lieu thereof "(11)".

On page 9, beginning with line 6, strike out all through the period in line 20.

On page 10, line 4, strike out "(13)" and insert in lieu thereof "(12)".

On page 10, beginning with the colon in line 20, strike out all through line 6, on page 11, and insert in lieu thereof a period.

On page 12, line 3, strike out "(14)" and insert in lieu thereof "(13)".

On page 12, line 6, strike out "; and" and insert in lieu thereof a period.

On page 12, strike out lines 7 through 9.

On page 12, beginning with line 24, strike out all through line 10, on page 13.

J

On page 3, beginning with line 18, strike out all through line 16, on page 6.

On page 6, line 17, strike out "(8)" and insert in lieu thereof "(6)".

On page 7, line 15, strike out "(9)" and insert in lieu thereof "(7)".

On page 8, line 4, strike out "(10)" and insert in lieu thereof "(8)".

On page 8, strike out lines 10 through 21.

On page 8, line 22, strike out "(12)" and insert in lieu thereof "(9)".

On page 9, beginning with line 6, strike out all through the period in line 20.

On page 9, lines 21 and 22, strike out "subsection (d)(2) or (d)(4) of".

On page 10, line 4, strike out "(13)" and insert in lieu thereof "(10)".

On page 10, beginning with the colon in line 20, strike out all through line 6, on page 11, and insert in lieu thereof a period.

On page 12, line 3, strike out "(14)" and insert in lieu thereof "(11)".

On page 12, line 6, strike out "; and" and insert in lieu thereof a period.

On page 12, strike out lines 7 through 9.

On page 12, beginning with line 24, strike out all through line 10 on page 13.

On page 72, beginning with line 20, strike out all through line 3 on page 73, and insert in lieu thereof the following:

(e) Section 212 of such Act is amended by striking out in the second sentence of subsection (a) "any mortgage under section 220" and inserting in lieu thereof "any loan or mortgage under section 220 or section 233".

K

On page 39, strike out lines 4 through 7, and insert in lieu thereof the following:

"(1) inserting after *'Provided*, That' in section (10)(i) the following: 'the Authority may enter into new contracts for loans and annual contributions after the date of enactment of the Housing Act of 1961 for not more than thirty-seven thousand additional units: *Provided further*, That'; and"

FEDERAL AID FOR URBAN MASS TRANSPORTATION

Mr. KUCHEL. Mr. President, I rise to report briefly on an increasingly critical problem with which the State of California, as well as many other States, is faced. It threatens to become progressively worse in future years. It threatens, furthermore, serious damage to our economy unless a solution is found. I refer to the growing problem of motor vehicle traffic congestion in our several metropolitan areas. This congestion is becoming worse each day and some day may develop into almost complete traffic strangulation.

To illustrate the long-term and spectacular growth trends in the two largest urban centers of California, I can cite actual and estimated motor vehicle and population figures in the Greater Los Angeles and San Francisco Bay areas.

In the four southern California counties comprising the Greater Los Angeles metropolitan area, population has risen from 235,820 in 1900 to 7,552,500 in 1960. A prediction of more than 17,500,000 is given for the year 2000.

In the nine-county San Francisco Bay area, the population has increased from 658,100 in 1900 to 3,639,000 in 1960. It is estimated that the number of residents will increase to over 9 million by the year 2000.

In the case of motor vehicle registration, the contrasts are still more bewildering—even though a shorter period of time is considered in the tabulation. In 1920, the Greater Los Angeles area had 224,588 motor vehicles. The total had grown to 3,805,800 by 1960. On the basis of present trends, it is predicted that the total will increase to 9,663,500 by the year 2000.

In the San Francisco area, a parallel growth is found. In 1920, there were only 146,401 registered motor vehicles, compared with 1,836,300 in 1960. A registration of 5,029,800 is anticipated for the year 2000.

These figures alone point to the dramatic growth of population in California's two great metropolitan areas and the accompanying and crushing effect of the diversion from mass transportation to an almost all-automobile society. The future trends are truly frightening in regard to the apparent number of vehicles for which ground space will have to be found if our present mode of transportation by automobile continues.

I ask unanimous consent that the population and vehicular tabulations be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. KUCHEL. Curiously, there was a time when public transportation was provided almost entirely by rail transit on public streets and on private rights-of-way. In the Greater Los Angeles area, there was the Pacific Electric Railway with lines extending out from the city of Los Angeles to some 50 points in 4 different counties. It was the pride of southern California, being one of the finest interurban rapid transit systems to be found anywhere. Today, this great system of public transportation has been stamped out of existence by the convenience and popularity of the private automobile.

In the San Francisco Bay area, a similar pattern has been followed in the demise of interurban rail transportation. To the north of San Francisco in Marin County, the Northwestern Pacific Railroad commuter service has disappeared. On the east shore of San Francisco Bay, the Southern Pacific commuter service, the Key System commuter service, and the Sacramento Northern Railroad commuter service have vanished. Behind this evolvement was the advent of the San Francisco-Oakland Bay Bridge and the Golden Gate Bridge, whereby automobiles were given direct access to San Francisco. Gradually, commuter systems together with their ferryboat connections declined in importance and finally succumbed to the competition of the individual passenger automobile. All that remains is the Southern Pacific commuter system down the peninsula south of San Francisco.

In other metropolitan areas of California, streetcars have been largely replaced by buses, which are impeded in performing an efficient job of mass public transportation because they must use highways and streets congested with individual passenger automobiles. And, each such automobile accommodates an average of 1½ persons while utilizing almost as much space as is required by a 60-passenger bus.

The same mode of competitive transportation that destroyed the Pacific Electric Railway in the Los Angeles area and four of the five commuter railroad systems in the San Francisco Bay area, namely the automobile, is now threatening to destroy itself as a convenient means of transportation in congested areas. So the circle is closing. Starting with a rail transit system which has been largely put out of business by automobiles, we now find ourselves struggling to reestablish transit facilities to save the automobile from itself.

Because of California's year-round temperate climate, its citizens have been encouraged to depend more heavily upon automobiles for their transportation than is true in most other populous States. Thus, in our State the problem of traffic congestion has been compounded. In many eastern cities the automobile did not gain such rapid headway in destroying the then existing rail transit systems such as those still operating in Boston, New York, Philadelphia, Cleveland, and Chicago. Their systems are badly in need of modernization, and their inadequacy is a part of the Nation's metropolitan transportation problem. Nevertheless, they still carry a vast number of passengers which could not be handled by automobiles because of limited ground space to accommodate such vehicles on streets and in parking lots.

However, in California, the automobile has almost completely taken over the bulk of mass transportation requirements of our citizens living in metropolitan areas. This leaves but one choice: that is to reestablish rail transit facilities in anticipation of the day when our population is double that of today and the automobile will no longer be able to circulate in congested areas with any degree of freedom.

Practically every Californian realizes the seriousness of traffic congestion. And may I cite the alarm with which certain of our civic leaders are viewing this great threat to our future growth and economic development.

Recently, the president of the Standard Oil Co. of California, Mr. T. S. Petersen, a distinguished citizen of my State, in an address before the Commonwealth Club of California, commented on rapid transit's vital role in the reduction of peak-hour congestion and accidents.

Pointing out that traffic accidents in 1958 cost the Nation 37,000 lives and $5,500 million, Mr. Petersen cited the particularly hazardous conditions that exist on metropolitan roadways during what he called the commuter crush.

He continued:

> With the continuing population growth in our metropolitan areas, the congestion situation can become only worse—and not better—unless we efficiently move larger numbers of commuters. I believe this can only be accomplished through new and improved systems of public transportation which are fast, comfortable, convenient, economical and safe, according to the high standards of today.

Along this same vein, the California State Automobile Association, which is concerned with the well-being of the motoring public, has publicly announced its support of rail rapid transit development. Such mass public transportation, they claim, is necessary in order to reduce traffic congestion so that those who must use their automobiles can move about freely.

In commenting upon its support of rail rapid transit development, the president of the automobile association said:

> A modern and efficient rapid transit system will be of infinite benefit to all sections and citizens of the bay area, including the owners of motor vehicles.

In addition, responsible editorial policy almost everywhere is repeatedly calling the problem to public attention—although day-to-day observation by individual citizens demonstrates this most forcibly. Among the major newspapers which have repeatedly pointed up the need for improved mass transportation are the Sacramento Bee, the Oakland Tribune, and the Examiner, Chronicle, and News-Call Bulletin of San Francisco.

In recognition of the problem, much has been done in California both at the State and local levels to move in the direction of a solution. Let me cite a few of the significant steps already taken in this regard.

In 1951, the California Legislature created the San Francisco Bay Area Rapid Transit Commission. Its instructions were to make a survey of the traffic congestion problem in the bay area and to develop recommendations leading to a solution. After spending some $700,000 on exhaustive engineering, financial, and economic feasibility studies, the commission in 1956 recommended the establishment of a governmental agency to finance and build an interurban system of rail rapid transit. Accordingly, the legislature in 1957 created the San Francisco Bay Area Rapid Transit District, gave it taxing power, gave it access to public credit through the issuance of general obligation bonds, and directed it to proceed with the planning of such a system.

The San Francisco Rapid Transit plan will serve as a model for a new concept of travel. Its engineering plans, now completed, will serve five counties with high-speed transit. It will be a total transportation system, wisely begun with land planning. In intent, it will be fully competitive with the automobile, thereby weaning people away from automobile dependence.

The estimated cost of such a project is in excess of $1 billion. If the proposed system is not built, expenditures for freeways, bridges, and parking facilities between now and 1975 will amount to more than $1.5 billion. Thus, compared to its alternative, the figures even favor rapid transit. Furthermore, every effort will be made to finance this undertaking at the local level by means of general obligation bonds. It also is important to note that, once built, rapid transit will be considerably more than self-supporting from a standpoint of operating and maintenance costs, with surplus revenues available for a variety of uses.

To ease San Francisco's traffic congestion, the State took another important step when in 1959 it pledged surplus Bay Bridge revenues to finance the building of a transbay underwater rapid transit tube connecting downtown San Francisco with downtown Oakland. The State department of public works would build the tube at an estimated cost of $127 million. And, upon completion, it would be turned over to the rapid transit district for integration into the rest of the five-county rapid transit system.

At this point I call to your particular attention the fact that the legislation diverting motor vehicle tolls to build the rapid transit tube was approved and sponsored by the California State Automobile Association, whose principal interest is in protecting the welfare of the motoring public. It is their belief that by building the tube the utility of the Bay Bridge will be increased for motorists. It will divert surplus traffic from the bridge to rail rapid transit. Congress gave its consent to the use of tolls for this purpose and, I might add, I assisted in handling this legislation when it was before the Senate a year ago.

At the time of the establishment of the San Francisco Bay Area Rapid Transit District, the legislature established another transportation authority to give local service to the east side of San Francisco Bay. Known as the Alameda-Contra Costa Transit District, this agency issued bonds by vote of its electorate; and, with this money, it has purchased the privately owned Key System and acquired a large number of new streamlined, air-conditioned buses to round out its facilities. Unlike the San Francisco Rapid Transit District, the Alameda-Contra Costa Transit District is taking over a declining private transit system, burdened with taxation and unable to maintain a high level of service, and giving it tax exemption and access to tax-supported public credit.

In southern California, the State legislature has likewise moved in the direction of improving mass public transportation through the establishment in 1957 of the Los Angeles Metropolitan Transit Authority. This agency issued revenue bonds to finance the acquisition of three privately owned transportation systems which were desirous of being relieved of the burdens imposed upon them.

While Los Angeles is known as the most freeway-minded city in the country, it is now recognized that the motor vehicle sooner or later will find itself unable to provide for the individual and mass movement of people in that area. As a result, the Los Angeles Metropolitan Transit Authority has completed preliminary plans for the establishment of a 75-mile system of rail rapid transit at an estimated cost of $529 million,

which, it is hoped, will provide arterial transportation to relieve much of the growing congestion on the freeway system.

Mr. President, I know this from personal experience; I live about 25 miles from the city of Los Angeles. When I go to my home and travel down the freeway systems, I know that it is bumper-to-bumper all the way.

I have endeavored to recite the story of growing traffic congestion in the State of California, briefly tracing its history from the advent of the automobile at the turn of the century to the present day, and to outline what our State and its local communities have done so far in an attempt to work out a solution to this problem. It will be noted from my remarks that we have not been idle, that the State and its local governments are wrestling with the problem and are determined to solve it eventually, as other metropolitan areas are doing. Yet, the best of the regional plans is millions of dollars away from reality.

In my judgment, the time has come when the threatened strangulation of our great cities is no longer the sole worry of the localities themselves. The Federal Government surely must face up to the probable consequences of metropolitan decline, for much of the Nation's economic security rests on the shoulders of urban areas.

Moreover, much of the money flowing into the U.S. Treasury originates in metropolitan areas where there are great concentrations of people and great centers of manufacturing and commerce. These centers must be kept economically virile if the flow of such revenue is to be maintained at a level to secure the balancing of future Federal budgets without excessive increases in prevailing tax rates.

In a recent talk before a group of business leaders here in Washington, the President emphasized that business and government are partners in the fruits of industry. He stated:

> The complaint has also been made in business circles that the Federal Government is a "silent partner" in every corporation—taking roughly half of all net earnings. But it should also be realized that this makes business a silent partner of the Federal Government—that our revenues and thus our success are dependent upon your profits and your success—and that far from being natural enemies, Government and business are necessary allies.

To keep business healthy is just as important to the Federal Government as it is to corporation stockholders. To keep metropolitan areas in a healthy climate for business and commerce, access to and egress from these areas must be provided. A free circulation of people within these areas must be assured.

And there are many other reasons why the Federal Government should concern itself with the metropolitan traffic congestion problem. It occurs to me that part of the billions of dollars the Government is spending on interstate highways may be open to serious question because of the traffic congestion that many times piles up where such highways funnel traffic into population centers. And there is the question of national defense, involving military transportation, civilian evacuation of cities in the event of enemy attack, and the use of below-surface transit passageways as fallout shelters.

Accordingly, Mr. President, I am strongly of the belief that the time has come for Federal participation in the development of plans by the metropolitan areas of the Nation for the rebuilding of existing urban mass transportation systems, or the building of new systems where none now exist. In support of this belief, I am coauthor of the bill (S. 345) introduced by my distinguished colleague, the Senator from New Jersey [Mr. WILLIAMS], which is now pending before the Banking and Currency Committee.

While this bill is modest in its scope, it will give to metropolitan areas an incentive in solving the traffic congestion problem. Indeed, it is a vitally important step that must be taken. And I hope it will lead the way to a fuller realization of the importance of Federal participation in the rebuilding of our great cities and in maintaining them as the sturdy backbone of the Nation's economy. No man, woman, or child, regardless of residence, will remain unaffected by our adopting a sound policy in this regard. I say this because the prosperity of the entire Nation is at stake as the result of our possible failure in this initial endeavor to head off what seems to be inevitable traffic strangulation for urban America.

Mr. President, the bill before us is proposed housing legislation. I am delighted that those who have written the proposed legislation have indicated, by amendments written into the bill, that there is a problem connected with the subject of mass transportation. I give credit to the senior Senator from Indiana for having sponsored in the Housing Act of 1961 legislation providing for a series of loans to State and local public bodies for the acquisition, construction, reconstruction, and improvement of facilities and equipment for use in mass transportation service in urban areas.

The committee goes on to indicate that in its opinion effective transportation systems can be developed only in communities with sound and comprehensive areawide transportation plans and with financing, developmental, operating, and regulatory authority adequate to carry out such plans.

There can be no question that the future of America is directly concerned with the problem of mass transportation systems, particularly in large centers of population, where today the freeways are not keeping up with the desire of people to drive their own automobiles.

Fortunately, the bill before us recognizes that problem. I again underscore the urgent need for the Senate to give approval to the proposed legislation which I have cosponsored, to lay down, if it is enacted—as I hope it will be—an across-the-country policy of Federal incentives to State and local governments to plan for the overcoming of present problems in the transportation of people by planning for the creation and operation of new, modern mass transportation systems.

EXHIBIT 1

TABLE I.—*Population in the greater Los Angeles area and San Francisco Bay area, 1900–1960 and estimated to 2000*

Year	Greater Los Angeles area [1]	San Francisco Bay area [2]
1900	235,820	658,100
1910	629,969	925,700
1920	1,121,500	1,182,900
1930	2,542,000	1,578,000
1940	3,183,000	1,734,300
1950	4,819,600	2,681,300
1960	7,552,500	3,639,000
1970	10,671,000	4,950,000
1980	13,620,000	6,310,000
1990	15,725,000	7,715,000
2000	17,570,000	9,145,000

[1] 4 counties of Orange, Riverside, San Bernardino, and Los Angeles.
[2] 9 counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma.

TABLE II.—*Registered motor vehicles in the greater Los Angeles area and San Francisco Bay area, 1920–60 and estimated to 2000*

Year	Greater Los Angeles area [1]	San Francisco Bay area [2]
1920	224,588	146,401
1930	989,997	478,974
1940	1,339,400	658,400
1950	2,336,700	1,110,000
1960	3,805,800	1,836,300
1970	5,869,100	2,623,500
1980	7,491,000	3,470,500
1990	8,648,800	4,243,300
2000	9,663,500	5,029,800

[1] 4 counties of Los Angeles, Orange, Riverside, and San Bernardino.
[2] 9 counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma.

HOLLYWOOD MOTION PICTURE AND TELEVISION MUSEUM

Mr. KUCHEL. Mr. President, I have the honor to report that a newsworthy conference, for the purpose of establishing the Hollywood Motion Picture and Television Museum, was held early in May in Los Angeles. The conference was called on the invitation of a friend of mine, Mr. Sol Lesser, a distinguished leader in the American motion picture industry. He is serving as chairman of the Los Angeles County commission for the project.

According to Mr. Lesser:

> This was the first time in the history of museums that the responsible leaders in public education in the community have been invited to join in the original planning of the physical facilities and in the program for the operation of a museum.

In welcoming the educational leaders to the meeting, Mr. Lesser expressed the spirit of the occasion when he stated:

> In serving our teachers, we serve our children in the schools and our students in the colleges and universities. Through them we serve the broadest interests of the home, the research units, industry, and the Nation.

The chairman of the Los Angeles County Board of Supervisors, Ernest E. Debs, commented on the museum project:

> Public service was the basic purpose of the board of supervisors in adopting the ordinance of July 17, 1959, creating the Hollywood Museum.
>
> The site will be on Highland Avenue opposite the Hollywood Bowl. It was selected

because it was found to be the most suitable, accessible, and advantageous to the public.

As presently planned, the museum will have exhibition galleries with special display rooms; archives and research centers; library and study facilities; a theater, sound stage, television studio, and demonstration centers for the essential arts and crafts of the motion picture and television industries; and in addition there will be suitable restaurant and parking facilities for the comfort of the public.

From an observation gallery, visitors to the museum will witness the live enactment of motion picture scenes; television programs will be produced; and there will be still other demonstrations for the entertainment and education of the visitors.

The role of the acquisition committee will assure the museum of priceless treasures and informative material recording the history, demonstrating the progress, and indicating the plans for the future of the motion picture and television industries.

The Hollywood Museum will be our tribute to the men and women who created the great motion picture and television industries, and who established Los Angeles County as the world capital of the audio-visual entertainment industries.

We owe it to the many thousands of tourists from every corner of the world, to enlighten them regarding the past, the present and the future of one of the greatest examples of American free enterprise.

We owe it to the children in our schools and to the students in our colleges that their education be enriched by the realization that they are part of the community that produces for the world, vital means of communication, entertainment, and education.

I join in the hope expressed to the assembled educators that from this conference the museum commission may gain constructive recommendations, since all concerned want the museum to be of the greatest public service, more especially in the field of education.

Comments among those attending the conference indicated the already widespread support for the museum. Dr. C. C. Trillingham, the county superintendent of schools, spoke enthusiastically on what the American communications industries and the Hollywood Museum will be able to do for educators, historically and culturally.

The University of Southern California's Prof. Frank C. Baxter, well-known member of the museum's curators' committee, praised the museum's education program and visualized it as something which through the years will be a net gain for education, television, and motion pictures.

Dr. Rudy Bretz, the director of educational television at the University of California at Los Angeles, expressed assurances of cooperation on the part of UCLA Chancellor Franklin D. Murphy and urged that the Hollywood Museum move quickly to preserve important American documentaries now being done on video tape and being erased after use at an alarming rate.

The vital contribution that the Hollywood Museum can make to teachers and pupils in many areas and the need to expand the instructional materials available to teachers, was indicated by Dr. Ellis A. Jarvis, Los Angeles City superintendent of schools.

Dr. Joseph H. Wadsworth, who is director of development at Occidental College, stated that among the many valuable services the museum could render to the community would be an annual conference for educators, at which the latest uses of television and motion pictures as aids to teachers in educational processes in all levels and fields of education could be demonstrated.

Two other university representatives, Prof. Richard D. MacCann of the cinema department of the University of Southern California and Prof. Kenneth Macgowan of the School of the Theater of the University of California at Los Angeles voiced their wholehearted approval of the program of the Hollywood Museum and the purposes of the educational conference.

Dr. George E. Dotson, assistant superintendent of the Long Beach High School District concluded that "All schoolchildren, of all ages, can benefit from this type of program."

Mr. President, in the early days of my tenure in the Senate, the great motion picture industry of California brought to my attention the fact that stored in the Library of Congress were prints of the silent picture days, the early days of the motion picture industry. Those prints constituted an important part of Americana, but they were going to waste and were deteriorating. The Senate approved an amendment to proposed legislation which was then pending, an amendment which I sponsored, to provide that the Librarian of Congress take the necessary steps to prevent the disintegration of those early day treasures which were produced in a uniquely American industry, which has gone so far and has done so much to knit the world closer together.

Mr. President, the people of the United States are proud of our great motion picture industry. They are proud to what Americans have done in the field of television. As I say, these are a part and parcel of Americana. The Government has been interested in preserving for future generations the early prints of the motion picture industry. I am glad to salute those private citizens, my fellow Californians, who are now on their way to establishing a museum dedicated to these great American institutions.

I simply wished to indicate on this occasion one other step which is being taken to preserve for future Americans the wonders of the motion picture industry in the State from which I come.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

RACE VIOLENCE IN ALABAMA

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Where the Blame Rests in Alabama," published in the Lee County Bulletin of Auburn, Ala., and reprinted in the Washington Post of today, June 1, 1961.

I commend the writer of the article for his citizen statesmanship.

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

WHERE THE BLAME RESTS IN ALABAMA

Has everything that needs to be said about the Montgomery race riots been said? Nearly; but not everything.

It is commonly assumed everywhere that the vast majority of Alabamans are sorry about the violence. But we wonder. Too many people are saying the Negro students got what they deserved, and seem to say it in a spirit of gratification.

Most of our spokesmen—public officials and newspapers—have taken the position that the theatrics employed by the students comprised a blunder, were bound to court disaster, and we agree that they were ill advised in the choice of technique. But what about their antagonists? What about their methods? Can violence be dismissed with the excuse that the mobsters were provoked?

Even those who deplore what happened seem inclined to look at the matter with a certain detachment. The hoodlums are to blame, not us. We are embarrassed, wouldn't have had it happen for anything.

The truth is that we cannot gain much satisfaction from this view. All of us are involved, personally and corporately. Before it was too late did we say anything, take any position that would lead the gangs to believe that in Alabama the demand was for maintenance of the law, for protection of the bus riders from attack?

We say not. Rather when we did say anything or take any public position it was to encourage the extremists.

We won't stand for it, we said. Even interstate travelers will never ride the integrated bus or desegregate the waiting rooms or go to our schools. We applauded the dangerously irresponsible politicians who promised it will never happen in Alabama, even though we knew Federal law said it would. Yes, we even applauded the Governor and the Attorney General.

What right had we to expect anything except bloodshed.

We have politicians who do not condone what has happened. They too are nauseated over the brutality. But they are captives of a climate which does not permit them to speak out except that they invite retirement from public office. We feel sorry for them. They are good men. It is our fault that they are torn between saying what they ought to say and keeping quiet so they can continue in office. It is the decent white people who have not spoken for justice and law and who have left it to the radicals to create the climate which today silences the nobility and decency some of our politicians possess.

Governor Patterson might as well stop pretending to be shocked. So had some of our newspapers. They piously have talked of preserving the law while simultaneously they have assumed a most provocative position. When public officials and papers use inflammatory language, urge last-ditch stands and fighting every inch of the way, what do they expect? The hoodlums don't delineate. They take the leaders of public opinion to mean what they say when they urge resistance. Well, we've got our resistance. What a sorry mess it is.

And all this now-meaningless talk about outsiders.

Some of the colored people beaten at Montgomery are Montgomerians. All the victims are Americans.

The outsiders in this instance were young, unarmed college students who, as the mobsters knew, were pledged to nonviolence, to take it without fighting back. They acted within the law.

And what of the cry that the freedom riders got exactly what they wanted? Do the papers, police authorities, the people generally who speak this insanity really believe the young Negroes from Nashville actually wanted to have their faces beaten to a pulp, their teeth knocked out, their ribs cracked, their scalps lacerated?

And the intervention by Federal authorities which the Governor and some of the papers seem to see as one of the worst aspects of the whole sickening imbroglio. We say, thank God, for Federal action to protect those who could not protect themselves and who were not at first able to look to the State and municipal authorities for protection.

Thank goodness the metropolitan newspapers have been shocked. Too few political leaders seem to have been stirred. But perhaps the newspapers now will marshal decent, intelligent opinion. There is some evidence that the business community—already feeling the economic pinch, and sick over Alabama's failure to attract new industry while Georgia, North Carolina and other Southern States are hauling it in—will join the papers in insisting that the hatred be bridled and kept in lawful bounds.

DISARMAMENT AND TEST BANS

Mr. HUMPHREY. Mr. President, two of the items which will be high on the agenda in the meeting at Vienna between our President, Mr. Kennedy, and the Soviet Premier, Mr. Khrushchev, will be disarmament and the nuclear test ban conference at Geneva. At least, all the reports to date indicate that these two world leaders will concentrate a part of their time and attention upon these all-important subjects. I wish to make a few comments about our position on these very vital subjects.

A. TEST BAN NEGOTIATIONS

First. The United States now regards an agreement on the cessation of nuclear weapons tests as an important indicator of further progress in the entire field of disarmament. I trust that the Soviet leader and his associates understand this. It is an indicator because it would show whether the Soviet Union is finally able to allow some opening up of its territory to inspection. It would indicate that some common ground does exist between the United States and the Soviet Union in trying to reduce the likelihood of war and in trying to prevent the proliferation of nuclear weapons capabilities to many countries.

Second. The United States, in an effort to reach agreement, has submitted its proposals on all aspects of a test ban treaty. Mr. Arthur Dean, our chief negotiator, has submitted a full draft treaty to the Soviets and to the British, at the Geneva conference, on the banning of further nuclear tests. There are now no unknowns in the U.S. position. However, the Soviet Union has not attempted to negotiate seriously regarding any treaty language. In fact, today's newspaper columns indicate that the Soviets rejected our most recent offer, which was a further compromise in an effort to reach some agreement.

Third. On a number of areas of controversy in the test ban negotiations the United States has announced positions which have moved in the direction of what the Soviet Union had asked for but a year ago. For example, they include the number of control posts. On that one issue alone, the United States has made considerable accommodation and adjustment in order to reach an agreement. We have reduced the number we requested last year, when the number was up to 50 inspections, to 21, and most recently we have offered to agree on 19 control posts. The Soviet Union will permit, thus far, only 15. Fortunately, the gap there is very small, and it might be closed by further negotiation.

As to the number of onsite inspections, the United States had asked for 20. The United States now asks for a maximum of 20 and a minimum of 12, with 1 additional inspection over 12 for each 5 unidentified earthquakes or earth tremors over 60. In other words, we have made further adjustment of our position on the subject of onsite inspections, in order to offer a more persuasive approach to the Soviet Union. But the U.S.S.R. has not changed its position at all. It is willing to permit only three onsite inspections in the Soviet Union per year. Of course, the fact that it is willing to accept any, indicates that it is willing to accept the principle of onsite inspections, which is encouraging.

The United States has moved from 27 to 36 months as the length of the moratorium on tests below the 19-kiloton threshold. The Soviet Union contends the moratorium should be 4 to 5 years. We have gone as far as 3 years. Again, this is an item which could be negotiated.

In addition the Soviets have reverted to an old position, by suggesting that regardless of the results of research, no nation should be permitted to resume underground weapons testing after the moratorium has ended. Of course, this means that the Soviets take an unrealistic position, for if the research indicates a need for underground tests in order further to develop the inspection and control position, it would seem only sensible that such be undertaken.

The United States is now willing to give the Soviets parity on the control commission which will be the governing board of the international control organization to manage the agreement and determine violations if they occur. The United States proposes that the control commission consist of four Western, four Soviet bloc, and three neutral nations. The Soviet Union has not been satisfied with this, and now asks, in addition, for a three-man administrative council to administer the control operations. One of the three would be Western, one would be from the Soviet bloc, and one would be a neutral. This new Soviet demand is part of its attack on the Secretary General of the United Nations.

It is based on the same formula that has been used by them in the Geneva conference on Laos, where the Soviet Union insisted on the right of veto over any type of control operation—which would make impossible the effective administration of the control organization, for each of the three administrators would have a veto power, which for all practical purposes could vitiate or negate any kind of effective action. Every act of administration would be subject to the possibility and probability of indefinite wrangling by the three-man council, or "Troika," as it is now being called. Finally, the Soviet demand assumes that the world is divided into three separate camps and that it is possible to find one neutral to represent all countries not allied with either the Soviet Union or the United States, and to find one person to represent all countries allied with the United States. In the present world situation these are unworkable and unwarranted assumptions.

Mr. President, I make these remarks because I believe I have earned a reputation in public life for seeking an adjustment of differences, for seeking to find in the field of nuclear-test suspension a workable and effective agreement—not an unreasonable one, but one which represents a legitimate compromise. I must say that the Soviet attitude is one of intransigence, delay, and obstruction. That attitude can result only in trouble, and obviously it will result in a failure to arrive at any agreement—a situation which makes disarmament as a subject matter almost academic.

Fourth. It is possible the Soviet Union has decided it no longer is interested in a test ban agreement. Let us hope that this is not so. Let us hope that our President can impress upon the Soviet leader the implications of a failure to agree to a workable and effective agreement. The United States has been willing to reduce its inspection requirements considerably, as scientific and technical data justified. We have been prepared to negotiate for an agreement.

We have laid our proposal on the table, for all to see and to study. There are no unknowns; there are no secrets, but if these efforts on our part produce only negative results, obstruction, resistance, and a negative reply, nuclear testing cannot be stopped. Other countries will soon test, in addition to the present membership of the nuclear club, and not only will the nuclear arms race continue, but it will flourish and it will expand.

Fifth. Several months ago, I suggested that if no agreement on a test ban treaty was reached by June of this year, the United States should resume testing underground, at least for research and peaceful purposes. I wish to say most carefully, and after great consideration, that if Mr. Khrushchev is determined not to negotiate for a test ban treaty, then President Kennedy will be required at least to give consideration to the resumption of those tests required by U.S. security or research needs. In other words, I am convinced that if the Soviets reject every reasonable proposal that we make, and if there seems to be no hope of any agreement, the President of the United

States may well be required—I do not say that he will; but he may well be required—to authorize the resumption of nuclear tests. Our Government does not want to do this. These words in the CONGRESSIONAL RECORD are reviewed by friend and foe alike, by the press of our Nation and also by the press of other countries, by the officials of our Government and also by the officials of other governments, both those that take a friendly attitude toward us and those that take an unfriendly attitude toward us.

I hope the Soviets will understand from these words that there is a limit to our patience, and that what we seek is a responsible, reasonable agreement. I hope the Soviet leaders will understand that their intransigence and their refusal to make any kind of concession can result only in a complete failure to make any kind of negotiation.

Mr. President, this comes from one who has walked the extra mile in the field of disarmament negotiations, and is prepared to do so again if there is a reasonable hope of any progress.

But let the Soviet leaders know that in the Senate of the United States, where support for an agreement is not easy to obtain in the first place, when the friends of a proposed agreement lose patience, and find little to encourage them, then, indeed, the possibilities of a treaty or an agreement are highly remote.

B. GENERAL DISARMAMENT

First. Soon the United States and the Soviet Union will meet in a series of bilateral talks to determine the manner in which general disarmament negotiations will be resumed. If these talks produce agreement, general disarmament negotiations will begin on or around July 31, 1961.

Second. The time has come when the United States and the Soviet Union should discuss frankly and quietly how far their armaments and armies can actually be reduced in the present situation. The Kennedy-Khrushchev meeting cannot go deeply into this question in the short time available, but at this meeting the two leaders may discuss what they think are the main obstacles to agreement and in general how they might be overcome.

Three. President Kennedy could make clear the willingness of the United States to travel far down the road to comprehensive disarmament if the Soviet Union agrees, first, to effective and reasonable control measures, and second, to strengthen the United Nations and its ability to maintain peace as national armaments are reduced. Thus far the Soviet Union has refused to limit its sovereignty in any way. It asks for a veto over any measure which could at some future point in time affect adversely a policy of the Soviet Union. The United States must continue to probe the Soviet Union to determine what, if any, areas of agreement in disarmament and keeping the peace exist.

Mr. President, I hope these words will be of some help to our President, because I know this problem weighs heavily on him. I have had the privilege of discussing some of these matters with our Chief Executive. I know our President wants a test ban agreement with sensible, reasonable, and effective controls. I repeat that we have offered many concessions. We have laid before the Soviet Union a full draft treaty. We are prepared to negotiate it. But we are not prepared to sell out or to accept a phony agreement that could only result in an increase of the tensions which exist today. The best way I know to relieve the tensions is to have an effective, workable agreement which has the possibility of enforcement and which gives a reasonable degree of effective controls.

I trust the discussions at Vienna will give at least some consideration to these very important matters.

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

Mr. HUMPHREY. I yield to the Senator.

Mr. SPARKMAN. I may say to the Senator that I have just returned from Geneva. I was there for the session which was held on last Friday and also the session which was held on Monday. I was there when Mr. Dean, our representative, laid the proposal before the conference to which the Senator has just alluded. While the formal proposal was not presented until yesterday, he made an informal presentation last Monday morning.

At that time, Mr. Tsarapkin, the chief Russian delegate, indicated that some thought and consideration would be given to the proposal; but I understand, from the reports that came back yesterday, following the filing of the proposal, Mr. Tsarapkin, without reading it or even looking at it, simply said he would have nothing to do with it; he just rejected it outright.

I have always contended that we ought to be tenacious in our negotiating on these proposals, particularly on the subject not only of the nuclear test ban but also the matter of disarmament, and, in fact, all negotiations with Russia. I have always felt that we ought to show them that we can hold out just as long as they can, in order that we might get across to the world the fact that we were willing to work hard for any move which would lead toward the establishment of a durable peace. I think we have demonstrated that fact in the negotiations.

As the Senator from Minnesota has so well pointed out, we have made reasonable concessions. For example, one of the concessions was made to meet an objection which Mr. Tsarapkin, the Russian delegate, himself proposed. He pointed out that there were more seismic disturbances in the United States than there were in the Soviet Union. Therefore, we said to him—and I think the Senator from Minnesota referred to it—that we would allow 12 inspections for the first 60 disturbances, and then 1 for each 5 after that, up to a total or maximum of 20.

Mr. HUMPHREY. The Senator is correct.

Mr. SPARKMAN. That would apply to the Soviet Union, the United Kingdom, and the United States. That proposal was made as a result of an objection which the Russian representative himself had made. Yet when the proposal was made, he did not give it the respect of looking at it. According to the reports I have heard over the radio, they simply took it, thumbed it, and said, "We reject it."

I think the Senator is correct. We have demonstrated a tenacity of purpose that I have long felt we ought to show. We have demonstrated to the world that we are willing to make reasonable concessions. I think it becomes apparent—and I dislike to say it, but it is true—that the Soviet Union does not want a test ban agreement. It substantiates to some extent the suspicion many persons have that the Soviet Union may have been carrying on tests which we could not detect during this time, while we were banned from making tests. We are the ones who catch the short end of it.

So I think the Senator is correct in saying that, unless there is some indication on the part of the representatives of the Kremlin that they are willing to negotiate, the time is approaching when we ought to say to them, "There is no need of our staying here longer. We give notice of it to the world that we do not feel ourselves bound any more by the ban. We do not say we are going to resume in all fields and all phases of the testing, but it is up to us to decide what we are going to do."

Mr. HUMPHREY. That was the point I was trying to make.

Mr. SPARKMAN. But we become a free agent.

Mr. HUMPHREY. Yes; we become a free agent.

Mr. SPARKMAN. We ought to make it clear to the Kremlin, the Russian Government, and the world that we still stand ready to negotiate, provided the Russians will negotiate in good faith and work toward a solution of the problems.

My brief experience in that area—and the Senator has been there on previous occasions—makes me realize even more strongly than I had ever realized before the absolute futility of efforts on our part and the part of the United Kingdom in meeting there, day after day after day, just to be met with "Nyet" from the Russian representatives.

I commend the Senator from Minnesota for what he has said. I agree wholeheartedly with the statement he has made.

Mr. HUMPHREY. I thank the Senator. I want to add just a word. Some persons ask, "As long as you can have a moratorium on testing, Senator, as long as there seems to be no testing, why do you ask for an agreement with an inspection and control system?"

The argument from those who use this approach runs, "After all, the purpose of the agreement is to prevent tests. If there are no tests now under the moratorium, why is the agreement necessary?"

My answer is that, first of all, there may be some cheating. I do not have any reason to believe there is, nor do I

make the charge, but the Soviet Union is a secret society. It is a tightly disciplined society. The police state is its chief characteristic. It is a closed society. It is much easier to have a clandestine operation within the Soviet Union than it is within the open societies of the United States and of Great Britain. We all know that. Therefore, moratoriums lend themselves to a temptation for evasion and cheating.

Furthermore, Mr. President, if we are ever going to have any general disarmament, any arms control at all, we must somewhere along the line develop, through science, through technology, through diplomacy and statesmanship, an international control and inspection system which provides some degree of freedom of movement in the respective countries for inspection purposes, with the International Control Commission not dominated by any one power. In other words, we must perfect a system which is an alternative to trust.

The Soviet Union does not trust us, and we have every reason not to trust them. The basis of what we call "mutual trust" is far too weak a reed upon which to lean. Therefore, what we seek to do is to develop through science, through technology, through statesmanship and diplomacy, through control commissions and inspections, a mechanism which will be an alternative for trust. Unless we can get the beginnings of such an inspection system which will have some freedom of movement inside the Soviet Union, then no President will negotiate and surely no Senate will ratify any treaty with the Soviet Union in the field of arms control and disarmament.

I raise my voice in an appeal for reason, in an appeal to better judgment. I ask that we stop the arms race before it stops us. When I say "us" I refer to the whole world.

If the Soviet Union has written off the possibility of any disarmament because it is riding high, because it thinks the future belongs to the Soviet Union, then let the world know that we in this country feel to the contrary. The future will not belong to the police state. The future will not belong to those who violate human rights. The future will not belong to the collectivized society, unless we let it happen.

I had the privilege once of saying to the Soviet Premier, in my long discussion with him, "We are prepared to compete." We are not only prepared to compete, but we are also prepared to compete with vitality, with vigor, and with purpose. We would like to have competition for peaceful purposes, for protection, for preservation, for helpfulness to humanity, not for its destruction.

Let there be no misunderstanding. There is no fear in our ranks. There is concern. We have deep concern for the future of humanity, but no fear. We are prepared to negotiate honorably. We are not prepared to negotiate in a manner which will result in dishonor; namely, to accept anything simply to get an agreement. Never, Mr. President.

Agreement should have a noble purpose. The purpose should be protection, safety, and peace. There should not be an agreement simply for the sake of an agreement.

I am sure our President shares these sentiments. For that reason, I have been one who has felt and has publicly stated that the President's trip to Paris and to Vienna and his visit with Premier Khrushchev I believe can be for good, because the Soviet leader will see a man of courage, of vitality, of vigor, of intelligence, and of character. He will see the modern American, the American of this generation. He will see him in the flesh. He will see his countenance and the determination on that countenance.

I am pleased. I think it will be a good day for freedom when the President of the United States sits across the table from the Chairman of the Council of Ministers of the Soviet Union, because the leader of the Soviet Union will see the strength and the character, and also the decency and the sense of fair play, to be found in the American society. That will be demonstrated in the activities of, in the words of, and in the presence of our President.

COMMITTEE MEETING DURING SENATE SESSION JUNE 5, 1961

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the Internal Security Subcommittee of the Committee on the Judiciary be permitted to sit during the session of the Senate on Monday, June 5, 1961.

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

PRIVILEGE OF THE FLOOR

Mr. SPARKMAN. Mr. President, I ask unanimous consent that during the consideration of the housing bill the number of aids allowed on the floor may be in excess by four of those permitted under the rules.

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

WEST VIRGINIA IS PROVING AREA FOR FEDERAL FOOD STAMP PROJECT—SECRETARY FREEMAN INAUGURATES PROGRAM TO HELP THE NEEDY

Mr. RANDOLPH. Mr. President, on Monday of this week at Welch, in McDowell County, W. Va., the Federal food stamp program was initiated. The first family, of approximately 2,767 families, to have received the first increment of food stamps was Mr. and Mrs. Alderson Muncy. They are the parents of 13 children. Mr. Muncy is an unemployed coal miner, and has had no regular employment for more than 1 year.

Mr. President, no one in this Chamber would say that the food stamp program will be the complete answer to the proper distribution of foodstuffs which are in the surplus stores of the Federal Government and which should be given to those within this country who can meet eligibility requirements for sustenance.

Mr. President, I say to Senators and to the people of the country, I believe the food stamp program is an attempt—and I believe it will be largely a successful one—to distribute, in an orderly and efficient manner, Government surplus commodities and other food staples to needy people of the United States of America.

Rather than have our surpluses spoil in the granaries and depots where such commodities are now kept, it is important to see that they are distributed in an equitable manner. It is necessary that these items go to the very heart of an area or a community where the people are in need.

The Baltimore Sun, a nominally conservative newspaper, in its issue of May 31 published an editorial which I believe is a very significant endorsement of the food stamp program of the United States. I ask unanimous consent that the editorial be printed in the RECORD as a part of my remarks.

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

FOOD AND JOBS

When the new food-stamp plan went into effect in West Virginia over the weekend fewer takers showed up than had been expected. On the basis of earlier surplus disposal programs, the Agricultural Department had looked for some 10,000 families to qualify for food-stamp assistance. At the deadline on Friday only some 2,767 had proved need. It is early yet to generalize about the reason for this dropping away. To the extent that it represents a tightening up of eligibility rules and so a shaking off of freeloaders, it is a good sign. To the extent that the truly needy have been confused by complex eligibility rules or for other reasons have been slow to establish their true need, we may hope for more beneficiaries as the program gets underway.

Certainly the distribution of surplus foods to citizens who suffer from a genuine need for nourishment is an urgent duty. The only thing worse than rolling up farm surplus which the market will not absorb would be to hold it off from nonmarket but socially desirable consumption. To pay heavy warehousing fees on commodities rotting away in storage while unemployed Americans went semihungry would be to compound our farm follies. The great advantage of the new food-stamp plan is that like its original in the late thirties, it offers an orderly and effective method of surplus disposal at points of genuine need.

But this very virtue of the food-stamp plan should warn us against errors at the other extreme. It would be wrong to argue that since there was surplus food to donate there was less need to find work for the beneficiaries. It would be wrong to argue that since there were prospective users of surplus food, there was no need of eliminating farm surplus. The ideal must continue to be an economy in which all the food produced is purchased in the market because all the people able and willing to work have jobs and purchasing power.

Mr. RANDOLPH. Mr. President, I also call to the attention of the Senate an Associated Press story, which tells of the visit of the Honorable Orville Freeman, Secretary of Agriculture, Gov. W. W. Barron, of West Virginia, and Representative Elizabeth Kee, to an area of

West Virginia where unemployment exceeds 25 percent of the labor force and where there is an acute need. My colleague, Senator BYRD of West Virginia, and I had prior commitments which prevented our being with the official party. I ask unanimous consent that the article telling of that visit, and of the experience of Mr. and Mrs. Alderson Muncy and others who qualified to receive the stamps with which to purchase food at cooperating groceries be printed at this point in the RECORD.

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

FOOD-STAMP PLAN GETS UNDERWAY IN WEST VIRGINIA—COAL MINING WELCH AREA BECOMES FIRST TESTING GROUND FOR NEW U.S. PROGRAM

WELCH, W. VA., May 29.—This depressed coal mining area today became the first testing ground for a Kennedy administration plan to take the Nation's needy off food handouts and send them to grocery stores for better diets.

Within a short time after ceremonies opening the program, several hundred families—many of whose breadwinners have been jobless for years—obtained Government food stamps.

They took them to cooperating grocers and bought a wider variety of food—and more of it—than the Government had been donating through relief agencies.

FIRST ARE PARENTS OF 13

The first to get stamps were Mr. and Mrs. Alderson Muncy, of Paynesville, parents of 13 children. A coal mine worker, Muncy has been unemployed for a year except for a few odd jobs here and there.

The Secretary of Agriculture, Orville L. Freeman, flew in from Washington to get the program started and to pass out the first stamps. Also taking part were Gov. W. W. Barron and Representative ELIZABETH KEE, Democrat, of West Virginia, Congresswoman from this district.

If the stamp plan proves successful here in West Virginia's McDowell County, and in seven other areas of the country in which it will be tested for a year, it may be extended nationally.

This would give the needy—now totaling about 6 million—diets more nearly equal those of more fortunate neighbors.

FREE STAMPS

Under the plan, the needy are permitted to buy Government-issued food stamps in an amount comparable to their recent average food expenditures. They are then given free enough additional stamps to assure them a nutritional diet.

Those without any income get enough free stamps to provide the desired diet.

The direct distribution of food to the needy has been discontinued in McDowell for the duration of the food-stamp pilot project.

Foods which have been donated here and elsewhere under the direct program are flour, cornmeal, lard, dried milk, rice, butter, peanut butter, rolled oats, dried whole eggs, dried beans, and canned pork and gravy.

Under the new plan, stamps may be used to buy any domestically produced food. Excluded are imported foods such as coffee, tea, cocoa, and bananas. Stamps may not be used for alcoholic beverages or tobacco.

OTHER AREAS DUE PLAN

Other areas to which the plan will be extended between now and July 3 include Franklin County, Ill.; Floyd County, Ky.; Detroit; the Virginia-Hibbing-Nashwauk communities in northern Minnesota; Silver Bow County, Mont., San Miguel County, N. Mex., and Fayette County, Pa.

Freeman urged those directing the experimental program here—as well as those getting its benefits—to work hard to make it operate efficiently and effectively so that it might be extended nationally.

"The fundamental concern of this administration," Freeman said, "is to use the productivity of the American farmer both at home and abroad, and the pilot food-stamp projects are designed to seek out better methods of insuring that every person in need has the opportunity for an adequate diet."

The Muncy family will get $95 worth of free stamps a month. Muncy is 47, his wife 45. Their 13 children range in age from 17 months to 19 years. Six of them are in school.

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

Mr. RANDOLPH. I yield.

Mr. HUMPHREY. I commend the Senator on his statement. More importantly, I commend him on his effort a little over a year ago in the Senate when we worked together on this plan. It was my privilege to work alongside the Senator from West Virginia for the food stamp plan. We succeeded in obtaining authorization for the plan. I believe the Senator will recall that we had quite a fight in the Senate over it. First, it was defeated, and then we brought it back for a second try, and it was adopted. In the House, I believe Representative SULLIVAN, of Missouri, was the author of the bill.

Mr. RANDOLPH. The Senator is correct.

Mr. HUMPHREY. The Senator from Missouri [Mr. SYMINGTON], the Senator from West Virginia [Mr. RANDOLPH], myself, and others were cosponsors of the bill in this body.

The Senator from Alabama [Mr. SPARKMAN] was one of the supporters of the program. We then went to conference, and in the conference we were able to come out with a general authorization to the Department of Agriculture to establish a food stamp program. The Department was authorized to use our surplus foods, to use foods that were in abundance throughout America to feed the needy, and to use food stamps so that people would not have to walk up to a welfare depot, but rather could go into their local grocery stores and their local supermarkets and purchase, with their stamps as they could with a $5 bill, a $1 bill, or whatever currency they had available, foods that were on the list of available foods.

We waited for over a year. There was privation in America. I was in the State of West Virginia with the President of the United States during the campaign in 1960. Both of us pledged in that election campaign that when a Democrat went into the White House, these human needs would be met. Of course, I had a different idea than the present occupant of the White House had as to who would be in the White House at that time. But be that as it may, we both made this pledge not only for ourselves but for our party. Is it not interesting that the first order of President Kennedy—Executive Order No. 1—was an order to increase the distribution of surplus foods for the needy?

Mr. RANDOLPH. The Senator is correct.

Mr. HUMPHREY. The next order was that the Secretary of Agriculture would immediately move into action on a food stamp plan. I hope Senators will permit this expression of some justifiable happiness and pride when I say that it was a privilege to be one of the sponsors of the food stamp plan, to vote for it, to work for it, and to be on the conference committee that enacted the proposal into law. It was a great privilege to have the Secretary of Agriculture, who is from the State of Minnesota—my lifelong personal friend, who has a big heart and a sense of compassion for his fellow men—at Welch, W. Va., on Monday of this week, present food stamp book No. 1. It was presented in the State where the President of the United States in his campaign pledged that if he were elected President, he would take this action and he would not forget the needy people or, indeed, all the people of West Virginia and of this Nation.

I am happy that the Senator from West Virginia has commented on this question because these stories go by in this day with almost little or no notice. We have Geneva, Paris, Berlin, Vienna, Laos, and Cuba to think about, and we sometimes tend to forget some of our own people. But it is an interesting, and I believe a worthy, development that the Secretary of Agriculture, a Cabinet officer, at the direction of the President, should go to the State of West Virginia, an area that is very dear to the heart of the Senators from West Virginia, to present food stamp book No. 1 to a needy family. The comment of that family was very interesting. I only paraphrase it: "We now can have a greater variety of food and do not have to be on relief."

I think that is wonderful. As one of the Senator's colleagues, I wish to salute the Senator from West Virginia for his constant vigilance for his constituents and for the welfare of the country. It has been a pleasure to be associated with him in this endeavor.

Mr. RANDOLPH. I am grateful for the remarks of my colleague. Again, I appreciate the yielding, for this purpose, by the Senator from Alabama [Mr. SPARKMAN].

Mr. SPARKMAN. I am delighted that the Senator from West Virginia brought this subject to the attention of the Senate at this time. We all read the newspaper account with a great deal of interest. I, too, thought it was most fitting that the first book should be issued in the State of West Virginia—the State whose plight had been played up during the campaign, the State that has been hurt by the disappearance of some of the industry, particularly coal mining. I know something about the problems confronting coal miners because in my State we have had similar problems in certain areas in that respect.

I have often thought with reference to the situation now that many of the programs submitted to us by the present administration are programs with a

heart in them. I think that is true with reference to the food stamp program. I think it is true with reference to the bill proposing Federal aid to education, which passed the Senate last week. I am about to start discussion of a housing bill, which I think is again a program with a heart. I think the statement is true of many programs that we are handling these days, and I rejoice in it.

Mr. RANDOLPH. I thank the Senator very much.

HOUSING ACT OF 1961

The Senate resumed the consideration of the bill (S. 1922) to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes.

Mr. SPARKMAN. Mr. President, before we commence the debate on the pending housing bill I should like to take this opportunity to express my appreciation to the members of the full committee as well as the subcommittee, and to the staff of the full committee as well as the staff of the subcommittee, for their cooperation and diligence in preparing and reporting this bill to the Senate.

I may say that this is a big bill. Our housing bill each year is a big bill. It is by the very nature of the matter with which we are dealing a complex bill. It is one that many people find hard to understand, that is, so far as many of its features are concerned. However, I am going to try in the few remarks that I will make to outline just what the bill seeks to do. The staff of the subcommittee and of the full committee have done a tremendous job in preparing the report on the bill.

On March 9, 1961, the President sent his housing message to the Congress. This message was aimed at three basic national housing objectives. They are:

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

Second. The provision of a decent home for all of our people;

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

While these are not necessarily new objectives, it is indeed refreshing to me and, I am sure, to others in the Senate who have led the fight for a better housed America, to know that we have an ally in the President. I believe the program proposed by the President is one for action not only in the field of housing, but also in the equally challenging field of community development.

The President's message shows that he is aware of the housing problems of this Nation and that he is willing to redeem the pledge laid down in the Housing Act of 1949 of "a decent home and suitable living environment for every American family."

On March 29, 1961, I introduced a bill, S. 1478, which was intended to implement the housing program set out in the Chief Executive's housing message.

Following my introduction of S. 1478, the Subcommittee on Housing held hearings on April 4 to 7, April 10 to 14, and April 20, 1961, to consider not only my bill, but also some 12 other housing bills and numerous other proposals then pending before the subcommittee. During these hearings, the subcommittee received oral testimony, printed statements, and other types of comments from approximately 140 people from all walks of life who are interested in housing.

Hearings also were held by the subcommittee on March 20, 21, and 22, 1961, to consider Senate bill S. 345, a bill to provide for an urban mass transportation program. Likewise, many witnesses appeared before the subcommittee to offer their proposals and to make recommendations and suggestions to establish a new Federal mass transportation program.

Printed records of these hearings are on each Senator's desk. The Senators will also find a small green book on their desks labeled "A Review of Federal Housing Programs" which contains a brief description of all the programs affected by the bill before us. I believe this can be extremely useful in giving a better understanding of the many housing programs we, in the Congress, must deal with in considering housing legislation.

Following these hearings, on April 26 and 27, the subcommittee, in executive session, considered the bills, the recommendations, and other proposals in connection with 1961 housing legislation and prepared its recommendations to the full committee. Subsequently, after sitting for 3 days in executive session the full committee reported a clean bill, S. 1922. The committee bill is the measure pending before us today.

In general, the committee bill is designed to accomplish these aims:

First. To bring about a realistic housing program for moderate-income families;

Second. To encourage the rehabilitation and improvement of existing properties by establishing a long-term, low-interest-rate improvement and rehabilitation program within the medium of FHA loan insurance;

Third. To encourage research and development and the use of advanced technology in the construction industry by permitting the FHA Commissioner to insure mortgages on residential buildings which are constructed on an experimental basis with improved methods and materials;

Fourth. To initiate a new program of Federal aid to communities for the acquisition of undeveloped land for preservation and continued use as open space;

Fifth. To assist in the improvement of mass transit systems; and

Sixth. To provide continuity for various existing housing programs and to make necessary technical amendments to insure that existing housing programs better serve the housing needs of the people.

I should like to emphasize that in preparing the committee bill the subcommittee and the full committee took into consideration not only the pending measures, the testimony of witnesses appearing at the hearings, the President's housing message, and other proposals, but also the members of these committees considered the state of the national economy and the relationship of a healthy homebuilding industry to this economy.

There is concern about the state of the national economy and the continued lack of sustained vitality shown by the homebuilding industry. After having moved ahead for 3 consecutive months, private nonfarm housing starts failed to show the sharp spring upsurge that normally is associated with the month of April. As a result the seasonally adjusted annual rate slid back from a level close to 1.3 million to 1 only a shade better than 1.2 million. The committee viewed such a performance at this time as far from satisfactory, particularly in view of the needs of the national economy as well as the unmet housing needs of our Nation.

The committee believed that steps should be taken to stimulate the homebuilding industry if this Nation is, in fact, to meet housing needs of the people which will, according to all statistics thus far compiled, become more acute during the latter half of the decade.

Members of the committee are aware of some of the steps already taken by the President to alleviate the current sluggishness in the homebuilding industry and the national economy. For example, the reduced interest rate on FHA-insured mortgages, the higher price offered for mortgages by the Federal National Mortgage Association, the encouragement given by the present administration to local communities to speed up urban renewal and public housing projects, and the broadening of the public facility loan program to cover additional necessary local facilities, are showing some results in the national economy.

In addition, actions by the Federal Reserve Board and the Treasury Department in reducing interest rates on long-term securities, and by the Federal Home Loan Bank Board in reducing interest rates on savings and loan mortgages, are showing some effect in increasing the flow of mortgage credit which should be of further help in improving the national economy and as a spur to the homebuilding industry.

Although the committee bill is not in full accord with all of the proposals of the measure originally introduced to implement the President's program, it does retain most of the principal features of that bill.

I should like further to emphasize that in preparing the committee bill, Members of the Banking and Currency Committee have been mindful of the National Housing Policy set forth in the Housing Act of 1949, more particularly that part of the policy which states:

> Private enterprise shall be encouraged to serve as large a part of the total housing need as it can.

The majority of the new programs established by the committee bill would be under the administrative jurisdiction of the Federal Housing Administration. It is this agency which has, from its establishment in 1934, promoted the construction of housing through the private enterprise system.

Senators will note that the committee report—that is, Senate Report No. 281—contains individual and supplemental views from five committee members. Very candidly, I too, have not been in complete agreement with every provision contained in the committee bill. However, this bill represents the study and consideration of the majority of the members of the Banking and Currency Committee, and certainly it is a sound measure insofar as it will contribute to the continuing housing needs of the people. I believe it is a good bill.

I believe anyone reading the breakdown of the bill as I give it in my statement will come to the same conclusion. Of course I realize that there may be some divergence of opinion with reference to some of the provisions. But by and large it is a good bill, a bill that will promote decent, sanitary, and safe housing for American families.

In order that the RECORD may show the provisions of the bill in detail, I ask unanimous consent to include a section-by-section analysis of the bill at this point in my remarks.

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

SECTION-BY-SECTION SUMMARY OF HOUSING ACT OF 1961, S. 1922

TITLE I—NEW HOUSING PROGRAMS

Housing for moderate-income families

Section 101: Amends section 221 of the National Housing Act to liberalize program for displaced families, and to make program available for moderate-income families.

Broadens the existing program by—

1. Permitting the section 221 program to serve "moderate-income families" in addition to "displaced families";

2. Eliminating requirement that number of FHA section 221 commitments for a given community must be predetermined and certified by the Administrator of HHFA;

3. Removing requirement that community must have "workable program" as a prerequisite for FHA section 221 mortgage insurance, except in case of limited or nonprofit or cooperative moderate-income rental housing financed under section 221(d)(3) program;

4. Removing requirement that community must formally request that the section 221 program be made available.

Market rate program; sales housing (one- to four-family dwellings): The terms and conditions for a mortgage to be eligible under the broadened sales program would be as follows:

1. The amount of the mortgage could not exceed—

		High cost area up to —
1-family	$9,000	$15,000
2-family	18,000	25,000
3-family	27,000	32,000
4-family	33,000	38,000

2. The limit on amount of mortgage based on appraised value of the dwelling would be limited to (a) 100 percent of appraised value or (b) in the case of repair and rehabilitation, the sum of the estimated cost of repair and rehabilitation and the estimated value before repair and rehabilitation. No mortgage could exceed cost of rehabilitation and refinancing, if any. No downpayment required except $200 per dwelling unit which may include settlement costs.

3. The mortgage would be required to be amortized within not more than 40 years or three-fourths of the Commissioner's estimate of the remaining economic life of the structure, whichever is lesser. The maximum interest rate would be 5 percent, except rate could be increased up to 6 percent if the Commissioner finds it necessary to meet the market.

4. Payment of claims on defaulted mortgages may cover accrued interest, if Commissioner contracts to pay claim upon assignment of mortgage to FHA.

5. The broadened program would permit the rehabilitation of existing structures for moderate-income families under the same formula as for displaced families.

6. Authority to insure mortgages for moderate-income families would terminate on July 1, 1963. There would be no termination date on the authority to insure mortgages for displaced persons.

Market rate programs; rental housing (five or more units): The terms and conditions under the broadened rental program would be the same as those for the sales housing program described above, with the following exceptions:

1. The maximum amount of mortgage could not exceed—

	Per room	*Per unit if under 4 rooms*
Garden type	$2,250	$8,500
Elevator	2,750	9,000
Increase in high cost area	1,000	-----

NOTE.—Exterior land improvements excluded in determining maximum amount of mortgage based upon per room or per unit limits.

2. The loan ratio would be based upon 90 percent of replacement cost of new construction.

3. The term of the mortgage would be prescribed by the Commissioner and such mortgage would carry an interest rate of not more than 5 percent with authority in the Commissioner to increase the maximum to 6 percent if the Commissioner finds it necessary to meet the mortgage market.

4. The program would provide for mortgage insurance on rental housing constructed by profitmaking mortgagors; the minimum number of units which could be in any project would be five.

5. The program provides for the rehabilitation of existing structures for either displaced families or moderate income families but provides that the maximum loan ratio on rehabilitated properties is to be 90 percent of rehabilitation costs plus the Commissioner's estimate of value before rehabilitation. In the case of rehabilitation, a mortgage could not exceed the cost of rehabilitation and amount, if any, required to refinance existing indebtedness.

6. This rental program for moderate-income families would terminate on July 1, 1963, but no termination date is provided for displaced families.

Below market rate program; rental housing (five or more units): Amends section 221(d)(3) to authorize the FHA Commissioner to insure mortgages bearing interest at "below market rate" with a partial or no insurance premium and liberalized features for payment of insurance claims. Mortgages bearing interest at "market rate" could also be insured under the provisions of the subsection with no insurance reductions or waivers.

The terms and conditions for a mortgage to be eligible under the subsection would be as follows:

1. Eligible mortgagors participating in the program bearing interest at below market rate must be nonprofit organizations, limited dividend corporations, public bodies or agencies, or cooperatives. Such categories of eligible mortgagors could also obtain mortgage insurance under the program where the mortgage bears the market rate of interest.

2. The maximum insurable amount per room and per unit of any mortgage secured by rental housing would be the same as the amount provided in the market rate program as described above.

3. The maximum loan ratio would be 100 percent of the Commissioner's estimate of replacement cost, except in case of rehabilitation would be same as market rate program.

4. The mortgage would be required to be amortized under such terms and conditions as may be prescribed by the Commissioner and such mortgage could bear an interest rate at not more than 5 percent with discretionary authority in the Commissioner to increase such maximum to 6 percent; such mortgage could also bear interest at a rate of not less than the annual rate of interest determined by the Secretary of Treasury based on the average market yield on all outstanding marketable obligations.

5. The Commissioner may insure below market rate mortgages without premium charge or partial premium charge except that on mortgages which bear a market rate of interest, the Commissioner could require the regular FHA insurance premium.

6. The payment of insurance claims on defaulted mortgages could be in cash or debentures, and claims may include accrued interest as well as principal and other eligible items if mortgage is permitted to be assigned to FHA.

7. Mortgages insured bearing below market rate interest would be eligible for purchase by the FNMA even though a mortgagor may be a Federal, State, territorial, or municipal instrumentality.

8. Mortgages on rehabilitated property may be insured on the same basis as required for mortgages insured under the market rate rental program as described above.

Home improvement and rehabilitation loans

Loans in Urban Renewal Areas

Section 102(a): Adds section 220(h) to the National Housing Act to establish a new home improvement loan program for homes and multifamily structures in urban renewal areas. The terms and conditions for a loan to be eligible under the new section would be as follows:

1. The maximum loan could not exceed (a) $10,000 per family unit or estimated cost of improvement, whichever is lesser, and (b) an amount, which when added to any outstanding indebtedness relating to property being improved, would keep the total indebtedness against the property within the limits applicable to mortgages insured under the FHA section 220 program.

2. The term of the loan could not exceed 25 years, or three-fourths of the economic life of the property, whichever is less.

3. Maximum interest rates on such loans may be prescribed by the Commissioner but may not be in excess of 6 percent. Such loans may also bear service charge, appraisal, inspection, and other fees.

4. Property owners and long-term lessees in areas designated as urban renewal areas would be eligible borrowers under the program.

5. The loans authorized by the new section would have adequate security in such manner as the Commissioner may require and the Commissioner is authorized to charge an insurance premium on such loans.

6. Debentures issued on defaulted loans may include accrued interest as well as unpaid principal upon assignment to FHA.

7. Home improvement loans for structures used as rental accommodations for five or more families would be subject to cost certification provisions similar to cost

certification required by section 227 of the National Housing Act.

8. FNMA would be authorized to purchase any home improvement loans insured by the FHA.

Loans Outside Urban Renewal Areas

Section 102(b): Amends section 203 of such act to add a new subsection to establish a home improvement loan program outside urban renewal areas. The terms and conditions of the new loan program would be the same as those provided for home improvement loans "in urban renewal areas," except that loans would be limited to improvement of one- to four-family dwellings where project has been determined to be economically sound.

Housing Improvements and Rehabilitation

Section 102: Further amends section 220 of the National Housing Act to provide a new basis for determining the maximum loan ratio on rehabilitation mortgages. The new maximum loan ratio would be based on the sum of the estimated cost of repair and rehabilitation and the Commissioner's estimate of value of the property before repair and rehabilitation, but the mortgage could not exceed the cost of rehabilitation and amount, if any, required to refinance existing indebtedness.

Experimental housing mortgage insurance

Section 103: Adds a new section 233 to the National Housing Act to authorize the FHA Commissioner to make commitments to insure and to insure mortgages on properties (both sales and rental) involving uses of advanced technology in housing design, materials or construction or experimental neighborhood design, deemed significant in reducing cost or improving quality. Substitutes acceptable risk for economic soundness test for mortgages insured under this new program.

Mortgage insurance for individually owned units and multifamily projects

Section 104: Adds a new section 234 to the National Housing Act to permit mortgage insurance for individual fee simple or long-term lease ownership of a unit in a multifamily structure. Such ownership would include undivided ownership interest in common areas and facilities and the community and commercial facilities, if any, which serve the apartment building in which the individual's unit is located.

Under the new section, mortgages would be limited to owners of no more than four single-family units and only FHA multifamily projects would be eligible for condominium insurance except FHA section 213 (cooperative multifamily projects) would be excluded.

TITLE II—HOUSING FOR ELDERLY PERSONS AND LOW-INCOME FAMILIES

Housing for the elderly

Eligible Mortgagors

Section 201 (1), (2), (3), (4), and (7): amends section 202(a) (1), (2), (3), and (c) (3) of the Housing Act of 1959 to make public bodies and agencies and consumer cooperatives eligible for elderly housing direct loans.

Direct Loan Authorization

Section 201(5): Amends section 202(a)(5) of such act to increase the elderly housing direct loan authorization from $50 million to $100 million.

Limitation for Related Facilities

Section 201(6): Amends section 202(a)(6) to delete the limitation that not more than $5 million may be outstanding at any one time for related facilities.

Public housing

Eligibility Requirement for Disabled Persons

Section 202: Amends section 2 of the U.S. Housing Act of 1937 to remove the requirement that disabled persons be at least 50 years of age in order to conform act with recent changes made in Social Security Act.

Use of Existing Dwellings

Section 203: Amends section 7 of such act so that the Housing and Home Finance Administrator and the Public Housing Commissioner shall encourage the use of existing dwellings in the undertaking and carrying out of low-rent housing projects.

Additional Subsidy for Elderly Tenants

Section 204: Amends section 10(a) of such act to permit payment of an additional annual Federal contribution of not to exceed $120 per year for each elderly family, provided such additional contribution is required in any year to avoid a deficit in low-rent project operation.

Dwelling Unit Authorization

Section 205: Amends section 10(e) of such act to make available the remaining balance of the $336 million annual contribution authorization contained in the Housing Act of 1949, which would cover approximately 100,000 units and to provide that contracts for additional units for any one State after date of enactment of the bill could not be entered into for more than 15 percent of the aggregate amount of contributions not already under contract on that date.

Greater Local Responsibility for Admission Policy

Section 206: Amends section 10(g) of such act to (1) give localities greater flexibility in shaping admission policies in such a way as to best meet their own particular local problems, and (2) permit local agencies to allow overincome tenants to continue occupancy during the period the local agency determines that the overincome family is unable to find a decent private dwelling within its financial reach if the family pays an appropriate rent.

Demonstration Programs

Section 207: Amends section 11 of such act to—

1. Give the Public Housing Commissioner discretionary authority to make grants to public or private bodies to develop and demonstrate new or improved means of providing housing and a suitable living environment for low-income persons and families and for obtaining maximum efficiency and economy in construction and management of low-rent housing.

2. Authorize appropriation of $10 million for grants for demonstration program.

Increased Cost Limits for Units for Elderly

Section 208: Amends section 15 of such act to increase the per room limitation in low-rent public housing projects in the case of Alaska and in the case of units designed for elderly persons from $2,500 to $3,000. This section would also permit capital donations and other non-Federal aid and additions to projects without the amount being charged against the room-cost limitation.

TITLE III—URBAN RENEWAL AND PLANNING

Urban renewal

Pooling Grants-in-Aid Between Projects Within Communities

Section 301: Amends section 103(a) to permit pooling of local noncash grant-in-aid credits earned in projects assisted under both the two-thirds and three-fourths formulas for Federal grants.

Incontestable Federal Obligation in Private Financing of Projects

Section 302: Amends section 102(c) of such act to directly obligate Federal Government to holder of LPA obligation where Federal loan contract is pledged (to improve marketability and reduce interest rate) and would make Federal obligation incontestable in hands of bearer of LPA obligation.

Capital Grant Authorization

Section 303: Amends section 103(b) of such act to increase capital grant authorization by $2.5 billion from $2 billion to $4.5 billion. Also reserves $50 million of this authorization for use in making grants for mass transportation demonstration projects.

Relocation Payments

Section 304: Amends section 106(f) of such act to make it clear that nonprofit organizations are eligible for relocation payments. Retains existing ceilings of $200 for individuals or families and $3,000 for business concerns or nonprofit organizations which amounts are paid entirely from Federal grants but provides that the Administrator of HHFA may permit the $200 and $3,000 ceiling to be increased in which event the excess would be added to the gross project cost and would be shared by the Federal Government and by the local government in accordance with applicable Federal-local sharing formula. Also makes it clear payments to individuals and families of fixed amount could be made in lieu of reasonable and necessary moving expenses and direct losses of property.

Financial Assistance for Displaced Business Concerns

Section 305: Amends section 7(b) of the Small Business Act to permit Small Business Administration to make loans, under the disaster loan program terms, to small businesses that have been displaced by federally assisted urban renewal projects and have suffered substantial economic injury as a result of the displacement.

State Limitation

Section 306: Amends section 106(e) of the Housing Act of 1949 to increase the amount that any one State may obtain of the capital grant authorization from 12½ percent of the total authorization, plus a portion of the $100 million reserve fund for all States exceeding the 12½ percent maximum, to 12½ percent of the total authorization, plus a portion of a $150 million reserve fund.

Resale of Property in Urban Renewal Areas for Housing Moderate Income Families

Section 307: Amends section 107 of such act to—

1. Permit urban renewal property to be made available to a limited-dividend corporation, nonprofit corporation, or association, cooperative, public body or agency, or an FHA section 221(d)(4) profitmaking rental housing mortgagor for purchase at fair value for use by purchaser in provision of moderate income rental or cooperative housing.

2. Make provision in existing law, which permits land in urban renewal areas to be sold at a reduced price for public housing purposes, applicable to urban renewal property acquired prior to September 23, 1959.

Rehabilitation

Section 308: Amends section 110(e) of such act to permit local public agencies to carry out rehabilitation demonstrations in urban renewal projects by acquiring properties, improving them for dwelling use or related facilities, and reselling them to private owners.

Increase in Nonresidential Exception

Section 309: Amends section 110(c) of such act to increase the amount of grant authorization which may be used for nonresidential purposes from 20 to 30 percent of new authority provided by this bill.

Urban Renewal Areas Involving Colleges, Universities, or Hospitals

Section 310: Rewrites section 112 of such act to allow—

1. Credit for State-licensed hospital expenditures in urban renewal areas.

2. Expenditures made by university or hospital acting through city or public corporation to be eligible as local grant-in-aid.

3. Similar expenditures made by State agency leasing properties to university or hospital to be eligible as local grant-in-aid.

4. Expenditures by institution or hospital in acquisition of property from city when not acting as urban renewal agency to be eligible as local grant-in-aid.

5. Expenditures by institution or hospital in relocating occupants being displaced from structures to be rehabilitated to be eligible as local grant-in-aid.

6. Expenditures to count if made not over 5 years prior to authorization by Housing Administrator of a loan or grant contract for the project, or if made in connection with a project for which a loan or grant contract was authorized prior to September 25, 1963, if expenditures were made not over 5 years prior to date of application for financial assistance.

Urban planning assistance

Planning Assistance

Section 311(1): Amends section 701 of the Housing Act of 1954 to change the amount of grant from one-half to two-thirds of the estimated cost of the work for which the grant is made.

Section 311(2): Amends section 701 of such act to increase appropriation authorization from $20 million to $100 million.

Section 311(3): Amends section 701 of such act to extend planning to include the preparation of comprehensive mass transportation surveys to help solve problems of mass transit in urban areas.

Section 311(4): Amends section 701 of such act to permit grants to be made to interstate planning agencies formed by interstate compacts.

Historical Site in Urban Renewal Area

Section 312: Notwithstanding section 110(c)(4) of such act, permits donation of a parcel of land in urban renewal area to the James White's Fort Association in Knoxville, Tenn., if such property is restored as historical site and monument is operated on nonprofit basis.

Credit for Cost of School Construction

Section 313: Adds a provision to such act to permit the cost of school construction in a certain urban renewal project in Roanoke, Va., to be counted as a local contribution.

Technical Amendments

Section 314: (a), (b), and (c) amends sections 101(c), 102(a), and 110(c) to—

1. Make existing law clear that the workable program relates to a program for community improvement.

2. Make existing law clear that early land acquisition loans for acquisition and demolition of property may cover administration, relocation, and other costs related to the demolition and removal of structures acquired with the loans.

3. Clarify question concerning leasing of urban renewal project land.

TITLE IV—COLLEGE HOUSING, COMMUNITY FACILITIES, AND MASS TRANSPORTATION

College housing

Loan Authorization

Section 401(a): Amends section 401(d) of the Housing Act of 1952 to—

1. Increase loan authorization by $100 million upon enactment and by an additional $250 million for each of the 5 years beginning July 1, 1961, through 1965.

2. Increase limitation for other educational facilities by $25 million for each of the 5 years beginning July 1, 1961, through 1965.

3. Increase limitation for student nurse and intern housing at hospitals by $25 million for each of the 5 years beginning July 1, 1961, through 1965.

State Limitation

Section 401(b): Amends section 403 of such act to increase State limitation from 10 to 12½ percent of total loan authorization.

Community facilities and mass transportation

Public Facility and Mass Transportation Loans

Section 402: Amends sections 201, 202, and 203 of the Housing Amendments of 1955 (public facility loan program) to make the program applicable to the financing, acquisition, construction, and improvement of facilities and equipment for use in mass transit systems in urban areas. This section would also increase the public facility loan revolving fund from $150 million to $300 million—$100 million of the total fund is reserved for the mass transportation loans. This section would further provide that funds for mass transportation loans shall be obtained from the Treasury at a rate not more than the average interest rate of all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the borrowing.

Advances for Public Works Planning

Section 403: Amends section 702 of the Housing Act of 1954 to—

1. Increase the amount which may be advanced to any one State from 10 to 12½ percent of the aggregate amount then authorized to be appropriated.

2. Make projects eligible for planning advances which may be constructed within or over a reasonable period of time considering the nature of the project and to permit advances for areawide projects requiring a substantial period for completion.

TITLE V—AMENDMENTS TO THE NATIONAL HOUSING ACT

Federal national mortgage association

Special Assistance Authorization

Section 501: Amends section 305(c) of the National Housing Act to increase FNMA special assistance authorization (Presidential allocation) by $750 million.

Section 502: Amends section 302(b) of such act to permit the maximum amount of an FHA section 213 loan purchased by the FNMA, if such mortgage is secured by a project in an urban renewal area, to be the same as the maximum amount insured by FHA. This is now permitted for loans insured under section 220.

FHA insurance programs

Expansion of Title I Home Repair and Improvement Program

Section 503(a): Amends section 2(a) of the National Housing Act to extend program for 2 years until October 1, 1963. (Present expiration date is October 1, 1961.)

FHA General Insurance Authorization

Section 503 (b) and (c): Amends section 203(a) and section 217 of such act to remove dollar ceilings on FHA's insurance authorization and provides that loans and mortgages may be insured until October 1, 1965, except for certain programs that have different termination dates.

Armed Service Housing

Section 503(d): Amends section 803(a) of such act to extend the mortgage insurance programs for Capehart military housing and housing for employees of NASA and AEC to October 1, 1962, and to increase the limitation on the number of Capehart units which may be constructed after June 30, 1959, to 37,000 (expiration date in existing law is October 1, 1961, and limitation in existing law on number of Capehart units which may be constructed is 25,000).

Authority To Reduce Insurance Premium Charge

Section 504: Amends section 203(c) of such act to give the FHA Commissioner discretion to reduce mortgage insurance premium on any program under title II of the National Housing Act to one-fourth of 1 percent per annum and permit any reduction to apply to outstanding mortgages.

Section 207 (Regular Rental) Housing Program

Section 505(1): Amends section 207 of such act to permit individuals, groups of individuals, or partnerships to be rental housing mortgagors if approved by Commissioner (in addition to those under present law).

Exterior Land Improvements

Section 505(2): Amends section 207(c)(3) of such act to permit exterior land improvements to be excluded in determining maximum amount of rental housing mortgage. (Same amendment is made by bill in FHA secs. 221, 213, and 231 programs.)

Cooperative Housing Insurance

Section 506(a) (1) and (2): Amends section 213 (b) and (d) of such act to decrease the minimum number of units in a multifamily cooperative housing project from eight to five, and to exclude exterior land improvements from determination of maximum amount of mortgage.

Section 506(a)(3): Amends section 213(h) of such act to give FHA Commissioner discretionary authority to insure additional mortgage after failure of sponsor to sell to a cooperative after such period of time as he deems appropriate.

Section 506(b): Amends section 213 of such act by adding a new subsection (j) to authorize FHA to insure supplementary cooperative loans to consumer cooperatives to provide (1) improvements or repairs, or (2) additional community facilities for a section 213 property.

Additional Mortgage Insurance on Multifamily Projects

Section 507(a): Amends section 223 of such act by adding a new subsection (c) to permit expenses of a multifamily project which exceed project income during first 2 years following final endorsement for insurance of a mortgage by FHA to be added to amount of insured mortgage.

Section 507(b): Amends section 223 of such act to permit FHA Commissioner to insure mortgages (covering housing sold by Federal, State, or local governments) under sections 220, 221, 231, or 233 in addition to those sections under present law.

Nursing Homes (Maximum Mortgage)

Section 508: Amends section 232(d) of such act to permit mortgage of 90 percent of estimated replacement cost (new construction), 90 percent of value (existing structures).

Technical and conforming amendments

Maturity Date of Home Mortgages

Section 509(a)(1): Amends section 203(b)(3) of such act to permit maturity date for home mortgages insured by the FHA to be calculated from the beginning of amortization of the mortgage.

Section 509(a)(2): Amends section 203(c) of such act to permit the FHA to pay insurance premiums with debentures which are obligations of the insurance fund or the ac-

count to which premium charges are credited.

Date of Certain Debentures

Section 509(b): Amends section 204(d) of such act to permit debentures in payment of insurance claims on loans insured under FHA sections 220, 221 and 233 programs to be dated as of the date of assignment of the mortgage or conveyance of property to Commissioner.

Conveyance of Foreclosed Properties to FHA

Section 509(c): Amends section 204(j) of such act to permit properties to be conveyed to the FHA without naming the Commissioner by name.

Expenses of FHA Statistical and Economic Surveys

Section 509(d): Amends section 209 of such act to permit FHA's statistical and economic surveys to be charged as a general expense against any insurance fund or account.

FHA Labor Standards Provision

Section 509(e): Amends section 212 of such act to make FHA labor standards provisions applicable to new home improvement loan program for multifamily housing, to moderate income rental housing program where mortgagors are cooperatives or limited profit, and to multifamily experimental housing under new section 233. (Condominiums constructed with FHA mortgage insurance would be subject to labor provisions without further amendment).

Transfer Between FHA Insurance Funds

Section 509(f): Amends section 219 of such act to permit moneys in the FHA title I insurance account and other new accounts and funds created by this bill to be transferred among the various other insurance funds, except the Mutual Mortgage Insurance Fund.

Payment of Insurance Claims (Section 220 Mortgages (Urban Renewal Housing))

Section 509(g): Amends section 220(f) of such act to permit Commissioner to include accrued interest and unpaid principal in FHA debentures issued in payment of claims being made on defaulted mortgages insured under section 220 and assigned to FHA after default.

Interest Rates on FHA Debentures

Section 509(h): Amends section 224 of such act to permit the interest rates of debentures for payment of claims on mortgages or loans insured under sections 220 (urban renewal housing and improvement loans), 221 (moderate income and relocation housing) and 233 (experimental housing program) to be at rates in effect at the date of their issuance if Commissioner so prescribes in insurance contract. Debentures could also bear interest at same rate as for debentures related to other loans, if Commissioner so prescribes. Interest rate on debentures related to other loans would be rate in effect on date of commitment to insure, or date loan was endorsed or initially endorsed for insurance, whichever rate is highest.

FHA Appraisals to Home Purchasers

Section 509(i): Amends section 226 of such act to confirm existing law so that FHA appraisals as required by the bill shall be furnished to home buyers and to purchasers whose mortgages are insured under the new FHA section 233 (experimental housing) program and new FHA section 234 (condominium) program.

FHA Cost Certification

Section 509(j): Amends section 227 of such act to apply cost certification requirement to new section 233 multifamily experimental housing program authorized by bill and make other conforming amendments in cost certification provisions.

Voluntary Termination of FHA Insurance on Multifamily Housing Mortgages and Loans

Section 509(k): Amends section 229 of such act to permit FHA to terminate insurance upon agreement between any mortgagor and mortgagee upon the payment of an adjusted insurance premium.

Exterior Land Improvements

Section 509(l): Amends section 231 of such act (elderly housing) to permit exterior land improvements to be excluded in determining maximum amount of mortgage.

TITLE VI—OPEN SPACE AND URBAN DEVELOPMENT

Introduction

This title adds a new program to assist State and local governments in preserving open-space land in and around urban areas which, for economic, social, conservation, recreational, or esthetic reasons, is essential to the proper long-range development and welfare of the Nation's urban areas and their suburban environs.

Findings and Purpose

Section 601: Finds it to be the purpose of the Congress to help curb urban sprawl and prevent spread of blight, to encourage more economic and desirable urban development, and to help provide recreational, conservation, and scenic areas by assisting preservation of open-space land.

Federal Grants

Section 602: Provides that—

1. Housing and Home Finance Administrator authorized to contract to make grants to State and local public bodies which—

(a) Do not exceed 25 percent of total cost of acquiring land to be used as permanent open space, except grant can be up to 35 percent in case of public body which (i) exercises responsibilities for urban area as a whole, or (ii) exercises or participates in exercise of such responsibilities for all or a substantial portion of an urban area pursuant to interstate or other intergovernmental agreements; and

(b) Aggregate not more than $100 million.

2. Grants may not be used to pay development costs or State or local governmental expenses.

3. Appropriations are authorized for the payment of grants and the faith of the United States is pledged to the payment of grants for which contracts are made.

4. Administrator is required to consult with the Secretary of the Interior on general policies to be followed in reviewing applications for grants.

Planning Requirements

Section 603: Provides that—

1. Administrator must find—

(a) Proposed open space is important to execution of a comprehensive plan meeting criteria he establishes, and

(b) A program of comprehensive planning is being actively carried on.

2. Administrator shall take appropriate action to assure preservation by local governing bodies of maximum of open-space land, with minimum of cost, through use of existing public land, use of special tax, zoning and subdivision provisions, and continuation of appropriate private use of open-space land.

3. In processing applications Administrator shall consider extent of local encouragement of orderly community development and of an adequate supply of housing.

Conversions to Other Uses

Section 604: Provides that no open-space land for which grant has been made shall be converted to other uses without approval by Administrator, and his approval shall be contingent upon substitution of other open-space land.

Technical Assistance, Studies and Publication of Information

Section 605: Provides that Administrator is authorized to provide and carry out with funds appropriated for purposes.

Definitions

Section 606: Defines—1. "Open-space land" means any undeveloped or predominantly undeveloped land, including agricultural land, in or adjoining an urban area, which has (a) economic and social value as a means of shaping the character, direction, and timing of community development (b) recreational value; (c) conservation value in protecting natural resources; or (d) historic, scenic, scientific, or esthetic value.

2. "Urban area" means any area which is urban in character, including surrounding areas which form an economic and socially related region.

TITLE VII—OTHER HOUSING PROGRAMS

Farm housing

Securities on Property Under Farm Housing Program

Section 701(a): Amends section 502(b) of the Housing Act of 1949 to permit wider latitude in type of security the borrower must provide in order to obtain a loan.

Extension of Farm Housing Program (Title V, Housing Act of 1949)

Section 701 (b) and (c): Amends sections 511, 512, and 513 of the Housing Act of 1949 by extending the farm housing program for 5 years until June 30, 1966.

Home improvement loans by savings and loan associations and national banks

Authority To Make Home Improvement Loans

Sections 702 and 703: Amends section 5(c) of the Homeowners Loan Act of 1933 and section 24 of the Federal Reserve Act, respectively, to assure authority of savings and loan associations and national banks to make FHA-insured home improvement loans under the new program (sections 220(h) and 203(k) of the National Housing Act) provided by this bill, notwithstanding the fact that the loans may not be secured by a first mortgage.

Voluntary home mortgage credit program

Extension of Program

Section 704: Amends section 610(a) of the Housing Act of 1954 to extend the VHMC program until October 1, 1965. (Present expiration date is October 1, 1961.)

Lanham Act housing

Disposal of Passyunk War Housing Project

Section 705: Amends section 802(a) of the Housing Act of 1959 to extend for 1 year the period during which military personnel and civilian personnel employed in defense activities may continue to occupy the Passyunk war housing project in Philadelphia, with occupancy preferences and without regard to their income.

Veterans' Administration direct home loans

Maximum Amount of Loan

Section 706(a)(1): Amends section 1811 (d) of such title to permit VA Administrator to increase maximum from $13,500 to $15,000 in areas where climatic conditions require higher construction costs.

Formula for Determining Veteran Eligibility

Section 706(a)(2): Amends section 1811 (h) of such title to provide a period of time for eligibility equal to 10 years from date of discharge from active duty during World War II or Korean conflict (as the case may be) plus an additional 1 year for each 4 months' duty during such war or conflict.

Extension of Direct Home Loan Program

Section 706(a)(2): Amends section 1811 of such title to extend the period in which a veteran of World War II may obtain a

direct loan until July 25, 1967, and to extend the period in which a veteran of the Korean conflict may obtain such a loan until January 31, 1975.

Additional Authorization for Direct Loan

Section 706(b)(1): Amends section 1823 (a) of such title to provide for additional authorization as follows:

After enactment of this bill (4th quarter fiscal 1961)	$100,000,000
After June 30, 1961	400,000,000
After June 30, 1962	200,000,000
After June 30, 1963	150,000,000
After June 30, 1964	150,000,000
After June 30, 1965	100,000,000
After June 30, 1966	100,000,000

Administrative

Purchase of Publications

Section 707: Amends section 502 of the Housing Act of 1948 to permit the Administrator of HHFA and the heads of constituent agencies to use funds made available for salaries and expenses to purchase advance subscriptions to publications, and also purchase memberships in organizations to enable the agencies to receive or purchase scientific and other publications.

Mr. SPARKMAN. Mr. President, title I of the committee bill would first establish three new programs of mortgage insurance under the Federal Housing Administration.

Section 101 of the bill would broaden the existing FHA 40-year, no-downpayment mortgage insurance program for families displaced by urban renewal and other Federal activities to include a mortgage insurance program for families of moderate income.

Let me make it absolutely clear that the 40-year, no-downpayment insurance program is not an innovation insofar as the FHA is concerned. The FHA has been insuring such mortgages under the section 221 program for some time. This section was first enacted into law by the Housing Act of 1954 during the 2d session of the 84th Congress. The committee bill proposes only to broaden the existing 221 program to cover families of moderate income.

Perhaps it would be well to explain at this point that the broadening of the section 221 program will not eliminate the provisions in existing law which make the FHA insurance available to sales and rental dwelling units for displaced families. In fact, such families under the provisions of the bill will be given priority of occupancy in housing constructed under the 221 program.

For the sake of clarity, the broadening of FHA section 221 to provide for a mortgage insurance program for families of moderate income may be broken into three parts. These are, first, a sales program which contemplates FHA insurance of 40-year, no-downpayment mortgages secured by single-family dwellings and which mortgages would bear interest at market rates; second, a rental program which contemplates FHA insurance for mortgages secured by rental properties constructed by profitmaking organizations and which mortgages would bear interest at market rates; and third, a rental program which contemplates FHA insurance for mortgages secured by rental properties constructed by a specific group of nonprofit type organizations and which mortgages would bear interest at below the market rates.

With regard to the programs which contemplate mortgages bearing interest at market rates the workable program requirement as well as the HHFA certification of the number of dwelling units to be constructed in any given area under the section 221 program would be eliminated.

In addition, in order to attract private investment capital into the programs bearing interest at the market rate, the bill would make several minor amendments pertaining to the payment of insurance claims. These amendments are, first, defaulted mortgages could be assigned—at the discretion of the FHA Commissioner—to the Agency and insurance claim could be paid without the holder of such mortgage being required, as under present law, to foreclose the mortgage and obtain possession of the property in order to convey title to the FHA; second, FHA debentures, which are issued to pay insurance claims, could bear an interest rate in effect at the time of their issuance rather than the rate in effect at the time of insurance of mortgage as under existing law; and third, accrued interest which was lost by the lender could be included in FHA debentures. Because the sales and profitmaking rental programs under the FHA section 221 program are experimental in nature, the bill would provide for a termination date of June 30, 1963.

In regard to the program which contemplates mortgages bearing interest at below the market rate, the bill would make several changes in the existing 221 program in order to make the below market rate program serve the lower moderate income family. These changes are:

First. The bill would permit public bodies and agencies, limited dividend corporations, and consumer type cooperatives to be eligible for mortgage insurance if such groups construct rental accommodations for the lower moderate income families.

Second. The bill would provide that such mortgages could bear interest at a rate of not less than the annual rate of interest determined by the Secretary of Treasury based on all outstanding marketable obligations of the United States. At present such a rate would be about 3⅛ percent.

Third. The bill would permit insurance claims to be paid in either cash or debentures at the discretion of the Commissioner but in any event the payment of claim would be determined by the Commissioner at the time the mortgage was insured. In addition, as is in the case of the proposed market rate program, the bill would provide that FHA debentures issued on defaulted mortgages under the below market rate program would bear interest at the date of their issuance rather than at the date the mortgage was endorsed for insurance and, further, payment of claims could cover accrued interest lost by the lender. As in the case of the market rate programs, the bill would provide that defaulted mortgages could be assigned by the holder to the FHA without foreclosure proceedings in order to perfect title.

Fourth. The bill would provide that the Commissioner could insure mortgages on the below market rate program without premium charge or with partial premium charge.

Fifth. The bill would provide that the mortgages secured by rental accommodations for the lower moderate income family would be eligible for purchase by the FNMA under its special assistance function.

Sixth. The statutory prerequisite of a workable program and a certification by the HHFA Administrator for the number of units to be built in any given area would still be applicable to mortgages insured under the below market rate program.

Section 102 of the bill would establish a new home improvement and rehabilitation loan insurance program to be administered by the FHA. For all practical purposes this new program may be broken into two parts: first, home improvement and rehabilitation loans in urban renewal areas; and, second, loans outside urban renewal areas.

Section 102(a) of the bill would establish a home improvement loan program for homes and multifamily structures in urban renewal areas. Such loans could not exceed (a) $10,000 per family unit or the estimated cost of improvements, whichever is lesser, and (b) an amount which when added to any outstanding indebtedness relating to the property being improved would keep the total indebtedness against the property within the limits applicable to mortgages insured under the FHA section 220—urban renewal housing—program. The term of the loan could not exceed 25 years or three-fourths of the economic life of the property, whichever is the lesser. Maximum interest rate on such loans may be prescribed by the Commissioner, but may not be in excess of 6 percent. In addition, the FNMA would be authorized to purchase any home improvement loan insured by the FHA.

Section 102(b) of the bill would establish a home improvement loan program outside urban renewal areas. The terms and conditions of the new loan program would be the same as those provided for the home improvement program in urban renewal areas except that loans would be limited to improvements of one- to four-family dwellings where such housing has been determined by the Commissioner to be economically sound.

These new loan programs are to be distinguished from the existing Title I home repair and improvement program. Under the existing program, lenders are charged with the responsibility of making loans and reporting to the FHA that such loans have been made, except in cases where loans applied for are in excess of $5,000. Under these circumstances, the FHA reviews the application before the loan is approved. The bill contemplates that loans made pursuant to the new programs will be processed through the FHA the same as the Agency now processes on mortgages to be insured and, further, the bill contemplates that

the Agency will apply its regular underwriting standards to applications for loans before an FHA commitment to insure the loan is issued.

While the committee strongly supports the objectives of the new home improvement and rehabilitation program, we were concerned about the Government's risk on these loans. Consequently, the committee bill requires that adequate security will be taken in connection with these loans in such a manner as the Commissioner deems appropriate. In addition, the committee report makes it clear that any loan with a large face amount and a long maturity should be secured by a lien on the property involved. This lien may take the form of a junior lien or other liens as may be appropriate under the circumstances involved and the laws of a particular State.

Section 102 of the bill also would provide a new basis for determining the maximum loan ratio on rehabilitation mortgages under existing programs. FHA insures mortgages for loans used to finance rehabilitation of housing in urban renewal areas under section 220 and for loans used to rehabilitate housing for occupancy by displaced families under section 221.

Under the existing law, the basis for determining the maximum amount of a section 220 rehabilitation mortgage is the appraised value of the property. Under the bill the basis would be the sum of, first, the estimated cost of the rehabilitation; and, second, the Commissioner's estimate of the value of the property before rehabilitation. However, in no event could the mortgage exceed the cost of rehabilitation and the amount, if any, required to refinance existing indebtedness.

Section 103 of the bill would add a new section to the National Housing Act to authorize the FHA Commissioner to insure mortgages secured by properties, both sales and rental, which are constructed utilizing advance designs and technology.

Under this new section, FHA would be authorized to insure mortgages for loans on homes or rental housing built with new and untried materials, design and construction methods and involving experimental property standards and neighborhood design. The program is designed to assist in reducing housing costs and improving housing standards. The FHA would be authorized to make investigations and analyses of data and to publish and distribute reports on this program.

A mortgage eligible under this new program could be insured if it meets requirements of the regular mortgage insurance programs, except that the property would not have to meet the economic soundness requirement. Instead, it would need to be an acceptable risk giving consideration to the need for testing advanced housing technology. Also, the Commissioner's estimate of the cost of replacing the property with a house of comparable conventional construction would be used in lieu of value for determining maximum amount of the mortgage.

Authority is provided for the Commissioner of the FHA to transfer the sum of $1 million to the experimental housing insurance fund to be used as a revolving fund to carry out the provisions of the experimental program. Although the bill does not place a limitation on the number of mortgages that may be insured under the new experimental program, the committee has made it clear in the report that mortgage insurance under the program should not be written in an aggregate amount which would result in estimated claims exceeding $1 million.

Section 104 of the bill would add another new section to the National Housing Act to permit mortgage insurance for individual fee simple or long-term lease ownership of a unit in a multifamily structure. Such ownership would include undivided cwnership interest in common areas and facilities and the community and commercial facilities, if any, which serve the apartment building in which the individual's unit is located. This type of ownership is often referred to as condominium.

Under the new section, mortgages would be limited to owners of not more than four single-family units and only FHA multifamily projects would be eligible for a condominium insurance except FHA section 213—cooperative multifamily projects—would be excluded.

The maximum term of the mortgage, the interest rates, and the maximum loan-to-value ratio under this new section would be the same as those applicable to the FHA section 203—regular sales housing—program.

In addition to the new proposals which I have already discussed, the bill contains in title IV and title VI provisions for establishing two new programs that will fall within the administrative jurisdiction of the Housing and Home Finance Agency. These programs are, first, a mass transportation program; and, second, an open space and urban development program.

Section 402 of the bill broadens the public facility loan program to make it applicable to the financing acquisition, construction, and improvement of facilities and equipment for use in mass transit systems in urban areas. This section would also increase the public facilities loan fund from $150 to $300 million—$100 million of the total fund being reserved for mass transportation loans with the balance of the authorization to be used to finance the regular public facilities loan program. In addition, this section would provide that funds for mass transportation loans shall be obtained from the Treasury at a rate not more than the average interest rate of all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the borrowing. Another section of the bill reserves $50 million of the urban renewal authorization for use in making grants for mass transportation demonstration projects and, in addition, the bill would amend the urban planning assistance program—section 701—to extend planning grants to include the preparation of comprehensive mass transportation surveys to help solve problems of mass transit in urban areas.

Title VI adds a new program to assist State and local governments in preserving open space land in and around urban areas which, for economic, social, conservation, recreational, or esthetic reasons, is essential to the proper long-range development and welfare of the Nation's urban areas and their suburban environs. Under this title the Housing and Home Finance Agency Administrator would be authorized to contract to make grants to State and local public bodies which do not exceed 25 percent of the total cost of acquiring land to be used as permanent open space, except grants can be up to 35 percent in the case of a public body which, first, exercises responsibility for the urban area as a whole, or, second, exercises or participates in exercise of such responsibilities for all or a substantial portion of an urban area pursuant to interstate or other intergovernmental ageement. This title of the bill also authorizes an appropriation of $100 million for grants to carry out the open space and urban development programs.

Mr. President, this, in general, concludes the description of the new programs as proposed by the committee bill. The bill, however, contains several other provisions to extend existing programs, either by providing more funds with which to carry these programs on or by extending the termination dates of such programs. The most important of these provisions are as follows:

Section 201 would increase the authority for appropriation of funds for the elderly housing direct loan program from $50 to $100 million

Section 205 would authorize the Public Housing Administration to contract for the approximately 100,000 additional dwelling units which can be financed with what remains of the annual contributions authorization of $336 million originally provided under the 1949 act.

Section 303 would increase the capital grant authorization for the urban renewal program by $2.5 billion.

Section 304 would remove the ceiling on relocation payments to families and to business establishments provided all amounts in excess of $200 for families and $3,000 for businesses, the maximum amount under existing law, are included in gross project costs and shared two-thirds by the Federal Government and one-third by localities. Amounts up to the maximum under existing law would continue to be paid out of Federal funds.

Section 311 would change the urban planning grant program—section 701 of the Housing Act of 1954—to, first, increase the Federal share of the cost of planning activity undertaken under the program from one-half to two-thirds; second, increase the authorization for appropriations for grants from $20 to $100 million; and, third, facilitate interstate planning for metropolitan areas and other urban areas crossing State boundaries.

Section 401 would provide for an immediate increase of $100 million for fiscal 1961 and increases of $250 million on July 1 of each of the 5 years 1961 through 1965 in the college housing loan authorization.

Section 501 would increase the FNMA special assistance fund by $750 million, from $950 million to $1,700 million. Most of this fund is expected to be used to finance the new program for low- and middle-income families authorized by this bill.

Section 503(a) of the bill would provide for a 2-year extension of the home repair and improvement program under title I of the National Housing Act. Under present law, the program is due to expire on October 1, 1961.

Section 503 (b) and (c) would remove the present dollar ceiling on FHA's general mortgage insurance authorization, and existing law would be amended to provide that loans on mortgages, except certain programs which have their own time limitation, may be insured until October 1, 1965.

Section 503(d) would extend the armed services mortgage insurance program until October 1, 1962, and would further amend the provision pertaining to that program to increase the number of units which could be constructed after June 30, 1959, to 37,000.

Section 701 would provide for a 4-year extension, that is until October 1, 1965, of the farm housing program as is provided in title V of the Housing Act of 1949.

Section 704 would provide for a 4-year extension of the voluntary home mortgage credit program, that is until October 1, 1965.

Section 706 would, first, establish a formula for determining the eligibility period during which veterans of World War II and the Korean conflict would be eligible to participate in the direct loan program; second, extend the direct loan program for veterans of World War II until July 25, 1967, and for Korean conflict veterans until January 31, 1975; and, third, increase the VA direct loan authorization by $1.2 billion over a period of 6¼ fiscal years.

Mr. President, as I stated a moment ago, I believe these are the highlights and principal provisions of S. 1922.

It is my personal view that S. 1922 is sound legislation and I am hopeful that it will receive favorable consideration by the Senate, by the House of Representatives, and will be signed into law by the President.

Mr. President, just this afternoon I read in the Evening Star an article which bears upon one provision in the bill. I believe one of the most popular programs in the field of housing over many years has been that of college housing. The bill proposes to increase the funds which will be available for college housing throughout the United States. The article in the Evening Star, on the first page of section B, is entitled "Housing Shortage Hits American U." It states that many students, particularly young women, who desired to attend American University and had paid their tuition have been given refunds accompanied by a letter stating that housing is not available; and that unless the applicants themselves could obtain housing in keeping with the rules and regulations of the university, they could not be admitted. That statement could be duplicated a hundred times or more throughout the United States.

A few months ago, I visited the land-grant college in my State, Auburn University. I was told that the university had been forced to stop taking applications for admission next September, especially the applications of young women, simply because sufficient facilities were not available.

The president of the University of Alabama was in Washington recently. He told me that the University of Alabama had to turn away a thousand students because of the lack of adequate housing. The same cry goes up from practically every college in the United States.

Mr. President, I said a moment ago that the college housing program was a popular one. That is indicated by the number of colleges which have participated in the program over the years of its existence.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the article entitled "Housing Shortage Hits American U.," published in the Washington Evening Star of today.

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

HOUSING SHORTAGE HITS AMERICAN UNIVERSITY—COEDS GIVEN REFUNDS, TOLD TO FIND ROOMS

(By John Rosson)

American University is so short of student dormitories it is now in the process of refunding room deposits to coeds it planned to enroll next fall and telling them they cannot register as freshmen unless they find their own housing.

The girls, already accepted on academic qualifications, made the $75 deposits earlier this year fully expecting to attend their first classes next September. Most of them are finishing high school this month.

In a letter accompanying the refunds, the university is telling the would-be coeds they cannot enroll at all unless they find quarters off campus.

The exact number of refunds is not yet known, but the picture is made even rougher for the disappointed girls by a longstanding American University rule that freshman coeds not residing on campus must live with relatives.

RULE TO REMAIN

The rule will not be relaxed, university officials said. "We will not let them live just anywhere. If they want to attend American University they will still have to live with their parents or relatives."

The off-campus policy does not apply to male students or to sophomore, junior, and senior coeds.

At the bottom of the dorm shortage is a lack of building funds in general, a fouled-up construction schedule affecting a large addition to Hughes Hall (the on-campus girls' dormitory) and the loss next September of girls' dorm space at the new Sibley Hospital.

The resulting dormitory shortage affects even the boys.

American University, depending on the number of male and female students, assigns the buildings to either group. Next year, however, fewer of both will be living on campus than are doing so this year.

Officials explain it this way:

1. Tardiness on the part of Congress to approve college construction funds caused a long delay in construction this year of the addition to Hughes Hall. The project, now underway, will increase the hall's capacity from 350 to about 700. The delay, however, means the building will not be ready until the fall of 1962, two semesters away.

FEW LIVING ON CAMPUS

2. Sibley Hospital, where a number of coeds have been living under auspices of the university, has notified officials it will need the rooms next fall and that the students will have to leave.

Since these are girls already enrolled at American University, they have a claim on Hughes Hall before incoming coeds. The boys are cut short because some of their campus dorms will have to revert to upperclass coeds still unable to get into Hughes Hall.

In all, the university reports that only 302 women and 153 men will be living on campus next fall. The comparative figures this year are 378 women and 314 men, the number of men being cut in half. The total American University enrollment will be about 8,500.

Mr. SPARKMAN. Mr. President, it is my personal view that in its overall form, S. 1922 is a sound bill. I hope that it will receive favorable consideration by the Senate and the House of Representatives. In that connection, that a subcommittee of the House Committee on Banking and Currency has reported a bill which in many respects is similar to the bill which has been reported to the Senate. I believe it is due to be called up in the House in about 2 weeks. I do not believe the conferees from the two Houses will have any difficulty in agreeing to a measure which will be signed by the President. I believe we shall have a program which will continue homebuilding for American families during the next year.

Mr. President, in connection with the article which I placed in the RECORD a few moments ago, regarding the college housing program, I ask unanimous consent to have printed at this point in the RECORD a list showing the participation by the various schools and colleges throughout the country in this program during the time it has been in existence.

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

COLLEGE HOUSING PROGRAM APPROVED LOANS BY INSTITUTION

ALABAMA

The Marion Institute, Marion.
Spring Hill College, Spring Hill.
Auburn University, Auburn.
Howard College, Birmingham.
Tuskegee Institute, Tuskegee.
St. Bernard College, St. Bernard.
Jacksonville State Teachers College, Jacksonville.
Alabama A. & M. College, Normal.
Troy State College, Troy.
Florence State College, Florence.
Brimingham Southern College, Birmingham.
University of Alabama (medical), Birmingham.
Huntington College, Montgomery.
University of Alabama, University.
Alabama College, Montevallo.

ALASKA

University of Alaska, College.

ARIZONA

Arizona State College, Tempe.
University of Arizona, Tucson.
Arizona State College, Flagstaff.

ARKANSAS

Ouachita Baptist College, Arkadelphia.
State A.M. & N. School, Pine Bluff.
Henderson State Teachers College, Arkadelphia.
Hendrix College, Conway.
University of Arkansas, Fayetteville.
Arkansas State Teachers College, Conway.
University of Arkansas (medical), Little Rock.
Arkansas State College, State College.
Harding College, Searcy.
Arkansas Polytechnic College, Russellville.
Little Rock University, Little Rock.
Philander Smith College, Little Rock.
John Brown University, Siloam Springs.
Arkansas A. & M. College, College Heights.

CALIFORNIA

Menlo College, Menlo Park.
University of San Francisco, San Francisco.
Whittier College, Whittier.
University of Santa Clara, Santa Clara.
University of Southern California, Los Angeles.
Occidental College, Los Angeles.
College of the Pacific, Stockton.
University of Redlands, Redlands.
Mount St. Mary's College, Los Angeles.
Loyola University of Los Angeles, Los Angeles.
College of the Holy Names, Oakland.
College of Notre Dame, Belmont.
LaVerne College, LaVerne.
University of California, Berkeley (six campuses).
California Western University, San Diego.
Westmont College, Santa Barbara.
California State Colleges, Sacramento (11 campuses).
Pasadena College, Pasadena.
University of California, Los Angeles.
Chapman College, Orange.
California College of Arts & Crafts, Oakland.
Stanford University, Stanford.
Los Angeles College of Optometry, Los Angeles.
St. Mary's College of California, St. Mary's College.
San Francisco College for Women, San Francisco.
University of California, Galeta.
University of California, Davis.

COLORADO

Colorado School of Mines, Golden.
University of Colorado, Boulder.
Colorado State University, Fort Collins.
Colorado College, Colorado Springs.
Western State College, Gunnison.
Loretto Heights College, Loretto.
Colorado State College, Greeley.
Regis College, Denver.
Colorado Woman's College, Denver.
Fort Lewis A. & M. College, Durango.
University of Denver, Denver.
Adams State College, Alamosa.
Pueblo Junior College, Pueblo.

CONNECTICUT

University of Bridgeport, Bridgeport.
Yale University, New Haven.
Albertus Magnus College, New Haven.
St. Joseph College, West Hartford.
Connecticut College for Women, New London.
Wesleyan University, Middletown.
Trinity College, Hartford.

DELAWARE

University of Delaware, Newark.
Wesley College, Dover.

DISTRICT OF COLUMBIA

Georgetown University.
The American University.
Trinity College.
The Catholic University of America.
The George Washington University.
Dumbarton College.

FLORIDA

University of Florida, Gainesville.
Florida A. & M. College, Tallahassee.
University of Miami, Miami.
John B. Stetson University, Deland.
Florida Southern College, Lakeland.
Bethune-Cookman College, Daytona Beach.
Florida State University, Tallahassee.
Rollins College, Winter Park.
University of Tampa, Tampa.
University of South Florida, Tampa.

GEORGIA

Emory University, Atlanta.
Mercer University, Macon.
Morris Brown College, Atlanta.
Clark College, Atlanta.
Georgia Military College, Milledgeville.
Wesleyan College, Macon.
University of Georgia, Athens.
Georgia Teachers' College, Statesboro.
Georgia Institute of Technology, Atlanta.
North Georgia College, Dahlonega.
Tift College, Forsyth.
Morehouse College, Morehouse.
Gordon Military College, Barnesville.
Young Harris College, Young Harris.

HAWAII

University of Hawaii, Honolulu.

IDAHO

University of Idaho, Moscow.
The College of Idaho, Caldwell.
Northwest Nazarene College, Nampa.
North Idaho Junior College, Cour d'Alene.
Boise Junior College, Boise.

ILLINOIS

Knox College, Galesburg.
Illinois Institute of Technology, Chicago.
Southern Illinois University, Carbondale.
Illinois College, Jacksonville.
North Central College, Naperville.
Loyola University, Chicago.
North Park College and Theological Seminary, Chicago.
Lake Forest College, Lake Forest.
Lincoln College, Lincoln.
Quincy College and Seminary, Quincy.
Bradley University, Peoria.
University of Illinois, Urbana.
Aurora College, Aurora.
The University of Chicago, Chicago.
Barat College of the Sacred Heart, Lake Forest.
Greenville College, Greenville.
Shimer College, Mount Carroll.
Illinois State Normal University, Normal.
National College of Education, Evanston.
Western Illinois University, Macomb.
Northern Illinois University, De Kalb.
Eastern Illinois University, Charleston.
MacMurray College, Jacksonville.
Milliken University, Decatur.
Augustana College, Rock Island.
St. Xavier College, Chicago.
Monmouth College, Monmouth.
Rosary College, River Forest.
Elmhurst College, Elmhurst.
St. Procopius College, Lisle.
Mundelein College, Chicago.

INDIANA

Butler University, Indianapolis.
Anderson College and Theological Seminary, Anderson.
Indiana University, Bloomington.
St. Joseph's College, Rensselaer.
Franklin College of Indiana, Franklin.
Manchester College, North Manchester.
Earlham College, Richmond.
Taylor University, Upland.
Marion College, Marion.
Purdue University, Lafayette.
Ball State Teachers College, Muncie.
Indiana University (medical), Indianapolis.
The Vincennes University, Vincennes.
Evansville College, Evansville.
Valparaiso University, Valparaiso.
Indiana State Teachers College, Terre Haute.
University of Notre Dame du Lac, Notre Dame.

IOWA

Drake University, Des Moines.
Morningside College, Sioux City.
Iowa Wesleyan College, Mount Pleasant.
Simpson College, Indianola.
Upper Iowa University, Fayette.
Luther College, Decorah.
Waldorf College, Forest City.
Buena Vista College, Storm Lake.
Parsons College, Fairfield.
St. Ambrose College, Davenport.
Grinnell College, Grinnell.
Northwestern College, Orange City.
Coe College, Cedar Rapids.

KANSAS

Municipal University of Wichita, Wichita.
Ottawa University, Ottawa.
Baker University, Baldwin.
Sterling College, Sterling.
Kansas State College, Manhattan.
Kansas State Teachers College, Pittsburg.
University of Kansas, Lawrence.
Kansas Wesleyan University, Salina.
Fort Hays Kansas State College, Hays.
St. Benedict's College, Atchison.
Bethany College, Lindsborg.
Kansas State Teachers College, Emporia.
University of Wichita, Wichita.
The Friends University, Wichita.
The Southwestern College, Winfield.
The College of Emporia, Emporia.
Tabor College, Hillsboro.
Sacred Heart College, Wichita.
McPherson College, McPherson.
Kansas State University of Agriculture and Applied Sciences, Manhattan.

KENTUCKY

University of Kentucky, Lexington.
Murray State College, Murray.
Western Kentucky State College, Bowling Green.
Transylvania University, Lexington.
Georgetown College, Georgetown.
University of Louisville, Louisville.
Eastern Kentucky State College, Richmond.
Bellarmine College, Louisville.
Kentucky State College, Frankfort.
Morehead State College, Morehead.
Union College, Barbourville.
Pikeville College, Pikeville.
Centre College of Kentucky, Danville.
Nazareth College at Louisville, Louisville.

LOUISIANA

Tulane University, New Orleans.
Centenary College of Louisiana, Shreveport.
Northwestern State College, Natchitoches.
McNeese State College, Lake Charles.
Louisiana College, Pineville.
Southeastern Louisiana College, Hammond.
Louisiana Polytechnic Institute, Ruston.
St. Mary's Dominican College, New Orleans.
Dillard University, New Orleans.
Grambling College, Grambling.
Southern University and A. & M. College, Baton Rouge.
Northeast Louisiana State College, Monroe.
Loyola University, New Orleans.

MAINE

Nasson College, Springvale.

MARYLAND

The Johns Hopkins University, Baltimore.
University of Maryland, College Park.
Washington College, Chestertown.
Ner Israel Rabbinical College, Baltimore.

Hood College, Frederick.
College of Notre Dame of Maryland, Baltimore.
Loyola College, Baltimore.
Mount St. Agnes College, Baltimore.

MASSACHUSETTS

Tufts College, Medford.
Brandeis University, Waltham.
Assumption College, Worcester.
Boston University, Boston.
Lesley College, Cambridge.
Bouve-Boston School, Medford.
Stonehill College, North Easton.
Worcester Polytechnic Institute, Worcester.
Clark University, Worcester.
New England Conservatory of Music, Boston.
Springfield College, Springfield.
Wheaton College, Norton.
Tufts College, Medford.
Mount Holyoke College, South Hadley.
Anna Maria College for Women, Paxton.
Merrimack College, North Andover.
Massachusetts Institute of Technology, Cambridge.
Wellesley College, Wellesley.
Dean Academy and Junior College, Franklin.
Wheelock College, Boston.
Eastern Nazarene College, Wollaston.
College of the Holy Cross, Worcester.

MICHIGAN

University of Detroit, Detroit.
Hope College, Holland.
Olivet College, Olivet.
University of Michigan, Ann Arbor.
Michigan State University, East Lansing.
Eastern Michigan University, Ypsilanti.
Marygrove College, Detroit.
Central Michigan College, Mount Pleasant.
Michigan College of Mining and Technology, Houghton.
Western Michigan University, Kalamazoo.
Aquinas College, Grand Rapids.

MINNESOTA

Gustavus Adolphus College, St. Peter.
Concordia College, Moorhead.
Augsburg College and Theological Seminary, Minneapolis.
Bethel College and Seminary, St. Paul.
St. Olaf College, Northfield.
Macalester College, St. Paul.
Hamline University, St. Paul.
University of Minnesota, St. Paul.
University of Minnesota, Minneapolis.
University of Minnesota, Duluth.
St. Mary's College, Winona.
Carleton College, Northfield.
St. John's University, Collegeville.
College of St. Thomas, St. Paul.
College of St. Catherine, St. Paul.

MISSISSIPPI

University of Mississippi, University.
Mississippi State University, State College.
Mississippi Southern College, Hattiesburg.
Millsaps College, Jackson.
Mississippi State College for Women, Columbus.
Delta State College, Cleveland.
Mississippi College, Clinton.
Alcorn A. & M. College, Lorman.
Jackson State College, Jackson.
William Carey College, Hattiesburg.

MISSOURI

University of Kansas City, Kansas City.
St. Louis University, St. Louis.
Central Missouri State College, Warrensburg.
Drury College, Springfield.
Rockhurst University, Kansas City.
University of Missouri, Columbia.
School of Mines and Metallurgy (University of Missouri), Rolla.
Park College, Parkville.
William Jewell College, Liberty.
Westminster College, Fulton.
Northwest Missouri State College, Maryville.
Webster College, Webster Groves.
William Woods College, Fulton.
Southwest Missouri State College, Springfield.
Tarkio College, Tarkio.
Northeast Missouri State Teachers College, Kirksville.
Southeast Missouri State College, Cape Girardeau.
Wentworth Military Academy, Lexington.
Washington University, St. Louis.
Cottey Junior College, Nevada.
Stephens College, Columbia.
Christian College, Columbia.
Parks College (St. Louis University), East St. Louis, Ill.
Kirksville College of Osteopathy and Surgery, Kirksville.
Maryville College of the Sacred Heart, St. Louis.
Culver-Stockton College, Canton.

MONTANA

Montana State University, Missoula.
Northern Montana College, Havre.
Eastern Montana College of Education, Billings.
Western Montana College of Education, Dillon.
Montana State College, Bozeman.
Montana School of Mines, Butte.
Northern Montana College, Havre.
Carroll College, Helena.
Rocky Mountain College, Billings.

NEBRASKA

Nebraska Wesleyan University, Lincoln.
The Creighton University, Omaha.
Nebraska Wesleyan University, Lincoln.
McCook College, McCook.
Hastings College, Hastings.
Dana College, Blair.
Midland College, Fremont.

NEVADA

University of Nevada, Reno.

NEW HAMPSHIRE

Dartmouth College, Hanover.
Rivier College, Nashua.
St. Anselm's College, Manchester.
New England College, Henniker.

NEW JERSEY

Fairleigh Dickinson University, Rutherford.
Westminster Choir College, Princeton.
Upsala College, East Orange.
Institute for Advanced Study, Princeton.
Rutgers University, New Brunswick.
Drew University, Madison.
Rider College, Trenton.
Bloomfield College and Seminary, Bloomfield.
Georgian Court College, Lakewood.
Stevens Institute of Technology, Hoboken.

NEW MEXICO

New Mexico School of Mines, Socorro.
New Mexico Highlands University, Las Vegas.
New Mexico State University, University Park.
New Mexico Western College, Silver City.
University of New Mexico, Albuquerque.
College of St. Joseph on the Rio Grande, Albuquerque.

NEW YORK

Rensselaer Polytechnic Institute, Troy.
Syracuse University, Syracuse.
St. Lawrence University, Canton.
Clarkson College of Technology, Potsdam.
St. Bonaventure University, St. Bonaventure.
Alfred University, Alfred.
New York University, New York.
Briarcliff Junior College, Briarcliff Manor.
Cazenovia Junior College, Cazenovia.
Yeshiva University, New York.
New York University-Bellevue, New York.
Manhattan College, New York.
Iona College, New Rochelle.
Russell Sage College, Troy.
Adelphi College, Garden City.
Wagner Lutheran College, Staten Island.
Colgate University, Hamilton.
Fordham University, New York.
University of Rochester, Rochester.
Elmira College, Elmira.
Hamilton College, Clinton.
Hartwick College, Oneonta.
Keuka College, Keuka Park.
Bard College, Annandale-on-Hudson.
Skidmore College, Saratoga Springs.
Vassar College, Poughkeepsie.
Houghton College, Houghton.
Columbia University, New York.
St. Bernardine of Siena College, Loudonville.
University of Buffalo, Buffalo.
College of New Rochelle, New Rochelle.
Nazareth College of Rochester, Rochester.
Manhattanville College of the Sacred Heart, Purchase.
Rochester Institute of Technology, Rochester.
D'Youville College, Buffalo.
The College of Saint Rose, Albany.
Hobart College, Geneva.
Long Island University, Brooklyn.
Union College, Schenectady.
New York State Dormitory Authority, Albany (32 campuses).
C. W. Post College, Brookville.
Sarah Lawrence College, Bronxville.
Barnard College, New York.
Brooklyn College Student Services Corp., Brooklyn.
Utica College (Syracuse University), Utica.
Rosary Hill College, Buffalo.
College of Mount St. Vincent, New York.
Ithaca College, Ithaca.
Fashion Institute of Technology Dormitory Authority, New York.
Briarcliff College, Briarcliff Manor.
Marist College, Poughkeepsie.
William Smith College, Geneva.

NORTH CAROLINA

Elon College, Elon College.
Campbell College, Buies Creek.
St. Mary's Junior College, Raleigh.
East Carolina College, Greenville.
North Carolina State College of A. & E., Raleigh.
University of North Carolina, Chapel Hill.
Wingate Junior College, Wingate.
Western Carolina College, Cullowhee.
Pfeiffer College, Misenheimer.
Appalachian State Teachers College, Boone.
Lenoir Rhyne College, Hickory.
Louisburg College, Louisburg.
The Woman's College of the University of North Carolina, Greensboro.
Atlantic Christian College, Wilson.
Queens College, Charlotte.
Agricultural and Technical College of North Carolina, Greensboro.
North Carolina College at Durham, Durham.
Livingstone College, Salisbury.
Bennett College, Greensboro.
Chowan College, Murfreesboro.
St. Andrews Presbyterian College, Laurinburg.
Belmont Abbey College, Belmont.

NORTH DAKOTA

Jamestown College, Jamestown.
Mayville State Teachers College, Mayville.
State Teachers College, Dickinson.
University of North Dakota, Grand Forks.
State Teachers College, Minot.
North Dakota State University of Agriculture and Applied Science, Fargo.

OHIO

University of Dayton, Dayton.
Antioch College, Yellow Springs.

Xavier University, Cincinnati.
Ohio Wesleyan University, Delaware.
Findlay College, Findlay.
Baldwin Wallace College, Berea.
Heidelberg College, Tiffin.
Ashland College, Ashland.
John Carroll College, Cleveland.
Oberlin College, Oberlin.
Muskingum College, New Concord.
Case Institute of Technology, Cleveland.
Wittenberg University, Springfield.
Miami University, Oxford.
Marietta College, Marietta.
University of Akron, Akron.
Hiram College, Hiram.
Central State College, Wilberforce.
The Ohio State University, Columbus.
College of Mount St. Joseph, Mount St. Joseph.
The Defiance College, Defiance.
University of Toledo, Toledo.
Ohio Northern University, Ada.
University of Cincinnati, Cincinnati.
Lake Erie College, Painesville.
Ohio University, Athens.
Kent State University, Kent.
Denison University, Granville.
Bowling Green State University, Bowling Green.
Mount Union College, Alliance.
Western Reserve University, Cleveland.
The College of Wooster, Wooster.
The College of Steubenville, Steubenville.
Otterbein College, Westerville.

OKLAHOMA

Oklahoma Baptist University, Shawnee.
Oklahoma State University, Stillwater.
Oklahoma City University, Oklahoma City.
University of Oklahoma, Norman.
Phillips University, Enid.
Southwestern State College, Weatherford.
Oklahoma Christian College, Oklahoma City.
Northeastern Oklahoma A. & M. College, Miami.
Northeastern State College, Tahlequah.
Bethany Nazarene College, Bethany.
Central State College, Edmond.
Eastern Oklahoma A. & M. College, Wilburton.
Cameron State Agricultural College, Lawton.

OREGON

Lewis and Clark College, Portland.
Reed College, Portland.
University of Portland, Portland.
Linfield College, McMinnville.
Pacific University, Forest Grove.
Eastern Oregon College, La Grande.
Southern Oregon College of Education, Ashland.
Mount Angel College, Mount Angel.
Willamette University, Salem.
George Fox College, Newberg.

PENNSYLVANIA

LaSalle College, Philadelphia.
Philadelphia Textile Institute, Philadelphia.
Villanova College, Villanova.
Duquesne University, Pittsburgh.
Allegheny College, Meadville.
Juniata College, Huntingdon.
Elizabethtown College, Elizabethtown.
Moore Institute of Applied Science and Industry, Philadelphia.
St. Francis College, Loretto.
Beaver College, Jenkintown.
Dickinson College, Carlisle.
Temple University, Philadelphia.
Lincoln University, Lincoln University.
Thiel College, Greenville.
Franklin and Marshall College, Lancaster.
Lebanon Valley College, Annville.
Westminster College, New Wilmington.
Wilson College, Chambersburg.
Lycoming College, Williamsport.
University of Pennsylvania, Philadelphia.
Waynesburg College, Waynesburg.
Gettysburg College, Gettysburg.
Gannon College, Erie.
Seton Hill College, Greensburg.
Pennsylvania Military College, Chester.
Carnegie Institute of Technology, Pittsburgh.
University of Scranton, Scranton.
Eastern Baptist College, St. Davids.
St. Joseph's College, Philadelphia.
Mercyhurst College, Erie.
Delaware Valley College of Science and Agriculture, Doylestown.
Moravian College, Bethlehem.
Drexel Institute of Technology, Philadelphia.
Chatham College, Pittsburgh.
Pennsylvania State University, University Park.
Muhlenberg College, Allentown.
Susquehanna University, Selinsgrove.
Geneva College, Beaver Falls.
Mount Mercy College, Pittsburgh.
Villa Maria College, Erie.

PUERTO RICO

Catholic University of Puerto Rico, Ponce.
Inter-American University, San German.
University of Puerto Rico, Rio Piedras.

RHODE ISLAND

University of Rhode Island, Kingston.
Rhode Island School of Design, Providence.
Bryant University, Providence.
Brown University, Providence.
Rhode Island College of Education, Providence.

SOUTH CAROLINA

Medical College of South Carolina, Charleston.
Allen University, Columbia.
Wofford College, Spartanburg.
Columbia College, Columbia.
Newberry College, Newberry.
Furman University, Greenville.
Converse College, Spartanburg.
Presbyterian College, Clinton.
Erskine College, Due West.
Lander College, Greenwood.
Benedict College, Columbia.
College of Charleston, Charleston.
Claflin College, Orangeburg.

SOUTH DAKOTA

Augustana College, Sioux Falls.
Dakota Wesleyan University, Mitchell.
Southern State Teachers College, Springfield.
South Dakota School of Mines and Technology, Rapid City.
Black Hills Teachers College, Spearfish.
South Dakota State College of A. & M.A., Brookings.
University of South Dakota, Vermillion.
Northern State Teachers College, Aberdeen.
General Beadle State Teachers College, Madison.
Sioux Falls College, Sioux Falls.
Huron College, Huron.

TENNESSEE

Memphis State College, Memphis.
The Vanderbilt University, Nashville.
Tennessee A. & I. State University, Nashville.
University of Tennessee, Martin.
The Tennessee Wesleyan College, Athens.
Carson-Newman College, Jefferson City.
East Tennessee State College, Johnson City.
Tennessee Polytechnic Institute, Cookeville.
Christian Brothers College, Memphis.
The Fisk University, Nashville.
George Peabody College for Teachers, Nashville.
Maryville College, Maryville.
Knoxville College, Knoxville.
Middle Tennessee State College, Murfreesboro.
Lambuth College, Jackson.
Siena College, Memphis.
University of Tennessee, Knoxville.
Bethel College, McKenzie.
Southwestern at Memphis, Memphis.

TEXAS

St. Mary's University, San Antonio.
Baylor University, Waco.
Howard Payne College, Brownwood.
Trinity University, San Antonio.
Hardin-Simmons University, Abilene.
Lamar State College of Technology, Beaumont.
Huston-Tillotson College, Austin.
University of Texas, Austin.
Abilene Christian College, Abilene.
McMurray College, Abilene.
Sam Houston State Teachers College, Huntsville.
Southern Methodist University, Dallas.
North Texas State College, Denton.
West Texas State College, Canyon.
Texas Wesleyan College, Fort Worth.
Texas Christian University, Fort Worth.
Austin College, Sherman.
Texas Technological College, Lubbock.
Texas Western College, El Paso.
Texarkana College, Texarkana.
University of Corpus Christi, Corpus Christi.
St. Edward's University, Austin.
Texas Women's University, Denton.
University of St. Thomas, Houston.
Wharton County Junior College, Wharton.
Tyler Junior College, Tyler.
Tarleton State College, Stephenville.
Our Lady of the Lake College, San Antonio.
Southwest Texas State College, San Marcos.
Agricultural and Mechanical College of Texas, College Station.
Incarnate Word College, San Antonio.
San Angelo College, San Angelo.
Texas College of Arts and Industries, Kingsville.
Texas College, Tyler.
Pan American College, Edinburg.
Howard County Junior College, Big Spring.
Sacred Heart Dominican College, Houston.
Trinity University, San Antonio.
University of Dallas, Dallas.
East Texas State College, Commerce.
Stephen F. Austin State College, Nacogdoches.
South Plains College, Levelland.
Blinn College, Brenham.
Del Mar College, Corpus Christi.
St. Edward's University, Austin.
Sul Ross State College, Alpine.
Wiley College, Marshall.
Bishop College, Dallas.
Texas Southern University, Houston.
Jarvis Christian College, Hawkins.

UTAH

University of Utah, Salt Lake City.
College of Southern Utah, Cedar City.
Carbon College, Price.
Snow College, Ephraim.
Utah State University of Agriculture and Applied Sciences, Logan.
Dixie College, St. George.
Westminster College, Salt Lake City.
Weber College, Ogden.

VERMONT

Norwich University, Northfield.
Vermont Junior College, Montpelier.
Middlebury College, Middlebury.
Trinity College, Burlington.
St. Michael's College, Winooski.
University of Vermont, Burlington.
Windham College, Putney.
The Vermont College, Montpelier.

VIRGINIA

Hampton Institute, Hampton.
Medical College of Virginia, Richmond.
Emory and Henry College, Emory.
Clinch Valley College, Wise.
Roanoke College, Salem.
Bridgewater College, Bridgewater.
Virginia Union University, Richmond.

Mary Baldwin College, Staunton.
Ferrum Junior College, Ferrum.
Shenandoah College, Winchester.

WASHINGTON

University of Washington, Seattle.
College of Puget Sound, Tacoma.
Seattle University, Seattle.
Whitworth College, Spokane.
Gonzaga University, Spokane.
Seattle Pacific College, Seattle.
Pacific Lutheran College, Tacoma.
St. Martin's College, Olympia.
Washington State University, Pullman.
Western Washington College of Education, Bellingham.
Central Washington College of Education, Ellensburg.

WEST VIRGINIA

Davis and Elkins College, Elkins.
Morris Harvey College, Charleston.
Bethany College, Bethany.
Potomac State College, Keyser.
Concord College, Athens.
West Virginia Wesleyan College, Buckhannon.
Alderson Broaddus College, Phillippi.
Wheeling College, Wheeling.
Fairmont State College, Fairmont.
West Liberty State College, West Liberty.
West Virginia University, Morgantown.
Shepherd College, Shepherdstown.
Marshall College, Huntington.
Glenville State College, Glenville.
West Virginia Institute of Technology, Montgomery.
Salem College, Salem.

WISCONSIN

Marquette University, Milwaukee.
St. Norbert College, West De Pere.
Carroll College, Waukesha.
Viterbo College, La Crosse.
University of Wisconsin, Madison.
Wisconsin State Colleges Building Corp., Madison (9 campuses).
Beloit College, Beloit.
Ripon College, Ripon.
Wisconsin State Colleges Building Corp., Madison (5 campuses).
Milton College, Milton.
Lawrence College, Appleton.

Mr. SPARKMAN. Mr. President, this program is now approximately 11 years old. Considering all the money which has been loaned under the program, totaling $1,675 million, at no time has there been a single dime of deficiency. It is a low-interest-rate program; yet the rate is compensatory to the Government. The rate is determined by a formula which provides for the cost of the money, which the Government borrows plus one-fourth of 1 percent in order to take care of the administrative expense. Therefore, I say the rate is compensatory.

I call attention to this one program, not to single it out particularly, but simply because I happened to read in the newspaper today the article with regard to college housing. I could take up each program, one by one, and, I believe, show the enthusiastic support with which each has been received throughout the country. I could also report the tremendous good which has been accomplished by having these programs in effect.

The bill provides for some new programs; but by and large the bill is a continuation of existing programs.

I hope the Senate will act favorably upon the bill and will be prepared to go to conference with the House, after the House has passed its bill, in the hope of enacting an effective program for home building during the next 12 months.

ADJOURNMENT TO 10 O'CLOCK A.M. TOMORROW

Mr. SPARKMAN. Mr. President, under the order previously entered, I move that the Senate adjourn until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 4 o'clock and 57 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Friday, June 2, 1961, at 10 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate June 1, 1961:

INTERNATIONAL ATOMIC ENERGY AGENCY

Henry DeWolf Smyth, of New Jersey, to be the representative of the United States of America to the International Atomic Energy Agency, vice Paul F. Foster.

William I. Cargo, of Maryland, a Foreign Service officer of class 1, to be the deputy representative of the United States of America to the International Atomic Energy Agency.

DIPLOMATIC AND FOREIGN SERVICE

Anthony B. Akers, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to New Zealand.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Erle Cocke, Jr., of Georgia, to be U.S. Alternate Executive Director of the International Bank for Reconstruction and Development.

BUREAU OF CUSTOMS

Joseph P. Kelly, of New York to be Collector of Customs for Customs Collection District No. 10, with headquarters in New York, N.Y.

U.S. ATTORNEY

Donald E. O'Brien, of Iowa, to be U.S. attorney for the northern district of Iowa for the term of 4 years, vice Francis E. Van Alstine, term expired.

Richard P. Stein, of Indiana to be U.S. attorney for the southern district of Indiana for the term of 4 years, vice Don A. Tabbert.

Charles L. Goodson, of Georgia, to be U.S. attorney for the northern district of Georgia for the term of 4 years, vice Charles D. Read, Jr., resigned.

Donald H. Fraser, of Georgia, to be U.S. attorney for the southern district of Georgia for the term of 4 years, vice William C. Calhoun, resigned.

Warren C. Colver, of Alaska, to be U.S. attorney for the district of Alaska for the term of 4 years, vice George M. Yeager, resigned.

Sidney I. Lezak, of Oregon, to be U.S. attorney for the district of Oregon for the term of 4 years, vice Clarence E. Luckey.

Joseph S. Lord III, of Pennsylvania, to be U.S. attorney for the eastern district of Pennsylvania for the term of 4 years, vice Walter E. Alessandroni.

Herman T. F. Lum, of Hawaii, to be U.S. attorney for the district of Hawaii for the term of 4 years, vice Louis B. Blissard.

Sylvan A. Jeppesen, of Idaho, to be U.S. attorney for the district of Idaho for the term of 4 years, vice Kenneth G. Bergquist.

Edward R. Phelps, of Illinois, to be U.S. attorney for the southern district of Illinois for the term of 4 years, vice Harlington Wood, Jr.

Kenneth Harwell, of Tennessee, to be U.S. attorney for the middle district of Tennessee for the term of 4 years, vice Fred Elledge, Jr.

Claude Vernon Spratley, Jr., of Virginia, to be U.S. attorney for the eastern district of Virginia for the term of 4 years, vice Joseph S. Bambacus.

U.S. MARSHALS

Harry C. George, of Illinois, to be U.S. marshal for the eastern district of Illinois for the term of 4 years, vice Vernon Woods.

Charles N. Bordwine, of Virginia, to be U.S. marshal for the western district of Virginia for the term of 4 years, vice Peter A. Richmond.

Frank W. Cotner, of Pennsylvania, to be U.S. marshal for the middle district of Pennsylvania for the term of 4 years, vice Oliver H. Metcalf, deceased.

Floyd Stevens, of Michigan, to be U.S. marshal for the western district of Michigan for the term of 4 years, vice Harry Jennings.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 1, 1961

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore, Mr. McCORMACK.

The SPEAKER pro tempore. The Clerk will read the following communication.

The Clerk read as follows:

JUNE 1, 1961.

I hereby designate the Honorable JOHN W. McCORMACK to act as Speaker pro tempore today.

SAM RAYBURN,
Speaker of the House of Representatives.

PRAYER

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

James 2: 17: *Faith without works is dead.*

Almighty God, our Father, in these days of crises and chaos may we manifest the spirit of God-fearing men and women who are sensitive and alert to the various challenges which modern life is continually bringing to us.

We penitently acknowledge that we are often far too self-righteously complacent when there is so much that we ought to do and can do that will prove to be of concrete and constructive value in the building of a nobler civilization.

Bless our President with Thy needed wisdom and guidance and inspire all our citizens to do something more than merely take a so-called intelligent interest in national and international affairs by reading the magazines and daily newspapers and listening to newscasters and commentators.

Grant that we may have an effective participating and contributing role in finding the right solution to the many problems in the sphere and area of human relationships.

Give us the will and the grace to live as brothers in the midst of bitter racial rancor and show forth great integrity of character when there are dangers of moral breakdown in the social order.

Hear us in Christ's name. Amen.