[From The New York Times, July 23, 1962]

NEW LABOR LAW NEEDED

The 60-day delay President Kennedy has effected in strike threats against five producers of missiles, planes, and spacecraft prevents what would have been an inexcusable disruption of vital national programs. A settlement pattern had been provided in the noninflationary agreement negotiated last week by the Douglas Aircraft Co. and the two unions involved in the present conflict. The other manufacturers' refusal to go along with the Douglas clauses on union and job security were the bars to full peace.

Gratifying as is the administration's success in postponing the showdown, the entire incident focuses sharp new attention on the need for improved legal machinery to deal with emergency labor disputes. The President has again felt obliged to improvise a formula outside the one prescribed by the Taft-Hartley Act. In the transportation field, where some labor relations are under the Railway Labor Act and others under Taft-Hartley, the improvisation method has been working spottily. Secretary of Labor Goldberg is embroiled in intraunion and interunion politics in his efforts to unravel the row between the flight engineers and the airline pilots. The railroads and east coast docks face new crises.

The White House has indicated for more than a year that it intended to transmit to Congress recommendations for a more flexible approach to the settlement of emergency disputes. It has had for nearly 3 months the ideas on this subject of the President's Advisory Council on Labor-Management Policy. The time to get measured congressional consideration of any program probably has passed. But the worst time is to wait until a major breakdown in a key industry necessitates panicky action on Capitol Hill. If employers and unions are to respect the Government's role in protecting the national interest it ought to have a solid underpinning in law.

[From the Washington Post, July 24, 1962]

EMERGENCY STRIKE FORMULA

President Kennedy has inaugurated a new technique in dealing with strike threats that might cause a national emergency. Instead of invoking the Taft-Hartley Act, the President requested a 60-day delay in the walkouts scheduled for Monday by the employees of several producers of missiles, planes, and spacecraft. Both the United Auto Workers and the International Association of Machinists responded in a spirit of accommodation and proper regard for the national interest. During the 60-day period a three-man Presidential board will try to settle the disputes, by mediation if possible, and by making findings and recommendations if necessary.

In some respects the special Presidential board will have an advantage over any fact-finding board that might have been named under the Taft-Hartley Act. The law specifically denies Taft-Hartley boards authority to make recommendations. Consequently, Taft-Hartley factfinders may be handicapped in bringing about a settlement. They cannot focus public opinion on fair terms that ought to be accepted in the public interest. By contrast, the Presidential board in the present disputes is specifically authorized to hold hearings and to make findings and recommendations for a settlement.

The weakness of the new technique, of course, lies in the fact that it is wholly voluntary. It will break down any time a union may refuse to cooperate by postponing a schedule strike, and the President then would have no alternative to falling back upon Taft-Hartley. President Truman discovered, when he seized the steel mills to end a walkout that was threatening the national safety, that the White House cannot improvise to the point of using force in preference to using law already on the books.

The need for additional law in this field is clear and unmistakable, and it is not minimized by the union's wise compliance with the President's current requests. Probably it is too late for any comprehensive bill to be passed by the present Congress, but recommendations ought to be forthcoming on the basis of the report of the President's Advisory Council on Labor-Management Policy a few months ago. It is an area in which strong leadership from the White House will be needed.

SENATE

WEDNESDAY, JULY 25, 1962

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

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

Our fathers' God, and ours, in all the whelming waters of tribulation which this day flood the earth, Thou art for us as a shelter from the storm, a covert from the wind, and the shadow of a great rock in a weary land.

But grant us to realize that Thou art our challenge, as well as our shelter and refuge; and that in the crises of these days, Thy voice to us is calling, in all the want and woe, in all the hunger and misery of our fellows under all skies. Make us the dedicated heralds of Thy healing; teach us to toil and serve, that we may so play our part in this age on ages telling, that we may face with clear conscience the gaze of our contemporaries and the judgment of posterity, and at the end hear Thy "Well done, thou hast been faithful." Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, July 24, 1962, 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.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, communicated to the Senate the resolutions of the House adopted as a tribute to the memory of Hon. Henry C. Dworshak, late a Senator from the State of Idaho.

The message announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H.R. 1700. An act for the relief of Jaime Abejuro;

H.R. 2187. An act for the relief of Augustin Ramirez-Trejo;

H.R. 2198. An act for the relief of Carlos Sepulveda Abarca;

H.R. 6374. An act to clarify the application of the Government Employees Training Act with respect to payment of expenses of attendance of Government employees at certain meetings, and for other purposes;

H.R. 10606. An act to extend and improve the public assistance and child welfare services programs of the Social Security Act, and for other purposes; and

H.R. 11038. An act making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes.

LIMITATION OF DEBATE DURING MORNING HOUR

On request of Mr. MANSFIELD, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Permanent Subcommittee on Investigations of the Committee on Government Operations was authorized to meet during the session of the Senate today.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nomination of John L. Di Benedetto, of New York, to be U.S. marshal for the southern district of New York, which nominating messages were referred to the appropriate committees.

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

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. ELLENDER, from the Committee on Agriculture and Forestry:

John A. Baker, of Virginia, to be a member of the Board of Directors of the Commodity Credit Corporation; and

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

John A. Baker, of Virginia, to be an Assistant Secretary of Agriculture.

The PRESIDENT pro tempore. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

U.S. DISTRICT JUDGE

The Chief Clerk read the nomination of Noel P. Fox, of Michigan, to be U.S. district judge for the western district of Michigan.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

U.S. ATTORNEY

The Chief Clerk read the nomination of Donald A. Wine, of Iowa, to be U.S. attorney for the southern district of Iowa for a term of 4 years.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

COMMITTEE TO ATTEND FUNERAL OF THE LATE SENATOR HENRY C. DWORSHAK, OF IDAHO

The PRESIDENT pro tempore. The Chair announces the appointment of the committee on the part of the Senate to attend the funeral of the late Senator HENRY C. DWORSHAK, of Idaho, which will be printed in the RECORD.

The committee is as follows: Senator FRANK CHURCH, Idaho, chairman; Senator MIKE MANSFIELD, Montana, majority leader; Senator EVERETT MCKINLEY DIRKSEN, Illinois, minority leader; Senator CARL HAYDEN, Arizona; Senator RICHARD B. RUSSELL, Georgia; Senator DENNIS CHAVEZ, New Mexico; Senator ALLEN J. ELLENDER, Louisiana; Senator LISTER HILL, Alabama; Senator GEORGE D. AIKEN, Vermont; Senator JOHN L. MCCLELLAN, Arkansas; Senator WARREN G. MAGNUSON, Washington; Senator BOURKE B. HICKENLOOPER, Iowa; Senator LEVERETT SALTONSTALL, Massachusetts; Senator MILTON R. YOUNG, North Dakota; Senator SPESSARD L. HOLLAND, Florida; Senator A. WILLIS ROBERTSON, Virginia; Senator JOHN STENNIS, Mississippi; Senator KARL E. MUNDT, South Dakota; Senator HUBERT H. HUMPHREY, Minnesota; Senator ESTES KEFAUVER, Tennessee; Senator MARGARET CHASE SMITH, Maine; Senator JOHN O. PASTORE, Rhode Island; Senator A. S. MIKE MONRONEY, Oklahoma; Senator THOMAS H. KUCHEL, California; Senator NORRIS COTTON, New Hampshire; Senator ROMAN L. HRUSKA, Nebraska; Senator ALAN BIBLE, Nevada; Senator GORDON ALLOTT, Colorado; Senator ROBERT C. BYRD, West Virginia; Senator GALE W. MCGEE, Wyoming; Senator JACK MILLER, Iowa.

EXECUTIVE COMMUNICATIONS, ETC.

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

REPORT ON OFFICERS ASSIGNED TO PERMANENT DUTY IN THE AIR FORCE AT THE SEAT OF GOVERNMENT

A letter from the Secretary of the Air Force, reporting, pursuant to law, that as of June 30, 1962, there was an aggregate of 2,292 officers assigned or detailed to permanent duty in the executive element of the Air Force at the seat of government; to the Committee on Armed Services.

REPORT OF FEDERAL DEPOSIT INSURANCE CORPORATION

A letter from the Chairman, Federal Deposit Insurance Corporation, Washington, D.C., transmitting, pursuant to law, a report of that Corporation, for the calendar year 1961 (with an accompanying report); to the Committee on Banking and Currency.

REPORT ON REVIEW OF SELECTED ACTIVITIES OF COMMUNICABLE DISEASE CENTER, PUBLIC HEALTH SERVICE

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of selected activities of the Communicable Disease Center, Public Health Service, Department of Health, Education, and Welfare, dated July 1962 (with an accompanying report); to the Committee on Government Operations.

REPORT ON EXAMINATION INTO THE PRICING OF A SUBCONTRACT AWARDED TO WESTINGHOUSE ELECTRIC CORP. AND CHARGED TO THE NAVY

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the examination into the pricing of a subcontract for nuclear components awarded by the Plant Apparatus Department of Westinghouse Electric Corp. to another department of Westinghouse and charged to the Navy under a cost-plus-a-fixed-fee contract, dated July 1962 (with an accompanying report); to the Committee on Government Operations.

REPORT ON REVIEW OF PROCEEDS FROM CERTAIN SURPLUS PROPERTY BY THE AIR FORCE LOGISTICS COMMAND

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of the use of proceeds from scrap, salvage, and surplus property sales for construction purposes by the Air Force Logistics Command, Department of the Air Force, dated July 1962 (with an accompanying report); to the Committee on Government Operations.

AMENDMENT OF TITLE 13, UNITED STATES CODE, RELATING TO PRESERVATION OF THE CONFIDENTIAL NATURE OF CERTAIN REPORTS

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend title 13, United States Code, to preserve the confidential nature of copies of reports filed with the Bureau of the Census on a confidential basis (with an accompanying paper); to the Committee on Post Office and Civil Service.

EXEMPTION OF CERTAIN CARRIERS FROM MINIMUM RATE REGULATION—RESOLUTIONS

Mr. CARLSON. Mr. President, I have received resolutions from the Concordia Chamber of Commerce, the Independence Chamber of Commerce, the Abilene Chamber of Commerce, the Newton Chamber of Commerce, and the Ottawa Chamber of Commerce, all of the State of Kansas, regarding S. 3243 which is pending in the Senate Committee on Commerce to exempt certain carriers from the minimum rate regulation.

Transportation is vital to our State and I ask unanimous consent that these resolutions be made a part of these remarks and referred to the Committee on Commerce.

There being no objection, the resolutions were referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

RESOLUTION BY CONCORDIA CHAMBER OF COMMERCE

Whereas the shippers of the city of Concordia are desirous of having a dependable and a financially sound and growing railroad industry; and

Whereas there is now pending before the Congress of the United States two measures which will partially restore competitive equality among the various modes of transportation in the United States; to wit: S. 3243 and its counterpart H.R. 11583, and S. 3242 and its counterpart H.R. 11584; and

Whereas it is universally acknowledged that there are inequities and injustices in the making of rates under present Federal law, and that the Nation's railroads are being prevented from fairly competing for available traffic and said railroads are being wrongfully penalized thereby to their great detriment: Now, therefore, be it

Resolved, That the Chamber of Commerce of the City of Concordia, Kans., does by these presents hereby endorse and favor the enactment of S. 3243, H.R. 11583, S. 3242, and H.R. 11584 into law; and be it further

Resolved, That the secretary of this organization furnish a copy of this resolution to Senators WARREN G. MAGNUSON, FRANK CARLSON, JAMES PEARSON, and Congressmen OREN HARRIS and ROBERT J. DOLE.

DALE NELSON,
President, Chamber of Commerce, Concordia, Kans.

RESOLUTION BY INDEPENDENCE CHAMBER OF COMMERCE

Whereas the Nation's regulated carriers are vital to the economy of the Nation and a necessity in the time of war; and

Whereas the shippers of the city of Independence are desirous of having a dependable and a financially sound and growing transportation industry; and

Whereas it is universally acknowledged that there are inequities and injustices in the making of rates under present Federal law, and that the Nation's regulated carriers are being prevented from fairly competing for available traffic and said carriers are being wrongfully penalized thereby to their great detriment; and

Whereas the members of our community are most concerned that the carriers shall continue to be owned and operated as a part of our free enterprise system, and abhor the distinct possibility of governmental ownership if the Nation does not come to grips with the present transportation crisis; and

Whereas there is now pending before the Congress of the United States two measures

which will partially restore competitive equality among the various modes of transportation in the United States, to wit: S. 3243 and its counterpart H.R. 11583, and S. 3242 and its counterpart H.R. 11584 with the expectation upon enactment into law that the Nation and our community will once again be favored with a fair and equitable system of regulation: Now, therefore, be it

Resolved, That the Chamber of Commerce of the City of Independence, Kans., does by these presents hereby endorse and favor the enactment of S. 3243, H.R. 11583, S. 3242, and H.R. 11584 into law; and be it further

Resolved, That the secretary of this organization furnish a copy of this resolution to Senators WARREN G. MAGNUSON, chairman, Senate Committee on Commerce; JAMES B. PEARSON; FRANK CARLSON; and Congressmen OREN HARRIS, chairman, House Committee on Interstate and Foreign Commerce; and WALTER LEWIS MCVEY.

RALPH E. COX, *Manager.*

RESOLUTION BY ABILENE CHAMBER OF COMMERCE

Whereas the shippers of the city of Abilene are desirous of having a dependable and a financially sound and growing railroad industry; and

Whereas the Nation's railroads are being prevented from fairly competing for available traffic and said railroads are being wrongfully penalized thereby to their great detriment; and

Whereas the members of our community are most concerned that the railroads shall continue to be owned and operated as a part of our free enterprise system, and abhor the distinct possibility of governmental ownership if the Nation does not come to grips with the present transportation crisis; and

Whereas there is now pending before the Congress of the United States two measures which will partially restore competitive equality among the various modes of transportation in the United States, to wit: S. 3243 and its counterpart H.R. 11583, and S. 3242 and its counterpart H.R. 11584 with the expectation upon enactment into law that the Nation and our community will once again be favored with a fair and equitable system of regulation and the railroads will be restored to financial health: Now, therefore, be it

Resolved, That the Chamber of Commerce of the City of Abilene, Kans., does by these presents hereby endorse and favor the enactment of S. 3243, H.R. 11583, S. 3242, and H.R. 11584 into law; and be it further

Resolved, That the secretary of this organization furnish a copy of this resolution to Senators WARREN G. MAGNUSON, FRANK CARLSON, JAMES B. PEARSON, and Congressmen OREN HARRIS and GARNER E. SHRIVER.

N. C. LOUK,
President, Chamber of Commerce, Abilene, Kans.

RESOLUTION BY NEWTON CHAMBER OF COMMERCE

Whereas the Nation's railroads are vital to the economy of the Nation and a necessity in time of war and therefore, the shippers of the city of Newton are desirous of having a dependable and a financially sound and growing railroad industry; and

Whereas it is universally acknowledged that there are inequities and injustices in the making of rates under present Federal law, and that the Nation's railroads are being prevented from fairly competing for available traffic and said railroads are being wrongfully penalized thereby to their great detriment; and

Whereas the members of our community are most concerned that the railroads shall continue to be owned and operated as a part of our free enterprise system, and abhor the distinct possibility of governmental ownership if the Nation does not come to grips with the present transportation crisis; and

Whereas there is now pending before the Congress of the United States two measures which will partially restore competitive equality among the various modes of transportation in the United States, to wit: S. 3243 and its counterpart H.R. 11583, and S. 3242 and its counterpart H.R. 11584 with the expectation upon enactment into law that the Nation and our community will once again be favored with a fair and equitable system of regulation and the railroads will be restored to financial health: Now, therefore, be it

Resolved, That the Chamber of Commerce of the City of Newton, Kans., does by these presents hereby endorse and favor the enactment of S. 3243, H.R. 11583, S. 3242, and H.R. 11584 into law; and be it further

Resolved, That the secretary of this organization furnish a copy of this resolution to Senators WARREN G. MAGNUSON, FRANK CARLSON, JAMES B. PEARSON, and Congressmen OREN HARRIS and GARNER E. SHRIVER.

HENRY TOEVS,
Treasurer and Acting Chairman.

RESOLUTION BY OTTAWA CHAMBER OF COMMERCE

Whereas various national study groups have made certain recommendations concerning transport policies; and

Whereas President Kennedy in his transportation message made the same recommendations to Congress; and

Whereas there is now pending before the Congress of the United States two measures which embody these recommendations, to wit: S. 3243 and its counterpart H.R. 11583, and S. 3242 and its counterpart H.R. 11584: Now, therefore, be it

Resolved, That the board of directors of the chamber of commerce of the city of Ottawa, Kans., does by these presents hereby endorse and favor the enactment of S. 3243, H.R. 11583, S. 3242, and H.R. 11584 into law; and be it further

Resolved, That the secretary of this organization furnish a copy of this resolution to Senators WARREN G. MAGNUSON, FRANK CARLSON, JAMES PEARSON, and Congressmen OREN HARRIS and ROBERT F. ELLSWORTH.

PEG CARR,
Secretary-Manager.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MANSFIELD, from the Committee on Rules and Administration, without amendment:

S. Res. 361. Resolution to authorize study of the equity involved in the 90-percent royalty on mineral production on federally owned lands (Rept. No. 1783).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

H.R. 10651. An act to amend title 28, United States Code, with respect to fees of U.S. marshals, and for other purposes (Rept. No. 1785).

By Mr. GRUENING, from the Committee on Interior and Insular Affairs, with amendments:

S. 594. A bill to authorize the construction, operation, and maintenance of the Crater-Long Lakes division of the Snettisham project, Alaska, and for other purposes (Rept. No. 1786).

By Mr. CHAVEZ, from the Committee on Public Works, with an amendment:

S. 3340. A bill to repeal a portion of the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942 (56 Stat. 990, 999), as amended, and for other purposes (Rept. No. 1788).

By Mr. ELLENDER, from the Committee on Agriculture and Forestry, with an amendment:

H.R. 12391. An act to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes (Rept. No. 1787).

REPORT ENTITLED "JAMES R. HOFFA AND CONTINUED UNDERWORLD CONTROL OF NEW YORK TEAMSTER LOCAL 239"—REPORT OF A COMMITTEE (S. REPT. NO. 1784)

Mr. McCLELLAN. Mr. President, on behalf of the Committee on Government Operations I submit a report made to it by the Permanent Subcommittee on Investigations entitled "James R. Hoffa and Continued Underworld Control of the New York Teamsters Local 239."

Mr. President, the Senate unanimously consented to a delay in filing this report, which is based on a series of hearings held by the subcommittee in January 1961. The Justice Department requested that the committee postpone the filing of this report in order that certain Federal criminal proceedings then pending in the U.S. District Court, Eastern District of New York, could proceed without the possibility of being prejudiced by any publicity that might be given to the contents hereof. One of the defendants in those proceedings, namely, Antonio Corallo, was one of the key subjects of the subcommittee's investigation. Having now been advised that the trial in New York has been completed—resulting in the conviction of Corallo—the committee is now free to submit the report.

As you know, Mr. President, in March 1960 the authority granted by the Senate to the Select Committee on Improper Activities in the Labor or Management Field was transferred to the Committee on Government Operations. This authority is currently reposed in the latter committee. I submit that the disclosures during the subcommittee hearings relating to James R. Hoffa, president of Teamster International and Local 239 attest to the wisdom of the action taken by the Senate in continuing and transferring the authority of the select committee to the Government Operations Committee to study and investigate criminal or improper activities in the labor-management field.

In 1957 during hearings before the select committee it was disclosed that some seven local unions of the New York area, five of which were affiliated with the International Brotherhood of Teamsters, were controlled by the powerful New York underworld figure Antonio—Tony Ducks—Corallo. At that time Corallo was vice president of one of the locals; namely, local 239. As might be expected, the common denominator to all of those locals was corruption.

In 1958, clearly because of the disclosures before the select committee, Corallo submitted his resignation as vice president of local 239. We were to learn later, however, that this resignation was merely a subterfuge.

In this respect, Mr. President, the following was established during the course of the subcommittee hearings in 1961, which are the subject of the report I now submit:

First. Despite his resignation as vice president, Corallo continued to exercise a behind the scenes control and domination over the elected officials of local 239.

Second. Immediately upon his resignation, two criminal associates of Corallo, who were complete strangers to the labor movement, were placed on the local's payroll ostensibly as organizers. Their combined salaries exactly equaled that of Corallo at the time of his resignation. Thereafter a third Corallo associate appeared on the payroll. The evidence before the subcommittee permits no conclusion other than that these individuals were, in fact, nothing more than dummies providing a means of siphoning off tens of thousands of dollars annually of the local union funds.

Third. At the direction of Corallo, the officers of the union planned additional raids on the union treasury in June 1959 in order to pay off one Sam Goldstein and secure his resignation as president of the local. Goldstein, a convicted extortionist, was receiving his full salary as president while in jail on the extortion charge. The select committee's exposure of this unbelievable situation was of extreme embarrassment to James R. Hoffa.

Fourth. In anticipation of the expiration of the select committee in July 1959, the officials of local 239, under Corallo's direction and evidently with Teamster General President Hoffa's acquiescence, planned to bring Goldstein back on the union payroll upon his release from prison in November 1959 and within 6 months to permit him to resume his office as president.

There can be no doubt, Mr. President, that this plan has been thwarted by the extension of the select committee to March 1960 and thereafter the continuation of its powers in the Committee on Government Operations.

Mr. President, these revelations were indeed disturbing. Most disturbing, however, was the defiant and callous attitude of James R. Hoffa, the international general president, and his refusal to take corrective action in the face of conclusive evidence concerning underworld control of a Teamster local and the corruption flowing therefrom at the expense of the dues-paying membership.

As a matter of fact, Mr. President, Hoffa has rewarded certain Teamster officials who were involved in criminal or improper activities by promoting them to high international positions.

For example, Hoffa elevated one Frank Matula after the latter's conviction for the crime of perjury, to international trustee, a position involving fiduciary duties and requiring the highest integrity.

He promoted one Anthony Provenzano to the position of international vice president subsequent to revelations before the select committee that Provenzano had demanded and received payments from employers to insure labor peace. In this connection Provenzano is presently under indictment for violation of the Hobbs Anti-Racketeering Act.

Furthermore, Hoffa has refused to take action against William Presser who holds important Teamster positions in Ohio, despite Presser's conviction on charges of contempt of the Senate and obstruction of justice.

Mr. President, based on the disclosures before the subcommittee and with a view of taking corrective measures, I introduced on March 21, 1961, S. 1395 which would amend section 504 of the Labor-Management Reporting and Disclosure Act of 1959. As you know, section 504 bars individuals convicted or imprisoned as a result of their conviction of certain designated crimes from holding union office. S. 1395 would broaden section 504 by the addition of the crimes of kidnaping, perjury, violation of section 302 of the Labor-Management Relations Act of 1947, contempt of Congress, and obstruction of justice.

Mr. President, in view of the foregoing disclosures and findings by the committee, I most respectfully urge favorable consideration to the enactment of the bill to which I have just referred.

The PRESIDENT pro tempore. The report will be received and printed.

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—FEDERAL STOCKPILE INVENTORIES

Mr. BYRD of Virginia. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit a report on Federal stockpile inventories as of April 1962. I ask unanimous consent to have the report printed in the RECORD, together with a statement by me.

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

FEDERAL STOCKPILE INVENTORIES, APRIL 1962

INTRODUCTION

This is the 29th in a series of monthly reports on Federal stockpile inventories. It is for the month of April 1962.

The report is compiled from official data on quantities and cost value of commodities in these stockpiles submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures by the Departments of Agriculture, Defense, and Health, Education, and Welfare, and the General Services Administration.

The cost value of materials in inventories covered in this report, as of April 1, 1962, totaled $13,469,479,879, and as of April 30, 1962, they totaled $13,697,640,459, a net increase of $228,160,580 during the month.

Different units of measure make it impossible to summarize the quantities of commodities and materials which are shown in tables 1, 2, 3, and 4, but the cost value figures are summarized by major category, as follows:

Summary of cost value of stockpile inventories by major category

Major category	Beginning of month, Apr. 1, 1962	End of month, Apr. 30, 1962	Net change during month
Strategic and critical materials:			
National stockpile	$6,069,095,200	$6,062,257,100	−$6,838,100
Defense Production Act	1,478,639,900	1,486,662,900	+8,023,000
Supplemental—barter	1,201,298,909	1,218,991,472	+17,692,563
Total, strategic and critical materials	8,749,034,009	8,767,911,472	+18,877,463
Agricultural commodities: Price-support program	4,435,947,358	4,644,115,106	+208,167,748
Civil Defense supplies and equipment:			
Civil Defense stockpile, Department of Defense	21,669,560	21,680,617	+11,057
Civil Defense medical stockpile, Department of Health, Education, and Welfare	172,072,252	172,391,664	+319,412
Total, Civil Defense supplies and equipment	193,741,812	194,072,281	+330,469
Machine tools:			
Defense Production Act	4,006,200	4,006,200	
National Industrial Reserve Act	86,750,500	87,535,400	+784,900
Total, machine tools	90,756,700	91,541,600	+784,900
Total, all inventories	13,469,479,879	13,697,640,459	+228,160,580

Detailed tables in this report show each commodity, by the major categories summarized above, in terms of quantity and cost value as of the beginning and end of the month. Net change figures reflect acquisitions, disposals, and accounting and other adjustments during the month.

The cost value figures represent generally the original acquisition cost of the commodities delivered to permanent storage locations, together with certain packaging, processing, upgrading, etc., costs as carried in agency inventory accounts. Quantities are stated in the designated stockpile unit of measure.

The appendix to this report includes program descriptions and statutory citations pertinent to each stockpile inventory within the major categories.

The stockpile inventories covered by the report are tabulated in detail as follows:

Table 1: Strategic and critical materials inventories (all grades), April 1962 (showing by commodity net changes during the month in terms of cost value and quantity, and excesses over maximum objectives in terms of quantity as of the end of the month).

Table 2: Agricultural commodities in price-support inventory, April 1962 (showing by commodity net changes during the month in terms of cost value and quantity).

Table 3: Civil defense supplies and equipment inventories, April 1962 (showing by item net changes during the month in terms of cost value and quantity).

Table 4: Machine tools inventories, April 1962 (showing by item net changes during the month in terms of cost value and quantity).

TABLE 1.—*Strategic and critical materials inventories (all grades), April 1962 (showing by commodity net changes during the month in terms of cost value and quantity, and excesses over maximum objectives in terms of quantity as of the end of the month)*

Commodity	Cost value			Quantity (all grades)					
	Beginning of month, Apr. 1, 1962	End of month, Apr. 30, 1962	Net change during month	Unit of measure	Beginning of month, Apr. 1, 1962	End of month, Apr. 30, 1962	Net change during month	Maximum objective [1]	Excess over maximum objective
Aluminum, metal:									
National stockpile	$487,690,000	$487,690,000		Short ton	1,129,011	1,129,011			
Defense Production Act	415,979,200	417,782,500	+$1,803,300	do	820,617	824,278	+3,661		
Total	903,669,200	905,472,500	+1,803,300	do	1,949,628	1,953,289	+3,661	1,200,000	753,289
Aluminum oxide, fused, crude:									
National stockpile	21,735,100	21,735,100		Short dry ton	200,093	200,093			
Supplemental—barter	22,746,300	22,746,300		do	178,266	178,266			
Total	44,481,400	44,481,400		do	378,359	378,359		200,000	178,359
Antimony:									
National stockpile	20,488,000	20,488,000		Short ton	30,301	30,301			
Supplemental—barter	8,621,707	8,948,486	+326,779	do	15,365	15,906	+541		
Total	29,109,707	29,436,486	+326,779	do	45,666	46,207	+541	70,000	(2)
Asbestos, amosite:									
National stockpile	2,637,600	2,637,600		do	11,705	11,705			
Supplemental—barter	3,607,169	3,799,783	+192,614	do	14,459	15,306	+847		
Total	6,244,769	6,437,383	+192,614	do	26,164	27,011	+847	45,000	(2)
Asbestos, chrysolite:									
National stockpile	3,189,200	3,227,400	+38,200	Short dry ton	6,051	6,092	+41		
Defense Production Act	2,102,600	2,102,600		do	2,348	2,348			
Supplemental—barter	3,985,200	3,985,200		do	5,532	5,532			
Total	9,277,000	9,315,200	+38,200	do	13,931	13,972	+41	11,000	2,972
Asbestos, crocidolite:									
National stockpile	702,100	702,100		Short ton	1,567	1,567			
Supplemental—barter	3,465,546	3,465,546		do	12,417	12,417			
Total	4,167,646	4,167,646		do	13,984	13,984		(3)	13,984
Bauxite, metal grade, Jamaica type:									
National stockpile	13,925,000	13,925,000		Long dry ton	879,740	879,740			
Defense Production Act	18,168,000	18,168,000		do	1,370,077	1,370,077			
Supplemental—barter	69,869,218	70,480,717	+611,499	do	4,704,340	4,796,845	+92,505		
Total	101,962,218	102,573,717	+611,499	do	6,954,157	7,046,662	+92,505	2,600,000	4,446,662
Bauxite, metal grade, Surinam type:									
National stockpile	78,643,200	78,639,800	−3,400	do	4,964,957	4,964,872	−85		
Supplemental—barter	41,252,530	43,808,469	+2,555,939	do	2,537,161	2,640,987	+103,826		
Total	119,895,730	122,448,269	+2,552,539	do	7,502,118	7,605,859	+103,741	6,400,000	1,205,859
Bauxite, refractory grade:									
National stockpile	11,347,800	11,347,800		Long calcined ton.	299,279	299,279		137,000	162,279
Beryl:									
National stockpile	9,770,200	9,770,200		Short ton	23,233	23,233			
Defense Production Act	1,330,300	1,330,300		do	2,379	2,379			
Supplemental—barter	22,743,000	22,743,000		do	11,319	11,319			
Total	33,843,500	33,843,500		do	36,931	36,931		23,100	13,831
Beryllium, metal:									
Supplemental—barter	373,884	873,045	+499,161	do	3	7	+4	(3)	7
Bismuth:									
National stockpile	2,674,300	2,674,300		Pound	1,342,402	1,342,402			
Defense Production Act	52,400	52,400		do	22,901	22,901			
Supplemental—barter	4,433,049	4,433,049		do	2,001,545	2,001,545			
Total	7,159,749	7,159,749		do	3,366,848	3,366,848		3,000,000	366,848
Bristles, hog:									
National stockpile	63,400	63,400		do	8,217	8,217		(3)	8,217
Cadmium:									
National stockpile	21,591,400	21,556,500	−34,900	do	10,971,029	10,952,219	−18,810		
Supplemental—barter	11,924,171	11,985,340	+61,169	do	7,234,332	7,274,312	+39,980		
Total	33,515,571	33,541,840	+26,269	do	18,205,361	18,226,531	+21,170	6,500,000	11,726,531
Castor oil:									
National stockpile	56,115,800	56,185,000	+69,200	do	221,889,349	221,284,663	−604,686	68,000,000	153,284,663
Celestite:									
National stockpile	1,412,300	1,412,300		Short dry ton	28,816	28,816		22,000	6,816
Chromite, chemical grade:									
National stockpile	12,286,800	12,286,800		do	559,452	559,452			
Supplemental—barter	17,845,510	17,845,510		do	468,604	468,604			
Total	30,132,310	30,132,310		do	1,028,056	1,028,056		475,000	553,056
Chromite, metallurgical grade:									
National stockpile	264,875,900	264,875,900		do	3,800,052	3,800,052			
Defense Production Act	35,879,900	35,879,900		do	985,646	985,646			
Supplemental—barter	220,979,968	220,979,968		do	1,444,168	1,444,167	−1		
Total	521,735,768	521,735,768		do	6,299,866	6,229,865	−1	2,700,000	3,529,865

See footnotes at end of table.

TABLE 1.—*Strategic and critical materials inventories (all grades), April 1962 (showing by commodity net changes during the month in terms of cost value and quantity, and excesses over maximum objectives in terms of quantity as of the end of the month)*—Continued

Commodity	Cost value			Quantity (all grades)					
	Beginning of month, Apr. 1, 1962	End of month, Apr. 30, 1962	Net change during month	Unit of measure	Beginning of month, Apr. 1, 1962	End of month, Apr. 30, 1962	Net change during month	Maximum objective [1]	Excess over maximum objective
Chromite, refractory grade:									
National stockpile	$25,149,300	$25,149,300		Short dry ton	1,047,159	1,047,159			
Supplemental—barter	5,034,600	5,034,600		do	179,775	179,775			
Total	30,183,900	30,183,900		do	1,226,934	1,226,934		1,300,000	(2)
Cobalt:									
National stockpile	168,612,400	168,612,400		Pound	76,178,248	76,178,248			
Defense Production Act	52,109,500	52,109,500		do	25,212,009	25,212,009			
Supplemental—barter	2,169,000	2,169,000		do	1,077,018	1,077,018			
Total	222,890,900	222,890,900		do	102,467,275	102,467,275		19,000,000	83,467,275
Coconut oil:									
National stockpile	26,197,000	24,979,300	−$1,217,700	do	172,872,690	164,808,290	−8,064,400	(3)	164,808,290
Colemanite:									
Supplemental—barter	2,636,400	2,636,400		Long dry ton	67,636	67,636		(3)	67,636
Columbium:									
National stockpile	23,858,100	23,858,100		Pound	7,488,795	7,488,795			
Defense Production Act	51,729,600	51,729,200	−400	do	10,614,654	10,614,112	−542		
Supplemental—barter	798,700	798,700		do	388,915	388,915			
Total	76,386,400	76,386,000	−400	do	18,492,364	18,491,822	−542	1,900,000	16,591,822
Copper:									
National stockpile	521,936,500	521,936,000	−500	Short ton	1,008,402	1,008,401	−1		
Defense Production Act	67,298,800	67,093,700	−205,100	do	120,527	120,146	−381		
Supplemental—barter	7,466,700	7,618,731	+152,031	do	11,253	11,473	+220		
Total	596,702,000	596,648,431	−53,569	do	1,140,182	1,140,020	−162	1,000,000	140,020
Cordage fibers, abaca:									
National stockpile	38,808,600	38,574,300	−234,300	Pound	152,042,256	151,243,740	−798,516	150,000,000	1,243,740
Cordage fibers, sisal:									
National stockpile	44,085,600	44,094,500	+8,900	do	316,092,959	317,153,203	+1,060,244	320,000,000	(2)
Corundum:									
National stockpile	393,100	393,100		Short ton	2,008	2,008		2,000	8
Cotton:									
National stockpile	128,416,300	128,412,000	−4,300	Pound	109,603,213	109,604,104	+891	(3)	109,604,104
Cryolite:									
Defense Production Act	9,430,100	9,219,000	−211,000	Short ton	34,150	33,386	−764	(3)	33,386
Diamond dies:									
National stockpile	432,400	433,000	+600	Piece	14,040	14,058	+18	15,000	(3)
Diamond, industrial, crushing bort:									
National stockpile	61,609,500	61,609,500		Carat	31,113,411	31,113,411			
Supplemental—barter	13,993,500	15,372,449	+1,378,949	do	5,023,749	5,523,748	+499,999		
Total	75,603,000	76,981,949	+1,378,949	do	36,137,160	36,637,159	+499,999	30,000,000	6,637,159
Diamond, industrial stones:									
National stockpile	99,443,400	99,443,400		do	9,164,644	9,164,644			
Supplemental—barter	175,148,655	180,110,714	+4,962,059	do	14,266,245	14,756,625	+490,380		
Total	274,592,055	279,554,114	+4,962,059	do	23,430,889	23,921,269	+490,380	18,000,000	5,921,269
Diamond tools:									
National stockpile	1,015,400	1,015,400		Piece	64,178	64,178		(3)	64,178
Feathers and down:									
National stockpile	41,630,100	40,758,500	−871,600	Pound	10,048,769	9,838,298	−216,471	8,800,000	1,038,298
Fluorspar, acid grade:									
National stockpile	26,167,500	26,167,500		Short dry ton	463,049	463,049			
Defense Production Act	1,394,400	1,394,400		do	19,700	19,700			
Supplemental—barter	32,491,091	32,719,112	+228,021	do	657,352	663,621	+6,269		
Total	60,052,991	60,281,012	+228,021	do	1,140,101	1,146,370	+6,269	280,000	866,370
Fluorspar, metallurgical grade:									
National stockpile	17,332,400	17,332,400		do	369,443	369,443			
Supplemental—barter	1,508,100	1,508,100		do	42,800	42,800			
Total	18,840,500	18,840,500		do	412,243	412,243		375,000	37,243
Graphite, natural, Ceylon, amorphous lump:									
National stockpile	937,900	937,900		do	4,455	4,455			
Supplemental—barter	341,200	341,200		do	1,428	1,428			
Total	1,279,100	1,279,100		do	5,883	5,883		3,600	2,283
Graphite, natural, Madagascar, crystal line:									
National stockpile	7,124,100	7,124,100		do	34,570	34,570		17,200	17,370
Graphite, natural, other, crystalline:									
National stockpile	1,896,400	1,896,400		do	5,487	5,487		2,100	3,387
Hydrochloride of quinine:									
National stockpile	1,400	1,400		Ounce	1,474	1,474		(3)	1,474
Hyoscine:									
National stockpile	57,400	57,400		do	3,935	3,935		2,100	1,835

See footnotes at end of table.

TABLE 1.—*Strategic and critical materials inventories (all grades), April 1962 (showing by commodity net changes during the month in terms of cost value and quantity, and excesses over maximum objectives in terms of quantity as of the end of the month)*—Continued

Commodity	Cost value			Quantity (all grades)					
	Beginning of month, Apr. 1, 1962	End of month, Apr. 30, 1962	Net change during month	Unit of measure	Beginning of month, Apr. 1, 1962	End of month, Apr. 30, 1962	Net change during month	Maximum objective [1]	Excess over maximum objective
Iodine:									
National stockpile	$4,082,000	$4,082,000		Pound	2,977,648	2,977,648			
Supplemental—barter	915,143	933,330	+$18,187	do	900,167	917,656	+17,489		
Total	4,997,143	5,015,330	+18,187	do	3,877,815	3,895,304	+17,489	4,300,000	(2)
Iridium:									
National stockpile	2,525,800	2,525,800		Troy ounce	13,937	13,937		4,000	9,937
Jewel bearings:									
National stockpile	3,410,900	3,410,900		Piece	50,472,191	50,472,191		57,500,000	(2)
Kyanite-mullite:									
National stockpile	872,400	871,400	−1,000	Short dry ton	10,090	10,078	−12	4,800	5,278
Lead:									
National stockpile	319,299,800	319,299,100	−700	Short ton	1,050,375	1,050,373	−2		
Defense Production Act	3,035,800	3,035,800		do	8,014	8,014			
Supplemental—barter	68,522,032	72,289,817	+3,767,785	do	277,263	298,175	+20,912		
Total	390,857,632	394,624,717	+3,767,085	do	1,335,652	1,356,562	+20,910	286,000	1,070,562
Magnesium:									
National stockpile	132,381,800	132,117,400	−264,400	do	182,486	182,121	−365	107,000	75,121
Manganese, battery grade, natural ore:									
National stockpile	21,025,500	21,025,500		Short dry ton	144,485	144,485			
Supplemental—barter	13,758,348	13,758,348		do	134,032	134,032			
Total	34,783,848	34,783,848		do	278,517	278,517		50,000	228,517
Manganese, battery grade, synthetic dioxide:									
National stockpile	3,095,500	3,095,500		do	21,272	21,272			
Defense Production Act	2,523,600	2,523,600		do	3,779	3,779			
Total	5,619,100	5,619,100		do	25,051	25,051		20,000	5,051
Manganese, chemical grade, type A:									
National stockpile	2,133,300	2,133,300		do	— 29,307	29,307			
Supplemental—barter	6,066,498	5,845,067	−221,431	do	88,709	85,310	−3,399		
Total	8,199,798	7,978,367	−221,431	do	118,016	114,617	−3,399	30,000	84,617
Manganese, chemical grade, type B:									
National stockpile	132,600	132,600		do	1,822	1,822			
Supplemental—barter	5,682,376	5,682,376		do	81,387	81,387			
Total	5,814,976	5,814,976		do	83,209	83,209		53,000	30,209
Manganese, metallurgical grade:									
National stockpile	248,462,300	248,462,300		do	5,853,639	5,853,639			
Defense Production Act	180,326,900	180,326,900		do	3,124,892	3,124,892			
Supplemental—barter	207,383,953	209,515,632	+2,131,679	do	2,882,799	2,936,062	+53,263		
Total	636,173,153	638,304,832	+2,131,679	do	11,861,330	11,914,593	+53,263	6,800,000	5,114,593
Mercury:									
National stockpile	20,039,500	20,039,500		Flask	129,525	129,525			
Supplemental—barter	3,446,200	3,446,200		do	16,000	16,000			
Total	23,485,700	23,485,700		do	145,525	145,525		110,000	35,525
Mica, muscovite block:									
National stockpile	27,694,100	27,694,100		Pound	11,625,983	11,625,983			
Defense Production Act	39,205,400	39,556,300	+350,900	do	6,347,742	6,369,808	+22,066		
Supplemental—barter	3,266,560	3,350,480	+83,920	do	1,036,489	1,060,840	+24,351		
Total	70,166,060	70,600,880	+434,820	do	19,010,214	19,056,631	+46,417	8,300,000	10,756,631
Mica, muscovite film:									
National stockpile	9,058,100	9,058,100		do	1,733,081	1,733,081			
Defense Production Act	633,900	633,900		do	102,638	102,638			
Supplemental—barter	657,778	678,053	+20,275	do	70,010	71,665	+1,655		
Total	10,349,778	10,370,053	+20,275	do	1,905,729	1,907,384	+1,655	1,300,000	607,384
Mica, muscovite splittings:									
National stockpile	40,597,900	40,597,900		do	40,037,405	40,037,405			
Supplemental—barter	6,225,800	6,225,800		do	4,826,257	4,826,257			
Total	46,823,700	46,823,700		do	44,863,662	44,863,662		21,200,000	23,663,662
Mica, phlogopite block:									
National stockpile	303,600	303,600		do	223,126	223,126		17,000	206,126
Mica, phlogopite splittings:									
National stockpile	2,580,500	2,580,500		do	3,081,491	3,081,491			
Supplemental—barter	1,479,995	1,520,613	+40,618	do	1,436,688	1,464,339	+27,651		
Total	4,060,495	4,101,113	+40,618	do	4,518,179	4,545,830	+27,651	1,700,000	2,845,830
Molybdenum:									
National stockpile	88,671,000	88,787,400	+116,400	do	84,063,912	84,063,530	−382	59,000,000	25,063,530
Nickel:									
National stockpile	182,107,000	182,107,000		do	334,537,583	334,537,583			
National Production Act	87,840,400	90,854,500	+3,014,100	do	98,608,113	100,904,051	+2,295,938		
Total	269,947,400	272,961,500	+3,014,100	do	433,145,696	435,441,634	+2,295,938	323,000,000	112,441,634

See footnotes at end of table.

TABLE 1.—*Strategic and critical materials inventories (all grades), April 1962 (showing by commodity net changes during the month in terms of cost value and quantity, and excesses over maximum objectives in terms of quantity as of the end of the month)*—Continued

Commodity	Cost value			Quantity (all grades)					
	Beginning of month, Apr. 1, 1962	End of month, Apr. 30, 1962	Net change during month	Unit of measure	Beginning of month, Apr. 1, 1962	End of month, Apr. 30, 1962	Net change during month	Maximum objective [1]	Excess over maximum objective
Opium:									
National stockpile	$13,661,700	$13,661,700		Pound					
				do	195,757	195,757		172,800	22,957
Palladium:									
National stockpile	2,079,000	2,079,000		Troy ounce	89,811	89,811			
Defense Production Act	177,300	177,300		do	7,884	7,884			
Supplemental—barter	12,127,700	12,127,700		do	648,124	648,124			
Total	14,384,000	14,384,000		do	745,819	745,819		340,000	405,819
Palm oil:									
National stockpile	5,829,700	5,244,100	−$585,600	Pound	32,393,680	29,058,356	−3,335,324	(3)	29,058,356
Platinum:									
National stockpile	57,234,700	57,234,700		Troy ounce	720,813	720,813			
Supplemental—barter	3,987,400	3,987,400		do	49,999	49,999			
Total	61,222,100	61,222,100		do	770,812	770,812		165,000	605,812
Pyrethrum:									
National stockpile	415,000	415,000		Pound	66,188	66,188		66,000	188
Quartz crystals:									
National stockpile	70,109,800	70,109,800		do	5,686,570	5,686,570			
Supplemental—barter	3,128,684	3,128,684		do	232,252	232,252			
Total	73,238,484	73,238,484		do	5,918,822	5,918,822		650,000	5,268,822
Quartz processed:									
National stockpile	1,000	1,000		Piece	12,100	12,100		(3)	12,100
Quinidine:									
National stockpile	2,218,400	2,218,400		Ounce	1,923,377	1,923,377		1,600,000	323,377
Quinine:									
National stockpile	6,022,700	5,326,400	−696,300	do	9,524,947	8,423,186	−1,101,761	(3)	8,423,186
Rare earths:									
National stockpile	6,835,100	6,835,100		Short dry ton	10,042	10,042			
Supplemental—barter	5,758,000	5,802,628	+44,628	do	4,431	4,733	+302		
Total	12,593,100	12,637,728	+44,628	do	14,473	14,775	+302	5,700	9,075
Rare earths residue:									
Defense Production Act	657,800	657,800		Pound	6,085,570	6,085,570		(3)	6,085,570
Rhodium:									
National stockpile	78,100	78,100		Troy ounce	621	621		(3)	621
Rubber:									
National stockpile	835,811,400	832,790,600	−3,020,800	Long ton	1,081,014	1,077,107	−3,907	750,000	327,107
Ruthenium:									
Supplemental—barter	559,500	559,500		Troy ounce	15,001	15,001		(3)	15,001
Rutile:									
National stockpile	2,070,100	2,070,100		Short dry ton	18,599	18,599			
Defense Production Act	2,725,100	2,725,100		do	17,552	17,552			
Supplemental—barter	1,093,700	1,093,700		do	11,632	11,632			
Total	5,888,900	5,888,900		do	47,783	47,783		65,000	(2)
Sapphire and ruby:									
National stockpile	190,000	190,000		Carat	16,187,500	16,187,500		18,000,000	(2)
Selenium:									
National stockpile	757,100	757,100		Pound	97,100	97,100			
Supplemental—barter	1,070,500	1,070,500		do	156,518	156,518			
Total	1,827,600	1,827,600		do	253,618	253,618		400,000	(2)
Shellac:									
National stockpile	9,055,000	9,055,000	−100	do	18,061,156	18,060,981	−175	7,400,000	10,660,981
Silicon carbide, crude:									
National stockpile	11,394,500	11,394,500		Short ton	64,697	64,697			
Supplemental—barter	26,597,800	26,597,800		do	131,804	131,804			
Total	37,992,300	37,992,300		do	196,501	196,501		100,000	96,501
Silk noils and waste:									
National stockpile	4,662,700	4,513,200	−149,500	Pound	3,161,180	3,059,820	−101,360	970,000	2,089,820
Silk, raw:									
National stockpile	486,600	486,600		do	113,515	113,515		120,000	(2)
Sperm oil:									
National stockpile	4,775,400	4,775,400		do	23,442,158	23,442,158		23,000,000	442,158
Talc, steatite block and lump:									
National stockpile	502,500	502,500		Short ton	1,289	1,289		300	989
Talc, steatite ground:									
National stockpile	223,400	223,400		do	3,901	3,901		(3)	3,901
Tantalum:									
National stockpile	10,905,900	10,905,900		Pound	3,423,412	3,423,412			
Defense Production Act	9,734,400	9,734,400		do	1,531,366	1,531,366			
Supplemental—barter	21,100	21,100		do	8,036	8,036			
Total	20,661,400	20,661,400		do	4,962,814	4,962,814		2,420,000	2,542,814

See footnotes at end of table.

TABLE 1.—*Strategic and critical materials inventories (all grades), April 1962 (showing by commodity net changes during the month in terms of cost value and quantity, and excesses over maximum objectives in terms of quantity as of the end of the month)*—Continued

Commodity	Cost value			Quantity (all grades)					
	Beginning of month, Apr. 1, 1962	End of month, Apr. 30, 1962	Net change during month	Unit of measure	Beginning of month, Apr. 1, 1962	End of month, Apr. 30, 1962	Net change during month	Maximum objective [1]	Excess over maximum objective
Thorium:									
Defense Production Act	$42,000	$42,000		Pound	848,574	848,574			
Supplemental—barter	10,552,617	10,853,056	+$300,439	do	4,344,202	4,505,902	+161,700		
Total	10,594,617	10,895,056	+300,439	do	5,192,776	5,354,476	+161,700	(3)	5,354,476
Tin:									
National stockpile	828,638,500	828,638,500		Long ton	340,791	340,791			
Supplemental—barter	16,404,000	16,404,000		do	7,505	7,505			
Total	845,042,500	845,042,500		do	348,296	348,296		185,000	163,296
Titanium:									
Defense Production Act	172,820,000	176,301,100	+3,481,100	Short ton	22,457	22,457			
Supplemental—barter	31,631,300	31,840,958	+209,658	do	9,021	9,021			
Total	204,451,300	208,142,058	+3,690,758	do	31,478	31,478		(3)	31,478
Totaquine:									
National stockpile	4,854,000	4,854,000		Ounce	7,654,416	7,654,416		(3)	7,654,416
Tungsten:									
National stockpile	368,834,000	368,868,900	+34,900	Pound	120,014,268	120,029,228	+14,960		
Defense Production Act	323,442,500	323,232,600	−209,900	do	79,309,475	79,263,853	−45,622		
Supplemental—barter	15,626,500	15,626,500		do	4,492,136	4,492,136			
Total	707,903,000	707,728,000	−175,000	do	203,815,879	203,785,217	−30,662	50,000,000	153,785,217
Tungsten carbide powder:									
Supplemental—barter	2,308,827	2,637,411	+328,584	do	893,595	1,017,392	+123,797	(3)	1,017,392
Vanadium:									
National stockpile	31,907,600	31,907,600		do	16,105,366	16,105,366		2,000,000	14,105,366
Vegetable tannin extract, chestnut:									
National stockpile	11,967,700	11,967,700		Long ton	42,895	42,895		30,000	12,895
Vegetable tannin extract, quebracho:									
National stockpile	49,374,900	49,374,900		do	199,557	199,557		180,000	19,557
Vegetable tannin extract, wattle:									
National stockpile	9,992,400	9,992,400		do	39,618	39,618		39,000	618
Zinc:									
National stockpile	364,176,300	364,173,900	−2,400	Short ton	1,256,162	1,256,154	−8		
Supplemental—barter	79,591,400	79,591,400		do	323,895	323,895			
Total	443,767,700	443,765,300	−2,400	do	1,580,057	1,580,049	−8	178,000	1,402,049
Zirconium ore, baddeleyite:									
National stockpile	710,600	710,600		Short dry ton	16,533	16,533		(3)	16,533
Zirconium ore, zircon:									
National stockpile	592,800	574,000	−18,800	do	10,021	9,703	−318	(3)	9,703
Total:									
National stockpile	6,069,095,200	6,062,257,100	−6,838,100						
Defense Production Act	1,478,639,900	1,486,662,900	+8,023,000						
Supplemental—barter	1,201,298,909	1,218,991,472	+17,692,563						
Total, strategic and critical materials	8,749,034,009	8,767,911,472	+18,877,463						

[1] Maximum objectives for strategic and critical materials are determined pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98–98h). The present objectives represent quantities of materials estimated to be necessary in the event of a 3-year war in which oversea sources would not be available.

[2] Not in excess of maximum objective.

[3] No present objective.

Source: Compiled from reports submitted by the General Services Administration and the Department of Agriculture.

TABLE 2.—*Agricultural commodities in price support inventory, April 1962 (showing by commodity net changes during the month in terms of cost value and quantity)*

Commodity	Cost value			Quantity			
	Beginning of month, Apr. 1, 1962	End of month, Apr. 30, 1962	Net change during month	Unit of measure	Beginning of month, Apr. 1, 1962	End of month, Apr. 30, 1962	Net change during month
Basic commodities:							
Corn	$1,166,647,564	$953,366,896	−$213,280,668	Bushel	981,259,260	825,094,904	−156,164,356
Cotton, extra-long staple	4,127,249	4,127,249		Bale	14,868	14,868	
Cotton, upland	245,273,034	245,273,638	+604	do	1,448,627	1,448,631	+4
Peanuts, shelled	653,133	474,983	−178,150	Pound	5,597,496	4,031,893	−1,565,603
Rice, milled	1,978,664	2,328,667	+350,003	Hundredweight	200,043	236,170	+36,127
Rice, rough	4,682,785	2,132,236	−2,550,549	do	1,013,234	460,962	−552,272
Wheat	2,123,659,545	2,312,079,184	+188,419,639	Bushel	1,076,745,688	1,174,331,721	+97,586,033
Bulgur		51,634	+51,634	Pound		918,400	+918,400
Wheat, rolled	920		−920	do	9,360		−9,360
Total, basic commodities	3,547,022,894	3,519,834,487	−27,188,407				

TABLE 2.—*Agricultural commodities in price support inventory, April 1962 (showing by commodity net changes during the month in terms of cost value and quantity)*—Continued

Commodity	Cost value			Quantity			
	Beginning of month, Apr. 1, 1962	End of month, Apr. 30, 1962	Net change during month	Unit of measure	Beginning of month, Apr. 1, 1962	End of month, Apr. 30, 1962	Net change during month
Designated nonbasic commodities:							
Barley	$27,422,648	$22,294,735	−$5,127,913	Bushel	32,002,180	26,870,268	−5,131,912
Grain sorghum	586,603,788	781,123,626	+194,519,838	Hundredweight	310,842,615	403,724,486	+92,881,871
Milk and butterfat:							
Butter	163,834,488	191,153,747	+27,319,259	Pound	271,040,979	316,746,743	+45,705,764
Cheese	25,638,829	32,116,354	+6,477,525	do	67,011,196	83,798,878	+16,787,682
Milk, dried	71,250,465	80,290,620	+9,040,155	do	425,091,846	477,499,366	+52,407,520
Oats	4,702,797	4,250,366	−452,431	Bushel	7,515,860	6,807,619	−708,241
Rye	3,185,355	3,188,308	+2,953	do	3,223,446	3,227,772	+4,326
Total, designated nonbasic commodities	882,638,370	1,114,417,756	+231,779,386				
Other nonbasic commodities:							
Beans, dry, edible	1,962,277	240,181	−1,722,096	Hundredweight	329,914	44,107	−285,807
Flaxseed		1,315	+1,315	Bushel		440	+440
Soybeans	2,098	1,250	+52	do	894	894	
Turpentine	907,639	907,639		Gallon	1,729,744	1,729,744	
Vegetable oil products	3,414,080	8,711,578	+5,297,498	Pound	18,612,626	47,269,765	+28,657,139
Total, other nonbasic commodities	6,286,094	9,862,863	+3,576,769				
Total, agricultural commodities	4,435,947,358	4,644,115,106	+208,167,748				

Source: Compiled from reports submitted by the Department of Agriculture.

TABLE 3.—*Civil defense supplies and equipment inventories, April 1962 (showing by item net changes during the month in terms of cost value and quantity)*

Item	Cost value			Quantity			
	Beginning of month, Apr. 1, 1962	End of month, Apr. 30, 1962	Net change during month	Unit of measure	Beginning of month, Apr. 1, 1962	End of month, Apr. 30, 1962	Net change during month
Civil defense stockpile, Department of Defense:							
Engineering stockpile (engine generators, pumps, chlorinators purifiers, pipe and fittings).	$10,080,177	$10,090,337	+$10,160	10 mile units	45	45	
Chemical and biological equipment	2,038,875	2,019,223	−19,652	(1)			
Radiological equipment	9,550,508	9,571,057	+20,549	(1)			
Total	21,669,560	21,680,617	+11,057				
Civil defense medical stockpile, Department of Health, Education, and Welfare:							
Medical bulk stocks and associated items at civil defense mobilization warehouses.	113,867,174	116,339,926	+2,472,752	(1)			
Medical bulk stock at manufacturer locations	5,556,114	5,556,114		(1)			
Civil defense emergency hospitals	38,476,739	38,476,739		Each	1,930	1,930	
Replenishment units (functional assemblies other hospitals).	14,172,225	12,018,885	−2,153,340	(1)			
Total	172,072,252	172,391,664	+319,412				
Total, civil defense supplies and equipment	193,741,812	194,072,281	+330,469				

[1] Composite group of many different items.

Source: Compiled from reports submitted by the Department of Defense and Department of Health, Education, and Welfare.

TABLE 4.—*Machine tools inventories, April 1962 (showing by item net changes during the month in terms of cost value and quantity)*

Item	Cost value			Quantity			
	Beginning of month, Apr. 1, 1962	End of month, Apr. 30, 1962	Net change during month	Unit of measure	Beginning of month, Apr. 1, 1962	End of month, Apr. 30, 1962	Net change during month
Defense Production Act:							
On lease	$3,966,100	$3,966,100		Tool	182	182	
On loan	40,100	40,100		do	7	7	
Total	4,006,200	4,006,200		do	189	189	
National Industrial Reserve Act:							
In storage	82,754,600	83,539,500	+$784,900	do	7,709	7,838	+129
On lease	27,500	27,500		do	1	1	
On loan to other agencies	724,900	724,900		do	33	33	
On loan to school programs	3,243,500	3,243,500		do	820	820	
Total	86,750,500	87,535,400	+784,900	do	8,563	8,692	+129
Total, machine tools	90,756,700	91,541,600	+784,900	do	8,752	8,881	+129

Source: Compiled from reports submitted by the General Services Administration.

APPENDIX

STRATEGIC AND CRITICAL MATERIALS

National stockpile

The Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98–98h) provides for the establishment and maintenance of a national stockpile of strategic and critical materials. The General Services Administration is responsible for making purchases of strategic and critical materials and providing for their storage, security, and maintenance. These functions are performed in accordance with directives issued by the Director of the Office of Emergency Planning. The act also provides for the transfer from other Government agencies of strategic and critical materials which are excess to the needs of

such other agencies and are required to meet the stockpile objectives established by OEP. In addition, the General Services Administration is responsible for disposing of those strategic and critical materials which OEP determines to be no longer needed for stockpile purposes.

General policies for strategic and critical materials stockpiling are contained in DMO V-7, issued by the Director of the Office of Emergency Planning and published in the Federal Register of December 19, 1959 (24 F.R. 10309). Portions of this order relate also to Defense Production Act inventories.

Defense Production Act

Under section 303 of the Defense Production Act of 1950 (50 U.S.C. App. 2093) and Executive Order 10480, as amended, the General Services Administration is authorized to make purchases of or commitments to purchase metals, minerals, and other materials, for Government use or resale, in order to expand productive capacity and supply, and also to store the materials acquired as a result of such purchases or commitments. Such functions are carried out in accordance with programs certified by the Director of the Office of Emergency Planning.

Supplemental—barter

As a result of a delegation of authority from OEP (32A C.F.R., ch. I, DMO V-4) the General Services Administration is responsible for the maintenance and storage of materials placed in the supplemental stockpile. Section 206 of the Agricultural Act of 1956 (7 U.S.C. 1856) provides that strategic and other materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural products, unless acquired for the national stockpile or for other purposes, shall be transferred to the supplemental stockpile established by section 104(b) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1704(b)). In addition to the materials which have been or may be so acquired, the materials obtained under the programs established pursuant to the Domestic Tungsten, Asbestos, Fluorspar, and Columbium-Tantalum Production and Purchase Act of 1956 (50 U.S.C. App. 2191-2195), which terminated December 31, 1958, have been transferred to the supplemental stockpile, as authorized by the provisions of said Production and Purchase Act.

AGRICULTURAL COMMODITIES

The price-support program

Price-support operations are carried out under the charter powers (15 U.S.C. 714) of the Commodity Credit Corporation, Department of Agriculture, in conformity with the Agricultural Act of 1949 (7 U.S.C. 1421), the Agricultural Act of 1954 (7 U.S.C. 1741), which includes the National Wool Act of 1954, the Agricultural Act of 1956 (7 U.S.C. 1442), the Agricultural Act of 1958 and with respect certain types of tobacco, in conformity with the act of July 28, 1945, as amended (7 U.S.C. 1312). Under the Agricultural Act of 1949, price support is mandatory for the basic commodities—corn, cotton, wheat, rice, peanuts, and tobacco—and specific nonbasic commodities; namely, tung nuts, honey, milk, butterfat, and the products of milk and butterfat. Under the Agricultural Act of 1958, as producers of corn voted in favor of the new price-support program for corn authorized by that act, price support is mandatory for barley, oats, rye, and grain sorghums. Price support for wool and mohair is mandatory under the National Wool Act of 1954, through the marketing year ending March 31, 1962. Price support for other nonbasic agricultural commodities is discretionary except that, whenever the price of either cottonseed or soybeans is supported, the price of the other must be supported at such level as the Secretary determines will cause them to compete on equal terms on the market. This program may also include operations to remove and dispose of or aid in the removal or disposition of surplus agricultural commodities for the purpose of stabilizing prices at levels not in excess of permissible price-support levels.

Price support is made available through loans, purchase agreements, purchases, and other operations, and, in the case of wool and mohair, through incentive payments based on marketings. The producers' commodities serve as collateral for price-support loans. With limited exceptions, price-support loans are nonrecourse and the Corporation looks only to the pledged or mortgage collateral for satisfaction of the loan. Purchase agreements generally are available during the same period that loans are available. By signing a purchase agreement, a producer receives an option to sell to the Corporation any quantity of the commodity which he may elect within the maximum specified in the agreement.

The major effect on budgetary expenditures is represented by the disbursements for price-support loans. The largest part of the commodity acquisitions under the program result from the forfeiting of commodities pledged as loan collateral for which the expenditures occurred at the time of making the loan, rather than at the time of acquiring the commodities.

Dispositions of commodities acquired by the Corporation in its price-support operations are made in compliance with sections 202, 407, and 416 of the Agricultural Act of 1949, and other applicable legislation, particularly the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691), title I of the Agricultural Act of 1954, title II of the Agricultural Act of 1956, the Agricultural Act of 1958, the act of August 19, 1958, in the case of cornmeal and wheat flour, and the act of September 21, 1959, with regard to sales of livestock feed in emergency areas.

CIVIL DEFENSE SUPPLIES AND EQUIPMENT

Civil defense stockpile

The Department of Defense conducts this stockpiling program pursuant to section 201 (h) of Public Law 920, 81st Congress, as amended. The program is designed to provide some of the most essential materials to minimize the effects upon the civilian population which would be caused by an attack upon the United States. Supplies and equipment normally unavailable, or lacking in quantity needed to cope with such conditions, are stockpiled at strategic locations in a nationwide warehouse system consisting of general storage facilities.

Civil defense medical stockpile

As authorized under Public Law 920, 81st Congress, and following the intent of Reorganization Plan No. 1, 1958, the Director, Office of Emergency Planning, has delegated responsibility to the Department of Health, Education, and Welfare to plan and direct operation of the medical supply portion of the OEP stockpile. The warehousing of the medical stockpile is principally within the OEP warehouse system; in addition, the medical stockpile includes a program designed to preposition emergency hospitals and other treatment units in communities throughout the Nation.

MACHINE TOOLS

Defense Production Act

Under section 303 of the Defense Production Act of 1950 (50 U.S.C. App. 2093) and Executive Order 10480, as amended, the General Services Administration has acquired machine tools in furtherance of expansion of productive capacity, in accordance with programs certified by the Director of the Office of Emergency Planning.

National industrial equipment reserve

Under general policies established and directives issued by the Secretary of Defense, General Services Administration is responsible for the care, maintenance, utilization, transfer, leasing, lending to nonprofit schools, disposal, transportation, repair, restoration, and renovation of national industrial reserve equipment transferred to GSA under the National Industrial Reserve Act of 1948 (50 U.S.C. 451-462).

STATEMENT BY SENATOR BYRD OF VIRGINIA

STRATEGIC AND CRITICAL MATERIALS

The cost value of strategic and critical materials stockpiled by the Federal Government was increased by $18,877,463 during April 1962, from $8,749,034,009 to $8,767,911,472.

So-called strategic and critical materials are stored by the Government in the national stockpile, the Defense Production Act inventory, and the supplemental-barter stockpile.

The President, on January 31, 1962, said excesses in the inventories of strategic and critical materials should be reduced. Net changes in these inventories during February, March, and April, as officially reported in terms of cost value, are summarized as follows:

Cost value

[In thousands]

	National stockpile	Federal Facilities Corporation	Defense Production Act	Supplemental—barter	Total
Feb. 1	$6,083,482	$1,634	$1,480,120	$1,176,510	$8,741,746
Mar. 1	6,075,719	63	1,478,301	1,189,097	8,743,180
Apr. 1	6,069,095		1,478,640	1,201,299	8,749,034
Apr. 30	6,062,257		1,486,663	1,218,991	8,767,911
Net change, Feb. 1-Apr. 30	−21,225	−1,634	+6,543	+42,481	+26,165

There has been a net increase of $26.2 million in the cost value of materials in strategic and critical inventories since January 31, when the President said it should be reduced. This increase has resulted largely from net additions under the supplemental-barter program.

The supplemental-barter program had net increases in February, March, and April for a total of $42.5 million. There was a net increase of $6.5 million in the DPA program which showed increases in March and April partially offset by a small decrease in February.

Increases in the supplemental-barter inventories have far more than offset substantial net decreases during February, March, and April in the national stockpile and the Federal Facilities tin inventory (which was reduced to zero in March).

MAXIMUM OBJECTIVES

Overall there are 98 materials stockpiled in the strategic and critical inventories. Maximum objectives—in terms of volume—are presently fixed for 76 of these 98 materials. Of these 76 materials, 66 were stockpiled in excess of maximum objectives, as of February 1; 65 were stockpiled in excess of maximum objectives, as of March 1; 65 were stockpiled in excess of maximum objectives, as of April 1; and 65 were stockpiled in excess of maximum objectives, as of April 30.

During the 3-month period (February–April) excesses over the objectives have been increased in 23 materials, and decreased in 27 materials; and they have remained unchanged in 15 materials.

Materials in which excesses over objectives have been increased substantially in volume since February include various forms of bauxite, manganese, chrome and mica, industrial diamonds, lead and bismuth. Materials in which excesses over objectives have been substantially reduced since February include rubber, cordage fibers, castor oil, cobalt, and feathers and down. Only one material—cordage fibers (sisal)—which exceeded the objective on February 1, has been brought within its objective.

OTHER FEDERAL STOCKPILES

In addition to so-called strategic and critical items, the Federal Government stockpiles other materials, including agricultural surpluses under the price support program, machine tools, and civil defense supplies and equipment.

The cost value of materials stockpiled in these inventories on April 30 totaled $4,929,728,987. On April 1, they totaled $4,720,445,870. The increase during April was $209,283,117.

The total cost value of all materials in all of these stockpiles, including the strategic and critical inventories, on April 30 was $13,697,640,459, as compared with a total of $13,469,479,879 on April 1. The overall net increase during April was $228,160,580.

Increases and decreases in the cost value of Federal stockpile inventories during April, as compiled by the Joint Committee on Reduction of Nonessential Federal Expenditures from official reports, are summarized as follows:

Major categories	Cost value, April 1962	
	Net change during month	Total end of month
Strategic and critical materials	+$18,877,463	$8,767,911,472
Agricultural commodities: price support program	+208,167,748	4,644,115,106
Civil defense supplies and equipment (under Departments of Defense and Health, Education, and Welfare)	+330,469	194,072,281
Machine tools (under the Defense Production Act and the National Industrial Reserve Act)	+784,900	91,541,600
Total, all inventories	+228,160,580	13,697,640,459

BILLS AND JOINT RESOLUTION INTRODUCED

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

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

S. 3565. A bill to provide for payment for hospital services, skilled nursing facility services, and home health services furnished to aged beneficiaries under the old-age, survivors, and disability insurance program, and for other purposes; to the Committee on Finance.

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

By Mr. RANDOLPH:

S. 3566. A bill to change the name of Harpers Ferry National Monument to Harpers Ferry National Historical Park; to the Committee on Interior and Insular Affairs.

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

By Mr. ENGLE:

S. 3567. A bill to establish a Federal Commission on the Disposition of Alcatraz Island; to the Committee on the Judiciary.

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

By Mr. EASTLAND (by request):

S. 3568. A bill to authorize reimbursement to appropriations of the U.S. Secret Service of moneys expended for the purchase of counterfeits; to the Committee on the Judiciary.

By Mr. SMITH of Massachusetts:

S. 3569. A bill to amend section 4142 (relating to the definition of radio and television components) of the Internal Revenue Code of 1954; to the Committee on Finance.

By Mr. CARROLL:

S. 3570. A bill for the relief of Thomas B. Bollers and Earlene Bollers; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S.J. Res. 211. Joint resolution providing for the establishment of an annual National School Lunch Week; to the Committee on the Judiciary.

(See the remarks of Mr. HUMPHREY when he introduced the above joint resolution, which appear under a separate heading.)

RESOLUTIONS

MEMORIAL ADDRESSES ON THE LIFE, CHARACTER, AND PUBLIC SERVICE OF THE LATE SENATOR FRANCIS CASE, OF SOUTH DAKOTA

Mr. MUNDT submitted a resolution (S. Res. 366) for memorial addresses on the life, character, and public service of the late Senator FRANCIS CASE, of South Dakota, which was considered and agreed to.

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

TO PRINT AS A SENATE DOCUMENT A STUDY ENTITLED "TRIAL PROGRAM OF PUBLIC LAND RANGE APPRAISAL"

Mr. METCALF submitted the following resolution (S. Res. 367); which was referred to the Committee on Rules and Administration:

Resolved, That there be printed as a Senate document a study entitled "Trial Program of Public Land Range Appraisal," prepared at the request of the Senate Committee on Appropriations by the Department of Agriculture and the Department of the Interior.

HEALTH INSURANCE BENEFITS ACT, 1962

Mr. ANDERSON. Mr. President, in the days preceding the vote last Tuesday to table the so-called Anderson amendment to H.R. 10606, the welfare bill, a number of changes were made in the amendment as originally introduced on June 29. This amendment, you will recall, would have established a health insurance program for some 17½ million Americans age 65 and over.

The senior Senator from New York [Mr. JAVITS] proposed a final major modification in his original amendment to the so-called Anderson amendment, and his modifying amendment, which I accepted, was not printed. Additionally, the junior Senator from Colorado [Mr. CARROLL], the senior Senator from Michigan [Mr. MCNAMARA], and the junior Senator from Maine [Mr. MUSKIE] proposed modifying language which was accepted; and I made two technical changes in the amendment.

Since the welfare bill is no longer Senate business, it is impossible under the rules of this body to order printed the so-called Anderson amendment in the form in which it was before us on July 17. I am, therefore, introducing today a bill which is the final form taken by the health care for the aged amendment to H.R. 10606. I do this so that Senators and other interested persons will have available the exact language which was the subject of the vote last week.

I have not asked the 25 cosponsors, including 5 Members from the other side of the aisle, to join in introducing this bill or the 22 other Senators who voted against tabling to join in sponsoring the bill I introduce today. The reason for this is that I am taking this step simply as a way to have this proposal printed. Their support for the social security approach to the problem of health care for the aged is already a matter of record.

Mr. President, I send my bill to the desk and ask that it be referred to the proper committee.

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

The bill (S. 3565) to provide for payment for hospital services, skilled nursing facility services, and home health services furnished to aged beneficiaries under the old-age survivors, and disability insurance program, and for other purposes, introduced by Mr. ANDERSON, was received, read twice by its title, and referred to the Committee on Finance.

Mr. JAVITS subsequently said: Mr. President, the Senator from New Mexico [Mr. ANDERSON] today introduced a bill which represented what the Senate voted on in respect to the so-called health-care-for-the-aging bill. I have just talked with him and it is agreeable with him if I ask unanimous consent to be made a cosponsor of the bill. Accordingly, I ask unanimous consent that I be made a cosponsor of the bill.

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

HARPERS FERRY NATIONAL MONUMENT AREA DEVELOPS INTO ATTRACTIVE TOURIST MECCA—SENATOR RANDOLPH OFFERS BILL TO CHANGE NAME TO HISTORICAL PARK

Mr. RANDOLPH. Mr. President, West Virginians take justifiable pride in the fact that every year thousands of Americans travel to our State to glory in the beauty of its natural wonders, and to visit historic points of interest. In fact, so many of our neighbors come to West Virginia that tourism has become the State's third leading industry, and increased emphasis is being placed on

the development of these scenic and historical treasures.

Among the most significant attractions is the quaint town of Harpers Ferry, which is not only famous for its part in American history, but is also widely noted for the beauty of its rustic mountain setting between the Potomac and Shenandoah Rivers. Harpers Ferry is best known, however, as the site of John Brown's raid in the pre-Civil War days, and is now one of the most time-honored and appealing attractions in the eastern United States.

In June of 1944, an act of Congress established the Harpers Ferry National Monument on 500 acres donated to the Federal Government by the State of West Virginia, and since that time the park has drawn increasing interest from travelers and historians. It is my purpose today, however, to introduce legislation which would change the name of this meaningful shrine from Harpers Ferry National Monument to Harpers Ferry National Historical Park.

Consultations with representatives of the National Park Service, and with civic and governmental leaders of West Virginia reveal the commonly held belief that the word "monument" is often misleading. It does not fully convey the vast scope of history and natural grandeur which are to be found at Harpers Ferry.

It is felt that such a rich reminder of our American heritage might better be called "Historical Park." The proposed measure would rectify this shortcoming, and would provide in the new words, "Harpers Ferry National Historical Park," the connotation of traditional significance and beauty suited to a resource of such magnitude and fame.

The true worth of Harpers Ferry as a national shrine can be more fully understood after reviewing briefly the role history has assigned it.

The ground on which the town now stands was originally part of the holdings of Lord Fairfax, and was surveyed by the young George Washington. In later years, during his term as President of the United States, Washington selected Harpers Ferry as an ideal site for a Federal arsenal and armory. He recalled that the location made it safe from attack from hostile ships, and yet near enough so as to float supplies downriver to the coast in 1 day.

In 1810, the Hall Rifle Works were constructed in the Harpers Ferry area. It was this firm that first manufactured rifles with interchangeable parts, a theory that later led to assembly-line production and the industrial revolution.

The 1830's saw Harpers Ferry become involved in the spirited competition between railroad and canal interests to see which would first reach the strategic city of Cumberland, Md., and then extend beyond, to the fertile plains of the Ohio Valley. Harpers Ferry benefited and grew as this competition brought increased population, travel, and commerce.

In 1859 Harpers Ferry became the site of one of the most dramtic and inflammatory events of the Civil War period, John Brown's raid. We all know well the story of Brown's sudden seizure of the Federal arms and manufacturing facilities in this arsenal town in an abortive attempt to free and arm the slaves. The national interest and notoriety which followed this daring maneuver was to have lasting effect in the lives of all Americans.

During the Civil War itself Harpers Ferry was often the object of fierce fighting. As a result, the city was nearly destroyed, and most of the inhabitants moved to a less dangerous locale.

Shortly after the war the town was chosen as the location for Storer College, the first Negro institution of higher learning south of the Mason-Dixon line. Today, after some years of disuse, the Storer facilities are now being acquired and renovated by the U.S. Government for utilization as a training school for personnel of the National Park Service.

Harpers Ferry is located 60 miles northwest of Washington, D.C., at the confluence of the Shenandoah and Potomac Rivers. There at the foothills of the Blue Ridge Mountains the countryside is rolling and green, and combines with the two streams to provide scenic beauty equaled in few other areas.

Looking down at the verdant hills and shining rivers, Thomas Jefferson once wrote:

> This scene is worth a voyage across the Atlantic.

The spot from which Jefferson viewed this panorama has become known as Jefferson's Rock, and is a favorite vantage point from which to observe the surrounding hills and valleys.

In his informative article of July 22, 1962, the respected travel editor of the Washington Post and Times Herald, Kenneth Weiss, paid high tribute to Harpers Ferry's picturesque setting. He said:

> I can imagine no more beautiful setting for a town than at the juncture of the Shenandoah and Potomac, wooded hills and shale cliffs rising in every direction from the valley. The air is bright, the rivers sparkle over the rock shoals, the trees shimmer in the wind.

In addition, Mr. Weiss pointed out that Harpers Ferry offers the Civil War Showcase, a worthwhile commercial exhibit which has become extremely popular with visitors to the area. Describing the showcase Mr. Weiss commented:

> This is an extremely interesting commercial enterprise, filling the lacks of the Park Service's static display with a talking scale model reconstruction of the Civil War battlefields found among these hills, an oldtime general store that combines a number of items of genuine interest with the usual gimracks, a movie that is extremely realistic about the action of the war, and a parade ground on which uniformed Civil War buffs march, fight and shoot off authentic pieces.

Visitors to the park proper will be attracted to Civil War museums, the old armory site, the Hall Rifle Works, John Brown's Fort, and other original buildings of the time which have been authentically restored to their original condition.

Mr. President, much thought, effort, and expense have gone into the reconstruction of Harpers Ferry. It is heartening to note, however, that Americans are aware of the rich heritage which is theirs, and which is so evident in this appealing West Virginia town in the State's eastern panhandle.

Joseph R. Prentice, superintendent of the Harpers Ferry National Monument, informs me that attendance at the park has been most gratifying, and that the number of visitors is steadily increasing. For example, in 1957 the area was visited by 177,240 persons, but by 1961 the total attendance figures leaped to 612,900. In addition, Mr. Prentice indicated that the number of visitors for the first 6 months of 1962 showed an increase of 10 percent over last year.

Americans are taking an interest in the natural charm and meaningful history of their country. They are making increased use of the facilities provided by Federal, State, and local authorities. West Virginians will continue to expend intelligent effort to develop and make available the many and varied natural and historic assets of the Mountain State through well-operated forests and parks.

We feel that a useful step in the right direction would be to change the name of Harpers Ferry National Monument to Harpers Ferry National Historical Park, and thus to more correctly convey the wide range of events and tradition found there. As the legislative author of the original act authorizing the monument, I recommend that the measure I present today be given prompt approval.

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

The bill (S. 3566) to change the name of Harpers Ferry National Monument to Harpers Ferry National Historical Park, introduced by Mr. RANDOLPH, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

FEDERAL COMMISSION ON THE DISPOSITION OF ALCATRAZ ISLAND

Mr. ENGLE. Mr. President, I introduce, for appropriate reference, a bill to establish a Federal Commission on the Disposition of Alcatraz Island. This bill is a companion to the bill introduced in the House on July 13, 1962, by Representative JOHN F. SHELLEY.

In testimony recently before the House Appropriations Committee, the Attorney General recommended the abandonment of Alcatraz Prison—such abandonment to take place gradually over a period of 2 years to facilitate the transfer of its prisoners to other Federal penitentiaries.

I agree wholeheartedly with the Attorney General's proposal. We are long overdue in scrapping this institution. It has been a costly, impractical and inefficient operation. Because of its location in San Francisco Bay, it costs the Federal Government $13 a day per prisoner to maintain the establishment, as compared with an average $5 a day for other Federal prisons. One of its biggest headaches is the salt air that causes deterioration of the buildings. This is one of the contributing factors in prisoner escapes. To put the prison

in shape for total security, it would cost up to $5 million.

These are some of the practical reasons for abandoning the prison. An equally important reason is the fact that Alcatraz Prison, standing as it does at the gateway to the Orient, is an affront to us as a great democracy.

Now that the abandonment of the prison is in prospect, a number of proposals have been made for putting the island to more constructive use. Among them is a recommendation to set up a monument of international significance—one to symbolize the growth of the West. As the door to the Far East this would be a fitting counterpart to the Statue of Liberty in New York.

In any event, this is a matter that is deserving of careful and thorough study. That is why I have joined the gentleman from California, Congressman SHELLEY, in a bill to set up a Commission for this purpose. The Commission would consist of five members—one appointed by the President, one by the Speaker of the House, one by the President pro tempore of the Senate, one by the Governor of the State of California, and one by the mayor of San Francisco. The Commission would be charged with submitting to Congress no later than December 31, 1963, its recommendations on the use to which the island should be put, its estimated cost, and the manner in which the cost would be borne.

I look forward in the near future to the replacement of the grim walls of Alcatraz Prison with a symbol of Western democracy in San Francisco Bay.

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

The bill (S. 3567) to establish a Federal Commission on the Disposition of Alcatraz Island, introduced by Mr. ENGLE, was received, read twice by its title, and referred to the Committee on the Judiciary.

ESTABLISHMENT OF AN ANNUAL NATIONAL SCHOOL LUNCH WEEK

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a joint resolution providing for the establishment of an annual National School Lunch Week. I ask unanimous consent that the joint resolution may be printed in the RECORD.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the RECORD.

The joint resolution (S.J. Res. 211) providing for the establishment of an annual National School Lunch Week, introduced by Mr. HUMPHREY, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the seven-day period beginning on the second Sunday of October in each year is hereby designated as National School Lunch Week, and the President is requested to issue annually a proclamation calling on the people of the United States to observe such week with appropriate ceremonies and activities.

CONVEYANCE OF CERTAIN PROPERTY IN SAN DIEGO TO THE REGENTS OF THE UNIVERSITY OF CALIFORNIA—AMENDMENTS

Mr. MORSE submitted amendments, intended to be proposed by him, to the bill (S. 1108) authorizing the conveyance of certain property in the city of San Diego to the regents of the University of California, which were ordered to lie on the table and to be printed.

NOTICE OF RESUMPTION OF HEARING ON NOMINATION OF IRVING BEN COOPER TO BE U.S. DISTRICT JUDGE, SOUTHERN DISTRICT OF NEW YORK

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that public hearing will be resumed on Tuesday, July 31, 1962, at 2 p.m., in room 2228 New Senate Office Building, on the nomination of Irving Ben Cooper, of New York, to be U.S. district judge, for the southern district of New York.

NOTICE CONCERNING NOMINATION BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

James R. Berry, of Pennsylvania, to be U.S. marshal, western district of Pennsylvania.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Wednesday, August 1, 1962, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

DISTRIBUTION OF FILM DEPICTING VISIT BY WIFE OF THE PRESIDENT TO INDIA AND PAKISTAN—ADDITIONAL COSPONSORS OF CONCURRENT RESOLUTION

Under authority of the order of the Senate of July 19, 1962, the names of Senators MORSE, RANDOLPH, KEFAUVER, CLARK, NEUBERGER, MUSKIE, BYRD of West Virginia, SMITH of Massachusetts, GRUENING, PASTORE, MANSFIELD, ENGLE, HUMPHREY, HART, DOUGLAS, LONG of Missouri, LONG of Hawaii, ANDERSON, MCGEE, MOSS, CHAVEZ, BURDICK, HARTKE, DODD, YARBOROUGH, CARROLL, and WILLIAMS of New Jersey were added as additional cosponsors of the concurrent resolution (S. Con. Res. 84) expressing the sense of the Congress that arrangements be made for viewing within the United States of certain films prepared by the U.S. Information Agency, submitted by Mr. GORE on July 19, 1962.

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:

Speech delivered by him at the welcoming luncheon of the National Junior Bowling Championships, sponsored by the Bowling Proprietors' Association of America.

By Mr. CARROLL:

Statement prepared by himself on the Hospital Modernization Act of 1962.

By Mr. SCOTT:

Sundry editorials and an article dealing with the political implications behind the Kennedy administration's pressure for legislation dealing with health care for the aged.

THE NEW YORK-CALIFORNIA ECONOMIC DEBATE

Mr. JAVITS. Mr. President, I wish to direct the attention of the Senate to a debate which occurred on Monday, in regard to the assignment of defense contracts, as that concerns the situation in certain of the Midwestern States; and I wish to apply it to the situation in New York, especially with respect to the channeling of defense contracts to the State of California.

To begin with, Mr. President, I should like to make the following four points:

First, that New York is doing well economically, based on a good State administration and self-help.

Second, that New York needs help in labor-surplus areas, and could get such help from more defense business, which I think is not being administered in such a way as to give a fair share to States which ought to have it.

Third, that these labor-surplus areas in New York, especially the Buffalo area and the Utica-Rome area, deserve such help.

Fourth, that bills which I have introduced, and which are backed by the entire New York congressional delegation, would give greater competition in procurement, especially in connection with negotiated contracts; and this is demanded by the present situation.

Mr. President, I am not making accusations as to what the administration is doing or is not doing; but it seems very clear to me, based upon the facts and figures, that a definite change in this situation is required.

The recent letterwriting debate between Governor Rockefeller, of New York, and Gov. Pat Brown, of California, reflects a healthy rivalry and spirit of competition existing between two great States. But, more important, it should focus public attention on State economic and fiscal policies, the role of local initiative, and the importance of business confidence and how it can be earned—showing that New York has pulled ahead, even though the administration has given California the benefit of channeling an unusual and undue amount of defense order business into California. New York's growth in population may have slowed considerably, but it continues to grow in the more important areas of economic maturity and political wisdom. In economic maturity, New

York State's growth, in comparison with California's, is reflected in its lower insured unemployment figures—5.7 percent in 1961, as compared to California's 6.4 percent—in its widening lead in per-capita income, and in its position of national leadership in the critical sector of new plant investment. In political wisdom, New York's growth is reflected in the sound fiscal policies that have proved so important to businessmen seeking plant locations.

New York has maintained this sound economic record despite the adverse impact of administration defense-procurement policies. New York's outstanding economic performance, however, has not been able to pull all of its areas of long-standing labor surplus into prosperity. And it is here where the failure to give New York its fair share of defense procurement has done the most positive harm.

The concentration of defense production on the Pacific coast has concerned me for a long time. A very important Defense Department study in this area compares the 1961 fiscal year with the Korean war period, and in doing so reveals that New York's share of prime contract awards dropped from 15.3 to 12 percent, while California's share climbed from 13.6 to 23.9 percent. In selecting these two periods for comparison, the study even understates the effects of changing procurement patterns on New York. It also makes the quite erroneous implication that the decline is a continuous pattern that proceeded at similar rate during both Republican and Democratic administrations.

In fact, New York's share of defense contracts has declined sharply during the present administration. In the first three quarters of the fiscal year 1962, New York's share was cut another 2 percent, to 10 percent. In the January-March quarter of 1962, prime defense contracts awarded in New York State accounted for only 9.7 percent of total defense procurement—a 5-year low, and a sharp decline from the 15.8 percent awarded in the same quarter of 1960. This means that of every dollar spent on defense throughout the Nation, New York now gets 6 cents less than it did just 2 years ago.

In contrast, California has maintained its lead over other States in defense-contract awards. A small rise was even recorded—from 23.6 percent in the first quarter of 1961 to 24.6 percent in the first quarter of this year. In the critical area of research, development, testing, and evaluation contracts, California received 41.3 percent of all awards in the fiscal year 1961. There is virtually no scope for price competition in contracts of this type, and thus there are few restraints on administrative decisions that determine the geographical allocation of such contracts. And as the Defense Department aptly points out in its recent study, "production contracts for the newer, sophisticated items, which will figure heavily in future procurement, may tend to be placed in areas where R.D.T. & E. effort has been centered."

These self-defeating trends in defense contract allocation are even more striking in labor-surplus areas where the Kennedy administration has promised to channel more defense orders. I quote from the President's economic message to the Congress on February 2, 1962:

> Agencies of the Federal Government * * * are directed to give every reasonable preference to labor-surplus areas.

At the same time he directed "prompt steps to improve the machinery by which Federal contracts can be channeled to firms located in labor-surplus areas." But the latest figures indicate anew the failure of administration defense-procurement policies to provide the promised aid to these areas in New York State. There are nine areas in New York which have been on the high unemployment list since 1958. Awards to these areas dropped more than 20 percent in the July-December 1961 period, as compared with the corresponding half year in 1960. In the first quarter of 1962, the two major New York State labor-surplus areas suffered continued declines. Buffalo's contract awards dropped 30 percent from the same quarter of 1961, and 28 percent from the average of that quarter over the last 4 years. Likewise, Utica-Rome dropped 12 percent from last year's level, and 13 percent from the average of the last 4 years.

These figures are particularly distressing in light of the opposite trends manifest in California's most important labor-surplus areas. Administration action was quickly forthcoming when San Diego and Los Angeles-Long Beach appeared on the surplus labor list, in glaring contrast to the case in New York's high unemployment areas. During San Diego's first complete quarter of high unemployment, the October-December 1960 period, its defense contracts totaled $58,879,000. By the same quarter of 1961, contract awards had almost tripled, rising to $151,530,000. This process was accelerated in the first quarter of 1962, when procurement contracts soared to $281,057,000.

The Los Angeles-Long Beach history is much the same. During its first complete quarter on the list, January-March 1961, awards totaled $287,894,000. By the corresponding quarter of 1962, defense contracts in this area had more than doubled, rising to $737,539,000. This $450 million increment sparked an economic revival that removed the area from the labor-surplus list in March of this year. The addition gave this single area more defense contracts during the first quarter of 1962 than those the entire State of New York received—$670,031,000.

Thus, defense contracts have not been used effectively to benefit surplus employment areas in New York State. This trend has continued during the Kennedy administration.

I am puzzled about why these trends should exist in the first place. I do not hold that there have been irregularities in the awarding of defense contracts. But I do ask whether administrative inertia has denied business enterprises in many highly industrialized States throughout the Nation a fair opportunity to present their qualifications and make their offers. In negotiated contracts, which account for an overwhelming proportion of total defense procurement, the Department of Defense asks several firms to submit bids, and these firms tend to be concentrated on the west coast—particularly in the State of California. This is grossly unfair to the other States.

I believe in the widest possible use of formally advertised, open bidding, and I believe there is need for a much more conscientious search for qualified firms when only negotiated contracts are feasible. The result will be a more equitable distribution of defense contracts, and will further the national interest by procuring the best quality defense equipment at the lowest possible cost. In addition, it will strengthen the national economy, by sustaining the private sector in areas of the country now hampered by unemployed men and idle plant capacity.

I have introduced an armed services competitive procurement bill, S. 1178, specifically designed to provide congressional direction for increased competitiveness in defense procurement, and for preferential treatment for small business and depressed areas. This measure recognizes the importance to the national defense of a strong economy in every section of the country, and particularly of a vigorous small-business sector.

In addition to the positive economic impact of this proposed legislation, I believe it will be of great benefit to the people of New York. This is because of the dynamic and competitive economic climate that prevails there—a climate recently reflected in the achievement of an all-time high in business activity, this April. These gains have been achieved in spite of the adverse effects of defense procurement policies favoring California, at New York's expense.

The PRESIDENT pro tempore. The time available to the Senator from New York, under the limitation of time in the morning hour, has expired.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may proceed for an additional minute.

The PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered; and the Senator from New York may proceed for 1 additional minute.

Mr. JAVITS. Mr. President, an encouraging testimonial to the great and increasing productivity of New York is the fact that in the 4 years between 1958 and 1961, New York widened its lead over California in per-capita income by 45 percent—from $38 to $55 per person per year. The steadily increasing personal income in New York is due in part to the skill and vigor of our people and in part to the decisions of businessmen to invest in our State—both of which have been fostered by the policies of our State administration.

Investments in the critical sector of manufacturing plant and equipment increase the productivity of our workers and make possible more employment, higher wages, and a better standard of living. In 1961, the number of new plants or plant expansions reported in New York State increased 60 percent over the number in the preceding year.

A survey by the independent magazine, Industrial Development and Manufacturers Record, indicates that since the beginning of 1961, 521 new plants were reported in the State—more than the next two States combined, and far more than California's 159.

The story behind these expansions of existing plants or the location of new ones in the State can serve as a guide to the Federal administration on the importance of business confidence and how it can be earned. Courageous policies by the State government under Governor Rockefeller in New York eliminated the budget deficit and restored the State's fiscal integrity. A basis was provided for progressive steps toward a better business climate; and last year, when more than 30 States were increasing their tax rates, imposing new taxes, or broadening the tax base, New York was able to effect a tax rebate. We have found that the stability of the State's fiscal position has been a key factor to those seeking industrial locations. This stability, coupled with our deep respect for the forces of private initiative and imagination, has led to the dynamic expansion of business and industry within our State. Then, as employment increased, State revenue, within a stable tax structure, went up, and made possible State investment in the schools, highways, and public works so vital for renewed private investment and long-run economic growth.

Another indication of New York's energy and enterprise is its contribution of $18.2 billion to Federal revenue in fiscal 1961—seven times the amount received by the State in defense contracts. By way of comparison, California received back, in defense contracts, more than three-fifths of the $8.5 billion it paid in taxes in the fiscal year 1961.

Not only has New York demonstrated industrial and business growth, but it has increased its scientific and technological capacity, as well. Approximately 1,100 private research and testing laboratories are located in New York—by far the greatest concentration of laboratory facilities in the country. This number is greater than the combined totals of California and Massachusetts. In addition, the 16.2 percent growth in the number of such laboratories over the past 4 years compares favorably with the 15 percent growth rate in California and the 12.3 percent rate in Massachusetts.

One example of creative State action to further our capacity in highly technical fields is the establishment of the New York State Atomic Research and Development Authority. This is the first State agency of its kind, and has tremendous long-range significance, for its mission is to make New York the Nation's center of the atomic industry for industrial purposes.

Thus, New York State enjoys a high level of scientific and technological competence. Its excellent business climate has led to an interdependent cycle of private investment, increased economic activity and State revenues, and increased State expenditures on the roads, schools, and public works essential to continued growth. These factors lead me to feel that New York's share of defense procurement contracts would rise sharply if its businessmen were given their fair and well-deserved chance to compete.

In summary, I should like to express my conviction that the armed services competitive procurement bill, sponsored by the entire New York State congressional delegation, will reduce the cost of defense procurement, lessen the strategic dangers of excessive concentration of defense-production facilities, and invigorate small business and areas throughout the Nation now burdened by surplus labor. It will be of particular benefit to States, such as New York, that have taken constructive steps to provide an economic climate in which business enterprise and private initiative can flourish.

This bill will certainly increase the competition in the area of negotiated defense contracts, which seem to us to be subject, in regard to certain areas, to a cozy relationship. Again, I do not charge that anything improper is being done; but certainly there has been established a pattern of channeling these large amounts of business to California firms. Certainly, the figures themselves present the best argument which can be made in that connection.

Mr. President, I see the Senator from California [Mr. ENGLE] on the floor. I sent him a copy of my speech, as I did his colleague [Mr. KUCHEL]. This is a very friendly debate, but, nevertheless, it is very warm and spirited. As I have said, the figures speak for themselves; and they show that New York is being put to a very serious disadvantage, both as regards the overall total figure for defense-contract awards—and that situation is even worse now than it was before—and as regards providing benefits and giving assistance to labor-surplus areas.

This serious situation continues to exist, notwithstanding President Kennedy's economic message to Congress, on February 2 of this year, in which he said:

> Agencies of the Federal Government are directed to give every reasonable preference to labor-surplus areas.

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

Mr. JAVITS. I think the Senator should get his own time. Perhaps the Chair will recognize him now.

Mr. ENGLE. I will get the floor later. I thank the Senator for notifying me.

SECRETARY McNAMARA OUT TO MAKE OUR DEFENSE ESTABLISHMENT LEAN AND STRONG

Mr. ENGLE. Mr. President, I wish to call to the attention of my colleagues an excellent article by Joseph Alsop in the July 18 issue of the Washington Post, entitled "Old Maid's Cacti."

The article deals with the vigorous efforts of Secretary of Defense McNamara to streamline our armed services to meet the needs of present-day warfare. Mr. Alsop does a penetrating job of explaining why our Defense Establishment has grown into its present unwieldy and wasteful state.

For some time I have been pressing for reform of our armed services along functional lines. A number of other Members of Congress have felt the same way, and I am confident that Secretary McNamara's courage in daring to overturn some old military traditions will get the support of Congress.

I ask unanimous consent that Mr. Alsop's article be printed in the RECORD.

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

[From the Washington Post, July 18, 1962]

OLD MAID'S CACTI

(By Joseph Alsop)

Among the new men in the Kennedy Cabinet, none has won more applause than Secretary of Defense Robert S. McNamara. Nonetheless, McNamara is now the target of what looks very like the first ranging shots in a major barrage.

The ranging shots are being fired from Uncle CARL VINSON'S House Armed Services Committee, where resentment still smolders because of McNamara's sturdy refusal to increase spending on the RS-70 long-range bomber. But there are plenty of other people, all the way from the National Guard to the Navy, who may be tempted to join the attack on McNamara later on.

In these circumstances, it is worth trying to understand what McNamara is trying to do in the Defense Department, and to see why this effort is bound to make great numbers of highly placed enemies for the formidable Defense Secretary.

What McNamara is trying to do has been attempted only twice before, in the whole course of modern history. After the Boer War, Lord Haldane reformed the British Army. At about the same time, Elihu Root reformed the U.S. Army.

Without the Haldane and Root reforms, the British and American Armies would never have survived the test of World War I. But both Armies were then miniscule, easily manageable organizations, by modern standards. These, moreover, are the only armed forces that have ever been reformed in modern times, except by that great root-and-branch reformer, defeat in war.

Yet McNamara has now set out to reform all three of the U.S. armed services at once. The nature of the task, as well as its magnitude, is best conveyed by an image.

The armed services have their own habits of growth, like plants. The history of the American armed services long ago imposed on them the habit of growth of desert plants, which die down to dry roots for years on end, and then put forth enormously lush growth when the rains come.

For desert plants, this lushness is a necessity. The survival of their race depends on making as many seeds as possible, so that a few at least will germinate.

For the U.S. armed services in the old days the same rule held true. A service cannot grow, almost overnight, from a couple of hundred thousand men to several million, without growing lushly and even in some measure wastefully. And this was what the U.S. services were traditionally required to do in wartime.

This formerly useful lush habit of growth is highly unsuitable, however, for a cold war, in which large forces in being must be permanently maintained. As a result, the American services today rather resemble an old maid's cacti, which always tend to be puffy and off-color because they are overwatered. McNamara is out to banish lushness, and to impose a new habit of growth that will be more spare, tough, and wiry.

As no bureaucratic organism can ever reform itself, the job must be done, if at all, without a sharp centralization of authority in the Secretary's own hands, which is one thing McNamara's critics are complaining about. Three huge problems have to be solved if the job is to be done successfully.

First, the Pentagon machinery must be tightened up and forced to do its work, in the sense of producing clear decisions. This McNamara has accomplished.

Second, the armed services' ingrained habit of adding new weapons systems, without ever junking old weapons systems, has got to be broken at all cost. In order to pay for the best new weapons system, the older systems replaced simply have to be abandoned, thereby causing all the pangs among big-bomber generals, for instance, that were formerly felt by battleship admirals and cavalry generals. McNamara has made a bold start here, and this has largely sparked the present attack.

Third, superfluous elements, like the more political elements of the National Guard, have got to be sacrified. And more difficult still, it is urgent to correct the civilianization of the permanent armed services, by the proliferation of huge headquarters, by the PX life, and by other such postwar phenomena. McNamara is only beginning to tackle these culminating tasks.

The job he has undertaken to do appeared to be utterly impossible to do, until McNamara suddenly emerged from the depths of the Ford Motor Co. He has gone far further forward with the job already than anyone could have imagined possible. It is to be hoped that he will be allowed to finish the job, despite the bitter opposition that he must increasingly expect.

DEATH OF ARTHUR BRISTOW HOOD

Mr. ENGLE. Mr. President, I was saddened to learn of the death of Mr. Arthur Bristow Hood, a Shasta County lumberman of great distinction, who died on July 20.

Mr. Hood was a close personal friend of mine, a valuable civic servant in the area in which he lived, and one of the outstanding men in the lumber industry of America.

I ask unanimous consent to have made a part of the RECORD a statement regarding his passing, issued by the National Lumber Manufacturers Association, and a tribute to Mr. Hood which was carried in the Lumber Letter issued by the National Lumber Manufacturers Association, signed by Mr. M. B. Doyle.

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

A. B. HOOD, LEADING LUMBER FIGURE, DIES IN SAN FRANCISCO

Arthur Bristow Hood, 68, chairman of the board of the National Lumber Manufacturers Association and an active member of the lumber industry for 50 years, died today (July 20) in San Francisco, Calif., following a cancer operation.

Mr. Hood, a leading figure in the lumber industry for many years, had retired last fall as resident manager, Ralph L. Smith Lumber Co., division of Kimberly-Clark Corp., Anderson, Calif. Since his retirement, he had been serving as a consultant to the firm.

As the first chairman of the national wood promotion committee of the National Lumber Manufacturers Association, Mr. Hood was largely responsible for organizing the diverse elements of his industry into a single, cohesive force capable of combating the market inroads of such competitive materials as steel, brick, aluminum, and plastics.

Mr. Hood's career in the lumber industry began as a carloader for the Warren-Lamb Lumber Co., Rapid City, S. Dak. He subsequently worked his way up through yard foreman, mill superintendent, logging superintendent, sales manager, to the post of general manager.

In 1943 the Ralph L. Smith Lumber Co. selected him to head its western operations. With the evolution of the Smith Co.'s Anderson operation, Mr. Hood was commissioned to head it and remained as resident manager after its acquisition by the Kimberly-Clark Corp., of Neenah, Wis.

Mr. Hood was a leader in the Western Pine Association since the early thirties and was a director for more than a dozen years. In 1953 he was elected vice president and in 1957, president of that association.

In 1959, Mr. Hood was unanimously elected chairman of the newly formed national wood promotion committee of the National Lumber Manufacturers Association, a post he held for 2 consecutive years.

In 1960 he was elected president of the National Lumber Manufacturers Association and the following year, chairman of the board. His other associations with NLMA have been as a director, policy committee member, and a member of the Economic Council of the Lumber Industry.

He was a member of the Society of American Foresters; Forest Products Research Society; U.S. Forest Service Region Five Advisory Council; International Order of Hoo-Hoo; and region 12 executive committee of the Boys Scouts of America.

Mr. Hood also held membership in the Redding, Calif., Chamber of Commerce and was a director of the natural resources committee, Sacramento council, California State Chamber of Commerce. His other directorships included the Shasta County Economic Commission, the Shasta County Fair Board, and the Keep California Green Association.

Mr. Hood is survived by his wife, the former Vera Marie Utter, a daughter, and a son. Funeral services will be held Tuesday, July 24, in Redding. The remains will be at McDonald's Chapel, 1300 Pine Street, Redding, prior to interment.

ARTHUR BRISTOW HOOD

We learned today that Bristow Hood had passed away at 4:30 a.m., Pacific daylight time at St. Francis Memorial Hospital in San Francisco following surgery for cancer.

Like all of you in the lumber industry, we could scarcely credit this sad news—but it is true.

Bristow Hood, the chairman of the board of National Lumber Manufacturers Association, who typified to all of us the man of character and integrity and wisdom and judgment each of us should like to be, is dead.

That this good man's soul has gone to its higher reward there is no doubt. The son of a minister, he lived his life in sanctity and wholesome devotion to the principles of morality he learned in a Christian home. He exemplified the true Christian gentleman, dedicating his life to service and achievement for truth, justice, accomplishment, and virtue.

Bristow Hood was the first man in the lumber industry with whom I had an opportunity to visit his plant and woods operations and to learn at first hand about the many complexities of the industry. To me he was more than a leader, he was as my father, considerate, responsive and kind beyond a normal business relationship. I have lost a friend.

Bristow Hood has breathed his last on this earth, but the breath of kindness and responsibility that he brought into the hearts of all with whom he was associated will perpetuate his life for generations to come. Throughout the length and breadth of this land are young men and women, and middle-aged men and women, to whom he gave inspiration through his lifelong devotion to religion, education, and the Boy Scouts of America.

Among those reading this brief tribute there are many who are better, more contributive humans, for having known, respected and loved this man. Each of us is the poorer for his passing.

And yet, the riches he has left us will persist. He has left us the legacy of determination and of understanding, of integrity and righteousness, of triumph in the accomplishment of good works well done.

This association is a monument to his labors. The national wood promotion program is his memorial. The tomorrows we shall know together in the lumber industry have been fashioned in many ways by his steady hand.

Bristow Hood is dead, but his memory and his character and his example of leadership in times of crisis will live with us all forever.

TRIBUTE TO SENATOR HRUSKA BY WILLARD EDWARDS

Mr. TOWER. Mr. President, in a recent conversation with Willard Edwards, the capable Washington correspondent of the Chicago Tribune, I was discussing the brilliance and leadership capabilities of Senators on this side of the aisle.

In particular I mentioned ROMAN HRUSKA.

This conversation led to an interview by Mr. Edwards with the senior Senator from Nebraska which was published in Sunday's Chicago Tribune. It was carried by the wires of the Tribune press service and appeared in other newspapers as well.

Mr. Edwards' remarks on what he calls the phenomenon of some of the most efficient and hardest working lawmakers rarely seeing their names in the newspapers. They are so busy doing what they were sent to Washington to do that they have no time for spectacular floor speeches, for publicity gimmicks, for press releases airing their opinions on every issue under the sun.

Senator HRUSKA, Mr. Edwards found, is one of these.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

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

[From the Chicago Tribune, July 22, 1962]

SENATOR CAN'T TAKE TIME TO BE IMPORTANT—HRUSKA'S JUST A WORK NAG, NOT A SHOW HORSE

(By Willard Edwards)

WASHINGTON.—The freshman Senator made a challenging statement. He had encountered, he said, men of great talent in the Senate Chamber since coming to Washington a year ago.

On the Republican side of the aisle alone, he observed, there were more than a dozen statesmen with brilliant minds and leadership qualities.

"Name just one," demanded a cynical listener.

"I'll name you one," said the new Senator. "I'd never heard of him before I came here. At the first conference of Republican Senators, I heard him speak on several legislative topics.

CRITIC A NATIONAL FIGURE

"He had complete command of each subject. He was lucid and well balanced. His

opinions were sound and I found myself lining up with them. I have the greatest admiration for his capacities. I'm talking about ROMAN HRUSKA, of Nebraska."

The tribute had unusual aspects because it came from Senator JOHN TOWER, Republican, of Texas, who has achieved more publicity in 1 year in the Senate than HRUSKA has in the 9 years he has served in Congress. TOWER is a national figure. HRUSKA is not too well known outside his own State.

TOWER's questioner was so confounded that he did not demand a further listing of outstanding Senators—a task which might have embarrassed the Texan before he had reached his total of a dozen.

The discussion turned instead to a phenomenon oft noted by veteran Capitol Hill observers: Some of the most efficient and hardest working lawmakers rarely see their names in the newspapers. They are so busy doing what they were sent to Washington to do that they have no time for spectacular floor speeches, for publicity gimmicks, for press releases airing their opinions on every issue under the sun.

THEIR INFLUENCE COUNTS

HRUSKA is one of these. He spends most of his time on committee work where legislation is drafted, where defects are corrected and improvements worked out. Bad bills are killed in committee and good bills are made better. When legislation reaches the floor, it is rarely altered, although some Senators, seeking publicity, specialize in offering amendments which are sure to be defeated.

The rewards enjoyed by Senators such as HRUSKA are substantial even though they do not include magazine "profiles" or newspaper feature stories. Because they understand complicated issues, they are consulted by their colleagues. Their advice is heeded and they wield much influence.

HRUSKA's secretary could not dig up a single clipping providing any colorful background on the Senator's career but a number of his fellow members agreed with TOWER that they pay close attention to HRUSKA's opinions. They like his way of probing a tough problem and coming up with clear answers. Borrowing a phrase from the sporting world, he is "a Senator's Senator."

LEADER OF TRUTH SQUAD

One result is that he gets solid backing when he seeks legislation benefiting his constituents and his State. His name would appear on a list of truly influential Senators which would omit many who are frequently glorified in the public prints.

Party chiefs soon discovered that, despite a lack of what might be called showmanship on the Senate floor, HRUSKA was a highly successful speaker on the campaign trail. He proved to be devastating as a member of the "truth squad" which followed the Democratic Presidential candidate in 1956 and was made chairman of the squad in 1960.

The purpose of a truth squad is to nail a falsity in a campaign speech and explain it to the same audience, if possible, as quickly as possible. HRUSKA, legally trained, and possessing an exhaustive knowledge of legislative issues, proved adept at detecting errors and misstatements and producing documentation to expose them as such.

HAS TRUMAN ON ROPES

HRUSKA particularly enjoyed following former President Truman on one speaking tour. The man from Independence, Mo., is celebrated for carelessness with the facts and he started out by throwing away the texts prepared for him and engaging in the "give 'em hell" oratory for which his audiences clamor.

"We caught him in so many wild and unsupported statements that we stopped him in his tracks," recalled HRUSKA, happily. "Sometimes, not an hour after he had spoken, we were citing the record to show an untruth, an exaggeration, a distortion of the facts.

"At the end of 2 days, we had Harry on the ropes. He was sticking to his text, not daring to invent any more fiction. 'Let the truth squad answer that one,' he would yell, after making a statement. And we would be there to answer it. I never knew a man who was wider open to rebuttal. It must have been a very frustrating experience for him."

WORK HORSE OR SHOW HORSE

Senator BARRY GOLDWATER, Republican, of Arizona, a noted speaker always in demand, has not hesitated to ask the Nebraskan to substitute for him on occasion, knowing that audiences will not be disappointed. HRUSKA has done more than his share of speeches for the Republican national committee and the Senate campaign committee.

It is evident that HRUSKA, if he so desired could become known as one of the Senate's leading orators. He could take the floor frequently, as do Senator HUBERT HUMPHREY, Democrat, of Minnesota, or Senator WAYNE MORSE, Democrat, of Oregon, to air his views on any topic which may be the center of public attention.

Instead, he confines his discussions mainly to pending legislation. Why?

"There's not enough time," he told an interviewer. "You have to make the choice between being a work horse and a show horse. Take a look at my committee assignments."

ON MANY COMMITTEES

It was a list staggering in its length. As a member of the Senate Appropriations Committee, HRUSKA serves on five subcommittees dealing with the following subjects:

Allotment of funds for the Agriculture, State, Justice, Commerce, Treasury, and Post Office Departments; for all the independent agencies, the judiciary, and the White House; and for public works.

He is also a member of the Senate Judiciary Committee and serves on six subcommittees dealing with such subjects as antitrust and monopoly, constitutional rights, improvements in judicial machinery, national penitentiaries, improvements in the Federal criminal code and juvenile delinquency.

Finally, he is the ranking minority member of the Senate Internal Security Subcommittee, the Senate's chief investigative arm in the field of communism, espionage and subversion.

LITTLE TIME FOR THE WHIRL

Many Senators take subcommittee assignments lightly, concentrating on one or two. HRUSKA, who would be chairman of six of these subcommittees under Republican control, keeps a grasp on all the legislation embraced in their wide-ranging jurisdiction. He customarily works 10 to 12 hours a day and takes home papers for study at night.

He is left little time for the Washington cocktail and dinner circuit. Practically his only relaxation is some hunting and fishing in the fall after congressional adjournment.

Now 57, HRUSKA was interested in politics from youth but did not hold national office until he was 48. He was rounding out his 23d year in the practice of law in Omaha back in 1952 when he ran for Congress and won a seat in the House.

He served less than 2 years before leaping into a seat in the more exclusive Senate, winning election to the unexpired term of the late Senator Hugh Butler in 1954. He was reelected to the full 6-year term in November, 1958, by a substantial majority.

TOO BUSY TO BE IMPORTANT

He can claim to be the son of an immigrant (equivalent in political value to the 19th century boast of being born in a log cabin), although his father was only an infant when brought to the United States from what is now known as Czechoslovakia.

Militantly anti-Communist, HRUSKA is deeply concerned about a foreign aid program which drains the American economy and, in his opinion, does more harm than good. He can't understand a policy which persists in extending financial assistance to certain Communist governments. He senses the perils of constant deficit spending.

He betrayed a faint astonishment when sought out for an interview in which these and other opinions were elicited from him. He almost blushed when informed of TOWER's high tribute. In a chamber where inflated egos are the rule, it obviously had never occurred to HRUSKA to yield to a sense of self-importance. He was too busy.

PROPOSED ADJOURNMENT OF CONGRESS

Mr. MORSE. Mr. President, I ask unanimous consent that an article printed in this morning's Washington Post, entitled "Democrats Vow They'll Stay on Job," be printed at this point in my remarks.

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

DEMOCRATS VOW THEY'LL STAY ON JOB—LEADERS TO PUSH NEW FRONTIER BILLS BEFORE QUITTING

(By Robert C. Albright)

Democratic congressional leaders yesterday opened a push for completion of the big, unenacted New Frontier bills and decided to fight it out on this line if it takes all summer.

The big unanswered question, following a White House leadership breakfast, was whether the campaign on the Potomac will also run into the fall.

"We intend to stay in session as long as necessary to pass as much of the program as we can," Senate Majority Leader MIKE MANSFIELD, Democrat, of Montanta, told newsmen.

The other top Democrats agreed.

Assistant Senate Majority Leader HUBERT H. HUMPHREY, Democrat, of Minnesota, said he hopes Congress can adjourn by the middle of September, "but if we don't get the job done we may have to stay until October 1."

UP TO SENATE

Speaker JOHN W. MCCORMACK, Democrat, Massachusetts, said he thought the problem was pretty much up to the Senate—"we've passed most of the big ones." MCCORMACK and House Majority Leader CARL ALBERT, Democrat, Oklahoma, agreed, however, that there is no thought of closing shop "until we get the job done."

Republican gibes that Congress ought to fold up and go home because "nothing good can come of this Congress," touched off the unanimous Democratic leadership response. Leaders also reviewed with the President the status of the major unenacted Kennedy bills.

They came out of the White House saying that Senate prospects still look good for the administration's House-approved trade bill. But they noted dourly that this key Kennedy bill still faces nearly a month of hearings in the Senate Finance Committee.

Here is the outlook for some of the other New Frontier "musts."

United Nations bond issue: The Senate long since passed this controversial bill. Leaders said its House prospects are looking up since the International Court held that the U.N. Charter requires member nations to pay the cost of peacekeeping machinery.

Stand-by public works. The Senate has passed legislation authorizing a multimillion-dollar public works program to give the economy a shot in the arm but the House bill is tied up in the House Rules Committee. Leaders hope to get action following hearings this week.

Aid to higher education: Leaders said propects of breaking the long House-Senate conference tie-up are looking up.

Communications satellite: The House passed the bill to create a corporation to own and operate a satellite communications system but 13 or more Senate liberals may try to talk it to death. MANSFIELD said he will call it up again next week, and will ask the Senate to meet early and sit late in an effort to pass it.

Tax revision: This House-approved bill has been whittled to little more than its $1.1 billion investment credit provision in the Senate Finance Committee. The President told his leaders he still wants it passed.

Farm: The Senate will attempt to salvage this House-riddled Kennedy bill next week.

OTHER BILLS

In addition to these key measures which have cleared one House or the other, Assistant Senate Majority Leader HUMPHREY said the administration hopes to pass these other "important" measures: The youth employment opportunities bill, still pending on the Senate calendar; the mass transit bill, favorably reported in the House; and temporary unemployment compensation, not yet acted on in either body.

Leaders reported that Mr. Kennedy continues to withhold judgment on an economy-priming tax cut this year, pending analysis of all data for the month of July. HUMPHREY, who has been advocating such a cut, told newsmen that sentiment is so closely divided at the Capitol that in no case could it be passed without the active support of the President.

Surveying the workload, MANSFIELD admonished colleagues that, after all, Congress is paid to work 365 days a year and that "as working stiffs we had better stick to our last."

Senate GOP Leader EVERETT M. DIRKSEN, Illinois, singled out Mr. Kennedy's press conference statement that the American people will have a choice in November as to whether they want "to anchor down or sail," as Republicans resumed their needling attack.

Commented DIRKSEN. "You could drift into the doldrums where there was no power for your sail, and then maybe nothing could get you out of it."

Mr. MORSE. Mr. President, I am satisfied that the article does not violate rule XIX, and I will do my best in my comments not to violate rule XIX. I only want to say I completely dissociate myself with the Democratic leaders who have taken the position stated in the article. They do not speak for me. In my judgment, they do not speak for a number of other Democrats. My own evaluation is that they do not speak for the American people.

Mr. President, in my judgment the leadership of this body and of this administration has a clear duty to see to it that this Congress is out before September 1, and if business is unfinished, brought back after the November election. The American people are entitled to a campaign on the issues, and there cannot be an adequate campaign on the issues unless this administration permits the Members of Congress to go home by September 1. We can return shortly after the election—I would suggest 2 days thereafter.

The American people have no check on this Congress at this time, prior to the election, except in the campaign itself. Members of Congress ought to go home, to permit the people to talk to them about all the substantive issues which are discussed in this article. I think what we owe to the American people is that we pass the appropriation bills and then go home, and take the issues to the hustings. In my judgment, the votes in the Congress will be entirely different in November, after the election, after the people have had an opportunity to speak to Members of Congress about these issues.

So my first reason for opposing the leadership of my party, as represented by this article, is that I do not think the decision of the leadership of the Democratic Party is in the public interest from the standpoint of what I consider to be the right which the people have, in view of the sorry record of this Congress to date, to make perfectly clear to the Congress their reaction to the policies Congress has followed. We have dilly-dallied and wasted weeks in this session. The time has come to pass the appropriation bills and go home for the election. The people have that right.

Second, those who are running for reelection in the Congress have that right. It is exceedingly unfair to the candidates for reelection to talk about holding Congress in session until it finishes with all the substantive legislation listed in the article this morning. If that is the will of the Democratic leadership, it no doubt will have its way, but not very much legislation will be passed, in my judgment, nor will it be passed in the best interests of the public, if this course of action is followed.

Certainly there is a satellite giveaway bill which ought to be postponed until the Members of Congress can hear from the people in the coming campaign. If ever there was an issue which ought to be taken to the Foreign Relations Committee and to the people before there is a vote in the Senate, it is the issue of the satellite giveaway bill. I plead with the leadership and with the President of the United States to make a decision to let that bill go over until the people hear about it in the campaign.

The PRESIDENT pro tempore. The time of the Senator from Oregon has expired.

Mr. MORSE. Mr. President, I have some other things to put into the RECORD, but I shall await my turn.

Mr. PROXMIRE. Mr. President, I had not intended to speak on this subject, but I shall make a brief comment since the Senator from Oregon has spoken. The senior Senator from Oregon is running for reelection this year and the junior Senator from Wisconsin is not. I wish to say that I subscribe fully to the statement by the Senator from Oregon concerning the wisdom of going home September 1 and returning after the election.

I realize that there are many difficulties with regard to "lame duck" Congresses, and many difficulties with regard to cutting off a session before an election, but I think the Senator from Oregon is completely correct. There is nothing more important than letting the American people hear a real debate in the campaign on the issues, and then make their decision.

The arguments made by the Senator from Oregon are unanswerable. I certainly hope our leadership and the administration will reconsider, and will consider the possibility of bringing Congress back into session 2 days after the election.

It is well known that it will be almost impossible for Congress to complete its business by the middle of September if we give the proper kind of consideration to tax proposals and other proposals. The proposal that the Congress should return after election, it seems to me, not only would permit an effective and vigorous campaign but also would enable the Congress to act with deliberation and in proper order on the extremely important measures which are before it.

I hope the leadership will consider the unprecedented and very unusual action of having Congress come back into session after the election to act on unfinished business.

DEFEAT OF MEDICARE

Mr. MILLER. Mr. President, in the July 18 issue of the Christian Science Monitor the lead editorial was entitled "The Defeat of Medicare."

Also, in the July 20 issue of the Christian Science Monitor the lead editorial was entitled "The Election Campaign Has Begun."

These two editorials give an excellent analysis from a very objective standpoint of the medicare issue. I recommend the reading of these splendid editorials by all interested parties, and I ask unanimous consent that they be printed in the RECORD.

The PRESIDING OFFICER (Mr. BURDICK in the chair). Is there objection to the request of the Senator from Iowa?

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

[From the Christian Science Monitor, July 18, 1962]

THE DEFEAT OF MEDICARE

Even after an important compromise, the Senate did not like the administration's medicare bill. Notwithstanding the White House's reputed sensitivity to public opinion, it should be assumed that Members of the upper legislative chamber also are well informed as to what the people of their States are thinking.

Hence, even President Kennedy's threat to take this issue to the voters in November's elections does not carry very serious implications. Backed by many a quiet canvass of sentiment on the part of the Senators, the rollcall seems to indicate that the issue is already well understood throughout most of the United States and that a majority judgment is against the proposal.

In essence, the defeated bill would have saddled the social security system with responsibility for hospital care for the aged. This, like many of the less meritorious plans for aid to education, highway construction, and the like, was a broadside or blanket approach to a relatively narrow and specialized need. It would have created a Federal bureaucracy to do what private insurance and the Kerr-Mills Act of 1960 are beginning to do with more flexibility and perceptiveness.

Acceptance of an amendment sponsored by Republican Senator JAVITS, of New York, removed one of the worst objections to the measure. This change would have permitted a beneficiary to buy private insurance, under which he might have a wider choice of treatment, but the tax for support of the system—one-half of 1 percent on top of the

present 9-percent social security payroll taxes—would still be compulsory.

Money thus taken out of the national economy would go to pay hospital bills "as a matter of right" for thousands of persons perfectly able to meet these bills out of their own resources. It would do this in order to reach a relatively small proportion of the 17 million over 65 years of age to whom long illness is a financial disaster. Such a need can be and is increasingly being served through voluntary insurance, community services, and federally aided State relief programs.

With the increase of longevity, a larger proportion of the population is in the higher age brackets. If it be assumed that all these people are helpless, the burden on the younger members of the labor force becomes increasingly heavy. Besides an instinct against socialization, the defeat of the hospital care bill suggests a reluctance to make that burden unnecessarily heavier.

[From the Christian Science Monitor, July 20, 1962]

THE ELECTION CAMPAIGN HAS BEGUN

President Kennedy is going to take his dissatisfaction with the makeup of Congress to the people. It will be the national election issue, over and above local contests, in November.

Just what is this issue?

The President was widely described as angry at the defeat of the medicare bill. Maybe so. Anger is an emotion most readily identified in a tone of voice and the color of the neck. It is seen and heard—or imagined—by those who are present and is not unknown to Presidents. What we read in the text of the President's comment, however, and what Mr. Kennedy has several times described in public recently, was something different.

It was a sense of deep frustration. Mr. Kennedy thinks it is not right that a President, elected by all the people, should be blocked from carrying out his program. The key comes in his use of the word "controversial" at a recent press conference. A noncontroversial bill gets through, he said. But one which is frankly partisan and subject to intense national debate does not.

We should like to put it a little differently.

There is a neat dividing line between those Kennedy bills which pass and those which do not. It separates bills which seek to accomplish a useful purpose but are drafted with a political eye to enlarging the partisan power of the President, from those which lack the second characteristic. The defeated farm bill was not an honest choice—it was stacked in favor of a vote for Federal production controls. The defeated Urban Affairs Department bill had a high content of political maneuver. The medicare bill forced a solution on the doctors without taking careful account of their valid (as distinct from their partisan) concerns. The Kennedy victories now emerging in the fields of tariffs and foreign aid do not have this weakness.

In our judgment the mood of the American people today supports the actions of Congress more nearly than the sense of partisan frustration of the President. It is a mood of cautious, not radical reform, dubious about the exercise of political power for its own sake independently of the merits of a given issue. The defeated bills just weren't good enough. And the way they were conceived was a little too political.

If this is so, what will happen if the President takes his defeats to the country? The results may surprise him. We sympathize with his problem. We do not enjoy deadlock between Congress and the White House. We support two-party government and understand what that means in terms of partisan programs. We do not wish to denature the political process.

We want vigorous and original solutions to difficult national problems. But we are convinced that this is a period when the American people want broadly national solutions.

This could be a discipline and not a frustration. When the President has followed this pattern he has won, and earned, notable support from Congress.

REQUEST FOR AID TO ARGENTINA

Mr. MILLER. Mr. President, in the July 23 issue of the Washington Post and Times Herald there was published an article entitled "Argentine Minister Seeks U.S. Funds To Meet Threat of Economic Chaos." This article prompts me to remind my colleagues that during the debate on the United Nations bond issue I pointed out that as of February 28 of this year the Government of Argentina was delinquent in its payments to the United Nations in the amount of $268,797 for 1960 and $219,911 for 1961.

I express the hope that these delinquencies will be taken into account by our Government when it considers the extending of foreign aid to Argentina.

I ask unanimous consent that the article may be printed in the RECORD.

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

REBELLIOUS FACTIONS IN STALEMATE—ARGENTINE MINISTER SEEKS U.S. FUNDS TO MEET THREAT OF ECONOMIC CHAOS

(By Dan Kurzman)

The mission to Washington of Argentine Economy Minister Alvaro Alsogaray underscores the threat of economic chaos and political extremism hovering over Argentina today.

Alsogaray is here to seek financial aid in an urgent effort to halt his country's economic recession that some diplomatic observers believe could soon lead to a rightist or possibly radical nationalist coup.

The present Argentine Government is dominated by the military, which deposed President Arturo Frondizi last March and annulled national elections after parties supporting former Dictator Juan Peron won about one-third of the vote. But this Government nevertheless maintains a constitutional facade, with civilian President José Maria Guido performing a front role.

Argentine officials say they need about $100 million in aid simply to permit the Government to meet its debt obligations in the next few months. Symptomatic of the financial crisis is the fact that the Government is a month and a half behind in payment of salaries and pensions. With living costs having risen 23 percent since January, I O U's are now a common means of exchange.

One report told of the arrest of four usurers for lending money at an interest rate of 10 percent a day. In 1961, Argentina registered an unfavorable trade balance of $500 million and a budgetary deficit of $70 million.

The United States has committed $150 million under the Alliance for Progress, of which $20 million will be disbursed soon to ease the balance-of-payments problems. Further funds for the same purpose—$100 million from the International Monetary Fund and $50 million from the U.S. Treasury—may also be granted.

Moreover, the Government hopes to obtain additional revenue with new measures to enforce tax collection and the floating of a gold-backed bond issue. Also, the Government's large investment in industry, which has reduced the funds available for normal state expenditures, has been cut somewhat.

But whether such actions can prevent a coup is problematical.

Many Argentine officers are not at all satisfied with limited military rule, and may take advantage of the economic difficulties.

Washington's prompt suspension of diplomatic relations with Peru, accompanied by a cessation of economic aid, when the Peruvian military took over the Government unconditionally last week, has probably given pause to the Argentine hotheads.

But, according to some diplomatic sources, chances are still considerable for a rightist coup in Argentina within the next few months unless the economic tide shifts directions soon.

The best safeguard against such a possibility may be not the lack of conspirators, but the abundance of them. Many ambitious generals and colonels, backed by small cliques of officers, are believed awaiting the propitious moment to strike, and each views himself as the new Argentine Napoleon. This situation has to some extent produced a balance of stalemated rebellious factions.

Most of these factions are of the traditional military rightist stripe. However, there is one growing, if rather amorphous, group that tends toward leftist ultranationalism. Appropriately, this group is usually referred to as the Nasserite movement because of the apparent similarity of its views with those of Egyptian President Gamal Abdel Nasser.

Gen. Carlos J. Rosas, military commander of Entre Rios Province, is believed the chief Nasserite, and Gen. Osiris Villegas, military commander of Neuquen Province, is also considered a leader.

Some diplomatic observers see this military faction as a potentially powerful influence in Argentina. For it combines military authority with the popular platforms of rabid nationalism and social reform that, in a fascistic form, accounted for the widespread popularity of Peron, who was driven from office in a 1955 coup.

This group, according to informed sources, will not attempt a coup immediately. Instead, it calculates that economic chaos will soon produce a rightist military putsch, which will prove so unpopular that the Nasserites will find it comparatively easy to overthrow it with mass support.

Like Nasser himself, Argentine Nasserites would probably prove difficult for the United States to deal with in view of their obsession with "Yankee imperialism."

The potential strength of this group lies partly in the likelihood that many followers of Peron would support it. Significantly, General Rosas has been consulting with Peronist labor unions in Entre Rios Province. An understanding is believed to have been reached whereby the Peronists would support, or at least not oppose, the Nasserite movement.

But the Peronists have been trying to infiltrate other fronts, too, including rightist military factions, church groups, Frandizi's supporters, the leftwing socialists, and the Communists. Peron, who is now living in exile in Spain, sent a delegation to the recent Moscow World Peace Congress, reportedly including the Catholic priest who is believed to have spirited the body of Peron's wife, Evita, out of Argentina.

The Peronists are apparently trying to win American support by threatening to back Moscow policy. At the same time, the United States is attempting to win middle-class Peronist factions, which have long vied with the Peronist laborites for control of the Peronist movement, over to democracy. Ambassador Robert McClintock has held a number of meetings with such Peronists.

Meanwhile, the official Peronist policy is to boycott the elections scheduled by the Government for next summer. Organized Peronist groups will be banned in any case, but Peronists will be free to vote for other parties.

GOVERNMENT SPENDING POLICIES

Mr. MILLER. Mr. President, in the July 18 issue of the Washington Evening Star there was an excellent article written by the distinguished columnist David Lawrence entitled "Spend Our Way to Prosperity?" I ask unanimous consent that the article may be printed in the RECORD.

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

SPEND OUR WAY TO PROSPERITY?—DEEPEST DEPRESSION FEARED FOR UNITED STATES IF UNSOUND COUNSEL PREVAILS

(By David Lawrence)

Everybody, irrespective of party or faction, wants America to enjoy an era of prosperity, but if unsound counsel prevails at the White House and in Congress, the United States may experience in the next few years its deepest depression of this century.

A dangerous doctrine has lately been warmed up from New Deal days and has been given respectability by advisers to President Kennedy. It is that spending by the Federal Government, even if it produces deficits, will somehow, by some magic of its own, produce an economic utopia.

If spending were the solution to economic ills, then the United States should still be going through the most prosperous 45-year period in its history. The World War I spending reached a peak of nearly $20 billion in 1919. At the end of World War II, spending reached another peak—nearly $100 billion—in 1945. But the big war was over only 5 years when the Korean conflict sent Federal spending upward to around $75 billion in 1953. Instead of tapering off substantially after the Korean war, the spending during the cold war has kept on climbing and this year is back up to around $90 billion.

The idea that mere spending of money produces prosperity is fallacious. It is the way the money is spent which counts—especially whether the funds are used in private investment for productive purposes that last beyond just a short-term period.

The key is not how much is spent, but what the money is spent for. Defense money expended on weapons does not develop a high volume of transactions that percolate through the whole economy. Private spending, on the other hand, is usually for goods that have a long-term value and that multiply the number of transactions in the business world.

A devastating rebuttal of the spending theory was made recently by Dr. Raymond J. Saulnier. He was Chairman of the President's Council of Economic Advisers from 1957 through 1960, but his advice wasn't always followed. In a speech on June 18 before the Babson Institute of Business Administration, he said in part:

"What recent history tells us about the effect of increases in Federal spending is not very favorable to the view that an economy such as ours can spend itself into prosperity via the Federal budget.

"What this experience tells us is that, if the environment is not favorable to an increase in private spending, an increase in Federal spending, even a large increase, is a well-nigh futile exercise.

"In the first 4 months of this calendar year, the cash budget of the United States ran a deficit of close to $10 billion, on a seasonally adjusted annual-rate basis. In the comparable 4 months of the 1958–59 recovery, the Federal cash budget showed a surplus of $4.6 billion, on an annual-rate basis.

"Yet the unemployment rate has actually been somewhat higher under the recent deficit than it was under the earlier surplus. There were clouds on the economic horizon in those months of surplus in 1960, but it must be conceded that the economic sky in 1962, under very large deficits, is far from entirely clear."

Dr. Saulnier said pointedly that to those who regard budgetary deficits as a more or less guaranteed formula for producing a brisk recovery, the present cycle must be a veritable nightmare. He argued bluntly that tax reductions will not by themselves furnish a remedy. He added:

"If there is a need to cut taxes in the expansion phase of a cycle, when we already have a large deficit, then there is equally a need to consider whether we are now spending too much money on programs that make no contribution whatever to our capacity for growth and to consider whether we are doing other things, entirely outside of the tax field, that are tending to suppress private investment spending.

"If this is what we are doing, and I think it is, then we cannot retrieve the situation with governmental red ink, and very few really sophisticated people will believe that we can."

This is a period of self-examination, and it is becoming clearer every day that across-the-board tax cuts or simplified tax rules on depreciation or other artificial measures will not and cannot of themselves do as much good for the economy as can a healthy reduction in unproductive expenditures for armament and an avoidance of excessive spending for social-welfare programs that the national economy at this time cannot really afford.

THE ADMINISTRATIVE BUDGET

Mr. MILLER. Mr. President, in the Des Moines Tribune for June 19 there was published another article by Mr. Lawrence, which pointed out that the idea of an administrative budget as distinguished from a conventional budget was discarded and rejected by the late President Roosevelt 30 years ago. I ask unanimous consent that this article may be printed in the RECORD.

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

LAWRENCE: KENNEDY IDEA REJECTED 30 YEARS AGO

(By David Lawrence)

WASHINGTON, D.C.—President Kennedy is advocating a change in the system of auditing the Government's expense and income which President Franklin D. Roosevelt and his brain trust sponsored. The proposal was rejected back in the 1930's.

The scheme is to list only a part of the Government's annual outlay as expenses and to set up a lot of inventories and properties as investments or capital assets. The purpose, of course, is to show less of a deficit, if not a surplus, in the principal statement of finances that gets public attention. Such a change, it is argued, would be more like the methods of private business.

OPPOSED BY BELL

Daniel W. Bell, who was Director of the Budget for several years, beginning in 1935, and who now is head of the American Security & Trust Co. here, fought vigorously against the idea as unsound, and Congress didn't warm up to it either.

Again, in the early days of the Eisenhower administration, the plan received a big boost from Beardsley Ruml, finance chairman of Adlai Stevenson's presidential campaign in 1952. Ruml had gained fame in championing the present pay-as-you-go system of paying income taxes. Even Ruml didn't claim that the "capital budget" idea was original.

SEES BUDGET AS ABSURD

President Kennedy in his speech at Yale denounced the present method of presenting the annual budget to the country as a myth. Kennedy said:

"We persist in measuring our Federal fiscal integrity today by the conventional, or administrative, budget with results which would be regarded as absurd in any business firm, in any country of Europe, or in any careful assessment of the reality of our national finances.

"It omits our special trust funds and the effect they have on our economy. It cannot tell a loan from a straight expenditure. And worst of all it cannot distinguish between operating expenditures and long-term investments."

Sometimes the capital assets on the books prove to be a myth. Thus, the true deficit of the Reconstruction Finance Corporation—an independent agency founded in 1932—was not generally known for many years, but finally $2.8 billion had to be added to the public debt.

CRITICIZED BY BYRD

This writer the other day asked Senator HARRY BYRD, Democrat of Virginia, chairman of the Senate Finance Committee, what he thought of the capital budget scheme. BYRD said:

"I am opposed to it. I think it's fantastic to try to take all the capital outlay and outright investments by the Government in buildings and construction and appropriations for defense equipment and not charge them to regular expenditures. You would never know where you stood. It's just a way to cover up real deficits."

It would be hard, for instance, the Senator added, to classify a Polaris-bearing submarine or a missile base as an investment and to figure out what the depreciation would be, especially since the Government spends so much on a big military machine that isn't comparable to the plant and equipment of private business which yields an annual earning. Also, the Treasury has a host of contingent liabilities and guarantees running into the billions. Trust funds would be subjected constantly to the temptations of "back door" borrowing and spending for unrelated purposes.

The President and three high administration officials nevertheless delivered last week a total of four public speeches designed to prepare the country to accept the theory of a capital budget.

THE FEDERAL BUDGET

Mr. MILLER. Mr. President, in the July 18 issue of the Des Moines Register there was published an article entitled "Is the Federal Budget Obsolete?" written by the outstanding economist, Mr. Maurice Stans. This article adds weight to the objections of Mr. Lawrence to a change in the budget system. I ask unanimous consent that it may be printed in the RECORD.

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

IS THE FEDERAL BUDGET OBSOLETE?

(By Maurice Stans)

LOS ANGELES, CALIF.—Is the Federal budget outmoded as a measure of the activities of the Government? Or is the argument for change merely another play, as some say, to justify a high level of spending?

Despite some appearances to the contrary, this is not a new controversy. It arose in the 1930's when the Roosevelt administration was hard put to rationalize large deficits, year after year, after it had been elected on a promise to contain spending.

The problem was resolved that time by leaving the form of the budget alone. Instead, the resulting deficits in the decade were justified on economic grounds as necessary to stimulate the economy (although history shows that they failed to accomplish this).

WHAT IT SHOWS

The possibility of fundamental change in the budget structure has been considered many times. But always the arguments against revision have outweighed those for it. What is this new debate about? And how should it be resolved?

The purpose of the Federal budget (sometimes called the administrative budget) is to show the revenues and the expenditures of running the Government. It is on a cash basis; that is, it records the flow of money as it actually occurs. Taxes are counted in the year in which the Government receives them. And Government costs are recorded when the bills are paid.

For example, suppose goods are delivered to the Army by a contractor in 1962, but the bill is not cleared and paid until 1963. The cost wouldn't enter the cash figures in the budget until 1963, even though the goods may have been consumed in 1962.

Critics charge that our present form of budget has three major faults: It is:

Incomplete because large sums of money received and paid by the Government are left out. These omitted amounts are classed as trust-fund transactions. Thus, the budget totals are understated.

Misleading in timing because it is based on cash receipts and payments rather than on accrued income and expenses. The Army item, for example, should appear in the budget in 1962 when the goods are received and used, not in 1963 when the bill is paid.

Old fashioned because it lumps capital and current outlays without distinction. The expenditures for a year may include, for example, money loaned by the Government to REA cooperatives and others which will be repaid some day. It also includes the cost of new buildings at time of construction, even though they may have a life of 50 years.

TRUST FUNDS

The first objection has some merit. The administrative budget leaves out such items as social security taxes collected and benefits paid, gasoline taxes collected and used on the Interstate Highway System and unemployment taxes collected and paid to the States to administer the unemployment system. These are excluded, because they are designated by law as trust funds, which are financed by specific taxes earmarked for a particular use.

1963 Federal Budget

[In billions]

	Regular budget	Consolidated budget
Receipts:		
Budget receipts	$93.0	$93.0
Trust fund receipts		27.5
Less transactions within the Government		−3.9
Total	93.0	116.6
Payments:		
Through budget	92.5	92.5
From trust funds		27.0
Less transactions within the Government		−3.9
Interest accrued, not yet payable		−.8
Total	92.5	114.8
Surplus [1]	.5	1.8

[1] These are amounts in the original budget. It is now estimated that the outcome will be a substantial deficit.

But this distinction does not always prevail in the budget. The Government receives many other kinds of taxes and revenues that are earmarked for specific uses that, nevertheless, go through the budget simply because they are not called trust funds. Much of the income received on public lands and forests, for example, is divided up automatically with local public bodies, and this goes through the budget.

The amounts of earmarked money omitted from the budget are substantial. Trust-fund taxes and payments in fiscal 1963 are expected to be about $27 billion. If they are added to the administrative budget, and transactions between Government agencies are canceled out, they raise it from $93 billion to about $117 billion.

To remedy this incompleteness in the administrative budget, the Bureau of the Budget during the early 1940's began publishing a cash consolidated statement combining all the figures. It shows the $117 billion figure of tax take by the Federal Government for 1963.

HAS MOST MEANING

This cash consolidated statement has the most meaning to you and me, because it accounts for the total of the taxes we pay to Uncle Sam.

The trust funds are largely a legal fiction. Congress created them to assure that taxes paid for one purpose are separately accounted for and not diverted to another use.

In this sense there is good reason for keeping them separate. To do otherwise would require changes in many laws. There is, all considered, substantial logic in saying that the consolidated cash budget, which sums up all the income and outgo, tells a better story than the administrative budget.

If the trust funds received and paid out are clearly identified in the consolidated cash budget, then all reasonable purposes of disclosure of the budget are accomplished.

The other two criticisms, however, are not so easily resolved. They will be considered in other articles.

GOVERNMENT COMPETITION WITH PRIVATE BUSINESS

Mr. MILLER. Mr. President, in all the dialog taking place over the state of our economy, one important factor in the relationship between the Federal Government and business has been largely overlooked. This is the matter of Government competition with private business.

This subject has been aired from time to time since the problem burgeoned in the wake of World War II. But the discussion has been characterized by more heat than light.

Now, however, the extent to which Government is in direct competition with private business can be studied in concrete rather than abstract terms, thanks to Mr. Ben Cole, head of the Washington bureau of the Indianapolis Star.

In the final article of a series of eight on the Federal Government's use of tax money, Mr. Cole sets forth his findings in an original and exhaustive research of instances where the Government is in direct competition with private business. He found that the Federal Government owns corporations or agencies of a type subject to the Corporation Control Act with equity totaling $32,100 million in activities which are said to compete with private enterprise.

Mr. Cole's findings relate to Senate Resolution 303, submitted on last March 1 by my distinguished colleague the junior Senator from Texas [Mr. TOWER], to authorize the Committee on Government Operations to investigate Government competition with private business and to determine means and methods by which such functions can be transferred to private enterprise.

I ask unanimous consent that Mr. Cole's excellent article from the May 20, 1962, issue of the Indianapolis Star be printed in the RECORD at this point.

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

WHERE YOUR TAX MONEY GOES—U.S.-OWNED CORPORATIONS GET BREAKS IN PRIVATE COMPETITION

(By Ben Cole)

WASHINGTON.—The Federal Government owns corporations or agencies of a type subject to the Corporation Control Act with equity totaling $32,100 million in activities which are said to compete with private enterprise.

The corporations represent $17,642,633,000 of equity.

The agencies, 37 in all, are operated with appropriated funds, representing $11,118,050,000 in Government-owned equity.

Federal electric utility facilties exclusive of the Tennessee Valley Authority, which is counted as a corporation, represent $3,200 million of allocated investment value.

The worldwide inventory of the armed services post exchange system is $314,220,000, including the motion picture service. This included on January 24, 1961, cash amounting to $47 million. Accounts payable were $48 million, leaving a net value of the post exchange system of $266,220,000.

Added together, these four categories of Federal equity make in excess of $32,226 million.

That figure is apparently the only one ever compiled that in any way suggests the total Federal equity in activities which might be said in part or whole to compete with private business.

The Bureau of the Budget under former Director Maurice H. Stans once attempted to determine how many commercial-industrial-type activities the Government operated. Stans, however, never attempted to establish what the equity value of these might be. Nor did anybody else, insofar as is known.

The Goverment-owned corporations or corporate agencies and their equity value as set out in the 1963 Federal budget are:

Commodity Credit Corporation	$4,522,524,000
Federal Crop Insurance Corporation	45,210,000
Inland Waterways Corporation	11,033,000
St. Lawrence Seaway Corporation	127,532,000
Virgin Islands Corporation	15,860,000
Federal Prison Industries, Inc	31,631,000
Development Loan Fund	354,930,000
Office of Defense Lending [1]	125,000,000
Export-Import Bank of Washington	3,306,000,000
Banks for Cooperatives (U.S. part)	118,287,000
Banks for Cooperatives Investment Fund	185,918,000
Federal Farm Mortgage Corporation Fund [2]	2,384,000
Federal Intermediate Credit Banks	144,917,000

[1] Includes old RFC assets, old Defense Plant Corporation, etc. Figure from General Accounting Office.

[2] In liquidation several years.

Federal Home Loan Bank Board [3]	[160,000]
Federal Facilities Corporation [4]	8,687,000
Federal Savings and Loan Insurance Corporation [5]	915,822,000
Reconstruction Finance Corporation [6]	4,271,000
Federal Housing Administration	1,160,107,000
Federal National Mortgage Association	1,477,434,000
Public Housing Administration	102,642,000
Panama Canal Company	467,228,000
Tennessee Valley Authority	2,225,075,000
Federal Deposit Insurance Corporation [7]	2,290,000,000

[3] Brackets indicate negative figure.
[4] Dissolved June 30, 1961.
[5] Retained earnings.
[6] Dissolved; in liquidation. Some assets transferred to other agencies for liquidation.
[7] Not tax funds; $3,000,000,000 borrowing authority never used.

The Government Corporation Control Act provides that the fiscal affairs of the corporations subject to it be audited by the General Accounting Office, which is an instrumentality of the Congress.

The 37 other activities with Government-owned equity, some of them classifiable as commercial-industrial and others strictly of a governmental nature, are as follows:

Air Force industrial fund	$61,668,000
Alaska Railroad	122,823,000
Alien property fund, Philippines, World War II, revolving	1,511,000
Army industrial fund	121,390,000
Aviation war risk insurance fund	23,000
Central American abaca fiber fund [1]	101,000
Capehart housing [2]	25,535,000
Check forgery insurance fund (Treasury)	40,000
Civil defense loans	587,000
College housing loans	1,602,077,000
Community disposal operation	5,000
Contingency fund for emergency expenses, Fort Peck project, Montana	17,625,000
Defense production guarantees [3]	6,350,000
Development and operation of helium properties	81,986,000
Direct loans to veterans	1,733,347,000
Farmers Home Administration	27,522,000
Federal ship mortgage insurance fund	12,729,000
Foreign investment guarantee fund	42,827,000
General Services Administration building management fund	440,000
Government Printing Office [4]	43,724,000
Hoonah Indian housing project revolving fund [5]	171,000
Housing and Home Finance Agency revolving fund, liquidation programs	21,762,000
Housing for the elderly loans	12,729,000
Indian loan revolving fund	16,805,000
Informational media guarantee fund	145,000
Narcotics hospitals commissaries	63,000
Naval Academy laundry	234,000

[1] Abolished.
[2] Represents amount of mortgage reduction.
[3] Retained earnings.
[4] An agency of the Congress.
[5] In liquidation.

Navy industrial fund	275,140,000
Public facility loans	147,566,000
Public works planning fund	45,052,000
Rural Electrification Administration	3,949,021,000
Small Business Administration	1,199,602,000
Upper Colorado River Basin fund	437,058,000
U.S. prison commissaries	692,000
Veterans' Administration canteen service	11,786,000
Veterans' Administration loan guarantee revolving fund	702,372,000
Wherry Act housing	423,276,000

During former President Eisenhower's administration, determined efforts were made to reduce the number of commercial industrial activities of the Federal Government.

Eisenhower's tough-minded Budget Director Stans reported January 13, 1961, on the status of commercial-industrial activity. Here is a table from his report:

	Total	Civilian agencies	Department of Defense
Identified commercial-industrial activities	24,100	19,100	5,000
Agency evaluations not yet completed	2,100		[1] 2,100
Total	22,000	19,000	2,900
Accepted agency evaluations justifying Government operations	17,000	[2] 17,000	
Total	5,000	2,100	2,900
Agency evaluations under review	2,950	500	[3] 2,540

[1] To be evaluated by Mar. 31, 1961.
[2] Of which 400 have been or will be curtailed.
[3] Of which 1,500 will be curtailed.

Placing a value on the business-type activities of the Government apparently defied Stans. The Budget Bureau cannot supply such a figure.

The reason for the difficulty is easily seen. First, identifying a commercial-industrial activity is hard enough; next, finding out what part of the investment in it is chargeable to such activity is still harder.

Stans told the President, "About 17,500 of the (civilian) installations are determined, by the agencies, to be of such a nature that they do not represent substantial or significant competition with free enterprise. In these cases, compelling reasons were found for not procuring the goods or services through ordinary channels. For example, about 8,000 of these were custodial and janitorial activities carried on in post offices and another 3,900 installations were bins owned by the Commodity Credit Corporation for the storage of grain.

"Of the approximately 2,100 installations in which compelling reasons for continued Government operations have not been established, some 1,600 have been or are scheduled to be discontinued or will be curtailed. Installations discontinued or curtailed include such activities as general and livestock farms, road construction work, production of bakery items, operation of gasoline service stations, and operation of local trucking and draying services.

"Because of the large concentration of commercial-industrial installations in the Department of Defense, special arrangements have been made for its evaluating and reporting.

"Of the 2,900 evaluations completed, some 450 were decisions to discontinue the installations; and some 2,450 were determinations to continue the installation for compelling reasons. Of those to be continued, over 150 are to be curtailed.

"Among installations discontinued there are automobile repair shops, bread and bakery shops, horticultural services and specialties, printing plants, ice plants, sawmills, shoe repair shops, laundries, ice cream plants, etc."

Stans concluded, "It is significant that a large number of the activities that were identified in the inventory are of such a nature that there appear to be compelling reasons why the Government should continue to carry them on. The activities that are questionable have been isolated for detailed study. The program has demonstrated that unjustified activities can be effectively deterred."

TRIBUTE TO THE LATE BRYANT THOMAS CASTELLOW

Mr. TALMADGE. Mr. President, it is with great sadness and a deep sense of personal loss that I inform the Senate of the passing of one of the outstanding statesmen of this century, the Honorable Bryant Thomas Castellow, of Cuthbert, Ga., former Representative in Congress from the Third District of Georgia.

Representative Castellow had a long and distinguished career as an attorney in private practice, as solicitor general and judge of the Pataula Judicial Circuit and as Congressman from his district. He served in the House of Representatives from October 7, 1932, upon his election to succeed to the vacancy created by the resignation of Hon. Charles R. Crisp, until his voluntary retirement to private life on January 3, 1937.

Of all his many contributions to the public life of his State and Nation, this respected Georgian is perhaps best remembered for his eloquent speeches from the floor of the House of Representatives warning the Nation of the consequences of foreign entanglements, centralized Government, and fiscal irresponsibility. Subsequent events have proved him to have been a prophet.

Although in retirement during his last years, Representative Castellow maintained an active interest in public affairs, and his wise counsel was valued and often sought. He was truly respected and beloved by the people he served so long and so well, and had he lived until next Sunday, he would have celebrated his 85th birthday.

I was privileged to be one of his friends, and I am deeply grieved at his passing. His many contributions to his State and Nation will long be remembered. Mrs. Talmadge and I extend our deepest heartfelt sympathy to his wife and daughter.

STRIKES AT DEFENSE ESTABLISHMENTS

Mr. McCLELLAN. Mr. President, last Thursday, July 19, I addressed the Senate on the need for immediate legislation to deal with strikes and work stoppages in our defense establishments and related industries—strikes or stoppages that would produce a national emergency, or at least, have a most serious adverse impact on national defense and security.

In those remarks, I made reference to S. 2631, a bill introduced by me with a number of cosponsors, on September 23, 1961. This bill is now pending before the Committee on Labor and Public Welfare. It is designed to, and in my judgment, if enacted into law, will prevent

strikes and work stoppages which, if engaged and permitted to occur, would greatly impede, hamper, and obstruct our vital missile, space, and other programs, the success of which are indispensable to national prestige, security, and well-being.

When I spoke last Thursday, a serious strike was in progress in one plant and another strike was threatened by two international unions in the aerospace industry. It was scheduled to begin on Monday of this week.

These strikes would have been tragic and possibly disastrous had they occurred as announced and planned and had they continued for any appreciable length of time. Fortunately, however, the President of the United States intervened, and by persuasion induced these unions to voluntarily agree to withhold such strike action for a period of 60 days. This procedure—this method successfully employed by the President in this instance—is clearly outside of the anti-strike and injunction provisions of the Taft-Hartley law and is wholly unrelated thereto. The agreement on the part of the unions to comply with the President's request is a completely voluntary action and is an agreement that we are devoutly hoping will be kept and fulfilled.

It is quite significant to note, however, that the action taken by the President in appointing a 3-man special Presidential Board follows generally the approach provided in S. 2631. The President's Board, however, has no legal status; it has no power or authority other than to attempt mediation, use persuasion, and make recommendations. It has no power or authority to decide any issue or to take affirmative or effective legal action to require or compel either labor or management to do anything to resolve the issues involved or to prevent a paralyzing walkout and work stoppage in the industry.

S. 2631 would prohibit strikes and work stoppages by persons employed at strategic facilities. Under its provisions, when there is a serious and vital work stoppage, or when one is seriously threatened, the Secretary of Defense would appoint an impartial emergency board—but of course, it might very well be changed to authorize the President to appoint such a board, if that is desirable—comprised of three members who would have the power to conduct hearings and make written findings of fact and determinations within 60 days after its appointment; and its actions, its findings and orders would be binding on all the parties involved, both labor and management, for a period of 1 year and thus a strike and injurious work stoppage will be averted.

So it is readily observed that the objectives of the President in the procedure which he has adopted outside the Taft-Hartley Act and the objectives of S. 2631 substantially have the same purpose and seek the accomplishment of the same ends.

Mr. President, these voluntary arrangements are good so long as they work, and let us hope that so long as they are entered into, they will work. But, I ask, in a matter of such magnitude where the importance is so great and the consequences could be so disastrous, is it wise to leave this issue and this problem unsettled and unresolved? Is it prudent to leave it to the hazards of chance and simply hope, and possibly hope in vain, that voluntary agreements can be safely relied upon and will always be obtained and that nothing harmful will happen, rather than for the Congress to do that which prudence, courage, and statesmanship dictates should be done to protect our country against this potential and highly probable danger.

We pass laws to deal with other serious problems of government and to protect our country against injury. Why do we hesitate on this question? Is there good reason for our failure to act? Can we justify inertia and inaction on the part of the Senate in view of the realities of this danger? I do not think we can. I am not the only one who thinks the Congress should legislate in this field. It is heartening to note that important segments of the press recognize the danger and are beginning to emphasize editorially the urgent need for the enactment of legislation. Therefore, Mr. President, I ask unanimous consent to have printed in the RECORD, as a part of my remarks, three editorials: one from the New York Times of July 23, 1962, entitled "New Labor Law Needed"; one from the Washington Post of July 24, 1962, entitled "Emergency Strike Formula"; and the third from the Washington Evening Star of July 24, 1962, entitled "Breathing Spell, at Least."

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

[From the New York Times, July 23, 1962]

NEW LABOR LAW NEEDED

The 60-day delay President Kennedy has effected in strike threats against five producers of missiles, planes, and spacecraft prevents what would have been an inexcusable disruption of vital national programs. A settlement pattern had been provided in the noninflationary agreement negotiated last week by the Douglas Aircraft Co. and the two unions involved in the present conflict. The other manufacturers' refusal to go along with the Douglas clauses on union and job security were the bars to full peace.

Gratifying as is the administration's success in postponing a showdown, the entire incident focuses sharp new attention on the need for improved legal machinery to deal with emergency labor disputes. The President has again felt obliged to improvise a formula outside the one prescribed by the Taft-Hartley Act. In the transportation field, where some labor relations are under the Railway Labor Act and others under Taft-Hartley, the improvisation method has been working spottily. Secretary of Labor Goldberg is embroiled in intraunion and interunion politics in his efforts to unravel the row between the flight engineers and the airline pilots. The railroads and east coast docks face new crises.

The White House has indicated for more than a year that it intended to transmit to Congress recommendations for a more flexible approach to the settlement of emergency disputes. It has had for nearly 3 months the ideas on this subject of the President's Advisory Council on Labor-Management Policy. The time to get measured congressional consideration of any program probably has passed. But the worst time is to wait until a major breakdown in a key industry necessitates panicky action on Capitol Hill. If employers and unions are to respect the Government's role in protecting the national interest, it ought to have a solid underpinning in law.

[From the Washington Post, July 24, 1962]

EMERGENCY STRIKE FORMULA

President Kennedy has inaugurated a new technique in dealing with strike threats that might cause a national emergency. Instead of invoking the Taft-Hartley Act, the President requested a 60-day delay in the walkouts scheduled for Monday by the employees of several producers of missiles, planes, and spacecraft. Both the United Auto Workers and the International Association of Machinists responded in a spirit of accommodation and proper regard for the national interest. During the 60-day period a three-man Presidential Board will try to settle the disputes, by mediation if possible and by making findings and recommendations if necessary.

In some respects the special Presidential board will have an advantage over any fact-finding board that might have been named under the Taft-Hartley Act. The law specifically denies Taft-Hartley boards authority to make recommendations. Consequently, Taft-Hartley fact finders may be handicapped in bringing about a settlement. They cannot focus public opinion on fair terms that ought to be accepted in the public interest. By contrast, the Presidential Board in the present disputes is specifically authorized to hold hearings and to make findings and recommendations for a settlement.

The weakness of the new technique, of course, lies in the fact that it is wholly voluntary. It will break down any time a union may refuse to cooperate by postponing a scheduled strike, and the President then would have no alternative to falling back upon Taft-Hartley. President Truman discovered, when he seized the steel mills to end a walkout that was threatening the national safety, that the White House cannot improvise to the point of using force in preference to using law already on the books.

The need for additional law in this field is clear and unmistakable, and it is not minimized by the unions' wise compliance with the President's current requests. Probably it is too late for any comprehensive bill to be passed by the present Congress, but recommendations ought to be forthcoming on the basis of the report of the President's Advisory Council on Labor-Management Policy a few months ago. It is an area in which strong leadership from the White House will be needed.

[From the Washington Evening Star, July 24, 1962]

BREATHING SPELL, AT LEAST

Union members in the aerospace industry have displayed a commendable sense of responsibility toward the national interest in agreeing to President Kennedy's appeal for a postponement of their threatened strike action against producers of missiles and spacecraft. A decision to the contrary inevitably would have been gravely damaging to a vital part of our defense and security program, and, therefore, inexcusable.

The 60-day deferment now agreed upon will permit the special Presidential Board named last week to seek a resolution of the differences between the producers and the two unions involved, the International Association of Machinists in some cases and the United Aerospace Workers, affiliated with the United Auto Workers, in others. Basis for a settlement may be found in a formula, first

accepted by the unions and the Douglas Aircraft Co., providing average wage and fringe benefits amounting to about 25 cents per hour over a 3-year period and setting up a so-called agency shop which requires nonunion workers to pay a fee to the unions acting as bargaining agents. Most of the industry has balked at this latter provision, and it is on this issue that the emergency board undoubtedly must concentrate its greatest attention in the 60-day period. In event of failure in this instance, the President could still turn to the Taft-Hartley law, ask for an injunction against strike action for an additional 80 days and make another effort to work out a settlement.

All of this gives time, at least. Even so, it is evident that the legal machinery applicable to labor disputes in industries vital to the national security, for example, is inadequate. The Kennedy administration has placed considerable reliance thus far, and with some success, on intervention outside the Taft-Hartley formula, and it still may turn to that law when necessary. Neither recourse, however, guarantees anything more than the so-called cooling-off periods and opportunity for further improvisations and negotiation. There is need for a more assuredly effective approach by law. It should be a high priority objective of the administration and of Congress, at least during the next session, to find this better approach.

Mr. McCLELLAN. Mr. President, we need more than a breathing spell. We need assurance. We need protection. We need security. We need a law. Congress, in my opinion, will fail to meet its responsibility if it adjourns without taking appropriate action.

A GOD-FEARING NATION—FAREWELL FROM GEN. CARLOS ROMULO

Mr. KEATING. Mr. President, during the past decade there has been a great deal of heated discussion over just how strong the United States is in various fields of endeavor—always with a special emphasis on our relative military strength.

Certainly in the world in which we live our national security requires progress in the fields of national defense and weaponry, but there is definitely something wrong when people begin to measure the strength of our Nation in only military terms. There are many factors which contribute to the real strength or power of a nation, and a strong case can be made for the thesis that the most powerful element in the United States of America, is a strong belief in God and deep reverence for the Almighty in all the different forms through which Americans worship Him.

National power should be measured, not only in terms of missiles, but also and more important in terms of beliefs, ideals, and goals. These are the things which make a nation deeply and genuinely strong. There are many people who realize this fact, and they should be heard more often. One of these is Philippine Ambassador and General Carlos Romulo who is returning to his country to become president of the University of the Philippines. His words of farewell deserve the attention of all Americans and I ask unanimous consent that they be printed in the RECORD.

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

SOMETHING TO REMEMBER

(By Carlos P. Romulo)

I am going home, America—farewell.

For 17 years I have enjoyed your hospitality, visited every one of your 50 States. I can say I know you well.

I admire and love America. It is my second home.

What I have to say now in parting is both a tribute and a warning: Never forget, Americans, that yours is a spiritual country.

Yes, I know that you are a practical people. Like others, I have marveled at your factories, your skyscrapers, and your arsenals.

But underlying everything else is the fact that America began as a God-loving, God-fearing, God-worshiping people, knowing that there is a spark of the Divine in each one of us. It is this respect for the dignity of the human spirit which makes America invincible. May it always endure.

And so I say again in parting, thank you, America, and farewell. May God keep you always—and may you always keep God.

A PLEBISCITE IN PUERTO RICO

Mr. KEATING. Mr. President, flexibility and full respect for the wishes of the governed should be the hallmark of Federal relationships with Puerto Rico. President Kennedy has suggested the calling of a plebiscite or a referendum to guarantee to the citizens of Puerto Rico the opportunity to choose the exact form of government they prefer, whether continued association, statehood or any other suitable arrangement. That would provide a further opportunity for the people of Puerto Rico to exercise a free choice as to the kind of government they want.

Mr. President, last week was Captive Nations Week when the people of America joined to express once again to the world their dismay and horror at Soviet imperialism and to pray for the ultimate redemption and liberation of the millions of people held slaves under the Communist yoke. What could present a clearer and more dramatic contrast of the true difference between the American way of life and communism than our relationship with Puerto Rico? The plebiscite and the free choice that would be offered to the people of Puerto Rico would be dramatic evidence to the whole world that the American people dare to practice what they preach. It is something that the Communists have never dared to do.

Mr. President, we must not fail to make this point clear not only throughout the United States but in all the countries of the world where Soviet lies and propaganda may be beclouding the true image of American representative government.

Mr. President, I should like to take the opportunity to express my continued affirmation of the right of the people of Puerto Rico to determine their own form of government and to practice the ideals of liberty and responsible government according to their own preference.

TAX-EXEMPT FOUNDATIONS

Mr. MORSE. Mr. President, an editorial entitled "Tax-Exempt Foundations" was published in this morning's issue of the Washington Post, which I wish particularly to call to the attention of the Senate Committee on Finance.

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

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

TAX-EXEMPT FOUNDATIONS

The preliminary findings of Representative WRIGHT PATMAN'S Small Business Committee indicate that the laws regulating tax-exempt foundations should be broadened and their administration tightened.

There are now more than 45,000 tax-exempt foundations in the United States, and the committee's survey, based on a sample of 522, indicates that both the spirit and the letter of the law have been violated. Many of the foundations which were surveyed failed to provide information relating to major shareholdings in public corporations as required under the law. But the acts of commission were far more serious. Two foundations were apparently established by large New York banks for the sole purpose of avoiding the payment of $2 million in capital-gains taxes. And there is evidence that a number of tax-exempt organizations engaged in educational testing and scientific research are hardly distinguishable from their avowedly commercial competitors.

Abuses such as these, which result in undesirable accumulations of untaxed wealth, an inequitable distribution of the tax burden, and unfair competitive advantages should be eliminated as quickly as possible. Mr. PATMAN has proposed that the Treasury declare an immediate moratorium on the granting of tax exemptions to foundations. But such drastic action, even if legally feasible, might prevent the establishment of legitimate foundations which constitute the very heart of the American system of philanthropy. The clear violations of tax statutes which Mr. PATMAN'S investigators uncover can be swiftly prosecuted, and new legislation should be drafted to eliminate those abuses which lie beyond the scope of existing laws.

Mr. MORSE. The editorial started by stating:

The preliminary findings of Representative WRIGHT PATMAN'S Small Business Committee indicate that the laws regulating tax-exempt foundations should be broadened and their administration tightened.

There are now more than 45,000 tax-exempt foundations in the United States, and the committee's survey, based on a sample of 522, indicates that both the spirit and the letter of the law have been violated.

I congratulate the Washington Post for that editorial. I commend the editorial to the Finance Committee.

Another facet of the general problem which I think ought to be included in the Finance Committee's consideration of tax loopholes and tax exemptions is the charitable trust. A tax evasion tactic and loophole known as a charitable trust has grown up in our country to an alarming degree.

What it means, in essence, is that religious organizations and charitable organizations and lodges and other organizations of that worthwhile type are moving into business and operating in competition with private enterprise in this country, and are doing so in a tax exempt status.

Some of these church and charitable trusts are operating factories and mills and plants, including lumber mills in my State, for example.

That was never intended when we set up tax exemptions for churches. I am in favor of tax exemption for churches in connection with their religious activities and their sanctuaries, but I am not in favor of tax exemption for churches when churches proceed to operate business. This kind of tax escape must stop, and stop now. We owe it to private enterprise in this country to protect the competitive system. We do not have a competitive system in this country if private enterprise must compete against charitable trusts operating business enterprises.

Oh, I know how politically touchy this subject is. However, that has never bothered me, and it does not bother me now. I say to these charitable trusts: "The senior Senator from Oregon is against tax exemption for your business operations. If that means loss of votes, I would rather not sit in the Senate with your support."

In my judgment, it is our duty to see to it that the legitimate best interests of all the taxpayers of the country be protected. They are not being protected by having this form of escape for a charitable trust, under which it can escape paying millions of dollars in taxes owed to all the taxpayers of the country, in reality. A charitable institution or lodge or fraternal organization or some other organization of that nature ought not to be allowed to get by without paying taxes by putting themselves in a position of competitive tax advantage over true enterprise in this country. I commend the editorial to the attention of the Committee on Finance, and I suggest that it do something about it.

LEAKS ON PROCEEDINGS IN COMMITTEE EXECUTIVE SESSIONS

Mr. MORSE. Mr. President, I am chairman of the conference committee on higher education legislation. We have had two recent meetings of the committee, and mention of what happened in the hearings has appeared in two Drew Pearson columns. We discussed the matter briefly at our last meeting. I should like to say, on the basis of what appears in the newspaper this morning, that Drew Pearson must have clairvoyant power. There is one true statement in the column, and that is when it states:

> Before the session was over, Senator GOLDWATER excused himself. He said he had to leave but expected to read Drew Pearson's column to see what happened after he left.

The Senator from Arizona in his jocular remark was more right than he probably thought he would be, although he was not completely right. The only thing that is accurate in the column is what Mr. Pearson or his representative learned from the press conference that followed the meeting. At the press conference following the committee conference the motions which are referred to in the column were described to the press in open press conference. The Senator from Vermont [Mr. PROUTY] and I conducted the press conference with the full understanding of the conference committee. We set forth in the press conference the motions that had been made in the conference committee.

I have given up thinking that anything can be or will be done with regard to leaks. When it was suggested that something ought to be done, it was pointed out that that was almost a hopeless task, on the basis of the experience of those of us who have been around here for some time.

Of course, we all know that Mr. Pearson is personally opposed to grants to private colleges. We do not question his journalistic right to use his column to present his point of view on this subject. However, I do think there is a responsibility on the part of journalists to respect the legislative process, as we hammer out a reasonable compromise on this issue. The column is no service to those of us who have a very difficult time in the conference this year in trying to get a higher education bill enacted.

I jokingly said that apparently the walls are clairvoyant. I hope we can go into conference on higher education without having a repetition of this performance, but I know of no safeguards that we can use in the conference.

Drew Pearson makes another reference to what occurred in the conference, when he speaks about the suggestion that only the conferees should meet. I suggested if that were to be our policy, and if that were going to be necessary in order to prevent leaks, it would be better to have no conference at all, because I did not think it was fair to put the responsibility upon the members of the staff.

I assume that out of press reports this very able journalist, in mixing the pieces of a puzzle together with his personal opinions, did a considerable amount of speculating, and came out with a story which in my judgment is very embarrassing to our committee.

THE PROPOSED INDIAN MEDICAL CENTER IN PHOENIX, ARIZ.

Mr. GOLDWATER. Mr. President, in recent months I exchanged correspondence with the Public Health Service of the Department of Health, Education, and Welfare with regard to a proposed Indian Medical Center in Phoenix. This is planned as a fully federally constructed and operated center for service to Indians in a four-State area of the Southwest.

I had requested an opinion from the Surgeon General of Public Health Service as to why these plans could not be incorporated with existing community facilities, thus making use of hospitals and staffs already in Phoenix. The reply from PHS in support of a segregated hospital is such an astounding conglomeration of bureaucratic doubletalk that I am compelled to bring this document to the attention of the Senate, but mainly because its underlying theme is this agency's classification of the American Indian as a second-class citizen.

In order to comment on the various points of this letter, I ask unanimous consent that it be printed in the RECORD at this point in my remarks.

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

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
PUBLIC HEALTH SERVICE,
Washington, D.C., July 18, 1962.

Hon. BARRY GOLDWATER,
U.S. Senate,
Washington, D.C.

DEAR SENATOR GOLDWATER: Thank you for the opportunity to comment on the letter to you from Mr. Emmett McLoughlin, superintendent of the Memorial Hospital, Phoenix, Ariz.

As you know, the Surgeon General of the Public Health Service is charged with the "conservation of the health of Indians" and that the objective is to raise the health status of Indians to a level comparable with that of the Nation as a whole.

In working toward this objective it has been the accompanying policy of the Division of Indian Health to use methods and develop procedures that after an adequate transition stage will promote and encourage the transfer of Indian health care from the Division to those facilities and agencies providing local health services to non-Indian groups. That this policy has been followed is evidenced by the closure of eight hospitals with utilization of local community facilities since 1955 and the increase in numbers of patients treated in non-Federal facilities since that time. (Patients per annum: 1954, 5,835; 1961, 21,500.)

After considerable study over a period of years we have concluded that the most desirable and effective method for providing the health services needed by the Indians in the Southwest requires a medical center in Phoenix, staffed and operated by the Public Health Service.

It must be emphasized that the proposal is to provide an Indian medical center serving the entire four-State area with provisions not only for referral, diagnostic, and therapeutic service for 175 to 200 patients (only 10 percent of whom orginate or reside in the Phoenix service area) but as a means of supplying these same services to the numerous scattered field facilities. It would provide as well local outpatient and emergency services and serve as a training, refresher, and research center for the many public health and preventive medical activities including public health laboratory, mass X-ray and central pharmacy facilities not provided in community hopsitals.

The advantages may be summarized as follows:

1. It will provide hospitalization and medical care for many Indians who, for cultural reasons described below, are not ready to accept services in community hospitals. In emergencies, the Indian (or his family) either must agree to being admitted to the available hospital or, because of cultural and language problems, he may refuse and accept his chances of death or permanent disability. It is vital to the success of our program that Indians with subacute and chronic conditions be admitted for treatment and preventive services before the conditions become acute. Experience, particularly in the Southwest, has repeatedly shown that Indians prefer and will enter "Indian"

hospitals where they can feel more comfortable in a familiar and understanding atmosphere.

We do not consider it the optimum time or place to introduce or force the assimilation or integration program when a beneficiary is so acutely ill that the services of specialists are needed and at a location far removed from his home reservation, rather than in a nearby familiar community.

2. The staff of the medical center, trained and experienced both in medical specialties and in understanding of Indians, will be available for on-site consultation with the local staff in all the Indian hospitals and health centers in the area. This will result in the upgrading of the quality of medical care in the smaller reservation hospitals.

3. It will be a training and refresher center for the medical and other staff members of the Indian hospitals and health centers on the reservation in the four States.

4. It will be the center to which all cases requiring additional diagnostic techniques or specialized treatment will be referred and from which they will return for continued care. As in other Public Health Service hospitals, we expect as at present to arrange for consultation and specialist services as needed by contracting with the best qualified specialists in the city, and these consultants may be members of any hospital staff.

5. All of the services of the Phoenix Health Center will be available to every beneficiary on the scattered reservations through a referral and followup system, with continuity of care and administration being assured.

6. It will make it possible to develop and teach preventive health practices in conjunction with medical care in an organized fashion at every Public Health Service facility in the area with the Phoenix Health Center correlating each activity. Prevention is even less understood by most Indians than medical care. Outpatient services are extremely numerous in the Indian health program and are encouraged not only for acute conditions or emergencies but for the entire gamut of preventive services and follow-up treatment. In addition to physicians holding specialized clinics, there are public health nurses, health educators, medical social workers, dentists, and dental hygienists, nutritionists, and sanitarians who work with individuals, families, and groups in the outpatient department. It is difficult to visualize these activities being conducted on an organized and coordinated basis in a hospital primarily organized and administered for the acute care on non-Indian patients in a large metropolitan setting.

7. It will provide the necessary facilities and staff for research into those problems common among Indians but rare in the general population. The products of such research may well be applicable throughout the division.

8. It will better enable the Public Health Service to recruit, train, and retain qualified medical personnel for the Indian program.

9. It will avoid the necessity of consulting the Indians from every reservation about the construction of beds in a nearby community hospital. This consultation, required by law, could not help but arouse suspicions that the Federal Government was considering abandonment of direct services in the Phoenix area. Indians from some 30 reservations or tribal groups in 4 States would be involved since they have utilized the present improvised facility to some extent in the past. The relationships of the Public Health Service and the Indians which are good and constantly improving could be seriously damaged. The medical care and preventive health programs which depend heavily on good relationships and mutual trust may be given a very serious setback.

Before arriving at the conclusion to build a Phoenix Indian Medical Center we consulted many individuals, organizations, and institutions in an effort to determine the consensus of experts on Indian affairs. Among them was the Bureau of Ethnic Research of the University of Arizona. Its Second Annual Report, 1954, chapter II, Cross Cultural Factors in Health Administration contains the following: "Among the Pima, Papago, and San Carlos Apache Indian Tribes, the groups dealt with in this chapter, assistance and development programs are enormously complicated by cultural differences and resistance to change. Programs directed toward improving health standards and the economic level in these Indian communities have been less successful than those used elsewhere in the United States where people of similar cultural background were involved. The material that follows will indicate the chief cultural factors concerned."

Among the cultural factors described in the report are the language barrier, (about 40 percent of the Papago speak no English), illiteracy (50 percent of the adults on the Papago Reservation do not read), misunderstandings because the white doctor does not respond like the curers operating within the native culture, and because the Indian behavior does not coincide with that of white patients. White and Indian groups are described as having totally different concepts of the importance of time. Native Papago and Apache medicine is described as a blending of concepts of clinical medicine, folk cures, faith healings, bound together by native concepts concerning disease causation and treatment.

The report further points out that curing disease, which is stressed the most by white medical personnel, is only one aspect of the fight against poor health. There is also preventive medicine. Limited as has been the general acceptance of curative medicine by Indians, it has greatly exceeded that of the preventive medicine program.

These are some of the cultural differences which influenced our decision to continue direct and coordinated services to these groups for the present and foreseeable future.

We find ourselves with other agencies of the Federal Government in recognizing the need for continuation for a time of special services to Indians. The report to the Secretary of Interior by the Task Force on Indian Affairs, July 1961, emphasizes development of resources on the reservations, cooperation with Indians, and education. The task force expressed approval that the Santa Fe Boarding High School with a capacity of 500 students will become the Institute of American Indian Arts. This is an example not only of the Federal Government's recognition of certain cultural differences but the desirability of maintaining them.

The Bureau of Indian Affairs has budgeted nearly $100 million in 1961–62, and 1963 for construction—primarily of school facilities for Indians. Included in their 1963 congressional budget is a request for $1,667,000 for a new classroom building and a new girls' dormitory to replace buildings at the Indian school in Phoenix.

It is not believed Mr. McLoughlin would have thought that representatives of the Division of Indian Health were opposed to integrating medical care into the community if he were more familiar with the division's operations. Although he states, "after careful scrutiny of the Indian hospital program, we feel that not only would the Indian get poorer care, but he would be placed in a position of being unable to secure better care," we are unable, upon inquiry, to learn of any key Phoenix program staff members, or Washington staff members, from whom information has been requested or secured, upon which an informed conclusion could be based.

The Indian Construction Act (Public Law 85–151), which the Division of Indian Health helped to develop, and which it endorsed, and implemented, provides specifically for financial assistance in the construction of community hospitals. It should be noted that this appears to be the program under which Mr. McLoughlin announces his willingness to participate. To date, the Division of Indian Health of the Public Heath Service has participated in 12 projects, providing 275 beds of which 88 have been funded by the Public Health Service appropriations under Public Law 85–151. Currently, other projects are pending. It would appear that there is no doubt that the Public Health Service advocates and supports the use of community facilities where such facilities are believed better able to meet Indian health needs and will be more effective than direct Federal construction.

However, for all the Indians, including the urbanized small number requiring hospitalization from the Phoenix service unit, scattered on the reservations of the Southwest, the Division is convinced that better total care (preventive, therapeutic, and rehabilitative) can be provided through the Phoenix medical center program, than by separating from the rest of the program the hospitalization of those from the Phoenix service unit, and those requiring diagnostic and therapeutic care.

There is little point in attempting to compare the cost of construction of an Indian medical center with the cost of adding beds to an existing facility, since the benefits are not comparable.

However, it might be noted that based upon the current charges made by the Phoenix community hospitals, including Memorial Hospital, to the Division of Indian Health for the care of Indian beneficiaries, the operating cost is conservatively estimated as exceeding the direct operation of the Phoenix medical center to be over $900,000 per annum. This would rapidly offset even the questionable estimate of saving in the construction costs.

The present Phoenix Indian Hospital operating in an old converted school and tuberculosis sanitorium facility is staffed with full-time qualified specialists in preventive medicine, pediatrics, surgery, urology, dentistry, ophthalmology, internal medicine, radiology, pharmacy, and clinical social service. This staff is supplemented by part-time consultants available in the city of Phoenix who are outstanding specialists in orthopedics; obstetrics and gynecology; ear, nose, and throat; ophthalmology, pathology, radiology, psychiatry, cardiology, neurology, plastic surgery, general surgery, pediatrics, anesthesiology, and internal medicine.

In the city of Phoenix there has never been a problem of securing highly competent consultants to assist in the care of Indian beneficiaries, and it is not anticipated that there will be in the future, particularly with the development of the proposed Phoenix Medical Center. Indian patients are referred to other Phoenix community hospitals, primarily when bed space has been lacking, or the present facilities were inadequate or unsuitable for the procedures required. Referrals are not made because of the unavailability of medical staff or staff consultants, and with full realization that the educational and training experiences for patients and staff will be lost because of such referrals.

There is nothing morally, socially, or culturally wrong with providing medical and preventive health services, tailored to fit specific needs, in favorable surroundings which are acceptable to and preferred by our beneficiaries. Until such time as it can be demonstrated that there is no distinction between Indians and the general population in health needs and in availability and utilization of health services, a good case to the contrary can be made. In fact, we are convinced that it is the way to meet

the objectives of the Indian health program in the Phoenix area for the foreseeable future.

It remains the opinion and judgment of the Division of Indian Health that the transition and change from Federally operated Indian health facilities to community or non-Indian public facilities is best made at the local level near the home reservations in a community health facility, located in a community with which the Indians are familiar, by reason of its use for educational, trading, and social purposes; where it is near enough to permit easy visiting by family and neighbors, and where other Indians are more than likely to be employed. The use of the medical facility to which acutely ill patients are referred for specialized diagnostic and therapeutic services is not the best or even desirable place to introduce a transitional acculturating procedure. The emphasis should be placed on the clinical care of these acutely ill patients in the most easily accepted and compatible surroundings provided.

It has not been planned to provide care for patients with tuberculosis at the Phoenix Medical Center, other than diagnostic and case findings procedures. The specialized program of treatment for this disease will be provided at the San Xavier Indian Hospital, and in nearby community tuberculosis facilities.

Your continuing interest in the Indian health program is appreciated.

Sincerely yours,

HUSTON K. SPANGLER,

(For James R. Shaw, M.D., Assistant Surgeon General, Chief, Division of Indian Health).

Mr. GOLDWATER. Mr. President, the Public Health Service makes evident its paternalistic attitude toward Indians in the first "advantage" of a segregated hospital. Point 1, it will be noted, says:

It will provide hospitalization and medical care for many Indians who, for cultural reasons described below, are not ready to accept services in community hospitals. In emergencies, the Indian—or his family—must agree to being admitted to the available hospital, or, because of cultural and language problems, he may refuse and accept his chances of death or permanent disability.

This is the cold appraisal of the Indian's health and welfare held, I remind you, by those great humanitarians charged with the "conservation of Indian health."

The letter goes on to say that:

Experience, particularly in the Southwest, has repeatedly shown that Indians prefer and will enter "Indian" hospitals where they can feel more comfortable in a familiar and understanding atmosphere.

Mr. President, I have lived in the Southwest all my life. I have traveled by foot every Indian reservation in Arizona and I would venture to say I have spent more time visiting Indian communities and tribal councils than the entire staff of the Surgeon General combined, and I challenge them to supply supporting evidence to their contention. Nothing in my experience would indicate any truth to that assertion. In fact, the situation is just the contrary. Indians prefer treatment on an equal basis with their white neighbors. It is true that there are those among the traditionalists in the Hopi Tribe who prefer to go their way without the interference of the white man. But their children and grandchildren and the younger generations of all the tribes of Arizona want their constitutional right to equal opportunity. What we have here in the statement from the Surgeon General is a denial of this right by a governmental agency which would force segregation upon a segment of our American population and compel them to a status of second-class citizenship.

Let us consider a further point of the letter. It states that the staff would be "trained and experienced both in medical specialties and in understanding of Indians." This ties in with a statement further down that "it will provide the necessary facilities and staff for research into those problems common among Indians but rare in the general population."

Mr. President, are these Americans to be the guinea pigs of the Public Health Service? Exactly what problems are common among Indians, but rare in the general population?

I would like to quote from the January 1961 Program for Indian Citizens prepared by the Commission on the Rights, Liberties, and Responsibilities of the American Indian.

Under the section on Health, the report states:

The poor health of the Indians stems from substandard housing, inadequate sanitary facilities, contaminated water, ignorance as to when and how to obtain professional care, and the uneven provision of medical services. In large degree this condition prevails among all impoverished rural folk in the Nation.

And:

Among certain tribes illnesses due to microbes predominate; among others, obesity, diabetes, and hypertension. Dental diseases also abound, and alcoholism is common.

Mr. President, are these the "rare problems" of which the Surgeon General speaks? I suggest we can look around us and find these to be the problems of Americans whether they are white, red, brown, yellow, or polka dot.

Mr. President, I am not a medical man, but I know Indians and I suggest the medical problems of the Indian are no more peculiar than those of any other American. In combat hospitals we found that the blood of the Indian flowed just as easily when transfused into non-Indian veins. I regard it as immoral to isolate Indians on the premise that they are some sort of medical freaks.

The letter from the Surgeon General further states:

Among the cultural factors are misunderstandings because the white doctor does not respond like the curers operating within the native culture, and because the Indian behavior does not coincide with that of white patients. White and Indian groups are described as having totally different concepts of the importance of time. Native Papago and Apache medicine is described as a blending of concepts of clinical medicine, folk cures, faith healings, bound together by native concepts concerning disease causation and treatment.

Mr. President, are we to assume that the Public Health Service will assemble a team of witch doctors because that is what they believe the Indian wants? To regard the Indian in this light is a base insult to his intelligence and evidence of the high order of disdain with which this governmental agency views this segment of Americans.

I believe I know a little about Indian culture. Over the years I have acquired probably the most complete collection of kachina dolls in existence. There is not a single tribe in Arizona with whose culture I am not acquainted and I would never want to see this culture destroyed because it is one of the most fascinating aspects of our Nation's heritage.

But to imply that because of this cultural background, the Indian is unable to live in general society is pure nonsense. I do not regard the Indian as childish, needing the constant paternal indulgence of a staff of bureaucrats. I respect the intelligence and maturity of the Indian and view him as the child of God, as are all men.

The Surgeon General's letter goes on to cite the "need for continuation for a time of special services to Indians," and refers to the task force report of the Department of the Interior. I also would like to refer to this task force report. Under the section on health and sanitation, the report states:

Furthermore, it (the task force) feels that the Division of Indian Health and the Bureau of Indian Affairs should work together to urge cities, counties, and State to accept their responsibility for supplying health services to off-reservation Indians on the same basis they provide them for other residents.

Let me repeat that last phrase, "on the same basis they provide them for other residents." It is perfectly clear that this statement of purpose runs counter to the entire theme of the Surgeon General's letter which would enforce segregation of the Indian.

Mr. President, departing for a moment from the moral arguments, I would like to point out that there is adequate law under which community hospitals can meet the needs of Indian patients. I refer to Public Law 85–151. The purpose of this law is to "authorize funds available for construction of Indian health facilities to be used to assist in the construction of community hospitals which will serve Indians and non-Indians."

In reporting on this legislation, the Bureau of the Budget declared:

The Bureau of the Budget believes that there is a need for legislation which would authorize the use of funds appropriated for the construction of Indian health facilities as a contribution to the construction of community hospitals which would serve both Indians and non-Indians, as an alternate to direct Federal construction. Many of the Federal hospitals operated for Indians are in need of replacement, or renovation, and this office believes that it is desirable, wherever feasible, for this need to be met through the construction of additional community facilities, as a step toward the goal of the Indian health program which is the furnishing of health services to Indians in the same manner as they are provided the rest of the population.

The Public Health Service blithely ignores this and dismisses Phoenix, a metropolitan city of half a million, as being incapable of assuming the responsibility

of meeting the health needs of the Indians in that area.

Mr. President, on the basis of this letter from the Public Health Service, it can only be concluded that the purpose of the agency with respect to Indians is one of empire building at the expense of a segment of our American population and to enforce a status of obligation of the Indian to the Federal Government.

The PHS makes this perfectly clear by stating:

Until such time as it can be demonstrated that there is no distinction between Indians and the general population in health needs and in availability and utilization of health services, a good case can be made to the contrary.

Mr. President, let me make it clear that I am not opposed to the Government carrying out its responsibility in the field of Indian health. So long as this legal responsibility exists, the Government is obligated to perform a service.

But I am against the fragmenting and demeaning of Americans under the guise of welfare. I am against pigeonholing and hyphenating American racial and ethnic groups in an effort to perpetuate a governmental bureaucracy. I am against governmental participation in a program of compelling any group of Americans to a status of second-class citizenship to satisfy the existence and the ego of a bureaucracy.

VOCATIONAL TRAINING IN GUINEA

Mr. JAVITS. Mr. President, one of the greatest needs in the developing nations of Africa is for trained skilled technicians who can handle the complex machinery and tools of our modern civilization. In this effort an organization which has had more than 80 years experience in training unskilled hands has been enlisted by AID for a 2-year program in Guinea. The American Organization for Rehabilitation through Training—ORT—has had a highly successful history in this work, at first with immigrants to this country in the last century and since then in various parts of the world including Europe, north Africa, and the Near East in the resettlement of Israel.

I ask unanimous consent to print in the RECORD the AID announcement of its contract signed with ORT on July 3, 1962.

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

U.S. AID PROJECT TO ESTABLISH TECHNICAL SCHOOL IN GUINEA

The U.S. Agency for International Development today announced signing of a contract with the American Organization for Rehabilitation through Training (ORT) Federation, of New York City, to establish a technical vocational training program in Guinea to assist development of industry in this west African nation.

The contract with AID was signed by the American ORT president, Dr. William Haber, of the University of Michigan. The contract, which was initiated upon agreement with the Government of the Republic of Guinea, will become effective immediately.

Under the 2-year $1.1 million contract, the American ORT will establish a technical vocational school for training of skilled mechanics, and technicians, including special training for selected students who then will carry on such instruction in this and other schools.

The school, the first of its kind in Guinea, will be located in the capital city of Conakry. The school will eventually have a capacity of 200 students and, once it is operational, will furnish approximately 20 instructors or foremen each year for industry.

Among courses to be included in the school's program are precision mechanics, technical drawing, maintenance mechanics, refrigeration and diesel mechanics.

The contract amount will cover such major items as salaries for approximately 14 instructors in the Guinea school and procurement of equipment for vocational training. It is expected that the new school will be opened for the start of the fall school year.

THE GROWING PAINS OF PUBLIC RELATIONS

Mr. JAVITS. Mr. President, an informative brief account of the evaluation and growth of public relations in this country appeared in the May issue of the "Golden Salute to Advertising," published by the Advertising Women of New York Foundation.

Written by Denny Griswold, editor and publisher of Public Relations News, the article provides a presentation of the strides made by this emerging profession and its role in relationship to advertising.

I ask unanimous consent to print in the RECORD the article entitled "The Growing Pains of Public Relations."

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

THE GROWING PAINS OF PUBLIC RELATIONS

(By Denny Griswold, editor and publisher, Public Relations News)

As cofounder of the first weekly publication in the public relations field, Public Relations News, I am intimately acquainted with the growing pains of this emerging profession. And truly painful they have been. While it's a fact that the practice of public relations by enlightened rulers and managements dates back to the beginning of civilization, it was not until this century that professional public relations advisers began to appear. Even two decades ago, when we began publishing, there was virtually nowhere a person or organization could turn to to learn what was going on in the field, what new techniques there were, or what public relations actually was.

Perhaps the best way to capsulize how the field has developed is to contrast the problems we faced, as embryonic publishers, with conditions which exist today.

Most of the public relations practitioners of 1944 jealously guarded their "secrets." Managements for the most part had a guilt complex about seeking public relations advice or setting up public relations programs. Most did so only because they faced grave difficulties and really only wanted "fumigating" or "whitewashing." News of public relations was difficult to come by; we had to work around the clock and persuade newsworthy people that it would not injure their reputations to have their names linked with the practice of public relations. This paucity of news was further aggravated by a fear, on the part of public relations counsel, that Public Relations News was just a step toward setting up a counseling business ourselves (a natural reaction because we had been public relations counselors before deciding that there was an acute need for a public relations publication).

Today, our publishing problems, while perhaps even more trying, are of a vastly different sort. Instead of scratching for copy, we wade through bushels of potential editorial material in search of the new ideas and techniques, and truly significant case studies which our readers so eagerly seek. That interest in public relations information is very real and very wide. We won't pretend that all the world beats a path to our door, but our editorial efforts have produced a corps of subscribers who include, not only public relations directors and counsels, but executives engaged in hundreds of different kinds of business and activities. These readers are located throughout the United States and in 61 other countries.

Here are some other indications of how the field has evolved in this brief period: Career aspirants can now choose from among more than 200 public relations courses and find degrees in public relations offered by 18 colleges and universities. (In 1944, only a few journalism schools gave public relations courses and a major was unheard of.) Organizations in almost every field of endeavor—business, education, government, religion, and welfare—maintain formal public relations departments and collectively allocate billions of dollars annually to such work. According to Public Relations News' latest estimate, there are some 110,000 people employed in some manner in the public relations field and such employment is increasing steadily. Salaries of top-level public relations executives have quadrupled. It is difficult to find a conference or convention program which does not devote some part of its agenda—and frequently a major one—to consideration of public relations. The number of public relations counsels has mushroomed to more than 1,800. Public relations techniques developed in the United States have been imported by scores of countries of the free world and in dozens of them public relations associations have been formed or are about to be organized. Codes of ethics have been established.

Each of these important accomplishments has been accompanied by its own set of problems; many of them regrettably remain to be solved.

No discussion of public relations would be complete without mention of the important contribution which the advertising profession has made to it. Most of the animosity which once existed between the two fields has disappeared. Many an advertising man of 20 years ago was afraid that public relations might usurp his close-to-management position or that advertising budget might be diverted in part to public relations. Others turned a cold shoulder to public relations on the theory that it was "just a glamour girl" whose popularity would quickly fade.

Today however, many advertising men and women can be counted among the most ardent supporters of public relations. They see it as an indispensable adjunct of their work. Advertising and public relations executives are frequently called in for joint conferences at the policymaking level. In many organizations, advertising and public relations are headed and coordinated by a single high-level executive. Hundreds of ad agencies have public relations directors and maintain public relations departments to serve clients. Ad budgets have not been cut by public relations; on the contrary, millions of dollars have been appropriated, at the suggestion of public relations professionals, for institutional or public relations advertising campaigns. Perhaps most significant of all is the fact that the advertising field, concerned about its public reputation, recently turned to the public relations field for assistance in solving its own public relations problems.

Yes, public relations is here to stay. Intelligently and soundly used, its practices and techniques can be invaluable to any kind of organization. What's more, if sound public relations principles are followed throughout the world, they can prove one of the greatest forces for the development of understanding between peoples, advancing humanity, and achieving peace.

DR. FRANCES KELSEY'S REFUSAL TO APPROVE USE OF THALIDOMIDE

Mr. LONG of Missouri. Mr. President, the Washington Post, in an excellent editorial on July 24, 1962, commented upon Dr. Frances Kelsey's refusal to grant FDA approval to the use of thalidomide, a drug which has caused tragic side effects in Europe. The conclusion of this editorial emphasized the need for passage of the Kefauver drug bill in the form this legislation was reported out of the Antitrust and Monopoly Subcommittee. As a member of this subcommittee who voted for S. 1552 in this form, I believe that the Post's editorial is particularly significant and underscores the need for restoration of vital portions of this bill.

I ask unanimous consent that this editorial be printed in the RECORD at this point in my remarks and call particular attention to it so that my colleagues may have the benefit of its insight during debate on S. 1552.

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

BETTER SAFE

One can imagine the annoyance, and even indignation, of the manufacturers of thalidomide when an obscure Government bureaucrat decided that the new sleeping compound was not proved to be safe. It is even conceivable that Dr. Frances O. Kelsey's superiors at the Food and Drug Administration felt that she was being a little sticky about a new drug that was widely marketed in Great Britain, Canada, and West Germany. After all, thalidomide was cheap, would not kill humans, and was apparently harmless to laboratory animals.

But if ever we needed a drug to prove that the most scrupulous standards must be enforced for the use of new compounds, it is thalidomide. The drug may be outwardly harmless to humans, but it has a deadly effect on the human fetus. It is calculated that by the end of next month the total of armless and legless children born in West Germany will be between 3,500 and 6,000; in Great Britain, a total of 800 deformed children are expected to be born in August.

These are horrifying statistics, and it could have happened here but for the stubborn caution of a Government official. Dr. Kelsey's resistance to pressure is of a kind that usually goes uncelebrated because the results of capitulation are seldom so graphic and grisly. But the publicity she is receiving ought to quicken popular appreciation of the quiet service performed by thousands of Food and Drug officials whose reward, more often than not, is grumbling about "bureaucracy" by bitter applicants.

It ought also to intensify interest in studies of the prenatal effect of other substances ingested by expectant mothers. It is bad enough when impure food and drug harm humans; it is unconscionable when the victim is the unborn. One hopeful effect of the belated praise for Dr. Kelsey might also be to lend more urgency to the passage of new drug legislation, preferably in the undiluted form urged by Senator KEFAUVER.

One provision of Mr. KEFAUVER's proposed law would empower the Food and Drug Administration to test the efficacy as well as the safety of new drugs. The case of thalidomide demonstrates the value of responsible public control as the surest preventive medicine.

ROBERT STROUD—"BIRDMAN OF ALCATRAZ"

Mr. LONG of Missouri. Mr. President, during the week of July 15, 1962, the Washington Post carried a series of seven articles dealing with Robert Stroud—better known perhaps as the "Birdman of Alcatraz." A movie with the "Birdman" title is currently being shown throughout the country.

These articles, appearing in serial form, were written by Eve Edstrom, nationally known, award-winning writer.

With the movie being shown across the country, undoubtedly we will be asked time and again why this prisoner is still in custody.

In order for the entire Nation to know of heretofore unpublished facts concerning this convict, I now ask unanimous consent that these articles be printed in the RECORD.

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

THAT BIRDMAN OF ALCATRAZ REALLY FEATHERED HIS NEST

(Senator EDWARD V. LONG, Democrat, of Missouri, as chairman of a Senate Judiciary subcommittee concerned with Federal penitentiaries, has interested himself in the case of Robert F. Stroud, the "Birdman of Alcatraz." The following is based on official records, court proceedings and other data known to Senator LONG. Much of it was never before available to other writers on the subject.)

(First of a series)

(By Eve Edstrom)

Robert Franklin Stroud got 12 years for shooting the bartender who welched on the $10 price that prostitute Kitty O'Brien usually received.

That happened in 1909 in Alaska. From that day to this, for more than half a century, Stroud has been in Federal custody.

His life behind bars spans the evolution of the Nation's prison system. When he was convicted at the age of 19, prison guards carried clubs and prisoners wore stripes, ate in silence, and were shackled to cell bars as punishment.

Federal Prison Director James V. Bennett succeeded in changing all that—but he never has succeeded in changing Stroud, now 72 and still at war with his keepers.

To Federal authorities, Stroud is known as the most cunning and cantankerous prisoner ever to be their guest. To the public, Stroud is known as the "Birdman of Alcatraz," a self-educated scientist who achieved a worldwide reputation for his painstaking research on the disease of birds.

TWO VIEWS OF KILLING

For decades now, bird lovers have insisted that Stroud should be freed from his own caged existence. Currently, a new effort is underway timed to coincide with the release of a motion picture purportedly based on Stroud's life.

In the public mind, Stroud's work is proof of his rehabilitation. He has won a sympathetic following because of his apparent concern over the welfare of birds. In his book, "Stroud's Digest of the Diseases of Birds," he wrote:

"The lives of literally thousands of birds, the heartbreak of hundreds of blasted hopes have gone into these pages. For every truth I have blundered through a hundred errors. I have killed birds when it was almost as hard as killing one's children. I have dedicated my book to the proposition that fewer birds shall suffer because their diseases are not understood."

But Stroud—after plunging a knife through the heart of a prison guard—also is the author of this passage:

"The guard took sick and died all of a sudden. He died of heart trouble. I guess you would call it a puncture of the heart. Anyhow there was a knife hole in it. I have never given any reason for doing it, so they won't have much to work on, only that I killed him, and that won't do much good, for I will admit that."

WELCOME ISOLATION

For that murder—the killing of Guard Andrew F. Turner before 1,200 inmates at the Leavenworth Penitentiary, March 26, 1916—Stroud went on trial for his life. He was sentenced to be hanged and the gallows were being built when President Woodrow Wilson commuted his sentence to life.

Considered too dangerous to be mixed with the general prison population, Stroud was placed in segregated quarters, where he was to remain for most of his adult life. Subsequently Stroud's supporters viewed this as cruel and inhumane punishment. Actually, segregation was tailor made for Stroud's purposes.

Back in the 1920's it was not unusual for a prisoner, especially a life termer, to keep one or two canaries in his cell. Prison industries were not organized then and there was no emphasis on rehabilitation through academic learning. Wardens welcomed any diversion to keep inmates from going "stir crazy."

However, it was highly unusual for a prisoner to raise as many as 300 canaries at one time, to be given a second connecting cell for an aviary, to accumulate one-half ton of equipment, to operate a canary-breeding business for the sale of birds to the general public, and to correspond with 2,000 bird owners and breeders.

Stroud did all these things. In addition, he used scraps of glass and metal to make scientific equipment such as a microtome capable of slicing tissue to one twelve-thousandth of an inch.

DISTILLERY AS A SIDELINE

But Stroud's work was not just for birds and bird lovers. When his cell finally was shaken down by experts, it was discovered that his bird paraphernalia hid a homemade still which was turning out 188 proof alcohol.

In addition to moonshining, a letter-smuggling operation was conducted from his cell. Letters were shipped out in birdcages.

It was for violations such as these—in addition to espousing homosexuality—that Stroud earned the reputation as a prisoner who could not be trusted, who was not rehabilitated even though he had some scientific accomplishments to his credit.

Long before prison gates shut on Stroud, he was a nonconformist. He quit school at the end of the third grade "because I was learning nothing." He fled his Seattle home at age of 13 because "home life was an awful pain in the neck."

During his childhood, his personality was a paradox. He was "considered very timid," a child who "hated trouble," one who "would walk blocks to keep from having to offend anybody." Yet he was "continually having trouble and serious trouble. Somebody was always getting hurt."

On one occasion when his father knocked him down, he reportedly "came up out of the dirt with a rock in each hand. The first one hit him in the chest hard enough to break two ribs. He treated me with respect after that."

PRECOCIOUS MISANTHROPE

He hated his father before he was 2 and considered his mother a "veritable Agrippina," the mother of Nero who was so possessive that Nero finally arranged for her murder.

He never had a meaningful, lasting relationship with any individual. Although he once was close to his younger brother Marc, he ultimately turned on him for bungling his affairs and berated Marc for being on the outside during "the 10 most prosperous years this Nation has ever had, yet you are not a millionaire."

Stroud "married" as he did everything else—to gain personal publicity and to show his superiority over others by finding a way to do something that could not be done.

"Can't is a strange little word," he once wrote. "Many persons fall on their faces in oriental obeisance at its merest mention. To some, it is a refuge from the futility of their existence; to others, it is an alibi, a sop to their conscience.

"To me, it has always been like the flag is supposed to react on a bull; whenever anyone says 'can't' to me, I ask myself: 'Why and why not?' For regardless of the proposition, one usually can if one wants to."

And so when it looked as if prison officials were going to put a halt to Stroud's bird business and transfer him from Leavenworth to Alcatraz, Stroud took himself a "bride."

After determining that Leavenworth was part of the Louisiana Purchase Territory and that Congress had enacted no marriage laws for the reservation, Stroud maintained that the 1803 Treaty of Paris, recognizing marriages entered into by the signing of a simple contract, was still in effect. He drew up a contract which was signed by himself and his business partner on the outside, Della Mae Jones. She filed it with the probate court in Leavenworth and the Federal court in Topeka.

The Justice Department refused to recognize the validity of the marriage and Della's name was removed from the list of Stroud's approved correspondents. But she visited enough newspaper offices with the marriage contract to start a new public clamor for Stroud's release and to gain him permission to conduct his business as usual.

Stroud always had a compulsive need to do the big thing. He could never achieve this on the outside. Although he went to Alaska to participate in the railroad-building boom, he wound up as a peanut vendor, cook, and pimp.

But in prison Stroud flourished. Although he had only a third-grade education when he entered prison, he took courses which showed he was operating at a college level. He had a verbal intelligence quotient of 139 and an overall rating of 130.

Appalled by his own lack of knowledge, he took courses in English and taught himself to use an old typewriter which he had acquired. He studied astronomy, bacteriology, biology, chemistry, the classics, the French, Italian, Latin, and Spanish languages, mathematics, ornithology, and pharmacology.

BIRDSEED, ETC.

As he began raising birds, his demands upon prison officials were endless. The public thought that all Stroud wanted was "a little bit of birdseed." Actually, on one occasion, a partial list of his "requirements" included:

Seed—rope, hemp, canary, and tonic—in 100-pound lots; mineral food, cuttle bone, disinfectant, insecticides, louse powder, sodium fluoride, sodium perborate; cotton, cups, wire, sheet steel, glue, nails, paint; typewriter supplies; green food for birds in winter; fresh eggs for them the year around but especially during the breeding season; new stock; meal worms; bacteriological glassware, including test tubes, baker's funnels and thermometers, and materials for making and testing cultures.

Whenever Stroud didn't get his way he complained to Washington. One complaint, forwarded to the Attorney General, accused the prison administration of refusing him an adequate supply of mouthwash and adhesive tape. Questioned about this, Leavenworth's warden replied:

"He wants the [mouthwash] solution by the gallon. In fact, he has been using it in connection with his bird raising. He wants adhesive tape by the roll, which he has been using to paste boxes together.

"He has been furnished a reasonable amount of adhesive tape to be used in case of skin abrasions but not sufficient to make boxes. He has been furnished a 6-ounce bottle of * * * solution as a mouthwash but not sufficient to disinfect his birdcages."

A ROMANTIC CONCEIT

As Stroud began to conduct research into the causes of bird diseases and to publish his findings in bird journals, his ego knew no bounds. He likened himself to the Count of Monte Cristo, declaring that his "trials, triumphs, and unbelievable accomplishments" outstripped those of the fictional hero. On other occasions, he likened himself to Columbus and to Louis Pasteur in suggesting that his original discoveries matched theirs.

Stroud went so far as to demand that prison officials sign an agreement governing his activities and living arrangements while in custody. He wanted 500 square feet of floor space "divorced from the regular prison routine" but preferably "on our side of the walls" and a special mailbox number "to be paid for by me and to appear on my stationery and in my advertising."

Stroud also wanted a prison employee—college educated, not lazy, of pleasant disposition and inquiring mind—to be assigned to him to conduct his business affairs. In explaining this request, Stroud noted that many excellent men were in the employ of the prison system but were wasting their talents "on jobs fit for morons."

"Why not give one of them a break?" he asked. "Put him in complete charge of me and my affairs * * * raising his pay to $2,000 a year. I will pay his wages and raise them some more the minute the business justifies it. * * * I'll admit that this has never been done. That is why it is good. Big men do not follow precedents; they create them."

Needless to say, Stroud's scheme was not adopted. He proposed it just after he had become eligible for parole in 1937 but was turned down. Each year since then, his case has been reviewed and parole has been denied.

OWN PAROLE TERMS

Stroud's supporters insist that the Birdman's failure to win his freedom is the result of a personal vendetta against him by Federal prison officials. Actually, Stroud is a problem inherited by the Federal Bureau of Prisons when it was organized in 1930.

Its mandate from Congress was clear. It was to end prison abuses and begin a pioneering effort to rehabilitate prisoners. But Stroud has consistently resisted every attempt to return him to the general prison population as the first step toward giving him his release. He fights any change that would deprive him of his bird empire.

And just as he has wanted prison on his own terms, he wants to set the conditions of his parole. He does not believe, for example, that traveling restrictions should be placed upon him. And in recent years he has expressed unwillingness to accept an offer of a home and a job caring for birds if parole were granted.

"I have spent years of my life with birds and this man imagines that I would enjoy taking care of a flock of birds—which at my age is not the case," he has written. "That, to me, was always the most drudging chore, one that I was willing to undertake only because it was one avenue open to me, and they were my birds.

"* * * I most certainly would never accept such employment from anyone else. * * * If that is the kind of strings they are trying to tie on me, I think the wise thing to do will be to keep on fighting right from where we are rather than try to make pleasing concessions * * * to appease others."

If there is one consistent factor about Stroud's life, it is that he always has refused to make any concessions.

"I have never been conquered. I never will be conquered," he has said.

So prison has been his home for 53 years.

STROUD SAYS MOTHER RUINED LIFE SHE HELPED SAVE

(Second in a series)

(By Eve Edstrom)

It was largely through the efforts of his mother that Robert Franklin Stroud, now known as the Birdman of Alcatraz, didn't hang on April 23, 1920, for killing a Leavenworth Penitentiary guard.

But to this day the 72-year-old Stroud expresses extreme bitterness against his mother, blaming her for the events which have caused him to be a Federal prisoner for 53 years.

"My every thought was tempered by her teachings and prejudices and my life was a series of disasters," he once said. "I was taught to hate my father before I was 2 years old."

Stroud was born January 28, 1890, in a middle-class residential neighborhood in Seattle.

DEPARTURE FROM HOME

Constant bickering between his parents, he has said, kept him in "such a state" that he was unable to make any progress in school. His mother's "continual domination" made it "impossible for me to develop the spirit of give and take so necessary for success in later life."

Stroud has given various accounts of the events which triggered his departure from home at age 13. He related, on one occasion, that in his 13th year he "attempted to murder my father and declared my complete emancipation from parental authority of any kind."

At another time he said his parents had separated, leaving him with his mother, two older stepsisters and a younger brother.

"I was at an age when a boy most needs the direction and guidance of a wise father and I found myself dominated by three women in a household where petty bickering had become a habit. Naturally I cut from under as soon as I was big enough."

Always good with his hands, particularly around machinery, he picked up odd jobs as he hoboed about the United States. Finally, in 1907 when he was 17, he went to Alaska to take part in the railroad building boom.

DISTORTED ACCOUNTS

Stroud's record shows he worked as a real estate salesman, peanut vendor, and cook, was convicted of larceny in Katalla, Alaska, and then went to Juneau. There, on August 23, 1909, he was sentenced in the U.S. district court to a term of 12 years for manslaughter.

Over the years flagrantly distorted accounts of Stroud's offense have been churned out by those who have sought to free him. Stroud's victim has been pictured as a "burly Yukon miner" who violated Stroud's "first, last, and only love."

Another version, attributed to Stroud's mother during her efforts to free him, suggests that Stroud "just away from a sheltered home" was the victim of a "bad woman of the dance halls."

"My poor boy, infatuated with her, under her influence but chivalrous and brave,

pleaded guilty to save her," Stroud's mother was quoted in a widely reprinted article.

But official reports of Stroud's offense state:

"This man [Stroud] * * * started pimping for a woman of the streets who was addicted to the use of dope. This woman was much older than Stroud and of a very low type, even for that sort of woman."

The woman, Kitty O'Brien, had reportedly told Stroud she had been abused by a local bartender who "only paid her $2 whereas the usual and customary fee was $10." Stroud then went to the bartender's home and shot him. When found, the bartender's "pantaloon pockets were turned inside out and what money he was supposed to have had was gone."

NO SIGN OF STRUGGLE

"Nothing about the room would indicate that there had been any struggle," the U.S. Commissioner reported. "* * * It is quite likely that Stroud would never have surrendered himself * * * had he not known he was recognized when coming out of (the) house."

On August 30, 1909, Stroud arrived at the Federal penitentiary at McNeil Island, Wash. McNeil was typical of the prisons of its day. Convicts wore stripes, were served meals from food-splattered buckets and were sent to the "hole" if they got out of line.

But it was at McNeil, tough as it was, that Stroud embarked on his long career of attempting to break prison rules. He wanted a fellow inmate, who worked as a hospital orderly, to obtain drugs for him. The orderly told prison officials and Stroud "carved" him up for "snitching."

Just before the noon meal on November 1, 1911, Stroud attacked the orderly "without warning * * * striking him in the back with a knife." As the victim attempted to run the length of the dining room aisle, Stroud gave chase and inflicted seven stab wounds before guards disarmed him. Subsequently, the warden reported that Stroud regretted that he had been "unsuccessful" in the effort to kill the stool pigeon.

Stroud was tried for the assault and sentenced to a 6-month term consecutive to the 12-year sentence imposed in Alaska. Federal authorities decided to take no more chances with Stroud. On September 5, 1912, he was shipped to one of the "hard joints," the U.S. penitentiary at Leavenworth, Kans.

CONVICTS CARRIED HOMEMADE ARMS WHEN STROUD KILLED PRISON GUARD

(Third in a series)

(By Eve Edstrom)

When James V. Bennett became Federal Prison Director, he ordered that all prison guards stop carrying clubs.

That was in 1937—a quarter of a century after Robert Franklin Stroud arrived at the Leavenworth, Kans., Penitentiary to finish serving a 12-year sentence for manslaughter.

Back in World War I days no prison guard was dressed for duty without a club. And inmates with bandages wrapped around split skulls were not an unusual sight.

Prisoners had their weapons, too. They carried homemade "shivs." Stroud, the 72-year-old Federal prisoner who now is known as the Birdman of Alcatraz, had concealed a double-edged dagger in a leather sheath sewn in his Sunday dresscoat.

That dagger was drawn by Stroud on Sunday, March 26, 1916, when he knifed guard Andrew F. Turner before 1,200 convicts gathered for the noon meal in Leavenworth's mess hall.

Over the years several reasons have been given for the killing. The guard has been pictured as a typical sadist of his day. This story, thoroughly discredited by prison officials, has caused great anguish to Turner's widow, who still is alive and who was left without funds to raise two children.

Stroud has stated he wanted to put an end to the split heads at Leavenworth—"when they start a little of that, just grind out a good blade and shove it through a few of them."

On another occasion Stroud said he feared that Turner was going to report him for violating a prison rule. If that happened, Stroud believed he would be unable to see his younger brother who unexpectedly had arrived to visit him. (This version of the motive for the killing is romanticized in the moving picture, "Birdman of Alcatraz," by substituting Stroud's mother for the brother.)

Stroud, it was said, decided to ask Turner if the disciplinary report had been filed. When Stroud asked the question during the Sunday noon meal, Turner told him to return to his seat.

"Stroud turned * * * and at the same time pivoted and doubled back on Turner and shoved the knife through his heart," an official report states. "He (Stroud) said Turner was dead before he fell to the floor and it could have been avoided if the officer had answered his question because he found out later that Turner had not reported him."

Fred Robertson, the U.S. attorney who handled the case, declared the killing was "the most cruel, inexcusable, deliberately planned, and cunningly executed murder ever committed anywhere."

"The taking of the life of this guard represented the protest of Stroud and his rebellious associates against the discipline of the Leavenworth prison," Robertson said. "* * * Stroud has for years been their leader. He is in a sense a superior individual, having unusual mental capabilities and attainments.

"* * * It has been proven—in fact, admitted by Stroud himself in my presence—that he was the maker of five other similar daggers, one of which was used to murder another convict. There can be no doubt that it was then and is yet Stroud's ambition to bring about an organized mutiny in the Leavenworth prison, which would result in killing the officers and guards and a complete escape of all the inmates who desired to go."

Stroud was tried three times for the crime. At all three trials he was convicted of first degree murder. But reversals were won on two occasions because of errors, such as excluding the testimony of convicts prior to a Supreme Court ruling on this issue.

During this litigation Stroud was unmanageable. He bragged about the murder and kicked, cursed, and threatened to kill another guard. He tried to escape by cutting his way through a wall of his cell. And for trying to stop a guard from quelling a fight, he was cuffed to his cell door as punishment.

But when he wasn't in trouble, he studied music, mathematics, engineering, chemistry, biology, and physics.

His third conviction was upheld by the Supreme Court and Stroud was sentenced to be hanged April 23, 1920. Stroud's mother came to Washington and was successful in her efforts to stay the execution. President Woodrow Wilson commuted Stroud's sentence to imprisonment for life.

Then as now there were strong feelings against capital punishment, particularly in Kansas, where State law forbade it. But also then as now there was widespread sentiment that no convict should get away with killing a law enforcement official.

Prison discipline demanded that Stroud not be housed with other inmates nor given the opportunity to get possession of weapons. So he was confined by himself in an open-front cell in an isolation building. He was allowed all the privileges of an ordinary prisoner except the right to move about the prison without close supervision.

Stroud's mother wanted him removed from Leavenworth because she feared for his safety, but he wanted to remain.

"* * * I knew it is always easier to make a friend of an enemy who knows and respects you personally than of one who only knows you as a paper record," he said.

Stroud agreed to remain in isolation and to cause no trouble within the prison in return for a number of special privileges such as being allowed to pursue academic studies which he had begun when he was under sentence of death.

"The special privileges I wanted were not defined or limited," he once wrote. "I insisted on this point, for I knew what I was going to do and I did not want the matter fixed and closed."

DEPUTY WARDEN ALSO LIKED PETS

(Fourth in a series)

(By Eve Edstrom)

Prison guard killer Robert Franklin Stroud knew that Leavenworth Penitentiary's deputy warden, L. F. Fletcher, was a "pet lover."

And back in the 1920's it was the deputy warden who ran the "inside" of a prison. The warden occupied the front office while his deputy dispensed discipline, decided where inmates would live and work, and granted special privileges.

It was, therefore, a happy set of circumstances for Stroud, now 72 and still a Federal prisoner, that Fletcher was the deputy when Stroud found a broken nest of young sparrows in an exercise yard near his cell.

According to Thomas E. Gaddis, Stroud's biographer and author of the "Birdman of Alcatraz," Stroud's interest in birds developed as he nursed the sparrows back to health. To warm the birds, Stroud improvised an incubator consisting of a sock hung near a 25-watt bulb. To aid a sparrow with a broken leg, Stroud made a splint from a match and a bit of thread.

Stroud, in his prolific outpouring of writing, states he taught the sparrows to do tricks, then called Fletcher to the door of his cell to watch.

"I would not ask you for myself but these little fellows would appreciate some bird seed," Stroud said he told Fletcher.

"They deserve it and they could sure have it if I had any," Fletcher is quoted as replying.

Thereupon, Stroud told Fletcher:

"I was so sure that that is what you would say that I have already had some sent here. It is now impounded in the storeroom and I would like an order from you permitting me to get it."

Stroud got his bird seed. Subsequently three canaries, which were presents to other prisoners, drifted into his hands. By the following year, Stroud had 50 birds and, with his mother's aid on the outside, began selling the birds, sending them out of prison disguised as gifts.

Using only a "razor blade and nail for tools," Stroud states he made his first bird cage out of wooden crates. Later, he built cages from sliced-up cigar boxes.

He obtained Government bulletins and books on birds, zoology, bacteriology, pharmacology, chemistry, and medicine. He obtained a magnifying glass and cultured micro-organisms. When one of his birds died he studied it by dissecting it with his fingernails.

Then in the early 1920's Stroud's flock was struck down by a highly contagious disease, avian septicemia, which until then was considered fatal.

Through a long series of experiments, Stroud developed a treatment for the disease based on two of his findings: The tolerance of birds for oxygen-liberating compounds is greater than that of mammals, and chemicals of the citrocarbonate type to restore the balance lost in avian septicemia.

Stroud went on to discover control methods for secondary diseases affecting canaries

and also isolated the source of an infection which sickened poultry as well as canaries, thus receiving the gratitude of poultry breeders.

Soon Stroud was publishing his findings in bird journals. With increasing frequency, such articles as "My Bird Is Dead" (some advice on diagnosing bird diseases) or "Aspergillosis in Canaries" (a highly fatal disease caused by the use of moldy food) were appearing in the Roller Canary Journal and Bird World under Stroud's bylines.

Bird fanciers throughout the country—as many as 2,000 at the peak of Stroud's career—wrote to him, seeking advice. They didn't know he was a Federal prisoner, merely wrote to Robert Stroud, Box 7, Leavenworth, Kans.

Meanwhile, Stroud reported he had reached a perfect understanding with Leavenworth's warden at that time.

"Every important man and woman who came to Leavenworth during his tenure was brought to my cell," Stroud once wrote. "We had as much love for each other as two strange bulldogs yet we put on an act for visitors that was a masterpiece.

"* * * He would certainly lay it on, telling them how many people I had killed. Why, when I came here, he would say, 'this man was so dangerous that they were afraid to open his door to give him food.'

"[Then] I would show off the birds * * * and he would praise me to the skies. We went through this little scene as often as eight times in a single day * * * without ever deviating one syllable from our script. Onlookers went away saying to themselves: 'My, what a fine courageous, human warden.'

"Me—I * * * established my bird business. If I really had a squawk to make it was written out and handed to him. Never was one word said to indicate that life was not all love and roses."

BUSINESS BOOMS FROM PRISON

(Fifth of a series)

(By Eve Edstrom)

Della Mae Jones, widow or divorcee from Shelbyville, Ind., was one of the numerous bird fanciers who corresponded with the Leavenworth Penitentiary prisoner and canary breeder, Robert Franklin Stroud.

In December 1930, she arrived in Kansas City with $1,200 obtained from the sale of property. She wanted to help Stroud advertise and market the bird medicines he had developed while treating sick canaries in his prison cell.

Until then, Stroud's mother had conducted his outside activities. But the two broke with each other about this time. Stroud was incensed over an interview his mother gave the press. For the first time he learned that she had argued that "I was a mental incompetent" when seeking the commutation of his death sentence for killing a Leavenworth guard.

FEARED INSANITY STIGMA

"I would rather be dead than to have the stigma of a madman," he said in declaring that his mother was "thwarting my efforts because she had some morbid fear that someone would find out that I was not a madman."

Stroud's mother came to believe that her son was where he belonged and a move to win Stroud a pardon collapsed when she refused to take part in it.

And so it was through Della that Stroud began to market his remedies for poultry and bird diseases—Stroud's Effervescent Bird Salts, Stroud's Special Prescription, Stroud's Salts No. 1, and Stroud's Specific.

The sale of his birds continued and he also operated a brokerage business in seeds. Seed companies paid him a commission for orders sent to him by bird breeders.

By 1931, Stroud reported his bird business was going so well that he had ordered 500 envelopes with his name and box number imprinted on them to conduct his business with the general public. Prison officials ordered that the personal printing be blacked out.

Then the U.S. Department of Agriculture complained that the labels on the bird medicines claimed to cure a disease for which veterinary science knew no cures. Stroud and Della were unable to finance new labels.

(Much later, a staff member for Scientific American reported he had checked several scientists who said "Stroud had put out a number of medicines that were of absolutely no value" but there were "five or six areas where he had made real contributions.")

NEW RULE ISSUED

And finally, the fledgling Federal Bureau of Prisons, organized in May 1930, issued a new rule. To correct abuses and to set the stage for organizing the prison industries system, prisoners were prohibited from conducting outside businesses.

"I can say sincerely that nobody in this Bureau thought of what enforcement of this rule would mean to Stroud," the then Assistant Federal Prison Director A. H. MacCormick said. "His bird business had grown so gradually * * * that we were not aware of its extent. We had always thought of it as a form of mental therapy and not as a business."

But Stroud viewed the new rule as the result of "little-mindedness" on the part of prison personnel who resented his ambition and originality. The rule triggered Stroud's war with the Prison Bureau—a war still being fought by Stroud who remains a Federal prisoner at age 72.

Declaring it was a "damn poor man who will not fight with every legitimate means at his disposal to protect the things he has created," Stroud sat down and wrote a letter.

He revealed how he was "a bird in a cage," a convict serving a life sentence in solitary confinement, and how the heartless Bureau of Prisons was bent on depriving him of his canaries.

SMUGGLED LETTER

Della smuggled the letter out of prison. It was reproduced and mailed to thousands of bird breeders who were told to inform their Congressman of Stroud's plight.

The Prison Bureau was so deluged with letters concerning Stroud that the then Prison Director Sanford Bates told the U.S. pardon attorney that "the President and yourself may have to decide whether the welfare of the Nation's canaries is more important than an attempt to keep human beings from being murdered."

Stroud's supporters insist that the letter-writing campaign forced the Prison Bureau into making such concessions as providing Stroud with an additional cell for his birds, new laboratory equipment, and eyeglasses to correct his poor vision.

But prior to the publicity over the Stroud case, Assistant Federal Prison Director MacCormick had visited Leavenworth and had expressed concern over the fact that Stroud's cell lacked sufficient natural daylight and that he was working by the light of a 25-watt bulb. MacCormick suggested to Leavenworth's warden that a window be cut in Stroud's cell and that Stroud be given a second connecting cell for his aviary.

OFFICIALS AT WORK

Furthermore, prison officials already were at work trying to modify their rules so that Stroud would not be deprived of his birds. If they did not do this, they firmly believed that "we would very soon have an insane man on our hands."

At first, it was suggested to Stroud that he continue to raise his birds but not as a private business. Instead, any earnings would be turned into the welfare fund for all prisoners and he would keep a small amount as wages.

But this was vetoed because prison officials visualized the plan as permitting him to go into the bird business as extensively as he saw fit, foreseeing earnings of $1,500 a year for himself and a chance to employ one or two inmates to assist him.

Finally, by January 1932, prison officials had arrived at this solution:

Stroud could continue to raise birds in the same numbers he had been doing, he could sell his surplus birds and the money realized would be credited to him. From these funds, he could purchase feeds, medicines and other equipment for his birds if approved by Leavenworth's warden.

PURCHASE LIMIT

But like other prisoners, he could purchase only $10 worth of supplies for his personal use from the commissary each month. And his correspondence was subject to the same limitations as that of other inmates.

At that time, prison officials said:

"We hope that the public will believe that Stroud is not being harassed and hampered needlessly in his desire to carry on legitimate activities, that he is not the victim of revengeful punishment carried on year after year but that on the contrary an intelligent, conscientious and sympathetic effort is being made to provide for him a mode of living that is consistent with the conflicting demands of humanity to the man himself and the safety of his fellow men.

"The factor of punishment for his offenses has long since passed out of the problem."

RESEARCH BY STROUD RESULTS IN NEW BOOK

(Sixth of a series)

(By Eve Edstrom)

Until Robert Franklin Stroud was shipped off to Alcatraz in 1942, he spent endless hours conducting the research which resulted in his book, "Stroud's Digest of the Diseases of Birds."

To aid him with his experiments, prison officials assigned to him a second cell at Leavenworth Penitentiary and provided new laboratory equipment. He obtained a microscope, a gift from Wesleyan University.

After he got the microscope he complained that he was not getting the reagents he wanted. His list of needed supplies that time included:

Alum haematoxylin, alum carmine, carbolfuchsin, eosin, methylene blue, eosinate methylene blue, indigo carmine, neutral red, denatured alcohol, methyl wood alcohol, glycerin, Canadian balsam, xylene, paraffin, cedar-wood oil, collodion, formalin, tartaric acid, citric acid, sodium perborate, ophthalmic ointment, iodine, potassium iodine, and potassum permanganate.

LAVENDER CANARIES

He experimented with feeding anthraquinone dyes to canaries, with the result that he not only had lavender and pink canaries but a treatment for a fungus disease of birds.

When he obtained a gift of some old slides of tissue sections, he tried to make slides of his own but had difficulty in making tissue sections thin enough to see through. He finally built a microtome capable of slicing tissue to one twelve-thousandth of an inch.

To produce his book, he studied 20,000 tissue sections, cut and mounted by himself. He spent more than 3,000 hours over the microscope. He illustrated it with more than 200 pathological drawings. When published in 1943, the book was considered the most authoritative source on the methods to treat bird diseases. Since then antibiotics have antiquated it.

During this time, Stroud consistently refused all efforts to return him to the prison population. When on occasion he was with other inmates—during exercise periods, for

example—guards reported that he was "an agitator, tricky and boastful."

BELIEFS EXPRESSED

And Stroud never expressed any remorse for his crimes, the killing of the bartender in Alaska and the prison guard at Leavenworth. Just before he became eligible for parole in 1937, he said:

"Twice I have had the misfortune of being placed in situations where I believed the taking of life was necessary in the defense of my own body. I so believed then and I so believe now."

Stroud's plea for freedom was based solely on his belief that "continued imprisonment is robbing me of the fruits of my years of labor and it is robbing the bird and poultry industries of the benefits of my special knowledge."

He made clear that he would accept none of the usual conditions of parole. He wanted unlimited traveling privileges, wanted to decide where he would live, who would be responsible for him and what requirements would govern his activities.

COMPLAINTS MOUNT

When parole was denied, he renewed his demands on prison officials "to permit me to create a routine to fit myself."

By 1942, prison officials found Stroud's activities intolerable. Beset with problems arising from the incarceration of draft dodgers, conscientious objectors and other World War II prisoners, Leavenworth's staff found that a disproportionate amount of time was being spent to supervise Stroud.

In addition, the committee reviewing Stroud's institutional progress deplored the "unsanitary conditions" resulting from his bird-breeding activities. Furthermore, the dozens of cages, books, magazines and test tubes that cluttered Stroud's cell made effective inspection impossible.

About this time prison officials became aware that Stroud had flagrantly violated their trust. By reading incoming correspondence to other prisoners, officials became aware that letters were being smuggled out of Leavenworth and that this "letter-kiting" operation coincided with Stroud's shipments of birds.

It also was suspected that Stroud's cell was the center of moonshining activities. Much of the feed ordered by Stroud was suitable for fermentation and his bird medicines included many with an alcoholic base. The odor from his birds could provide cover for this operation.

CELL ACCESSORIES

When his cell finally was "shaken down," it was found that Stroud had:

An improvised still heated by a homemade electric hotplate and made from an old pipe, glass and rubber tubing and electric light bulbs converted into flasks.

Three one-half gallons of mash and various quantities of alcohol concealed in sealed glass tubes, pint bottles, one quart bottle and gallon jugs.

Other contraband in his cell included a stiletto-like dagger hidden in a hollowed-out niche under a table. It could be taken out and used instantly.

At 8 a.m. December 16, 1942, Stroud ended his 30-year residence at Leavenworth Penitentiary. In handcuffs and leg irons, he was transported to the Nation's top security institution, Alcatraz. En route, he boasted about how he had been "cooking" 188 proof grain alcohol continuously for 12 years and how he once had more than 60 pounds of sugar in his cell without the "dumb bunch" at Leavenworth knowing it.

STROUD TRIES RAW MEAT, FRENCH BOOKS

(Seventh of a series)

(By Eve Edstrom)

Even without his birds, Robert Franklin Stroud did little to dispel the notion that he was a difficult prisoner after he arrived at Alcatraz from Leavenworth.

Placed in an open-front cell in the "D-block" treatment unit, the "Birdman" established leadership over the 40 or 50 inmates confined there and "incited" them to "create disturbances" and "destroy Government property."

Federal officials reported that Stroud was a "self-professed homosexual." His "constant counseling" concerning adoption of his homosexual ideas and "his insolent, contemptuous attitude toward officers caused the general behavior of other inmates to degenerate."

Stroud also was contemptuous of his fellow inmates, declaring that they were a "bunch of crybabies" and not "like the convicts who were in Leavenworth in the old days."

SOMETHING TO HIS CREDIT

During this time, Stroud had one thing to his credit. He was not implicated in the May 1946 riot at Alcatraz. Nor was he a hero in trying to break up the riot as the motion picture "Birdman of Alcatraz" suggests. However, he did offer to precede any guard in a search of D-block's cells to prove no guns were in the block.

By 1948, Stroud was reported for influencing other inmates to join in a hunger strike, for smuggling a letter out of Alcatraz and for circulating an obscene story he had written.

Alcatraz officials decided to remove him from D-block, vacating a hospital ward to house him. It was reported the attitude of D-block's prisoners "improved perceptibly and immediately."

But Stroud didn't change. Initially, the door to his hospital ward was left open and he was permitted to talk with other inmates. But after he obtained contraband items, such as drugs and razor blades, from the inmates, his door was locked.

The locked door and the lack of individual toilet facilities in the ward until 1955 have been cited by Stroud's defenders as examples of how Stroud has been treated inhumanely.

Throughout his Alcatraz stay, Stroud initiated numerous court suits to win his freedom or to win special privileges, ranging from changes in diet to a renewal of his bird-breeding business.

At one point he wanted to eat only raw meat and raw vegetables. He went through a French phase, insisting upon the works of Hugo, Dumas, Moliere and Voltaire in French. He requested so much research material that it was reported his quarters soon would be in the same condition which necessitated his transfer from Leavenworth.

He also was at work on a history of the Federal prison system as he had known it since he first became a prisoner in 1909 and as it should be.

"There is a lot of work for me to do," he once said. "But dammit * * * the floodlight outside my window has been burned out for several nights and I can't get any work done. I've sent word up front telling them to get it fixed but it takes forever to get anything done around one of these places."

On two occasions, Stroud attempted suicide. He consumed large quantities of medicines he had secreted and subsequently slashed himself in the groin after complaining that he did not have enough handkerchiefs.

But then he became embroiled in his outside business affairs. Thomas E. Gaddis, who had never met Stroud and who did not have access to his prison records, was preparing the story of Stroud's life, "Birdman of Alcatraz," published in 1955. Preliminary negotiations also were underway for filming Stroud's story.

Stroud was certain he would win his freedom and he told his younger brother Marc to "go direct to Eisenhower, get on the ball and get something done for me."

"Eisenhower is a politician," Stroud said, "and with the Gaddis book at the top of the best-seller list, he won't dare buck public opinion by turning me down. He'll have to turn me out."

By 1958, Stroud's progress reports finally took a turn for the better. It was noted that "oddly enough for him" Stroud had no complaints; in fact, he was complimentary about Alcatraz' staff and food.

Stroud was assigned to part-time work as a yard orderly and did well. By mid-1959, prison officials believed Stroud's medical problems—arthritis, chronic nephritis and chronic gastritis—could be managed better at the Springfield, Mo., Medical Center.

At Springfield, Stroud is considered exceptionally skillful as a bookbinder but it still is noted that he has a "strong propensity to try and circumvent ward rules." He was disciplined there after he was caught in an attempted homosexual act with a young Springfield patient. He admitted the offense.

During the last year, he has been involved in new litigation against Federal prison officials. The suit now centers on the release for possible publication of his prison history and other manuscripts confiscated from him. Prison rules forbid a prisoner to write about his own case or to write material considered to be subversive or obscene.

Meanwhile, author Gaddis and Stroud's attorney, Stanley A. Furman, have been active in directing efforts of the Committee for the Release of Robert F. Stroud. They declare a "full-scale public investigation" is needed to determine why Stroud, "world-renowned scientist," has remained in prison so long.

But Justice Department officials state that accounts of Stroud's life, as published in the Gaddis book and as filmed in the current "Birdman of Alcatraz" movie, are sensationalized and not an accurate reflection of the complete record which was not available to them.

They point out that every Attorney General since 1920 has familiarized himself with the Stroud case, and Robert F. Kennedy is the most recent one to conclude that the 72-year-old Stroud is where he belongs, in the only home he has known for more than a half-century—a U.S. prison.

NEW DAY IN SUBURBIA

Mr. WILLIAMS of New Jersey. Mr. President, in the last 10 years that we have been trying to patch up past mistakes and reshape the centers of 19th century cities to meet 20th century needs, we have put more than half as much new and unspoiled land to urban use as we did in all the previous years in the history of our country.

This is the suburban explosion we have heard so much about, which has provided us with unparalleled opportunities to avoid the mistakes of the old cities and create a genuinely new and better environment for the American people.

I think it is fair to say that we have not quite measured up to the opportunity.

No doubt our suburbs represent a distinct improvement to the family who has just moved out of the vast gray areas that are engulfing our established cities. But is this anywhere near as good as we could have done?

Our suburban subdivisions have sprawled and leapfrogged over the countryside, devouring the loveliness of the landscape and pushing up to extravagant and unnecessary heights the expendi-

tures needed for residential development, from schools to sewers to roads.

Who has not shuddered at one time or another at the sterile sight of huge, treeless suburban tracts with row upon row of identical, mass-produced, one-family houses?

Those who have wondered whether there is not a better way, a new approach to suburban development will, I am sure, be interested to know of the exciting and imaginative effort that is being suggested for a development here in the Washington area.

The new approach, which seeks to break the pattern of the old stereotyped suburb in favor of a new residential planned community, is exemplified by the projected Reston development in Fairfax County, Va. Reston, a 6,750-acre community, eventually will house 75,000 persons, of which about one-sixth will be employed within the community, thus lessening the need for transportation facilities. Sites for a Government installation, and commercial, medical, and educational facilities are included in the plan.

Nearly half of the community will be living in apartments, a large share in town houses, and fewer than 1,000 in the conventional single-family homes of traditional suburbia. This type of suburban community provides a greater variety of housing and much greater convenience for residents, plus better and cheaper public services. Careful site planning preserves as much as possible of the natural scenery of the area, a beautifully wooded section of northern Virginia.

While the overall population for the area will be the same as under present zoning, variations in density will permit a large open recreational area, two large lakes, and 757 acres in golf courses and parks. Higher density development of the residential areas makes these facilities possible.

Sites have been provided for 15 schools and, with safe walking and bicycle ways provided, children will be able to walk to school—a situation which now exists in many suburbs only in the fevered imaginations of their harried chauffeur-mothers.

Instead of the giant shopping centers with vast parking lots which now dominate the suburban scene, there will be village-type civic centers with stores, churches, and offices.

As the original sponsor of legislation to preserve open spaces in our urban areas, I am delighted to see an effort being made to improve the quality of urban living, and, of course, any attempt to economize on the cost of public services is always good news.

And there is no question that better public services can be provided for less money in an area where water, sewers, and drainage are planned in advance, where school sites are planned in advance, where there is sufficient density for optimum school size and minimum transportation cost, and for more economical fire and police protection.

As for the quality of suburban living, it seems to me that planned variations in density will offer real variety instead of the homogeneity of "look-alike houses and look-alike families." Making industry and commercial development a part of the plan will mean that many residents will be able to live near their jobs. Not only will these residents find extra hours in the day, but also, some of the intense pressure on highway facilities can be lessened, even if only slightly. Furthermore, this type of community lends itself perfectly to providing adequate transit service.

Mr. President, it seems to me that it is this kind of planning that is needed if we are going to keep up with our housing needs and still preserve the beauty of open spaces. Employment of the best available architects and site planners ought to result in a community which will please the eye instead of assaulting it.

I was delighted to note a recent announcement that the city of Tenafly, N.J., is also contemplating a somewhat similar, though smaller scale, cluster development, which would house 300 families on a 275-acre tract. The houses would occupy less than 10 percent of the land, and the remainder would be devoted to recreational facilities and open space. Site plans will be the subject of a public hearing some time this fall.

While no one action is going to solve the problem of suburban sprawl, it is heartening to learn that these new approaches are being explored, and that truly promising solutions are not only being discussed; they are being tried.

Mr. President, I think all the public officials and private individuals who are advancing these two programs deserve great credit for their farsightedness and leadership in attempting to solve one of the most difficult urban land development problems of our time.

I ask unanimous consent that articles and editorials from the Washington Post and the Washington Star commenting on the Reston project, and an article from the New York Times commenting on the Tenafly program, be included in the RECORD at this point.

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

[From the Washington Post, July 11, 1962]

FAIRFAX PROJECT WOULD HOUSE 75,000—RESTON COMMUNITY DECISION MAY ALTER SUBURBAN GROWTH

(By Fredrick Gutheim)

(Architectural critic Gutheim is president of the Washington Center for Metropolitan Studies.)

Fairfax County officials are nearing a decision on Reston, the beautifully wooded 10-square-mile tract where New York Developer Robert Simon has projected a diversified, compact community of 75,000 people.

The principal point of decision involves adoption of a new section of the county's zoning code providing for a residential planned community.

But more fundamental still will be a development policy implied in this decision that may change profoundly the pattern of suburban growth. Not only Fairfax—Washington's fastest growing county—but the rest of the Washington metropolitan area will be influenced by this decision, and so will the 2 million new residents expected to swell Washington's population in the next 20 years.

On Thursday the Fairfax County Planning Commission meets to take final action on the proposal. Next Wednesday the county supervisors have scheduled a public hearing on it.

Suburban builders used to build houses a few at a time. Now the average development is likely to produce 200 or more houses. Washington has also seen homebuilders like the Broyhills, whose Sterling Park project near Dulles Airport proposes 3,500 houses and 3,000 apartments on its 1,800 acres, or Levitt & Sons whose Belair project envisions 4,500 houses on 2,250 acres.

These residential communities have comprised single family houses, usually with several sizes and styles, shopping centers, and commercial recreation like swimming pools and bowling alleys, and sites for schools and churches.

Large lots, low densities, the long commuting, and the homogeneous community of look-alike families has been the result. Even progressive local builders like Carl Freeman, who are building apartments into general community design, have hesitated before the nonresidential features.

Reston seeks to break with this pattern and meet many of the criticisms of low-density "slurbs" and the headaches local governments have found in providing community services. About one-sixth of its population will be employed in the new community, where 584 acres of industrial land, a site for an important Government installation, and commercial, medical, and educational facilities are planned.

Nearly half of the community will be living in apartments, another very large share in grouped houses (like the town houses in Southwest Washington), and only some 8,500 in the conventional single family homes of traditional suburbia. It is even proposed that some families will be living over shops in the business centers, and thus contribute to their day-and-night vitality.

This sort of suburban community offers a new kind of out-of-town living. Skillful site planning preserves much of the natural grandeur. While maintaining the same overall population that would be allowed under the present zoning, and that would be yielded by conventional suburban homebuilding, a large open recreational area is provided for the use of its residents. Two large lakes totaling 83 acres will be made. Golf courses will take another 253 acres, and parks 504.

These facilities are possible only because of the intensive development of the residential areas. While they are primarily to serve the needs of the immediate community, they help assure that this new population will not further congest the county's other park lands and recreation areas.

The provision of 15 school sites, coupled with pedestrian and bicycle ways, will make it possible for children to walk to school—less than a mile—with a great saving of schoolbus time and costs. Village centers will provide stores, churches, and other civic facilities. More intimate in scale, they will be a refreshing change from the auto-dominant shopping centers, with their huge parking lots, now rising throughout Fairfax.

By planning a relatively self-contained community, Whittlesey & Conklin, the designers, offer a new kind of convenience in the daily living routine of suburban families. Starting with earlier land development plans prepared by Harland Bartholomew & Associates, they have reflected the firm's experience in such new towns as Kittimat, the Aluminum Co. of Canada's community in British Columbia, Chandrigarh, the new capital city of East Punjab, and many other developments in the United States running back to the Greenbelt towns of the Roosevelt years.

In first villages, as the initial development unit is called, the apartments are arranged to form a continuous belt developed

at ground level in a paved promenade as urban in character as a boardwalk.

The initial sketches show what possibilities are offered by the development to well-known local architects such as Charles M. Goodman and Chloethiel Woodard Smith, who will be the designers of further development units. A blue-ribbon selection of other architects will design the individual parts of Reston.

Two factors seem to explain Reston. One is Robert E. Simon, whose initials form the town's first syllable; the other is the uniquely large area of land in a single ownership.

Simon is a slim New York executive with an outdoors tan and an intellectual's manner of speech. He heads a family building and real estate firm now in its third generation. He is widely experienced in office building and other central city operations and has been operating outside New York City only in recent years.

Reston's site was long known as Sunset Hills, where the Bowman Brothers distilled the Washington area's best bourbon whiskies, "Virginia Gentleman" and "Fairfax County." The business still continues, but local interests have claimed all but a small area of the original holdings.

This single piece of 6,750 acres of rugged Fairfax landscape allows in the name of "a residential planned community" what Prince Georges County's more fragmented building operators have been unable to achieve under similar zoning legislation.

If the Fairfax supervisors amend their zoning ordinance it will not uncork a flood of similar communities. Much else must be done before new community building becomes the pattern for suburban Washington counties.

[From the Washington Post, July 12, 1962]

RESTON TO BE COMPLETE COMMUNITY

(By Frederick Gutheim)

The mention of 75,000 new residents to Fairfax County officials is not likely to draw the cheers is does from the chamber of commerce.

To the officials, growth is an agonizing problem. It means new need for schools, water, sewers, roads, fire and police protection, parks and recreation, all with costs that seem to exceed local capacity to pay.

Fairfax County supervisors next Wednesday will be looking at a new approach—a large planned community that proposes to meet most of these problems at the start.

The proposed Reston development, on the old Sunset Hills tract near Herndon, would be Washington's first suburban community of its kind. It has been widely hailed as the outstanding example of its kind in the architectural press and in a recent Harvard University metropolitan community design conference.

It is the American version of the 15 British "new towns," or Scandinavian examples like Stockholm's three suburban communities and Helsinki's Tapiola.

Apart from the advantages to its residents from living in a compact, relatively self-contained, diversified community, as reviewed yesterday, what does Reston offer to Fairfax County and its people? How might it affect the future suburban development of Washington, the fastest growing large metropolitan area in Eastern United States?

In this compact large-scale development the ordinary public services, like water supply, sanitary sewers and drainage are planned, provided and financed in a single process. Timing of such improvements would avoid the costly and inconvenient later installations, often tearing up freshly laid paving, with frequent delays in the availability of service.

School building, always an activity of prime importance, would benefit from the advance location of schools, and a predetermined number of pupils assuring adequately sized as well as properly planned sites. A major question before the supervisors next week will be whether the builder should be required to donate free school sites.

Most of its more than 500 acres of light industry is expected to accommodate research and development, electronics and other firms typical of the county's current growth. The county thus will receive a substantial addition to its tax base. Sites within a planned community also strengthen the county's attraction to industry.

As a relatively freestanding community, Reston would offer many comparisons with a large urban redevelopment operation, like Southwest Washington—only it would be 20 times larger and involve three times as many people.

Like the Southwest, too, many designers and builders would execute the 7 residential sectors, each of which would contain some 10,000 persons, and the special areas for industry, shopping and recreation. The long-range plan would cover nearly 20 years, with some 30,000 people living in the development by 1970.

In these details lies perhaps the most important aspect of the Reston plan. It is one thing to adopt a general strategy of concentration of suburban development. The year 2000 plan does that, and some suburban planning agencies like the Maryland National Capital Park and Planning Commission have followed suit.

But it is another thing to bring such plans to fruition. Once they have embraced radial corridor or satellite plans, suburban counties must find out how to work with developers and community builders to bring them about.

Beyond the public control of the developer, as provided in the approval of the physical plan, and detailed provisions to secure school sites and rights-of-way for public facilities, the pace of development must be assured.

A unique combination of circumstances has brought Reston to the point of official approval. This swallow doesn't make a summer. The developer may be able to proceed with the single zoning change he is asking.

But if suburban governing bodies are to see in Reston, as they should, a way of dealing with their growth problems, they will have to adopt more affirmative tactics to encourage more builders to plan and build large self-contained communities.

[From the Washington Star, July 19, 1962]

FAIRFAX CREATES ZONING—RESTON PLAN APPROVED

(By Walter Wurfel)

"What we're really selling is a way of living," said a tired and happy real estate developer yesterday outside the county supervisors' board room in Fairfax.

The developer, 48-year-old Robert D. Simon, Jr., had just sold the board on that way of living—residential planned communities.

By a 7-to-0 vote the board approved amendments to the county statutes creating a new zone called RPO to allow planned satellite developments.

Mr. Simon plans to build the first one—a 6,750-acre community called Reston—in the western part of the county. Reston eventually will have 75,000 persons, according to his plan.

The RPC zone is a new concept in the county's zoning plans. Although the county will keep control over development of planned communities, the customary setback and lot-size restrictions will not apply.

CONTROLLED DENSITY

Instead, the average density per acre in the entire development will be controlled. The decision on type and placement of dwelling units is left up to the developer.

The county will keep control of how the areas are developed by requiring approval of site plans of at least 100 acres at a time.

No RPC development smaller than 750 acres is allowed, and the applicants will be required to present their preliminary plans before zoning is granted. After that the builder may develop the area 100 acres at a time.

The minimum of 750 acres required by the board was sharply reduced from the planning commission's recommendation of 2,000.

Chairman William H. Moss agreed with other board members and several citizens who testified that similar zoning should be made available to owners of tracts smaller than the 750 acres required in the RPC zone.

CALLS FOR STUDY

He directed that the county planning staff "should study ways and means to develop smaller tracts on a residential basis allowing density zoning."

Yesterday's action ended a county legislative procedure that began last September when Mr. Simon's plan was first presented to the supervisors. Mr. Simon estimated today that it has cost him $1,000 each working day to finance the nine-man working staff he has in Fairfax.

The New York-based builder said bulldozing will begin next month for an artificial lake and golf course on the northern part of the Reston tracts next to the Dulles Freeway.

He said his staff would have a final plan of the first 100-acre unit ready to present to county planners by September or October.

The first unit will include three cluster communities. One will be made of up to 160 units of high-density apartments with a maximum population per acre of 60. The other 2 will include 100 units each of medium-density apartments. These will have no more than 14 persons an acre.

ELEVEN-PERSON LIMIT

Low-density residential areas to be built later will have fewer than four persons an acre. This will keep the average density of Reston as a whole within the 11-person limit allowed in an RPC zone.

Two Washington-area architects, Chloethiel Smith and Charles Goodman, have been chosen to design the two medium-density clusters, Mr. Simon said.

Whittlesey and Conklin, a New York planning firm, will be the architects for the high-density units.

The first apartments will be ready for occupancy before the fall of 1963, Mr. Simon said. He added that a community riding stable on the southern portion of the Reston tract may be opened sooner.

Individual lots bordering on the lake and golf course will be put up for sale, the developer said. Control of all construction will be retained by his company, Simon Enterprises, Mr. Simon said, in keeping with a requirement of the new zoning law.

The ordinance requires that all RPC-zoned areas be developed under one ownership or control.

As part of his agreement with the county, Mr. Simon will donate land for all elementary and intermediate schools needed to accommodate the children of Reston.

[From the Washington Post, July 18, 1962]

PLANNED CITY

The Washington area may soon have an opportunity to see the kind of modern satellite community that the planners have been dreaming about. Developer Robert E. Simon Jr. is knocking at the door of the Fairfax County Board of Supervisors for permission to build, over the next few decades, a planned town for 75,000 inhabitants on a 6,750-acre tract near Herndon. Since the town would be located on the highway to Dulles Airport and on the proposed outer circumferential, it would presumably be

compatible with the year 2000 plan and with the general trend of thinking hereabouts as to how the metropolitan area should grow in an orderly manner.

The enormous advantage of this kind of development is that it provides for schools, streets, sewers, water, industrial and commercial areas, and parks and open space with advance knowledge of what the completed community will be like. The plan also includes a lake, golf course, convention center, theater, and other recreational facilities. Many of the inhabitants would be employed in the town, chiefly in industrial parks designed to attract light industry of a modern type. If the design is carried out as planned, the community should offer a high degree of pleasant living.

To say the least, this attempt to create an entirely new town with apartments (clusters of medium density adjacent to woods and open space) along with private homes is a welcome relief from the urban sprawl that has characterized so much of the suburban development of recent years. The net result will not be overcrowding but rather the conservation of space so as to make it most useful to the people of the area.

All these notable advantages of the plan are obviously contingent, however, upon its execution in accord with the ambitious blueprints now offered. The immediate question before the Board of Supervisors in its meeting today will be the adoption of a new zoning ordinance that would give a green light to this planned city of Reston. Some of the supervisors are apparently concerned over whether the more flexible standards for planned cities of this kind will be open to abuse. We share their feeling that safeguards are vital. Even developers who envision a grand new design for an undeveloped area cannot be given a blank check.

It would be tragic, however, if planning of the type which this National Capital area so urgently needs should be discouraged by mere stand-pattism in county halls. If the new zoning proposal is adopted, the developer will be required to submit detailed site plans for each phase of his project. It should be possible for the county to devise means of compelling adherence to the plans without throwing cold water on the promise of a new tack in city development.

[From the Washington Star, July 17, 1962]

SATELLITE TOWN

The massive nature of the proposed Reston project—a development for 75,000 persons spread over 6,750 acres in western Fairfax County—is of itself sufficient to command unusual attention. Its major significance, however, lies in the new concepts of suburban development it envisions: A completely planned and largely self-sufficient community containing a sharp diversity of housing types, industry, and business to provide employment for many of its residents, and a wide range of recreational and service facilities.

This pattern, according to its entrepreneurs, strives for a greater mixture of the major advantages of both city and suburban living, somewhat in the theory of the "new towns" of Great Britain and Europe. It is generally in line with the goals of the year 2000 plan, which suggests such concentrations in the Washington suburbs as a means of reducing the public costs of handling substantial population increases with maximum efficiency, while at the same time preserving open spaces through a break in the sprawl of the more traditional types of single-family housing projects which now dominate suburban areas.

Immediately at issue is a new Fairfax zoning category designed to accommodate such large projects. It would establish a specific population density for the project as a whole (in the case of Reston, 13 persons per acre), but permit wide latitude within the project to concentrate or to spread out housing in accordance with a master plan, and without regard to lot size or to some of the other restrictions which customarily prevail. The County Board of Supervisors, under the proposal, would retain powers of approval at progressive stages of the plan's development. This is an approach which makes sense for such large developments in the suburbs, just as, in cities, special concessions are made to large urban renewal projects which are based on approved master plans.

While the sponsors of the Reston project have been working with county officials for several months, however, the development itself has received little attention beyond professional circles. It is well, therefore, that the board of supervisors will hold a public hearing tomorrow, both on the proposed zoning change and on a request for endorsement of the master plan itself. The zoning revision was recommended last week by the County Planning Commission. In addition, and understandably so, the Reston plan has aroused considerable enthusiasm among city planners and architects. Nevertheless, before taking final action of their own, the supervisors should make certain that there is full understanding not only of the details of the Reston project, but of its impact on contiguous land areas and on highway, water, sewage, and other public programs of the county.

[From the New York Times, July 20, 1962]

CLUSTERED HOMES ASKED IN TENAFLY—BUILDER PLANS 300 UNITS ON ONLY 10 PERCENT OF 275 ACRES

TENAFLY, N.J.—An unusual concept in housing, in which 300 single-family homes would be built in five clusters on a 275-acre tract, has been presented to the planning board here.

The houses would occupy less than 10 percent of the land. The remainder would be devoted to a 27-hole golf course and other recreational facilities.

Site plans submitted by the developer, Norman E. Blankman of New York, went on display in the Municipal Building here today. A public hearing on the proposal will be held after Labor Day, according to Walter Hartung, chairman of the planning board.

Each circular cluster would have 60 houses of contemporary design, Mr. Blankman said. An inner court, 450 feet in diameter, would provide access to each house and have in the middle a 60-foot square swimming pool. All five clusters would emanate from a single private road about 4,000 feet long.

The tract is bounded on the east by Route 9W; on the south by Clinton Avenue, a main east-west thoroughfare; on the west by Sunderland Road and on the north by Hudson Avenue. Access would be from 9W and from Clinton Avenue. There would be no public roads, sidewalks, or street lighting.

HISTORICAL HAMPSHIRE COUNTY AND ROMNEY, W. VA.

Mr. BYRD of West Virginia. Mr. President, it was my recent pleasure to attend a dinner which launched the bicentennial celebration of Romney, W. Va. Romney has the distinction of being the oldest town in the Mountain State. Moreover, it is located in the oldest county in the State—Hampshire County, a county rich in the history of colonial America.

The highlight of this celebration dinner was an excellent address by Dr. A. G. Slonaker, dean of Shepherd College, Shepherdstown, W. Va., in which the histories of Romney and Hampshire County were traced with scholarly refinement.

As was pointed out by Dr. Slonaker at the conclusion of his remarks, there is much to be gained by recalling our pioneer spirit—the spirit so nobly exhibited by our forefathers—

There are some indications—

He said—

that we have grown soft and have been spoiled by easy and luxurious living. Security seems more important than independence.

However, Dr. Slonaker added:

If nothing else grows from this bicentennial celebration (of Romney and Hampshire County), it is to be hoped that we will gain a greater appreciation of our heritage and a determination that we will guard our liberty and our way of life against all threats, both from within and from without.

I ask unanimous consent to have the text of Dr. Slonaker's address printed in the CONGRESSIONAL RECORD.

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

HISTORICAL HAMPSHIRE COUNTY AND ROMNEY, W. VA.

On this occasion of the bicentennial celebration of Romney, W. Va., it is difficult to know where to begin and what to omit. There is so much to cover. So much has taken place in this 200 year period that it is a real challenge to decide what is pertinent and what should be mentioned here this evening. I would like to review some of the historical highlights that I am sure concern the people of Hampshire County today.

The early outposts of civilization moved westward at a yearly rate of 17 miles. In 1670 the Governor of Virginia sent an exploring party across the mountains to the west to search for silver and gold and try to discover a river flowing into the Pacific Ocean. What this expedition discovered was New River in what is now southeastern West Virginia. In 1716 Governor Spotswood led an exploring party over the Blue Ridge across the Shenandoah to the summit of the Allegheny Mountains. He ran into what is now Pendleton County. The Gap in the Blue Ridge Mountains was soon discovered at Harpers Ferry which became the gateway to the Shenandoah Valley and to the West.[1]

Lord Fairfax claimed the greater part of what is now the eastern panhandle of West Virginia. His grant called for a line drawn from the head of the Potomac to the head of the Rappahannock. In 1746 the Fairfax Stone was planted to mark the spot where the rainfall divides the part flowing into the Potomac and the part flowing to the Cheat.

The name of George Washington figures prominently in the early history of Hampshire County as he spent the summers of 3 years beginning in 1748 surveying the estate of Lord Fairfax. The spirit of adventure characteristic of the American people encouraged pioneers to move into the unsettled counties. In 1755, at the time the French and Indian War broke out, there were settlements all along the Potomac River in what is now Hampshire, Hardy, and Pendleton Counties. Land was abundant and cheap in the early days of West Virginia settlements and the State was generous in granting land to settlers. Pioneers usually located on such vacant lands that suited them. Tomahawk rights consisted in deadening trees near a stream or a brook and cutting the claimant's name on the bark of the tree. It usually helped to build a cabin and

[1] Maxwell and Swisher, "History of Hampshire County," p. 15.

to grow a crop of corn. Commissioners were appointed from time to time to visit settlements and gave certificates to those who presented satisfactory proof that they had complied with the law. The good locations were taken first. Surveys were made in the crudest manner often overlapping, thus laying the foundations for future lawsuits.

ON THE FRENCH AND INDIAN WAR PERIOD

No State was more deeply concerned than Virginia. Had the plan outlined by the French been successful what is now West Virginia would have been French instead of English and the settlements by the Virginians would not have been carried west of the Allegheny Mountains. One Indian chief was supposed to have remarked, "If the French claim all the land on one side of the river and the English claim all of the land on the other side, where is the Indian land?"

Again the name of George Washington figures prominently. Washington built Fort Necessity, about 50 miles west of Cumberland, Md. He fought a battle there in July 1754, and capitulated to the overwhelming numbers of the French on July 4, 1754, just 22 years before the signing of the Declaration of Independence. General Braddock arrived in America and prepared four separate expeditions against the French, one of which was in the direction of the Ohio Valley, led by Braddock, himself.[2] Braddock expressed no concern for Indian attacks and showed only contempt for the American soldiers in his ranks. Never had a general gone into the field with so little understanding of what he was undertaking. He paid for this with his life. The battle was short. One-half of the army was killed or wounded. The best showing, however, was made by the troops from Virginia under the command of Washington, some of whom were from Hampshire County. With the repulse of Braddock there was no protection for the frontiers of Virginia except such as the settlers themselves could provide. One of the first settlements to receive a visit from the savages after Braddock's defeat was in Hampshire County. Braddock's defeated army had scarcely withdrawn when the savages appeared near the sight of Romney and fired at some of the men near the fort. Early the next spring the party of 50 Indians under French leadership again invaded the settlements on the Potomac. These depredations continued with the Indians returning frequently and causing great concern and evacuation of many settlers who had located in Hampshire County. After Braddock's defeat, when the frontier was exposed to danger, the State of Virginia appointed George Washington commander in chief of all forces raised or to be raised in that State. He traveled along the whole frontier inspecting the forts and trying to establish security measures. The picture of the distress of the people and the horrors of the Indian warfare summed up in these words by Washington addressed to the Governor of Virginia.

"The supplicating tears of the women and the moving petitions of the men melt me with such deadly sorrow that I solemnly declare that if I know my own mind I would offer myself a willing sacrifice to the butchering enemy, provided that would contribute to the people's ease." Indians butchered the people and fled. Pursuit was nearly always futile. The only solution seemed to be the capture and reduction of Fort Duquesne, the headquarters of the French in the Ohio Valley. This was accomplished on November 25, 1758, when the French gave up their forts, and fled down the Ohio, breaking the power of the French in the Ohio Valley. The gateway to the great West was secure to the English race.

West Virginia's fate held in the balance until Fort Duquesne fell. Had this territory fallen into the hands of France the character and culture of the inhabitants would have been different. The history of Hampshire County would have been completely changed. Fort Duquesne became Fort Pitt with Anglo-Saxon instead of French influence.

ROMNEY AND HAMPSHIRE COUNTY

The first families to establish residences in the county were the Cobin, Howard, Walker, Rutledge, and Forman families, who settled near the present town of Springfield in Hampshire County. These first five families to establish residence were followed 3 years later by two brothers, Job and John Piersall, who built their homes near the present site of Romney and which was to be known for a time as Piersall's Flats. Up until this time all of the south branch region was a part of Frederick County which had been formed from Orange County in 1738. The courthouse was at Winchester and this section was so far removed from the seat of justice that agitation for the formation of a separate county had begun soon after the first settlements were made. This together with Fairfax's desire for a complete segregation of his lands lying within the bounds of the northern neck caused the general assembly to partition the counties of Frederick and Augusta to form the county of Hampshire, and in November 1753 an act was passed creating the new county. The boundaries of Hampshire included all of the present counties of Mineral, Hardy, and Grant, and portions of Morgan and Pendleton, with an area of 2,800 square miles, with an estimated population of between 3,000 and 4,000 persons. I need not remind you that it is the oldest now within the boundaries of West Virginia.

With the Braddock defeat Hampshire County became somewhat of a no man's land. The countryside between Winchester and Cumberland was pretty much abandoned. The men, however, from the South Branch Valley refused to be beaten and held out at Fort Piersall and at Fort Edwards, at Capon Bridge. There were however few Indian depredations after 1761, and no warriors invaded Hampshire County after 1765. With the restoration of peace after 1761, the settlers turned to the task of rebuilding their homes. The rapid settlement of this territory which the war had halted quickly revived. Surveyors were sent into the county with Piersall's Flats being selected as the most suitable location. A 10-acre plat was surveyed and laid off into lots of one-half acre and the town named Romney for one of the ports on the English channel famous for its fine hogs. On November 18, 1762, a bill for establishing the town was introduced into the House of Burgesses. On December 17 the bill was approved and on December 23, 1762, the Governor's signature was affixed to the act, thus establishing the first recorded act creating a town within the present State of West Virginia. I will have to admit that this is just a bit confusing for me since each morning when I go to work I drive by a sign which says "Shepherdstown, W. Va., the oldest town in the State." Romney grew rapidly and within a few years most of the lots were sold. The population of the county had grown to more than 7,000 and the county and the town led a rather peaceful existence until the coming of the American Revolution which again brought the stark horrors of war to the South Branch region.

Early in the war of the Revolution when a call went out for volunteers, Hampshire County furnished a company of men which arrived at Fort Henry, now Wheeling, on September 15, 1777, to engage in Indian warfare which had been provoked this time by the British. At the beginning of the Revolutionary War Hampshire County was torn by internal strife because of the large percentage of its inhabitants who were of English descent, many direct from the mother country who found it hard to turn their backs on His Majesty, George III. In other words, there was a rather strong nest of Tories in Hampshire County.

To deal with this group Gen. Daniel Morgan in Frederick County collected 400 troops, marched across the mountains and successfully defeated the insurgents.[3] The ringleaders were tried and convicted. The sentence was light because many of this group agreed to volunteer for duty with the Continental Army and some subsequently gave their lives for the cause of national liberty. The British Army never invaded Hampshire County during the Revolution. However, it is said that there was not a battle in this entire conflict in which some of our men were not engaged. The county furnished her full quota of men and did her part in helping to establish independence. At the close of the Revolution the State of Virginia confiscated the Fairfax estate because it was owned by a Tory.

Immediately after the Revolutionary War the activities in Hampshire County began to boom. The influx of settlers resulted in a rapid development of transportation facilities and by 1786 a State road was operated from Winchester by Capon Bridge and Hanging Rock Gap to Romney where stagelines from Green Spring on the north and Moorefield on the south made connections with a line going west by Mechanicsburg and Burlington to Cumberland. Settlers poured into the South Branch Valley by the hundreds and the price of land went up. I presume from reading about recent real estate transactions in the Hampshire Review that it is still going up.

In Romney new homes were erected, stores and warehouses were built and a monthly trading affair brought traders and speculators from all sections of the county. On December 4, 1789, the general assembly passed an act appointing trustees for the town of Romney, giving any five of them power and authority to settle all disputes relative to lots in the said town, also to open and clear the streets and lanes in the said town agreeable to the original plan and survey thereof.

Another landmark in the history of Romney was the establishing of a post office. In 1796 a redletter day for the community occurred when John Jack, the first postmaster opened the letter office, for up to this time the letters posted had to be sent by stage to Winchester.

Another important event in the history of Romney and Hampshire County was the construction of the Northwestern Turnpike from Winchester to Parkersburg on the Ohio River. This westward road had been proposed by Gen. Daniel Morgan and other gentlemen from Virginia as early as 1748. Col. Clark Crozet, French officer and engineer, who built the road over which Napoleon led his troops into Italy, was the principal engineer of the State of Virginia and set to work immediately on the original survey of the road, following what was considered the most desirable and easy grade through Hampshire County by way of Capon Bridge, Hanging Rock, Pleasant Dale and Augusta to Romney. By 1830 the road had reached Romney and in 1838 was opened to Parkersburg where a line of fast triweekly stages ran from Romney to Parkersburg and by 1845 a daily line of stages and regular mail service had been established.

Romney's location together with its natural advantages as a junction point made it one of the most popular stopping places for travelers. There was a great demand for accommodations and the citizens of the town were quick to realize that the road was bringing to them a lucrative business. An

[2] Ibid., p. 35.

[3] Ibid., p. 63.

old tavern license book found among the court records shows that at least six hostelries were established here in a period of 5 years. Among the more famous of these old hotels was the old Virginia House which stood on the intersection of Court House Lane and Marsham Street, and the Keller House at the intersection of Court House Land and Grafton Street on the present site of the New Century Hotel. Many distinguished guests were listed among those who stopped in Romney. Among them were George Washington, Daniel Webster, and Henry Clay. It might be of interest that Washington's last visit to Romney was made on October 9, 1770.

There are indications that Romney turned out with more enthusiasm for the visit of Henry Clay in 1832, during his campaign for the presidency of the United States against Jackson than for any other individual. It is said that the people of Hampshire County and Romney polished their stoves and pots and pans and even painted their stones in their fireplaces on this occasion as if he were to be a guest in every home.

THE CIVIL WAR 1861

Time does not permit a complete discussion of the War Between the States and the 56 times which the county seat changed hands. We will need to confine our discussion to the principal acts of the drama. Of course the county furnished men for both sides. Families were sometimes divided. The bushwhacker or hidden guerrilla who fired and vanished played an active role in the sparsely populated areas of the county. The entire State of West Virginia furnished 36,500 troops for the Union Army and 7,000 troops for the Confederates. This proportion was not nearly so great in the direction of the Union Army insofar as Hampshire was concerned.

Romney and Hampshire County could not escape a prominent role in the War Between the States by the very nature of its location and the proximity of the Baltimore & Ohio Railroad, and the supply of grain and livestock available in the South Branch Valley. It was true that there had been long a smoldering resentment of the tidewater region of Virginia. The ordinance of secession was passed over the opposition of the western counties. Mass meetings sprang up in western Virginia. Hampshire County sent five delegates to both Wheeling conventions in 1861. The majority of members of these conventions looked forward to forming a new State west of the mountains. The details of forming this State on June 20, 1863, is a story within itself. Hampshire County played its full part in bringing this about.

The total population of Hampshire and Hardy Counties at the time of the Civil War was a white population of 23,777, with 2,286 Negro slaves and 492 free Negroes. Early in the war the Hampshire guards and Potomac guards were largely recruited from Hampshire County, and both of these outfits reported to Col. Thomas J. Jackson at Harpers Ferry in May 1861. It is difficult to list all of the prominent people who figured in this conflict and certainly we cannot do them all justice. In reading the literature in the field it seems to me that Col. Angus McDonald, Sr., deserves some special mention since he was a very prominent figure in the early war years and in the defense of Romney, but he later asked to be relieved of his command and he died in Cumberland in 1864.

Col. Lew Wallace of Ben-Hur fame occupied Romney on the night of June 12, 1861, having come from Cumberland by way of New Creek now Keyser and returned to Cumberland on the next day, June 13. Col. A. P. Hill was dispatched by Joseph E. Johnson as a result of this threat by Lew Wallace. Col. Turner Ashby had his headquarters in Romney during the early days of the war and later moved into what is now the Washington farm. His brother Richard Ashby was killed in a skirmish along the South Branch River and is, of course, buried in the Indian Mound Cemetery.

Hampshire was subjected to northern inroads in that the Northern armies were interested in their livestock and actually drove a good deal of it off and went so far as to thresh the grain in the fields. The South Branch Intelligencer, one of the oldest and most respected newspapers in the States was destroyed by Federal troops in 1861. It was during this year that General Kelly occupied Romney with a sizable force of some 9,000 men which even today might tax the housing facilities of the local inhabitants. His forces proceeded to destroy most of the houses between Blues Gap and Romney and after the occupation by General Kelly there wasn't much recognizable but the hills.

The year 1862 features the campaign of Stonewall Jackson in the relief and occupation of Romney. Jackson felt that Romney was the key to holding Winchester, and he considered the South Branch Valley second only to the Shenandoah as a granary for the Confederacy, consequently, he proceeded to Romney from Winchester by way of Bath, now Berkeley Springs.

THE CIVIL WAR 1862

Jackson's occupation at Romney did much to reassure the people of the South Branch Valley that the Confederacy had not forgotten them. The resulting conflict between General Loring and General Jackson was most unfortunate and almost resulted in the loss of Stonewall Jackson to the Confederacy as he submitted his resignation to Secretary of War Benjamin, because of the interference with his policies and with what appeared to be intervention in behalf of Loring in the Loring-Jackson controversy. Jackson reconsidered and withdrew his resignation after talking with his old friend, the former Quartermaster General of the Army, Joseph E. Johnson.

An incident which has drawn considerable attention occurred in Romney during April 1862—the escape of Lt. John Blue from the hands of the Federals. The escape attracted considerable attention since it took place in the early morning hours and was accomplished under the eyes of approximately 100 Yankee soldiers. After the evacuation of General Loring's Army until the end of the war Romney was held for the most part by Federal forces. It is chiefly mentioned in the official records not as a battleground but as a communication center for Federals.

Other names that figure prominently during this period were that of Col. John H. McNeil who was given permission to organize a troop to defend the South Branch Valley and that of Col. John D. Imboden under whose command many Hampshire Countians were privileged to serve. General Imboden occupied Romney for a 2-day period during September 1862. Imboden kept up a running battle with General Kelly, who was based in Cumberland and whose mission was to defend the main line of the Baltimore & Ohio Railroad.

Confederate raids on the Baltimore & Ohio and into the South Branch valleys for stores and provisions with Federal attempts to defend these points constitute the chief items of interest for Romney during 1863. During the winter of 1862–63 the people of Hampshire and Hardy Counties were afflicted by considerable hardship. Among other things General Milroy, who spent most of his time in Winchester, levied taxes against Southern sympathizers. There were also many arrests and many people fled from the South Branch Valley; nor did the frequent raids of the bushwhackers add to the security of the people in and about Romney.

The year 1864 saw the raid in the early days of January of Gen. Fitzhugh Lee, assisted by Thomas L. Rosser across the mountains for the primary purpose of obtaining supplies for the army of northern Virginia and to damage the Paltimore & Ohio Railroad. Lee's and Rosser's forces spent the night of January 5, 1864, in Romney. Fitzhugh Lee left Romney hurriedly by way of Grassy Lick Road, Brocks Gap, and Harrisonburg after capturing some 27 wagons and destroying considerable supplies. Lee reported that this region of the South Branch could not be counted upon to furnish supplies in quantity since enemy occupation over a long period had exhausted its resources. Colonel McNeil spent a good portion of 1864 harassing the forces of General Kelly in the vicinity of Cumberland and was often in and about Hampshire County during this period. The career of John H. McNeil, of course, was ended near Mount Jackson on October 7, 1864, where he was mortally wounded by a party of Federal cavalry. His son, Jessie C. McNeil, a no less daring individual, carried on after the death of his father. General Kelly threatened to lay waste the entire South Branch Valley just as the Shenandoah Valley had been devastated by Sheridan if the people continued to harbor and feed McNeil.

The year 1865 brought no outstanding military event to Romney. There were, however, several operations with which Romney was concerned. Among the most prominent of these operations was the capture of Generals Crook and Kelly in Cumberland by McNeil's soldiers. From the time of Kelly's capture there seemed to have been no extensive body of troops in Hampshire County until the end of the war.

Even Lee's surrender did not entirely end the Civil War in Hampshire County. Two Hampshire companies which had escaped from Appommattox, it was reported, made their way back to Romney and stopped before the courthouse trying to make up their minds whether to surrender or attempt to join Joseph E. Johnston in North Carolina. While there the news reached them that Johnston had surrendered, after which they marched to Winchester and laid down their arms.

It might be superfluous to remark at this point that Hampshire County was taken into the newly formed State of West Virginia against its will. Technically, however, it had been a part of the new State from the outset of statehood. Its citizens were disenfranchised except for a few who called themselves loyal; therefore, Hampshire County gave its consent without a full poll but the cause was lost and nothing remained for the people at the end of the war but to adjust themselves to stern and bitter reality.

In 1883 an organization known as Society of Ex-Confederate Soldiers in Hampshire County was formed. The support and respect which this group enjoyed in the minds of Hampshire people indicates the esteem with which the Confederates and the cause they represented were held. The monument in Indian Mound Cemetery to Confederate veterans erected in 1867 was one of the first of its kind in the Nation.

I will not spend much time on historical details which took place after the Civil War. Some of the city fathers here tonight including R. L. Sumner and others are perhaps old enough to remember quite vividly major events since that time. Therefore, I will gradually draw my remarks to a close with some observations concerning the past and some hopes for the future.

At this time I think it would be fitting and proper to pay tribute to the three Governors furnished by Hampshire County to the State of West Virginia. I of course refer to John J. Jacobs, John J. Cornwell, and H. G. Kump. It is of interest to note that both Governor Cornwell and Governor Jacobs were school principals at one time in their careers within the town of Romney. I also feel that it is important to note the educational efforts that took place in the early

days of Romney. The Romney Academy, Romney Classical Institute, Potomac Seminary were three quite noteworthy institutions. The present deaf and blind school where we are this evening was the old site of the Romney Classical Institute. At one time the Romney Literary Society was a very potent force in the life of the community. Regular meetings were held in what was known as Literary Hall which is now the regular meeting place of the Masonic Lodge. It was at Literary Hall that the intellectual life of the community had its center.

In going through the historical literature concerning Romney and Hampshire County one cannot help but be impressed by the unusual nature of some of the old laws that applied to the county. For example—for being intoxicated the fine should be 83 cents, and if not paid the offender should have 10 lashes on the bare back. For working on Sunday the fine was $1.67. For stealing a cask of tobacco found lying by the public highway, the punishment was death.[4] These were laws passed in 1792. During the same year a law was passed by the legislature providing that any person found guilty of forgery must be put to death, but for the man who had in possession counterfeit money the penalty of death was not enough. He was not only to be put to death but was forbidden the attendance of a minister and must go to execution in the blossom of his sin. Since Hampshire County was named because of its famous hogs and their sleek and healthy appearance, it might be of interest to mention a law that applied concerning hog stealing. It is not apparent just why stealing a hog was worse than stealing other animals but apparently it must have been so considered. A law passed in 1792 declared that any person not a slave who steals a hog, a shoat, or a pig shall receive 35 lashes on the bare back, or if he preferred to do so, he might escape the lashing by paying a fine of $30, but whether he paid the fine or submitted to the lashes he must still pay $8 to the owner for each hog stolen by him. For the second offense in hog stealing, the law provided that the person convicted if not a slave should stand 2 hours in a pillory on a public court day at the courthouse and have both ears nailed to the pillory and at the end of the 2 hours should have his ears cut loose from the nails. It is expressly provided that no exception should be made in the case of women, and if hog stealing persisted for the third time the accused was effectively cured of his desire concerning hog stealing by being put to death. As you can see the excellent hogs from which Hampshire derived its name were given full protection by members of the legislative body.

I would like to switch from the 1790's to the 1960's and quote to you a paragraph from a recent best seller "The Making of a President 1960." This paragraph has to do with all West Virginia. I am sure it applies to the people of Hampshire. I quote: "That these are handsome people and beyond doubt the best mannered and most courteous in the Nation. These people who teach their children to say sir and thank you to their elders. They speak in soft gentle tones; their relations with their Negroes are best of any State with any significant Negro population North or South. The Negroes are treated with great respect and good manners, reciprocate with a bearing of good manners and respect. Whether on a West Virginia bus or in a crowded West Virginia store, men and women are well behaved and friendly. Moreover, these are brilliant people. No State of the Union contributed more heavily to the Armed Forces of the United States in proportion to population than did this State of mountainmen, nor did any State suffer more casualties in proportion to its population." I will stop there because he says some other things that are not quite so complimentary. I recommend this book especially to our toastmaster because of its democratic flavor. I am sure that it will be of interest to him provided he reads it carefully and absorbs what he reads. I suspect he has already read it.

NOTES AND INCIDENTALS

The progress of Romney and vicinity in 200 years has been amazing and a little short of astounding. However, it would seem as though we might well recapture some of the pioneer spirit exhibited by our forefathers. We have retained the name of Romney Pioneers for our athletic teams. Perhaps we should go further. There are some indications that we have grown soft and have been spoiled by easy and luxurious living. Security seems more important than independence. History has demonstrated that when this occurs among nations and peoples that serious consequences may result. If nothing else grows from this bicentennial celebration, it is to be hoped that we will gain a greater appreciation of our heritage and a determination that we will guard our liberty and our way of life against all threats, both from within and from without. It is certainly something on which we can unite in a bipartisan spirit. It is a pleasure to have been here and to have participated in a small way in the kickoff banquet for the bicentennial celebration in the oldest county in West Virginia and the oldest town in the State.

[4] Ibid., p. 303.

REVISION OF LAWS RELATING TO DEPOSITORY LIBRARIES

Mr. JORDAN. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives relative to H.R. 8141, a bill to revise the laws relating to depository libraries.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 8141, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U.S.,
July 18, 1962.

Resolved, That the House agree to the amendments of the Senate numbered 1 through 25, inclusive, and amendment numbered 27 to the bill (H.R. 8141) entitled "An Act to revise the laws relating to depository libraries."

Resolved, That the House agree to the amendment of the Senate numbered 26 to said bill with an amendment, as follows: In lieu of the matter inserted by said amendment, insert:

"SEC. 10. The Public Printer, with the approval of the Joint Committee on Printing, as provided for by section 2 of the Printing Act of 1895 (ch. 23, sec. 2, 28 Stat. 601), as amended, shall adopt and employ such measures as he deems necessary for the economical and practical implementation of this Act."

Mr. JORDAN. Mr. President, I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Carolina.

The motion was agreed to.

Mr. JORDAN. Mr. President, I am gratified to state that on July 18, 1962, the House of Representatives agreed to all but one of the 27 Senate amendments to H.R. 8141, an act to revise the laws relating to depository libraries. In its wisdom the House has amended Senate amendment No. 26 and returned the bill to the Senate. Approval by the Senate of this one change completes legislative action on the bill and sends it to the President for Executive decision. The Senate Committee on Rules and Administration was advised in advance of the House action, and has no serious objection thereto.

Mr. President, I ask unanimous consent that an explanatory statement on the amendment be inserted at this point in the RECORD.

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

EXPLANATION OF HOUSE AMENDMENT TO SENATE AMENDMENT NO. 26 TO H.R. 8141

H.R. 8141, an act to revise the laws relating to depository libraries, was agreed to by the Senate on June 15, 1962, with amendments recommended by its Committee on Rules and Administration. On July 18, 1962, the House of Representatives agreed to all of those amendments with the exception of Senate amendment No. 26, which added the following new provision:

"SEC. 10. The Joint Committee on Printing shall have the power to adopt and employ such measures as, in its discretion, may be deemed necessary and practical for the implementation of the provisions of this Act."

The House has amended the above provision to read as follows:

"SEC. 10. The Public Printer, with the approval of the Joint Committee on Printing, as provided for by section 2 of the Printing Act of 1895 (ch. 23, sec. 2, 28 Stat. 601), as amended, shall adopt and employ such measures as he deems necessary for the economical and practical implementation of this Act."

And requests the concurrence of the Senate therein.

The original section 10 was adopted by the Committee on Rules and Administration because the transition from the present depository-library system to the expanded program authorized by H.R. 8141 would pose certain problems, solutions for which could be determined satisfactorily only upon the basis of actual experience. Of special consideration to the committee and all concerned was the provision permitting depositories for the first time to receive certain categories of publications produced by agencies of the Government in their departmental and field printing plants. (Under present law depository libraries may receive only publications actually printed at the Government Printing Office.) While the principle involved was fully subscribed to by the committee, it was realized that the objective could not be immediately achieved without placing an onerous and impractical burden upon the Public Printer and the Superintendent of Documents, who would administer the enlarged system, and upon the agencies of Government which would be required to supply the additional publications.

Senate amendment No. 26 would have granted the Joint Committee on Printing discretionary authority to issue regulations providing for a reasonable implementation of the act, based upon the practical considerations involved and consistent with the Joint Committee's general authority under another statute to remedy any waste in public printing and the distribution of Government publications. Such regulations would have been binding upon the Public Printer (or the Superintendent of Docu-

ments) and the agencies of Government which issue printed materials.

The House amendment to Senate amendment 26 would grant the discretionary authority directly to the Public Printer, rather than to the Joint Committee on Printing. Thereunder, he could adopt and employ such measures as he deemed necessary for the economical and practical implementation of the act. Such measures, however, would still require approval by the Joint Committee on Printing.

DEFENSE CONTRACTS

Mr. KUCHEL. Mr. President, I ask unanimous consent that I may speak for not to exceed 6 minutes.

Mr. MANSFIELD. Mr. President, I suggest that the Senator from California follow the usual procedure and then ask for an extension of time.

Mr. KUCHEL. Very well.

Mr. President, when we deal with defense appropriations, we deal with the security of the American people. The Department of Defense and the Government of the United States purchase all the military hardware and all the awesome and powerful weapons systems, and engage in the awarding of contracts for research and development, so that the people of the United States may remain strong militarily; and so that the people of the United States may deter a potential Communist aggression and, if unhappily necessary, successfully to combat it. We intend to remain free.

The Secretary of Defense in the Cabinet of President Kennedy is an able and distinguished American. He is a successful businessman. He has prodigious responsibilities. He and his associates and his predecessors have discharged those responsibilities in the highest traditions of the American Government.

From time to time Senators rise in the Chamber to denounce the Department of Defense. The other day the distinguished senior Senator from Ohio [Mr. LAUSCHE] denounced the Department of Defense and said it was unreasonable that a certain percentage of defense contracts should be awarded to the State from which I come. Earlier today the distinguished Senator from New York [Mr. JAVITS] likewise objected to the defense procurement policy. While to the credit of the Senator from New York it should be said that he does not hold that there have been "irregularities" in awarding of defense contracts, he suggests that "administrative inertia" might be responsible for the manner in which defense contracts are allocated. Those are his words, not mine.

I asked the Secretary of Defense, Mr. McNamara, for a statement with respect to the selection of contractors by the Department of Defense. He replied, in part:

> Our first and paramount objective is to acquire weapons and materiel which fully meet our qualitative, authoritative, and delivery requirements—at the lowest overall cost.

Does any Senator disagree with that standard? Do my Democratic colleagues disagree with the manner in which the defense procurement contracts of the country are allocated?

Mr. ENGLE. Mr. President, will my colleague yield?

Mr. KUCHEL. I yield to my distinguished colleague from California.

Mr. ENGLE. So far as I am concerned, we on this side of the aisle agree 100 percent that defense contracts should be awarded on the basis of who can produce the best item at the lowest possible cost and in the shortest period of time. We do not complain because most of the automobiles are built in Michigan. We did not complain during the war because locomotives were built in one place and tanks were built in another, because the builders of such equipment had developed among themselves a special capability to do that kind of work.

We in California have developed a special capability in the area of missiles, space, and aircraft. We have developed a special technical competence to do that kind of work. All we ask is that the hands of politics be kept off the allocation of contracts and that the American competitive, free enterprise system be allowed to operate. If the Senator from New York is correct in his belief that the business climate of New York is improving, we are happy. If the competence of New York manufacturers is higher, we are happy. If New Yorkers are willing to sharpen their pencils and compete with us on the basis of the merit of their products, the cost of their products, and the time in which they can produce them, we in California will be happy to sharpen our pencils and to compete with them. We support the Secretary of Defense 100 percent in his effort to make certain that contracts are awarded on that basis.

Mr. KUCHEL. Mr. President, I thank my colleague from California. I ask unanimous consent that pages 9, 10, and 11 in the brochure published by the Office of the Secretary of Defense, entitled "Changing Patterns of Defense Procurement," be printed at this point in the RECORD.

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

UNIVERSITY AND NONPROFIT RESEARCH WAS HEAVILY CENTERED IN FISCAL YEAR 1961 IN A FEW MAJOR AREAS

Although the dollars devoted to basic research amount to only 2½ percent of the total defense research, development, testing and evaluation purposes program, its long range importance far exceeds its dollar allocation. National security in the 1970's, as well as procurement patterns in that decade, may well depend upon the creativity of our basic research, whether conducted within Government laboratories or through contract operations.

Most basic research contracts are awarded to universities and nonprofit organizations. Separate statistics on basic research awards are not available. However, in fiscal year 1961 the total of prime awards to these institutions, including many which would not qualify as "basic research," was $431 million. This includes management support or operation of military development programs, by such nonprofit contractors as MIT in Massachusetts, Aerospace Corp. and Rand Corp. in California, and Johns Hopkins University in Maryland. Although concentrated in a few States, the pattern differed from that of research and development awards to business firms.

[In millions]

	Research, development, testing, and evaluation contracts		
	Schools and their subsidiaries	Nonprofit institutions	Total
Massachusetts	$119.4	$1.0	$120.4
California	38.5	49.0	87.5
Maryland	45.8	2.1	47.9
New York	25.3	14.2	39.5
Illinois	18.8	8.6	27.4
District of Columbia	4.2	12.2	16.4
Michigan	14.2		14.2
Pennsylvania	9.5	3.3	12.8
Ohio	7.2	4.4	11.6
Texas	4.4	2.4	6.8
New Jersey	5.5	.1	5.6
All others	33.5	7.4	40.9
Total	326.3	104.7	431.0

The fact that half these dollar awards went to Massachusetts and California has attracted considerable attention. To quote from a brochure entitled "Charter of Progress," published by the newly established Graduate Research Center of the Southwest, at Dallas, Tex.—

"Management planners, in considering sites for new or expanded facilities, have found that the availability of trained minds overshadows even such factors as the labor market, water supply, and power sources. The evidence is overwhelming: Route 128 encircling Boston, the industrial complex around San Francisco Bay, that related to the California Institute of Technology and UCLA in the Los Angeles area, and other similar situations are cogent examples of the clustering of industry around centers of learning. Such a migration arises from the need by industry for access to persons with advanced training who can translate the new science into vastly improved or wholly new products."

Even among those who consider this to be overstatement, the basic idea appears to be gaining currency. The cases cited carry weight, regardless of doubts concerning the relative significance of defense research in the development of these industrial-university complexes.

It is axiomatic that the mere fact that certain phenomena are frequently found in association with each other does not establish any cause-and-effect relationship. It must be recognized that the Midwest, with its great university resources, and with its heavy annual production of Ph. D's and other professionals, did not in fiscal year 1961 obtain a share of defense prime contract awards, either for production, for general research, development, testing and evaluation, or for nonprofit research proportional to its share of the Nation's scientific and technical skills. Conversely, considerable research, development, testing and evaluation and some basic research, is being conducted in areas where local institutions of higher learning fall far short of producing a comparable flow of trained professional and scientific manpower.

The primary conclusion to be drawn appears to be self-evident. Certain institutions, certain companies, and certain communities have been far more alert, more active, and more effective in their quest for defense research, development, training, and education contracts than others have been. The primary objective of the Military Establishment—through its procurement mechanisms—has been to find and to use the strongest capabilities for each essential requirement, whether for research and development or for production.

Defense policy stresses awards on merit. Local initiative seeking defense business must direct itself to the creation of capability responsive to the exacting needs of modern warfare. Communities which fail to

recognize this fact, and which fail to energize and mobilize their institutions to adjust to it, cannot reasonably anticipate a major role in future defense procurement.

Mr. KUCHEL. Mr. President, I wish to read a part of the statement contained in the brochure:

Certain institutions, certain companies, and certain communities have been far more alert, more active, and more effective in their quest for defense R.D.T. & E. contracts than others have been. The primary objective of the Military Establishment—through its procurement mechanisms—has been to find and to use the strongest capabilities for each essential requirement, whether for R. & D. or for production.

Defense policy stresses awards on merit. Local initiative seeking defense business must direct itself to the creation of capability responsive to the exacting needs of modern warfare. Communities which fail to recognize this fact, and which fail to energize and mobilize their institutions to adjust to it, cannot reasonably anticipate a major role in future defense procurement.

If some people, some concerns, some business enterprises are more alert, more active and more effective in their quest for R.D.T. & E. contracts, it does not do for others to criticize. Competition is the backbone of our system. Let others in the Nation assume an alertness and an activity, and a zeal, which, apparently they do not now have. That is the prescription for progress.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter dated July 25, 1962, from Mr. Graeme C. Bannerman, Deputy Assistant Secretary of Defense for Procurement, speaking for Secretary McNamara, enclosing a statement describing how the Department of Defense selects its contractors.

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

OFFICE OF THE
ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., July 25, 1962.

DEAR SENATOR KUCHEL: In response to your request to Secretary McNamara, attached is a statement which briefly describes how the Department of Defense selects its contractors.

Sincerely,

GRAEME C. BANNERMAN,
Deputy Assistant Secretary of Defense (Procurement).

SELECTION OF CONTRACTORS BY THE DEPARTMENT OF DEFENSE

With respect to selection of contractors for defense weapons, the Secretary of Defense has restated the policy of the Department of Defense within the last few months. A memorandum on defense procurement policies, addressed to the Secretaries of the military departments, the Assistant Secretaries of Defense, and the Director, Defense Supply Agency, included the following:

"I would like to reemphasize the importance of close and continuing surveillance by each of you in order to assure that the following basic policies govern defense procurement:

"1. Our first and paramount objective is to acquire weapons and materiel which fully meet our qualitative, quantitative, and delivery requirements—at the lowest overall cost.

"2. To this end we must stress full and free competition, with equal opportunity to all interested qualified suppliers, and we must continuously seek to minimize sole-source procurements for end items, major subsystems, spare parts, and supplies. Whenever our specifications are sufficiently precise, we must obtain competition through formal advertised bidding procedures as required by law.

"3. To the maximum extent consistent with the above objectives, we will give positive assistance to small business concerns, and to firms in surplus labor areas, to compete for for defense procurements, and we shall make full use of set-asides for these purposes as provided in the Armed Services Procurement Regulations. We must, however, assure that no premium is paid for the relief of economic dislocation which is prohibited by law."

In selecting contractors for the development of new weapons, it is normally not possible to make the selection on the basis of price competition since major development work normally cannot be performed on a fixed-price basis. However, the Government's requirements for such work are given the widest possible circulation so that any qualified company may submit a technical proposal. These technical proposals are fully evaluated and contract awards for such development work are made to that contractor whose technical proposal, personnel, facilities, and management capability lead us to believe that he is likely to be able to perform the contract in the optimum manner, considering quality of development, time of completion and cost. All qualified companies are able to compete in these design competitions.

Quite recently we have added a new technique to these procedures, under which the Government states its requirements and objectives in terms of weapon system reliability and performance and desired delivery dates. Prospective contractors submit, with their proposals, their commitments as to these requirements and objectives. The selection of the successful contractor is made on the basis of these commitments, and they are then incorporated in the contract, as negotiated, with substantial penalties for failure to meet the commitments or premiums for superior contract performance in exceeding these commitments.

When our weapons have passed the development stage, every effort is made to subject further production to price competition. As the Secretary of Defense reported publicly within the last 3 weeks, the extent of price competition in Defense procurement is increasing. His statement of the economies which have been achieved in this and other fields was printed in the CONGRESSIONAL RECORD at the request of Senator MANSFIELD on July 13, 1962.

Defense Department procurement policies and procedures are under constant critical examination at all levels of management within the Department as well as by the General Accounting Office and interested committees of the Congress. We believe that they are entirely consistent with the statutes which govern all our procurements, and offer fair and equitable opportunities to qualified companies in American industry to compete for Defense contracts.

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

Mr. KUCHEL. Mr. President, I ask unanimous consent that I may speak for 3 additional minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. KUCHEL. Mr. President, in what I have submitted is the answer to the Senator from New York. There is the answer to the Senator from Ohio. If people in any area of this country are interested in competing in free and open competition for contracts from the Defense Establishment, let them set about doing so, because in the statement I have received from Secretary of Defense McNamara he outlines precisely the basis upon which the Defense Department awards procurement contracts.

There is a set-aside for purposes of labor surplus areas, and it works like this: If the Department of Defense desires to procure a given piece of military equipment, whether it be radios, rifles, or what-not, it advertises for bids on the basis of exact specifications. When the lowest bid has been received, bidders from labor surplus areas who have not bid as low as the successful bidder, are given an opportunity to lower their bids, so that a part of the Government's procurement is set aside to go into the labor surplus areas. But the point is that there is no price differential. There ought not to be any price differential. That is not simply my view. That is the determined judgment of Congress. In the largest defense appropriation spending bill which Congress has ever passed, we wrote into the bill—as we have done over the years—one single specific prohibition against a price differential being paid to labor surplus areas.

I have said before, and I say now, that we cannot make of the Department of Defense procurement program a gigantic WPA. Congress appropriates money to the Department of Defense for one single purpose; namely, the security of the American people. We ought to salute the painstaking manner in which the dedicated people in the Department of Defense are discharging this immense responsibility, rather than to make veiled insinuations, as some Senators regrettably have done, that there is an unreasonableness or an administrative inertia in what, in my mind, represents a great and gallant Defense Department dedicated to the primary responsibility to all 180 million Americans—their security and their freedom.

Mr. JAVITS. Mr. President, I shall not take more than my allotted 3 minutes. I have listened with great respect and interest to the statement of the distinguished senior Senator from California. He leaves unsaid and undone the very things which are of the most moment to us. We agree upon security; we agree upon the responsibility and duties of the Department of Defense. We do not agree that when it is desired to help the labor surplus areas, as the President has promised, we are helping them when, in the case of two principal labor surplus areas in New York, the rate of the defense program is sliced by one-third, in one case, and by roughly 13 percent in another, in the space of 1961, as compared with 1962; when, as a labor surplus situation occurs in the San Diego area or the Long Beach-Los Angeles area, we find, in the space of 2 years, defense contracts doubling and trebling, and they are going right off the list. That is point number one.

So we say there must be something wrong with the administration of surplus labor efforts, if that is the end re-

sult, as the figures show that, without making any accusations about it.

Second, I have introduced a bill with respect to the making of competitive negotiated defense contracts. The reason for that bill is that there has come to be a very convenient and comfortable arrangement by which the procurement authorities, knowing certain suppliers as they do, they being so heavily California suppliers, find it easy and comfortable to do business with them. They know all the answers and they have happy relationships. My bill would open such business to competition, even as to negotiated contracts.

Finally, we point out that with the accelerating rate of procurement in California, which even in the first quarter of 1962 has already risen to almost 25 percent—24.6 percent—of the total procurement, as against 23.6 percent last year, we are rapidly developing a question of strategy in this field, because the promise is, as I stated in my speech this morning, that the Department of Defense will load even more business into California, because the Department is awarding California 41 percent of all research and development contracts, and they themselves say that the business will follow the research and development contracts.

This is becoming rather serious in terms of the national welfare. With the bulk of the defense work concentrated on the Pacific coast, this situation makes us even strategically vulnerable.

So, Mr. President, without calling California any names, but admiring the great job California has done, we raise certain fundamental questions which we believe we have a right to have answered. That is all I have attempted to do today.

The PRESIDING OFFICER. The time available to the Senator from California has expired.

Mr. KUCHEL. Mr. President, I ask unanimous consent that I may proceed for 3 additional minutes.

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

Mr. KUCHEL. First of all, Mr. President, I wish to ask the Senator from New York whether it is his contention that the Government should pay a higher price for a given item, in order to favor a labor-surplus area?

Mr. JAVITS. The Senator from California knows the meaning of the phrase "leading question," for he, himself, is a good lawyer. Of course, that is not my intention at all. I would not favor it, and it would not be done.

All of us understand that an award to a labor-surplus area involves the same price for the article being obtained. That is also the case in regard to small business. But the Defense Department has a set-aside of a certain percentage for either labor-surplus areas or small business; and we have a right to point out that the set-aside for the labor-surplus areas is not adequate and is not working well, and should be reviewed and improved. That is one of the points I made.

Mr. KUCHEL. Is the Senator from New York contending that firms in a labor-surplus area in New York have not been given an opportunity to match the lowest bid made by other firms in a labor-surplus set-aside situation?

Mr. JAVITS. The New York firms simply have not had the business allocated—at the same price, although not necessarily the lowest bid. So our firms have had no opportunity to participate. Thus, it is obvious that the set-aside is not adequate and is not working well. So it is obvious that a change should be made.

Mr. KUCHEL. Does the Senator from New York contend that the awards made to San Diego firms several years ago—he referred to the situation in 1960—were labor-surplus set-aside contracts?

Mr. JAVITS. No, I did not specify what kind of contracts they were. But I point out that not only does California do better than many other States, including New York, in connection with such contract awards, but also whenever there is in California a labor-surplus situation, it is taken care of immediately, whereas a labor-surplus situation existing in New York not only is not taken care of, but actually becomes worse and worse and worse. I say the figures present a challenge to review this situation. That is all I have said.

Mr. KUCHEL. Mr. President, I wish to say that once again the able Senator from New York has demonstrated great and commendable zeal on behalf of his people. However, I suggest that it is his people who should match that zeal in dealing with this problem.

In that connection, I reread the following few lines which come from the Defense Department:

> Local initiative seeking defense business must direct itself to the creation of capability responsive to the exacting needs of modern warfare. Communities which fail to recognize this fact, and which fail to energize and mobilize their institutions to adjust to it, cannot reasonably anticipate a major role in future Defense procurement.

That is the best advice I can give the people of the State of New York. Let them "get on the ball."

The PRESIDING OFFICER. The additional time available to the Senator from California has expired.

Mr. JAVITS. Mr. President, I ask that I may proceed for an additonal minute, in order to be able to reply to the Senator from California.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JAVITS. Mr. President, the people of New York know exactly how to "get on the ball." I pointed that out in my speech, which the Senator from California has read in detail. The people of New York have greatly expanded their plants and research and development, and so forth. But it is impossible for them to "get on the ball" unless the ground rules permit them to do so.

So we suggest to the Senator from California that a few changes should be made in the ground rules, which thus far have kept New York firms from "getting on the ball." If such changes are made, then New York firms will be glad to play the game and to compete. The ground rules must be wrong; the figures speak eloquently as to that.

Mr. ENGLE. Mr. President, in answer to the statements by the Senator from New York in regard to the allocation of defense contracts to labor-surplus areas, I point out that the President clearly intended to give areas of unemployment special consideration, but only when a contract could be distributed to one place as well as to another without endangering the national defense—in short, when all other factors are equal. The President does not intend this directive to open up the matter of Federal contracting to political persuasion.

Let me say that if, under the criteria laid down by the President, areas in New York which have surpluses of labor are not getting their share, that is because they have not met the price criterion. But if such an area can compete and if it can provide the item at the same price and with the same quality and in the same period of time, it can obtain the allocation of a contract.

We in California have worked hard on this matter; some problems exist in our State—as my colleague [Mr. KUCHEL] has pointed out—for instance, in San Diego, Long Beach, and elsewhere.

The reason why the people of California have gotten this action is that they could meet the price, the quality specifications, and the time requirements.

The President of the United States never intended that the Nation's contracts would be a national soup kitchen or that the defense procurement of the Nation would be handled on a WPA basis.

What he intended to say was that if there is a labor-surplus area and if the firms there are competing for such contracts, and if the bid of a firm in the labor-surplus area can equal all others, then the Federal Government will try to help manage that unemployment problem. But that must be done within the framework of a program which puts the national defense first. Certainly the national defense comes before all other considerations—before political considerations, before sectional considerations, before all other considerations. And I hope that will remain the case.

Mr. JAVITS. Mr. President, will the Senator from California yield briefly to me?

Mr. ENGLE. I yield.

Mr. JAVITS. I should like to point out that there is no question about the price. The question is as to the amount available at a given price. Obviously, not enough is being made available. That is our argument. There simply is not enough available at those prices to help the labor-surplus areas; and, hence, the situation in those labor-surplus areas is deteriorating further. So it is clearly our duty to see whether we can succeed in having this situation changed.

Mr. HART. Mr. President, will the Senator from California yield?

Mr. ENGLE. I yield.

Mr. HART. I should like to make a somewhat risky suggestion—namely, that the award should not always be made to the firm which enters the lowest bid. I realize that this is a very dangerous suggestion to make, in that

it could easily be "played back." However, I know the Government understands fully the economic impact of defense procurement upon our national strength. I suspect that even the Senator from California will agree that if it happened that California firms made the lowest bids for all such hardware, and if, in that situation, all the contracts were awarded to the firms which made the lowest bids, then, if all the defense work were being done by California firms, and if an earthquake occurred in California, everyone would say, "In heaven's name, what was the Department of Defense thinking about?"

Certainly, Mr. President, this matter involves very much that is not understood. Certainly we would understand more about it if we were to create a special committee or a select committee to be charged with the responsibility of determining the economic impact on all facets of this matter, including disarmament.

I have submitted a resolution in which that is proposed. I hope the Senate Committee on Rules and Administration will give the resolution careful attention.

It is supported by men in this body from many areas, but it goes to what is perhaps as basic an economic question as any that confronts us domestically, and it has world overtones, too.

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

Mr. ENGLE. Mr. President, I ask unanimous consent that I may have 1 additional minute in order to answer the comments of the Senator.

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

Mr. ENGLE. I did not say price should be the sole consideration. I said price, quality, and time.

Mr. HART. And I say that if all those conditions were met best by California in every case and the contracts all went to California, this Nation would be facing a disaster.

Mr. ENGLE. It has been suggested that there be a geographic distribution of defense contracts. If California were laid along the east coast, it would stretch from Maine to North Carolina. We in California actually are spread out that far. That is how large the State is. The idea that we ought to let contracts out on the east coast on a geographic basis does not make sense, because, as I have said, if California were laid out along the east coast, it would stretch from Maine to North Carolina. There has been a geographic distribution.

If we ever get away from the proposition that procurement of defense contracts should be based on the lowest price, highest quality, and the quickest period of time to perform the contracts, then we shall be sacrificing the defense of the country to other considerations that ought not to be primary.

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

Mr. ENGLE. I yield.

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

Mr. KUCHEL. Mr. President, I ask unanimous consent that we may proceed for 1 more minute.

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

Mr. KUCHEL. The Senator is right. Any Senator on this floor has a responsibility to ask for fair and equal treatment for his people. Every Senator on this floor has a duty to refrain from asking more. In my judgment, the Defense Department in this administration, in the award of defense contracts, is giving fair and equal treatment to all Americans, no matter in what State they may reside.

Whenever I ask Senators who disagree with me whether they charge special treatment on favoritism or chicanery, they answer in the negative. Not one single specific instance has ever developed where a Senator has risen on the floor to say, "Look what happened here." No; let the Secretary of Defense go forward, in the terrible responsibilities he has, without being abused in the U.S. Senate.

Mr. JAVITS. Mr. President, if the Senator will yield, I might add to that statement—and giving California 25 percent of the business.

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

Mr. KUCHEL. Mr. President, I ask unanimous consent that I may proceed for one-half minute more.

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

Mr. KUCHEL. I say that if the Defense Department honorably, fairly, and after careful study of the situation, determined that every single dollar of procurement should go into New York, or any other place, and if that was the judgment of the civilian leaders and the military commanders charged with our Nation's defense, then no man on this floor ought to be heard to quarrel with the decision by demanding that the procurement be channeled into his own State.

Mr. HART. Mr. President, if the Senator will yield, would the Senator support such a position with respect to any State? This is a clear demonstration, as occurs at times, that we really do not know what we are talking about. I cannot conceive that it would be a sound course for America.

Mr. KEATING. Mr. President, I think the Senator from Ohio [Mr. LAUSCHE] and Senators from other States who spoke here Monday have performed a great service, as has my colleague from New York today, in returning to the question of the concentration of defense contracts in one State of our Union.

California now has over 24 percent of defense procurement. California does not make a 24-percent contribution to the running of the Federal structure. It does not have 24 percent of the people of this country. It certainly does not have 24 percent of the brains of this country.

There is a common theme running through the remarks of our colleagues from California in trying to defend this inequitable arrangement. The common theme is, first, unlimited and unalloyed praise of those who run the Defense Department; second, implications that those who oppose their position are denouncing the Defense Department; third, hints that those who oppose the present concentration of defense work want a distribution of defense contracts throughout this country based on purely geographic considerations.

All of those assumptions are false. Nobody is denouncing the Defense Department. Many of us have a very high regard for the Defense Secretary, as does the senior Senator from California, who praises him so eloquently.

What we are saying, as my colleague from New York has said, is that we should make an effort to change some of the rules under which the unfortunate situation of the concentration of defense contracts in California has been brought about.

One of those changes the Senator has referred to; namely, to have greater competition in procurement. Most of these items cannot be procured on competitive bidding, but there can be much greater competition in negotiated contracts. That is one change we are asking for in this legislation which was prepared and drafted by the steering committee of the New York congressional delegation.

Another is this—and I am now preparing legislation on this subject—it appears that procurement offices being located in California find it much more convenient to deal with California concerns. As a result, firms east of the Rockies are neglected. I have been told, for instance, of a situation in Ithaca, N.Y., where those who were seeking to compete could not even get full specifications and necessary drawings from the procurement offices in California.

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

Mr. KEATING. I ask unanimous consent that I may proceed for 1 more minute.

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

Mr. KEATING. There is a need for additional language in the present legislation to require that procurement officers provide full information so that any authorized and qualified contractors have an opportunity to bid on the items which the Defense Department is seeking to procure. New York firms have not had much success, particularly in Air Force procurement. The Navy has, generally speaking, done much better in spreading its work and keeping firms throughout the country informed. All of us who are now alert to this situation can perform a service to the whole Nation by bringing about an end to this type of limited and unfair competition, which appears to be increasing rather than decreasing.

Mr. ENGLE subsequently said:

Mr. President, in recent years we have heard on the floor of the Senate a number of speeches dealing with the politics of defense contracting—or, to use precise terms, dealing with the absence of politics in defense contracting. On Monday of this week the Senator from Ohio [Mr. LAUSCHE] commented on the subject, and was joined by the two Senators from Minnesota [Mr. HUMPHREY and Mr. MCCARTHY], the Senator from Maryland [Mr. BUTLER], and others.

Today, the Senator from New York [Mr. JAVITS] is making some additional comment.

The RECORD will show that occasional remarks on the same subject have been made from time to time over the past months and over the past years. As the Senator from Maryland [Mr. BUTLER] said on Monday, the question was raised as long as 3 years ago.

Mr. President, it is important to keep in mind what is happening here: namely, that these Senators are attempting to make a legislative record—or, to be precise, a record of comment—supporting the theory that defense contracts should be distributed like porridge from a soup kitchen—a ladle to this State, a ladle to that State, and so on down the line, until everyone has been fed.

These words are not used; no one says in so many words that defense contracts should be distributed in "soup kitchen" fashion. No one says we should make a WPA project out of the Nation's defense. But this is the import of these many, many speeches.

The comments of our colleagues have to do with statistics. They talk about percentages, and argue that in this month or this year, the State of California has received several percentage points more or less of the national-defense dollar. They talk about Department of Defense procurement policy. They talk about competitive advantages and disadvantages. On Monday, the discussion was centered on questions of which State has the scientific and technical know-how.

Whatever the terms, however, the recurring theme is that, somehow, defense contracts should be doled out, one to a customer, presumably throughout the 50 States.

On Monday, the Senator from Michigan stated the case well. He said:

> I hope this situation will serve to remind us that whenever a particular State fails to obtain some Department of Defense contract which it would like to have obtained, the Senators from that State often—out of a spirit of sectionalism and political survival—immediately rise and make speeches about the matter; but thereafter everything is forgotten until the next sorry incident occurs.

What the Senator from Michigan does not go on to say, although it is implied in his remarks, is that the defense of the Nation is not and cannot be best served by "sectional" attitudes and "political" considerations. As I have often reiterated in previous remarks on this subject, the Nation must have the best defense it can get for its dollars. The Nation must buy its defense needs where it can get them quickest, best, and at the best price. Secretary of Defense McNamara knows this. It is clear that Secretary McNamara is now keeping this standard paramount, and will continue to do so. There can be no doubt that the people of our country want it this way. We all want the best national defense we can buy for our tax dollars.

It is true that the State of California, which I represent, happens to have a remarkable concentration of defense contractors. Those contractors are doing a large share of the Nation's work on missiles and missile fuels, electronic devices, and the full range of new weapons.

What is not true is that these contracts are in California because of some kind of special friendliness on the part of the Department of Defense. Quite obviously, these contracts are not in California because of the political influence of its Senators, who number only two against the brilliant, respected, and influential multitude who represent the Eastern and, now, the Midwestern States who are engaging in this continuing debate on the other side.

We must say, again and again, that California's defense contractors know their business, have developed both plant and productive capability, and go into contract negotiations and bidding situations with sharp pencils. Let me say, also, that these companies have exhibited an exceptional amount of courage and imagination in working in an area that is as competitive—if not more competitive—as any other segment of our business.

From listening to these discussions, one might get the impression that California defense contractors are fat, and opulent, that they are having an easy time of it, catching the juicy plums as they drop from the tree. In fact, they are lean and trim. They lose contracts and they lose money, and some fall by the wayside. They are pioneers, and they bear the scars of pioneering.

Mr. President, on Monday, the Senator from Ohio mentioned the fact that Secretary McNamara has pointed out that defense contracts are going to areas in which are located a concentration of "brains"—to the States with great scientific and technical institutions. I believe he misinterpreted the Secretary's remarks when he suggested that any slur on the educational institutions of the great State of Ohio was intended.

It occurs to me that what Secretary McNamara did have in mind was that there are unusual concentrations of scientists and technicians at universities in Massachusetts, New York, and California, and that these particular universities are working in unique ways with industry research and development teams. It follows that defense contracts will go to places where the research and development are done.

Because I know the situation in California, I can use my own State as an example. We have in our State seven Nobel Prize-winning physicists, as follows: Dr. Owen Chamberlain and Dr. Emilio Segre, at the University of California; Dr. Robert Hofstadter and Dr. Felix Bloch, at Stanford University; Dr. Rudolph L. Mossebauer and Dr. Carl D. Anderson, at the California Institute of Technology; and Dr. William B. Shockley, with the Clerite Corp., at Palo Alto, near Stanford University.

We have in California seven Nobel Prize-winning chemists as follows: Dr. Willard F. Libby, Dr. Edwin M. McMillan, Dr. Wendell M. Stanley, Dr. Harold C. Urey, Dr. Melvin Calvin, and Dr. William F. Giauque—all at the University of California—and Dr. Linus Pauling, at the California Institute of Technology.

These eminent scientists are not necessarily involved in work that has any direct reference to defense contracting, of course. The point is that they attract a community of scientists and help to create the climate necessary to research and development which are, in turn, necessary to our capacity as a nation to match and surpass competition from other nations.

These men, of course, are not Californians, in any special sense. In a very real sense, they belong to mankind. Therefore, it is impossible to think of them in terms of politics or sectionalism. We are honored and proud to have them in California, but their presence there cannot conceivably be attributed to skulduggery. The suggestion is absurd.

Mr. President, today the Senator from New York [Mr. JAVITS] again touched on the theme that recurs throughout this continuing debate. He talked about "the adverse impact of administration defense procurement policies." He talked about "administrative inertia," and suggested that this phenomenon has resulted in inequity in the distribution of defense contracts.

Again, the implication is that somewhere, somehow, someone is seeing to it that California gets more than its fair share of contracts. And here is the heart of the matter: He suggests that defense contracts should be distributed on a "fair share" basis. It is "back to the soup kitchen."

The Senator from New York refers specifically to the fact that important defense contracts have recently gone to two key labor surplus areas in California—San Diego and Los Angeles-Long Beach. He then goes on to infer that these areas were given unusually quick attention by the administration, in contrast to labor surplus areas in his own State.

What he has chosen to ignore is that the capability to produce those contracts existed in the California areas cited. The fact is that those contracts were awarded for the reason cited previously, because the companies involved had the capability, the experience, the plant, the skilled manpower—and the sharp pencils.

In directing that Federal contracts go to labor surplus areas whenever possible, the President clearly intended to give areas of unemployment special consideration, but only when a contract could be distributed one place or another without endangering the national defense—in short, when all other factors are equal. The President did not intend this directive to open up the matter of Federal contracting to political persuasion.

I am delighted to learn from the Senator's remarks that the State of New York has demonstrated industrial and business growth and has also increased its scientific and technological capacity as well. I am glad to hear this because it bodes well for that great and important State, and, in turn, for the Nation.

I am also glad to hear the Senator underscore the fact that defense contracts will go where the scientific and technological capacity exists and where the business climate is healthy.

May I take the occasion to say that the State of California under Gov. Edmund G. Brown is moving in the same direction and has in recent years proven itself to be a good home for business and industry. Governor Brown's policies are a major factor in the economic health of our State. We have been moving forward at a great rate.

The State of California will be delighted to continue to compete with New York and all other States on the basis of who can do the best job at the lowest cost to the Nation. That is the proper basis for competition. The Nation can only benefit from such competition.

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

Mr. ENGLE. I am glad to yield to the Senator from New York, and I am delighted that he is in the Chamber. I would have notified him had he not been present.

Mr. JAVITS. I think the Senator is very generous, and the Senator knows I did the same with him.

All of us admire the spirit with which the distinguished Senator from California and his colleague [Mr. KUCHEL] have come to the defense of their own State and their own defense industries. I would not wish to engage in a debate running down the resources or capabilities of the State of California. We are proud California is in the Union. We hope it is as proud of New York as we are of California.

But in order that the record may be complete in connection with the Senator's statement, the points we have made have been essentially three:

First, we have felt that the surplus worker question in various areas of the States has not been sufficiently considered in the overall policy. It has been considered to some extent, but we do not think it has been considered enough. It is important because those set-asides are, in essence, pretty arbitrary, without any effort to change the lowest price criterion, and so forth, but are small in terms of the percentage of contracts allocated.

The second point, which we think is of importance, is the geniality which develops in defense contract awards, without charging anybody with impropriety, and therefore our desire to open up defense contracts to more open competition.

Third, the Senator from Michigan [Mr. HART] raised the question—and in it we join—as to whether the percentage of defense contracts allocated to the west coast is getting so high as to raise serious strategic considerations.

We have gone over that ground. We had a debate on it this morning. I emphasize these three points:

No one is trying to run down California or depreciate its capability in this field, or the job which the manufacturers in that State have done in fighting for business for that State. We think certain ground rules need to be changed which will give us a better opportunity to obtain contracts——

Mr. ENGLE. Will the Senator state precisely which ground rules he thinks should be changed?

Mr. JAVITS. I have stated them. One is the ground rule for set-asides for large surplus employment areas.

Mr. ENGLE. The Senator thinks they should be larger?

Mr. JAVITS. Yes, they should be larger.

Second, and very importantly, we think there should be a better technique of competition with respect to negotiated contracts, which represent the bulk of big-money defense procurement.

The third point which has been brought out by the Senator from Michigan [Mr. HART], as to whether or not the concentration of defense contracts on the west coast is not reaching the point where strategic considerations would dictate some different marshaling of defense procurement.

That is the summary of the case. I wanted to emphasize to the Senator that none of us wants to run down California, any more than any one of us wants to run down any other State, so we are making an affirmative rather than a negative case.

I thank the Senator for yielding.

Mr. ENGLE. I appreciate the remarks of the Senator from New York. In reply, we have no intention of running down the great State of New York, either. In the remarks I have made I have paid tribute to the progress being made in New York.

Let me make only one further comment with respect to the suggestion that there should be a greater set-aside for large surplus employment areas. It will not do New York or any other State any good unless it can compete on the basis of the criteria of best price, highest quality, and appropriate time for fulfillment of contract. It seems to me those criteria must necessarily be continued. There is no substitute for a sharp pencil and good bidding.

We will welcome such competition and will challenge any area in the country to compete with us on a fair basis. But we do not want the defense contracting of the Nation ever to get into a position of being a sort of political grabbag, where contracts are allocated on a basis wholly unassociated with the defense needs of the Nation, which is the first obligation of our Government.

Within those limitations, wherever we can help surplus employment areas, we shall be glad to do it, because we have surplus employment areas of our own.

I yield back the floor.

Mr. HART subsequently said: Mr. President, I ask unanimous consent that my remarks may be printed in the RECORD following the remarks made by the Senator from California [Mr. ENGLE] and the Senator from New York [Mr. JAVITS] a few minutes ago.

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

PROPOSED STUDY OF THE ECONOMIC IMPACT OF NATIONAL DEFENSE PROCUREMENT

Mr. HART. Mr. President, very little could be said now which has not been said many times on this floor with respect to the economic impact of defense procurement. It occurs to me that all of us should be reminded of some things said earlier.

I do this by way of asking unanimous consent to have printed at this point in my remarks certain remarks made by me on May 3, 1961.

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

Mr. President, some rather acrimonious words have been exchanged of late on the floor of the Senate on the subject of the location of defense contracts. Let me make it clear at the outset that Michigan has no quarrel with either New York or California. Let me make clear also that I do not advocate that defense procurement should become a tool for economic planning, nor do I believe it should be used for political reward or reprisal.

What I do contend is that defense procurement has an enormous impact on our economy. I am satisfied this can be proved; defense procurement undertakings of the Federal Government, by their very magnitude, cannot escape having such an impact. The Senate Special Committee on Unemployment Problems, in its report of March 30, 1960, expressed it this way:

"The impact of defense spending on the Nation's economy is greater than that of any other single item in the Federal budget. Any study of unemployment would be incomplete without consideration of this factor, because the magnitude of the defense budget and the rate at which large sums are spent affect not only the armament industries, but nearly every other industry in the country.

"The magnitude of our commitments is unprecedented. For the past 8 years national security expenditures have amounted to more than $40 billion a year—almost 10 percent of our gross national product—and are likely to continue at this or a higher level. Expenditures of this dimension have an obvious impact on such diverse aspects of our economy as tax and monetary policy, development of natural resources, allocations for domestic needs within the Federal budget, and the development of new patterns of international trade. Nowhere, however, is the impact more apparent to the average citizen than in the area of employment and unemployment, as industrial producers shift to meet the rapidly changing needs of our military planners."

All agree that these Defense sums are not spent in a vacuum. The next question is, "How many factors is it reasonable to require officials of the Defense Establishment to have in mind when their primary concern is with essential military requirements?" We know that they consider price; they consider speed; they consider quality; they consider transportation; sometimes they consider climate. Countless subjective evaluations are made on technical qualifications and corporate and financial capabilities before these contracts are let. I do not know to what extent they may consider the effects of procurement on business competition and monopoly. Where we bog down is on whether they should also consider idle human beings and idle plants.

This question is too basic to be dismissed as a battle between politicians for the spoils. No responsible person is asking that the defense procurement be divided into 50 equal parts, or into 50 parts based on taxation or on population or on any other such factor. The point those of us who have raised our voices are trying to get across is that the strength of our economy and therefore the welfare of the Nation requires a concerted effort to gear this enormous amount of Federal spending to the weak spots in our economy.

Essentially, our concern lies in three areas: Insufficient use of competitive bidding; insufficient use of small business; and insufficient use of labor surplus areas.

I do not suggest that there are easy answers. What I do want to suggest is that this is a matter so fundamental to our strength as a nation, so essential indeed to our long-term military position, that the Congress should no longer postpone a very thorough study of the impact of defense on our economy. We should recall the recommendation of the Senate Special Committee on Unemployment Problems—"study by an appropriate committee of the impact of military procurement and deployment policies upon employment stability and unemployment, and consideration of measures to ease resulting dislocations."

Mr. HART. Additionally, Mr. President, encouraged by the interest indicated today by the senior Senator from New York [Mr. JAVITS], when we discussed this subject at some length, I urge that consideration now be given to Senate Resolution 135, which was submitted by me at the time of my previous remarks and cosponsored by the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Alaska [Mr. GRUENING], the Senators from West Virginia [Mr. RANDOLPH and Mr. BYRD], the Senator from Massachusetts [Mr. SMITH], and the Senator from Rhode Island [Mr. PELL].

Perhaps the easiest way to show my concern is to suggest not that anyone in the legislative or executive branches is doing other than his best wisely to spend research and procurement dollars, but that none of us may know or fully appreciate all that which is now involved in this enormous field. I believe the Congress, the Defense Establishment—indeed, NASA and others—would benefit from a careful legislative study, which could comment on existing guidelines and perhaps develop new and approved guidelines for all of us.

Mr. President, I ask unanimous consent that the resolution be printed in the RECORD at this point.

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

Whereas a strong economy is essential to the continued welfare of the Nation, to its agricultural and industrial development, and to the national security; and

Whereas Congress has recognized the need for controlling inflation and providing maximum production and employment; and

Whereas the spending of the Department of Defense is the largest single item in the national budget at the present time; and

Whereas the world situation indicates that this situation will continue into the foreseeable future; and

Whereas the impact of this spending has a direct relationship to the Nation's economic well-being; and

Whereas the defense expenditure policy could have significant bearing on business competition and monopoly; and

Whereas the termination, modification, or increase of the major defense undertakings frequently result in serious dislocation of the Nation's labor force; and

Whereas an international disarmament agreement would involve readjustments in our Nation's defense policies; and

Whereas maximum return for defense expenditures is essential to our continued prosperity; and

Whereas the Senate, in connection with provision of funds adequate for national defense and maintenance of a sound economy, desires to have recommendations relative to methods to achieve these essential goals: Now, therefore, be it

Resolved, That there shall be established a select committee of the Senate which shall make exhaustive studies of the extent to which defense procurement policies in the United States are related to the national economy, and the extent and character of defense procurement policies that can be expected to be required to provide for the national defense and maintain the Nation's economic strength to the end that such studies and the recommendations based thereon may be available to the Senate in considering defense procurement policies for the future. The committee shall be designated "The Senate Select Committee on the Economic Impact of National Defense".

SEC. 2. (a) The committee shall be composed of three members of the Committee on Armed Services, three members of the Committee on Banking and Currency, three members of the Committee on Labor and Public Welfare, three members of the Committee on Finance, and three members of the Select Committee on Small Business; all said members to be designated by the chairman of the respective committees, at least one member designated from each of the above committees being selected from the minority membership thereof. In addition, there shall be three Members of the Senate designated by the President of the Senate, at least one being from the minority membership thereof. The committee shall cease to exist as the close of business on January 31, 1963.

(b) Any vacancy in the membership of the committee shall not affect its powers, and any vacancy in the membership of the committee shall be filled in the same manner as provided for determining the original membership.

(c) Nine members of the committee shall constitute a quorum.

(d) The chairman shall be chosen by the members at the first meeting.

SEC. 3. The committee shall conduct a comprehensive study and investigation with respect to the following matters:

(a) The impact of defense procurement spending on the national economy from 1946 to the present time;

(b) The extent to which this spending is currently affecting our economy;

(c) Estimate of future trends in defense spending and their effect on the economy;

(d) Steps which could be taken consistent with the defense effort to minimize the inflationary and deflationary effects of defense spending;

(e) The character of legislation that may encourage the adoption of new methods and improved processes of defense procurement which will result in the least depletion of our national strength; and

(f) Such other factors it may consider necessary to attain a full and complete understanding of the impact of defense spending and defense procurement policies upon our national economy, our foreign policy, and the national defense.

SEC. 4. (a) For the purposes of this resolution, the committee is authorized to (1) make such expenditures; (2) hold such hearings; (3) sit and act at such times and places during the sessions, recesses, and adjournment periods of the Senate; (4) require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents; (5) administer such oaths; (6) take such testimony orally or by deposition; and (7) employ and fix the compensation of such technical, clerical, and other assistants and consultants as it deems advisable, except that the compensation so fixed shall not exceed the compensation prescribed under the Classification Act of 1949, as amended, for comparable duties.

(b) Upon request made by the members of the committee selected from the minority party, the committee shall appoint one assistant or consultant designated by such members. No assistant or consultant appointed by the committee may receive compensation at an annual gross rate which exceeds by more than $1,200 the annual gross rate of compensation of any individual so designated by the minority members of the committee.

(c) With the prior consent of the executive department or agency concerned and the Committee on Rules and Administration, the committee may (1) utilize the services, information, and facilities of any such department or agency, and (2) employ on a reimbursable basis the services of such personnel of any such department or agency as it deems advisable. With the consent of any other committee of the Senate, or any subcommittee thereof, the committee may utilize the facilities and the services of the staff of such other committee or subcommittee whenever the chairman of the committee determines that such action is necessary and appropriate.

(d) Subpenas may be issued by the committee over the signature of the chairman or any other member designated by him, and may be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.

SEC. 5. The expenses of the committee under this resolution, which shall not exceed $175,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

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

Mr. HART. I am glad to yield to the Senator from New York.

Mr. JAVITS. I should like to be added as a cosponsor, if the Senator will ask unanimous consent for that.

Mr. HART. I thank the Senator very much.

Mr. President, I ask unanimous consent that the name of the senior Senator from New York may be added as a cosponsor of Senate Resolution 135.

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

AIRLINE STRIKES

Mr. MORSE. Mr. President, I wish to address myself to the successful efforts of the Secretary of Labor in ending the crisis in airline transportation. I want to move as rapidly as possible so that the Senate may proceed to the memorial services for our beloved late colleague, Senator CASE, of South Dakota, but this is a matter of vital importance which I wish to speak about in the morning hour. I shall ask that there be printed at the conclusion of my remarks in the RECORD, a press release which I issued from my office yesterday, and which I would have delivered on the floor at that time had it not been for the fact of the tragic loss of our beloved colleague, the late Senator Henry Dworshak.

At an early hour this morning, after an all-night negotiation, Pan American World Airways and the Pan Am chapter of the Flight Engineers' International Association concluded a full and complete settlement of all issues in their long and difficult strike.

This morning's agreement is the culmination of months and months of exceedingly difficult and painstaking work by the Secretary of Labor Arthur Goldberg, Under Secretary Willard W. Wirtz, Dr. Nathan Feinsinger, and by the parties themselves, and I want to pay tribute to all of them for their efforts in bringing this matter to a reasonable conclusion, acceptable to all of the parties.

There is now peace on all of the airlines except Eastern and the emergency on the airways which so deeply troubled us over the past month has now passed.

Eastern alone is the holdout. The terms of the settlement which Pan Am and the Flight Engineers accepted this morning are identical to those which Eastern rejected yesterday. The Flight Engineers' International Association stands ready to sign an agreement with Eastern upon precisely these terms. Only Eastern's approval is needed to restore peace throughout the entire industry.

I join the Secretary of Labor in urging Eastern to reconsider its action yesterday and to accept the fair and reasonable terms offered to it by the Secretary's proposal.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the statement issued by the Secretary of Labor this morning announcing the settlement of the Pan American dispute.

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

STATEMENT BY SECRETARY OF LABOR GOLDBERG ON THE PAN AMERICAN SETTLEMENT

I am glad to announce that Pan American World Airways and the Pan Am chapter of the Flight Engineer's International Association have accepted my proposal for settlement of their long pending labor dispute. The proposal accepted by the company and the union is the same proposal I made July 23 to Eastern Airlines and the Eastern chapter of the FEIA.

Under the terms of the proposal accepted by Pan American World Airways and the flight engineers, the parties agreed to final and binding arbitration of all unresolved economic issues. The company and the union also agreed upon the principles of the crew complement issue and will undertake to reach agreement thereon subject to the concurrence of the Pan Am pilots with the assistance of the good offices of myself, Under Secretary of Labor Willard W. Wirtz, National Mediation Board member Francis O'Neil, Jr., and Dr. Nathan Feinsinger. Any crew complement issue not resolved is to be finally settled by such procedures as the last-named persons shall prescribe. The settlement further provides that the FEIA shall cancel its strike notice.

I want to thank the parties for their acceptance of my proposal and I particularly want to express the appreciation of the Government to Under Secretary of Labor, Willard Wirtz, Dr. Nathan Feinsinger, and National Mediation Board member Francis O'Neil for their able and dedicated work throughout many months in helping resolve this most difficult and protracted dispute.

Mr. MORSE. Mr. President, the flight engineers' decision to reach an agreement was made in my office some days ago, because the Secretary of Labor asked me to hold a series of conferences with the representatives of the flight engineers. This I did, and the conferences were helpful in regard to suggestions which led to the acceptance by the flight engineers of the proposal by the Secretary of Labor. Up until that time we had every reason to believe that Eastern would go along, because the agreement is based primarily upon the TWA agreement.

Mr. President, indeed, Eastern Air Lines at an earlier point clearly indicated that it would accept final and binding arbitration along the lines contained in the Pan Am agreement. These identical terms were offered to it on Monday. But on Tuesday, Eastern rejected the proposal.

It changed its mind at the critical point in the strike. In its release, Eastern attempted to justify its action on the ground that the basic crew complement issue could not be settled without agreement of the Eastern pilots. But I say to Eastern that the Secretary's proposal on the crew complement issue was made expressly subject to the concurrence of the pilots. Furthermore, in its ultimatum to the Flight Engineers which expired last night, Eastern offered job protection along lines similar to those included in the Secretary's proposal.

As a further justification of its rejection of the Secretary's proposal Eastern Air Lines stated that the proposal is unacceptable because it includes arbitration of the issue of retroactive pay along with other pay issues such as amount, effective date, and severance pay. Eastern states that it is not willing to include retroactivity as an issue to be arbitrated in view of the Flight Engineers' strike.

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

Mr. MORSE. Mr. President, I ask unanimous consent that I may proceed a few more minutes, to finish this announcement.

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

Mr. MORSE. Mr. President, the Secretary of Labor, in his statement yesterday, pointed out that he, too, has been critical of the Engineers' strike as being against the public interest. He stressed that his "proposal of yesterday takes specific note of this as a factor to be taken into account in the final settlement of this case."

I say, as an old arbitrator, no arbitrator could possibly ignore the position the Secretary of Labor has pointed out.

But the important point, Secretary Goldberg said, was that "if the interruption of this service was against the public interest, so is the continuation of this interruption."

The Secretary's proposal is an eminently fair one and paves the way for a reasonable and voluntary termination of the strike at Eastern which has caused such deep concern to all of us who have been following it.

The airlines dispute has been particularly troublesome since its inception because it involves complicated and exceedingly difficult issues which have been slowly developing over a long period of time and which finally came to a head at the time that the airlines began negotiations with the flight engineers in 1960. We should underscore that the negotiations, which were capped by the Pan American settlement, began in March of 1960, and have occupied 28 months of time-consuming work by the parties, by the National Mediation Board, by Presidential emergency boards, by special Presidential commissions, and by the Secretary of Labor, the Under Secretary and other top officials on his staff. There were many questions to be resolved in the course of these negotiations, but at the heart of the matter was the question as to whether the flight engineers could continue to survive as a separate identifiable group for collective bargaining with separate representational rights. It was this point which complicated the other issues and which created such great difficulties in developing satisfactory voluntary procedures for the settlement of the dispute.

The Secretary of Labor, aided by his Under Secretary, Willard Wirtz, after long and arduous hours of negotiation, developed proposals which overcame the principal obstacle to the negotiations and which have now terminated the emergency.

In announcing this proposal to Eastern Airlines on Monday the Secretary noted, first, that the crew complement and job protection issues have been worked out to the satisfaction of the parties, paralleling the TWA settlement; second, that Eastern Air Lines and the Flight Engineers are in agreement to accept the report of emergency board No. 144 on all economic issues other than rates of pay, retroactivity, effective dates, and severance pay; and, third, that both Eastern and the Flight Engineers at one time or another in the course of mediation have agreed to final and binding arbitration of all economic issues.

It was in these circumstances that the Secretary on Monday recommended to Eastern Air Lines and to the Flight Engineers—

First. That the parties arbitrate the rates of pay, including retroactivity, effective dates, and severance pay;

Second. That the parties work out the crew complement issue within the framework of the principles already agreed upon subject to concurrence by the Eastern pilots; and

Third. That the Flight Engineers immediately call off their strike.

The Flight Engineers have accepted this proposal.

Pan American World Airways has now accepted this proposal.

Eastern has rejected it.

The hard, basic problems that influenced the course originally followed by the Flight Engineers were ones that were understandable. The Flight Engineers, however, have accepted the Secretary's formula for the resolution of these problems and have now settled the entire matter with Pan American on a fair and honorable basis, as proposed by the Secretary.

They stand ready to sign with Eastern on identical terms.

Eastern Air Lines at one time or another agreed to the very proposal which the Secretary now makes. I cannot understand why Eastern, at this critical point, should change its mind, should revise its position, and should now insist upon a course which will prolong its strike and create a climate of increasing tension and animosity.

Perhaps it was awaiting the result of its back-to-work ultimatum which expired last night. We now know that this effort to break the strike failed, and the Flight Engineers are united in their readiness to return to work on the fair terms which formed the basis for the settlement at Pan American, arranged by the Secretary of Labor.

I join the Secretary in urging Eastern to reconsider its action of yesterday in rejecting the Secretary's proposal.

I think that the cooperation which this administration has given to Eastern Air Lines on the jurisdictional dispute feature of the strike entitles it to the cooperation of Eastern at this time.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point my press release dated July 24, 1962; and the press releases by Secretary of Labor Goldberg dated July 23, 1962, and July 24, 1962.

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

PROPOSAL BY THE SECRETARY OF LABOR TO SETTLE THE EASTERN AIR LINES STRIKE

Senator WAYNE MORSE, of Oregon, announced today that he had prepared the following statement for delivery in the Senate in this morning's session but had withheld making the statement out of respect for the late Senator Henry Dworshak, of Idaho, whose tragic death occurred last night:

"Secretary of Labor Goldberg yesterday developed a proposal which offered a sound and reasonable basis for the voluntary settlement of the month-old Eastern Air Lines strike. We have been told this morning that the Flight Engineers have accepted this proposal unconditionally and would be ready and willing to return to work immediately upon the basis of the terms suggested by the Secretary.

"Eastern Air Lines has rejected the proposal although they previously had accepted an identical formula.

"Eastern changed its mind at the critical point in the strike. In its release this morning Eastern claimed that they were required to decline the proposal because the basic crew complement issue could not be settled without agreement of the Eastern pilots. But I say to Eastern that the Secretary's proposal on the crew complement issue was made expressly subject to the concurrence of the pilots. Furthermore, in its ultimatum to the Flight Engineers which expires at midnight tonight, Eastern has offered job protection along lines similar to those included in the Secretary's proposal.

"As a further justification of its rejection of the Secretary's proposal Eastern Air Lines has stated that the arbitration proposal is unacceptable because it includes arbitration of the issue of retroactive pay along with other pay issues such as amount, effective date and severance pay. Eastern states that it does not appear to be reasonable to include retroactivity as an issue to be arbitrated in view of the Flight Engineers earlier, short-lived strike of February 1961 and of their action in calling the present strike with loss to company, to the other employees, to the stockholders and to the public.

"The Secretary of Labor, in his statement this morning, pointed out that he, too, has been strongly critical of the Engineers' strike as being against the public interest. He stressed that his 'proposal of yesterday takes specific note of this as a factor to be taken into account in the final settlement of this case,' but the important point, he said, was that 'if the interruption of this service was against the public interest, so is the continuation of this interruption.'

"The Secretary's proposal is an eminently fair one and paves the way for a reasonable and voluntary termination of the strike which has caused and continues to cause such deep concern to all of us who have been following it. The serious implications of the strike and of its continuation have been reviewed by a number of us in statements made from time to time during the past few weeks. The administration is no less concerned than we are and has spent countless hours and most painstaking work in attempting to develop a satisfactory basis for ending the deadlock.

"The dispute has been particularly troublesome since inception because it involves complicated and exceedingly difficult issues which have been slowly developing over a long period of time and which finally came to a head at the time that the airlines began negotiations with the Flight Engineers in 1960. We should underscore that the negotiations which were capped this morning by the Flight Engineers' acceptance of the Secretary's proposal to arbitrate, began in March of 1960 and have occupied 28 months of time-consuming work by parties, the National Mediation Board, by Presidential emergency boards, by special Presidential commissions and by the Secretary of Labor, the Under Secretary and other top officials on his staff. There were many questions to be resolved in the course of these negotiations but at the heart of the matter was the question as to whether the Flight Engineers could continue to survive as a separate identifiable group for collective bargaining with separate representational rights. It was this point which complicated the other issues and which created such great difficulties in developing satisfactory voluntary procedures for the settlement of the dispute.

"But I say now as I have said before, that the parties have the obligation to exert every possible effort to avoid extending disputes of this nature into an area which would cause irreparable loss to the economy as a whole.

"The Secretary of Labor, brilliantly aided by his Under Secretary, Willard Wirtz, after tireless and unending hours, has developed a proposal which has broken through the principal obstacle to the negotiations (that of separate representation) and which has been unconditionally accepted by the engineers as a complete settlement of the strike.

"In announcing this proposal, the Secretary noted (1) that the crew complement and job protection issues have been worked out to the satisfaction of the parties, paralleling the TWA settlement; (2) that Eastern Airlines and the Flight Engineers are in agreement to accept the report of Emergency Board No. 144 on all economic issues other than rates of pay, retroactivity, effective dates and severance pay; and (3) that both Eastern and the Flight Engineers at one time or another in the course of mediation have agreed to final and binding arbitration of all economic issues.

"It was in these circumstances that the Secretary yesterday morning recommended—

"1. That the parties arbitrate the rates of pay, including retroactivity, effective dates and severance pay;

"2. That the parties work out the crew complement issue within the framework of the principles already agreed upon subject to concurrence by the Eastern pilots; and

"3. That the Flight Engineers immediately call off their strike.

"The Flight Engineers have accepted this proposal.

"Eastern has rejected it.

"Like the Secretary of Labor, I have been strongly critical of the engineers' strike over the past month and have been doing all in my power to bring this strike to a successful and peaceful termination. Like the Secretary I stated that any interruption of service by the strike action of the engineers was contrary to the interests of the public. The continuation of this interruption by the course which Eastern Airlines has chosen to follow this morning is likewise contrary to the public interest.

"The hard basic problems that impelled the course originally followed by the Flight Engineers were ones that could be understood. The engineers have now accepted the Secretary's formula for the resolution of these problems and have now offered to settle the entire matter on a fair and honorable basis, as proposed by the Secretary.

"Eastern Airlines at one time or another agreed to the very proposal which the Secretary now makes. I cannot understand why Eastern, at this critical point, should change its mind, should reverse its position and should now insist upon a course which will prolong the strike and create a climate of increasing tension and animosity.

"Like the Secretary of Labor I call upon Eastern to reconsider its action of this morning in rejecting the Secretary's proposal."

PROPOSAL BY THE SECRETARY OF LABOR FOR SETTLEMENT OF THE DISPUTE BETWEEN EASTERN AIR LINES AND EASTERN AIR LINES CHAPTER OF THE FLIGHT ENGINEERS INTERNATIONAL ASSOCIATION

Prior to the Flight Engineers' strike against Eastern Air Lines, the carrier had agreed to accept the Government's proposal for settlement of the crew complement issue paralleling the TWA settlement. The company also agreed to arbitrate all issues, including the unresolved economic issues.

The Flight Engineers, before the strike, had rejected the crew complement settlement proposed by the Government and had first accepted and then withdrawn acceptance of the Government's proposal to arbitrate the economic issues.

Currently, the Flight Engineers are willing to accept in principle the crew complement settlement proposed by the Government.

The company currently has offered the Flight Engineers who will return to work job protection paralleling the TWA settlement.

With respect to the economic issues, the current status is: the company and the Flight Engineers are in agreement to accept the report of the Emergency Board No. 144 on all economic issues other than rates of pay, retroactivity, effective dates, and severance pay. These economic issues remain in dispute.

It is apparent, therefore, that Eastern Air Lines and the Eastern Air Lines chapter of the Flight Engineers International Association have, at one time or another, agreed to settlement in principle of the crew complement issues and have also agreed to final and binding arbitration of the economic issues.

Of course a strike has supervened and this is a factor which obviously must be taken into account.

The overriding public interest in the settlement of this dispute, as well as the interests of the parties would still be best served by a definitive and mutually agreeable settlement which gives effect to the areas of agreement both in substance and procedure which the parties themselves have heretofore found acceptable. I, accordingly, recommend—

A. That the parties agree to final and binding arbitration of the rates of pay issues, including retroactivity, effective dates,

and severance pay. In resolving these issues the arbitrator shall consider all relevant facts, including the background factors and the history and circumstances of this dispute. If the parties cannot agree upon an arbitrator, he shall be selected by them from a panel nominated by the American Arbitration Association, in accordance with its usual procedures.

B. That the parties agree that, upon receipt of the arbitration award of the unresolved economic issues, they will complete agreement regarding the crew complement issue within the framework of the heretofore agreed upon basic principles and subject to the concurrence of the Eastern Air Lines pilots. In completing agreement on the crew complement issue, the parties will have the assistance of the good offices of the Secretary of Labor, the Under Secretary of Labor, the Chairman of the National Mediation Board and Dr. Nathan P. Feinsinger. Any crew complement issue not resolved is to be finally settled by such procedures as they shall prescribe.

C. That the Flight Engineers International Association shall immediately cancel all strike action and Eastern Air Lines shall immediately resume operations.

SECRETARY GOLDBERG'S STATEMENT ANNOUNCING THAT EASTERN AIR LINES REJECTED SETTLEMENT PROPOSAL

The Flight Engineers have accepted my proposal to return to work. They have agreed to the principles of the crew complement settlement proposed by the Government and to arbitration of all unsettled issues.

Eastern Air Lines has now rejected this proposal, although they had previously accepted it.

Eastern representatives based their action on the fact of the intervening strike. I have myself been strongly critical of that strike as being against the public interest. My proposal of yesterday takes specific note of this as a factor to be taken into account in the final settlement of this case. But if the interruption of this service was against the public interest, so is the continuation of this interruption.

An opportunity has finally been afforded here for constructive settlement—on the basis of reason and fairness, and without further economic loss to the parties or injury to the public—of this long-festering problem. It is an extremely serious matter for this opportunity to be rejected.

I urge strongly that the company reconsider its action.

DEFENSE CONTRACTS

Mr. WILLIAMS of Delaware. Mr. President, in connection with the earlier discussion between the representatives of our two great States of New York and California, I wish to point out the additional fact that the Defense Department is not now intended to be, nor was it ever intended to be, operated as a relief agency.

The duties of the procurement officers of the Defense Department include the buying of necessary equipment and hardware to maintain the defenses of this country. In making those purchases, I think they ought to stop negotiating the contracts in California or any other State when those contracts could very properly be awarded on competitive bids. They should solicit competitive bids in all cases where feasible and should award contracts only to the lowest responsible bidder.

If in that process the State of Delaware, the State of New York, or the State of California should lose a contract, let the taxpayers get the benefit thereof.

I will extend that thought further and say that I hope my good friends from the west coast, who will no doubt underwrite this part of my statement, will also underwrite and support another proposal, which will be made at a later date; namely, to repeal the present 6-percent differential whereby in regard to the construction of ships the west coast manufacturers can bid as much as 6 percent higher than the east coast manufacturers and still get the contract. I think, not only in regard to procurement through the Defense Department, but also as to the construction of ships, the American taxpayer should have the benefit of buying these items at the lowest responsible price.

At the appropriate time I shall try to have repealed this 6-percent differential which is allowed under present law and which is costing the taxpayers unnecessarily millions of dollars annually.

The repeal of this differential will be in line with the strong arguments just made by my friends from California.

TRIBUTE TO DR. NORMAN F. WEATHERLY

Mr. MORSE. Mr. President, I was touched to receive from Dr. Norman F. Weatherly a copy of a letter he had dispatched to the President of the United States under date of July 13, 1962. Dr. Weatherly has just received his doctorate in zoology from Kansas State University. As a former Oregonian he brought to my attention his personal thanks for the help the Federal Government has been to him in achieving his educational distinctions.

It is letters such as this which reflect, in my judgment, the feeling of an overwhelming majority of young American men and women who through the aid of the Federal Government have been enabled to achieve their academic objectives. At a time when most of us are in receipt of much mail and correspondence concerning the pressing problems which affect the lives of the citizens of our States, it is most welcome and most heartening to receive from a fine young man an expression of thanks for legislation in the education field which has been of material assistance to students.

Mr. President, I ask unanimous consent that the correspondence to which I have alluded be printed at this point in my remarks.

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

DEPARTMENT OF ZOOLOGY,
KANSAS STATE UNIVERSITY,
Manhattan, Kans., July 13, 1962.

JOHN F. KENNEDY,
President of the United States,
White House,
Washington, D.C.

DEAR PRESIDENT KENNEDY: A week ago Thursday, I received my doctor of philosophy degree in zoology from Kansas State University. Less than a month ago, I received my last educational payment (commonly called the GI bill) from the U.S. Government. I was entitled to these benefits because I had served in the U.S. Army during the Korean crisis.

My wife, two children, and I want to thank you, Mr. President, as representative of the people of the United States, for the money received during the past few years. This monthly payment helped provide a sense of security which is so necessary to a family man seeking an advanced degree.

I have elected to teach in a land-grant university and by this, I hope to repay, in some small way, the people of the United States for their monetary trust in me.

I was born in Oregon and therefore, I am sending a copy of this letter to Senator WAYNE MORSE.

Sincerely,

NORMAN F. WEATHERLY.

FEDERAL FINANCES

Mr. MORSE. Mr. President, I ask unanimous consent that there appear at this point in the RECORD an editorial from the Eastern Oregon Review, of La Grande, Oreg., dated June 21, relating to a capital budget for the United States, and its impact upon our economy.

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

FEDERAL FINANCES

Senator WAYNE L. MORSE, of Oregon, has a bill in the U.S. Congress which would make it possible for the United States to set up a capital budget as a different entity from the ordinary budget. Under a capital budget would set up those functions of Government which would deal with capital gains in Government, or investments of the Government in things that will add, for years to the national gains such as highways, dams, bridges, airports, educational institutions, and so forth. These things not only give long-term service to the Nation but also make possible a more rapid development of the national resources.

Matters that come under this category might be expanded into many fields not now apparent. A considerable amount of money is spent by the Government in scientific research. These research projects include developments in the matters of disease control, expansion of fish and forest resources which in turn tend to expand our private business and increase the wealth of the Nation.

It seems very logical that should such developments that are financed by the Government be set apart from the usual appropriations of the Government then the taxpayer's representative as well as the representatives of the people, could, when necessity demanded, make cuts in the less important expenses of Government without jeopardizing the features in Government which adds to our wealth rather than to detract from it.

Presently much of the Government expense is tied into defense and outer space projections. These are important matters to all our people but judging from the many citations of mismanagement and rank extravagances it might indicate that incompetents have been placed on jobs they should not have been given or that undue pressure has been brought upon Government purchasing departments by overly avid salesmen.

We hear much about the gross national product growing when the economy is lagging. This might very well be, and many things indicate that the gross product is so dependent upon Government spending that it is throwing our economy into imbalance which is detrimental to many sections of the Nation. Huge payrolls are built in areas which are neither able to care for the traffic or the proper living conditions of the people drawn there, while other areas are starving because no governmental plums are thrown their way.

It is very likely that, should the people of this country quit worrying about competition so much, and start operating our industry, our Government and our foreign spending in a way that is more orderly and sensible, everyone would be better off.

The mission of the National Government is not to support the people in luxury either here at home or abroad. The mission of the government, in a democracy, is to make it possible for the people to make a living. When the possibility is there it should be up to them to make the most of it. That possibility should not be tied in with the subsidizing of huge industries and financial institutions in a few widely separated sections of the Nation.

Should the Government provide the incentive and help in overall development of the resources of this Nation then the people should work out their own destinies in the sections of the Nation they prefer to reside. The same should be applied to the foreign nations into which we are pouring the life blood of our taxpayers. The money so distributed should not be dispensed upon the basis of whether Russia, China, or some other nation will give these nations money if we don't. It should be given, if at all, upon the basis of the amount of help these people give themselves. If the people who benefit from our aid are not willing to help themselves then we should not be too interested in looking for an excuse to help them.

It is high time that we quit spending billions in war aid and munitions to the foreign countries and get back in helping with essentials of making a living and of helping them toward education, in health, sanitation, modern methods of commerce and other things that will build up a better race and a better standard of living rather than a stronger means of destruction.

If the United States sets aside their budget so that the self-liquidating and development projects may be sustained rather than being the victims of change with every new administration our internal problems would be more nearly solved. Then if we would set up a board of inquiry in the Nation, founded upon a nonpartisan basis and employing the aid of people from all walks of life, to study our foreign aid problems as well as our economic problems here at home, we might be able to bring our national affairs out of the chaos we are in.

Politicians are too susceptible to pressure and the greatest pressures are applied by those saving the money and numbers with which to apply the pressures. Politicians are also susceptible to money. Campaigns for political office, in even the lesser offices, are so costly that money can be made to be so important that the value of the men who go into public office might well be controlled before they get to the place where they can do anything for the people who cast the votes and pay the taxes. That situation is getting worse rather than better.

Our people must reform themselves before it is too late. A study of history is all that is necessary to find that almost every great nation perished when the governments became corrupt and the governments became corrupt when money was able to buy those who presided at the heads of government.

ALLIANCE FOR PROGRESS PROGRAM IN LATIN AMERICA

Mr. MORSE. Mr. President, the National Broadcasting Co. in its nationwide "News in Depth" program Tuesday evening, July 24, 1962, emanating from WRC in Washington, D.C., discussed the question raised a few days earlier by my colleague from Alaska [Mr. GRUENING], who had asked why the United States did not adhere to self-help provisions in the Alliance for Progress program in Latin America.

When Senator GRUENING suggested that aid to Argentina and Brazil, as well as Peru, under the Alliance program be suspended, I applauded his suggestion at the time, because in my judgment the Senator from Alaska had then cut down to the essence of the problem confronting the United States in regard to the whole Alliance for Progress program.

I am, therefore, pleased that my colleague's observation that continuance of aid to unstable governments could encourage those who resist reform has received nationwide dissemination on the NBC program which was presented by Mr. Elie Abel, Department of State correspondent for NBC news.

I ask unanimous consent that the full text of Mr. Abel's remarks be reprinted in the RECORD at this time.

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

NATIONAL BROADCASTING CO.'S NATIONWIDE "NEWS IN DEPTH" PROGRAM

Senator ERNEST GRUENING, the Alaska Democrat, raised a question last week that seems to puzzle and perplex a great many Americans: Why does the United States go on giving economic and military assistance to Latin American governments which are unwilling—or unable—to put their own houses in order? Why—in short—do we go on helping countries which refuse to help themselves? The Alliance for Progress, proudly proclaimed by President Kennedy himself at the very beginning of his term, was supposed to be something new and revolutionary—there would be no more bailing out of corrupt oligarchies, no winking at the systematic suppression of human rights. American aid would go in the first instance to stable governments, which could claim in greater or lesser degree to rule by consent of the people, governments which would undertake the social, economic and political reforms without which forward progress was impossible. Implicit—but never spelled out by the President—was an undertaking that the United States would help generously those countries which qualified for help; and cut off those which disqualified themselves.

On the first anniversary of the Alliance, President Kennedy invited the Latin American ambassadors to the White House. He said to them: "Those who make peaceful revolution impossible will make violent revolution inevitable. These social reforms are at the heart of the Alliance for Progress. They are the preconditions to economic modernization."

The fact of the matter is that the United States has found it difficult—in some cases impossible—to carry out the President's policy. Hundreds of millions of dollars have gone to unstable governments which were doing little or nothing to correct the inequities between rich and poor, countries in which a handful of generals and admirals could make or break Presidents and set aside the results of popular elections when they didn't like or trust the people's choice.

Senator GRUENING served as one of the midwives at the inter-American conference in Montevideo which gave birth to Franklin D. Roosevelt's good neighbor policy. Twenty-nine years later, the Senator thinks the time has come to translate policy into action. He believes the example we set now will be contagious.

"Other nations in Latin America," says GRUENING, "seeing the unstable governments of Peru, Argentina, and Brazil receive United States dollars—purportedly under the Alliance for Progress—can only conclude that the United States does not really mean what it says. We play into the hands of those who would resist reform if we continue the inconsistent policy under which we grant funds to governments so unstable that there is little hope of their having the power to institute reforms or, in fact, of being in power tomorrow."

The Senator from Alaska was gratified to learn that President Kennedy had suspended diplomatic relations with Peru—and cut off economic as well as military assistance—following the general's coup d'etat in Lima a week ago. Peru, admittedly, was a clear-cut case of the military usurping civilian authority, arresting the President of the Republic, wiping out the results of a free election. Why—asks Senator GRUENING—did the United States not act as vigorously a few months back when the chiefs of the Argentine armed forces overthrew President Frondizi or when the Brazilian generals tried to block President Goulart's accession to power.

Whatever the reasons for this lack of consistency—and they are somewhat complicated—the crackdown in Peru is widely regarded as a case of better late than never.

In one clear-cut instance of military intervention, the United States has come down hard on the side of constitutional process. Teodoro Moscoso, the fiery, outspoken chief of our aid program for Latin America, is convinced that the action came not a moment too soon. If we had passively accepted the rule of force in Peru, Moscoso says, the Alliance for Progress would—to all intents—have become null and void. Late reports from Peru make clear that the generals and admirals—even though their physical power is unchallenged—have been shaken by the vigor of Washington's response. The country can ill afford the loss of some $81 million in U.S. aid. And the generals are now talking of a new civilian regime which they hope the United States will be able to recognize. Would-be dictators in other Latin countries may now think twice about supplanting elected governments they happen to dislike.

Elie Abel, State Department correspondent of NBC News.

NO "LEGISLATIVE BRIBERY" IN RANDOLPH'S VOTE — PEARSON COLUMN "PURE DISTORTION," CHARLESTON GAZETTE DECLARES EDITORIALLY; RIBICOFF AND HEW OFFICIALS ARE PRAISED

Mr. RANDOLPH. Mr. President, on Monday, July 23, 1962, I spoke in detail in this forum concerning inaccurate allegations by columnist Drew Pearson on the subject of an amendment included among provisions of H.R. 10606, the Welfare Amendments of 1962.

Mr. Pearson had charged that the senior Senator from West Virginia entered into what he called a secret deal with the senior Senator from Oklahoma [Mr. KERR] to have an amendment accepted to make community work authorization provision of the aid to dependent children of unemployed parents program retroactive to July 1, 1961. Mr. Pearson wrote that the amendment was a "piece of legislative bribery."

In my remarks on July 23, I pointed out that a "secret deal" did not exist because the amendment which Mr. Pearson inaccurately referred to as a "windfall for West Virginia," was not a subject of negotiation solely between the senior Senator from Oklahoma [Mr.

KERR] and the Senator from West Virginia who now speaks. I termed the "legislative bribery" allegation equally inaccurate. The fact is, as previously stated for the RECORD, that the amendment was one which originated in the Department of Health, Education, and Welfare and was agreed to in turn by both Senators from West Virginia, the chairman and ranking minority member and other members of the Committee on Finance, the majority leader and minority leader of the Senate, the U.S. Senate in formal action, the House-Senate conference, and finally by each House of the Congress in agreeing to the conference report.

In prior discussions of this topic, I confined my comments to pertinent facts involved, but I should also have expressed deserved tribute to former Secretary of Health, Education, and Welfare Abraham Ribicoff and to the Assistant HEW Secretary for Legislative Affairs, Dr. Wilbur J. Cohen, as well as Commissioner Robert M. Ball, of the Social Security Administration.

Mr. Ribicoff, as Secretary of HEW, and Assistant Secretary Cohen and Commissioner Ball have been diligent, honest, and intelligent in the performance of their duties. Among their most difficult problems, no doubt, were those which had to do with the public assistance program relationships between HEW and the State of West Virginia. These problems were not only difficult—they also were peculiar in many respects—because of the nature and degree of the distress in our State. Their solutions called for patience, tolerance, and the attention of executives and administrators able to cope with unusual conditions in a very real and a very practical way.

It was because Secretary Ribicoff was both understanding and practical that West Virginians have a high regard for him and recognize his superlative service. Throughout the 18 months of his tenure, Mr. Ribicoff was most capably assisted administratively and in the legislative liaison field by Dr. Cohen. We have had the invaluable assistance of these diligent public officials in the solution of critical problems in West Virginia. I am convinced that their cooperation and their actions were totally within the framework of the national interest. It is decidedly to their credit—and very properly so—that in the passage of H.R. 10606, the Congress of the United States has approved the manner in which Mr. Ribicoff, Dr. Cohen, Commissioner Ball and the personnel of HEW have administered the relatively new ADCU program and other public assistance plans. It is to their credit, too, that Congress accepted their recommended provisions for the future, insofar as child welfare and other vital elements of the public assistance programs are concerned.

When I spoke in the Senate on July 23 concerning the inaccuracy of Mr. Pearson's column, I was aware that the Charleston (W. Va.) Gazette, among other newspapers, has published the Pearson comments in the morning editions. But I was not aware that the Gazette had published an editorial under the title "There was No 'Bribery' in Randolph's Vote—Pearson Column Pure Distortion."

I am grateful that the Gazette published the refutation of the Pearson comments in the same edition. The editor of the Gazette was accurate in his evaluation of the amendment in question and Mr. Pearson's inaccurate accusations. I acknowledge that the Gazette disapproved my position on the vote by which the health care amendment to the welfare reform measure was tabled on July 17. It was an honest difference.

In addition to the July 23 editorial in which the Gazette disagreed with Mr. Pearson, its capable editor, Harry Hoffmann, devoted his special column of July 24, 1962, to a detailed and, in my view, an accurate discussion of the program of aid to dependent children of unemployed parents in West Virginia. As the headline over his column states, the "ADCU Program Was Far From Shady." I believe Editor Hoffmann has performed a valuable service by setting forth facts of a very significant nature in clear and concise language. I associate myself with his tribute to former Secretary Ribicoff, and I speak in the same terms with respect to Assistant Secretary Cohen and Commissioner Ball of HEW.

Mr. President, I ask unanimous consent to have printed in the RECORD the July 23, 1962, editorial from the Charleston Gazette to which I referred and the "Politics" column by Harry Hoffmann in the July 24, 1962, issue of the same newspaper concerning which I commented.

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

[From the Charleston Gazette, July 23, 1962]

THERE WAS NO "BRIBERY" IN RANDOLPH'S VOTE—PEARSON COLUMN PURE DISTORTION

Today, Columnist Drew Pearson discusses what he calls a smart little piece of legislative bribery, which he says is what really caused the defeat of the medicare bill.

What Pearson has done is to take a technicality, some half-truths, some rubbish, and some careless imagination, mix in a desire to sensationalize, and distort the whole conglomeration to the appearance of an inside report.

The facts, as we understand them, are these:

There was no "bribery" involved, although Senator RANDOLPH probably felt indebted to Senator KERR, who was handling the welfare reform bill in the Senate, for his assistance in clearing up a situation that could have been costly to West Virginia.

The so-called illegal expenditure of aid to dependent children of the unemployed (ADCU) funds by West Virginia was nothing more than a technicality.

Secretary Ribicoff, rather than "discovering" this discrepency and being in the act of "cracking down" on it, actually had approved it along with other top officials of the Department of Health, Education, and Welfare. New York and California had similar programs on a smaller scale.

The question about using ADCU funds in support of work relief was raised only because the 1962 act specifically authorizes it * * * and someone raised the point that if it was not "legal" until 1962 it must have been "illegal" prior to that. To compensate for this technicality, the provision was made retroactive to July 1, 1961—thus clarifying the intent of Congress.

The amendment in question was not turned down by the Senate Finance Committee; it did not come up until after the committee had approved the bill. The amendment was added on the floor after KERR had polled the committee members individually and was advised that none would object.

This newspaper did not agree with Senator RANDOLPH'S vote to kill medicare because we feel its rejection at this time probably will delay for years enactment of legislation to put health care for the aged on a sound foundation of social security financing. But we feel he was sincere in his fears that incorporation of the medicare plan in the welfare reform bill might have killed it all in the House, including the ADCU feature so important to West Virginia.

We consider the Pearson report a distortion, but publish it only because we feel suppression would be misunderstood and more harmful. We herewith set the record straight.

[From the Charleston Gazette, July 24, 1962]

POLITICS: ADCU PROGRAM FAR FROM SHADY

(By Harry Hoffmann)

From all the hullabaloo being raised over the way the Federal program on aid to dependent children of the unemployed (ADCU) was coordinated with West Virginia's emergency employment program (EEP), one would think it was something that was slipped through in the dark of night or behind the drawn shades of a locked room.

The truth is that this plan was conceived, discussed and put into effect in the full light of day. Abraham Ribicoff, Secretary of Health, Education, and Welfare, made a special trip to West Virginia to discuss it with Governor Barron, Senator JENNINGS RANDOLPH, and other State and Federal officials.

It was the subject of front page news stories, columns and editorials in West Virginia newspapers for days. The news was carried by the wire services, and the plan even was the subject of a special session of the West Virginia Legislature, also fully reported.

Secretary Ribicoff withheld a decision on whether the plan could be implemented until after it had been studied by his legal staff. In the end the detailed plan had to be submitted to HEW for approval before it could be put into effect.

This is what makes it so ridiculous when Washington columnists—Drew Pearson for one—imply that West Virginia made off with $11 million in Federal funds and report that Secretary Ribicoff "discovered this illegal expenditure by West Virginia and was in the process of cracking down on it."

Aside from their anxiety to dredge up some inside story on why the President's medicare plan was defeated, such columnists allowed themselves to be misled by the fact that West Virginia was the only State with a full-scale work relief program under ADCU last year.

They misinterpreted this as a fast draw on the Federal Treasury, overlooking the fact West Virginia provided a testing ground for a program that proved so successful that Congress has now made it available to all States.

Some background may be enlightening. Prior to 1961, aid to dependent children was available only to families in which the breadwinner was physically unable to work. Congress in 1961 extended this to cover children of the chronically unemployed, thus taking care of situations where families were denied relief just because the father was able to work.

West Virginia officials got the idea that if they could use the funds of the emergency

employment program to match ADCU money, it would be possible to give relief work to 12,500 unemployed family heads instead of just 5,000. This is the plan that Secretary Ribicoff came into the State to discuss.

One drawback was a question as to whether work could be required for funds designed primarily as aid to dependent children. This caused concern for Ribicoff and his legal staff and led to several days of study.

Ribicoff agreed with State officials that it would be better for all concerned if the unemployed could have the dignity of performing beneficial work, such as improvements in State parks and forests and along highways and streams, instead of accepting relief checks in idleness. The only question was compliance with the law.

Finally, the program was interpreted as feasible under a Federal clause permitting termination of ADCU funds if the breadwinner refused a bona fide offer of a job. The State was to be the judge of what constituted a bona fide job offer.

This led to a proposal by the State that an offer of a job on the State emergency employment program be considered bona fide. Federal officials approved it, and it was on this basis that ADCU funds were used for gainful employment in West Virginia instead of going for out-and-out relief.

The ADCU bill passed by Congress last week makes such a plan possible in all States. But, because the 1962 bill specifically makes work relief legal under ADCU, the question was raised over the possibility that it might be construed to be "illegal" prior to that time.

Was West Virginia to be penalized for initiating and providing the testing ground for a plan proved to be good? This was a technical question at best, but one that needed to be cleared up.

That is why the bill was made retroactive to July 1, 1961—to clear up this technicality and to demonstrate the intent of Congress in authorizing work relief under ADCU.

There was nothing shady or underhanded about it. And the word from Washington is that Secretary Ribicoff considers it the most progressive advance in the welfare field during his administration.

He deserves a lot of credit for seeing it through in cooperation with Senator Randolph, Governor Barron, Welfare Director Bernard Smith, and the other State and Federal officials involved.

PROPOSED PREELECTION TAX REDUCTION

Mr. BYRD of Virginia. Mr. President, the board of directors of the Virginia State Chamber of Commerce met at Skyland, Va., last Thursday and Friday, July 19 and 20.

The position of the U.S. Chamber of Commerce, recommending an immediate tax reduction regardless of expenditure reduction, was among the subjects on the State board's agenda.

I ask unanimous consent to have published in the body of the RECORD as a part of these remarks, a newspaper account of action by the board of directors of the Virginia State Chamber of Commerce as disseminated by the Associated Press on July 21.

I ask unanimous consent also that the account of the action at Skyland, be followed by an editorial, on the same subject, which was published by the Richmond Times-Dispatch on Saturday, July 21. The editorial is entitled "A Preelection Tax Cut?"

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

VIRGINIA CHAMBER OF COMMERCE OPPOSES NATIONAL GROUP ON TAX CUT

SKYLAND.—The Virginia State Chamber of Commerce stood up in opposition to the national chamber yesterday in the how and when of tax cuts.

Twenty-eight of the State chamber's 40 directors unanimously adopted a resolution putting the Virginia organization on the side of its senior U.S. Senator, HARRY F. BYRD. Twelve directors were absent from the meeting.

The Federal Government, the chamber said, should take prompt measures to "substantially reduce the present level of Federal expenditures, together with an immediate reduction of business taxes by an equivalent amount."

The U.S. chamber has urged an across-the-board tax cut with major reductions for corporations and high income personal brackets. The national group figured the cuts would mean a loss of $7.5 billion a year in Federal revenue but BYRD said the loss would be $2 billion more.

BYRD said the national chamber was "fiscally irresponsible in the highest degree" by urging a tax cut without any reduction in spending.

Verbon E. Kemp, executive director of the Virginia chamber, explained that his group favors tax cuts. But, he said, unlike the national chamber it thinks they should come at the same time as cuts in expenditures. If one move must come first, he said, that move should be to cut spending.

Kemp said most of the local chambers of commerce in Virginia side with BYRD and not with the national chamber on when tax cuts should come.

He said a poll of 37 local chambers with full-time executives showed 25 in complete, irrevocable agreement with BYRD, 3 in complete support of the national chamber, 2 leaning toward the national body, 2 with no position, and 5 with no response.

The directors also agreed to launch a new study aimed at defining the educational needs of Virginia business and industry.

[From the Richmond Times-Dispatch, July 21, 1962]

A PREELECTION TAX CUT?

On Thursday the U.S. Treasury reported that it had spent $6.3 billion more than it had taken in during the 1962 fiscal year ended June 30.

On the same day word came from Washington that the President expects to decide, on or about August 10, whether to ask Congress for a sizable, across-the-board tax cut.

August 10 is the date on which economic indicators (employment, production, retail sales, etc.) will be available. If these are interpreted as pointing toward a recessionary trend, or even a leveling off, Mr. Kennedy may ask for a cut.

Whether he will, and if so, how deep a cut he will ask, may depend on whether he can persuade Representative WILBUR D. MILLS, chairman of the House Ways and Means Committee, to sponsor the bill. Mr. MILLS has shown no signs of favoring a deficit-financed tax cut.

The U.S. Chamber of Commerce is putting the heat on Mr. Kennedy in hopes of a windfall which, they claim, will stimulate investment. But unless the tax cut is deep enough, its diffusion will have little if any effect in that direction. If it is deep enough, the subsequent budget deficit is certain to trigger a sudden demand for monetary gold by foreign dollar holders fearing further depreciation of our monetary unit. Measured by its 1939 purchasing power, the dollar is now worth 46 cents.

It is gratifying to learn that the Virginia State Chamber board of directors, meeting at Skyland, refused to go along with the national organization. The chamber board unanimously voted in favor of substantial reduction in the level of Federal expenditures a prerequisite to a tax cut. Unfortunately, there is virtually no hope that Congress will heed such "appeals to reason." In fact, it is considered certain that the 1963 fiscal year will end with another sizable deficit—even if taxes are not cut.

During the past 10 years the national debt soared from $255 billion to $300 billion. During the same decade interest payments on the debt totaled $78 billion. (The interest for fiscal 1963 will be $9.4 billion.) The Nation's gold reserves has dropped from $21.7 billion in 1951 to $16.4 billion (as of July 6). If leaders of the U.S. Chamber of Commerce remain blind to these danger signals they deserve Senator BYRD's charge of "fiscal irresponsibility."

TRIBUTE TO J. EDGAR HOOVER

Mr. BYRD of Virginia. Mr. President, I offer for the RECORD an article written by Mr. Paul Martin, chief of the Washington bureau, Gannett News Service.

I regard John Edgar Hoover as one of the greatest officials this Government has ever had.

I express the hope that the President will grant a special exemption for his continuance in the position he now holds, if such be necessary.

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

(By Paul Martin)

WASHINGTON, July 23.—John Edgar Hoover, the first and only Director of the Federal Bureau of Investigation, will be 68 years old on New Year's Day.

The mandatory retirement age under the law, unless a special exemption is granted by President Kennedy or the Civil Service Commission, is 70.

However, Congress passed a special act in 1960 which permits anyone who has served as head of the FBI for 30 years to retire at any time, on full pay of $22,000 a year for life.

Hoover has been the FBI Director for 38 years, or since the Federal Investigatory Agency was created in its present status in 1924. His name has become synonymous with the FBI.

Associates claim that Hoover is in the best of health and that he has no intention of retiring in the forseeable future.

There have been recurrent reports, however, that the Kennedy administration might like to replace him with an appointee of its own choosing.

Two names mentioned in this connection are those of Walter Sheridan, 36, of Utica, N.Y., and Carmine Bellino, 57, of Elizabeth, N.J.

Both are former FBI agents who worked under Attorney General Robert F. Kennedy when Kennedy was Chief Counsel of the Senate Rackets Investigating Committee 1957–60.

Sheridan presently is serving as one of Bob Kennedy's confidential assistants in charge of a special unit at the Justice Department.

Bellino, an investigative accountant, is serving as a special consultant to the White House and Budget Bureau. His sister-in-law, Angela M. Novello, is Bob Kennedy's private secretary.

One of the first announcements that President Kennedy made, after his election and before taking office, was that he intended to retain the two top men in the vital Government Investigatory Agencies—Hoover at

the FBI, Allen W. Dulles at the Central Intelligence Agency.

Within less than a year, Dulles—brother of the late Secretary of State John Foster Dulles—was dismissed as CIA Director, blamed by White House aids for the Cuban invasion fiasco.

Dulles retired November 29, 1961, when he was 68 years old. He has been retained as a consultant to the CIA on a $50 per diem pay status.

Hoover is credited with molding the character and protecting the integrity of the FBI. He has refused to allow its files to be used for political purposes. He has resisted all efforts to turn the FBI into a national police force.

Despite his enormous personal prestige, however, the little known fact about his position in this:

It is not a Presidential appointment, and it is not subject to confirmation by the Senate. Hoover is just another bureau chief in the Justice Department, serving at the pleasure of the Attorney General.

In view of the recent use of FBI agents in the steel price controversy, the eventual departure of Hoover as FBI Director is a matter of unusual interest on Capitol Hill.

The FBI has approximately 14,000 employees, including 6,000 special agents. Its files are filled with "unevaluated information" about many citizens.

Its central repository of identification data containing more than 163 million sets of fingerprints is the largest in the world. The FBI laboratory conducts more than 100,000 separate analyses of evidence each year for local law-enforcement officials.

The FBI has primary jurisdiction over approximately 175 investigative areas, ranging from kidnaping and bank robbery, through antisubversive and antiracketeering activities, to lobbying and civil rights.

A spokesman said the agency recently employed upwards of 500 special agents on various aspects of the Billie Sol Estes farm scandal in Texas.

He said the FBI is maintaining more than 85 wiretaps at the direction of the Attorney General, although evidence obtained by wiretapping is not admissible in Federal courts.

AWARD TO STANLEY BROOKS FOR SERVICE IN LAOS

Mr. McGEE. Mr. President, the image of the "Ugly American" has been so widely disseminated that many Americans have become extremely hesitant and selfconscious about our assistance efforts overseas.

Assuredly we have made mistakes but I am sure that on the whole our programs have been effective and those who carry them out have been dedicated and efficient in their duties.

As an example I would like to cite the case of a fine American, a Wyoming man, a former student of mine, who served his country well in Laos as a Foreign Service officer. He is Stanley Brooks, formerly of Rawlins, Wyo., and a graduate of the University of Wyoming. An account of his service overseas appeared recently in the Rawlins Daily Times and I ask unanimous consent that it be printed in the RECORD.

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

[From the Rawlins (Wyo.) Daily Times, July 18, 1962]

FORMER RAWLINS RESIDENT IS GIVEN FEDERAL AWARD FOR ACTION IN LAOS

WASHINGTON.—Diplomacy in Asia works in bare feet, not striped pants.

At least that's the experience of Stanley Brooks, a young Rawlins native and Foreign Service officer, interviewed here after his recent return from serving in crisis-ridden Laos.

While serving as an economic officer in the U.S. Embassy in Vientiane, Brooks helped to increase the impact of U.S. aid to Laos by visiting remote villages in the back country, by helicopter, boat, or on foot. Brooks frequently traveled on foot, and went barefoot much of the time, since the trails often led through flooded paddy fields. Even where the trails were dry, shoes were always removed on entering a Laotian villager's house.

Meeting with village leaders involved hours of either "hunkering" or sitting cross-legged on the floor. Brooks found that he could not maintain either of these compressed positions for very long at a time.

"My uncomfortable shifts of position were often a source of friendly humor to the more supple-legged villagers," Brooks said.

The etiquette of the meetings also involved the sampling of local delicacies and the downing of at least one glass of a potent rice alcohol called "shoum," comparable in taste and effect to the "white lightning" of the Appalachian hill country.

Some of the dishes—cooked chicken entrails, for example, or a half fermented paste of raw fish—would not commend themselves to the American table. But some others would—in particular, a dessert of steamed pumpkin with a coconut milk custard inside.

The rural people expressed to Brooks their discontent over inadequate roads and poor medical and educational facilities in the countryside. Like parents everywhere, they want their children to enjoy a better life than they themselves have known.

"But in the existing state of turmoil," Brooks said, "most village people would have asked nothing more than to be left alone in peace. Many had only the vaguest idea of what the fighting in their country was all about."

The present troubles of Laos are due primarily to the small kingdom's geographic situation, bordering both Communist China and Communist North Vietnam, according to Brooks. This has made it easy for the Communist North Vietnamese to interfere in Laos' internal affairs.

The situation is further complicated because Laos has not been a nation, as Americans think of one, for centuries, having been parceled among various foreign powers. Independent only since 1954, its ethnically mixed population has in general very little understanding of nationality, citizenship, or political party.

Typically, Brooks found in his travels, an individual's highest loyalty is to his family or clan, or to his personal chief, which makes it extremely difficult to run a national or even provincial government, or to organize an effective national defense, since the troops feel little personal bond with the nation they are expected to defend.

Brooks and his wife each witnessed at firsthand the December 1960 battle in Vientiane between the forces of Gen. Phoumi Nosavan and those of rebel Capt. Kong Le.

Mrs. Brooks, at that time Miss Claire Stevenson, of Malden, Mass., was in a group of Americans held captive by Kong Le's troops for 24 hours in a part of the city that took some of the heaviest shelling. For her conduct and leadership, she received an award from the U.S. Agency for International Development, for which she was working in Laos at the time.

Most of the embassy staff, including Brooks, was pinned down at the Embassy office building at the start of the battle. They had a ringside seat as the area around the building changed hands several times.

Brooks later helped to free the group of captive Americans and assisted in organizing an emergency food supply for the Vientiane population. On his recent return to Washington, he was given a Meritorious Service Award by the Department of State for his efforts during this period.

He is currently assigned to the Foreign Service Institute in Washington for Chinese language training and expects to continue this training next year at the Foreign Service Institute branch school in Taichung, Taiwan.

Brooks was raised in Rawlins and graduated from the University of Wyoming in 1954 with a B.A. degree. His parents, Mr. and Mrs. J. G. Brooks now live in Saratoga.

FREE ENTRY OF STAINED GLASS

Mr. MANSFIELD. Mr. President, before the Senate enters into its agreement relative to the passing of our late beloved colleague, FRANCIS CASE, of South Dakota, because of unusual circumstances, I should like to have the Senate consider two bills.

I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1657, H.R. 7431.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 7431) to provide for the free entry of certain stained glass for the Saint Joseph's Cathedral, Hartford, Connecticut, and for the Church of Saint Francis Xavier, of Phoenix, Arizona.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

Mr. LAUSCHE. Mr. President, I shall vote against passage of this bill because in my opinion it would establish a precedent which would be likely to haunt us in the future. Under the terms of the bill, especial consideration would be given to the purchasers of foreign stained glass windows, allowing these beneficiaries to import those products without the payment of duties.

Mr. President, I object to the passage of this bill because domestic companies producing the same item pay duty on many imported items similar to those mentioned in the bill. If certain organizations can gain a special privilege of having duty waived, manifestly, it is discrimination against domestic industry. In this country, there are a number of firms producing the same item that is sought to be exempt from duty in this proposed legislation. These domestic firms employ highly skilled and talented craftsmen and artists. The domestic firms themselves pay income tax, corporation tax, and their employees' personal income tax. It is the contention of these domestic firms that competition coming from foreign shores should pay the same as an American producer for having the opportunity to do business in this country. The item sought to be exempted by this bill is one that is largely produced by hand. Seventy-five percent of the work is hand labor, and there is no possible way to improve production through the use of newer technical machinery or speedup methods to compensate for the

fact that the average hourly wage of the competing foreign firms is 20 to 30 percent lower than the domestic rate. Allowing organizations the special privilege of not paying duty for dutiable items encourges them to go directly to a foreign country to have the work performed and further encourages them to circumvent and not deal with legitimate American business firms.

The bill would give special consideration to buyers who knew, when they bought their product, a duty would have to be paid.

I shall vote against the bill, because the importation of the product will deny work to Americans who wish to be employed in that field. My principal objection is that the bill would establish a precedent that will haunt us in the future.

Mr. MANSFIELD. Mr. President, on behalf of the distinguished Senator from Rhode Island [Mr. PASTORE], I offer an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from Rhode Island will be stated.

The LEGISLATIVE CLERK. On page 2, after line 5, it is proposed to insert the following:

SEC. 3. The Secretary of the Treasury is hereby directed to admit free of duty any stained glass or any prefabricated panels consisting of stained glass set in reinforced concrete with fastening devices which may have been imported before the date of the enactment of this Act, or which may be imported after the date of the enactment of this Act and prior to January 1, 1964, for use in the construction of a new synagogue and auxiliary buildings for the Congregation B'nai Israel of Woonsocket, Rhode Island.

On page 2, line 6, it is proposed to strike out "Sec. 3." and insert "Sec. 5."

On page 2, line 8, it is proposed to strike out "of the first section or section 2".

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Rhode Island.

The amendment was agreed to.

Mr. DIRKSEN. Mr. President, I offer an amendment, which is at the desk, and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from Illinois will be stated.

The LEGISLATIVE CLERK. On page 2, after the amendment of the Senator from Rhode Island it is proposed to insert:

SEC. 4. The Secretary of the Treasury is authorized and directed to admit free of duty one set of musical handbells imported for presentation to, and for use by, the Court Street Methodist Church, Rockford, Illinois.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois.

Mr. DIRKSEN. Mr. President, the purpose of this amendment is to provide for the entry, free of duty, of one set of English musical handbells imported for use in the Court Street Methodist Church at Rockford, Ill.

The Choir Mothers Guild, a service organization within the framework of the church, had raised funds for the purchase of these handbells that are to be utilized by the children's choirs for enhancement of church worship. They had undertaken to make this purchase for the church with a limited budget, and in the belief that these items were exempt from duty since they are to be used in connection with religious services at the church. Now they are advised by the import broker that an import fee will be levied in the amount of $85.

This amendment would direct the Secretary of the Treasury to admit these English musical handbells free of duty.

Section 2 provides if there is a liquidation of the entry, or withdrawal from warehouse, for consumption of the articles subject to the provisions of section 1, and this has become final, such entry or withdrawal may be relinquished and the appropriate refund of duty may be made.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois.

The amendment was agreed to.

Mr. DODD. Mr. President, I urge the Senate to act favorably on the bill before us, H.R. 7431, which will permit the duty-free importation of stained glass windows for St. Joseph's Cathedral in Hartford, Conn., and for the Church of St. Francis Xavier in Phoenix, Ariz.

Last year I introduced S. 2100, which applies only to St. Joseph's Cathedral. My colleague in the House, Congressman EMILIO DADDARIO, introduced an identical bill in the House, and it is an amended version of this bill which is presently before us.

We did not sponsor legislation until all administrative means of providing duty-free entry for these stained glass windows were thoroughly explored.

An administrative exemption on behalf of St. Joseph's was requested of the Treasury Department, on the basis that these windows are, in fact, "stained glass" within the scope of paragraph 810 of the Tariff Act.

Unfortunately, the Treasury Department denied this exemption, on the grounds that these windows are not stained glass works of art within the meaning of the Tariff Act.

This adverse decision seems to be based on the traditional concept of stained glass windows as flat, thin pieces of colored glass, held together by channels of lead.

This is a narrow view and does not take cognizance of the fact that art forms and art conceptions change as do church designs and church construction.

The St. Joseph's windows are thick pieces of colored glass, cemented together. I think they are stained glass works of art within the meaning of the Tariff Act.

These windows do not fit a literal interpretation of the Tariff Act, since they are the modern products of an ancient craft.

But their structure is possible due to contemporary advances in architecture and ecclesiastical construction.

I believe that this section of the Tariff Act should be construed in such a way as to take account of progress in the making of stained glass windows.

Since this has not been done in this case, I hope that Congress will take the necessary action to allow the importation of these windows free of duty.

There is judicial and legislative precedent for exemptions such as those provided for in H.R. 7431. The Mission of San Gabriel, in California, successfully appealed a similar Treasury Department ruling before the customs court in Los Angeles. And Public Law 1001, passed on August 6, 1956, granted relief to the First Presbyterian Church of Stamford, Stamford, Conn., despite Treasury Department opposition.

On the basis of the information concerning the nature of these stained glass windows, and the fact that there is precedent for this kind of relief from the payment of duty, I urge the passage of this bill.

Mr. LAUSCHE. Mr. President, within the last minute exactly what I said would happen has happened. A precedent was established. The precedent having been established, we see an influx of new requests that parties be covered by the provisions of the bill before the Senate. I will vote against the passage of the bill.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the 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 was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 7431) was passed.

The title was amended, so as to read: "An Act to provide for the free entry of certain stained glass for St. Joseph's Cathedral, Hartford, Connecticut, and for other purposes."

Mr. MANSFIELD. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. DIRKSEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE ENSLAVED MILLIONS—DR. FREDERICK BROWN HARRIS

Mr. DODD. Mr. President, on July 22 the Washington Star carried another memorable column by our revered Senate Chaplain, Dr. Frederick Brown Harris.

In it, Dr. Harris forcefully portrays the plight of the millions enslaved in the captive nations, and eloquently states the position which freemen must take in the face of this enslavement.

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

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

UNDER THE RUG

(By Dr. Frederick Brown Harris)

The so-called Russian revolution is a red rug woven of terror and violence. Under that rug are abominations, deceptions and coercions such as history has never before seen. Like all rugs which hide that which

is beneath them it clings to the floor. It has no kinship with spires which point from the ground to spiritual verities. The design of this covering is gaudy and flamboyant. In the center, dyed with the blood of liquidated millions, is a hammer and sickle. Across its expanse in huge letters is the legend—"peace and liberty for all people in a classless society," and "world domination by communism is inevitable."

For more than two score years it has been the determined purpose of the Kremlin manipulators to make sure that the rug is not lifted. To a world deluged with their specious propaganda they fear the revelation of the real state of affairs back of the knavish facade which hides the hideous truth. Underneath the red rug are precious things, mowed down by the sickle and smashed by the hammer.

Conscience stricken by an all too negative attitude, and repenting of sins of omission, 2 years ago both the Senate and the House of Representatives passed unanimously an epochal resolution. The purport was that it is high time for this land of the free to lay strong hands on this concealing rug, pull it up, and let the world gaze at the iniquitous fakery which the hypocritical covering hides. So, by act of Congress, for 7 intense days each year—Captive Nations Week—this land the people rule are called to look at the area under the rug with a high-powered searchlight and to publish to the world the hidden facts of this refuge of lies.

Two Presidents have issued the requested July summons. The last one, by President Kennedy, declares, "we must never forget our hopes for the ultimate freedom and welfare of the eastern European people." From sea to sea in this Republic, Captive Nations Week is now enthusiastically observed as the plight of the captives is lifted before our free land. The resolution declares this is to continue "until such time as freedom and independence shall have been achieved for all the coerced nations of the world."

This has proved an alarm clock for those Khrushchev and company are doing their best to lull to sleep. The enraged protests of the Kremlin boss were heard around the world. It is evident we had struck a sensitive nerve. As the Soviet press and radio told the "Empire" of the American audacity in talking about captive nations, the captives themselves, in more than 20 enslaved nations, heard the news with joy and were stirred with a new hope.

Now what is it under that rug the Soviets are afraid to let the world see? There are loathsome things there that creep and crawl—look, there is fear. As Secretary of State Dean Rusk has declared, "among Khrushchev's troubles, in his world of coercion, are dissensions within its ranks, national resistance to this modern imperialism and a growing demand for freedom." Beneath the rug is smoldering hatred where grapes of wrath are stored. Some day from the volcanic depths of captive people the hot lava will flow again as it did in Hungary when those indoctrinated for years, mostly youth, turned with bare hands against the aggressors. Here is the West's essential asset.

Then, under the rug, are the octopuslike tentacles of the most greedy and ruthless colonialism on this terrestrial ball so thorough and cruel as to make the ancient Romans seem like benefactors. And as we call the roll of the captive nations, outside Russia, let us not forget that 115 million people, in what is labeled "U.S.S.R.," are captive non-Russians. No wonder that to the United Nations President Kennedy said, in a straight-from-the-shoulder address, "Let us debate colonialism in full and apply the principle of free choice in every part of the globe." In the U.N. think of the irony of the United States being asked to join Moscow, including the Red representative from Hungary, in an investigation of colonial policies of our ally, Portugal—thus alienating friends and becoming colleagues with the greatest colonial tyranny in the world whose colossal sins are ignored.

The captive peoples, in and out of Russia with its iron grasp, must be encouraged to keep alive in their hearts the hope that some day the type of tyranny they now endure will be thrown into the ashcan of history.

Long ago the people of Cornwall, England, marched in angry protest when their beloved Bishop Trelawny was a captive of despotism and condemned to die. Across the centuries comes the sound of their hot wrath. * * * "And shall Trelawny die, and shall Trelawny die, then 30,000 Cornishmen will know the reason why."

As the hammer and sickle even now is reaping its deadly harvest of genocide, a horrible word which the dictionary says is "a deliberate systematic extermination of a racial, political, or cultural group," listen to the solemn vow of the free world—

And shall captive nations die,
Shall captive nations die?
Then millions of Americans
Will know the reason why.

FINANCIAL ASSISTANCE TO VICTIMS OF FUTURE FLOOD DISASTERS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1706, Senate bill 3066.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 3066) to authorize a study of methods of helping to provide financial assistance to victims of future flood disasters.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency, with an amendment, on page 1, line 10, after the word "than", to strike out "January 30, 1963" and insert "nine months after the enactment of this Act or the appropriation of funds for this study, whichever is later"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Housing and Home Finance Administrator shall undertake an immediate study of alternative programs which could be established to help provide financial assistance to those suffering property losses in flood disasters, including alternative methods of Federal flood insurance, as well as the existing flood insurance program, and shall report his findings and recommendations to the President for submission to the Congress not later than nine months after the enactment of this Act or the appropriation of funds for this study, whichever is later. The report shall include, among other things, an indication of the feasibility of each program studied, an estimate of its cost to the Federal Government and to property owners on the basis of reasonable assumptions, and the legal authority for State financial participation. With respect to each method of flood insurance considered, the report shall include an indication of the schedule of estimated rates adequate to pay all claims for probable losses over a reasonable period of years, the feasibility of Federal flood plain zoning for the purpose of selecting areas which may be excluded from insurance coverage, and the feasibility of initiating a flood insurance program on an experimental basis in designated pilot areas. There is hereby authorized to be appropriated such sums as are necessary to carry out the purposes of this Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1747), explaining the purposes of the bill.

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

PURPOSE OF BILL

S. 3066 would direct the Housing and Home Finance Administrator to undertake a study of alternative programs to help provide financial assistance to victims of future flood disasters, including the present and other possible Federal flood insurance programs, and related matters. A report would be made to the Congress within 9 months from the enactment of the act or the appropriation of funds, whichever might be later.

BACKGROUND OF THE BILL

S. 3066 was introduced on March 26, 1962. Favorable reports were received from the Bureau of the Budget on June 1, the Housing and Home Finance Agency on June 7, and the Small Business Administration on June 13. On July 12, the Housing and Home Finance Administrator testified before the committee in support of the bill.

On May 31, 1962, the President issued a statement expressing his support for the bill and indicating that a supplemental request for appropriations of approximately one-half million dollars to finance the study would be submitted at the appropriate time.

PREVIOUS LEGISLATION

Floods and other disasters have called for Federal action for many generations. Sometimes this action has taken the form of preventive public works along the coasts and rivers of the United States, sometimes it has taken the form of relief to the victims of these disasters.

Following the disastrous floods of 1955 and 1956, the Senate Banking and Currency Committee made a thorough study of the problem of floods and other disasters and of Federal assistance to the victims of such disasters. Extensive hearings were held by the committee in those years, both in the District of Columbia and in many of the affected areas. In addition, the committee issued a staff study on the subject of Federal disaster insurance (S. Rept. 1313, 84th Cong.). This study contained an extensive collection of information on the subject of floods and other disasters and the damages resulting therefrom. It also contained a survey of the relief provided by the Federal Government and by State, local, and private organizations to the victims of disasters. Following the committee's investigation of the matter, a bill was reported out by the committee (S. Rept. 1864, 84th Cong.), which became the Federal Flood Insurance Act of 1956 (Public Law 1016, 84th Cong.).

This act provided for the establishment of three programs, a Federal flood insurance program, a Federal flood reinsurance program, and a Federal loan contract program covering flood losses. Upon the enactment of this act, the Federal Flood Indemnity Administration was created as a constituent unit of the Housing and Home Finance Agency. Extensive discussions were held with other Federal agencies, with State and local governments, and with the insurance industry. However, no satisfactory program was developed, and following the refusal of the Congress to grant appropriations to provide funds for the flood indemnity program, the Federal Flood Indemnity Administration was abolished and a final report on its activities was transmitted to the Congress by

the President on July 28, 1958 (H. Doc. 426, 85th Cong.). A copy of this report is printed as a part of the committee's hearings on S. 3066.

THE PROPOSED STUDY

S. 3066 would authorize and require "* * * an immediate study of alternative program which could be established to help provide financial assistance to those suffering property losses in flood disasters, including alternative methods of Federal flood insurance, as well as the existing flood insurance program."

The bill provides that the report to be filed must include "* * * an indication of the feasibility of each program studied, an estimate of its cost to the Federal Government and to property owners on the basis of reasonable assumptions, and the legal authority for State financial participation."

In addition the bill requires the report to include, with respect to each method of flood insurance considered "* * * an indication of the schedule of estimated rates adequate to pay all claims for probable losses over a reasonable period of years, the feasibility of Federal flood plain zoning for the purpose of selecting areas which may be excluded from insurance coverage and the feasibility of initiating a flood insurance program on an experimental basis in designated pilot areas."

The Housing and Home Finance Administrator testified at the hearing that the agency had consulted with the Corps of Engineers, the Geological Survey, the Weather Bureau, the Department of Agriculture, and the Bureau of the Budget as to the type of study which might be understood under the resolution. These agencies concluded that it would be desirable to make a detailed study of seven or eight selected areas for which hydrological data and contour maps are available.

The Administrator testified that—

"The areas selected would provide appropriate geographical representation and include coastal as well as inland flood plain areas and would vary in size and include residential, industrial, and commercial developments. The hydrological data relating to these areas could then be studied to develop estimates of the probability of occurrence of floods. These could be delineated on contour maps so as to indicate the sections of the areas which would be inundated by floods of various probabilities of occurrence. In addition, a study could be made of the value of the properties subject to flooding, the estimated damages to these properties when floods do occur, and the estimated average annual damage. With this information estimated insurance premium rates could be developed which would be necessary to cover the average annual loss in these particular areas and a determination would be made as to whether it would be feasible to initiate a flood insurance program on an experimental basis.

* * * * *

"If this study is authorized we would work in close cooperation with the appropriate Federal departments and agencies, particularly the Corps of Engineers, the Geological Survey, the Weather Bureau, and TVA, which have accumulated a wealth of data and knowledge pertaining to floods and flood plains, and the Department of Agriculture, which administers the Federal crop insurance program, through the Federal Crop Insurance Corporation. The Corps of Engineers would conduct the studies in the pilot areas and an analysis of these studies would be carried on in cooperation with the corps, the Geological Survey and the Weather Bureau. Both the TVA and the Corps of Engineers have developed programs of assistance and information in the field of flood plain zoning. We would look to these agencies for advice on problems that relate to zoning. We would also consult with the Council of State Governments, which, for many years, has expressed keen interest in flood plain zoning and flood insurance. Representatives of the insurance industry who we understand were most cooperative in the planning of the flood indemnity program under the Federal Flood Insurance Act of 1956 would be consulted with reference to the studies on the feasibility of flood insurance programs."

Since S. 3066 only authorizes appropriations, the committee expected that any appropriate further details with respect to the proposed study, and a detailed justification of every aspect of it, would be presented to the Appropriations Committees.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. WILLIAMS of New Jersey. Mr. President, I am very grateful to the majority leader and the Senate leadership for scheduling such prompt consideration of S. 3066, the flood relief study bill I introduced which was reported favorably by the Senate Banking and Currency Committee on July 20.

I am sure my sentiments are shared by all those who were stricken by the storm that ripped the east coast earlier this year, and who suffered enormous loss. In New Jersey alone the losses amounted to over $80 million.

We all know that in 1956 the Congress passed a Federal flood insurance program, providing an insurance, reinsurance, and loan program to compensate persons against losses by flood. But the House of Representatives in 1957 refused to appropriate any funds to implement the program and since then the program has been a dead letter.

One of the problems, of course, is the fact that floods do not pose an equal threat to every person in every part of the country, as would be the case in automobile accidents for example.

It is precisely for this reason that I believe some kind of Federal assistance is essential, in order to spread the risk and the financial burden, just as they are naturally spread in other kinds of losses.

However, I can understand the concern of some Members of Congress who fear that the general taxpayer not subject to flooding may be called upon to share what clearly may be too excessive a risk by a person who may wish to build, from the standpoint of floods, where nature clearly intended that man should not trespass.

It has been argued that there is a point beyond which one must say either you do not build or you build at your own risk. The problem, it seems to me, is to delineate that point to the satisfaction of the Congress as a whole, for surely there can be no question that we have some responsibility.

If we can share the misfortunes of people all over the world, we can certainly come to the aid of those stricken by flood disasters here at home.

This bill would direct the Housing and Home Finance Administrator to undertake an immediate study of alternative programs which could be established to help provide financial assistance to those suffering property losses in flood disasters.

It would permit the study of new and fresh approaches to the problem, which I believe would offer the best hope for allowing positive and constructive action to be taken in the reasonably near future.

While it is true memories of the last disaster fade with time, we all know that the whims of nature will sooner or later face us with the same problem again, and we must not be unprepared.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

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

THE EXTRAORDINARY DELAY ON NOMINATION OF THURGOOD MARSHALL

Mr. JAVITS. Mr. President, the extraordinary delay in Senate confirmation of the nomination of Thurgood Marshall to the Court of Appeals for the Second Circuit Court in New York is fast becoming outrageous. As a result of the unjust manner in which the process of confirmation would be abused if the end of the session should come without action on the nomination, the time is coming soon when the Senate will have to meet its responsibilities, even if one of its subcommittees should not.

No really good reason has been put forward to justify the unwarranted delay in confirmation of this nomination. I urge the full membership of the Judiciary Committee to insist on full committee action to discharge the subcommittee from consideration of Judge Marshall's nomination. If that is not forthcoming, the Senate as a whole will be called on to face the issue squarely. If this is not otherwise moved, I will myself make the motion.

The facts concerning this delay have been laid before the Senate and the country again and again. But they bear repeating. Thurgood Marshall was originally nominated on September 23, 1961, 4 days before Congress adjourned. He was given a recess appointment on October 23, 1961. On January 15, 1962, his nomination was resubmitted, and the first hearing was not held until May 1, 1962, and then recessed. The second hearing was held on July 12, 1962, and at that time the introduction of new counsel and other developments gave every evidence of a long drawn-out attempt to inject irrelevant material not bearing on Judge Marshall's confirmation. Today, a third hearing is being scheduled for August 1. This could delay matters until adjournment time and bring about a disgraceful situation whereby Judge Marshall would be forced off the bench because the Senate did not act. The justice, the wisdom, and the dignity of the U.S. Senate are on trial in this matter.

No one can objectively look at the record of the hearings so far and come to any other conclusion than that there has been intolerable delay on the question.

Thurgood Marshall's abilities, qualifications, and experience are beyond question. His character is outstanding; his record, including his service on the bench since last October under a recess appointment, has been impeccable. He deserves confirmation, and the U.S. Senate should not tolerate any further delay.

I repeat that it would be outrageous if, coming to the end of the session, Thurgood Marshall should have to leave the bench because the Senate has not acted to confirm his nomination. I shall do my utmost to help to see that the proper procedures are gone through so that the Senate may act.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10526) making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies for the fiscal year ending June 30, 1963, and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 10904) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1963, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. FOGARTY, Mr. DENTON, Mr. CANNON, Mr. LAIRD, and Mr. TABER were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 2996. An act to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes; and

H.R. 6967. An act to provide for the incorporation of certain nonprofit corporations in the District of Columbia, and for other purposes.

MEMORIAL SERVICES FOR SENATOR FRANCIS CASE

Mr. MUNDT obtained the floor.

Mr. MUNDT. Mr. President, without losing my right to the floor, I make the point of order that a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. METCALF in the chair). Without objection, it is so ordered.

Mr. MUNDT. Mr. President, I send to the desk a resolution and ask for its present consideration.

The PRESIDING OFFICER. The resolution will be read.

The resolution (S. Res. 366) was read as follows:

Resolved, That the legislative business of the Senate be now suspended in order that memorial addresses may be delivered on the life, character, and public service of the Honorable FRANCIS CASE, late a Senator from the State of South Dakota.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased, the Senate, at the conclusion of its business today, do adjourn.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was unanimously agreed to.

Mr. MUNDT. Mr. President, I also ask unanimous consent that at the conclusion of the memorial addresses delivered on the floor of the Senate today, other Members of the Senate may be given the opportunity to insert in the RECORD their remarks in testimonial to my late departed colleague, and that those remarks, to be inserted later, may be printed in 7½-point type in the body of the RECORD.

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

Mr. MUNDT. Mr. President, the land of the prairies and of the mountains and of the towering pines from whence he came has reclaimed a loyal son.

Our colleague, FRANCIS CASE, has made the long journey home, to the beauty and the solitude of the Black Hills he so deeply loved.

Today, as we pay homage to this fine citizen from my home State of South Dakota, the recollection of many, many "yesterdays" floods across my mind as I look back upon the near quarter of a century of close association I had in serving with FRANCIS in the Congress of the United States.

My first recollection of FRANCIS CASE goes back a long time before he or I gave much thought to serving here in the National Legislature.

I had met FRANCIS when he was a publisher and editor in the Black Hills, and I was teaching in the public schools of eastern South Dakota.

I came to know him during his service on the State Board of Regents of Education of South Dakota, when, in fact, he was actually one of my employers, since I was, at that time, a member of the faculty of the General Beadle State Teachers College in my hometown of Madison, which came under the jurisdiction of the State board of regents of education.

Later we were to be a part of the same campaign team, he running for the House of Representatives from the Second Congressional District, and I from the First Congressional District.

He was elected in 1936. I was defeated. In 1938 we both were the candidates, he was reelected for his second term, and I was elected for my first term.

So as that 76th Congress opened in 1939, and I arrived for service in the House of Representatives, it was FRANCIS CASE who was there to welcome me to the National Legislature, to introduce me to our colleagues and to take me by the arm to the well of the House where the oath of office was administered.

Many the time I have since stood in the House—and in this chamber—virtually side by side with FRANCIS CASE, as we pledged anew our allegiance to God and country, swearing upon this sacred oath to uphold and defend the Constitution of the United States.

And it was in January 1951, when I accompanied him down the aisle of this chamber, as he began his own service to the State and Nation as a U.S. Senator, as he took his oath as a Senator.

And now, 25 years and a few months later, we are here today to pay our final respects to a fallen comrade, a valiant warrior, a veteran of the U.S. Marine Corps, and, truly, a veteran of the legislative battles that have been playing, for a quarter of a century, such a vital role in the progress and prosperity achieved in the country.

The bridge that spans that quarter of a century of service seems short, indeed, in the measure of time as we look back over these years.

But by another measure, the record that is one of vast achievement by Senator FRANCIS CASE, that bridge seems virtually endless as we look back over the accomplishments of a diligent, devoted public servant.

How does one review such service?

Well, how is it recognized by those one serves, by those who have entrusted the responsibilities of high office upon the shoulders of one individual?

To me, this is the recognition that counts, the confidence of a trust well placed.

And it was an enduring trust that the people of South Dakota had in the qualities of FRANCIS CASE, for he was called to serve on nine consecutive occasions, seven times to terms in the House, and twice to terms in the Senate.

So it is an honorable record of distinguished service that FRANCIS CASE leaves with us.

It is a record of such nature that I can stand here today without fear of challenge and declare that not only our State—the State which sent FRANCIS CASE to the National Capital—but our Nation as well, is proud of the mark on history that FRANCIS CASE has left.

It is such a record that it prompted the Reverend Robert Wagner, the Methodist pastor, in his very moving sermon at the funeral services in Rapid City, which were attended by many Members of this body, to point out that Senator CASE's service firmly engraved upon the office of U.S. Senator those three hallowed words, "duty, honor, country," which Gen. Douglas MacArthur, in his address at West Point recently, said, "reverently dictate what you ought to be, what you can be, what you will be."

Few men have achieved the deep respect that was accorded FRANCIS CASE by his colleagues here in this Chamber and in the other body. It is a respect

which I think is personified in the tribute delivered by the senior Senator from Vermont [Mr. AIKEN], who referred to FRANCIS as "a legislator's legislator."

What better mark of the affection and the esteem by which a man is held can there be than that accorded FRANCIS CASE by our good friend from Vermont?

A legislator's legislator.

Or a man's man.

They mean relatively the same thing.

And they are meant sincerely.

And they encompass a whole dictionary of descriptive definitions one might study in search of a word of tribute, a phrase of commendation that is so deserving for a brilliant record and the man that compiled that record.

FRANCIS CASE was a legislator's legislator in all respects.

That he was such a man was earlier attested to by another of our colleagues, also a warm friend of Francis, our distinguished minority leader [Mr. DIRKSEN] from Illinois. It was on the public platform in Mitchell, S. Dak., at a dinner at which tribute was paid to him by close associates in our area, that the Senator from Illinois spoke in praise of Senator CASE.

He, of course, spoke more than a word of praise. I wish it were possible to recall all that he said that evening, for it was a memorable address of salute to a man for not only what he had accomplished but for what he was. All of what he said is pertinent today. But if I were asked to select only one sentence of that eventful address delivered by Senator DIRKSEN in Mitchell, S. Dak., where FRANCIS was graduated from Dakota Wesleyan University, and if I had the choice of only a few words, I would then select these quoted by Senator DIRKSEN in tribute to Senator CASE:

He gave more than he got.

How much is said in those words by the distinguished minority leader.

If one sentence were to sum up a lifetime of activity, I think it is this one—"he gave more than he got"—for certainly the life of FRANCIS CASE was one of giving and contributing to the well-being of his fellow man.

There are many achievements which will remain to perpetuate the memory of our late colleague.

His dedication to and love of country is captured in the vital work he performed as a key member of the Senate Armed Services Committee.

There he labored long and hard to satisfy himself to the utmost that no stone was left unturned, no task remained incomplete, and no dollar was unwisely used so that the strength of our Nation was such as to keep our cherished freedoms.

His fond regard for his fellow citizens—particularly those who were less fortunate than others—found emphasis and action in his legislative proposals and his personal activities to assist our fine American Indian citizens in South Dakota.

His pride in our home State of South Dakota and his love for the people of the upper Great Plains prompted his continuing efforts to assist economic growth and to achieve greater prosperity through installation of projects and implementation of programs vitally needed.

But if one were to search for the most significant and lasting contribution that FRANCIS CASE made, it would be in the field of water resources, in his persistent drive and devoted determination to achieve to the fullest extent possible the wise use and preservation of this precious lifeblood of humanity.

FRANCIS and I visited on many occasions about the problems of water conservation and utilization.

Never have I come across a man more dedicated than FRANCIS CASE to the noble work of turning arid lands into green fields and changing sometimes-flooding and oftentimes polluted streams and rivers into controlled, fresh, clean water supplies for drinking and for a dozen other purposes.

Today, the State of South Dakota is divided by a huge manmade series of lakes, second only in size of impounded water to the vast expanses of the Great Lakes themselves.

The once uncontrolled savage Missouri River is now a docile beneficent creature, churning out electric power, holding back the floods and soon spreading out its sweetness in a myriad of tentacle-like irrigation projects.

FRANCIS CASE played a prominent part in the development of this vast system of reservoirs.

And when the day comes, as come it will, that sweet water flows from the brackish wells and is converted from the sea, and when the skies can almost be commanded to bring forth the precious raindrops, these achievements also can include on their honors of credit the name of FRANCIS CASE.

Mr. President, I shall miss the fine association of a man whom I felt was firmly and thoroughly dedicated to the furtherance of the brotherhood of man concept.

In the memorial services held here in Washington for Senator CASE before his final journey back to South Dakota was begun, we heard these words said of FRANCIS CASE:

"He was a fine Christian gentleman."

I think that speaks volumes for the type of citizen FRANCIS CASE was and for the wonderful influence for good that he brought to bear in the arena of public affairs.

His death is a great loss to the State and Nation.

Mr. President, one of the truly warm friendships that existed was that between FRANCIS CASE and Badger Clark, late poet laureate of South Dakota.

Perhaps Senator CASE frequently quoted Badger Clark's works, and I know he received on many occasions inspiration from the words of this great western poet.

Perhaps one of the favorite poems of Senator CASE, from which he received inspiration, and which is meaningful for all of us, a poem written by Badger Clark, is the one entitled "The Job." It is a fitting memorial to the type of devotion Senator CASE gave to all of his tasks, both those assumed by him and those assigned to him.

In closing, Mr. President, I should like to read this poem by Senator CASE's friend, Badger Clark.

THE JOB

But, God, the thought was great,
The scheme, the dream—why, till the first charm broke
The thing just built itself while I elate,
Laughed and admired it. Then it stuck,
Half done, the lesser half, worse luck!
You see, it's dead as yet, a frame, a body—and the heart,
The soul, the fiery vital part
To give it life, is what I cannot get. I've tried—
You know it—tried to catch live fire
And pawed cold ashes. Every spark has died.
It won't come right! I'd drop the thing entire.
Only—I can't! I love my job.

You, who ride the thunder,
Do you know what it is to dream and drudge and throb?
I wonder.
Did it come at you with a rush, your dream, your plan?
Yes, with rapt face and sparkling eyes,
If so, I know how you began.
Swinging the hot glove out between the skies,
Marking the new seas with their white beach lines,
Sketching in sun and moon, the lightning and the rains,
Sowing the hills with pines,
Wreathing a rim of purple round the plains.
I know you laughed then, while you caught and wrought
The big, swift rapturous outline of your thought.
And then—
Men.

I see it now.
O God, forgive my pettish row!
I see your job. While ages crawl
Your lips taking laboring lines, your eyes a sadder light,
For man, the fire and flower and center of it all—
Man won't come out right!
After your patient centuries
Fresh starts, recastings, tired Gethsemanes
And tense Golgothas, he, your central theme,
Is just a jangling echo of your dream.
Grand as the rest may be, he ruins it.

Why don't you quit?
Crumple it all and dream again! But no;
Flaw after flaw, you work it out, revise, refine—
Bondage, brutality, and war, and woe,
The sot, the fool, the tyrant and the mob—
Dear God, how you must love your job!
Help me, as I love mine.

Mr. President, FRANCIS CASE included in his vast catalog of endeavors activities as a newspaper publisher and editor. In keeping with the warm association FRANCIS had with his brothers in the profession of journalism, I feel it would be particularly appropriate if there could be included in the RECORD, immediately following the eulogies by my colleagues, a few representative editorials written in tribute to the late Senator. I request permission that such be made a part of the RECORD as designated.

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

(See exhibit 1.)

Mr. BOTTUM. Mr. President, as the newest Member of the Senate, appointed to fill the vacancy occasioned by the untimely death of our beloved FRANCIS CASE, I welcome the opportunity to speak upon this occasion. Fellow Members

of long years association have told more eloquently than I can the story of his tremendous accomplishments as a Member of this august body. You who have worked with Senator FRANCIS CASE have seen firsthand his dedication to duty, the workings of his mind, the singleness of purpose, and all the other virtues which made up his character.

My association with Senator CASE began many long years ago. FRANCIS CASE entered the race for Congress in days of drought and economic disaster; and in that first race for Congress, he demonstrated over and over again his ability to work, to think, and to follow a course which convinced the people of South Dakota that here was a man worthy of their trust. In every campaign from that date to the day of his untimely demise, it was my privilege to work with him and for him, traveling back and forth across the prairies of South Dakota in what Senator CASE believed was a fight for freedom.

A graduate of Dakota Wesleyan University, Senator CASE was an active, devout member of the Methodist Church, a man whose religion and religious beliefs were a part of his everyday life, a Christian gentleman who was motivated at all times by his belief in God. Fortunately, through a great organization known as the Friends of the Middle Border, the written record of his achievements and his life, his papers, and his files, representing a lifetime of service, will be deposited at Dakota Wesleyan University, at Mitchell, S. Dak., where students of government will have a source for study in a special shrine established and maintained to keep alive his memory, his ideals, his principles, and the great contributions which he made to his State and to his Nation.

Mr. President, as I sit in his office, discussing problems of Government with his wonderful staff, observing the voluminous files, correspondence, research, and bills which he introduced, and which were passed by this Congress, I am constantly amazed at the tremendous capacity of this fine friend.

But to turn back to the South Dakota scene, there can be seen the tangible results of a lifetime of labor. Modern highways stretching across the Great Plains, built under rules and laws sponsored by Senator CASE, under contracts and regulations designed to protect and conserve the taxpayer's dollar; great military installations, public housing, national defense, all a part of his plan and concern for America; the great Missouri River, bisecting South Dakota, with dams and lakes designed to conserve one of our greatest assets—the water flowing through our State, with powerplants producing energy to light the farms, to power industries, to provide jobs, and, eventually, if his dreams come true, with 10,000 farms—yes, more—receiving the lifegiving water of the Missouri through irrigation, will build and strengthen the economy of the great Midwest and of our Nation.

FRANCIS CASE did not think just about big things. One of the last bills he introduced was one to give relief to little people who for many years have lived and struggled on small mining claims in the Black Hills. This bill, to provide an opportunity for these citizens to secure homestead status on these small mining claims, gives further proof of his concern for all his people.

Mr. President, let this not be a time of sadness; let this not be a time of regret. Rather, let this be a time of rejoicing and remembrance of his Christian life, of his dedicated life, of the life of a man placed on this earth with a purpose which benefited all mankind.

There were many sides and facets to the character of Senator FRANCIS CASE. His love of the outdoors, his love of country, his love of beauty, all went together to make the composite leader. Many times when the Senator was in his office late at night, or when he could not sleep, he used to express his thoughts in the form of short poems. Let me read to you one of those poems, which he wrote one night. It is entitled "New Year Ahead":

The world's in a snarl at this year's end
Few pundits find a favoring wind.
Times go by turns, someone has said
When darkest comes, the dawn must be ahead;
But each day, each year, each life must be lived
As men with choice are not by chance possessed.

Fair Freedom's rule is not a thing assured
Far stars are not to fainting hearts attuned
Real strength is not by sitting still acquired
Nor duty's call by wishing words absolved
High goals are not by downcast eyes attained
Nor wanted ports by drifting craft achieved.

Man's mountain climb by scars is marked
The trail, the trudge by steady steps are made
The daily gain may go unnoticed
But time attests this truth as stated
Pursuing the best to us entrusted
We reach the paths that lead to God.

And so, my fellow Senators, let us with regret pause on this occasion in remembrance of one of our great citizens. But, more important, let us turn our eyes to the future, and remember that the results of his life, the results of his work, the results of his personality and his character will be felt by generations to come; and those who will but pause and reflect and look back upon the life of Senator FRANCIS CASE will call him blessed.

I ask unanimous consent that a statement containing biographical reference to the late Senator CASE be printed in the RECORD at this point.

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

FRANCIS H. CASE

FRANCIS H. CASE, Republican, of Custer, S. Dak., was born in Everly, Iowa, December 9, 1896, and moved with his parents to Sturgis, S. Dak., in 1909.

He attended high school at Sturgis and Hot Springs. He held B.A. and LL.D. degrees from Dakota Wesleyan University, Mitchell, an M.A. degree from Northwestern University, and an honorary LH.D. degree from South Dakota School of Mines and Technology, Rapid City. He attended college for a time at Spearfish, S. Dak.

During World War I, Senator CASE served in the U.S. Marine Corps.

He married Myrle Graves, of Mitchell, S. Dak., in 1926. The couple had two children, Jane Commander, of Washington, D.C., and Francis H., Jr. (died 1945).

BUSINESS AND COMMUNITY LIFE

Mr. CASE edited newspapers in Rapid City, Hot Springs, and Custer from 1922 to 1942.

Active in promoting development in South Dakota as a newspaper editor, he proposed the Black Hills Summer White House for President Coolidge (1926–27); edited the Jefferson number of the Mount Rushmore booklet for Gutzon Borglum (1931); and actively promoted the development of highway and natural resource potential of South Dakota.

As a rancher, Senator CASE raised Herefords and saddle horses on his ranch near Custer.

PUBLIC LIFE

Mr. CASE served as a member of the State regents of education in South Dakota from 1931 to 1933. In 1936, he was elected to Congress from the Second District and served seven terms. He was elected to the U.S. Senate in 1950, reelected in 1956, and was serving his second term.

LEGISLATIVE RECORD

Mr. CASE's legislative record during his 25 years in Congress has been identified with water conservation, economies in Government, and highway legislation. He has striven for an effective national defense system with economy.

His resolution adopted in 1939–40 by the House Committee on Flood Control produced the studies which led to the authorization of the Missouri River Flood Control Act of 1944. His efforts obtained initial funds for Sheridan Lake, Deerfield, Shadehill, Angostura, Pactola, Fort Randall, and Oahe Reservoirs, and Lewis and Clark Lake.

He authored the provision to reserve half of Big Bend's power for use in the State of South Dakota.

In 1949, while still in the House, he opened the battle against back-door spending, a form of Government financing through Treasury borrowing rather than through direct congressional appropriations, with a point of order during debate on a housing bill.

Other projects which reflect his efforts include: Sioux River, Vermillion, and Fall River flood control project; Ellsworth Air Force Base (Rapid City); Ordnance Depot (Provo); McNenny Unit Hatchery (Spearfish); conversion of Fort Meade to a veterans' hospital (Sturgis); and establishment of the Black Hills National Cemetery; desalinization plant at Webster; Missouri River bridge near Platte; Grand River bridge near Mobridge; post offices at Sisseton, Pierre, Sioux Falls, Mitchell, and other South Dakota communities; Reserve and National Guard armories throughout the State including Woonsocket, Aberdeen, Salem, Miller, Sioux Falls, Hot Springs, Phillip, Clear Lake, and Wagner.

U.S. SENATE (1951–PRESENT)

Other accomplishments include:

Pioneered legislation setting up Saline Water Acts of 1952, 1955, and 1958 which initiated research into ways of converting inland brackish water and sea water into fresh water. The Webster, S. Dak., desalinization plant resulted from his 1958 bill.

Legislation creating the President's Advisory Committee on Weather Control which compiled the most comprehensive set of data available on the subject; placement of weather research programs under the National Science Foundation (1958); and a program for cloud seeding studies under the Bureau of Reclamation's water supply research in 1962.

First legislative proposal for selling surplus farm commodities to foreign countries in exchange for foreign currency, the forerunner to the present Public Law 480 or food-for-peace surplus-disposal program.

Legislation honoring the rights of District of Columbia voters to vote for President and Vice President to end Communist taunts that citizens in our National Capital were denied any form of suffrage.

Extension of the Interstate Defense Highway System to provide needed links including a north-south route in South Dakota.

Numerous provisions in bills and amendments clarifying legislative language or trimming out unnecessary Federal spending.

Senate committee assignment: Mr. CASE was ranking Republican member of the Senate Public Works Committee, having served as Roads Subcommittee chairman in 1953–54, and was third ranking Republican member of the Senate Armed Services Committee where he served as chairman of the Military Construction Subcommittee in 1953–54. He was also a member of the Appropriations Committee for national defense and rivers and harbor bills. In 1961 he concluded service on the Select Committee for National Water Resources, set up in 1958 to study the Nation's water needs, after the committee disbanded following completion of its work. Early in 1962, he was named to the Senate Committee on Preparedness.

U.S. HOUSE OF REPRESENTATIVES (1937–51)

Accomplishments include:

Initiated legislation for renegotiation of excess war profits (1942), credited with saving the U.S. Treasury $12 billion during World War II and the Korean conflict, and hundreds of millions of dollars since.

Joint sponsor of Government Corporations Control Act of 1945.

Joint sponsor of Case-Wheeler Water Conservation Acts of 1937 and 1940.

Initiated Labor Relations Act of 1946, later vetoed by President Truman, which was the forerunner of the 1947 Taft-Hartley Act.

Synthetic Fuels Act of 1948.

Authored a phrase change in the Internal Security Act of 1950 distinguishing between Communist "front" organization and Communist "action" organization which has been credited with protecting the constitutionality of that act by Supreme Court review last May.

House committee assignments: Irrigation, Mines and Indian Affairs Committees, 1937–39; Appropriations, 1939–50; Select Committees on Phosphate Investigations, Foreign Aid, and Joint Congressional Aviation Policy.

Mr. MANSFIELD. Mr. President, the loss to the Senate, to South Dakota and to the Nation occasioned by the death of FRANCIS CASE was particularly saddening to me. Senator CASE and I had served together for many years, both in this body and in the House of Representatives. While we had political differences at times, they were subordinated to our friendship. He had the capacity, too, of subordinating political considerations to the best interests of the Nation. This capacity is testimony to his great integrity.

During his long career as a public servant, the Senator from South Dakota had wide legislative interests. He was an outstanding authority on constitutional and procedural questions and was a knowledgeable lawmaker in many fields. His great range of interests was born of a rich and varied youth which included experience as a newspaper editor and publisher, cattleman, sporting enthusiast, state regent of education, enlisted man in the Marine Corps, and later an officer in both the Army and Marine Corps Reserves.

When he came to Congress nearly three decades ago, his interest continued to range over the whole spectrum of legislation. It was in military-connected fields, however, that he performed his greatest service. Perhaps the best testimony to his dedication to the public interest was the Renegotiation Act of 1942, which he initiated, and which is credited with the recovery of over $11 billion in excessive war profits during the Second World War.

Twice elected to the Senate by the people of South Dakota, his was a distinctive style of lawmaking in this body, characterized at all times by the highest degree of integrity. Nowhere was this integrity better demonstrated than in the celebrated attempt some years ago to influence Senator CASE with a sizable campaign contribution. The modest, quiet man made clear in a most forceful way that his public trust as a Senator was not for sale.

It is because of these many qualities that Senator CASE made so many friends, all of whom now mourn his passing. We shall miss him sorely in this body. I wish at this time to extend again my own and Mrs. Mansfield's heartfelt sympathy to the members of his family, who bear the greatest loss.

Mr. DIRKSEN. Mr. President, in that area of Chicago which is commonly referred to as the Midway stands a great marble statue fashioned by the hand of Lorado Taft, one the greatest sculptors of our generation, if not the greatest. It is of interest to me because Lorado Taft was born in a small country town in my old congressional district. He has styled the statue "The Fountain of Time," and on it, with a broad face, he has limned the countenances of all manner of people who would be symbolic of any generation. It stands clearly as a rebuttal to the old and popular cliche that "Time flies." Times does not fly. Mankind marches and flies through the stationary corridor of time, and as we do we make history.

Not many people identify themselves too readily with the march of the generations through history, so that it can be said that they adequately identify themselves with the present as it is coupled to the past and the present as it is coupled to the future. But FRANCIS CASE was a man who fully achieved that distinction, and I have often marveled how it somehow marked his conduct and particularly his legislative interest.

He had a lively awareness of the present with its challenging problems, and it summoned up in him a rare determination to make the greatest contribution to the well-being and happiness of the people in his own time and generation, and leave a durable bequest to those who were to come after him and become the custodians and trustees of America in another day. And thus did he display his appreciation for the sacrifices of the past and his sense of obligation to the present.

With it all, he had a sharp sense of mission and responsibility to the future, and in his years of legislative conduct it may have escaped the casual observer, but it made a very deep impression on me.

First was his deep interest, and continuing interest, in the distilling of salt water to make it potable and usable for human purposes. I examined a good many of the treatises that he prepared on the subject. Why should this experimental activity command much of his time, his energy, and his study? He might not live to see the day when this process would come into widespread and practical use in all the corners of the earth, but there was a clear reason, and his distinguished colleague, Senator MUNDT, has referred to it. It was his interest in water resources, which one day may yet become the most acute challenge before all mankind. He was sensitive to this challenge in his own time and for the future. So he wanted to advance the matter in his own time as a contribution to the future well-being not merely of his own country but of people everywhere.

There was one other activity in which he was deeply interested, and that was the attention he gave to the work and to the business of seeding clouds with chemicals or some other divisive force for the purpose of producing rain.

In a way, I suppose it was quite natural that he should be deeply interested in that, because he lived a lifetime on the prairies of South Dakota, and there he had not only with his own eyes seen, but had experienced, the ravages of drought and what it could do to the lives and livelihood of the people.

"Surely," he must have said to himself, "even as nature causes the cool winds to caress a cloud and let the water fall upon thirsting acres, within the ingenuity of man there must be a process, there must be a way, of bringing that moisture from above so that it may be earthborne and fall on the thirsting acres where it is needed."

He was again in an experimental field. He did not know that it would be consummated in his lifetime. He did not know whether seeding clouds with silver iodide would one day be practical. But he worked at it because he saw the necessity for it, and he had a great and consummate faith that, somehow, in the talent, in the faith, and in the ingenuity of man, that process would yet be found.

So, Mr. President, we give a reverent salute to a former colleague—a quiet, shy, industrious, hard-working public servant—whose labors perhaps were not always fully appreciated. There was upon him the mark of greatness, because he felt his debt to the past, because he so fully discharged his obligation to the present, and because he had a deep sense of trusteeship to the future. Truly these are the qualities which exalt a man and give him the stature of statesmanship.

Mr. KUCHEL. Mr. President, it is with a sad heart that I pay tribute to a highly respected and esteemed Member of the Senate, our friend and colleague, FRANCIS CASE. His death has been a great loss to the Nation, to the Senate, and to the Republican Party.

We all admire ability. We all respect conviction. We all pay homage to honesty. FRANCIS CASE had all of these. FRANCIS CASE's record of public service is a long one. A former newspaperman and part-time rancher, he served in the House for almost 14 years. This year, he would have completed his second

Senate term, and he had already announced his decision to run for another term.

FRANCIS CASE has served his party and his Nation well. His contributions were many. He was a member of the Senate Public Works Committee, where I had the privilege in years gone by of working with him. There I was able to observe him more closely at work. He was always constructive, prudent, and perceptive in all phases of his work. He was a member also of the Armed Services Committee.

A onetime chairman of the District Committee, FRANCIS CASE was a fast friend of the District. We recall how vigorously he fought for a constitutional amendment to permit District residents to vote for President and Vice President. He brought the issue to its first vote in the Senate, and later cosponsored the proposal which has become the 23d amendment to the Constitution, guaranteeing the presidential vote to District citizens.

He had become convinced in his last years of service that the next step toward full suffrage for District citizens should be Representatives for the District in the House. In his usual spirited manner, he was prepared to fight for this goal.

Our Nation has lost a public servant of the highest caliber and the deepest convictions. Members of the Senate on both sides of the aisle were proud to call him a friend. I deeply regret his passing and I know that all of us here will miss him.

Mrs. Case, her daughter and her granddaughter have my family's deepest sympathy.

Mr. RUSSELL. Mr. President, I would not wish to see this occasion pass without making some expression of my affection and respect for our departed colleague from South Dakota, FRANCIS CASE.

I well remember my first legislative contact with FRANCIS CASE. It was when he was serving in the other body, and I met him on a conference committee on appropriations for public works. I marveled at that time at his detailed knowledge of every item which came before that conference committee for consideration. I saw the chairman of the conference turn to him time and again for information as to the various items in the bill.

He later came to the Senate of the United States, and it was my privilege to serve here with him during his entire tenure in this body.

Mr. President, Senator CASE was a member of the Senate Committee on Armed Services, over which I am privileged to preside. I learned to rely on him as I have on few men for careful and objective consideration of issues which are vital to the security of our Nation and to the preservation of our institutions of government.

I have spent the greater part of my adult life in legislative work—10 years in the general assembly of my own State and 30 years in this body—and over that span of time I have come in contact with many legislators, some who have been able and some who have been great, but in all that period and among all those acquaintances I have never known a more conscientious, a more thorough, or a more courageous legislator than FRANCIS CASE.

He was not a lawyer, in that he had never engaged in the practice of law, but there were few keener students of constitutional law in this body than FRANCIS CASE. All of us have seen him time and again rise, when constitutional questions were under discussion, to quote from some of the great leaders of the past, from some of the great scholars or jurists of our Nation's history, thus reflecting a much broader knowledge of our constitutional system than ever possessed by many lawyers who have held licenses to practice law for many decades.

Senator CASE knew the rules of this body. We all know, Mr. President, that the rulebook itself does not contain half the rules of the Senate. Over half of our rules and procedures depend upon precedents which are not written into the rulebook itself. But he knew the rules and he knew the precedents. All of us have seen him time and again rise, when some complicated parliamentary question was before the Senate, to make a real contribution to its solution.

Senator CASE believed in the Senate as an institution of Government, and he was very jealous to protect the prerogatives of individual Senators and to defend this institution as a valuable component of our Government.

Above all that, Mr. President, through close association we became intimate personal friends. So long as I shall live, I shall have many sweet recollections of the kindnesses he has done me and of our intimate association together.

We are all saddened that he has gone from this Chamber never to return in the flesh, but, Mr. President, those of us who knew him and who loved him will long be inspired by our memories of his capacity, of his patriotism, of his unshakable integrity. The fact that he has served in this body and that his services have contributed to what we might call the spirit and the soul of the Senate of the United States will be a salutary and beneficial influence upon the lives of the American people for many years to come.

Mr. STENNIS. Mr. President, it was my great privilege for more than 10 years to serve on the Committee on Armed Services with our late friend FRANCIS CASE. During that time we served together on many major subcommittees of that parent committee as well as some under special appointment by the Senate. I also served with him on the Appropriations Committee, since he was an ex officio member when we were working on the military construction appropriation bill. More recently, he was a member of the Preparedness Subcommittee of which I have the honor to be the chairman.

I learned to know him and to truly love him as a friend and a companion, as well as to respect and to highly value his services to this body and to the Nation.

I learned to know with great admiration his wonderful wife, Mrs. Case, as well as his lovely daughter, Mrs. Jane Case Commander. Also, I know and very much admire his brother, Mr. Leland D. Case.

Mrs. Stennis joins with me in making known to them our great appreciation for their late husband, father, and brother. We certainly wish them well as they continue to carry on and continue to reflect the fine spirit of our late friend.

Mr. President, I attended the funeral services for FRANCIS. I thought the minister preached a marvelous sermon—one more fitting I have never heard—in which he took for his text the story which Jesus told about the man with five talents, the man with two talents, and the man with one talent. I said, as we came out of that church, that FRANCIS CASE was certainly a five-talent man, and he returned even more than five talents to be passed on to humanity. He had a fine, penetrating mind, a marvelous memory, and tremendous energy, all combined with his fine character. He always took the constructive, helpful approach.

If I may, I wish to relate one incident which occurred in 1953. Senator CASE, former Senator Duff from Pennsylvania, and I were members of a subcommittee which went to visit military installations in Western Europe and northern Africa. Senator CASE was chairman of that subcommittee.

The year was 1953. We were in French Morocco. Senator CASE's penetrating mind and ability to sense things that were not on the surface convinced him that the future for the bases we were building in French Morocco was uncertain and not secure. We had no such information in the United States. After Senator CASE had reached that conclusion, he went to work on it and further developed it.

To shorten the story, when we returned to the United States the three of us went to the White House to visit with the then President Eisenhower. The substance of Senator CASE's report at that time was that our tenure in French Morocco was not secure, and we would not be privileged to use the bases which were being constructed for a very long time. I do not disclose any executive privilege in stating that I remember that President Eisenhower whirled in his chair, picked up a telephone, called for Secretary of Defense Wilson, and told him not to proceed one step further with the building of the last base there until the military had conferred with him personally. I am certain that it was the insistence, persistence, and clear thinking and the penetrating analysis of that situation by Senator CASE that went a long way in formulating the decision in the President's mind not to build that base. It never was built. It is history to note that within a few years we vacated the bases we had already built.

I mention that story with emphasis because it illustrates the repeated instances in which that fine public servant worked. He was always at work. I never heard of him taking much exercise or engaging in other activities. His mind worked all the time. In analyzing a situation he demonstrated completeness, thoroughness, impartiality, and constructiveness, with results such as

those I have enumerated. That one action of his was a major factor in saving $50, $60, or $70 million, and was typical of him in all the 10 years that I served with him as a member of the subcommittee. When the Republican Party was the majority party, Senator CASE was the chairman of the subcommittee. When the Democratic Party was the majority party, I was chairman. But one of the fond memories I have of him is that in our service on that committee there was no difference. So far as our relations on the committee were concerned, people hardly knew which party was in power, because we did not treat matters that came before the subcommittee in a partisan way. We approached questions from the standpoint of military security. Senator CASE set the pace for that approach. He was ever interested and ever cooperative.

Mr. President, I wish to read briefly my remarks at the first meeting of the Preparedness Subcommittee after Senator CASE had passed on. His chair in the committee room was vacant. My remarks were not prepared. I opened the meeting with the following words:

Senator STENNIS. Since the last meeting of the Senate Preparedness Subcommittee, we have lost through death an esteemed, respected and valuable Member of the Senate, of the Committee on Armed Services and of this subcommittee. It is fitting and proper that we pause today in respect to his memory. The late Senator FRANCIS CASE was to me, and, I am sure, to all members of the subcommittee, much more than a fellow Senator and a fellow committee member. He was above all a stanch personal friend—as he proved so many times during our long association.

Senator CASE left behind him a heritage of dedication to his beloved country. Throughout his career, from his enlistment in the Marine Corps through his long and notable service in the Congress, he was inspired by unquenchable patriotism and a determination to serve his country. Dedication to and love of the Nation guided his every action. He gave unstintingly of himself, his time, his energy, and his devotion to the public welfare.

All of us who had the opportunity to observe and the capacity to understand knew that FRANCIS CASE was a man of high purpose, of strong character, and of selfless motivation. He was dedicated in the true sense of the word; dedicated to his country, to the public service, and to his flag—a flag which he served so well as a fighting marine in World War I.

When he was so suddenly called from this life he was completing his 26th year as a Member of the Congress, having served 14 years in the House of Representatives prior to his 12 years of faithful service in the Senate. The intimate knowledge and understanding of the Government and its complex affairs which FRANCIS CASE possessed has not been exceeded by any individual I have ever known. He was not a man who was satisfied by half an answer; he wanted all of the facts to insure that the information upon which he based his judgment was as complete as possible. He searched for the truth with unwavering perseverance and unflagging energy.

Wisdom and knowledge were the fruits of his diligence and devotion. He acquired detailed knowledge not only of those bills which passed the Congress but of those that failed of passage. He knew and understood the intricate programs of the military and other departments of the Government and the congressional debates concerning them. His acquisitive and retentive mind served both the Nation and the Congress well.

On yesterday the Vice President and 12 Members of the Senate journeyed sorrowfully to Rapid City, S. Dak., to attend the funeral of our departed friend. It was immediately apparent to all of us that FRANCIS CASE was a man who was appreciated, respected and revered by all of the citizens of his home State. His funeral service was conducted by his own pastor who used, as his theme, the story told by Jesus of the three men and the talents entrusted to them.

As I listened to the service and the eloquent words of the pastor I was impressed by the parallel. FRANCIS CASE, I realized, was a man of many fine talents. Of equal importance, he put all of his talents to work and kept them working until the day of his death. The pastor's selection of a text could not have been more appropriate. The theme and the analogy fitted the man perfectly.

When the services were over and we sped through the clouds on the return trip to Washington, I am sure that we all shared a sense of pride in Senator CASE's record and a deep appreciation for the contributions of this distinguished man. He left this country stronger because of his dedicated service, his untiring efforts, and his unrelenting devotion to the public good.

There is one other thing I must say. Senator CASE, with all of his ability and talent, was one of the most modest men I have ever known. While his unusual ability commanded respect, his exceptional modesty had a great and warm appeal to those who knew him well.

I am personally indebted to him in many ways. For 10 consecutive years we served together as members of the Subcommittee on Military Construction. He was the chairman when the Republicans were in the majority and I was chairman when the Democrats had control. We worked in such harmony that I doubt that anyone could tell the difference. I hope that I gave him the same unqualified support that he gave me.

Senator SALTONSTALL. Mr. Chairman, may I just echo your sentiments in full.

Senator CASE was not only a fine colleague but a very beloved friend of mine and I know we will miss him.

Senator STENNIS. I thank you, Senator SALTONSTALL. I am sure that those of the military who are here share the sentiments which have been expressed for this fine man and his great public service. I know that the members of the staff share them.

Then, Mr. President, when I had finished my statement, the official reporter who had been reporting the hearings all those years held up his hand. It was a very unusual thing to do. He held up his hand and said:

Mr. Chairman, may I be included among those who appreciated him?

The tribute of that reporter who knew him and had watched him as he passed in and out of the committee rooms all during the years and had expressed an earnest and sincere desire to be included among those who loved FRANCIS CASE is a tribute that could not possibly be exceeded.

FRANCIS CASE was the soul of modesty, and he was very considerate of everyone.

I added further:

I would like to add that when there was a vacancy on this subcommittee earlier this year, I urged Senator CASE to accept the appointment and join us. I did this because I knew his ability, his background, and his sterling worth.

Senator MARGARET CHASE SMITH said:

Mr. Chairman, I would like to join the chairman and other members of the committee in paying respect to our very dedicated and beloved friend and colleague, FRANCIS CASE. He will be greatly missed by all of us and I know of no one who will miss him more than the chairman who worked so closely with him.

Senator SYMINGTON said:

Thank you, Mr. Chairman. I have already stated on the floor my deep sadness at the loss of Senator CASE, who, in my opinion, was one of the greatest Senators it has been my privilege to serve with from every standpoint, including ability and character.

Thus ended that small tribute coming from the heart and mind of those who were close to him.

I feel confident that the God he served so faithfully affords his soul a lasting resting place; and I know that there is a lasting benefit and strength to our Nation because FRANCIS CASE lived.

Mr. CARLSON. Mr. President, it was on the afternoon of June 21 that our late beloved colleague, FRANCIS CASE, stood at this very seat I am speaking from and made his last speech to Members of this body. As I listened to that speech, little did I realize that it would be his last, for the following morning we received the almost unbelievable news that he was taken in death.

We were again reminded of the uncertainties of this life.

FRANCIS CASE was completing his 26th year of service in the Congress of the United States. He began his service in the House of Representatives in January 1937. My service in that body preceded his by 2 years; therefore, when Francis and Myrle Case of South Dakota arrived in Washington, it was natural—coming from the same section of our Nation—that the Cases and Carlsons should be drawn close together.

FRANCIS and I had many pleasant associations, not only in our work in the House of Representatives, but as colleagues in the U.S. Senate. In our earlier associations, we had many enjoyable hours together in early morning golf games that started at 6 a.m. It was occasions such as this that drew us close together. We not only knew each other, but we understood each other.

Others today have paid tribute to the outstanding services that FRANCIS rendered his State and Nation. I want to talk about FRANCIS CASE the man—his sincerity, his integrity, his courage, and his ability to analyze complex legislative problems.

One of his outstanding characteristics was that once he determined what was right—as he saw the right—he was fearless in fighting to maintain that position. Never once did he retract from a position that he thought was right. He not only voted for it, but stood here on the floor of the Senate and fought for it. There may have been occasions when it was not politically expedient for him to take a firm position, but he never deviated from his course.

FRANCIS CASE had integrity. Integrity goes hand in hand with high moral purpose, lofty idealism, and a love of humanity. We associate integrity with trustworthiness, dependability, and honesty. FRANCIS had those qualities.

Another outstanding characteristic of FRANCIS CASE was his great capacity for work. It was only natural for him as a former editor and newspaper publisher to study legislative proposals that were pending in this body. He studied the merits of the legislation, he did not hesitate to call the Senate's attention to errors or flaws in the legislation, and time and time again, he offered amendments to correct errors and inequities. As we say, "He did his homework."

Typical of his interest and the thoroughness with which he analyzed legislation are his last words in discussing our military defense on the floor of this Senate. In a colloquy with our distinguished colleague from Missouri [Mr. SYMINGTON] he stated—and these are his last words:

> But by and large, the world is less likely to become involved in a nuclear war through accident if those who might initiate it, through ignorance, are not kept in ignorance. If they know we have strength, if they know we have a real deterrent capability, if they know we have the food to carry us through a conflict, if they know we have the necessary mineral resources and industrial processes, and if they know we have a capable defense in being, I think there is less likely to be a war by accident. That is, perhaps, a general principle. Some persons may not believe it has application in this instance; but I think it does, in the light of the discussion this afternoon.

As a third characteristic, I want to mention his deep love and affection for his family. Despite his devotion to his work, he always had time for a happy family life with his wife Myrle and his daughter, Jane.

Personally, I shall remember FRANCIS CASE as a good friend and a perfect gentleman at all times. I know of no greater tribute that can be paid to a man.

Henry Drummond's book, entitled "The Greatest Thing in the World," mentions nine virtues that make up the stature of a perfect man, or a perfect gentleman.

The first of these nine virtues is patience, and those of us who have had the opportunity of knowing and working with FRANCIS CASE know that he had unlimited patience.

In addition to patience, kindness is another virtue of a perfect gentleman. Generosity and humility are additional virtues, and I believe Senators will agree with me that FRANCIS CASE had these virtues.

Courtesy is another requisite of a perfect gentleman. To this we add unselfishness. Good temper is another attribute, and certainly those of us who knew FRANCIS CASE can honestly state he was not easily provoked to anger.

Guilelessness is another virtue, and we can go back to the Scripture for a reference to the importance of this requisite. The Master, in selecting one of the 12 selected one by the name of Nathaniel. In describing him, He used these words—"Behold, an Israelite in whom there is no guile."

And then the ninth or last of these virtues is sincerity. FRANCIS CASE was a man that rejoiced not in unrighteousness, but rejoiced in the truth.

FRANCIS CASE is truly missed in this body.

Mrs. Carlson and I extend our sincerest and deepest sympathy to Mrs. Case, Jane and Catherine.

Mr. JACKSON. Mr. President, I had the honor of serving with FRANCIS CASE during all but 4 years of his long career in the House and in the Senate.

We all try to make a certain contribution in this body. We all endeavor to play an effective role. To enumerate the many great accomplishments for which FRANCIS CASE is responsible would take a long time. I can say that his contributions, especially to the legislative process, were legion. I would like to single out what I think was his unique role in this body and in the House of Representatives.

He had a thoroughness in his approach to all problems which over the years has earned dividends to our Government and our country. To state it simply, he "did his homework." He mastered the facts. I am sure that many in this body and elsewhere, who have had the opportunity of observing Senator CASE in action, would come to the conclusion that he had been in the practice of law for a long time. If there ever was an expert at the art of cross-examination, it was Senator CASE. Yet he was not schooled in the law. He was, however, a good newspaperman prior to his coming to Congress. He understood how to get at the truth.

In this connection, I must say that I have known no one who has had a more unlimited thirst for the truth. In this pursuit, as in all others, he was tenacious. His was, indeed, the inquisitive and inquiring mind, modest, kind, thoughtful, and understanding.

To his wonderful family, I extend my deepest sympathy.

Mr. MONRONEY. Mr. President, it was my good fortune to serve in Congress for 24 years with FRANCIS CASE. He enjoyed 2 years of seniority over me in the House of Representatives when I entered that body in 1938. As a freshman Representative, I learned of the great qualities of FRANCIS CASE.

During World War II, I observed him as he fought diligently, often against great odds, to secure the protection of the people of our Nation and our troops in the field, and, above all, the integrity of our purchasing and procurement system, the cost of which ran into the hundreds of billions of dollars.

FRANCIS CASE was the moving spirit behind the Renegotiation Act, which resulted in the recovery of large sums of money by the Government and prevented many of the excess charges and inaccurate or unsatisfactory goods which had marked many of the procurement programs in other wars.

FRANCIS CASE and I were elected to the Senate in the same year. He brought his vast experience to the Senate and to the committees on which he served.

I know of no man with whom I have served in 24 years in Congress whom I would rate as having a higher degree of dedication to patriotic duty than FRANCIS CASE. I know of no man who could excel him in his incorruptibility and his determination that the duties of the high office which he filled as a representative of his State be carried out with the same impeccable conscientiousness, honor, and honesty as FRANCIS CASE insisted upon in all the dealings which industry and people in general had with the Federal Government.

I knew of his courage to stand alone on the floor, if alone he be, to fight for the cause which he believed was right. If all the Senate were against him, he would still be presenting his opinion, in an able, competent, forceful way.

FRANCIS CASE could argue hard and debate strongly, but never offensively.

I have never known him to offend a colleague, no matter how violent the disagreement might have been over the subject which was under discussion.

FRANCIS CASE excelled in his industry, because the day was never too long, nor the problem too difficult or complicated, for him to devote his time, his energy, and his competence to seek his way through a difficult maze which beset the finding of a true solution of the problem. I think some of the great suggestions I have heard made when the Senate was closely divided and was unable to reach a solution came from Senator CASE, because of his understanding and his willingness to make adjustments, when the subject which he had studied and the case he had heard from the other side warranted the abandonment of a definite, fixed position, and a movement toward a solution, so that the Senate could legislate in that field.

I believe his past experience as a newspaperman gave him the inquiring and searching mind that marked him apart from many persons who were often confused by the large amount of detail or the technicalities of a problem. He could cut directly through complicated problems and find the truth.

I enjoyed my friendship with FRANCIS CASE, not only in the Senate, but also as a valued member of the Interparliamentary Union, in which he displayed great ability and exemplified the highest type of American statesmanship to the representatives of the 70 other nations of the world whose parliaments were then represented in the Interparliamentary Union.

In his friendly way, and with his ability to present America's viewpoint most accurately and favorably to other nations of the world, FRANCIS CASE made a valuable contribution to America's prestige abroad, because of his statesmanship, personality, and ability.

We shall sorely miss FRANCIS CASE on the floor of the Senate when debate waxes hot, and as we search for the middle ground on which all honorable men can agree, because he had a way of seeing clearly that open area which somehow had been overlooked by others.

I express my deep sympathy to his wonderful family, who always participated with him, and with whom he always participated, in sharing the problems and the triumphs he had in this body.

Mr. MORSE. Mr. President, in an hour such as this, words fail to express one's inner feelings when he speaks about the loss of a friend and a colleague in the Senate. Yet one could not sit in this body, as I have this afternoon, and listen to the eloquence of his colleagues as they have paid their deserved tributes to FRANCIS CASE, without realizing that the record which is made this afternoon is an indelible monument in the printed word which I think depicts remarkably well the statesmanship of FRANCIS CASE.

I wish to speak a few words about his service as a member of the Committee on the District of Columbia, for the District of Columbia is a better city in which to live because FRANCIS CASE lived. The people of the District of Columbia and of the Nation are highly indebted to him for his record as mayor of the District of Columbia, as the position of chairman is frequently referred to. When FRANCIS CASE served as chairman of the Committee on the District of Columbia, he performed many of the duties which are performed by the mayor in most cities of our country.

He was so dedicated to the task of seeking to make Washington a better place in which to live that after he had served as chairman of the Committee on the District of Columbia, he returned to the committee after accepting for a time an assignment on another committee. Again, he rendered eloquent service in behalf of the city and the country.

I need only mention his authorship of the constitutional amendment to provide voting rights to the people of the District of Columbia in Federal elections to prove my point concerning the great service which FRANCIS CASE rendered the District of Columbia. But he rendered many other services, as well. How well I recall our debates in committee and on the floor of the Senate as we sought to bring to the people of the District of Columbia home rule which would really provide them with first-class citizenship.

I well remember when I first offered to the home-rule bill my amendment to provide for the election of a mayor for the District of Columbia. At first, Senator CASE thought he would oppose that amendment, and in the committee he voted against it. But by the time the bill with that amendment attached to it reached the floor of the Senate, he had completed his analysis; and the record will show that not only did he vote for the provision for the election of a mayor, but he also spoke in support of it. Certainly the people of the District of Columbia owe a great debt to FRANCIS CASE for the very active part he played, year in and year out, as he sought to bring home rule to the District of Columbia.

Mr. President, let me say that one of the finest monuments which could be built to FRANCIS CASE would be the passage by Congress of a home-rule bill for the District of Columbia—legislation for which he fought so valiantly for so many years.

He was also very much concerned about the social problems in the District of Columbia, including some of the problems of crime, about which so much is being written these days in the press. On the District of Columbia Committee, FRANCIS CASE was one of our stanchest advocates of the provision of the appropriations necessary in order to give greater law-enforcement protection to the people of the District of Columbia. He was also very much concerned about the educational needs of the District of Columbia; and the record will show that in that connection, too, time and time again he bespoke his support for greater support of the schools in the District of Columbia.

How well I remember when a subcommittee, of which I was chairman, conducted hearings in 1957 into the problem of hungry children in the District of Columbia. That situation touched FRANCIS CASE to the heart. When he recognized that the evidence showed that a large number of children in the District of Columbia lived almost entirely out of garbage cans, that their food supply was largely made up of what they could scavenge from the alleys in the District of Columbia, he was deeply shocked. And when FRANCIS CASE went to work on such an issue, we could be sure that results would be obtained. Certainly all of us are greatly indebted to him for the support he gave my subcommittee—support which resulted in the making of the necessary appropriations in order to alleviate that problem.

Thus, Mr. President, I could mention issue after issue involving the District of Columbia to which FRANCIS CASE directed his attention, and in regard to which his support resulted in having Washington become a better place in which to live because FRANCIS CASE lived.

This afternoon the senior Senator from South Dakota [Mr. MUNDT], the Senator from Illinois [Mr. DIRKSEN], and other Senators have referred to the work of Senator FRANCIS CASE in connection with water problems. I believe it most fitting that those references were made, because the problem of an adequate supply of water was one of the issues to which Senator CASE devoted a very great deal of his time, during his years of service in the Senate.

He recognized that a civilization does not climb on a falling water table. He recognized that if we are to protect our civilization, we must give heed to the lesson of history that the water supply must be protected. So FRANCIS CASE was always a leader in connection with the work in regard to all phases of the water-supply problem. He was also a leader in connection with the problem of the control of water pollution. In his service on the District of Columbia Committee, he sought to do what he could to help solve the national shame that flows through the Capital City of the United States—the Potomac River. He used to recognize, and used to speak about it in the committee, that one of the filthiest rivers in all the world is the one which flows through the Capital of the United States; and he was always among those who sought to obtain the provision of at least sufficient funds to reduce the pollution of the Potomac River. So, Mr. President, another of the finest tributes which we could pay to FRANCIS CASE would be social action to see to it that, as soon as possible, sufficient funds were provided to make it possible to work out with Maryland and Virginia a compact which would make the Potomac River a river in which people could swim, rather than the dirty cesspool it really is. What a great tribute it would be to FRANCIS CASE if the day could come when, along the banks of the Potomac River, thousands of boys and girls and their mothers and fathers would enjoy clean boating and swimming. He used to point out that this should be possible and that it could be if we had the foresight and if we were willing to practice the statesmanship that such a reform requires.

During the tributes this afternoon, mention has been made of the great interest of FRANCIS CASE in roads—another of his specialties in the legislative field. Mr. President, as a westerner, let me say that in this connection, too, all of us in the West owe a great debt of gratitude to FRANCIS CASE. I served for a time with him on the Public Works Committee, and he was our leader in connection with all road legislation. He deserves a great share of the approval which Congress deserves for the establishment and expansion of the Interstate Highway System. All the Western States are indebted to FRANCIS CASE for what was known, at the time when I served on the Public Works Committee, as the Case formula in connection with the distribution of Federal funds for our road system.

The Senator from Illinois [Mr. DIRKSEN] spoke about the great interest of Senator CASE in weather. Those of us who were close to Senator CASE used to josh him, in the lighter moments of our relationships here in the Senate, about being a rainmaker. We used to say to him, "You brought with you to the Senate some of the Indian lore of South Dakota—with your knowledge of the rainmaking methods and traditions of the Indians." He always enjoyed the fun we had with him regarding his interest in weather. But how correct he was: He made some very worthwhile contributions—as the Senator from Illinois [Mr. DIRKSEN] has said—in regard to cloudseeding. What great progress has been made in regard to the use of those techniques and the changes in the weather which can be brought about by man by making use of those techniques in the arid areas of our country—techniques which, in fact, do time and time again produce the needed rain.

Mr. President, I close with a personal reference to FRANCIS CASE, because the Cases and the Morses are very close personal friends of the Owen Scotts, and have been for years. The Owen Scotts own a farm at Dickerson, Md.; and over the years our families have spent many happy hours on the Scott farm, either on Saturday afternoons or Sunday afternoons. There we enjoyed our mutual interest in livestock and in farming.

FRANCIS CASE was a good example of the old adage that the outside of a horse is good for the inside of a boy or a man. FRANCIS CASE was a splendid horseman. He loved to ride; and I have ridden many a mile with him, over the years, along with the members of the Scott family

and the Case family and the Morse family. Although we had many differences in political philosophy, although we voted differently many times on the floor of the Senate, and although he, according to the political label—although I am never sure what the labels mean—was labeled a conservative, and I a liberal, I wish to say that on those weekends we simply did not bring our political life into our recreational associations. Instead, we enjoyed each other as friends.

But in a hobby, Mr. President, you really come to know a man. My experiences with FRANCIS CASE in connection with our hobby of horses and cattle gave me perhaps a better insight of the inside of that man than I would ever have had if I had not had the privilege of knowing him so intimately as a friend in this association.

Mrs. Morse and I wish to express to the Case family, as they well know, our sincerest thanks for the privilege that we had of being friends of FRANCIS CASE and of coming to know him as we had over the years, and to his family we extend our deepest sympathy.

Mr. GORE. Mr. President, the first meeting between the late FRANCIS CASE and me occurred in an unusual and a very personal way. It laid the foundation for a personal friendship that lasted until his passing. As a young Member of Congress, I obtained an apartment in the same building in which the then Representative CASE and his charming wife and little daughter lived. Air conditioning was not then customary, so on a warm evening the door of one's apartment was frequently left open to facilitate circulation.

On such an evening Mrs. Gore was preparing a meal. I was perusing the evening paper. Our little daughter, who had then just learned to walk, was in my care. Perhaps because of engrossment in a news article, I did not notice that she had toddled out the door, but upon noticing her absence, of course I went scurrying in all directions for fear that harm might come to the little one. I found her in the lap of FRANCIS CASE. As I said, this was our first acquaintance. I learned to know then his little daughter, Jane, who has since grown into a beautiful and accomplished young lady.

This friendship, which started on a personal basis, grew into a relationship of confidence and cooperation in an official way.

In the House of Representatives, Representative CASE and I served on the same committee. There I saw his great work as a committeeman. I think Senators who have spoken here today already have attested to the fact that his work as a committeeman was truly illustrious—not only illustrious, but entirely constructive.

In the Senate, Senator CASE and I served on the Public Works Committee. It was my privilege to serve as chairman of the Highway Subcommittee and to be the author of the highway bills of 1956 and 1958. Except for his aid, I doubt if those bills could have been written and enacted.

He was always a pillar of strength and a source of detailed knowledge and competent analysis. In addition, he was the embodiment of integrity. Senators will recall the time when he was under severe attack for having disclosed what he regarded, and what many other persons regarded, as an impropriety. I was the first Senator to rise in his defense. I did so gladly. I confidently did so, without full knowledge of the circumstances, but with full knowledge of and confidence in the integrity of FRANCIS CASE. I remember remarking at that time that I regarded him as a gentleman of perfect integrity. This was his life. This was his stature. This was a goal which he achieved, a goal which only a few may achieve.

His personal qualities of tenderness, regard, and tolerance toward his friends must have been reflected a hundredfold in his regard of his family.

His passing is a source of deep personal regret and sorrow to me. That he has departed this Chamber and our comradeship, never to return, is a source of sadness, but also a reminder of the inexorable march of time, and that, with the march of time, men must travel that path.

Mr. THURMOND. Mr. President, I am glad I had the pleasure of serving with the able and distinguished Senator from South Dakota, my friend FRANCIS CASE. I served with him on the Senate Public Works Committee and also on the Armed Services Committee of the Senate. On both of those committees he rendered to his country outstanding service, and certainly would have been a great asset serving as a member of any committee.

When I think of FRANCIS CASE, I think of the motto of the U.S. Military Academy, "Duty, Honor, Country." I think those words characterized the life of this great American. He was a man who could be depended upon to do his duty.

He arrived at his duty himself. It was not pointed out to him by any man. He had the courage to fulfill his obligations to his country as he saw them. To him his country came first and foremost in his obligations as a public servant.

He was an honorable man. When a question came up with regard to being offered a donation by certain interests, as to whether that was proper or not, he made the matter public. He did not do that with the intention of hurting anyone, I am sure. It was characteristic of the man, because he was so high, so noble, and so honorable that he could not in any way compromise with what he conceived might be evil intentions.

He loved his country. He served it well. The United States of America and the Senate are better off because of the service in the Senate of that great American, FRANCIS CASE of South Dakota.

I have had the pleasure of knowing his devoted and faithful wife and his pretty and talented daughter. I extend to them my deepest regret on the loss of a devoted father and a faithful husband. It is with regret that we see such a man pass from the scene—young in years, who has rendered such a magnificent duty.

Only the day before he had his attack I talked with him. I always enjoyed conversations with him because he was a wise and understanding man. I thought I saw then that he did not look as well as usual. I believe he possibly did not feel well, but he would not give up, because he was so devoted to performing his duty as a Senator, as a representative of the people of the sovereign State of South Dakota.

Our country has lost a noble man, an able Senator and a great American.

Mrs. SMITH of Maine. Mr. President, it was my privilege to serve in the House of Representatives and the Senate with the late FRANCIS CASE. I know that everyone will agree with me that there was never a more sincere, dedicated and painstaking person than the late Senator from South Dakota. He did his homework. Consequently, he was one of the most thorough statesmen in the history of our country.

I knew this not only because we served together in both Houses of Congress—but because we served together on the Senate Armed Services Committee, where he sat next to me—and on the Senate Appropriations Subcommittee on Defense, on which he served as an ex officio member representing the Armed Services Committee.

I was proud to have campaigned for his reelection in 1956 and he was always very generous in the credit that he gave my efforts in helping him gain the necessary margin in a very close election—so close that not until after the last returns came in did he pull ahead to victory.

This year I had looked forward to returning to South Dakota to campaign for him and for his reelection to a third term in the Senate. He prevailed upon a South Dakota college to award me an honorary degree in June as its commencement speaker but unfortunately I had made a prior commitment to be the commencement speaker on that date at Albright College in Reading, Pa.

Most of us are convinced that FRANCIS CASE literally worked himself to death—that had he been less conscientious—had he paid a little more attention to getting needed rest instead of sacrificing his health in his dedication to serving the people of South Dakota and the Nation he would be here today with us.

What more could be said in tribute to a public servant than that he gave his life to his country and to the people that he represented?

Mr. AIKEN. Mr. President, for 12 years it was my privilege to serve with the late junior Senator from South Dakota in this body, and I always found him to be a friendly, cooperative, and extremely able colleague.

His integrity, his courage, and his ceaseless care with seemingly small but very important legislative details marked him as a man of stature and importance. His comments carried weight because he had given careful study to the subject at hand before he spoke.

Perhaps the greatest monument to FRANCIS CASE is the new Defense Highway System that is being built from coast to coast through every State in our Union. As the ranking minority member of the Public Works Committee he per-

formed much of the difficult work of preparing the way for the Federal Highway Act of 1956, which provides the statutory groundwork for this new highway system. In the years since that time, he continued to watch over the construction of the highway with that thorough attention to details that is imperative if a big job is to be well done.

I shall miss FRANCIS CASE in the Senate. His place will not easily be filled, if indeed it is ever filled, for his was a service that was both unique and invaluable.

Mr. TALMADGE. Mr. President, if one word could summarize the distinguished career of public service of FRANCIS CASE, it would have to be "dedication."

During the few years it was my privilege to serve in this body with Senator CASE, I was impressed time and again by the diligence with which he pursued his duties. He was constant in his attention to all legislation, whether of particular interest to his State of South Dakota or not, and repeatedly demonstrated a breadth of knowledge and versatility of interest which earned him the admiration of all his colleagues.

FRANCIS CASE was particularly skilled in the art of legislative draftsmanship. He was expert in detecting the flaws and inconsistencies of complicated measures. He perhaps uncovered and brought about the correction of more legislative errors than any other single Member of Congress.

The entire Nation is in the debt of Senator CASE for his indefatigable and effective efforts in behalf of conservation of our natural resources. And the example he set in personal integrity will long be cited as a new high standard of public service.

It can truly be said of FRANCIS CASE, Mr. President, that he had the faith of which Abraham Lincoln spoke—faith in the right which dares one to do his duty as he understands it.

Mr. WILEY. Mr. President, during the history of our young country, a great many dedicated, patriotic citizens have marched in and out of the doors of the Senate.

In the annals of the Senate, our country, and of life itself—is written the record of these men's contributions to humanity.

After the passing of our good friend, FRANCIS CASE, there lingers a mixture of sorrow that he is no longer with us; and yet deep gratitude that he has been here.

For his life, his dedication to his country, his contribution to progress, and his outstanding service to his beloved State, South Dakota, we are a richer, better nation.

In his life, FRANCIS lived nobly. In the Senate, FRANCIS epitomized—in character and integrity—a man who spoke softly; but his words reflected his sound, analytical, learned mind. Too, he was a thoughtful friend.

Regrettably, FRANCIS did not live to see—as I know he would have taken great pride in—the inclusion of South Dakota's Mount Rushmore, highlighting the magnificent, sculptured, mountaintop features of Washington, Jefferson, Lincoln, and Theodore Roosevelt, in early, historic, intercontinental exchanges of Telstar vision.

We all have a rendezvous with farewell to mortality. To those FRANCIS left behind, I would like to leave the thought of this farewell as Nancy Turner so gently wrote:

Death is only an old door
Set in a garden wall.
On gentle hinges it gives
At dusk when the thrushes call.

Along the lintel are green leaves,
Beyond the light lies still.
Very willing and weary feet
Go over that sill.

There is nothing to trouble any heart,
Nothing to hurt at all.
Death is only a quiet door
In an old wall.

Mr. CAPEHART. Mr. President, neither I nor any of my colleagues in the U.S. Senate would venture to question the infinite wisdom of Him in whose judgment rests our destiny. Accepting that fact and not doubting that judgment, yet all of us will agree that occasions for tributes such as these paid today to the memory of one of us who has been called to his reward are recurring with ever-increasing frequency.

Words are always weak when one attempts to pay proper homage to one who has served his country in various capacities in such an eminent manner as did Senator FRANCIS CASE. There were few niches in which Senator CASE had not served his community, State, and Nation in a most estimable and able manner. Educator, soldier, newspaperman, statesman, and family man—in all these levels of service our late colleague was known to his acquaintances, neighbors, and friends as a man of unquestioned integrity, unbounded patriotism, and unyielding loyalty.

As we contemplate his passing we are not unmindful of the fact the Supreme One has seen fit to take from us in the past 8 months four of our most distinguished Members. And, in that contemplation, never can we repeat our country's motto with more solemn reverence and in that same spirit say again, "In God we trust."

Mr. JAVITS. Mr. President, the Senate of the United States has lost one of its most diligent and respected Members, the people of South Dakota have lost a public servant who represented them in the House of Representatives and in the Senate with courage, energy, and dignity, and the country itself has suffered by the ending of this great American's service to it. I have lost a friend with whom I served 14 years in this and the other body.

The New York Times in its obituary notice of Senator CASE's death referred to his fearlessness and integrity, observing that—

He was one of the quietest and most unobtrusive men in Washington politics. But when his sense of values was offended or his personal honesty was impugned in any way he became a tough, stubborn, and fearless fighter.

The Washington Post noted that his "earnest sincerity was a credit to Midwest Republicanism." He had a genius for finding the flaws in legislation and perfecting the bills he touched.

He first came to the House of Representatives as a Member of the 75th Congress in 1936 and won reelection consistently thereafter. Prior to coming to the House he had had a distinguished newspaper career and had been a regent of the South Dakota school system. He served on the House Appropriations Committee, where he was once described as "a quiet, hard worker, with a bent for questioning administration appropriation figures." He served seven terms in the House and was completing his second term in the Senate, a quarter century of diligent and conscientious service to the Congress, and to his country. He had received his party's nomination for a third term in the Senate.

Senator CASE was long known for his concern for the District of Columbia and its citizens. He served on the District Committees of both the House and the Senate, was chairman of the Senate District Committee in 1953 and 1954, and in 1959 returned to that committee despite his increased responsibilities as a senior Senator. He cosponsored the proposal that became the 23d amendment by which District citizens now may vote in presidential elections. As chairman of the Senate District Committee he was responsible for legislation establishing District elections of party officers and delegates to the national conventions. On May 25 of this year he said on the floor:

I have been friendly to voting rights for the people of the District of Columbia, and I do believe there should be representation for them.

When he left the District Committee last January he said then:

I have given a good deal of time to District matters because I am interested in the problems of the Capital.

The Washington Star said of him:

Perhaps more than any one other man, he was responsible for construction of both the Woodrow Wilson and the Constitution Avenue Bridges.

The Senate and the Nation will miss FRANCIS CASE's quiet competence, and his unobtrusive dedication. We shall revere his memory.

Mr. YOUNG of North Dakota. Mr. President, the passing of Senator FRANCIS CASE is a tremendous loss to the U.S. Senate, the State of South Dakota, and the entire Nation. FRANCIS CASE was a fine Senator and served in the best tradition of the U.S. Senate. He was known, respected, and admired by people everywhere. FRANCIS was a very close personal friend of mine and one whom I always appreciated. He helped me many, many times.

FRANCIS CASE was so typical of the area he represented—able, resourceful, and very independent in his thinking. He was a great student of all legislative matters and arrived at his decisions purely on the basis of what he believed to be right, totally disregarding pressures from any powerful groups who might oppose his point of view.

He had a great record of accomplishment during his many years of service. His name is attached to much important

legislation. He was always meticulously dedicated to the belief that completed legislation be in the best possible form to accomplish the objective for which it was designed. The U.S. Senate can ill afford to lose great men like FRANCIS CASE.

Many of us will always believe that FRANCIS CASE could well have been alive today had it not been for his great devotion to his duties in the U.S. Senate. He refused to take time off for rest even though I am sure he knew that it was necessary and in accord with his doctor's instructions. He continued to work almost as hard as ever even though he knew he was endangering his life to do so. What greater devotion to service to one's country could there be than this?

I join with all the Members of the Senate in expressing heartfelt sympathy to his wife, Myrle, and his daughter, Jane.

Mr. PROUTY. Mr. President, South Dakota has lost a champion; the United States a great patriot; the Senate an indefatigable worker; and the Republican Party a constructive member. I have lost a friend.

It was my privilege, upon entering the Senate in 1959, to have been assigned to service on the Public Works and District of Columbia Committees of the Senate. On Public Works, FRANCIS CASE was the ranking minority member. On the District of Columbia Committee, I sat next to him on the Republican side.

It was thus I learned to know FRANCIS CASE quite well as a man devoted to his work, considerate of the views of his colleagues and determined to produce legislation for the good of this Nation.

To my good fortune he was always more than generous with his time.

On the floor as well as in committee, FRANCIS CASE deserved and received, in return as he gave, the respect, the admiration and the friendship of his colleagues.

He was, in the fullest sense, a good man.

Mr. BURDICK. Mr. President, Senator CASE's duties to this Nation, to South Dakota, and to the Senate are ended. To strive constantly to execute these duties was his life.

His was a public life. He served successively as a U.S. marine and Reserve military officer, newspaper editor and publisher, State official, and Member of Congress in both the House of Representatives and the Senate.

I respected his judgment. I felt it was deliberately arrived at undistorted by dogma or whim.

Although I have not had an opportunity to serve with him as long as many of my colleagues I shall never recall his service here without remembering the deep sense of responsibility to the Senate and the public interest which he demonstrated in 1956. In that year he came to the public defense of high ethics in public life by exposing an instance of misbehavior by a private citizen. This event established indelibly throughout the Nation his concern for integrity in public life. It was illustrative of the personal code of honesty he practiced and his pervasive sense of responsibility for what he conceived to be the public interest. Both of these principles are fundamental guidelines for those who seek the truth. In acting on these principles he strengthened them, the Senate, and the cause of good government everywhere.

Mr. ALLOTT. Mr. President, I rise to join my colleagues on this saddest occasion of all to pay tribute to FRANCIS CASE. The grief of this moment is joined by many; those of us who worked with him and loved him in the Senate; those who were members of his staff and worked so closely with him; those of his church who knew him so intimately; those thousands of friends in South Dakota who loved him; and lastly, and most important of all, his wife and daughter, to whom he was completely and entirely devoted.

Those of us in the Senate will never forget his mild manners and his Christian attitude toward all—an attitude that could be as strong as steel when dealing with an older opponent and as kindly as an indulgent father when guiding a new Senator.

For those of us who tend to become cynical, FRANCIS CASE had these qualities: A humbleness and charity, coupled with a professional brilliance and dexterity that was unequaled and no one could ever doubt his courage, either. For when his heart and clear mind had decided upon a course of action, a will and courage shown through both of them to uphold the right, as he saw it.

To his State, his church, and his family he was kindly and honorable.

Mrs. Allott and I have both had an opportunity to know his family and his deep sense of family love is rarely surpassed in this world. Here in fact was a gentleman, and here are none of us who have touched his life who will not be better for having done so.

Mr. KEATING. Mr. President, the news of the death of FRANCIS CASE brought shock and sadness to this body which he so honored with his presence and so warmed with his friendship. Senator CASE was a public servant in the truest and loftiest sense of the term. His life was a story of complete and selfless dedication to the cause of the Nation, the State, and the citizens of South Dakota whom he so ably served. His seven consecutive terms in the House and his election and reelection to the Senate are clear testimonials to the qualities he possessed and to the confidence those qualities inspired in the citizens of his beloved State of South Dakota.

The important House and Senate committees on which FRANCIS CASE served were the beneficiaries of his high gifts of mind, of energy and of devotion, and his name is linked with many pieces of constructive and forward-looking legislation in the fields in which he worked. Senator CASE also contributed notably to the appropriate and effective conduct of the business of the Senate by his unique and detailed knowledge of parliamentary procedure.

FRANCIS CASE has left our presence, but not our hearts or our memories. Our deepest sympathy goes out to his bereaved wife and family, to the great State that was so justly proud of him, and to the Nation that today mourns one of her distinguished sons.

Mr. KERR. Mr. President, FRANCIS CASE has sat immediately at my right at the sessions of the Rivers and Harbors and Flood Control Subcommittee of Public Works for the past 7 years. He and I have had the privilege of working out many complicated and controversial measures before they were submitted to the committee and the Senate. His foresight and experience as a legislator has provided an asset of keen value to this Nation in connection with resource legislation, which has molded policy for future generations.

We also served together on the Select Committee on National Water Resources. His interests in weather modification, water quality control, irrigation, and related water developments made his services to the committee outstanding.

FRANCIS CASE, the son of a Methodist preacher, practiced a code of moral and spiritual ethics based on the Golden Rule. Although he was not physically a large man, he was a giant of integrity.

I shall miss FRANCIS CASE. He was a cherished friend, a valued teammate, and a dependable adviser.

How beautiful upon the mountains are the feet of him that bringeth good tidings, that publisheth peace.

Mr. CASE. Mr. President, I join my colleagues, without regard to partisanship, in expressing my deep sense of loss, personally and for the Nation, in the death of FRANCIS CASE, of South Dakota. Ever since I have been a Member of Congress, beginning in 1945, I have served with him in both the Senate and the House.

FRANCIS CASE was a fine person, a fine Senator, a fine American. He gave everything he had to his job. His energy was unflagging. Nothing was too small or too great for him to tackle, and he never left anything unfinished. His conscientiousness and his courage were, I think, his outstanding characteristics. He was one of those Senators on whom other Senators learned to rely, and none of us ever found his confidence in FRANCIS CASE misplaced.

We shall miss him deeply in the Senate and Mrs. Case joins with me in expressing our deepest sympathy to his devoted wife and daughter and the other members of his family.

Mr. CHAVEZ. Mr. President, I wish to join in paying tribute to our colleague, the late Senator FRANCIS CASE, of South Dakota.

It was my privilege to work closely and harmoniously many years with Senator CASE, who was the ranking Republican Senator on the Public Works Committee.

Senator CASE possessed a very keen and exploratory mind. As one of the highly valued leaders, he used his mind in developing, perfecting, and clarifying legislation for the national highway system, water resources development, watershed protection, pollution control, and in many other areas of significance to the country.

The 11 years of dedicated, tireless, and effective work in the Senate which Senator CASE contributed to the benefit of

the Nation was preceded by seven terms in the House of Representatives. There he demonstrated the same qualities and abilities and provided similar benefits to the Nation and his State.

South Dakota and the Nation have lost an able and distinguished statesman.

Mrs. Chavez joins me in extending sincere sympathy to Mrs. Case, and her daughter, Mrs. Allen Commander.

Mr. SCOTT. Mr. President, it is a shock to learn of the sudden passing of a friend with whom one has been associated daily.

FRANCIS CASE and I served together, first in the House of Representatives, and then here in the Senate. We were both members of the Senate Public Works Committee. His approach to the problems of our Nation had my greatest respect, and I have observed no one in the Congress who served with more dedication and industry.

I admired him as an outstanding public servant in his work and I admired him as a man. To his family and friends, I extend my sincere personal sympathy.

Mr. COOPER. Mr. President, it was my great honor to serve with FRANCIS CASE as a member of the Public Works Committee, and I was able to observe closely the special qualities which made him such a respected and effective Member of the Senate. He was always thoroughly prepared on matters coming before the committee. Because of his great ability and because of the respect and confidence in which he was held, he was able to secure the enactment of a great deal of important legislation—legislation which helped his State, and the Nation as a whole. While he was not one to seek publicity or recognition, those who served with him knew the extent of his ability and influence. He was able to get the job done.

Senator CASE was a man of great character and conviction, as he proved time and again in standing up for the principles in which he believed. His record will long serve as an example of statesmanship for those of us in public life.

He was a truly good man, and we are saddened by his loss. I know that our sympathy goes out to Mrs. Case and to his daughter who were so close to his heart, to other members of his family, and to countless friends in South Dakota and throughout the Nation.

Mr. HRUSKA. Mr. President, since the death of our colleague FRANCIS CASE, thousands of befitting words have been written and spoke of him. Throughout the editorials in his home State, which he represented so well, and throughout the remarks of Members in both the House and Senate where he served for nearly 26 years, there consistently appears the appropriate description of Senator CASE as quiet, unassuming, self-effacing. The Rapid City Journal said:

> Senator CASE never was one to be spectacular.

Yet, Mr. President, in a real sense he was spectacular. Not in appearance. Not in manner. Not in speech. He was spectacular in the creative character of his career as a national legislator.

Upon entering the Senate, my first assignment was on the Public Works Committee. Senator CASE was then the second ranking Republican member. We found an immediate working relationship and soon developed a close personal friendship which was sustained until his death.

Each of us is a better man for having known FRANCIS CASE. I found my load lightened by his steadying support. He was always willing to advise, to guide, to counsel. He displayed great courage and possessed deep convictions which served to inspire me in the work which was laid before us.

How spectacularly creative he was as a Member of the House for seven terms and the Senate for nearly two terms will become increasingly clear in the years ahead. His leadership in resource development stands as a monument to his service and bespeaks a fitting tribute to a lifelong dedication to this cause.

Still, Mr. President, as important and lasting as are these legacies of his service, FRANCIS CASE will be remembered by those of us who worked with him—his colleagues, his staff, and the employees of the Senate—perhaps best of all for his kindness and his profound respect for his associates and coworkers.

This endearing and rare quality will be sorely missed. Other men wise in the ways of government will move among us, but we shall not again see a man with his gift for kindness, a man so quiet but so creative.

Mr. MILLER. Mr. President, it was my privilege to first become acquainted with FRANCIS CASE early in 1939 during his second term in the House of Representatives. I was a student here in Washington at the time, deeply interested in government, and Senator CASE was understanding and encouraging in pointing me toward Government service. Little did I realize then that some 21 years later I would be joining him as a colleague in the U.S. Senate.

When I came to the Senate, our acquaintanceship, which had been maintained during the intervening years, ripened into the comradeship which a congressional veteran like FRANCIS CASE would naturally extend to one whom he had encouraged many years before. He was warmly friendly, understanding, patient, and always helpful to me as a very junior colleague. I learned much from him—not only from a technical and procedural standpoint, in which areas he was truly expert, but from the standpoint of human relationships which are so important in the U.S. Senate. What little measure of success I may reach as a Member of this great body will be traceable in no small degree to the thoughtful guidance Senator CASE gave me.

He had many qualities for which he will be remembered, but the one which meant most to me—and this was pronounced from the time of our first meeting through our last—was his kindness, a quality which springs from love and understanding of one's fellow men in a setting of unselfish dedication to noble goals and ideals. It is a quality which too few of us possess and one which the memory of FRANCIS CASE will inspire more of us to try to achieve in our efforts to find peace of mind in a world where there is a just and lasting peace.

Mrs. Miller and I join in expressing our deepest sympathy to his gracious wife and family, to his many friends, and to the people of the great State of South Dakota in the loss of our great and truly beloved colleague.

Mr. HICKEY. Mr. President, as a junior Senator I would like to pay tribute to Senator FRANCIS CASE, late of this body.

Many senior Members of this body have more eloquently eulogized his capable service to his State and to this Nation.

I would like to add my voice to those who have eulogized him and recall the deep impression his diligence and sincerity first made upon me.

During this session a matter involving both of our States was directed to us by our respective State agencies which involved our mutually great resource of water. I appreciated his great knowledge and concern regarding our resource. We worked together to effect the passage of this piece of legislation which extended the opportunity of our States to work out a compact affecting the waters which traversed our State and emptied into his State.

The impression made by Senator CASE in this body on the junior Senator from Wyoming will be lasting and fondly remembered.

My wife and I extend our most sincere sympathy to Mrs. Case and her bereaved family.

Mr. BOGGS. Mr. President, it is with a great deal of sadness that I rise to pay my respects to the late senior Senator from South Dakota, Senator CASE. I first met Senator CASE when I came to the House of Representatives in 1947 and had the privilege of his friendship and his counsel for 4 of the 6 years I served in that body.

In 1961, when I came to the Senate, I was fortunate to be able to renew that friendship with Senator CASE. I was equally fortunate, Mr. President, in being given a committee assignment on the Public Works Committee where the Senator from South Dakota was the ranking minority member. As a freshman Senator, I shall be forever grateful for the counsel and the guidance that Senator CASE gave to me, not only during the consideration of the legislation which came before the Public Works Committee, but his willingness to be of assistance and help on all matters which were pending in this great body.

As the State of South Dakota and our country have lost a great statesman, I, Mr. President, have lost a friend. His many accomplishments for the betterment of the people of this country have already been told more eloquently than I could tell them. He has left his mark on this country by the contributions which he has made. As the minority leader pointed out, there are very few who have the brilliance of mind for detail and the analytical ability that the senior Senator from South Dakota possessed. He was devoted to freedom and he had

the true courage of his convictions. He shall be sorely missed by us all.

Mrs. Boggs joins me in extending to Mrs. Case and the family our deepest feeling of sympathy.

Mr. BUSH. Mr. President, I join with my colleagues today in paying tribute to Senator FRANCIS CASE.

Over the past 10 years my friendship with Senator CASE had improved rapidly and at the time of his untimely death, I counted him one of the warmest friends I had in the U.S. Senate.

For the past 6 years I served with him on the Armed Services Committee and, recently, on the Stockpile Subcommittee. I found him to be one of the most conscientious men with whom I have ever come in contact. Nothing careless about FRANCIS CASE. He was meticulous in analyzing any situation and, for that reason, when he took a position on any matter, we could all be sure he had given it the most thorough consideration.

I venture to say that no Senator in the body today has the reputation for being so careful and conscientious in arriving at his decisions.

In this past decade of large military budgets, Senator CASE's knowledge of the Armed Forces has been invaluable to our committee and the country.

Finally, may I say with deepest regret that if ever a Senator worked himself to death, it was FRANCIS CASE. Despite warnings he would not let up. He kept on driving himself hard in pursuance of his duties to the point where even his strong body and heart could stand it no longer.

Mrs. Bush joins me in expressing warm sympathy to Mrs. Case and the family.

Mr. SALTONSTALL. Mr. President, I join with my colleagues in commemorating the service to his country of Senator FRANCIS CASE of South Dakota. I respected him as a man and enjoyed his friendship.

As one who served on the Armed Services Committee with him over the years, I know of his conscientiousness to duty, his careful attention not only to the principles involved in the measures brought before us, but also to the details involved in those bills. In this way, he helped us to work out the final draft of measures approved by our committee.

But I knew FRANCIS CASE also as a friend. We sat beside each other on the floor of the Senate. We consulted each other on legislative matters. I valued his advice, because I knew how thoroughly he studied every bill that the Senate considered. I valued his judgment too because I knew he had innate commonsense, much practical experience and a shrewd native intellect.

So I miss him as a wise colleague, as a thoughtful friend, and as an American citizen who loved his country and wanted to serve it to the best of his ability. I shall always remember him as one who by his presence and by his work enhanced the prestige of the U.S. Senate.

Mrs. Saltonstall joins me in giving to Mrs. Case and her daughter our heartfelt love and sympathy.

Mr. CURTIS. Mr. President, those who watched FRANCIS CASE work marveled at his accomplishments. He was always well prepared and was tireless in his efforts. He left a significant and important imprint upon legislation throughout all the years he served in the Congress of the United States.

His rugged honesty, like his perseverance in his work, caused him to stand out as a man among men. Shakespeare's words "perseverance keeps honor bright" seem to have referred to FRANCIS CASE, as did Alexander Pope's when he said, "An honest man is the noblest work of God."

A long list of legislative accomplishments can truly be credited to Senator CASE. These include the development of the Missouri River Basin, the Wheeler-Case Water Projects Act, mineral development, soil conservation, Indian legislation, the Case Labor Act of 1946, and the renegotiation of Government contracts, which program was started by reason of an amendment introduced by Senator CASE to an appropriations bill. I could go on with a long list of legislative accomplishments and contributions to the cause of good government.

He was a man of deep faith. While he will be greatly missed in both Houses of the Congress, we know that he has entered a house not made with hands, eternal in the heavens.

Mr. BEALL. Mr. President, for several years, until his untimely death, Senator FRANCIS CASE and I had neighboring offices, and I always thought that this situation was particularly appropriate.

When I initially came to Washington as a Member of the 78th Congress, FRANCIS CASE was among the first Members of the House of Representatives to welcome me and offer assistance. I soon learned that FRANCIS was an ideal model for those who wished to learn how to better serve their constituents and their Nation. South Dakota elected FRANCIS CASE to the U.S. Senate in 1950, and after I joined him in this body 2 years later, it was my privilege to serve on the Senate District of Columbia Committee while he was its chairman. I later had the privilege of working with him as a member of the Senate Armed Services Committee.

In all of his activities, FRANCIS CASE proved himself to be a hard, conscientious worker whose courage and ability earned him the friendship and respect of everyone who had the privilege of coming into contact with him.

As I mentioned, Mr. President, we were neighbors in the Senate Office Building, and I have outlined the reasons why this seemed to be so apt. It follows, therefore, that through his death I have suffered a deep personal loss. I know that a grateful nation joins those of us who had the honor of working closely with FRANCIS CASE in mourning the passing of such a dedicated patriot and statesman.

Mr. TOWER. Mr. President, Senator FRANCIS CASE and I had in common the fact that we were both raised in Methodist parsonages, and we once attended church together, while I was on a speaking trip to South Dakota. He was a true, kind, and warmhearted friend. In the year that it was my privilege to serve with him here in the Senate, I have come to know his integrity of character, his devotion to principles, and his degree of dedication to causes he espoused. Our Nation loses, with his passing, a public servant who contributed much in more than a quarter century of distinguished service. He will be greatly missed by those who believe in the constitutional values and the fundamental freedoms that are inherent in our free enterprise system and our democratic way of life.

Mr. RANDOLPH. Mr. President, on June 22, 1962, Senator FRANCIS CASE laid aside the burdens of public service which he had so faithfully borne, and passed on into the eternal life. The death of this dear friend and respected steward has brought to each of his colleagues in the Senate a deep sense of personal loss and grief.

However, FRANCIS CASE has left to us an example of patient and conscientious devotion which provides both challenge and inspiration for the days ahead. We will remember the painstaking care with which he studied the provisions of proposed legislation, and we will recall the penetrating qualities of mind which enabled him to focus on the very heart of a problem. And he was ever a loving husband and father, whose fondest pleasures were found in the warm and simple atmosphere of the home.

It was my privilege to serve with Senator CASE on the old House of Representatives Committee on Roads, and we continued to enjoy a warm and lasting friendship while serving together on the Public Works Committee of the Senate. He will be sorely missed on the Hill.

Mrs. Randolph joins in offering our sincere sympathy in this time of bereavement to Mrs. Case, and to their daughter and granddaughter.

Mr. ENGLE. Mr. President, the death of Senator FRANCIS CASE last month took from the Senate a legislator of the highest principles and a distinguished public servant.

FRANCIS CASE was a man who was more interested in his committee responsibilities and the problems of his constituents than in seeking publicity. This is a quality unique among men in public life. It is this quality that endeared him so much to the people of South Dakota who sent him to the House of Representatives for seven consecutive terms and to the Senate for two terms before he passed away.

Senator CASE was my colleague in the House as well as the Senate. Some of my most rewarding experiences in the House I associate with FRANCIS CASE. We collaborated on the original Saline Water Conversion Act. The modest proposal that we launched has since grown into a program that will one day bring about a technique for water conversion to take care of all the parched centers of the globe.

As a member of the Senate Armed Services Committee, FRANCIS CASE distinguished himself as an expert on military affairs. It was a pleasure to watch him work in committee and to listen to him on the floor of the Senate. Of one thing his colleagues could always be sure—that when FRANCIS CASE took the floor he had studied his subject thor-

oughly and was in complete command of his facts.

FRANCIS CASE was a highly conscientious and honorable public servant and a gentle and genuine human being. We will miss him very much in the Senate.

My deepest sympathies to his family and to the people of South Dakota.

Mr. GOLDWATER. Mr. President, the people of South Dakota as well as the people of the United States sustained a serious loss in the death of our esteemed colleague, Senator FRANCIS CASE. Senator CASE was not only a Republican and a conservative but he was an outstanding and courageous statesman as well. He will be sorely missed by the people of South Dakota and by the Senate of the United States.

Mr. FONG. Mr. President, it was with profound sorrow that I learned of the sudden passing of my friend and colleague FRANCIS CASE of South Dakota, one of the Senate's ablest legislators and one of our Nation's most dedicated citizens.

Our acquaintanceship and warm comradeship dated from the earliest days of my tenure here nearly 3 years ago, when I was assigned to the Public Works Committee, on which FRANCIS CASE was already serving as top-ranking minority member.

I deem it a signal honor and a stroke of good fortune as well to have had as my mentor on this very important committee a man of his wide-ranging and solid experience. And now I have lost a faithful counselor on whose sound advice and enlightened leadership I leaned so heavily.

In committee and on the Senate floor, I soon came to appreciate the many sterling qualities distinguishing FRANCIS CASE: his impeccable integrity, his objectivity, his sincerity, his conscientiousness, his diligence, his thoroughness, his consideration for others, his kindness, and his courage.

He was truly worthy of the trust reposed in him by his constituents who elected him to the U.S. Congress for nearly a quarter of a century. On our statute books are numerous laws bearing the imprint of FRANCIS CASE.

Only a few days before his passing, he had won nomination for yet another term in the Senate.

It was characteristic of FRANCIS CASE to shun the limelight, preferring instead to labor quietly day after day in behalf of his fellow South Dakotans and his fellow Americans. We number millions who owe him a debt of gratitude for his effective service.

A stanch Republican, FRANCIS CASE never allowed partisanship to override his fundamental principles. All of us knew the very high standards which he set for himself and to which he steadfastly adhered. His family may take a full measure of pride in his exemplary conduct, which won him the deep respect of all.

My wife Ellyn and I extend to Mrs. Case and to all his other loved ones our heartfelt sympathy in their bereavement.

Mr. COTTON. Mr. President, it was my privilege to serve in the Congress with FRANCIS CASE for 16 years. When I entered the House of Representatives he had already made his mark. A bill he had authored and which bore his name laid out careful new concepts in the field of labor relations and furnished the foundation for the Labor Relations Act of 1947. It is impossible to enumerate in the years since the instances in which his skilled craftsmanship was imprinted upon legislation. He was one of the artisans who created the Interstate Highway System. Those of us who served with him on the Public Works Committee of the Senate can testify that this legislation will ever remain a monument to him.

FRANCIS CASE was fundamentally a lawmaker. No Senator has ever excelled him in his conscientious, painstaking care with which he studied, corrected and molded every section and every paragraph and every line of bills both in his committees and on the floor of the House and Senate.

FRANCIS CASE was an honest, just and upright man who kept inviolate until the last day of his life the precepts he learned as the son of a Methodist minister. He was an earnest and intense man yet he was possessed of a quiet, subtle sense of humor which saved him from the slightest tinge of fanaticism.

FRANCIS CASE was utterly unable to spare himself. After he had sustained his first heart attack we, who served with him and loved him, watched him struggle to carry the heavy load of work he had always borne and were powerless to dissuade him. Like many of our colleagues, he wore himself out in the service of his people and his country and died before his appointed time.

And yet why pity them? Full well they lived
Their God-appointed plan, died joyously,
And left a golden memory! Pray who
Could ask a fairer fate for them, or me?

Mr. CANNON. Mr. President, I want to join the colleagues and friends of the late Senator CASE who have spoken so eloquently in expressing their sincere regret over his untimely passing.

The State of South Dakota and the Nation could ill afford the loss of a man like Senator Case whose whole life was dedicated to public service and duty to country.

I particularly recall the warmth of his friendship and the grasp of his intellect on the Armed Services Committee where he made outstanding contributions to the strengthening of the Nation's Military Establishment.

His career as a distinguished newspaperman in his native State served him admirably in the contribution he was to make beginning in 1934 when he was elected to the House of Representatives. Senator CASE brought with him a wealth of experience and an amazing background in legislation when he came to this body in 1950. He earned his way to an important position of esteem in the Senate by hard work, devotion to duty, loyalty to friends, and an abiding belief in the high principles which guided him throughout his public life.

His loss is a severe blow to the State of South Dakota and has left a void in the highest councils of our Government.

EXHIBIT 1

[From the Webster Reporter & Farmer, June 27, 1962]

OUTSTANDING SERVICE

With deep regret, South Dakotans received the news last Friday of the death of Senator FRANCIS CASE from a heart attack at Washington. During his long public career of seven terms in the House of Representatives and two terms in the Senate, CASE compiled a record of brilliant service to his State and Nation. To a keen, analytical mind, he added strict integrity, boundless energy and dedication to his constant aim of being a conscientious public servant. Indeed, his devotion to the tasks entrusted to him was so intensive that it contributed to his untimely death. He leaves behind him a record of many accomplishments for his State and Nation which will endure through many years.

To this writer, the news of CASE's passing brought a personal sorrow as well. We were college classmates and college roommates. Later, we were business associates. Though our paths divided since 1928, we have been close friends throughout the years.

Day County, along with the entire State, has many reasons to be grateful to CASE. He was instrumental in securing Indian Bureau funds to surface the highway from Waubay north to the lakes area. He had an important role in getting the saline water conversion plant for South Dakota and Webster. He was at the time of his death sponsoring a wetlands bill through Congress which would provide funds in lieu of taxes for wetlands sought to be purchased in the lake region and other areas of South Dakota by the U.S. Fish and Wildlife Service. He was the author of the Renegotiation Act which during war days saved the Government several million dollars in war contracts. He was also active in securing development of the Missouri River Dam projects.

And we could go on and on. His influence throughout has been one of alert, painstaking, devoted service to his State and Nation.

[From the Custer County Chronicle, June 28, 1962]

NOR LONG REMEMBER

Thousands of words of eulogy have been, and will be, written and spoken about Senator FRANCIS CASE. Those words will in all likelihood fit into the category of which Lincoln had in mind when he said at Gettysburg "The world will little note nor long remember what we say here, but it will never forget what they did here."

Lincoln erred in his prediction, what he said is remembered, but what "they did" is, to most people, very vague.

It will not be so with FRANCIS CASE. What is said about him will be soon forgotten, but what he did will be long remembered. Stand anywhere in South Dakota and you will see evidence of his work—water conservation; the dams from Angostura to Big Bend; Mount Rushmore, of which he was one of the original boosters and served on the national commission for many years until his death; national park and national forest improvements; Black Hills Ordnance Depot; Ellsworth Air Force Base; the Titan and Minuteman complexes; public buildings; hospitals; veterans facilities; rural electrification; airports; the list of major projects in which he had a hand is endless.

But it was the "little" things that he did for the people he represented that probably most endeared Senator CASE in the hearts of his people—the little personal matters such as a draft hardship case, a dispute with some Government agency, the encouragement of some young man or woman in a difficult time, help in securing a pension for someone, assistance in clearing an Indian claim—it was these "little" unpublicized

acts for which he will be most remembered by his fellow South Dakotans.

Although the interests of his State were always uppermost, CASE made himself one of the most highly respected legislators in the Government, authoring many important bills of national and international significance and his sound reasoning on the floor of the Senate commanded the respect of members of both political parties.

Custer is proud to have been the home of FRANCIS CASE and is proud to have been able to share his abilities with the State and the Nation and the free world.

We regret that his most cherished ambition was left unrealized—his desire to retire from public life to his ranch and the outdoor life in the Black Hills he loved.

Bismarck said: "A really great man is known by three signs—generosity in the design, humanity in the execution, and moderation in success."

FRANCIS CASE was a "really great man" by that definition.

[From the Lead Daily Call, June 25, 1962]

THE BACKLOG

(By Camille Yuill)

Many persons will remember Senator FRANCIS CASE for his accomplishments in water conservation, weather study, appropriations, and military affairs, but many others will recall all the little things he has done. They will remember his help in a purely, personal, and individual problem, his thoughtfulness in sending or telling them this or that bit of information especially helpful and applicable to them, and his courtesy and graciousness whenever they made demands.

Black Hills and West River folk will always remember his part in Mount Rushmore development, the Badlands National Monument, the flight, his untiring promotion of the travel industry, his persistent efforts toward the growth and development of the region he loved.

FRANCIS CASE was never too busy to answer an inquiry, regardless of its triviality for he had a great awareness of the importance of small matters to the questioner. He found the time to trace a missing military man to relieve a worried family's fear, to fly hundreds of miles to attend the funeral of an employee, to answer a schoolchild's letter, to stop to explain a particular piece of legislation. He kept the common touch.

In all his activities he remained fundamentally true to his ideals and convictions, regardless of criticism or pressure. He believed in his country and its Government and gave it unselfish and dedicated service throughout his entire life.

His family has lost a devoted husband, father, and brother. We, like many others, have lost a personal friend of many years' standing. And the Nation and the State have lost a brilliant and great statesman.

[From the Daily Belle Fourche Post]

EVERYBODY'S SENATOR

Thousands of words of tribute are being written and spoken today about Senator FRANCIS CASE, whose unexpected death has left South Dakota, and the Nation, reeling.

To the tributes which the Nation's leaders are paying the South Dakota Senator, we can add but one important point.

Senator FRANCIS CASE was a man of stature among men of stature, but he never lost the ability to communicate with and earn the respect and understanding of the little man.

We believe that much of the Senator's strength was due to the fact that through 25 years of public life he never forgot the little man back home.

No matter how long he had been on the job that day, no matter how many miles he had traveled, no matter how many burdens he already carried on his shoulders, FRANCIS CASE always found time to listen to another individual problem.

We have known him to call from Washington at midnight in regard to what seemed to us to be a minor inquiry by a local resident. We knew he had had a gruelling day on the Senate floor. Yet, long after others were home and in bed, the Senator sat in his office making certain that every inquiry received proper attention.

FRANCIS CASE, of course, had a remarkable mind. It was a tremendous mind, but an orderly one. Vast quantities of pertinent facts were cataloged in that mind. Whether it was the cost of a B-52 or the question of an emergency leave for a soldier, the Senator made certain he had a complete understanding of the matter.

Ordinary South Dakotans knew they had an understanding representative in Washington. They knew that when something had to be done, "FRANCIS" would do it.

It was this determination to see that every person in South Dakota had a representative in Washington that endeared FRANCIS CASE to South Dakotans. If ever a man was held in universal respect, that man was Senator CASE. Little wonder that South Dakota and the Nation will miss him.

M. LUCCA.

[From the Daily Belle Fourche Post]

NOW, OUR OWN

The newspaperman knows that the day will come when the obituary and tribute he writes will be for one of his own. But that does not prepare him for it when it happens.

So it is today that I write of FRANCIS CASE, brother-in-law, by relationship, but more than that—brother and friend, a man with an expansible heart to whom loving more persons meant deepening the relationship with those he already loved. The smallest in-law cousin was as close as the blood niece and nephew. But his wife Myrle, daughter Jane, and little granddaughter Catherine, held the pinnacle of his heart.

It was not surface affection with any of us—the generalities that would fit anybody. The mind that held the concerns of his State and Nation held the identity of each of the family and of friends—without crowding, or regarding it as anything out of the ordinary. The little things that were important to those he loved became important to him. For instance, the bicolor Huntsman rose I was planting when he stopped by one May day brought the inquiry that fall when I saw him again: "Was that Huntsman the true red and gold you hoped for?" Yet he had been in Washington, and farther, since that May day.

Frequently, people would ask us: "What does FRANCIS think about—?" (Some controversial issue.)

Whatever we knew was safe to tell. Never did FRANCIS CASE burden his family or friends with things that should not be discussed. Never were we told off the record material and then have to worry for fear we had inadvertently told something that should not be told. Not once in his 25 years of public life was there any friction over somebody in the family's telling something that embarrassed him. He sorted what he told without being conscious that he was sorting. It was part of his inate thoughtfulness.

It might be expected that the family lined up for favors FRANCIS could give as a result of his position. The very opposite was the case. We have never known his family to ask favors through his office. They'd ask to borrow his horse trailer, perhaps, but ask for a political favor—never.

Whenever he could, FRANCIS and his family dropped in. And if it were to be long enough, all the family close would be called to come: It was: "Myrle, FRANCIS, and Jane just arrived."

And they came. It meant interesting things to tell, laughter—led by FRANCIS' resonant laugh.

How could so many be so close to him?

We find this week as the messages and calls roll in how many more there were who shared this closeness, how many there are who mourn with us. And almost everyone asks: "Do you suppose he knew how much he meant to us?"

And I find myself comforting them with the words, "I know he did. I've seen his face when he told of offers of help for the coming campaign he had received from more than we can ever count."

The public tributes have been spoken and published. Now all of us have to find out how we can get along without him.

IRMA G. WEYLER.

[From the De Smet News, June 28, 1962]

FRANCIS CASE, A MAN OF HONOR, SERVICE TO PEOPLE OF HIS STATE AND THE NATION

South Dakota mourns, in the death of Senator FRANCIS CASE, the loss more personally felt in the West River and Black Hills areas where he had lived so long, first publishing a newspaper, however as a graduate of Dakota Wesleyan University at Mitchell and in more recent years a Senator-at-large from the State, also well known in the eastern half of the State.

FRANCIS CASE was a dedicated man—dedicated to facts, honesty, and service. No political opponent is recalled as questioning any of these attributes. His services to the State were many, and in a few instances he performed outstanding service nationally and internationally. Recalled is his proposal that in gifts to other nations there be a minor percentage of contingent contribution—a point that brought some light rebuttal at the time but proved to save the Nation huge sums when some nations decided the gift was not so desirable if they had to match it with a small percentage. Then there was the time a large donation was made to him by someone interested in a bill passage. It seems other Members of the Congress did not know what to do in such an instance, but the Senator from South Dakota did not hestitate: He told on the Senate floor of receiving the money and returning it. It was the kind of response his friends would expect of him.

The death of Senator CASE leaves a vacancy not easily filled, for while he was a Senator-at-large and a Republican, to the West River he was its representative in the Senate, and to the rest of the State he was respected and appreciated.

South Dakota will long benefit from the service FRANCIS CASE gave it, as an editor when he invited President Coolidge to establish a summer White House in the Black Hills, as member of the State board of regents, in Congress. He was devoted to the problems of water control and water resources, a key figure in the Missouri River development, had a part in bringing Ellsworth Air base to the State, the radar base to Gettysburg.

The junior Senator from South Dakota is credited with having saved the Nation millions in reviewing military contracts, and he visited posts around the world to check on facilities provided for the men in service.

Mr. MURPHY. Mr. President, although I did not know Senator FRANCIS CASE well, I did admire his tireless efforts. His deeds were always in the best interest of his State and of our Nation. His understanding of the parliamentary procedure of the U.S. Senate was always a source of amazement to me.

The courage which FRANCIS CASE showed over the years, both as an individual and as a U.S. Senator from a great State, will long be remembered by his

family and friends. The U.S. Senate has lost one of its greatest Members.

Mr. SMITH of Massachusetts. Mr. President, I would like to pay tribute today to our departed colleague Senator FRANCIS CASE of South Dakota.

During the 2 years in which we served together on the Senate Public Works Committee, I acquired great respect for my colleague from South Dakota. No man had more integrity. No man had a keener mind for detail. No man was more dedicated to seeing that the public money was wisely spent.

The Senator made great contributions in the field of water conservation and desalinization. He also initiated the Reorganization Act of 1942, to improve efficiency in defense spending. As a member of the District of Columbia Committee, I was particularly appreciative of the efforts which Senator CASE, a former chairman of the committee, had made to secure for District residents the right to vote for the President and Vice President, a right which became a law through the 23d amendment to the Constitution.

Senator CASE was a man of unquestioned talent and devotion to his country. This devotion was reflected first in his service as a marine in World War I, then in 26 years of service in the U.S. Congress. He carried out his duties in the Senate with the utmost conscientiousness and honesty. We have lost a man of strong character and high purpose, and I know that my colleagues will join with me in extending our fullest sympathies to Mrs. Case and his daughter, Mrs. Jane Commander.

Mr. PROUTY. Mr. President, I have previously paid my tribute to our distinguished friend from South Dakota. I assume now that eulogies have been completed.

The PRESIDING OFFICER (Mr. HICKEY in the chair). Are there further tributes? If not, the Senator from Vermont may proceed.

DREW PEARSON AND THE HIGHER EDUCATION BILL

Mr. PROUTY. Mr. President, this morning's Washington Post and Times Herald carries a column by Drew Pearson which the author suggests is an account of what took place at the last executive session of the House and Senate conferees on the higher education bill. There are a number of inaccuracies in this column, and I think it would be well to set the record straight with respect to some of the principal ones.

First, in this column and in a previous column, Mr. Pearson attempts to create the distinct impression that Catholic colleges may be afforded some type of preferred treatment in the way of grants. He fails to mention the fact that both the House and Senate higher education bills have grant provisions which would be of assistance to all academically qualified colleges and universities, both public and private, including 308 Catholic Church-related colleges, 475 Protestant Church-related colleges, and numerous Jewish institutions.

The Senate bill as it now stands would give to any college, church related or otherwise, a $350 grant for each Federal scholarship holder it has in attendance. The House bill has no such feature, but provides instead for grants and loans to all colleges for the construction of academic facilities. Both bills would limit the use of construction money to facilities not used for sectarian instruction.

The issue then before the conference is not whether there should be grants to church related as well as public colleges but rather, with respect to construction, whether there should be a grant and loan program or simply a loan program.

Under the terms of the Senate bill the money granted to private institutions could be used for virtually any purpose, while in contrast under the House bill grant money could be used by public and private colleges only for the construction of academic facilities.

It is not my purpose, nor within my province, to engage in speculation as to why Mr. Pearson has taken this approach, since copies of the bill under discussion are available to the general public, including the press, and even the novice could soon discover that the grant features in both bills would apply to all academically qualified institutions.

With this as a preface, I would now like to deal specifically with some of the statements made by Mr. Pearson in his July 25 column in the Washington Post and Times-Herald. In this column he states:

> And since the majority of the institutions wanting grants are Catholic, and since Catholic leaders have been advocating outright grants, the debate has boiled down to one of grants to Catholic colleges.

This remark is misleading, to say the least. Grants to both public and private colleges have been urged by the American Council on Education, the American Association of Colleges, the American Association of Land Grant Colleges and State Universities. They know that the future of higher education and the future of this country depend upon both public and private institutions of higher learning because public colleges and universities do not have adequate facilities and personnel to educate all qualified college students. In fact, of the 2,040 colleges and universities in this country only 721 are publicly supported.

To proceed further, Mr. Pearson also states: "that the Senate conferees, by a margin of one, voted to pass the buck to the courts to see if grants to Catholic and other religious colleges are legal."

The Senate conferees did make a formal request that conferees of the other body check with the House leadership and the House Parliamentarian in an effort to determine whether the addition of a judicial review section by the conference would be subject to a point of order in the House.

The purpose of the judicial review section would be to make possible a court test of the constitutionality of aid to private church-related colleges.

Some of the Senate conferees made it unmistakably clear that their support of the motion urging the House to explore the matter in no way constituted a commitment on their part to go along with grants to all schools for the construction of academic facilities.

At the end of the last conference I was present when the Senator from Oregon [Mr. MORSE], before several reporters, outlined point by point the actions taken in executive session. His account was completely accurate and was carried by the wire services, whose communications I assume are available to Mr. Pearson.

It should be noted that the Pearson column makes reference to a meeting that allegedly took place between the President and the distinguished senior Senator from Oregan during which President Kennedy supposedly requested the Senator from Oregon "to favor outright grants to Catholic colleges."

I do not know whether such a conference took place or, if so, whether the President insisted on grants to church related institutions of higher learning. However, in view of the fact that the Pearson report has had nationwide distribution, I think it would be helpful to all concerned if the President would make his position clear.

Mr. MORSE. Mr. President, will the Senator yield to me at that point?

Mr. PROUTY. I am glad to yield to the Senator from Oregon.

Mr. MORSE. I wish to say that I can associate myself with the Senator's speech up to this point. I shall be surprised if I cannot associate myself with the entire speech.

Mr. PROUTY. I am sure the Senator will wish to do so.

Mr. MORSE. It is not necessary for the President to make clear his position on this question. The senior Senator from Oregon wishes to make clear that no such statement was made to him by the President of the United States.

Mr. PROUTY. I am glad to have the view of the Senator from Oregon on that point. It is very helpful.

I have made no secret about my views. I feel Congress should enact a grant program which would benefit all qualified colleges and universities in the construction of academic facilities. I made a motion to this effect in conference, but I regret to say the motion was defeated.

I then moved that the conferees approve a grant and loan construction program which would aid both public and private institutions. In this motion provision was made for a judicial review of assistance to private church related colleges to determine its constitutionality. This motion was also rejected.

I then requested the Senate conferees to make a formal request that House conferees check with the House leadership and House Parliamentarian to ascertain whether the insertion of a judicial review section in the higher education bill would be subject to a point of order in the House of Representatives. This motion was adopted by a narrow margin and I assume that House conferees are now exploring the situation.

Mr. MORSE. Mr. President, will the Senator yield at that point?

Mr. PROUTY. I yield.

Mr. MORSE. I think it would be helpful to make a statement at this point in

order to keep the record clear. The Senator from Vermont is performing a valuable service in the discussion.

I know what the columnist said about the position taken by the senior Senator from Oregon. I shall leave to journalists who wish to engage in speculation and surmise that subjective pleasure, if they wish to engage in it. But I point out that only the Senator from Oregon can speak for his own motivations and his own intentions. The Senator from Vermont knows that in S. 1482, the loan bill for elementary schools which the Senator from Pennsylvania [Mr. CLARK] and the senior Senator from Oregon introduced last year, a section providing for judicial review, was inserted.

The Senator from Vermont has heard me say, since we discussed the subject at the conference the other day, that the judicial review section was arrived at after consultation with the Solicitor General of the United States, Mr. Cox, with the approval of the Attorney General of the United States, Mr. Robert Kennedy.

The other day when we were in conference trying to hammer out, as we must in conference, on the anvil of reasonable compromise some solution to our impasse and exploring every possibility, the question of judicial review arose. The House conferees raised some questions as to whether under the House rules they would be in a position to have a judicial review section written into the bill. We agreed that we would try to do so. We agreed that we could, at least by a motion which would provide for a judicial review section, open the matter to let the House conferees explore the question on the House side.

When the motion was put, the senior Senator from Oregon voted for it, and he cast the proxy of the Senator from Pennsylvania [Mr. CLARK] for two reasons: First, the Senator from Pennsylvania had given him a general proxy, which meant that he was free to vote the proxy on any issue in accordance with his desire at that meeting, although the distinguished Senator from Pennsylvania [Mr. CLARK] would be perfectly free at the next meeting to reverse that action if the question arose or if he wished to, vote contrary to the way his proxy was exercised. I was satisfied, however, that he would want me to vote that way for the second reason: We were joint authors of the judicial review section. If anyone thinks that the vote of the senior Senator from Oregon—and the Senator from Pennsylvania [Mr. CLARK] can speak for himself—means a commitment to grants for private institutions, he has another thought coming. So far as my vote on that occasion is concerned, it meant that I voted for the motion because it was the best vehicle to bring the whole issue of judicial review before the House committee and, through the House committee, to the Parliamentarian of the House, and to the House leadership for exploration.

I am glad that the Senator from Vermont has given me the opportunity to make that brief statement of explanation.

Mr. PROUTY. The Senator has stated exactly what took place. I tried to make that clear in my statement.

Mr. MORSE. The Senator did so.

Mr. PROUTY. Furthermore, I would like to explain that the provision for judicial review which I incorporated in any amendment was the one drafted by the distinguished senior Senator from Oregon [Mr. MORSE] and the distinguished senior Senator from Pennsylvania [Mr. CLARK].

Mr. President, it is important to note that there are some 40-odd Federal educational programs involving grants and loans. In every one of the higher education programs private colleges are afforded the same treatment as public institutions.

Indeed, the Federal Government is presently and has been for years making available substantial grants running into hundreds of millions of dollars to both public and private nonprofit institutions of higher education.

One hundred years ago when land-grant colleges were established as the result of the legislative efforts of Justin Morrill, a Vermont Senator, many of them were dominated by a particular religious sect. Some of these still have a church relationship. If the mere fact of a church tie of some kind makes prohibitive the rendering of any Federal aid, land-grant colleges will certainly be affected.

It is disturbing to think that if the views of some should prevail we may even have to withdraw support from public colleges because many offer an opportunity for religious instruction and make available facilities for worship.

For my own part, I believe that the fundamental purpose of a good higher education bill is to aid all academically qualified colleges in order that we might promote maximum educational opportunity.

To deny aid to more than 800 private colleges and numerous land-grant colleges because they have some church relationship is to roadblock educational progress and make the Federal Government hostile to both private education and religion, a situation that would be deplored by our Founding Fathers.

I ask unanimous consent to have printed at this point in the RECORD an article by Drew Pearson which appeared in today's issue of the Washington Post.

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

LEAKS IRK COLLEGE, AID CONFEREES

(By Drew Pearson)

The dynamite-laden question of Federal tax money for Catholic colleges came up in a closed-door session of the House and Senate conferees last week with a volley of complaints from ADAM CLAYTON POWELL, the Democratic Congressman from Harlem, and EDITH GREEN, the lady Democrat from Portland, Oreg., over leaks to this column.

The irate POWELL requested that every staff member in the room be polled to see which of them leaked information to Drew Pearson. Mrs. GREEN suggested that everyone with no official connections be excluded from the deliberations.

Senator WAYNE MORSE, Democrat, of Oregon, who was presiding, said he was willing to do this, but added that he had been around a long time and his experience was that to prevent leaks one would have to exclude from the conference every member of the conference.

The deliberations got underway with a motion by Chairman MORSE that the Senate bill advancing $1.5 billion for aid to higher education generally be adopted. The Senate bill provides for loans only to religious and private institutions on the ground that since the loans would be paid back this is not an expenditure of the taxpayers' money for a religious purpose and therefore not in violation of the constitutional provision for separation of church and state.

The House bill, in contrast, provides for outright grants to religious and private colleges. And since the majority of the institutions wanting grants are Catholic, and since Catholic leaders have been advocating outright grants, the debate has boiled down to one of grant to Catholic colleges.

THE HOUSE STANDS PAT

The House conferees are, besides POWELL, a Baptist, and Mrs. GREEN, a member of the Christian Church; JOHN BRADEMAS, a Methodist who represents South Bend and Notre Dame University; ROBERT GIAIMO of Connecticut, a Catholic; all Democrats, with CARROLL KEARNS, of Pennsylvania, ALBERT QUIE, of Minnesota, and CHARLES GOODELL, of New York, all Protestants and all Republicans. They voted, either in person or by proxy, unanimously against MORSE's resolution to adopt the Senate bill.

In other words, they favored outright grants, not loans.

"This motion having failed," said Senator MORSE, reading from a memo he had prepared in advance, "I now move that title I of the Senate bill be adopted."

Title I is the part of the Senate bill that provides for loans to colleges, but excludes scholarships and other aid to education.

The House conferees voted against this unanimously.

"Now that my second motion has failed," continued MORSE, reading again from his prepared memo, "I offer a third."

But Representative POWELL interrupted him, asking incredulously whether MORSE wrote down before he came how the conference would vote.

Certainly, MORSE replied. He said he knew in advance what the conferees were going to do, but he wanted to give them all opportunity to go on record.

At one point when MORSE asked the clerk to poll the committee, the clerk forgot to poll the Republicans.

"Don't we count?" piped up Senator WINSTON PROUTY, of Vermont.

"Oh, yes, you count," replied MORSE, "but not in the majority." He said he assumed that's why the clerk didn't call the roll of the Republicans. He then told him to take the tally.

When the Republican Senators were polled, all of them voted with the House conferees for outright gifts, not loans to Catholic colleges. The Senate conferees are: JACOB JAVITS, New York, who is Jewish; BARRY GOLDWATER, Arizona, whose father is Jewish; PROUTY, who is a Congregationalist.

Before the session was over Senator GOLDWATER excused himself.

He said he had to leave but expected to read Drew Pearson's column to see what happened after he left.

The most important thing that happened after that was that the Senate conferees, by a margin of one, voted to pass the buck to the courts to see if grants to Catholic and other religious colleges are legal.

This is called judicial review, and provides that outright grants can be given to Catholic colleges, if the courts do not later rule that such grants are unconstitutional.

MORSE's Democratic colleagues were surprised when he cast his own vote, plus

CLARK's proxy, for outright grants to Catholic colleges—subject to review by the Supreme Court. This made the vote on the Senate aisle 5 to 4 for judicial review.

They attributed MORSE's compromise to the fact that he had been called to the White House and asked personally by the President to favor outright grants to Catholic colleges. The Oregon Senator argued with Mr. Kennedy against this position, maintained that outright grants were unconstitutional.

In deference to Mr. Kennedy, MORSE now proposes to let the Supreme Court decide.

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

Mr. PROUTY. I yield.

Mr. MORSE. I observe that the Senator from Colorado [Mr. ALLOTT] is prepared to speak. I dislike to interrupt. I wish merely to add a point. The Senator from Vermont has raised the entire question today. I am glad he did. Very forcefully he has raised the entire question of grants versus loans in connection with institutions of higher learning. He has pointed out that for a number of years millions of dollars have been appropriated by the Congress by way of grants to private institutions, including institutions maintained by religious denominations.

My colleague on the House side, Representative EDITH GREEN, has been at work for some time on a special study of Federal aid to education through so-called special programs such as NDEA, the National Science Foundation, and others. She has been ably assisted by a keen scholar—one who is no relation to the senior Senator from Oregon but who bears the same name—Dr. Morse. As the Senator from Vermont will verify, Dr. Morse was present all one morning at a meeting of the Senate conferees. He presented to the conference the record of Federal grants to private universities and colleges in our country totaling many millions of dollars over the past several years. In some instances denominational universities such as Notre Dame or Linfield College in Oregon may have been the recipients of very large grants in connection with science laboratories or buildings related to nuclear atomic studies.

Catholic University in the District of Columbia, George Washington University in the District of Columbia, and other private colleges throughout the United States have been the recipients of large sums of money from the Federal Government.

I mention this today to buttress what the Senator from Vermont has said to the Senate. Senators must do some thinking on this question. It may very well be that we in the conference may find ourselves in the position where we may wish to come back to the Senate for instructions. There is a distinct possibility that the Senate conferees may feel that we owe it to the Senate, in view of the debate which took place in the Senate when the higher education bill was passed, to come back to tell the Senate what some of our problems are in the conference, and to ask for the instructions of the Senate in regard to the matter of grants versus loans to private colleges.

It is only fair to say that there are those in the conference who are adamantly opposed to grants who take the position that the type of grant we are talking about in conference is a general aid grant proposal, which is believed to be quite different from a grant for a categorical use based upon a specifically approved project.

It is pointed out that the money is for specific uses. It is argued that in such cases, there is something in the nature of a contractual relationship involved in institutional grants given by the Federal Government to, for example, Notre Dame, or Catholic University, or any Presbyterian, Methodist, or other denominational college. In their cases the Federal Government says, in effect, only, "We want this particular service rendered. If you are willing to perform this particular service, we are willing to give you the money to perform such service."

It is further argued that there is a distinction which should be drawn between that kind of specific grant and a general grant whereby we approve Federal aid for colleges to the extent of many millions of dollars for so-called general construction grants which are used by the colleges with few restrictions.

I point this out because I think the Senator from Vermont will agree with me that it would be helpful to us in the conference for Senators to give us the benefit of their views.

Mr. PROUTY. I thank the Senator. He has stated the question very accurately. I believe the suggestion is a good one. We might wish to return to ascertain the wish of the Senate. I know that the Senator from Oregon, as is true of the Senator from Vermont, is desirous of bringing about a completion of our work on legislation to assist higher education. It is an important question for us to decide at this session of Congress. I hope by one means or another we may bring forth an acceptable bill which will be of such great service to the youngsters of our country and to the security of the United States.

In conclusion, I point out that I tried to get in touch with Mr. Pearson by telephone, but was informed that he had left for Europe. I also tried to get in touch with his assistant, Mr. Jack Anderson, but was informed that he was not in the office at the time, but would call me back. I have not heard from him. In fairness to both these gentlemen I felt they should be notified in advance that I intended to make my statement on the floor of the Senate this afternoon.

"MR. CONSERVATIVE"—A BOOK REVIEW

Mr. ALLOTT. Mr. President, I have before me a book review written by Mr. Roscoe Fleming, one of the deans of the Colorado press. This is a very excellent review of the book "Mr. Conservative," written by Mr. Jack Bell, one of the outstanding press men in the Senate Press Gallery. The book itself describes the junior Senator from Arizona [Mr. GOLDWATER] and some of his political ideas.

I am very much impressed by the black-and-white approach to this question, as described in the review. With all due deference to the review itself, I do not conceive that, because anyone says something is black and white, he is not able to reason in depth.

I ask unanimous consent that the book review, which is very well written, be included in the RECORD at this point in my remarks.

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

[From the Denver Post, June 3, 1962]

ARIZONA'S FAVORITE SON IN A FAIR APPRAISAL

Is it possible that "Mr. Conservative" could be the Republican candidate for President in 1964, and a formidable one?

Jack Bell, the able and veteran Washington correspondent who wrote this analytical book about Senator BARRY GOLDWATER, points out that GOLDWATER now is in a position about like that of Senator John F. Kennedy of Massachusetts in 1958, when no political pundit thought the Massachusetts Senator had any real chance in 1960.

The GOLDWATER portrayed in this well-documented book insists he isn't a candidate—save for reelection to the Senate in 1964—but he certainly wouldn't run from the task of carrying his party's banner for the presidency that year. Nobody has ever questioned his political courage.

He has the great asset of saying things in a simple, black-or-white way that has much appeal for many people who think this is still a simple, black-or-white world. Is Government getting too big and complex, menacing the liberties of the people? Then dismantle it. Are taxes too high? Why, cut them.

Does communism threaten to spread further? Why, kill Communists if necessary, until it stops. Only GOLDWATER doesn't think it would really be necessary to kill Communists. Let them know we're ready to do it, he says, and they'll shrink back. A few "low-yield" atomic bombs would do the trick.

Bell describes the Senator's foreign policy—which the latter undoubtedly would try to implement if President—as one that "advocated use of power to preserve freedom, that said to hell with 'world opinion,' that downgraded the United Nations, that would equip freedom fighters and support them militarily in rebellion in the satellites, that would wipe out Castro, and that demanded 'total victory' over communism."

This is a simple-minded policy rather than a simple one. It is wholly unworkable, for one thing. It would leave us, if not totally devastated by nuclear war, feared and abhorred by a world that would unite against us as against a sort of Hitlerite pan-Germany, to be conquered at all costs to avert its domination of the planet.

But GOLDWATER, says Bell, has a power to appeal to people unmatched in some respects since Theodore Roosevelt, which got him where he is, and may get him a lot further.

Bell compares the appeal of Nixon, Rockefeller and GOLDWATER as prospective candidates, and seems to think GOLDWATER as of now has the best of it—so much so that Rockefeller has softly indicated he'd consider GOLDWATER—as a 1964 vice-presidential candidate. GOLDWATER is not on record as to how he'd regard Rockefeller as his own vice-presidential candidate.

But there's a lot more to this very objective book than that. It leaves you liking the man, even if you dislike his politics.

FREE ENTERPRISE FOR EVERYONE

Mr. ALLOTT. Mr. President, on June 24, I had the pleasure of sharing a speaker's platform in Chicago with Dr.

Ernest L. Wilkinson, president of Brigham Young University and chancellor of the Unified Church School System of the Church of Jesus Christ of Latter-day Saints.

I have known Dr. Wilkinson for a long time. We do not always agree on some of our political points of view. He points out in his address that he began life as a Democrat, and at one time even ran for office on the Democratic ticket. What he spoke about in his address is the real, unshackled concept of free enterprise, and what it means. I had some trouble procuring the text of the address from him, because of his modesty.

This is a discussion of the free enterprise system within the concept of all American tradition and history, which I believe is worthy of everyone's time. Anyone who reads it cannot fail to receive some benefit from having a clearer concept of what free enterprise is and what it is not and what it can mean to the greatness of this country. I ask unanimous consent, therefore, that the text of Dr. Wilkinson's address be printed in the RECORD at this point in my remarks.

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

FREE ENTERPRISE FOR EVERYONE

(An address by Dr. Ernest L. Wilkinson, president of Brigham Young University and chancellor of the Unified Church School System of the Church of Jesus Christ of Latter-day Saints, to the conference of presidents and other officers of State medical associations at their 18th annual meeting, June 24, 1962, at the Palmer House, Chicago, Ill.)

I am grateful for this opportunity today for a number of reasons:

In the first place, it gives me an opportunity to repay a debt I owe to Dr. George Fister, who, as my mathematics teacher years ago, before he embarked on a medical career, obligingly and generously failed to flunk me in geometry.

Second, it affords me the privilege to publicly acknowledge the skill of America's great medical profession, so far unfettered by Government control, in so carefully administering to my critical needs when some 6 years ago I was stricken with a coronary occlusion. Hence today I again enjoy the thrill and exhilaration of working 12 hours per day even though most of the fruits of my labors are transfused into taxes. Every time I think I have just about conquered my habit of swearing, I have to fill out another income tax return.

I want the medical profession, which preserved my life, to remain free in desire, spirit and performance to so minister to the health of my country, that my children and my children's children will be the recipients, as was I, of the best medical care in the world, unimpeded and unshackled by the overpowering and often unwise hand of government.

In saying this, I have not forgotten that, as a teenager, a young doctor who had just graduated from a medical school not far distant obligingly relieved me of my uvula in lieu of my tonsils. I am not, therefore, unaware of mistakes being made by members of the medical profession. But I still have faith that fewer mistakes, both in diagnosis and in prescription, will be made by doctors who are free to do their best and who will receive commensurate recompense therefor, than the best program of health insurance regulated and administered by any government anywhere.

There is also this added difference; if an individual doctor is guilty of malpractice, he himself is personally liable therefor, as he should be. If however, under socialized medicine, a mistake is made, we will all pay in taxes, even though we are not involved.

In saying this, I am aware that the King-Anderson bill is not, in itself, a bill for socialized medicine. But what I am afraid of, in the language of Mr. Justice Frankfurter is "the disintegrating erosion of particular exceptions." The King-Anderson bill is a step in the direction of socialized medicine. Once the Government marches into a new field of legislation it seldom retreats, but soon occupies the whole field.

My third pleasure at receiving this invitation is that I will now be able to boast to my medical son, who is a cardiologist, and who constantly gives me advice which I seldom follow, that at long last I had the opportunity of saying the last word to a group of doctors. That opportunity never presents itself to a layman like me, either when he is in the hospital or when he receives a doctor's bill.

Finally, I am happy to be on a program with "Bud" Wilkinson. A few years ago, when I was recruiting a football coach at my institution, I phoned the director of athletics at West Point for appraisal of a prospective coach. I began the conversation by saying that my name was Wilkinson; I was president of Brigham Young University, was looking for a football coach, and wanted his appraisal of a certain prospect. He again asked me what my name was and I told him it was "Wilkinson." He answered: "Hell, with that name, why don't you take the job yourself?"

Your president has asked me to speak today on the subject of free enterprise, which is vital to our American way of life. I shall do so in the belief that unless we preserve this system for all segments of our society, we shall not be able to preserve it even for doctors. Too often, medical men in the past, as is true with other groups, have thought in terms of their own professions without realizing that unless all of our professions remain free, none will remain free. In the light of the present threat to our traditional practice of medicine, the time is opportune for doctors, like others, to examine the whole structure of our Government philosophy.

What I have to say today, I do not intend to be politically partisan; for most of my life I was a Democrat and once ran for office on the Democratic ticket. Even now I classify myself as a follower of Thomas Jefferson, whom the Democratic Party professes to follow, but whose principles it has prostituted and abandoned. I shall, therefore, quote freely from Democratic as well as Republican Presidents. I hope it will serve as a rallying cry for Americans of all parties who believe in liberty and our American way of life, and who are willing to step forward to preserve that liberty and life before it is too late.

Each generation of freemen has its rendezvous with destiny, for freedom can never be vouchsafed from one generation to another. One generation, as did our Revolutionary Fathers, may win it on the battlefield. Another generation, as we are now doing, may allow their Government to wrest their freedom from them.

Our rendezvous today will determine whether we shall continue to live in a "land of the free and home of the brave," or whether we shall so worship the false god of paternalistic government, that, in due time, we shall join 20 recorded civilizations which have come and have gone—not by conquest from without, but because of the surrender of individual freedom and responsibility to a central, all-powerful government.

To face the external challenge of the Soviet Union, the President of the United States, in his inaugural address, with statesmanlike vision, summoned us to duty with these words:

"And so, my fellow Americans: ask not what your country can do for you—ask what you can do for your country."

This had the ring of our Revolutionary Fathers who pledged, on the altar of freedom, their lives, their fortunes, and their sacred honor.

On the other hand, the same President, in derogation of his 1961 inaugural address, has now proposed an ambitious series of governmental programs, ranging from medical care at birth to landing on the moon, many of which confer special privileges or grant large bounties to various segments of our society. Among these generous proposals are Federal aid to elementary and secondary schools, and to colleges for both salaries of school teachers and school buildings; medical care for the aged under social security; an augmented school lunch program; a permanent (not emergency) system of extended unemployment benefits; an expanded food-stamp plan; an expansion of the area-redevelopment program to more than 250 areas with more than 18 million people involved; extended aid for children of the unemployed; authorization for 5 new public power projects under the Bureau of Reclamation; increased grants for urban renewal; Federal aid for urban mass transportation; more Federal housing units for the elderly; increased subsidies for ocean shipping; a greatly extended subsidy and control program for agriculture; a new Secretary for Urban Affairs so that we can now subsidize city dwellers as well as farmers; in short, a staggering "give-away" list goes on and on and on!

In which of these two directions shall we go—down the socialistic and subsidized road proposed by the President in his legislative program, or in the lofty direction proposed by him in his inaugural address? Shall we proceed in the direction of Soviet Russia, where all power and one's position, status, and support emanate from the state? Or shall we revert to the philosophy of our Founding Fathers who believed that while it is our duty to support our country, it is never the duty of our country to support us?

In the few moments I have, I propose to analyze these alternatives by briefly tracing the history and benefits of free enterprise in this country, in contrast to a regimented or collectivist economy.

The essence of the free-enterprise system is first, the freedom to initiate, venture, develop, and produce without interference or restraint, except for safeguards to protect similar rights of others; and second, the incentives which come from the right to enjoy the fruits of one's own labor.

I. THE FOUNDING OF FREE ENTERPRISE

Free enterprise in this country began with Jamestown. Originally plagued by communal ownership of property, and by a stronger desire to demand equal shares than to contribute equal labor, this colonizing effort almost ended in disaster. It was saved only by new pioneers who were willing to labor long and hard, with the realization that they would enjoy the fruits of individual ownership of their lands and crops.

The Pilgrim Fathers had the same experience. Originally agreeing that they would own everything in common, they so lost their initiative that they nearly died of starvation. As Governor Bradford wrote in his diary, they had thought they were "wiser than God," who gave every man his freedom. And so they turned away from communal ownership and gave each family a parcel of land. And when the harvest was gathered, instead of famine, they had plenty.

This experience was repeated 150 years later. During the early part of the Revolutionary War, the Continental Congress took over the economic control of all 13 Colonies and its people. However, so dis-

astrous were the consequences that 1 year before Cornwallis' surrender to Washington, Congress, in a forthright reversal of policy, repealed all economic control. Freed of this restraint our forefathers proceeded to win their freedom.

Then, under the inspiration of God, our Founding Fathers gave birth to our Constitution, described by Gladstone as "The greatest document ever struck off by the hands of men." In this document they gave to the world a new nation, conceived in liberty, and dedicated to the hope that all succeeding generations by following its God-given precepts would remain forever free.

Their dislike of government domination was expressed by none other than George Washington, the Father of our Country, in these words:

"Government is not reason, it is not eloquence—it is a force.

"Like fire, it is a dangerous servant and a fearful master."

James Madison, oft referred to as the father of our Constitution, in explaining its safeguards against the loss of liberty, warned us of the perils of our own time, in these words:

"I believe there are more instances of the abridgement of the freedom of the people by gradual and silent encroachment of those in power than by violent and sudden usurpations."

Thomas Jefferson, whom the Democratic Party looks upon as its founder, advised us not only that the Government governs best which governs least, but warned against the dangerous situation which haunts us today. Said he:

"I place economy among the first and most important virtues, and public debt as the greatest of dangers to be feared. * * * To preserve our independence, we must not let our rulers load us with perpetual debt—we must make our choice between economy and liberty, or profusion and servitude. If we can prevent the Government from wasting the labors of the people, under the pretense of caring for them, they will be happy."

Jefferson went on to state that if we did permit the Government to load us with perpetual debt we would be taxed in our meat, our drink, our necessities and comforts, our labors and our amusements, such as the people of England were when we declared our independence from the onerous government of that time. How much of a prophet was Jefferson? Well, today 32 percent of the gross national income is consumed in taxes: The average person works the better part of 2 out of every 5 days for the Government. And some will work 4½ days out of every 5 before he can retain any income for himself.

In line with the utterances of Washington, Madison, and Jefferson, none of our early Presidents ever proposes, any governmental policy which would interfere with or regulate private control of agriculture, industry, or the professions.

Grover Cleveland, a Democratic President, when he was presented with a legislative bill providing for a very modest Federal gift of seeds to farmers, vetoed it on the ground "that though the people should support the Government, the Government should not support the people."

Woodrow Wilson, the last great Democrat to follow the traditions of Jefferson and our Constitutional Fathers, warned us that "The history of liberty is the history of limitations of governmental power, not the increases of it." He, therefore, never wanted to see the little red schoolhouse subordinated to the political thinking of Washington; nor did he, in his own language, "want a group of experts sitting behind closed doors in Washington, trying to pray Providence to" the American people.

The same philosophy was expressed by Herbert Hoover when he said:

"Freedom conceives that the mind and spirit of man can be free only if he be free to pattern his own life, to develop his own talents, free to earn, to spend, to save, to acquire property as the security of his old age and his family."

And more recently, Dwight D. Eisenhower in somewhat the same language as George Washington, concluded:

"Every step we take toward making the State the caretaker of our lives, by that much we move toward making the State our master."

Even Franklin Delano Roosevelt, before he became President, recognized and applauded the limitations on our Federal Government that our Constitutional Fathers intended. As Governor of New York he publicly declared:

"The Constitution of the United States gives Congress no power to legislate in the matter of a great number of vital problems of Government, such as the conduct of public utilities, of banks, of insurance, of business, of agriculture, of education, of social welfare, and of a dozen other important features. Washington must never be permitted to interfere in these avenues of our affairs."

Finally, as late as 1950, a young Congressman from Massachusetts by the name of John F. Kennedy (Boston Post, Apr. 23, 1950), expressed the American ideal in these words:

"The scarlet thread running through the thoughts and actions of people all over the world is the delegation of great problems to the all-absorbing leviathan—the States. Every time that we try to lift a problem to the Government to the same extent we are sacrificing the liberties of the people."

As to the actions of both President Roosevelt and Kennedy in violating their own expressed political philosophy, I merely read the profound utterance made by George Washington to the Constitutional Convention: "If to please the people, we offer what we ourselves disapprove, how can we afterwards defend our work?" Rather, he urged that we "raise a standard to which the wise and honest can repair." That "event," he said, "is in the hands of God.

Until the advent of the New Deal in 1932, the political philosophy of free enterprise of our Founding Fathers was uniformly followed by all Presidents regardless of party. The one great exception was the enactment of the graduated income tax law in 1913, which is the most significant legislation of this century. It came into being only by virtue of a constitutional amendment, the Supreme Court having held that such a concept was alien to the organic law as framed by our Constitutional Fathers. And even then the proponents of the measure were laboring under the honest delusion that in peacetime the tax would not exceed 2 percent, but in times of war it might soar to 5 percent. Instead, it has now pyramided to extremes beyond the wildest dreams ever envisioned by Karl Marx in his Communist Manifesto, and it should be remembered that a graduated income tax was one of the main pillars of that pernicious proclamation. While the constitutional amendment permitting this tax did not in itself change the functions and scope of our Government, it nevertheless gave Congress a new vast and dangerous taxing power, under which Congress now finances programs which have changed the original scope and purposes of our Government. In saying this, I am not entering into the controversy as to whether the income tax can or should be repealed. But I am sure it must be drastically revised if free enterprise is to continue.

II. THE FRUITION OF FREE ENTERPRISE

With the American philosophy of free enterprise as the basis of our economic system, until the 1930's, America plunged ahead into her dynamic future. By the turn of the 20th century, she had become a tremendous and colorful example of the free enterprise system at work, and had attained preeminence in the entire world. The steel furnaces in Pittsburgh alone outproduced those in England and Germany combined. New manufacturing marvels of every sort had been invented and were already in production. These were giving Americans the highest standard of living known to the entire world. By the 1920's our country was recognized as the world's greatest economic power.

With the advent, however, of the New Deal (and that is what it was, for it constituted a rejection of the American philosophy of government on which our constitutional fathers relied) we began to proceed on the theory that we could no longer rely on the sweat of our own brows, on our own ingenuity and resourcefulness as God's children, but that instead, we had to rely upon the paternalism and largess of government. In the intervening 30 years we have fast lapsed into a welfare state (more correctly, the "illfare state"), for it is based on the theory that as a people we are seriously ill and have to call in the Government as our physician.

Up until that time we had been protected from the evils of socialism in this country by the uniform decisions of the Supreme Court which consistently followed the political and economic philosophy of our constitutional fathers, and forbade the Government from unduly regulating our lives. But this judicial protection of 150 years was ended by the appointment of new Justices to the Supreme Court, who, right or wrong, did not confine themselves to interpreting the Constitution in the light of its history and language but imported into the Constitution external social concepts, which were theretofore alien to our philosophy of government. With this change of constitutional philosophy Congress became the last bastion for the defense of freedom against governmental encroachment. But instead of adhering to the political faith of our constitutional fathers, Congress seized upon the relaxations of the Supreme Court as a field day for curtailment of free enterprise, and the enlargement of governmental powers. As a result, we now have, among others, the following practices:

1. Annual Federal aid to States, localities, and individuals, which amounted to less than $150 million in 1930, has now soared to around $10 billion—more than the total budget of the Federal Government in any one year prior to World War II. This has to a large extent undermined the sovereignty of the States.

2. Whereas in 1920 Government-owned electric utilities accounted for only 5 percent of the electric power generated in this country, they now account for 25 percent, and these Government-owned utilities instead of paying taxes actually consume them.

3. One in every six employed Americans is now on a Government payroll (national, State, or local). Today over 17 million people are receiving checks from the Federal Government.

4. Since our entry in World War II our economy has been under some form of price or wage controls for 8 different years. Agricultural price-supporting programs actually commenced with the New Deal and it is now proposed they be extended.

The housing industry is financed or guaranteed largely with Government money.

6. The shipping industry is heavily subsidized by the Government.

7. Through TVA and similar huge Government projects whole areas of the Nation are in large part dependent upon the Government.

8. In actual practice the Government now fixes hours and conditions of employment, and is intimately involved in wage bargaining, as witness its approval of wage increases,

but its denial of price increases in the steel industry.

9. Old and disabled people have become wards of Government. Congress last year made it possible for "young men" of 62 to retire and live off the Federal Treasury, for they will not be drawing our money paid in for social security. That money was never set aside for its intended use, and has long since been spent on innumerable Government projects, and current social security payments already exceed social security tax collections (1958, 1959, and 1960).

10. In 1932, the year before FDR came to power, the Government annually collected $2,634 million in revenues. In 1960, it amounted to $93 billion. This is an increase in 30 years of over 3,500 percent; or an increase of 100 percent for each of the intervening 30 years. The first real Kennedy budget, i.e., the first full budget for which he will be responsible, we are informed, will total nearly $100 billion.

11. The Federal debt when FDR came to power was $22.5 billion. It is now around $300 billion. But this is only a part of the story. When you add to the present indebtedness accrued liabilities, for services already rendered or goods already delivered, the total Federal debt is over $750 billion, a sum which represents an indebtedness of $4,100 for every man, woman, and child in the United States. The interest we pay on our national debt alone is now twice the amount of the entire Federal budget when FDR came to power, and no substantial effort is being made to pay it off. On the contrary, many of our Representatives in Congress are using every excuse to spend more money. For example, on March 26 of last year a tornado hit the town of Italy, Tex. Consistent with the prevailing practice, the area's Congressman immediately sent a telegram suggesting Italy could qualify for Federal disaster relief. But instead of meekly abdicating its own responsibilities by getting on its knees and supplicating Washington, Italy fired back this answer:

"City council feels Federal Treasury in worse shape than Italy and suggest any allocation set up for Italy be applied to national debt." (Arthur H. Motley, keynote address, 49th annual meeting, U.S. Chamber of Commerce, May 1, 1961, Washington, D.C.)

With the situations to which I have alluded in mind, one speaker, in addressing a farm audience, referred to this as the status quo of our times. One of his listeners promptly quipped that that was Latin for "the hell of a mess we are in."

III. THE FUTURE OF FREE ENTERPRISE

And now with the New Frontier proposals which profanely invoke the name of Jefferson (he would turn over in his grave if he ever heard them attributed to his party), and the tendency of many so-called conservatives, not to oppose, but to merely offer milder socialistic alternatives, it is proposed that we be launched on a new and greatly enlarged extension of Government paternalism.

We are now to be given medical care by the Federal Government while we are yet unborn.

We are to be educated by the Federal Government regardless of whether our local or State governments are able to pay the bill.

If in agriculture, we are to be further seduced and subsidized by the Government.

If in industry, we are to be paid a subsistence out of the taxes of our employers while in some cases we strike against them.

Older people are promised a low-cost hospital insurance.

Millions on relief are to get more attention.

Unions, despite their monopolistic tendencies, are to be given more privileges.

College-age youths are offered the hope of Federal scholarships.

These plans, according to Kiplinger, are based not on the merits but on political considerations. The White House is aware that 12 States, dominated politically by big cities, have 260 out of 268 electoral votes needed to elect a President. Union members, old people, those on relief, schoolteachers, Government workers, Negro voters hold the balance of power in big cities. Therefore, in the view of the administration, the party that wins support of these big groups can go far to dominate national politics.

Our constitutional fathers thought they had set up a government under which this socialistic participation in and dictation of our personal lives were impossible. But they reckoned without the decisions of a Supreme Court more interested in establishing social reforms than in interpreting the Constitution.

The great French philosopher, Alexis de Tocqueville, from whom we derived a great deal of our political beliefs, warned us in the early history of our country that if the time should ever come when people discover they can vote themselves benefits out of the public treasury, self-government by responsible men will be an impossibility.[1]

That time, ladies and gentlemen, is now upon us, and it raises the crucial question of whether under this governmental paternalism Americans can long remain fearless and free; whether we really believe that to meet the Communist challenge we must continue to more and more adopt the regimented and hand-out economy of the Soviet state; or whether we want again to rely upon the voluntary action and free economy of a God-fearing people. Woodrow Wilson once gave utterance to the last alternative when he said the thing that has made America great is not what it has done under compulsion of law but what it has done of its own volition.

The tragedy of our time is that during the last 30 years, we have fast adopted the ornaments and shackles of an illfare state. On the other hand, the Soviet Union has been adopting certain practices of free enterprise. Thus, in one of his recent conferences, Khrushchev ridiculed the confiscatory nature of our taxes which ascend to 91 percent of a man's income, pointing out that in Russia the limit is 16 percent. In recent years, Khrushchev has also introduced wage incentives and other capitalistic reforms.

If we accept the alternative of the free historical American economy, the question then becomes that of how our country can be cured from its present malady—lest the greatest country in the world will conduct a funeral for free enterprise, which means to bury itself.

In my humble judgment, there are six ways or programs by which if we act resolutely and quickly our country can be brought back to normal health and such a funeral avoided.

The first way is that of accepting the philosophy of the President's inaugural address rather than his legislative program. We can have no double standard in this country of stating at one time that our survival as a free nation depends on what we can do for our country and at the same time proposing a legislative program founded primarily on governmental handouts to its people.

The only way to compete with the zeal of the Russians for their system is to reacquire the self-sacrificing patriotism of our fathers and to rely upon the sweat of our own brows. If we abandon the false god of governmental paternalism and reenthrone individual integrity, genius, responsibility, and economic rewards, we will widen, and not narrow, the gap between our productive capacity and that produced by Soviet slave labor. At the same time, we will start paying off our national debt and not continue, as Lenin said we would do, to spend ourselves into bankruptcy.

The second method by which we can avoid the funeral of free America is by a revived and rededicated devotion of our own to the cause of freedom and our system of free enterprise. If we really believe in it, we must ourselves practice it. We must not be guilty of any double standards ourselves. We must not ourselves give lipservice to competition and at the same time violate the antitrust laws which are designed to foster free enterprise by competition.

If we are going to criticize Government handouts for the other fellow, we must not ourselves sup at the public trough. If the payment of subsidies to farmers is morally and economically wrong, by what right does the Government subsidize the shipping industry? If the guarantee of loans to veterans and others for housing is wrong, by what right are businessmen entitled to loans on preferred terms to keep their businesses going? If the educator is right in deploring the lowering of the moral standards of the Nation from Government handouts, by what right does he ask the Government to subsidize his university?

Ninety miles off the shore of Florida is a tragic example of a people whose freedoms have been lost because the business and professional leadership of the country permitted their government to take their freedoms from them step by step. Castro first began with socialistic programs, then the seizing of property, and has now openly proclaimed communism in Cuba. The first of these was the forerunner of the latter. The business and professional men of Cuba now know that only if all were free could they themselves maintain their freedom. And so I say, that only if others are free will the medical profession remain free. Some of the voices now so loud in exile were silent when the freedoms of others in their country were being destroyed, hoping, I suppose, that they would be "let alone." But when business and professional men abdicate their duty to protect freedom for everyone, a Castro, a Peron, a Mussolini, or a Hitler always appears to take over. A Methodist minister in Winston-Salem put it plainly when he said, "Silence is not always golden. Sometimes it's just yellow."

My third program for the preservation of our free enterprise is that we ought to be willing to pay the price of its preservation by properly financing those who fight its battles. American business is often pennywise and poundfoolish in its expenditure of both time and funds for the defense of the free enterprise system upon which its survival depends. For the most part, chambers of commerce, taxpayer, and citizen research agencies, even trade or professional organizations (such as yours, perhaps) are starved for funds. Particularly is this apparent when comparisons are made with the millions poured by labor into union and political action treasuries, much of which is spent for promoting the regimentation of our economy.

Even more basic is the unwillingness of top-flight businessmen to accept or, if they do accept, to devote the necessary time and

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[1] In specific language, Mr. de Tocqueville said:

"The disastrous influence which popular authority may sometimes exercise upon the finances of a state was very clearly seen in some of the democratic republics of antiquity, in which the public treasury was exhausted in order to relieve indigent citizens, or to supply the games and theatrical amusements of the populace." ("Democracy in America," vol. 1, p. 217.)

This reminds me that there are some who now propose we subsidize opera in this country from the public purse.

De Tocqueville further said:

"But to pillage the public purse, and to vend the favors of the state, are arts which the meanest villain may comprehend, and hope to practice in his turn." ("American Institutions and Their Influence," p. 227.)

energy to civic and trade group appointments, which are established to study and to formulate policies and procedures pertaining to local, State, or national problems. If businessmen refuse to take any leadership in local civic affairs, by what right can they blame local citizens for seeking Government counsel and leadership in local affairs?

My fourth program for preventing the liquidation of our system of free enterprise is that the Government be fair and consistent in its dealing with all segments of our economy—it must observe the golden rule of doing unto one group what it does unto another. It must not have a double standard whereby it imprisons businessmen for conspiring to fix prices and at the same time encourages unions to conspire to fix wages.

It must not dictate a wage settlement between the steel industry and labor whereby labor, for the fourth consecutive year, is given a wage increase, and then prevent steel companies from raising their prices to meet their pyramiding costs. For while over a 4-year period, labor costs to the steel industry have gone up 15 percent, there has been no increase in steel prices and the profits of the company have declined nearly 40 percent, and have fallen to a new low of only 4.6 percent. To pinpoint this problem in more detail for all industry, an examination of recent history would be helpful. Since 1950, wages have increased over 40 percent on a constant dollar basis. In that same period, and on the same constant dollar basis, corporate earnings (before taxes) actually decreased by 19 percent. With continually decreasing profits, how are we going to continue to pay continually increasing taxes?

This Government by intimidation, if not curbed, could be recorded in history as the "Pearl Harbor" of American free enterprise, for if the President by Government intimidation and coercion can do this to steel, he can do it to every industry in the country and to you and to me. The only happy feature is that after Pearl Harbor the American people rallied, threw off our enemy, and reasserted their freedom.

As a result of the many spending proposals of the administration and the Presidential coercion in the steel crisis, our national economy has suffered grievous injury. At the very time when the administration itself was counting and planning upon a decided advance in our economy, business confidence, the most essential ingredient for prosperity, has been badly shaken and the plummeting "Kennedy stock market" has caused a total loss in security values of around $100 billion. Think of this staggering fact for just a moment, and then ponder on the uncertain future of the greatest Nation on earth. This loss if spread over our population would mean a loss of nearly $550 for every man, woman, and child in the United States. Actually, it means ruin for thousands of people. If our Government, in the words of Washington, continues to fan the fire of a fearful master, or, in the words of Madison, further abridges our freedom by "violent and sudden usurpations," as in the steel episode, all of our economic liberties may be lost.

Only by a firm arrest of this naked governmental power can we hope to preserve our liberties in this country. And if you think it is impossible to correct the present double standard of favoring labor and crucifying industry, let me quote from none other than Franklin Delano Roosevelt:

"It will never be possible for any length of time for any group of the American people, either by reason of wealth or learning or inheritance or economic power, to retain any mandate, any permanent authority to arrogate to itself the political control of American public life."

This truism was demonstrated a few years ago when the Congress was considering labor racketeering. Since most of the Members of both the Senate and House owed their election, they thought, to strong labor support, they did not want to offend labor. The Senate, therefore, passed an innocuous bill which really failed to grapple with the racketeering problem. Only one man in the Senate voted against it—Senator BARRY GOLDWATER. He was willing to stand for principle rather than succumb to an overwhelming timid political majority.

By the time the bill got to the House, however, the country became aroused and demanded sterner action. And under the impulse of the ground swell, the House failed to accept the weak Senate bill and, instead passed the Landrum-Griffin bill which had some teeth in it. And when the stronger bill went to the Senate, a sufficient number of Senators who previously did not have the courage to vote for a strong bill, had now had their backs stiffened by the voices from back home and voted for the House bill.

You probably noticed the same experience in the House of Representatives last week when, contrary to political expectations, the House refused to rubberstamp the administration's farm subsidy crop control bill. Sufficient Democrats, having heard from home, bolted their party, and saved agriculture from further dictatorial communized control.

Whether you as medical doctors, and other loyal Americans, will defeat the King-Anderson bill will depend upon whether you will be able to generate political support in your various States of sufficient magnitude to let your Senators and Congressmen know that such a bill must not pass. You cannot rely upon defeating it in the House committee. If it is defeated there, it will raise its ugly head elsewhere. Nowhere is it as true as with legislation that "eternal vigilance is the price of liberty." To defeat the present bill, or its counterpart, will require continuous political action on your part. You cannot return to your homes and practice and forget about the destiny of your profession and country.

You may not be willing to rely on "nosology" in your medical practice, but in your lifetime and mine, you are going to have to practice it in your governmental relations, for you're going to have to constantly smell what is going on in Washington.

I know there are some well-intentioned individuals who do not quite see the relationship between the curtailment by Government on the one hand of the right to make profits, as for instance in the steel industry, and the curtailment by the Government, on the other hand of what we call our liberties. Even President Eisenhower made the mistake of distinguishing between what he called property rights (the right to make a profit) as to which he claimed to be a conservative, and human rights (the right to our liberty) as to which he called himself a liberal. The fallacy of this distinction was illustrated by the late Hon. George Sutherland (a former Justice of the U.S. Supreme Court) when as president of the American Bar Association he said:

"Property, per se, has no rights; but the individual—the man—has three great rights, equally sacred from arbitrary interference: the right to his life, the right to his liberty, the right to his property. * * * To give a man his life but deny him his liberty, is to take from him all that makes his life worth living. To give him his liberty but take from him the property which is the fruit and badge of his liberty, is to still leave him a slave."

My fifth proposal deals with legislation needed for the immediate present—all of which is designed for America to make progress through voluntary action and to achieve better jobs for more people. This legislation is not in the direction of stifling but of freeing the economy.

First of all we must increase our rate of new investment. As I understand the situation, Russia at the present time is putting 25 percent of its productive capacity into capital goods. In our country we are putting only 10 percent into capital goods. We can increase the percentage if we have intelligent tax reforms, promote judicious utilization of savings, promote the availability of credit for plant investment, and obtain the right to faster and more realistic depreciation writeoffs. Programs of this kind will do more to alleviate the anxiety and misery of those who are out of work than any amount of Government subsidies. I congratulate the President on making a proposal of this kind in his tax message to the Congress. But it is still only a small step in the right direction.

Next, there must be increased mobility of labor and resources. This can be best achieved by more widespread information regarding job opportunities and by breaking down local and State barriers to the free movement of persons and goods. Furthermore, we must rid ourselves of un-American union restrictions on freedom of occupation and vigorously oppose all forms of payments for work not actually performed.

In addition, there must be an increase in the flexibility in both directions of wages and prices. In the interest of further opportunity for the free American workman we must not put men in straitjackets by adopting rigid wage rates and prices. For similar reasons we must question industry-wide collective bargaining and long-term contracts which provide for annual wage cost increases, regardless of productivity or prosperity.

Next, legislation should increase the flow of invention and innovation. This is one of the unique advantages of the American system—it permits genius and labor to enjoy the fruits of their talents and every laborer to climb as high as he can on the ladder of economic success. To that end we must oppose any increase in Government-held or controlled patents. Furthermore, we must always seek better means of increasing effective and legitimate competition. Monopoly stultifies, but competition energizes our economy.

Finally, we must increase our exports in international trade. On this score I generally agree with the administration, although its other domestic policies militate against a healthy international trade. Brisk trade in great volume is important to our economic health and welfare. American know-how is still a very precious ingredient of our free enterprise system. We should not hesitate to use it with great vigor and great purpose.

My sixth and last proposal for the preservation of our economic freedom is to insist that our schools educate our students in the gospel of free enterprise. Here again we must do away with our double standard of giving lipservice to and living off our American system of free enterprise while, at the same time, we either fail to teach its principles, or, in many cases, teach concepts which would destroy it. The reason for this is not hard to find.

The best estimate available is that fewer than one-tenth of all elementary and fewer than one-fourth of all secondary school teachers (majoring in social sciences) take even one course in economics while at college. In fact, it is estimated that 9 out of every 10 teacher colleges fail to have a single economist on their faculties. Over three-fourths of our States do not demand a course in economics as a requirement for certification. The result is that fewer than 1 out of every 20 of all high school students even take 1 course in economics and only about one-fifth of all college students. And much of what is taught is weak, misleading or even wrong—in many cases it does more to prejudice students against than to convert them to free enterprise.

Lest you think there is no local danger from this, let me tell you of our experience

at Brigham Young University. Nearly 6 years ago, an accreditation team of the Northwest Association of Secondary and Higher Schools visited our university to evaluate our 11 colleges. The committee assigned to study our college of business criticized it on the ground that "capitalism and the free enterprise philosophy appear to be given strong preference at the administrative level."

This criticism led me to make a thorough investigation of our college of business to see if there were any who did not believe in free enterprise; and I can tell you now that, at the present time, there is no one on that faculty who doesn't believe in free enterprise. While this accreditation report was supposed to be confidential, I have waived the confidential nature of the report in going up and down the State of Utah and throughout the country proclaiming that at Brigham Young University we still believe in free enterprise.

I submit that businessmen themselves are largely to blame for the dearth of economic literacy in this country. The boards of trustees of most institutions of higher learning and the boards of education of most secondary and elementary schools are largely officered by businessmen. What have they done to make sure that teachers basically trained in the principles of free enterprise are employed? In many cases, not only have they done nothing but they have recommended to their various business corporations that they contribute to educational institutions whose economic philosophy is alien to free enterprise. In these days in which business is asked to and should make substantial contributions to institutions of higher learning, I submit there is a duty on the part of the donors to see that the recipients of their gifts not betray the hand which feeds them.

In summary, my six proposals merely envisage that we shall do away with the hypocrisy of our civilization. There must be no double standard for the President, for government, for business, for education, for the professions, or for individuals. We must renew and dedicate ourselves to the cause of freedom which is more important than life itself. If we achieve that goal and shoulder our own responsibility, we need not worry about our economic growth, or our professional competence. We need to worry about our economic growth only when we have a regimented and controlled economy. That is the reason we are worrying now. Should we engage in further regimentation, we will have grave cause to worry about the continuation of our Republic, for in the wise and prophetic words of Somerset Maugham:

"A nation that wants anything more than freedom will lose its freedom, and the irony of it is, if it is comfort and security it wants, it will lose them too."

Now I am aware of President Kennedy's declaration in his recent address at Yale University, that our present-day problems require that "we must move on from the reassuring repetition of stale phrases," and not "hold fast to cliches of our forebears"; that "if there is any current trend toward meeting present problems with old cliches, this is the moment to stop"; that the problems we are facing today "cannot be solved by incantations from the forgotten past."

But I submit to you that all the lessons of the past cannot be dismissed that easily as cliches. In my judgment, it is essential that we always maintain strong faith in and allegiance to certain rocklike principles amid the swirling and treacherous tides of change. For example, the parables of the Saviour and the Sermon on the Mount have long stood as standards of universal truth, and they will continue to stand as long as this world endures. It is also no cliche to say that the moment the Government steps in and takes over the responsibilities of individuals, those individuals become weak and soft, and lacking in character. History is rife with hard, bitter examples of this truism.

Rather than dismissing past civilizations as "the forgotten past" we should recall that some 20 cultures have perished or stagnated—a disaster with a common cause: the people rejected their own individual initiative and industry, and began to look to the false god of the State for their sustenance and security. The illustrations used by President Kennedy, to prove the contrary, are of too recent a vintage to obtain the true sanction of history.

I close with words claimed by some, but denied by others, to have been written by Abraham Lincoln. But regardless of the authorship, they represent a philosophy which can never be dismissed as being a repetition of stale phrases, cliches of our forebears, or incantations from the forgotten past. They are the simple truths which govern all individuals and all civilizations, now and in the future:

1. You cannot bring about prosperity by discouraging thrift.
2. You cannot strengthen the weak by weakening the strong.
3. You cannot help small men by tearing down big men.
4. You cannot help the poor by destroying the rich.
5. You cannot lift the wage earner by pulling down the wage payer.
6. You cannot keep out of trouble by spending more than your income.
7. You cannot further the brotherhood of man by inciting class hatred.
8. You cannot establish sound security on borrowed money.
9. You cannot build character and courage by taking away man's initiative.
10. You cannot really help men by having government tax them to do for them what they can and should do for themselves.

In closing, I join with you in the hope that we may all remember these immortal phrases and that by recalling them we ourselves shall remain freemen and freewomen.

THE SITUATION IN SOUTH VIETNAM

Mr. ALLOTT. Mr. President, yesterday, Secretary of Defense Robert S. McNamara returned from yet another Pacific conference, and said he is encouraged over progress of affairs in South Vietnam. Mr. President, I wonder just what Mr. McNamara means by progress. We are all deeply appreciative of the concern of Mr. McNamara with respect to the South Vietnam picture as evidenced by his trips to the Pacific but I wonder if the Secretary really knows what is going on. The conflicting reports about the situation in South Vietnam are, to say the least, somewhat confusing. Secretary McNamara says things are "going well" there. Yet, news dispatches from qualified and able observers in that area report an altogether different story. Granted, such sources are not infallible in their observations, but neither are the sources from whom Mr. McNamara received his information. Now, Mr. President, the question is: Just who is being misled? Is it Mr. McNamara; or is it the news observers who obviously get their information from a completely different source than Mr. McNamara? Or are the American people being misled by the administration?

The Christian Science Monitor, on Monday, July 16, 1962, reports that recent dispatches by the Associated Press raise grave doubts about the progress of the guerrilla war in South Vietnam. One such report was written from Saigon, the other was based on anonymous interviews with Army officers returned to the United States. The Monitor further states that these reports are supported by the general tenor of other American newspaper reports from the battle area. The Monitor respects the denials of these charges that have been issued by Secretary McNamara but goes on to say that Mr. McNamara is new at running a war.

Seasoned news correspondents know that in time of stress the top brass often does not get the facts straight, especially where political maladjustments are involved. And there are also times when the high command knows things are wrong but cannot speak out. In this case the Kennedy administration has failed to persuade President Diem to make needed political changes and considers itself bound to support him nevertheless. Criticism of the Diem regime is not permitted, either from State Department or military sources. Complaints are bottled up.

So, if the new military tactics are not doing well, and they have to carry a heavy political handicap, in addition, the situation is not as promising as Mr. McNamara thinks, or says.

Mr. President, the Monitor goes on to ask:

Does the Secretary really know? Does he really get the facts? This particular guerrilla war is far too important to rest on misunderstandings. There is a real question whether it can be won under President Diem in the first place. Everything depends, since he declines to change his policies, on whether the special guerrilla forces are equal to the task.

Mr. President, the Christian Science Monitor appears to doubt that they are and I ask unanimous consent to have the editorial inserted in the RECORD.

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

[From the Christian Science Monitor, July 16, 1962]

DOES MCNAMARA HEAR?

Warning flags are flying in South Vietnam. Two recent dispatches by the Associated Press raise grave doubts about the progress of the guerrilla war in that country. One was written from Saigon, the other was based on anonymous interviews with Army officers returned to the United States. They are supported by the general tenor of other American newspaper reports from the battle area.

The most important charges are two. It is said that the new techniques and weapons devised by the U.S. Army for its special new guerrilla forces are not working out well. It is also said that President Diem's government is not giving essential political support to the campaign.

The military charges are officially denied. Both Secretary McNamara and Army Chief of Staff Gen. George H. Decker insist the campaign is going well, considering that it is just getting started and is bound to last a long time.

We respect these denials. No doubt they are sincere. Furthermore top officials have to be tough minded about complaints. They often turn out to be gripes from lower levels where impatient or biased officers don't see the whole picture. Newspapermen often pick up these gripes and overrate them.

But Mr. McNamara is new at running a war. Seasoned news correspondents know that in time of stress the top brass often does not get the facts straight, especially where political maladjustments are involved. And there are also times when the high command knows things are wrong but cannot speak out. In this case the Kennedy administration has failed to persuade President Diem to make needed political changes and considers itself bound to support him nevertheless. Criticism of the Diem regime is not permitted, either from State Department or military sources. Complaints are bottled up.

So the distress signals coming from newspaper correspondents ought to be taken seriously. These men could be wrong especially in details. It is often too easy for lower echelons to refute particular statements and miss, deliberately or unwittingly, the main point of the charge.

President Diem, says one officer quoted by the Associated Press, is "creating a vast reservoir of discontent" by not explaining the need for moving villages into fortified areas. The Diem regime is said to be steeped in a defensive mentality which is inadequate to the task. Meanwhile, another dispatch says the special new American guerrilla forces, on which President Kennedy has staked so much, cannot move into the jungle and stay there for long. They "tend to fight from the roads and rivers as the French did before losing the Indochina war. Some American advisers who try to live like the Vietnamese find they can last 3 or 4 days before a return to civilization is necessary." Armored amphibious personnel carriers are said to be unsatisfactory and American weapons still, after redesigning, too heavy for jungle warfare. These are only samples.

The point is that President Kennedy has staked all on a military success by his new guerrilla forces, because his efforts to obtain political reform—which is of cardinal importance to guerrilla operations—were unsuccessful. So if the new military tactics are not doing well, and they have to carry a heavy political handicap, in addition, the situation is not as promising as Mr. McNamara thinks, or says.

Does he really know? A good reporter cannot accept an official line; he has to talk to the men doing the job out on location—lots of them. Especially when higher authority is not around. Mr. McNamara has made some flying trips but does he really get the facts?

This particular guerrilla war is far too important to rest on misunderstandings. There is a real question whether it can be won under President Diem in the first place. Everything depends, since he declines to change his policies, on whether the special guerrilla forces are equal to the task. The reporters appear to doubt it. This is the time to listen and find out what lies behind their reports.

DUTY ON CERTAIN ALUMINA AND BAUXITE

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 9520) to continue for 2 years the suspension of duty on certain alumina and bauxite.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, on the calendar are several legislative items which have been cleared by the leadership on both sides. I should like to have the Senate consider some of those measures at this time. In the meantime, I ask that Senators who are interested in Calender No. 1677, H.R. 9520, the alumina and bauxite bill, be notified.

EASTERN JUDICIAL DISTRICT OF WISCONSIN

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 1710, H.R. 10184; and I ask that following the disposition of H.R. 10184, the bills on the calendar be considered in sequence.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oregon will state it.

Mr. MORSE. What is the pending business?

Mr. MANSFIELD. Mr. President, the unfinished business is Calendar No. 1677, H.R. 9520, to continue for 2 years the suspension of duty on certain alumina and bauxite. If the Senator from Oregon is interested in the satellite communication bill, that is not yet the pending business.

Mr. MORSE. I could not imagine anything in which I would be less interested. I am only trying to ascertain what was requested. I did not understand the Senator's request.

Mr. MANSFIELD. It is to take up measures on the calendar to which there is no objection. In the meantime, I hope that the Senator from Delaware [Mr. WILLIAMS] will come to the Chamber.

Mr. MORSE. I have no objection to the request. I merely asked a question.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 10184) to amend section 130(a) of title 28, United States Code, so as to reconstitute the eastern judicial district of Wisconsin to include Menominee County, Wis.

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.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 10184) was ordered to a third reading, read the third time, and passed.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that measures on the calendar to which there is no objection, following the bill just passed, may be considered in sequence.

The PRESIDING OFFICER (Mr. PELL in the chair). Is there objection? The Chair hears none, and it is so ordered.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The concurrent resolution (S. Con. Res. 86) favoring the suspension of deportation of certain aliens was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation pursuant to the provisions of section 244(a)(4) of the Immigration and Nationality Act (66 Stat. 214; 8 U.S.C. 1254):

A-12269388, June, Wong Way;
A-10758754, Dai, Chew Sin;
A-12586379, Lum, Bak-Min;
AA-28009, Lee, Kai Suen;
A-11925176, Teng, James Wong;
A-12261123, Kwan, Chan Chew;
A-11721429, Fong, Chin Hoy;
A-11948980, Ginn, Annie;
A-7841723, Nurmeta, Nikolai;
A-11596987 Lee, Gar Way;
A-11596986, Lee, Won Wah;
A-7876042, Lee, Sin Ha;
A-8027478, Wiwczar, Michael;
A-8091415, Soter, Gus;
A-11433474, Gin, Win Gon;
A-11170722, Huey, Thick Chu;
A-12642507, Jew, Ming Wai;
A-12249576, Kim, Duck Lee;
A-7898650, Martino, Vincenzo;
A-11629250, Quan, Bing Kwong;
A-11629274, Quan, Dong Guay You;
A-11814222, Wong, Ngoon Fow;
A-12671644, Yau, Chong Lew;
A-10767929, Yee, Yat Hung;
A-12648341, Keong, Leong;
A-11598045, Moy, Fay Yen;
A-12082442, Youn, Yin Yu;
A-10772062, Chinn, Gwai Bun;
A-11407947, Yee, Miu Lee;
A-11407955, Yee, Moo Tuk;
A-11407951, Yee, Mun Hoy;
A-12086307, Chung, Pak Jow;
A-12671828, Wong, Gain Yuey;
A-6017938, Edwards, George Eugene;
A-12682571, Tom, Wai Yin;
A-11805098, Wong, Doo Yen.

SEC. 2. That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation pursuant to the provisions of section 244(a)(5) of the Immigration and Nationality Act (66 Stat. 214; 8 U.S.C. 1254):

A-11909555, Marquez-Paez, Raul;
A-2395556, Pond, James Leo;
A-2302786, Ochoa, Gilbert;
A-2610759, Alvanos, Elias;
A-10728848, Prieto-Guzman, Jesus;
A-4386589, Contreras, Domingo;
A-12640925, Wong, Sik Tong;
A-2305713; Norrito, Mario;
A-5420979, Gomez, Margarito;
A-4049513, Jubera-Martinez, Alvaro;
A-1087969, Tobar-Medina, Manuel;
A-3599256, Mota, Augustine;
A-5782421, Wedwick, William Anton;
A-2652678, Gigliotti, Emilio;
A-12336155, Hinterberg, Kurt;
A-3820408, Mosqueda, Rutilio;
A-5616730, Sestan, Giordano Bruno;
A-2627998, Wong, Rose Chan;
A-11596573, Yee, Soon Hing;
A-12655608, De La Cerda-Sarmento, Manuel;
A-10940563, Shen, Shih Fang;
A-10135562, Shen, Wei Fan;
A-5479179, Veloz-Reyes, Ygnacio;
A-12652444, Wong, Pon;
A-4329804, Porras Andres;
A-12647207, Lew, Kim Yee;
A-2443221, Romero-Madrigal, Juan;
A-8538601, Wittenber, Jan Peter;
A-12652388, Won, You Hong.

SEC. 3. That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than six months:

A-8039129, Tsangaris, Constantinos;
A-7189102, Kee, Mon.

HEIRS OF LT. COL. JAMES MURRAY BATE (DECEASED) AND MAJ. BILLIE HAROLD LYNCH (DECEASED)

The bill (S. 1781) for the relief of the heirs of Lt. Col. James Murray Bate (deceased) and Maj. Billie Harold Lynch (deceased) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of section 3 of the Act entitled "An Act to establish Civil Air Patrol as a civilian auxiliary of the United States Air Force and to authorize the Secretary of the Air Force to extend aid to Civil Air Patrol in the fulfillment of its objectives, and for other purposes", approved May 26, 1948, as amended, the deaths of Lieutenant Colonel James Murray Bate and Major Billie Harold Lynch, which occurred on April 4, 1959, as a result of the crash of a Civil Air Patrol airplane in which they were flying a reconnaissance mission over a flooded disaster area in the vicinity of Rockford, Illinois, shall be considered to have occurred while in the "performance of duty" as that term is defined in such section.

SEC. 2. Any limitations upon the time for filing claims under the Federal Employees' Compensation Act, as amended, shall not apply to any claims under such Act filed by the heirs of Lieutenant Colonel James Murray Bate (deceased) and Major Billie Harold Lynch (deceased), within one year after the date of the enactment of this Act, for compensation for the deaths of the said Lieutenant Colonel James Murray Bate and Major Billie Harold Lynch arising out of the circumstances described in the first section of this Act.

MATHEW LENGYEL

The bill (S. 3295) for the relief of Mathew Lengyel (also known as Brother Paul, S.V.D.) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mathew Lengyel (also known as Brother Paul, S.V.D.) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

RENATA LATTANZI

The Senate proceeded to consider the bill (S. 3198) for the relief of Renata Lattanzi which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, Renata Lattanzi may be classified as an eligible orphan within the meaning of section 101(b)(1)(F) of the said Act and a petition may be filed by Mrs. Mary DiLoreto, a citizen of the United States, in behalf of the said Renata Lattanzi pursuant to section 205(b) of the Immigration and Nationality Act subject to all the conditions in that section relating to eligible orphans.

The amendment was agreed to.

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

KIM CHONG KOO

The Senate proceeded to consider the bill (S. 3215) for the relief of Kim Chong Koo which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, Kim Chong Koo may be classified as an eligible orphan within the meaning of section 101(b)(1)(F) of the said Act and a petition may be filed by the Reverend and Mrs. Kenneth J. Mitchell, citizens of the United States, in behalf of the said Kim Chong Koo pursuant to section 205(b) of the Immigration and Nationality Act subject to all the conditions in that section relating to eligible orphans.

The amendment was agreed to.

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

PANAGIOTA MAKRIS

The Senate proceeded to consider the bill (S. 3228) for the relief of Panagiota Makris which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, Panagiota Makris may be classified as an eligible orphan within the meaning of section 101(b)(1)(F) of the said Act and a petition may be filed by Mrs. Yianoula Makris, a citizen of the United States, in behalf of the said Panagiota Makris pursuant to section 205(b) of the Immigration and Nationality Act subject to all the conditions in that section relating to eligible orphans.

The amendment was agreed to.

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

JOHN CALVIN TAYLOR

The bill (H.R. 2129) for the relief of John Calvin Taylor was considered, ordered to a third reading, read the third time, and passed.

MRS. IRENA RATAJCZAK

The bill (H.R. 2664) for the relief of Mrs. Irena Ratajczak was considered, ordered to a third reading, read the third time, and passed.

LEA MIN WONG

The bill (H.R. 3000) for the relief of Lea Min Wong was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H.R. 3372) for the relief of Barbara W. Trousil and others was announced as next in order.

Mr. MANSFIELD. Over.

The PRESIDING OFFICER. The bill will be passed over.

MRS. HASMIK ARZOO

The bill (H.R. 3501) for the relief of Mrs. Hasmik Arzoo was considered, ordered to a third reading, read the third time, and passed.

IVY GWENDOLYN MYERS

The bill (H.R. 3821) for the relief of Ivy Gwendolyn Myers was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H.R. 3822) for the relief of Ahsabet Oyunciyan was announced as next in order.

Mr. MANSFIELD. Over.

The PRESIDING OFFICER. The bill will be passed over.

BOGDAN KUSULJA

The bill (H.R. 4718) for the relief of Bogdan Kusulja was considered, ordered to a third reading, read the third time, and passed.

FRANTISEK TISLER

The bill (H.R. 6833) for the relief of Frantisek Tisler was considered, ordered to a third reading, read the third time, and passed.

ELADIO ARIS

The bill (H.R. 9186) for the relief of Eladio Aris (also known as Eladio Aris Carvallo) was considered, ordered to a third reading, read the third time, and passed.

MARINE CORPS MEMBERS WHO INCURRED LOSSES PURSUANT TO THE CANCELLATION OF A PERMANENT CHANGE OF STATION MOVEMENT

The bill (H.R. 9522) for the relief of certain members of the U.S. Marine Corps who incurred losses pursant to the cancellation of a permanent change of station movement was considered, ordered to a third reading, read the third time, and passed.

FRANCIS L. QUINN

The bill (H.R. 10525) for the relief of Francis L. Quinn was considered, ordered to a third reading, read the third time, and passed.

ERNST HAEUSSERMAN

The bill (H.R. 11127) for the relief of Ernst Haeusserman was considered, ordered to a third reading, read the third time, and passed.

NAMING OF OLD RIVER, LA., STRUCTURES

The bill (S. 2546) to authorize the naming of the Old River, La., structures

in honor of the late Capt. A. A. Humphreys and Lt. H. L. Abbot was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Old River, Louisiana, low-sill and overbank structures, authorized by the Flood Control Act of September 3, 1954 (Public Law 780, Eighty-third Congress), shall be known and designated as the Captain A. A. Humphreys spillway and that the Old River, Louisiana, navigation lock, also authorized by the Flood Control Act of September 3, 1954 (Public Law 780, Eighty-third Congress), shall be known and designated as the Lieutenant H. L. Abbot lock. Any law, regulation, document, or record of the United States in which such projects are designated or referred to under the name of Old River, Louisiana, low-sill and overbank structures, and Old River, Louisiana, navigation lock shall be held to refer to such projects under and by the names of the Captain A. A. Humphreys spillway and the Lieutenant H. L. Abbot lock, respectively.

HAP HAWKINS LAKE, MONT.

The bill (S. 2660) to designate the lake to be formed by the waters impounded by the Clark Canyon Dam in the State of Montana as Hap Hawkins Lake was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the lake to be formed by the waters impounded by the Clark Canyon Dam, constructed in the State of Montana on the Beaverhead River (East Bench unit, Missouri River Basin project), shall hereafter be known as Hap Hawkins Lake, and any law, regulation, document, or record of the United States in which such lake is designated or referred to shall be held to refer to such lake under and by the name of Hap Hawkins Lake.

CHANGING NAME OF BIG BEND RESERVOIR TO LAKE SHARPE, S. DAK.

The bill (S. 2988) to change the name of the Big Bend Reservoir in the State of South Dakota to Lake Sharpe was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Big Bend Reservoir in the State of South Dakota shall be known and designated hereafter as Lake Sharpe in honor of M. Q. Sharpe, the late Governor of South Dakota, who was so very instrumental in the development of the Missouri River Basin program. Any law, regulation, document, or record of the United States in which such reservoir is referred to by any other name shall be held and considered to refer to such reservoir by the name of Lake Sharpe.

ADDITION OF GROUNDS OF THE U.S. SUPREME COURT BUILDING

The bill (S. 3441) to provide for the acquisition of certain property in square 758 in the District of Columbia, as an addition to the grounds of the U.S. Supreme Court Building was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Architect of the Capitol is authorized to acquire on behalf of the United States by purchase, condemnation, transfer, or otherwise, as an addition to the grounds of the United States Supreme Court Building, all privately owned real property contained in lots 2, 3, 800, 801, and 802 in square 758 in the District of Columbia, as such lots appear on the records in the Office of the Surveyor of the District of Columbia as of the date of the enactment of this Act.

SEC. 2. Any proceeding for condemnation brought under section 1 shall be conducted in accordance with the Act entitled "An Act to provide for the acquisition of land in the District of Columbia for the use of the United States", approved March 1, 1929 (16 D.C. Code, secs. 619–644), and in accordance with the Federal Rules of Civil Procedure in effect at the time of such condemnation.

SEC. 3. Upon acquisition of such real property by the Architect of the Capitol, on behalf of the United States, such property shall become a part of the grounds of the United States Supreme Court Building and shall be subject to the provisions of the Act of May 7, 1934 (40 U.S.C. 13a and 13b), and to the provisions of the Act of August 18, 1949 (40 U.S.C. 13f to 13p, both inclusive), and such Acts are amended accordingly.

SEC. 4. Upon acquisition of the real property herein authorized to be acquired, the Architect of the Capitol is authorized to provide for the demolition and removal, as expeditiously as possible, of any buildings or other structures on, or constituting a part of, such property, and to provide for the maintenance and protection of such property pending demolition.

SEC. 5. The Architect of the Capitol is authorized to enter into contracts and to make expenditures for grading and paving and such other expenditures, including expenditures for personal and other services, as may be necessary to carry out the purposes of this Act.

SEC. 6. The appropriation of such sums as may be necessary to carry out the provisions of this Act is hereby authorized.

CHANGING NAME OF FORT RANDALL RESERVOIR TO LAKE FRANCIS CASE, S. DAK.

The bill (S. 3476) to change the name of Fort Randall Reservoir in the State of South Dakota to Lake Francis Case was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Fort Randall Reservoir in the State of South Dakota shall be known and designated hereafter as Lake Francis Case in honor of FRANCIS CASE, the late Senator of South Dakota, who was so very instrumental in the development of the Missouri River Basin program. Any law, regulation, document, or record of the United States in which such reservoir is referred to by any other name shall be held and considered to refer to such reservoir by the name of Lake Francis Case.

BILLS PASSED OVER

The bill (S. 3525) to authorize the Administrator of General Services, in connection with the construction and maintenance of a Federal office building, to use the public space under and over 10th Street SW., in the District of Columbia, and for other purposes, was announced as next in order.

Mr. MANSFIELD. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3544) authorizing modification of the project for Gloucester Harbor, Mass., was announced as next in order.

Mr. MANSFIELD. Over.

The PRESIDING OFFICER. The bill will be passed over.

JOHN COFFEE MEMORIAL BRIDGE ACROSS THE TENNESSEE RIVER

The joint resolution (S.J. Res. 169) designating the bridge across the Tennessee River on the Natchez Trace Parkway as the John Coffee Memorial Bridge was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the bridge across the Tennessee River on the Natchez Trace Parkway shall be known and designated as the John Coffee Memorial Bridge. Any law, rule, regulation, document, or record of the United States in which such bridge is referred to shall be held to refer to such bridge under and by the name of the John Coffee Memorial Bridge.

LAKE KAWEAH, CALIF.

The joint resolution (H.J. Res. 417) to designate the lake formed by Terminus Dam on the Kaweah River in California as Lake Kaweah was considered, ordered to a third reading, read the third time, and passed.

EXPLOSIVE CHARGES ON U.S. CAPITOL GROUNDS

The bill (H.R. 8214) to permit the use of certain construction tools actuated by explosive charges in construction activity on the U.S. Capitol Grounds was considered, ordered to a third reading, read the third time, and passed.

CHANGING NAME OF BEARDSTOWN, ILL., FLOOD CONTROL PROJECT TO SID SIMPSON FLOOD CONTROL PROJECT

The bill (H.R. 11735) authorizing the change in name of the Beardstown, Ill., flood control project to the Sid Simpson flood control project was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, that is as far on the Legislative Calendar as the leadership desires to go.

DUTY ON CERTAIN ALUMINA AND BAUXITE

The Senate resumed the consideration of the bill (H.R. 9520) to continue for 2 years the suspension of duty on certain alumina and bauxite.

Mr. MANSFIELD. Mr. President, has the Senate now returned to the consideration of Calendar No. 1677, House bill

9520, to continue for 2 years the suspension of duty on certain alumina and bauxite?

The PRESIDING OFFICER (Mr. PELL in the chair). That is correct.

WORK HOURS ACT OF 1962

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 1681, House bill 10786.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to the consideration of the bill (H.R. 10786) to establish standards for hours of work and overtime pay of laborers and mechanics employed on work done under contract for, or with the financial aid of, the United States, for any territory, or for the District of Columbia, which was ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I hope the Senate will be able to pass in so expeditious a manner other important bills. However, I move that the vote by which Calendar No. 1681, House bill 10786, was passed be reconsidered.

Mr. MORSE. Mr. President, I move to lay on the table the motion to reconsider.

Mr. MANSFIELD. Mr. President, I point out that the passage of the bill at this point was an inadvertence; and I believe it only courteous to Senators who were not aware of the action taken that the motion to reconsider be agreed to.

Mr. MORSE. I am sorry I did not understand that situation. I withdraw my motion.

Mr. MANSFIELD. Mr. President, I have moved that the vote by which the bill was passed be reconsidered.

The motion was agreed to.

Mr. McNAMARA. Mr. President, H.R. 10786 is one of the most justifiable bills that has come before the Senate Labor Subcommittee since I have been its chairman. It has three major purposes.

First, it codifies a series of laws that were passed between 1892 and 1940.

These laws have sought to establish an 8-hour day for work done under contract directly for the U.S. Government or under contracts to which the U.S. Government is a partner.

Second, it requires that, in addition to an 8-hour day on such contracts, employers must also limit their workers to a 40-hour week, after which overtime must be paid.

The hearings held by the Senate Labor Subcommittee revealed all too many instances in which contractors would observe an 8-hour day for their employees, but kept those workers on the job 7 days a week.

The 40-hour week standard is of such obvious merit that we have incorporated it into virtually all interstate commerce activities. I find it inconceivable that it is not now the standard for work done under Government auspices.

Third, the bill brings under the coverage of Federal work standards legislation a large number of activities which have been heretofore exempt. These newly covered activities are those which are financed by Federal loans and grants. Without the participation of the Federal Government in these programs, many of them would not be in existence today. It is Federal leadership and financing which give each of them their major thrust. There is absolutely no reason why they should not be subject to the same 8-hour-day and 40-hour-week provisions that mark other types of Federal Government activity.

At this point I want to make it clear that those programs of the Federal Government which involve only loan guarantees or insurance are not covered by H.R. 10786.

Thus, such loan guarantee programs as FHA housing and GI housing are not covered.

At this point I ask unanimous consent to insert in the RECORD a table showing the Federal programs which would be brought under the coverage of work hours legislation.

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

Federally assisted construction programs with wage standards

Program	Davis-Bacon	8-hour provision	40-hour provision	8- and 40-hour provision	Type of financing
Hospital survey and construction	X				Grants ⅓ to ⅔ of cost.
Federal airport	X				Grants to 50 percent of cost.
School (impacted areas)	X				Formula grants.
Defense Housing and Community Facilities and Services Act, 1961.		X			Loans and grants.
Federal Defense Act of 1950				X	50-percent grants.
Area Redevelopment Act of 1961				X	Loans to 65 percent of cost of project grants necessary to complete project.
Delaware River Basin compact				X	Commission authorized to negotiate for available financing.
Federal-aid highway, Interstate System only.	X				50- to 90-percent grants.
Water Pollution Control Act	X				30-percent grants.
Housing Act of 1949, slum clearance and urban renewal.	X				Loans of 100 percent of cost, grants up to ⅔ cost.
Housing Act of 1950, college housing			X		Loans of 100 percent of cost.
Housing Act of 1959, for elderly	X				Loans of 98 percent of cost.
U.S. Housing Act of 1937, low-rent public housing.	X				Loans of not more than 90 percent of cost.

Mr. McNAMARA. Mr. President, during our consideration of this bill some questions were asked as to the application of the bill to Federal highway construction assistance.

I want to emphasize that only one phase of Federal highway activity is covered by H.R. 10786, and that is the program best known as the Federal interstate program.

There is no coverage of the so-called ABC program or other secondary assistance activities.

The support for this bill, as can be seen in the hearings conducted by both Houses of Congress, can only be described as overwhelming. The major employer and employee organizations in the construction industry supported the measure. It was part of the legislative program of former President Eisenhower, just as it is part of the legislative program of President Kennedy.

Perhaps the greatest evidence of the bill's merit is found in the fact that it is one of the rare pieces of legislation that passed the House of Representatives under a suspension of rules.

H.R. 10786 is a counterpart to S. 1394, a bill introduced by the assistant majority leader and the assistant minority leader, Senators HUMPHREY and KUCHEL.

It is my hope that we can quickly enact this measure and send it to the President for his signature.

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

Mr. McNAMARA. I yield.

Mr. HILL. Some of my constituents have asked me whether or not H.R. 10786 would, in any way, change the present policies of the Department of Agriculture as they relate to the contracts which they make in several of their major programs.

I should like to ask the Senator whether the present arrangements made by the Commodity Credit Corporation for the storage of commodities would be affected.

Mr. McNAMARA. The policies which guide the Commodity Credit Corporation in the writing of contracts for the storage of agricultural commodities will not be changed by H.R. 10786.

I call the Senator's attention to pages 4 through 6 of Senate Report No. 1722. On those pages are contained two letters which fully explain this problem and the proposed actions which will solve the problem. One is a letter from Secretary of Agriculture Freeman, which states that they have regarded such contracts as being outside of present work standards legislation, and they will continue to do so if H.R. 10786 is enacted. They will, however, ask the Secretary of Labor for an exemption under section 105 of H.R. 10786.

The letter from Secretary of Labor Goldberg states the Department of Labor's agreement with Secretary Freeman's position, and states that the Department will grant an exemption as requested by the Department of Agriculture. I should like to add this. The means by which these commodities are stored justifies such an exemption.

At the outset of any commodities storage agreement, title to the commodity rests with the grower. It is the grower who makes the original contract with the

warehouse. It is not until the farmer places his crop under a loan agreement with the Department of Agriculture and elects to keep his loan and turn over title to the Department that the Department becomes the owner of the commodity. Prior to that time, the only participation which the Department has had in the storage process has been to certify the warehouse.

For that reason, the Committee on Labor and Public Welfare clearly intends that H.R. 10786 shall not affect the present storage arrangements of the Department of Agriculture.

Mr. HILL. As the Senator knows, the Department of Agriculture carries on a large number of other activities which involve the writing of contracts. These involve research, loans, and grants to some types of farm construction, and a wide variety of other programs. I ask the Senator if he would make clear the relationship between these programs and H.R. 10786.

Mr. McNAMARA. I would first call the Senator's attention to the last two paragraphs on page 6 of the committee report.

I know of no programs conducted by the Department of Agriculture which contain wage standards. As a consequence, there would be no way in which they would be covered by H.R. 10786.

I might add that the Secretary of Labor agrees with this conclusion, as he has pointed out in the third paragraph of his letter.

Mr. HILL. I should like to further inquire of the Senator what the new language in section 103(b) means as it relates to purchases, on the open market, by the Department of Agriculture.

Mr. McNAMARA. I call the Senator's attention to the first paragraph on page 7 of the Senate report.

There is no intent that the purchase programs of the Department of Agriculture, as they are enumerated on page 7, be changed by the enactment of H.R. 10786. So long as the Department of Agriculture determines that these products are ordinarily available on the open market, they will not be affected by H.R. 10786, even though they must conform to general standards or characteristics.

Mr. HILL. The Senator is well aware that H.R. 10786 authorizes the Comptroller General to make direct payments to wage claimants.

The Tennessee Valley Authority, a Federal corporation, is responsible for the disbursement of its own funds. It does not rely upon the Comptroller General for its fiscal authority. Am I correct in my assumption that H.R. 10786 would not affect this procedure and that TVA would continue its present disbursement procedures?

Mr. McNAMARA. The Senator is quite correct. H.R. 10786 would not change that procedure and the TVA would continue to reimburse claimants under the wage standards law without recourse to the Comptroller General.

Mr. HILL. I have another question relating to H.R. 10786 and its application to the court in which claims will be brought involving TVA. H.R. 10786 vests jurisdiction in the Court of Claims. However, the TVA is specifically excluded from the jurisdiction of the Court of Claims under 28 U.S.C. 1491. Claims may be brought against the TVA only in the Federal district court. I ask the Senator whether enactment of H.R. 10786 would continue TVA's exemption from Court of Claims jurisdiction.

Mr. McNAMARA. The Senator again is quite correct. This bill would in no way affect the jurisdictional exemption accorded TVA. Suits under this act involving the TVA will not be brought in the Court of Claims but rather in the appropriate Federal district court.

Mr. TOWER rose.

Mr. McNAMARA. Mr. President, I am happy to yield now to a distinguished member of the subcommittee, the Senator from Texas [Mr. TOWER].

Mr. TOWER. Mr. President, H.R. 10786 is one more piece of proposed legislation which would further intrude the Federal Government in the field of labor-management relations, to the extent that an important issue in the field of collective bargaining would be removed from the area of collective bargaining. I believe the bill to be unnecessary, Mr. President. It is my hope that it will be defeated.

I ask unanimous consent that the minority views, as contained in the committee report, subscribed to by the junior Senator from Arizona [Mr. GOLDWATER] and myself, may be printed in the RECORD.

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

MINORITY VIEWS OF SENATORS BARRY GOLDWATER AND JOHN G. TOWER

Since 1935 it has been the continuous policy of the Federal Government to encourage free collective bargaining where the majority of employees voluntarily express their preference for this means of establishing the terms and conditions of their employment. During the severe economic emergency which prevailed prior to World War II in the 1930's, a number of laws were enacted establishing certain specified minimum terms and conditions of employment, particularly minimum wage rates and overtime restrictions. The most important of these were the Davis-Bacon Act, the Walsh-Healey Act, and the Fair Labor Standards Act.

These statutes, imposing certain specified terms and conditions of employment by governmental fiat, effectively removed these issues from the area of collective bargaining and thereby ran counter to the national policy of encouraging such bargaining. The justification for this deviation from national policy was alleged to be the severe economic depression and the smallness and weakness of the labor union movement, as well as the complete helplessness of the vast unorganized majority of wage workers and unemployed to improve wages and working conditions by their own efforts.

Despite their origin as emergency measures, and their inconsistency with national policy, the coverage of these laws has continuously down through the years, been broadened far beyond their original scope by new legislative enactments. Moreover, their emergency character has been disregarded by treating them as permanent legislation and some of the purposes for which they were first adopted have been transformed into their exact opposites. Thus, the provisions of the Fair Labor Standards Act requiring premium pay for overtime work were intended, when the law was enacted in 1938, to diminish the prevailing widespread unemployment by spreading the available work through penalizing, thereby discouraging, overtime employment. Today, premium wage payments for overtime work are regarded as a natural right and such work, instead of being discouraged is eagerly sought after because of the increased wage income it produces. As a matter of fact, workers, in some instances have gone on strike to compel their employers to provide overtime work or to refrain from discontinuing it.

The committee bill constitutes a further step in this development. It eliminates an additional item which has hitherto been a subject of free, collective bargaining. It ignores the special circumstances which exist in some areas and which have been successfully accommodated through voluntary agreement between labor and management. If enacted, the committee bill would impose a further mechanical and rigid uniformity inadequate to deal with the diverse conditions which exist in various sections of the country. Examples are to be found in testimony submitted to the committee.

Labor unions are no longer the small, weak organizations of the depression and predepression eras. They have grown enormously both in size and strength and are fully capable of protecting the standards and working conditions of employees. It is our view that instead of narrowing the area of collective bargaining as the committee seeks to do by this bill, it would be more appropriate to the radically different conditions which prevail today for the committee to approve legislation restoring to the processes of free collective bargaining, many of the issues removed from these processes during the years of depression.

Procedurally, the committee bill will result in costly confusion. The 1961 amendments to the Fair Labor Standards Act subjected much of the construction industry to the 40-hour week overtime provisions of that law. The committee bill does the same. Hence, many contractors may well find themselves governed by several different legislative standards and enforcement procedures applicable to the same conduct.

Similarly, the committee bill results in a double standard of enforcement of the 8-hour overtime pay requirement as well, by imposing an enforcement procedure different from that presently applicable to the prevailing straight-time wage requirements. Hence, contractors will face one type of enforcement procedure on straight-time requirements, quite a different type on overtime after 8 hours, and still quite a different type of enforcement procedure on overtime after 40 hours. If the Congress really intended to simplify and clarify Federal wage and overtime standards, the committee bill is a signal failure.

The bill fails to provide any reasonably ascertainable standard of conduct but nevertheless imposes criminal and severe civil penalties for violations. A glaring example is the failure to define the "basic rate" which is the key term in the proposed measure.

In conclusion, we wish to call attention to the inconsistency involved in the support of this bill by an administration which professes to be seriously concerned to hold the line on both costs and prices. A rise in the former almost inevitably causes the latter to move up as well. The committee bill will inevitably increase costs in the building construction industry, particularly among the smaller enterprises which are not subject to the requirements of the Fair Labor Standards Act. These increases will be passed on to the public—both as consumers and taxpayers—and thus provide additional fuel to stoke the fires of inflation. For these reasons we are opposed to the enactment of the committee bill.

Mr. HUMPHREY. Mr. President, I am pleased that the "Work Hours Act of 1962" will soon be enacted into law. I was proud to be the sponsor, along with Senator KUCHEL, of California, of the companion Senate measure, S. 1394.

This legislation is a long-needed revision and unification of the various 8-hour day laws, some of which go back as far as 1892 and have not been revised or unified since 1940.

This bill provides for a single general hours act establishing standards for hours of work and overtime pay for laborers and mechanics employed under U.S. Government contracts or under federally assisted programs.

The major provision of the pending bill would be to plug a glaring loophole in the present 8-hour laws which require the payment of time and a half to laborers and mechanics employed by contractors on Federal Government construction projects for all hours worked in excess of 8 hours a day. Most contractors who perform Government contract work have adopted the 40-hour workweek standard similar to that established by the Congress for Federal employment. There are, however, some contractors performing Federal work who require their employees to work 8 hours a day, 7 days a week, and under present law are not required to pay them any overtime compensation. In other words, employees on such projects can be working up to 56 hours a week with no overtime compensation.

The bill we are considering closes this loophole by requiring the payment of overtime at the minimum rate of time and a half for all hours worked over 40 hours a week.

Another important feature of the bill is to make the present 8-hour laws' standards applicable to those federally financed and assisted contracts with respect to which Federal legislation provides for the payment of prevailing or minimum wages. The present 8-hour laws only cover work contracted on directly by the Government. Today, however, many non-Federal agencies now do the actual contracting for work which is financed in whole or in part by the Federal Government.

Mr. President, the provisions in this bill are most moderate and sensible. What they do is simply bring the 8-hour work laws up to date. As a sponsor of this measure it is indeed heartening to see this bill passed today.

Mr. President, the Senator from Colorado [Mr. CARROLL] regrets that he was unable to be present on the Senate floor today for the consideration of H.R. 10786, the Work Hours Standard Act. He had prepared a statement on this bill which he had intended to present at the time this bill was considered by the Senate. I ask unanimous consent, Mr. President, that Senator CARROLL's statement be printed in the RECORD at this point.

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

STATEMENT BY SENATOR CARROLL

A STEP FORWARD FOR THE WORKINGMAN

H.R. 10786 is a bill which I am pleased to support. Its passage into law will mark an important step forward in the continuing efforts to insure that U.S. Government moneys will not be used to perpetuate substandard wages or working conditions.

This measure has received wide bipartisan support and rightly so. It was recommended to the Congress by Presidents Eisenhower and Kennedy and was strongly endorsed by Secretaries of Labor Mitchell and Goldberg. This bill has received the full and careful attention of both the House Education and Labor Committee and the Senate Labor and Public Welfare Committee. Extensive hearings have been held. It was passed by the House April 16, 1962, and I am hopeful that Senators will pass it today without amendment so that it will shortly be signed into law.

Colorado has many Federal installations within its borders. The Federal Government plays a major role in the economy of my State.

The nerve center of the North American Air Defense Command is located at Ent Air Force Base. Camp Carson and the Air Force Academy are located in Colorado Springs. There are missile bases in my State, and there are missile factories. The Atomic Energy Commission has extensive operations. Federal programs of aid for housing, schools, hospitals, and public works are important to the community life of Colorado. Huge irrigation and reclamation works are a vital part of our economy.

It is clear that the Federal Government does much of benefit in and for Colorado. It is equally clear, I believe, that Federal employment work standards must not be allowed to depress or cause detrimental effect to the standards prevailing in the State.

For many years law has required an 8-hour day for work done under Government contract. There has been no corresponding requirement concerning workweek limitations. This lack will be met by H.R. 10786 which we are considering today.

This bill provides a straight-time workweek of 40 hours for all laborers and mechanics employed in work done under contract for, or with, the financial aid of the Federal Government.

If overtime is required, this bill provides that not less than time and a half shall be paid.

This bill also codifies within a single statute the many confusing, sometimes overlapping Federal laws which now exist in this area. Its provisions are simple and clear. They apply in the same way to all contractors and subcontractors who come within the coverage of this bill.

I believe that anyone who gives this bill his careful thought and attention will, in simple justice, support its provisions. I urge prompt passage of H.R. 10786.

Mr. McNAMARA. Mr. President, I ask that the bill be read the third time and passed.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 10786) was ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. McNAMARA. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

STUDY OF EQUITY INVOLVED IN ROYALTY ON MINERAL PRODUCTION ON FEDERALLY OWNED LANDS

Mr. MANSFIELD. Mr. President, with the consent of the Senator from Delaware [Mr. WILLIAMS], who is waiting patiently, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 361, reported by the Committee on Rules and Administration today.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The legislative clerk read the resolution, as follows:

Resolved, That the Committee on Interior and Insular Affairs, or any duly authorized subcommittee thereof, is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified in rule XXV of the Standing Rules of the Senate to make a full and complete investigation and study (including the holding of public hearings in appropriate parts of the Nation) of (1) past and expected future revenues from the public lands, including natural resources, and the use of such revenues, and (2) the use of money in the Reclamation Fund and plans for such use in the future and the amounts of money which will be needed to carry out such plans, for the purpose of determining what changes, if any, should be made in the use of such revenues, including changes in the portions of such revenues which are paid to State or local governments.

SEC. 2. For the purposes of this resolution the committee is authorized through January 31, 1963, (1) to make such expenditures as it deems advisable; (2) to employ upon a temporary basis technical, clerical, and other assistants and consultants; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its finding, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date.

SEC. 4. The expenses of the committee under this resolution, from the date of its agreement through January 31, 1963, shall not exceed $10,000 and shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the resolution.

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. 361) was agreed to.

DUTY ON CERTAIN ALUMINA AND BAUXITE

The Senate resumed the consideration of the bill (H.R. 9520) to continue for 2 years the suspension of duty on certain alumina and bauxite.

Mr. MANSFIELD. Mr. President, what is the unfinished business?

The PRESIDING OFFICER. The unfinished business is H.R. 9520, relating

to the temporary suspension of duty on certain alumina and bauxite.

Mr. MANSFIELD. Mr. President, the bill would provide for the temporary free importation of alumina and bauxite.

The production of aluminum involves two main operations—the production of alumina from the crude ore, called bauxite, and the production of aluminum from the alumina.

There is a great and growing need in the United States for alumina and bauxite to sustain our expanding aluminum industry. Our domestic output is far short of our needs in this raw material. If we restrict the importation of the ore we promote the importation of finished products and reduce our employment and production here.

The committee, however, has granted this free entry privilege for only 2 years at a time so that a close watch could be kept on developments. Free entry was accorded this raw material for the first time in 1956, and, by successive actions, it has been entering free since that time.

Without passage of this bill the price of aluminum would probably increase and the shipment of aluminum to the United States would likely be more in the form of finished products.

The Government departments favor the continuation of the free entry privilege and no industry objections have been made known to the committee. I move the adoption of the bill.

Mr. WILLIAMS of Delaware. Mr. President, when the exemption was first authorized I supported it as a member of the committee and as a Member of the Senate. The need for the suspension of duty has long since passed.

Today the U.S. Government owns about $400 million worth of aluminum, for which it has little use. This aluminum is in the stockpile. At the moment another Senate committee is considering a bill to determine how we can get rid of the excess stockpile. The pending proposal is in direct contradiction to the other proposed action.

The Senator from Montana has stated that the price of aluminum would probably increase if the bill were defeated.

There is approximately $400 million worth of aluminum in the stockpile. We do not need this much. I think we ought to be selling some of it. We could maintain the market better in that way.

The present proposal is in direct contradiction to what is sought to be done at this time in regard to the stockpile.

I ask unanimous consent to have printed in the RECORD, two tables which show the manner in which imports have increased rapidly in the past 2 or 3 years. I invite particular attention to the fact that in the first 11 months of calendar year 1961, the imports were more than double those for the full calendar year 1960.

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

TABLE 3.—*Alumina (aluminum oxide) duty free when imported for use in producing aluminum:* [1] *U.S. imports for consumption, by countries, 1957–60, and January–November 1961*

Country	1957	1958	1959 [2]	1960 [2]	January–November 1961 [2]
	Quantity (thousand pounds)				
Japan		73,572	252,408	172,219	203,178
Jamaica					129,975
Western Africa, n.e.c.					26,455
West Germany	1		2,219	3,380	
Austria	70		50		
Canada [3]	523	30,880			
France	5				
Total	599	104,452	254,677	175,599	359,608
	Foreign value				
Japan		$2,457,863	$8,394,171	$5,497,844	$6,113,807
Jamaica					3,897,645
Western Africa, n.e.c.					762,000
West Germany	$1,540		110,821	168,988	
Austria	3,491		2,648		
Canada [3]	$23,488	$1,047,800			
France	2,395				
Total	30,914	3,505,663	$8,507,640	$5,666,832	$10,773,452
	Unit value (cents per pound)				
Japan		3.3	3.3	3.2	3.0
Jamaica					3.0
Western Africa, n.e.c.					2.9
West Germany	154.0		5.0	5.0	
Austria	5.0		5.3		
Canada [3]	4.5	3.4			
France	48.0				
Average	5.2	3.3	3.3	3.2	3.0

[1] Duty suspended during 2-year period beginning July 17, 1956 (Public Law 725, 84th Cong.); further suspended through July 15, 1960 (Public Law 415, 85th Cong.); further suspended through July 15, 1962 (Public Law 441, 86th Cong.).

[2] Preliminary.

[3] Includes Newfoundland and Labrador.

Source: Compiled from official statistics of the U.S. Department of Commerce.

TABLE 4.—*Alumina and aluminum hydroxide or refined bauxite:* [1] *U.S. imports for consumption, by principal sources, 1957–61, and January–November 1961*

Country	1957	1958	1959 [2]	1960 [2]	January–November 1961 [2]
	Quantity (thousand pounds)				
Japan [3]		73,752	252,408	172,229	203,193
Jamaica					129,975
Western Africa, n.e.c.					26,455
West Germany	75	358	3,580	3,508	118
Austria	358	378	452	654	568
Canada [4]	3,100	33,031	511	630	2,038
France	21	36	1,733	30	35
United Kingdom	6	10	39	15	4
All other	6	6	11	1	16
Total	3,566	107,391	258,734	177,067	362,402
	Foreign value				
Japan [3]		$2,457,863	$8,394,171	$5,502,000	$6,120,249
Jamaica					3,897,645
Western Africa, n.e.c.					762,000
West Germany	$28,064	58,696	220,720	230,446	78,187
Austria	18,414	19,767	24,239	36,400	32,136
Canada [4]	135,464	1,140,739	47,888	25,932	130,379
France	9,853	18,145	111,000	13,905	23,501
United Kingdom	3,164	5,947	5,994	7,055	3,382
All other	1,125	313	2,070	356	2,606
Total	196,084	3,701,470	8,806,082	5,816,094	11,050,085

[1] Alumina or aluminum oxide has been held by a decision of the U.S. Court of Customs and Patent Appeals to be properly classifiable as refined bauxite (Treasury Decision 48769).

[2] Preliminary.

[3] There were no imports from Japan prior to September 1958.

[4] Includes Newfoundland and Labrador.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Mr. WILLIAMS of Delaware. Mr. President, the bill would be in direct contradiction to the administration's program to liquidate the stockpile. It should be rejected.

Mr. MANSFIELD. Mr. President, I request a vote on the bill to continue the suspension of duty on certain alumina and bauxite.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 9520) was ordered to a third reading, read the third time, and passed.

ORDER FOR ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, in view of the fact that the funeral for the late Senator Dworshak will be tomorrow afternoon, I ask unanimous consent that when the Senate concludes its deliberations tonight it adjourn to meet at 11 o'clock tomorrow morning.

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

ORDER OF BUSINESS

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

THE ANDERSON-JAVITS AMENDMENT RELATING TO MEDICAL CARE FOR THE AGED

Mr. ERVIN. Mr. President, in accordance with a practice which I have followed in respect to major legislative proposals, I make this statement concerning my vote on the Anderson-Javits amendment relating to medical care for the aged. This amendment was substituted for the King-Anderson bill, and contained some provisions which have never been considered by any congressional committee, and which were inserted in the amendment in order to win the support of the Senator from New York and four of his associates.

The question of tying the program for medical care for the aged to social security was thoroughly debated in the Senate in 1960. At that time the Senate refused to tie this program to the social security system, and adopted the Kerr-Mills Act, which, in my judgment, affords a far better approach to this problem.

Even if the Senate had reversed the action taken by it after much deliberation in 1960 and adopted the Anderson-Javits amendment, such amendment would not have become law at this session of Congress. This is true because the House of Representatives would not have concurred in this amendment at this time. As a consequence, the insistence that a vote be taken in the Senate on this proposition at this time was well characterized by one Senator as "an exercise in legislative futility."

The Kerr-Mills Act, which bears the names of Senator KERR, Democrat, of Oklahoma, and Congressman MILLS, Democrat, of Arkansas, has been the law of the land since September 13, 1960. If it had not been for the unceasing agitation that the principle embodied in the Kerr-Mills Act should be abandoned in favor of the social security approach, and the resultant hope of State officials that the Federal Government might relieve them entirely of their responsibilities in this field, virtually every State would already have an adequate program for furnishing medical care to the aged under the sound method established by the Kerr-Mills Act.

Circumstances indicate that the Department of Health, Education, and Welfare has made no reasonable effort to induce the States to put into effect the salutary provisions of the Kerr-Mills Act. This action on the part of this vast Department has undoubtedly arisen out of its desire to obtain and exercise the tremendous power over medical care in all areas of the Nation which would be vested in it by the social security approach. It is characteristic of bureaucracies that their thirst for additional power is never satisfied. Despite this disfavor with which the Department of Health, Education, and Welfare looks upon the Kerr-Mills Act, which would put the administration of a program for medical care for the aged in the hands of the States rather than its hands, 24 States have actually passed legislation to establish a medical care program for the aged under the terms of the Kerr-Mills Act.

I have always entertained the opinion that it is the proper function of Government to assist in obtaining adequate medical care for aging persons whose income and resources are insufficient to meet the cost of such care. As a consequence, I supported the Kerr-Mills Act in 1960. I did so at that time because I thought it afforded the soundest approach to the solution of this problem. In giving my reasons for voting to table the Anderson-Javits amendment, I will contrast the salient features of the Kerr-Mills Act with the salient features of the Anderson-Javits amendment.

Incidentally, the motion to table the Anderson-Javits amendment was made by Senator KERR, Democrat, of Oklahoma, one of the authors of the Kerr-Mills Act, and was supported by 21 Democratic Senators from 12 States.

My reasons for voting to table the Anderson-Javits amendment are enumerated below:

First. The effort to attach the Anderson-Javits amendment to a nongermane House bill constituted a disorderly and unwise legislative procedure.

The Constitution requires all legislation imposing taxes to originate in the House of Representatives. Under the rules of the House and Senate, it is contemplated that all legislation shall be first considered by appropriate committees, which will hear testimony from interested parties and report the probable impact of such legislation upon the country.

The Anderson-Javits amendment undertook to impose increased social security taxes and should have originated in the House of Representatives. Instead, it was offered for the first time in the Senate when there had been no committee hearings and no committee reports concerning the additional provisions added to the King-Anderson bill to convert it into the Anderson-Javits amendment.

The experience of all legislative bodies has shown that the observance of sound legislative procedures is essential to the production of sound legislation because it affords a means for determining the probable impact of the legislation upon the country.

Since the customary method of considering legislation through the agency of committees was ignored by the proponents of the Anderson-Javits amendment, the Senate was compelled to vote on the amendment without any information as to the probable impact which the additional provisions would have upon the country.

Second. It is highly desirable, in my judgment, to keep as much government as near home as possible. Consequently, I preferred the Kerr-Mills Act to the Anderson-Javits amendment because it places the administration of the medical care program in the hands of the States rather than in the hands of a centralized government in Washington.

The program of medical care for the aged authorized by the Kerr-Mills Act contemplates a program to be supported by the joint efforts of the Federal Government and the States and to be administered on State and local levels rather than by a distant bureaucracy in Washington. In my judgment, it is desirable to keep as much of our government at home as is reasonably possible. This is true because persons upon the State and local levels are familiar with local conditions and are more responsive to local demands and needs. Moreover, it is comparatively simple to fix responsibility for mismanagement originating upon a State or local level while it is virtually impossible to fix responsibility for mismanagement in a vast Federal agency or department far removed from the people.

Third. The Anderson-Javits amendment would set up a totally inadequate program for medical care for the aged. On the contrary, the Kerr-Mills Act would authorize the States to establish a virtually unlimited program.

Prior to the change made for the first time in the social security approach when the Anderson-Javits amendment was offered, no provision whatever was made by the advocates of the social security approach to take care of the needs of the persons not covered by social security or railroad retirement benefits. From the time of its original enactment in 1960, however, the Kerr-Mills Act has authorized the States to make eligible for medical assistance any persons 65 or over "whose income and resources are insufficient to meet the cost of necessary medical services" according to standards of eligibility to be established by the States. Despite assertions of the opponents of this approach to the problem, the Kerr-Mills Act does not require anyone to undergo any degrading "means test" as a condition precedent to receiving medical aid. It empowers each State to set up any reasonable standard for determining whether the income and resources of particular persons are insufficient to meet the cost of necessary medical services. Consequently, a State could declare that all persons 65 and over resident within the State are eligible to receive medical care if their income or resources do not exceed specified amounts—tests which would not involve any complicated or degrading "means test." Likewise, the Kerr-Mills Act

would permit a State to determine eligibility for benefits according to the duration of an illness if the State saw fit to do so, thus making it possible for all persons suffering from serious and protracted illness to receive appropriate aid.

Under the Anderson-Javits amendment, no assistance is to be given to any person in paying the bills of physicians, surgeons, or private nurses, or in paying bills for medicines outside of hospitals. Indeed, benefits under the Anderson-Javits amendment would be restricted to these four things: First, inpatient hospital care for not exceeding 90 days out of any consecutive period of 180 days, with the patient paying $10 a day for the first 9 days of such hospital care; second, nursing home care in a nursing home affiliated with a hospital after transfer from a hospital for a minimum period of 120 days and a maximum period of 180 days subject to the limitation that a patient becomes ineligible to receive such nursing home care during the 90 days next following the expiration of such period; third, home nursing care, physical and occupational therapy, dietary counseling, and the like, for not to exceed 240 visits per calendar year to be furnished by a home health agency, which must be a public agency or a private nonprofit agency exempt from Federal taxation under section 501 of the Internal Revenue Code of 1954, and which is primarily engaged in providing skilled nursing services or other therapeutic services; fourth, outpatient diagnostic service to be furnished an outpatient by a hospital with the patient paying $20 during each 30-day period in which such services are received.

Under a change made in the Anderson-Javits amendment at the last moment on the Senate floor, a patient was granted an option of accepting inpatient hospital care for not exceeding 45 days without any payment by him in lieu of the 90 days maximum with payment of $10 a day for the first 9 days.

Space precludes me from elaborating upon all the limitations in the four restricted services made available by the Anderson-Javits amendment. The most glaring of these limitations is found in the provision which renders a patient ineligible to receive further hospital care under the amendment after the expiration of the maximum period even though his further hospitalization may be essential to the preservation of his life.

There are two drastic limitations upon the provision of the bill relating to nursing home care. The first is that which restricts nursing home care to patients first admitted to hospitals and thereafter transferred from such hospitals to nursing homes. Since the amendment does not permit direct admissions to nursing homes of those needing nursing home care rather than hospitalization, it bars from the benefits of the amendment multitudes of our aging citizens. The second limitation on nursing home care is even more serious insofar as North Carolina is concerned. It arises out of the provision of the amendment that nursing home care is only available in nursing homes affiliated with hospitals. According to reliable information, only 500 of the 20,000 nursing homes in the United States are affiliated with hospitals and none of such nursing homes is located in North Carolina.

If this information is accurate, the benefits of nursing home care under the amendment would be denied to all North Carolinians needing such care, and would be restricted to a comparatively few of the persons needing such care residing in other States.

While the proponents of the Anderson-Javits amendment lay much stress in their arguments for the adoption of the amendment upon the provisions relating to services to be rendered to patients in their homes, it is obvious that these provisions would benefit comparatively few of our aging citizens in North Carolina and most other areas of the Nation. This is true simply because such services are covered by the amendment if and only if they are furnished to patients by a home health agency, which is defined by the amendment itself to be "a public agency or a private nonprofit agency exempt from Federal taxation under section 501 of the Internal Revenue Code of 1954, primarily engaged in providing skilled nursing services or other therapeutic services." I am informed that there are only three such agencies operating within the borders of North Carolina.

The Kerr-Mills Act permits any State to set up a system providing medical services unlimited in extent and duration in any or all of the following respects: First, inpatient hospital services; second, skilled nursing home services; third, physicians' services; fourth, outpatient hospital or clinic services; fifth, home health care services; sixth, private duty nursing services; seventh, physical therapy and related services; eighth, dental services; ninth, laboratory and X-ray services; tenth, prescribed drugs, eyeglasses, dentures, and prosthetic devices; eleventh, diagnostic, screening, and preventive services; and, twelfth, any other medical care or remedial care recognized under State law.

Fourth. The method of financing programs for medical assistance to the aged under the Kerr-Mills Act is far superior to that proposed by the Anderson-Javits amendment.

Under the Kerr-Mills Act, the Federal Government will furnish to the States Federal financial grants out of general Federal revenues according to a formula which is based upon State per capita income and which runs from 50 to 80 percent of the entire cost of the program. There are no dollar limits whatsoever beyond which Federal matching will not apply.

Under the formula established by the Kerr-Mills Act, the Federal Government will furnish to the State of North Carolina out of Federal revenues 77.47 percent of the entire cost of any program however unlimited in extent or duration which North Carolina may establish for providing medical care and medical services to North Carolina citizens 65 or over possessing eligibility standards to be established by North Carolina itself. Consequently, the Kerr-Mills bill will enable North Carolina to establish a medical care program for her aged citizens to be administered on the State level by North Carolina citizens instead of Washington bureaucrats at any time the North Carolina Legislature sets up a State system of medical care for our aging citizens according to standards of eligibility prescribed by it and makes provision for payment by State or local taxation, or both, of 22.53 percent of the cost of such program.

On the contrary, citizens of North Carolina could not have received under the Anderson-Javits amendment any services whatsoever save the inadequate and limited services in the four restricted areas specified in that amendment.

While the proponents of the social security approach claim that the cost of benefits under it will be paid by recipients during the days preceding their 65th birthday, this statement will not bear analyiss when form is disregarded in favor of substance. If the Anderson-Javits amendment were to become law, social security taxes upon employers and employees would total 9¾ percent of all payrolls up to a maximum of $5,200 beginning on January 1, 1968, and social security taxes on self-employed persons would total 7.275 percent of all net earnings from self-employment beginning on January 1, 1968. The facts of economic life make it obvious that no industry and no self-employed person can pay such social security taxes and not become bankrupt unless such social security taxes are passed on in the form of increased costs of goods or services to the ultimate consumer. This being true, the general public really pays social security taxes in the form of increased costs of goods or services and it is far wiser to make the cost of any medical care program for the aged the burden of the general public in the form of taxes assessed alike on all taxpaying citizens, regardless of whether they are eligible for social security or railroad retirement benefits.

Fifth. Placing the cost of a medical care program for the aged upon employers, employees, and self-employed persons is unfair to them. Moreover, such a system for financing such program has a tendency to disable American industry to meet foreign competition, and imperils the existence of the social security system itself. For these reasons, the cost of such a program ought to be spread throughout the entire economy through general taxation.

Let us remember that the social security taxes imposed upon American industry are payable by such industry regardless of whether it is operating at a loss or a profit. In this respect, such taxes are unlike income taxes, which are payable only out of net profits. Social security taxes payable by employer and employee are imposed upon payrolls and are not subject to any deductions whatsoever. Moreover, social security taxes imposed upon self-employed persons are imposed upon their net earnings and are not subject to any deductions for dependents and the like.

The Anderson-Javits amendment would increase social security taxes upon employer and employee by one-half of 1

percent, and upon self-employed persons by three-eighths of 1 percent. Moreover, they would increase the amount of wages and earnings subject to such taxes from a maximum of $4,800 to a maximum of $5,200.

Let us consider for a moment the impact of social security taxes upon the earnings of an individual totaling $5,200.

If the Anderson-Javits amendment were to become law, the combined social security taxes of an employer and employee would amount to 9¾ percent of the covered payroll beginning on January 1, 1968, and the social security taxes of a self-employed person would amount to 7.275 percent of his net earnings beginning on that date. While the combined social security tax of employers and employees is paid by them on a 50–50 basis, a self-employed person pays his social security taxes alone. If the Anderson-Javits amendment were enacted, an employer and employee would have to pay $507 annually in social security taxes upon compensation for work totaling $5,200 beginning on January 1, 1968, and a self-employed person would have to pay social security taxes totaling $378.30 annually upon net earnings totaling $5,200 beginning on that date. Such payments would have to be made each and every year until the employee or self-employed person attained the age of 65 years before such employee or self-employed person would be entitled to receive any medical aid whatsoever under the Anderson-Javits amendment. The injustice of financing a medical care program for the aged by social security taxes is made manifest by the fact that an employee or a self-employed person with a wife and half a dozen or a dozen children who earned as much as the maximum of $5,200 would pay exactly the same amount in social security taxes as a bachelor with an income of $10,000 or $100,000, or $1,000,000.

There is such a thing as killing the goose which lays the golden egg. We are rapidly approaching the point where we are endangering the entire social security system by piling one tax after another upon earnings and payrolls. The social security taxes of an employee and a self-employed person are only a part of the taxes which such persons pay upon their earnings. In addition to social security taxes, they pay income taxes which take 20 percent and upward of all their net earnings above exceedingly small exemptions. In addition to paying social security taxes upon the payrolls of their employees, employers pay unemployment compensation taxes upon such payrolls for the benefit of their employees, and income taxes which, in a great majority of cases, amount to 52 percent of all their profits.

All of these taxes are imposed essentially upon the same sources of taxation; namely, payrolls and earnings.

At the present time, American industry is finding it extremely hard both at home and abroad to compete with products manufactured in foreign countries where labor and other production costs are comparatively small. While the boast is often made that American exports of tangible goods exceed imports, this is in reality true only because the United States is exporting several billions of dollars' worth of American products as virtual gifts under its foreign aid program and under Public Law 480.

Increases in social security taxes inevitably increase the cost of production of American goods and further impair the capacity of American industries to compete with foreign manufacturers causing the loss of American jobs at home and the loss of American markets both at home and abroad.

The statement that financing a program of medical care for the aged by social security taxes threatens the social security system itself is borne out by the fact that former Secretary Ribicoff has admitted that he thinks the maximum social security tax which can be imposed upon payrolls is a 10-percent tax. If the Anderson-Javits amendment were enacted, we would be within only one-fourth of 1 percent of this maximum.

Competent students of the problem are convinced that the increase in social security taxes specified in the Anderson-Javits amendment are grossly inadequate even to finance the limited program which the amendment envisions, and that the enactment of such amendment by Congress would necessitate a vast increase in such taxes.

Sixth. The Anderson-Javits amendment proposes a drastic change in the concept which underlies the entire social security system.

The social security system was founded upon the concept that when they become eligible for social security benefits, the persons paying social security taxes should be permitted to receive the benefits of the system in cash, and use such cash for their own purposes uncontrolled in any way by any Federal bureaucracy. The Anderson-Javits amendment would change this concept so as to provide that the Department of Health, Education, and Welfare would manage and disburse a portion of social security taxes to defray the cost of a program in which those paying social security taxes would have no voice. It would thus set a precedent for further inroads upon social security taxes by those bent upon making the Federal Government the master of the American people.

COMMERCIAL COMMUNICATIONS SATELLITE SYSTEM

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1544, H.R. 11040.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 11040) to provide for the establishment, ownership, operation, and regulation of a commercial communications satellite system, and for other purposes.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. Is the motion debatable?

The PRESIDING OFFICER. The motion is debatable.

SENATE COMMITTEE FARM BILL POINTS WAY TO REASONABLE FARM SOLUTION

Mr. PROXMIRE. Mr. President, this morning the Senate Committee on Agriculture and Forestry acted on the farm bill which was referred to the Senate Committee on Agriculture and Forestry earlier this week. In doing so, I thought the committee acted very wisely.

First, the Senate Committee on Agriculture and Forestry did not substitute the bill that passed the Senate on May 25, before the House bill was acted upon. Instead, the committee approved the bill reported by the Senate Agriculture Committee, last April providing for a voluntary retirement program for feed grains. So the bill provides for voluntary feed grain retirements, but the Senate committee modified the bill to insert the permanent wheat program which the administration requested. This is the bill that will be before the Senate next week: voluntary feed grains program plus permanent wheat legislation.

KEY FACT IS LOW FARM INCOME

I fervently hope that Senators will give the measure as it was reported from the Senate Committee on Agriculture and Forestry very careful consideration. I make that statement because I feel very strongly that the No. 1 economic problem facing America today—certainly the No. 1 economic injustice in America today—is low farm income. Farm income is much too low, by any reckoning. All Senators should know and recognize that fact. It should be reflected in the farm legislation that we pass.

The fact is—and it cannot be emphasized too often—that farm income in America per capita is less than half of the income off the farm. Farmers work long hours, have a large investment in their farm, and take a very substantial risk. While farmers have greatly increased their efficiency—in fact, farmers have increased their efficiency three times as rapidly in the last 15 years as people off the farm have—nevertheless, their income is substantially less, as I have said, than those off the farm.

The most graphic statistic is the fact that in Wisconsin, where we are proud of the efficiency of our dairy industry, the average farmer—not on the marginal farm—has an investment of $40,000 in his farm. He has up-to-date equipment. This farmer has an income that averages approximately 60 cents an hour. That is a disgrace, but it is typical.

Earlier this year I had printed in the RECORD statistics on dairy farmers not only in Wisconsin, but in Vermont, New York, Pennsylvania, Michigan, Minnesota, Iowa, and Illinois, and I showed that that figure of income, which is far less than the minimum wage for our farmers, is standard throughout the north and northeastern part of our country.

SENATE COMMITTEE RIGHT TO REJECT MANDATORY FEED GRAINS PLAN

There are several reasons why it would be a tragic mistake for the Senate to reverse the action of the Senate Committee on Agriculture and Forestry by going back to the administration provision for feed grains. Last spring, when the bill came from the Committee on Agriculture and Forestry with a voluntary provision in it, the Senate reversed the committee at the urging of the administration and provided for a mandatory program.

The mandatory program would be a very serious mistake, for many reasons. I should like to state three very quicky.

The first reason why it would be a serious error is that the administration's program would require a referendum before it would go into effect. If the referendum should pass, the program would go into effect. If the referendum should fail, price supports would be extremely low or nonexistent and there would be no limitations whatsoever on production. There would be no voluntary retirement program, production would be very high, and the surplus appalling.

Under those circumstances every farm economist that I know and every farm organization, including the Farm Bureau, the Farmers Union, and the Grange, all agree that we would have a disastrous farm situation. We would have a situation in which we would have great overproduction of feed grains. We would have a situation in which there would be very low farm income. We would have 9-cent-a-pound hogs. We would have very low prices for beef, and a greater-than-ever dairy surplus. We would have excessively low prices for what the feed grain farmer himself sells. Farm income would drop far lower than it is today. Everyone recognizes that the situation would be bad.

NO EVIDENCE THAT REFERENDUM WOULD WIN

Although those of us who opposed the administration's feed grain program persistently asked the administration to indicate why they thought the referendum should pass, they have failed to come forth with the data or documentation to indicate that two-thirds of the Nation's feed grain producers would vote for such a program. All the evidence is to the contrary. Every pollster, every economist, every farm expert who has commented on the situation agreed that farmers would vote overwhelmingly against the referendum.

It has been said by some Senators and others that if farmers voted "no" in the referendum, they would deserve to have their income drop sharply, and that their income should drop sharply; that farmers who are unwilling to submit to controls should not get any price supports.

This is a very shortsighted and unfair view. The farmers who would be voting in the referendum would be in very large number farmers who have nothing to gain from the program. The majority of the farmers who grow feed grain do not sell a nickel's worth of the feed grain off the farm. They feed it on the farms to hogs, to cattle, and to cows. Under those circumstances many of those farmers would have no incentive whatever to vote for this kind of program. It would be exceedingly unfair to commercial feed grain farmers to say that if the referendum does not carry by a two-thirds vote they will not have a program, because the commercial feed grain farmers will be heavily outnumbered by farmers who are very likely to vote "no."

I said this last spring. On May 17 I made a long speech on this point in the Senate. Many Senators said it last spring. It was reiterated by responsible and competent professional pollsters, among them Sam Lubell, who conducted a very careful survey in many States in the farm areas, and he came to the conclusion that there was not a chance that the program would pass; and the great likelihood is that it would not even receive a majority vote, let alone a two-thirds vote.

POSSIBLE FARM-LED DEPRESSION

Therefore, the first great difficulty in the administration's feed grain program is that there is a very strong likelihood that the referendum will not pass; that not even a majority of farmers—let alone two-thirds of them—would vote "aye" in the referendum. The result would be that there would be no program, and with the further result that there would be huge over-production; in short, we would have a situation which would be chaotic for farmers and exceedingly costly over the long run for the Government, and which would be most unfortunate for people off the farm, because of the fact that our depressions in the past have often been farm led and farm fed.

If we have this kind of disastrous situation it will mean that those who work in factories—whether steel factories or farm implement factories, automobile factories or any other kind of plants—will find their jobs dwindle and disappear, and they will be adversely affected.

Therefore, the referendum provision in the administration feed grain bill is the No. 1 barrier to the achievement of higher farm income. I hope that when the vote comes on this issue in the Senate a week from today, or shortly after that, Senators who voted in favor of the administration's feed-grain program last time will satisfy themselves on this particular issue. I am sure that no Senator will want to risk the chance of having no program, and having chaos on the farms, and, in addition, a mess that will take years to clear up, not to mention the torpedoing of our whole economic outlook.

Whatever benefits we might achieve from a tax cut, assuming there is a tax cut, would be more than wiped out if this kind of proposal should pass the Senate; and if one-third plus one of the farmers should vote against the referendum, we would have no feed grain program at all.

POSSIBILITY OF NO CONFERENCE

In the second place, I hope Senators will reconsider the action they took last spring in voting for the administration's feed grain proposal, because the agricultural leaders in the House who approved the House bill have stated that they will not go to conference if the Senate bill is attached to the House bill and sent over to them. They have indicated that in that case there will be no bill.

I am not one who thinks we should bow to the House. Nevertheless, we must recognize that under these circumstances the real sufferers would not be the House or the Senate, but the American farmers. Under these circumstances, we would not have a farm program, and we would go back to the 1958 program, which, virtually everyone agrees, was disastrous. Under those circumstances the effect on the farmer would be adverse, it would cause his income to drop, and the effect on the taxpayers would be extremely bad. Everyone agrees that this would be worse than the administration program of last year, that it would cost from a half billion dollars to a billion dollars more than the program of last year, and that it would be most unfair.

This is a new situation that we did not have last spring when we voted on the administration's bill. We now have a situation in which we will be called upon to decide in this vote whether we will have any kind of farm program or whether we will have nothing.

COULD MEAN NO FARM BILL

If the Senate approves an amendment to the committee bill to insert a mandatory feed grains program there is a strong possibility that we will not have a farm program. To prevent this, the Senate should approve the voluntary feed grains program, which Secretary Freeman recommended last year and which the Senate passed last year. It is a program which, I will point out, has many advantages.

The third reason why we should sustain the Senate committee is that the voluntary retirement program which is in the Senate bill does work. First, it has cut Government costs. It has cut them substantially. The fact is that payments are in kind out of the surplus. It has been said that the program has cost a substantial amount of money. However, it must be remembered that those are not the real costs, but merely bookkeeping costs. The real costs are far less, as we pay farmers not in cash but in kind out of surpluses for reducing their acreage.

DOES REDUCE COSTS

Of course, in doing this we reduce the size of the surplus and we reduce the interest costs and we reduce the storage costs of the surplus, and we also reduce the burden on the American taxpayers. This makes sense.

Furthermore, the argument is going to be made that we cannot continue to permit corn to remain alone, among the basic commodities, as a commodity, which has no controls but does have price supports. The answer is, of course, that corn has been in this situation traditionally, and for a good reason. The reason is that the farmers who produce feed grain do not sell their feed grain, but feed it on the farm. Only 40 percent of our feed grains crop is sold in a marketplace.

Furthermore, the facts show, and show very clearly, that the cost of the feed grains program in terms of the value of

marketings has been far less than the cotton program and has been substantially less than the wheat program, and has been an economical program as compared with the rest of the farm programs as a whole. As a matter of fact, the cost of the feed grains program has been 5 percent of the value of the marketings in the past 8 years; whereas the cost of the wheat program has been 12 percent, and the cost of the cotton program 8 percent.

This is an economical program. It is working. I can see no reason, under these circumstances, for our eliminating the program and walking away from it.

In the second place, the program has not only reduced the costs, but it has also increased farm income. This must be the essence of any farm program, and it must be the No. 1 test. This must be 95 percent of the criterion of any farm program which is passed, namely, that it increases farm income. That is the question, Mr. President: Does it increase farm income? That is the criterion.

There are those who say that the cost of the farm program has become too excessive. Let us relate that argument to the real cost to the American taxpayer-consumer. If we do that, I believe we can show that the cost of the farm program has not been excessive at all. It has not been excessive by any measurement. As I have said, the cost of the feed grain program is 5 percent of the value of the marketings. Therefore, if we add 5 percent to the price that people pay for the products of feed grain, we can get some conception of what the cost of this program has really been to the taxpayer-consumer of America.

FEED GRAIN SUPPORTS COST 2 PERCENT OF PRODUCTS VALUE

Experts say that if we relate the cost of the feed grain program, not simply to the value of the marketings, but to the value of the marketings of the final feed grain product—that is, the hogs, or the pork, and the beef or the milk—we can see that the cost of this program has been only about 2 percent.

Mr. President, the No. 1 bargain in America is food. Every other element in the cost of living went up last year, except food. Food went down. It is true that over the past 20 or 25 years the cost of food, like the cost of everything else, has gone up, but food has gone up far less than other elements in the cost of living. The farmer is, in fact, subsidizing the consumer in America. He is getting far less in return for his work than do people off the farm. He has increased his efficiency. On the basis of any kind of economic analysis, it seems to me to be clear that the farmer is producing more than he is receiving.

Under those circumstances, to argue that the farmer is a burden on the taxpayer, or that the whole farm program, when it is related to the tremendous advantages which American consumers get from low-cost food, is a burden on the taxpayer, does not make sense and does not add up.

In this connection, I should like to add one more element. The best way to assess the value of food is to relate it to real costs, because the dollar is diminishing in value. Wages are rising rapidly, and it is hard to get a proper evaluation of the cost of food simply by using the dollar cost. I think it is much better to relate it to the hours of work that it takes to buy a particular farm commodity—to buy a quart of milk, to buy a loaf of bread, to buy vegetables, or to buy meat. If we do that, we will find that in the past 30 years the real cost of food has dropped to less than half of what it was 30 years ago in this country. That is another way in which the farmer is providing a subsidy to people off the farm.

FOOD IS A BARGAIN

Furthermore, if we realize that America offers the best bargain for the consumer of any country in the world, I think we can see another way in which farm production and farm efficiency are benefiting the consumer.

The fact is that in terms of the hours of work required to buy a loaf of bread, a glass of milk, or a pound of beefsteak, the American consumer is far ahead of the consumers in England, France, or West Germany, and four times as far ahead as the consumers in Russia.

There is no question that the cost of the farm program, if we include both the cost of food and the cost to the taxpayer for providing tax supports, is very moderate and is distinctly limited; and in view of the great value which consumers are receiving, it is a real bargain.

VOLUNTARY PROGRAM GREATLY REDUCED SURPLUS DESPITE EXCELLENT WEATHER

As I say, the voluntary program, which will be an option available to Senators when they vote next week on the farm bill, has increased farm income. It has also resulted in a sharp reduction in the feed grain carryover stocks. Actually, the statistics show that the carryover of surpluses was reduced 13 percent. That is a very sharp reduction. It was the first time in many years that there was a reduction in the surplus.

The miracle is that that reduction took place in an excellent year, one of the best growing years the country has ever had. If it had not been for the voluntary retirement program, there would have been a perfectly enormous increase in the feed grain surplus. But in spite of the fine growing weather, in spite of the large increase in productivity per acre—in spite of all that—the surplus was reduced sharply. The statistics show it was reduced by 13 percent.

Furthermore, the record shows that nonparticipators, those who did not take part in the program, did not, as it was predicted by those who opposed the program, increase their production. What is even more significant, there is more compliance in 1962 than there was in 1961. Those who oppose the program say it might be all right as a one-shot program; that it might work for a year or two; but that then we would find compliance drifting off and diminishing; and that in a year or two the program would not work so well. The statistics show the opposite. They show that far from less compliance, there has been more compliance in 1962 than there was in 1961. On the basis of experience, I think we may look forward to more compliance in 1963 than in 1962.

This is a program that is working. It is a program which has the support of farmers. It is a voluntary program, not a mandatory one. It is increasing farm income while reducing costs. It is an administration program, a Kennedy program. It is not a Benson program. It is a Kennedy program. It is a Freeman program. I cannot understand why the administration wants to walk away from it, wants to reject it, and advocate a program which is almost certain to be an exceedingly unpopular program with farmers because it would be mandatory and would require controls. It would limit every one of the 2.6 million farmers who grow feed grains. I cannot understand why the administration wants to have such a program. It would be a terrible risk, and would very likely be rejected. I should think the administration would want to continue a program which is working.

LESSON OF DEFEATED TURKEY REFERENDUM

A couple of weeks ago, the distinguished senior Senator from Vermont [Mr. AIKEN], the ranking Republican member of the Committee on Agriculture and Forestry, reported to the Senate the result of the turkey referendum. This was a referendum which the administration expected to win. I am sure it would not have been called if it was not expected to be approved. The referendum asked turkey growers whether they would agree to mandatory controls and higher price supports. The vote in that referendum was extremely revealing. Out of all the States, in only one State in the entire Union did two thirds of the farmers vote for controls. That State was Wisconsin. In every one of the other States, the farmers voted "No." The administration had expected two-thirds of the farmers in all the States to vote for this program. They did not do so. They voted against the program. The fact is that the administration underestimated—seriously underestimated—the opposition by farmers to a mandatory control program. The strong preference by farmers is a voluntary program, if they can possibly get one.

SMALL FARMS ARE NOT EXEMPT

There is one additional point I should like to make in connection with this program, because it is vitally important. It has been overlooked. It has not been adequately reported in the newspapers. I honestly do not believe that the way the program has worked with respect to small farmers is fully understood by all Senators. I have before me a table which shows for each State, the number of farms which have a base of 25 acres or less for feed grains. These are the small farms. These are the dairy farms, the hog farms, and the other farms throughout the country which would be affected by this program, but which some newspapers, unfortunately, have given the impression would be exempted from the administration's mandatory program. What the administration bill provides is that every feed grain farmer, without exception, would have a base.

That base would be the amount of acreage planted in 1959–60. He would be limited to that base.

Since 1959–60, in Wisconsin and other States, the farms have grown bigger. There are fewer farms, but bigger farms. This means that farmers, even though they produce on less than 25 acres, will have to cut back production to the 1959–60 base. Every farmer would be affected. There would be no exceptions and no exemptions.

It is true that farmers who produce on less than 25 acres would not suffer a cutback in their production below their 1959–60 base, unless they choose to take part in the referendum.

If they chose to take part in the referendum, however, they would have to suffer a 10-, 20-, or 30-percent further cutback. Probably there would be a 20-percent cutback.

INJUSTICE FOR SMALL FARMS

The great inequity of this arrangement is that there would be a disfranchisement of more than half the farmers affected by the bill, because there would be an economic penalty if they took part in the referendum. For example, Joe Smith, a typical dairy farmer or hog farmer, would be told, "You have a base of 20 acres, because that is the number of acres you had planted in feed grain in 1959–60. If you take part in this program, to the extent of voting for the referendum, you will have to take a 20-percent cutback—a cutback to 16 acres. If you do not vote in the referendum, you can plant 20 acres."

However, 20 acres was the acreage he planted to feed grain in 1959–60; and if he is a typical farmer, his acreage in 1962 is probably 23 or 24 acres. Therefore, his alternative is as follows: If he votes in the referendum, he will have to accept a cutback all the way to 16 acres, under these circumstances. If he does not vote in the referendum, he will also have to take a cutback—but in that case, to 20 acres. However, not only will he be limited in that way, but in that case he will lose his franchise—he will not be able to vote in the referendum.

Farmers have a great deal of difficulty in attempting to understand this matter. This may not amount to taxation without representation, but certainly it is suppression and limitation without representation.

The chart to which I have referred shows that in the United States there are—according to estimates by the Department of Agriculture—approximately 1,204,000 farms which have bases of 25 acres or less. Those are 54 percent of all the farms. Under this bill, every one of these more than 1,200,000 of them—would be limited in production, would be subject to an economic penalty if the farmers voted in the referendum, and, in the overwhelming majority of cases, these farmers would not get 1 nickel more, if this program went through, than they would if it failed to go through, because the overwhelming majority of these farmers do not sell a bushel of grain off the farm.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the table entitled "Feed Grains: Estimated Applicability of 25-Acre Exemption Under the Provisions of Administration Feed Grain Program."

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

TABLE 7.—*Feed grains: Estimated applicability of 25-acre exemption under the provisions of administration feed grain program* [1]

State	Estimated number of farms with bases of 25 acres or less [2]	Percentage of farms with 25-acre base or less	Feed grain acreage represented by farms with 25 acres or less (thousand acres)
Maine	1,079	96	8.5
New Hampshire	906	93	8.1
Vermont	3,482	90	37.1
Massachusetts	1,684	88	17.4
Rhode Island	240	83	3.0
Connecticut	1,802	85	21.9
New York	31,045	81	319.8
New Jersey	3,608	64	44.9
Pennsylvania	56,586	81	857.2
Ohio	57,907	55	649.2
Indiana	39,056	39	476.1
Illinois	25,749	20	296.4
Michigan	45,283	63	545.0
Wisconsin	64,528	61	796.0
Minnesota	28,001	25	357.6
Iowa	18,164	12	236.8
Missouri	46,584	48	512.5
North Dakota	2,375	6	31.7
South Dakota	2,872	7	22.4
Nebraska	4,231	6	52.4
Kansas	16,690	24	173.5
Delaware	1,840	50	22.3
Maryland	11,099	66	113.9
Virginia	56,386	89	463.4
West Virginia	20,063	96	101.3
North Carolina	128,926	88	1,059.6
South Carolina	50,241	87	426.4
Georgia	45,508	60	453.4
Florida	6,079	51	69.0
Kentucky	82,526	82	686.4
Tennessee	79,944	82	661.9
Alabama	62,844	73	642.9
Mississippi	82,176	89	722.1
Arkansas	31,121	91	210.7
Louisiana	31,061	91	259.2
Oklahoma	9,131	34	61.1
Texas	28,442	36	264.1
Montana	3,899	25	59.3
Idaho	4,937	54	58.7
Wyoming	1,098	39	13.2
Colorado	390	10	3.0
New Mexico	474	26	5.8
Arizona	301	23	2.3
Utah	5,538	70	53.6
Nevada	216	54	2.3
Washington	2,334	35	21.9
Oregon	4,734	53	48.7
California	1,352	18	22.6
United States	1,204,532	54	11,976.5

[1] The exemption applies to base acreage in H.R. 11222 and to acreage allotments, and was deleted from the Senate bill (S. 2786) before it was reported as S. 3225.

[2] Includes corn, grain sorghums, and barley. If oats are included, as in H.R. 11222, percentage of farms would be smaller in most States.

Mr. PROXMIRE. In conclusion, let me say that I hope all Senators will carefully and thoughtfully reconsider their positions on the farm bill before they vote, next week, to determine whether we are to have mandatory controls.

To sum up, I reiterate that there is every possibility that if Senators were to vote in favor of the administration's program, we would not have a farm program at all—if the House were to agree to such a Senate amendment, and if the President were to sign the bill, as thus amended, but if two-thirds of the farmers did not vote in favor of the program—and I think there is every possibility that that might happen.

However, if the House adheres to its position, and refuses to hold a conference on that measure, if the Senate were simply to amend the bill as passed by the House by adding the text of the amendment previously adopted by the Senate—which is what we would be doing—we would not have any farm program.

Finally, the alternative offered by the Senate Agriculture Committee—a voluntary retirement program—is working, is raising farm income, and is reducing cost.

So I hope all Senators will very thoughtfully consider the situation; and I also hope—for whatever it is worth—that the administration will consider what it is asking Senators to do and what it is risking for the American farmers.

PRESIDENT DESERVES CREDIT FOR RESISTING TAX CUT

Mr. PROXMIRE. Mr. President, on Monday at his press conference, President Kennedy discussed the possibility of a tax cut. I think he showed great fortitude and wisdom when he said he would postpone his decision in regard to recommending the making of a tax cut until the July statistics are available, so that he can arrive at as thoughtful a decision as possible.

I believe it would be a very serious mistake to have a tax cut under these circumstances; and I think the President, in standing up to the immense amount of pressure placed upon him, deserves a great deal of credit. It is a fact that the great labor organizations, the great business organizations, and outstanding economists have all been working hard on the administration, in an attempt to persuade the President to request Congress to pass a tax cut. But the President has been standing firm in resisting such requests.

Certainly it is the better part of wisdom, before so serious a decision is made, for the President thoughtfully to consider all the available elements, and to postpone his decision as long as he possibly can and still get such action from Congress, if the President decides that he should request a tax cut.

It is interesting to note that in discussing this situation, the President indicated that not only are there some strong differences of opinion among the experts about where the economy is going, but there are also in the economy some very good signs that we do not need a tax cut and that the economy may be expanding. He pointed out that some corporations—and he mentioned General Motors and the Radio Corporation of America—are making some of the largest profits they have ever enjoyed in all their history, and he also indicated that automobile buying and consumer purchases generally have increased. Of course, he acknowledged that investments in housing have declined.

HIGH INTEREST RATES SLOW DOWN HOME-BUILDING

In this connection, it is interesting to observe that one of the reasons why home building has declined is that interest rates are high and rising. I have been pounding at this retarding drag on our economy day after day in the Senate—and I shall continue to pound at it.

A recent article in the New York Times reports that:

Foreign governments have been pressing the United States to approve higher interest rates as one means of discouraging the outflow of gold and the inflow of foreign investment money here. There are indications that the rise in rates will not be limited to the short term, but will spread to long-term investments too.

There is no question that if we have a tax cut and have higher interest rates, the tendency of the higher interest rates in braking the economy is going to be to cancel out the effects of the tax cut in expanding the economy. The whole history of economic policy in this country has been to employ fiscal and monetary policies together not in antagonism. This would be the first time, to my knowledge, that we followed a policy of having a contracting monetary policy, a contracting interest rate policy, by raising interest rates, so it would be difficult to obtain credit and expand business, and at the same time have a tax cut so people would spend more money.

There is no question that pressures are being put on our monetary authorities by the bankers to shove up interest rates. There is no question that some of our monetary authorities welcome that pressure of following a policy of increasing interest rates.

I am not going to go into the history of what Chairman Martin of the Federal Reserve Board testified recently, in saying that if there is a tax cut at all, he would follow a policy of selling Government bonds to absorb the additional money in the economy and counteract the tax reduction. The effect would be to cancel out much of the effect of a tax cut.

INTERNATIONAL PAYMENTS BALANCE NO ALIBI

I want to call the Senate's attention to a remarkable analysis which appeared in U.S. News & World Report recently, which goes to the heart of the alibi for higher interest rates. The argument has been running that we must have higher interest rates because of our Nation's adverse international balance of payments. The argument is that we are losing our gold and we are getting into a difficult financial position throughout the world, so that, unless we raise interest rates so we can attract capital to be spent in this country and discourage it from going abroad, we are going to be in a very adverse economic and financial position.

The article in U.S. News & World Report is a superb answer to this contention. In the first place, the argument has been made that we are in dire straits because of our loss of gold. How much gold do we have? We have $16.3 billion worth of gold. What other countries have as much gold as we have? The answer is "None." What other countries have half as much gold as we have? The answer is "No country." The Soviet Union has about 40 percent as much gold as we have. West Germany has about 20 percent as much gold as we have. Great Britain also has about 20 percent as much gold as we have. We still have 34 percent of all the gold in the world.

Then the article in U.S. News & World Report states:

The dollar basically is strong, not weak. The United States is selling abroad, in the form of goods and services, far more than it is buying from abroad. So long as American industry is able successfully to compete in foreign markets, as it is doing now, there is no reasonable basis for devaluing the dollar—

Or for questioning the dollar or being concerned about the weakness of the dollar.

The last part of that statement is my own.

Furthermore, the article, as reported from Washington, London, Paris, Bonn, and Zurich, states:

Dollar troubles, so far as they exist, are the result of spending abroad by U.S. Armed Forces for the defense of other countries, and of spending on foreign aid.

The fact is that any time we are really concerned about this situation, it is within the control of the Congress and of the President to immediately stop it. If we wish to do so, we can reduce our foreign-aid program and cut back our commitment of troops abroad, or persuade our allies to get into the act more than they have been. This is an extreme way to do it. It is a way I hope we can avoid. But the important point to stress is that this situation is within our control.

The article goes on to point out that:

Although more than $6 billion in gold has flowed out of the United States in recent years, gold held by the United States is many times the total held by any other Western country.

SWISS AUTHORITY CALLS UNITED STATES WORLD'S GREATEST FINANCIAL POWER

International authorities, and particularly the Swiss authorities, have been quoted and used as support for the criticism of our economic position, the argument that we have to follow a policy of tight money, high interest rates, in order to protect our dollar and international balance-of-payments position.

What do the authorities really say? Let us take the position of the outstanding Max Iklé, who is head of the banking and currency division of the Swiss National Bank. Dr. Iklé was asked the question, "Do the Swiss authorities consider the dollar overvalued?" He said:

In only 1 year—1959—has there been a deficit in the U.S. balance of trade. Using Swiss accounting methods, the U.S. surplus—taking into account trade and invisibles alone—amounted to about $5 billion in 1961. That did not suggest any overvaluation of the U.S. dollar.

He was asked if the United States is a bad risk. He said:

The U.S. problem rose not from trade, but from heavy investment of capital abroad by American firms. This actually represented an increase in assets, not any loss in real wealth.

How do our balances really compare abroad? Let us take a look at the total picture. Is it true that we are working ourselves into a position where we are becoming a debtor nation? Is it true that we are weak financially? Is it true that we do not have a substantial net worth? Let us see what the statistics show. Let us take a look at the balance sheet. It shows U.S. assets and investments abroad are $77.7 billion.

Private investments: long term, $49.3 billion; short term, $6.4 billion.

Government credits and claims: $22.0 billion.

On the other hand, U.S. liabilities, foreign investments in the United States, are $46.7 billion. Long-term investments are $18.8 billion, and short-term investments and assets are $27.9 billion.

This means that we have a net balance—a net worth, if one wishes to put it that way—of U.S. assets over liabilities abroad of $31 billion.

On the contrary, this also shows that other countries have a net deficit of $31 billion, or are in the red by $31 billion to us.

These arguments which contend that we are in a weak balance-of-payments position and that our only recourse is to increase interest rates to bail us out and to stop the gold outflow are nonsense. The facts show overwhelmingly that the United States is the strongest financial and economic power in the world.

NO CHANCE FRIENDLY COUNTRIES WILL "RUN" OUR GOLD

Mr. President, those who say that our gold is in a serious position like to argue that we have $16 billion worth of gold and that there are something like $20 billion worth of claims against that gold.

Mr. President, who holds those claims? Those claims are held overwhelmingly by friendly countries—by countries which, by and large, either are getting the benefits of the foreign aid program or are getting the benefits of having American troops stationed in those countries or near those countries protecting them against a Communist invasion. Would there be any incentive for any of those countries to present claims, to try to create a run on the dollar, to try to weaken our economy?

Would anything be more insane than for the nations we support to try to destroy the economy of the United States of America? The governments of those countries know what would happen if they tried. The first thing we would have to do would be to cut back the aid to those countries, to cut back our military commitments to those countries.

It is perfectly obvious that we are not in any danger. This problem is within our control. It is very easy for us to protect our international position.

Therefore, the argument which is made that it is necessary to have higher interest rates, not only short-term interest rates but also long-term interest rates, does not add up.

CHALLENGE ANY SENATOR TO DEFEND HIGH INTEREST RATES

Mr. President, I have been speaking in this manner on the floor of the Senate for weeks, in the hope that I could get an argument from somebody. I read in the newspapers that the bankers disagree with this position. In the newspapers I read that interest rates are rising. Yesterday that was reported. Last week the same was reported. Interest rates are going up all the time. The long-term interest rates are going up, as are the short-term interest rates.

I cannot get any argument, yet the policy of this country seems to be to put on the credit screws, to increase interest rates, to slow down the economy in this particular way.

I earnestly entreat—I challenge—any Senator who feels that the solution to this problem to any extent, or the solution to any of our present problems, is to be found in higher interest rates, to come on the floor and to defend that position.

The President of the United States, speaking at Yale earlier this year, pleaded for an economic dialog, for a discussion of economic problems. He pointed out, and quite rightly, that the only way we can get economic understanding or education, which all of us need, is to have a discussion. I know of no better place than the floor of the U.S. Senate. This is known to be one of the great forums for discussion in the world. Probably it is the only forum in this country which can command national attention.

Those who support the position which we read about over and over again in the great publications—the position taken by the great monetary authorities; the position taken by the international bankers—should come onto the floor of the Senate and defend that position. In so doing, they can enlighten us by pointing out where we are wrong and where the policy we propose is mistaken.

Mr. President, I ask unanimous consent that the article from the U.S. News & World Report to which I have referred, entitled "Is the Dollar Really Weak?" may be printed in the RECORD.

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

IS THE DOLLAR REALLY WEAK?

In financial capitals of Western Europe, attacks on the U.S. dollar appear to be reaching the proportions of a campaign.

The dollar is pictured as "weak." Writers, speakers, "experts" of one kind or another seem to take it for granted that before long the dollar will be devalued. The price of gold, now $35 an ounce, is supposed to be raised to a level anywhere from $50 to $70.

Speculators recently have bid up the price of gold-mining stocks. Demand for gold itself on the London market has pushed the price to $35.12 an ounce, despite efforts of monetary authorities to hold the price below $35.08.

A false scare. What are the facts? Is the dollar really weak? What about all the talk of devaluing the dollar in terms of gold?

Answers from the best possible sources, based on facts, are the ones that follow:

1. The dollar basically is strong, not weak. The United States is selling abroad, in the form of goods and services, far more than it is buying from abroad. So long as American industry is able successfully to compete in foreign markets, as it is doing now, there is no reasonable basis for devaluing the dollar.

2. Dollar troubles, so far as they exist, are the result of spending abroad by U.S. Armed Forces for the defense of other countries, and of spending on foreign aid. Much of the attack on the dollar is being made by interests in countries that are benefiting from U.S. defense spending. In Washington, moves now are being made to cut dollar spending by American Armed Forces abroad. Pressure also is being brought on other nations to provide more help with the burden of foreign aid.

3. Although more than $6 billion in gold has flowed out of the United States in recent years, gold held by the United States is many times the total held by any other Western country. At the same time, assets owned abroad by Americans far exceed liabilities owed to foreigners. The financial strength of the United States, in other words, is very great.

Who owns the world's gold?—Reserves held by governments and central banks

	Billions
United States	$16.3
Soviet Union	6.5
West Germany	3.7
Britain	3.5
Switzerland	2.4
Italy	2.2
France	2.2
Netherlands	1.6
Belgium	1.3
Canada	1.0
Portugal	.4

Source: For free world, Federal Reserve Board; Soviet gold is estimated on the basis of latest available data.

Moves are being made, even so, to reduce somewhat the burden the dollar is asked to carry in the world.

BUY AMERICAN

On July 16, Defense Secretary Robert S. McNamara announced a program designed to cut to half dollar spending abroad by U.S. Armed Forces. That spending has totaled about $3 billion a year. On July 17, it was announced that part of this plan would call for a buy American program on the part of the Armed Forces. Military officials were told, in effect, to buy U.S. goods even if they cost 50 percent more than foreign goods.

More effort is to be made to float bond issues of world organizations in financial markets of Europe rather than in the United States. European business firms also have been advised to tap their own markets for capital instead of coming to New York. Foreign industries are being encouraged to invest in the United States to offset in part the heavy investment abroad by American companies. And other nations that owe debts to the United States are being encouraged to pay off those debts in advance of the due dates.

A SWISS BANKER'S VIEW

Even before the United States made these and other moves to strengthen the position of the dollar, Dr. Max Iklé, a world authority on money and head of the banking and currency division of the Swiss National Bank, gave a lecture in which he outlined his views on American currency.

The following points were treated by this Swiss authority:

Do the Swiss authorities consider the dollar overvalued?

Dr. Iklé pointed out that in only 1 year—1959—has there been a deficit in the U.S. balance of trade. He said that, using Swiss accounting methods, the U.S. surplus—taking into account trade and "invisibles" alone— amounted to about $5 billion in 1961. That did not suggest any overvaluation of the U.S. dollar.

Then is the United States a bad risk?

Here the Swiss authority pointed out that the U.S. problem rose not from trade but from heavy investment of capital abroad by American firms. This actually represented an increase in assets, not any loss in real wealth.

He added that a balance sheet for 1959 showed the United States with assets of $65 billion against liabilities of only $41 billion. Dr. Iklé described the United States as the strongest financial power in the world.

But what about the price of gold? Must the gold price be raised?

Dr. Iklé replied that at no time in recent years has there been a lack of liquidity in the Western World, regardless of what economists might say. In other words, he finds that there is plenty of money in the world to provide for international trade.

How about realining the gold value of various currencies?

Revaluations were described as justified only when there are major differences in costs between countries. The Swiss expert felt that recent revaluations did more harm than good.

What is needed to repair the present monetary system?

Dr. Iklé said that nothing need be done except to establish a period of calm and stability. He added that other countries besides the United States and Switzerland also might allow their currencies to be converted into gold at the request of other central banks. That would allow other currencies besides the U.S. dollar and the Swiss franc to become reserve currencies.

It often has been said that Swiss bankers have felt that devaluation of the American dollar was going to be necessary. This viewpoint definitely was rejected by the currency authority of the Swiss National Bank, backed up by Dr. Walter Schwegler, chairman of the national bank.

Devaluation also was rejected firmly by Robert V. Roosa, Under Secretary for Monetary Affairs of the U.S. Treasury. He told the House Banking and Currency Committee on July 10 that the U.S. balance of payments had shown decided improvement. New estimates put the overall deficit at between $1 and $1.5 billion for 1962.

Chief reason for this deficit is the outflow of short-term money, seeking higher interest rates abroad. So far as the so-called "basic payments" are concerned—trade and long-term investments—Mr. Roosa said a balance will be reached at the end of 1963.

Noting that rumors abroad of possible dollar devaluation had become "almost strident," Mr. Roosa explained: "I think it is because they see there is not a chance that we will do it." Mr. Roosa added that Soviet Russia and South Africa, as major gold producers, stood to profit most from any rise in the dollar price of gold. He said further that stockholders in South African gold mines had a keen interest in dollar devaluation, and observed:

"In the past it has been said there was a connection between such interests and the people making the most fuss over devaluation."

Reports from Switzerland indicate that Britain might be leaning toward sterling devaluation or a change in the gold price as a way of gaining an advantage when joining Europe's Common Market. Some Swiss observers suspect that rumors about the dollar may be inspired in part by British discussions about the dollar's weakness.

Five years ago, the United States had 52 percent of the world's gold. Since then, the U.S. reserve has shrunk by $6.6 billion. Today, this country holds 34 percent of world gold reserves.

	Billions
Venezuela	$0.4
South Africa	.4
Spain	.4
Austria	.4
India	.2
International Monetary Fund, Bank for International Settlements	2.3
Rest of the world	2.2

IN BRITAIN: PESSIMISM

A dispatch to U.S. News & World Report from London makes these points:

Heart of the U.S. problem, as seen by the "Financial Times," is: "how to combine expansion with a sound currency."

British economists say that the U.S. economy is stagnant. They say the way to deal with this problem is to use tax relief, deficit spending, low interest rates.

But these same economists add that the United States has a persistent deficit in the

balance of payments. The way to deal with this, they say, is to raise interest rates, balance the budget, take other anti-inflation steps.

As a result, these British analysts fear that the remedies for the two problems—expansion and currency—are contradictory.

The latest rash of speculation in London about dollar devaluation stems from a belief that the Kennedy administration will endorse expansion, thus adding to world pressures on the dollar.

Another question being raised in London is: How long will European central banks cooperate in supporting the American dollar?

At present, through a series of informal arrangements, central banks in Western Europe and London are holding dollars instead of turning them into gold. They have established a "gold pool" of several hundred million dollars for use to discourage private speculation in gold on the London market. The U.S. Federal Reserve Board also is supporting the dollar through dealings in foreign currencies.

British observers say further that, if Mr. Rossa's analysis of the U.S. payments balance is correct, the threat to the dollar may soon pass. If the payments deficit becomes manageable, the administration can try to expand the economy without undermining confidence abroad in the dollar.

The London Times analyzes the situation as follows:

"These operations (by central banks) simply buy time. Unless governments pursue individual policies that fit into a general pattern, unless the United States faces its short-term currency crisis decisively, and unless Europe faces up to the problem of sharing some of the burdens of the United States, currency confidence will continue to be undermined."

ALL IN IT TOGETHER

Economists in the United States point out that other countries actually have a selfish interest in supporting the U.S. dollar. The dollar is used along with gold as a reserve by most countries. Devaluation thus would cause other countries' reserves to shrink. So the conclusion is that the U.S. Treasury and the Federal Reserve Board, cooperating with central banks abroad, will be able to keep the dollar strong.

It also is pointed out that formal devaluation of the dollar requires an act of Congress.

The dollar's strength in today's world

	Billions
U.S. assets—investments abroad	$77.7
Private investments:	
Long-term	49.3
Short-term	6.4
Government credits and claims	22.0
U.S. liabilities—foreign investments in United States	46.7
Long-term investments	18.8
Short-term investments and assets	27.9
Net balance: U.S. assets over liabilities	31.0

Thus: For every $1 of international liabilities, the United States and its citizens hold $1.66 in assets. It is only in short-term holdings, or claims, that U.S. assets are exceeded by liabilities. Central bankers in Europe call United States the world's strongest financial power.

NOTE.—Figures are estimated by USN & WR economic unit for the end of 1961 on the basis of official data.

SOME FACTS ABOUT GOLD

World gold reserves: $47.9 billion.

U.S. reserve: $16.3 billion, or 34 percent of world total.

U.S. loss of gold: $6.6 billion in 5 years.

Foreign claims against U.S. gold: Potentially $20.3 billion, up $5.4 billion in 5 years.

Gold reserve required as backing for U.S. dollar: $11.9 billion.

Potential shortage of U.S. gold: $15.9 billion—but only in the unlikely event that all foreign claims were presented for payment in gold.

Who can get U.S. gold: Foreign governments and central banks.

Biggest net claims held abroad—by governments, central banks and citizens: Britain, $2.7 billion; Canada, $2.4 billion; West Germany, $2.4 billion; other European countries, $4.2 billion.

Price of gold: $35 an ounce in United States, unchanged since 1934.

Prices of other commodities: Up 149 percent, on the average, in the same period.

World production of gold: Estimated at $1.7 billion in 1961. Largest producer: South Africa, $803 million. Second largest: Soviet Union, estimated at $475 million. U.S. output: $53 million.

LAST JOINT ECONOMIC REPORT FAVORED BUDGET SURPLUSES, LOW INTEREST RATES

Mr. PROXMIRE. Mr. President, before I conclude, I wish to go back to my principal point in discussing the wisdom of a tax cut and why I think that would be a mistaken approach to our problem. I think it would fly in the face of other recent conclusions of economists concerning proper fiscal and monetary policy for growth, full employment, and stable prices.

The last comprehensive study of the economy was made by the committee created by the Congress to advise the Congress on economic policy, which committee is dominated by a liberal Democratic majority—a majority, incidentally, with which I dissented in the last report which gave advice to the Congress. What advice did the committee give? It gave advice on the subject of a tax cut, by inference. The report said, in part:

> Greater reliance on fiscal policy calls for two things. First, there should be larger budget surpluses than have been realized in recovery and prosperity.

I submit that although we are not satisfied with all the indexes, not by a great deal, this is generally a period of recovery and prosperity. All the Senators whom I have heard speak on radio or television have talked about how the economy has expanded, how the gross national product has increased, how retail sales have increased, how auto sales have increased.

The Joint Economic Committee says that under these circumstances we ought to have a bigger surplus. The committee report also says:

> Second, there should be more prompt budget deficits when recession conditions are developing. If this course is followed, less reliance will have to be placed on monetary restraints against inflation and on monetary expansion to head off or moderate a recession. Interest rates in general will be lower than they would otherwise be. Moreover, while interest rates would still be flexible, they would fluctuate within a much more limited range. Greater reliance on fiscal policy, therefore, will not only be more effective in promoting stability in the rate of employment and output and in the price level, but will also contribute to greater stability in the Nation's financial markets.

Mr. President, in his testimony before the Joint Economic Committee the top economic adviser to the President of the United States, Mr. Walter Heller, suggested what would be the ingredients of a fiscal policy which would provide for the multiple objectives of full employment, growth, and stability. Among other things, he suggested:

> Strengthening the income tax as a source of revenue, in combination with other taxes, in order to make more funds available for capital formation either in the form of additional government programs (especially for the formation of human capital) or as called for by stabilization policy, through the retirement of debt and consequent channeling of funds into the hands of private investors.

Furthermore, he said that this would "make possible a reduction of interest rates and monetary tightness."

The theme has run consistently through the advice which the Senate Joint Economic Committee has received from top economists and Government policymakers that we should work toward a position of monetary ease; not higher interest rates but easier interest rates. In a period of prosperity or relative prosperity we should be going exactly in the opposite direction from that in which we have been going. We should be working not toward deficits but toward surpluses.

The current issue of the U.S. News & World Report has a very fascinating table in regard to something which has not been brought to my attention before, in which I am sure Senators will be interested.

PREVIOUS TAX CUTS—POOR RECORD FOR ECONOMIC EXPANSION

There have been nine tax cuts by our Federal Government in the past 43 years. It is very interesting to note what have been the effects of these tax cuts on the economy.

Two of the tax cuts—one in November of 1921 and one in May of 1928—occurred at a time when business was already rising, was already increasing. Business continued to go up. Therefore, if we leave those two out of account, we find that in regard to the others there was almost a precise balance in the consequences of the tax cuts. That is, about half of the time business declined after the tax cut and about half the time business improved after the tax cut.

There is no empirical record, no very compelling record on the basis of experience which would show us that the way to stimulate the economy is to have a tax cut.

For example, in February of 1926 there was a major tax cut for individuals. Following that there was a minor recession which started in November of 1926.

In December of 1929—how many people remember?—there was a major tax cut for individuals. The recession deepened into the greatest depression that this country has ever had.

In April of 1948 there was a sizable tax cut for individuals, and a moderate recession started in December of 1948, 6 months afterward.

Mr. President, after the 1954 tax cut and the 1945 tax cut, as well as the 1919 and 1924 tax cuts, things improved, and there was improvement in business.

I think on the basis of the record it is hard to conclude that a sure way to solve an economic recession is to cut taxes. The evidence indicates this does not necessarily work.

Mr. President, before I yield the floor I have one other subject I wish to discuss very briefly.

TITO CRACKS DOWN ON FREEDOM AGAIN

Mr. PROXMIRE. Mr. President, I protested vigorously against the foreign aid authorization conference report. I did so because I thought it was a great tragedy that our conferees collapsed on the position that the Senate had taken on the question of aid to Yugoslavia. Yesterday the New York Times reported in a byline story of Paul Underwood the following:

President Tito said today that the new retreat from liberalism in Yugoslavia would affect cultural life as well as politics.

Speaking at the close of a 2-day meeting of the Yugoslav Community Party's central committee, Marshal Tito declared that his regime had gone too far in allowing writers freedom of expression.

Although observers generally agree that Yugoslav writers actually have had less freedom of expression than, for instance, Polish authors, the Yugoslav President asserted:

"We have had a very liberal attitude. We shrugged our shoulders, thinking nobody would be harmed if we allowed people to say and write what they wanted.

That is always the pulsation. As soon as we give Yugoslavia any assistance, they go over the other way. It seems to me that has been true of every commitment in every foreign aid authorization bill that the Congress has made. I suppose we could do something in connection with the appropriation bill. It is always possible, but I think a point of order could probably stop the attempt. At any rate, once again the position of those who insist that we suspend aid to Yugoslavia for 1 year, and that we should block the proposed loan of $10 million to Yugoslavia because of the conduct of Tito at Belgrade, is being vindicated again. Here is a Communist dictator who is suppressing freedom more and more in his own country. He is lining up behind Khrushchev. Furthermore, he is trying to aline other countries behind Khrushchev on one issue after another. Yet we insist upon providing aid for him.

Mr. President, I ask unanimous consent that the article to which I have referred entitled "Tito Backs Curbs on Liberal Trend," by Paul Underwood, published in the New York Times, be printed at this point in the RECORD.

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

TITO BACKS CURBS ON LIBERAL TREND—TELLS PARTY MEETING REGIME HAS BEEN TOO LENIENT ON YUGOSLAVIA'S AUTHORS

(By Paul Underwood)

BELGRADE, YUGOSLAVIA, July 23.—President Tito said today that the new retreat from liberalism in Yugoslavia would affect cultural life as well as politics.

Speaking at the close of a 2-day meeting of the Yugoslav Communist Party's Central Committee, Marshal Tito declared that his regime had gone too far in allowing writers freedom of expression.

Although observers generally agree that Yugoslav writers actually have had less freedom of expression than, for instance, Polish authors, the Yugoslav President asserted:

"We have had a very liberal attitude. We shrugged our shoulders, thinking nobody would be harmed if we allowed people to say and write what they wanted.

"In this we have gone too far. We certainly do not want to teach writers and tell them what they must write, but we will not allow anyone to write nonsense and caricature and distort our social life."

TITO CRITICIZES AIDS

Marshal Tito also criticized subordinates in the leadership of the Yugoslav Communist Party for having failed to produce concrete solutions to the nation's economic crisis.

He complained that only 5 members of the 135-man central committee took part in discussions on reports presented today on aspects of the economy and plans for the future.

In the reports, officials of the regime proposed cutbacks in imports and investments, a new and more realistic development plan and higher prices for farm products to help surmount Yugoslavia's economic difficulties.

Objecting to the reports as too general, Marshal Tito said:

"Although we have established that faults exist, I do not find in the reports the answer to the question of how we get out of the present troubles—that is, how our Yugoslav economy should develop in the future."

The Central Committee meeting was called to approve a program for dealing with the economic slowdown that has gripped the country since early last year. Although all the speeches made at the session were published tonight, there was no announcement of decisions approved by the committee.

The three reports had been prepared by Slavko Komar, Milos Minic, and Boris Krajger, the Government's Secretaries of Agriculture, Foreign Trade, and General Economic Affairs, respectively. Copies were circulated among committee members yesterday. To speed the discussions, the reports were not read today.

Mr. Krajger reviewed the unfavorable trends in the economy. Two years ago industrial production was increasing at a rate of 15 percent a year; now it is increasing at an annual rate of only 4 percent.

Farm output will be poor again this year. Inflation has resulted in a steep rise in prices and living costs. Exports are down, increasing Yugoslavia's already dangerously large deficit in her balance of payments—the relationship between outlays abroad and receipts from abroad.

Mr. Krajger, offering no hope of an early economic upturn, said that some planned investment would have to be postponed to concentrate available funds on projects with the greatest export possibilities. He added that cutbacks would have to be made in construction programs for homes, schools, and hospitals.

Mr. Minic told the committee members that estimates indicated that the national income this year would be the equivalent of nearly $500 million less than had been planned. He said setbacks in agriculture alone would account for nearly $300 million of that total.

REVISION OPPOSED

Referring to earlier official statements that Yugoslavia's current 5-year plan would have to be revised to more realistic levels, Mr. Minic said this could not be done properly in so short a time.

Instead, he proposed that the plan, scheduled to run through 1965, be scrapped and a new 7-year plan be drawn up for the years 1964 to 1970. This, he said, would give the planners time to coordinate their views on development needs and achieve a unified policy.

Mr. Minic warned that imports of food probably would have to be increased next year. He declared that imports of raw materials, industrial components and consumer goods would be held below this year's level.

If the economic situation does not improve, he warned, imports from Western Europe might have to be cut back to save money to pay Yugoslavia's debts abroad.

Mr. Komar declared that farm-production costs had risen so sharply in the last 2 years that they had canceled the benefits to farmers of increased purchase prices and other aid.

As a result, he asserted, it is now impossible for the average farm organization to make a profit on some basic crops.

He recommended further increases in prices paid farms for certain commodities, including a 14-percent rise in the price for livestock, 18 percent more for grain, 19 percent more for industrial crops, and 43 percent more for milk.

To avoid passing the burden of these increased payments on the already hard-pressed consumers, he said, they should be granted largely in the form of higher direct premiums to producers. Nevertheless, he declared that a further increase of 4 to 5 percent in consumer food prices was unavoidable. These prices have already risen about 27 percent over last year.

M. Komar said the most important task of the Yugoslav economy was to raise the output of wheat and thus eliminate the need for imports of grain.

Asserting that extension of the socialist sector of agriculture was a precondition for increasing output, he urged that socialist units be given more funds to buy or lease land from peasants farming private plots.

Such peasants have owned and farmed about 90 percent of the nation's arable land since the Yugoslav Communists abandoned attempts at forcible collectivization in 1952. The Tito regime now relies on a policy of waiting for the pressure of the market to force peasants to give up farming and sell their land to the big socialized units.

GEORGE ROSS HUTCHINS

Mr. DIRKSEN. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives in regard to Senate bill 2339.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2339) for the relief of George Ross Hutchins, which was, on line 10, after "Act" insert: *"Provided further,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act".

Mr. DIRKSEN. Mr. President, on March 29, 1962, the Senate passed S. 2339, to grant, in behalf of the husband of a U.S. citizen, a waiver of the excluding provision of existing law relating to one who has suffered a previous attack of insanity. On June 19, 1962, the House of Representatives passed S. 2339, with an amendment to provide for the posting of a bond. Although the Senate felt this provision to be unnecessary, inasmuch as the beneficiary is independently wealthy, the amendment is acceptable; and I have been asked by the distinguished chairman of the Judiciary Committee to move that the Senate concur in the House amendment.

Therefore, Mr. President, I so move.

The motion was agreed to.

CHAO YAO KOH

Mr. DIRKSEN. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on Senate bill 1074.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1074) for the relief of Chao Yao Koh, which were, in line 6, strike out "September 5, 1952" and insert "the date of the enactment of this Act", and in line 7, strike out "head tax and".

Mr. DIRKSEN. Mr. President, on May 17, 1962, the Senate passed S. 1074, to grant the status of permanent residence to the beneficiary as of the date of a previous admission to the United States. On July 2, 1962, the House of Representatives passed S. 1074, with an amendment to grant the status of permanent residence as of the date of the enactment of the bill. This amendment is acceptable.

Therefore, Mr. President, I move that the Senate concur in the amendments of the House.

The motion was agreed to.

MRS. GEOHAR OGASSIAN

Mr. DIRKSEN. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on Senate bill 1889.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1889) for the relief of Mrs. Geohar Ogassian, which was, to strike out all after the enacting clause and insert:

That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Mrs. Geohar Ogassian. From and after the date of the enactment of this Act, the said Mrs. Geohar Ogassian shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued.

Mr. DIRKSEN. Mr. President, on May 17, 1962, the Senate passed S. 1889, to grant the status of permanent residence in the United States to the beneficiary. On July 2, 1962, the House of Representatives passed S. 1889, with an amendment to provide only for cancellation of deportation proceedings. Although the Senate language is preferred, the amendment is acceptable.

Therefore, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

HEARINGS ON NOMINATION OF JUDGE THURGOOD MARSHALL

Mr. DIRKSEN. Mr. President, following the last hearings our subcommittee held on the nomination of Judge Thurgood Marshall, it is my understanding that the hearings will be resumed on next Wednesday.

Last week, or the week before, when the subcommittee supposedly had completed its hearings, it was our understanding that counsel had perhaps another 2 hours of interrogation. I hope that at the end of the interrogation the nomination can be reported by the subcommittee to the full committee, that there can be concurrence by the full committee, and that the nomination can be placed on the Executive Calendar.

Mr. KEATING. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. KEATING. It is good news, indeed, that the hearings will resume on next Wednesday. I wish to express my gratitude—because of my deep interest in this matter—to the distinguished minority leader for the great help he has extended in urging that the hearings be completed and for the very vigorous way he has supported the confirmation of this fine lawyer for the Federal bench.

The Senator from Illinois has shown a magnificent understanding of this entire problem; and I am very grateful to him for his assistance.

I express the hope also that there will not be further delay beyond next Wednesday. There has already been a hearing in which some very trenchant inquiries were made by the Senator from Illinois, indicating that there was very little merit in the interrogation. It seemed it went not to the qualifications of the nominee but, rather, to the actions of an organization for which he had appeared as counsel.

I believe in the committee system, and I believe that the subcommittee should have a fair opportunity to finish its work on this nomination. However, this is no excuse for the long delay which has occurred. I have stated before that, unless the subcommittee proceeded by August 1, I would consider it my duty in the full committee to move to discharge the subcommittee from further consideration of the nomination. If we can get action on next Wednesday, it will not be necessary for me to take such action, which I would regret to take.

I must say, however, that if there is further unreasonable delay, I shall feel compelled to pursue such a course and bring the matter to a head in the full committee, where I feel certain the votes exist for the confirmation of this distinguished lawyer and jurist to the Federal court of appeals. Under no circumstances can we permit this nomination to be stalled until it is too late for action in this session of Congress.

Again I express my thanks to the distinguished minority leader.

Mr. DIRKSEN. Mr. President, I concur in what the distinguished Senator from New York has said. A good many questions cropped up in that hearing that had no bearing on the judicial temperament, ability, or competence of the nominee before us. I share the hope that action on the nomination can be expedited and that the nomination can be called to a vote.

FOOD-FOR-PEACE PROGRAM

Mr. HUMPHREY. Mr. President, on the date of July 18, 1962, Mr. George McGovern resigned as director of the food for peace program and as special assistant to the President. On the occasion of his resignation, Mr. McGovern sent a letter to President Kennedy outlining the work of his office and the accomplishment of the food-for-peace program during the past 18 months.

I wish to read a paragraph or two from the letter of Mr. McGovern to President Kennedy. He said:

Food for peace is not only an outlet for costly farm storages, not only a device to support farm income, not only a valuable commercial market development tool; it is also a useful ingredient of economic development, an invaluable aid to world health, and a powerful corrective to the misery on which tyranny thrives. Food for peace—an indispensable foundation stone in the building of a free and peaceful world—has given the American farmer a vital role in U.S. foreign policy.

During the past 18 months, 93 billion pounds of food have been committed for shipment to over 100 countries. This accomplishment is brought into even clearer perspective when compared with the 80 billion pounds of food to 23 countries shipped during the American relief operations under Herbert Hoover during the World War I decade. It represents a 75 percent gain over commitments for any previous 18-month period.

The President responded to Mr. McGovern's communication in a very warm and personal letter that will serve as a source of gratification and inspiration to Mr. McGovern for years to come. The President stated, in part:

Yours was an exacting assignment, requiring vigor, intelligence, and understanding of farm problems and a sympathy for the underprivileged of the world.

You were the first food-for-peace director. It was a new office with new horizons. The objectives of the program and the urgency were clear; but there were problems of organization, expansion of existing facilities, encouragement of new techniques, and development of new ideas.

I ask unanimous consent that the two letters to which I have referred, one from Mr. McGovern to the President, and the response of the President to Mr. McGovern, be printed at this point in the RECORD.

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

THE WHITE HOUSE,
July 18, 1692.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: For the past year and a half, I have had the high privilege of serving as a member of your staff in directing the food-for-peace program. I am deeply grateful to you for this rare opportunity of service to the Nation and the cause of peace.

I have decided after months of careful thought to resign my present post and ask the people of South Dakota to permit me to continue public service in the U.S. Senate, where I believe I am best able to make a distinct contribution at this time. It is my conviction that the youthful, progressive leadership which you have brought to the Nation is needed in the public life of my home State. I should like to think that if the people of South Dakota give me their approval, I can return to Washington next year to work with your administration for a greater South Dakota, a better America, and a more peaceful world.

In creating the White House office on food for peace, you said on January 24, 1961, that "American agricultural abundance offers a great opportunity for the United States to promote the interests of peace in a significant way."

Your words seem all the more appropriate today.

Most of the people of the globe are engaged in tilling the soil; yet, hunger afflicts two-thirds of humanity. Food for peace represents a mighty bridge between an abundant American agriculture and a hungry world.

This program has enjoyed broad bipartisan support from the Congress and the American people since the passage of Public Law 480 in 1954. Under your leadership, however, it has taken on a dynamic new dimension.

Food for peace is not only an outlet for costly farm storages, not only a device to support farm income, not only a valuable commercial market development tool; it is also a useful ingredient of economic development, an invaluable aid to world health, and a powerful corrective to the misery on which tyranny thrives. Food for peace—an indispensable foundation stone in the building of a free and peaceful world—has given the American farmer a vital role in U.S. foreign policy.

During the past 18 months, 93 billion pounds of food have been committed for shipment to over 100 countries. This accomplishment is brought into even clearer perspective when compared with the 80 billion pounds of food to 23 countries shipped during the American relief operations under Herbert Hoover during the World War I decade. It represents a 75-percent gain over commitments for any previous 18-month period.

The largest share of food-for-peace commitments are sales for foreign currencies, with the bulk of the currency earmarked for development grants or loans. We have made more effective use of foreign currency sales by coordinating them with other forms of U.S. aid and by planning them on a multiyear basis.

Since January 1961, we have increased by eightfold the number of countries directly utilizing U.S. food grants for economic and social development capital. Today, in 12 countries American grain is being used to finance part of the wage cost involved in building roads, wells, schools, hospitals, and other projects. In four other countries we have for the first time offered grain to self-help groups engaged in poultry and livestock production, thereby converting low-protein surplus grains into desperately needed high-protein meat, poultry, eggs and dairy products.

Religious and humanitarian agencies in the United States have greatly expanded their role, distributing 4 billion pounds of food to nearly 70 million persons—an increase of 34 percent over the preceding 18 months. The voluntary agencies have been especially effective in strengthening the Alliance for Progress. Food grants to Latin America have increased 100 percent since early 1961.

Perhaps the most dramatic development in food for peace has been the sharp new impetus to the oversea school lunch programs. These programs offer a double thrust because they contribute first to the health of the child and then to improved education. We have noted a striking relationship between school lunch programs and academic performance.

In Peru, for example, attendance has gone up 40 percent since we started the first school lunch program for 30,000 children in early 1961. We are now cooperating with the Peruvian Government to feed 1 million schoolchildren by 1965. A similar program is underway in the chronically hungry area of northeast Brazil.

The number of children receiving food-for-peace school lunches has climbed from 25 million to 35 million in the past year. Plans are in motion for a much larger program, especially in Latin America as a vital part of the Alliance for Progress. In India it is expected that 18 million schoolchildren will be participating in such programs within 5 years.

For the first time, six countries have signed agreements for the purchase of food under long-term deferred dollar arrangements. We have also broadened our food-for-peace package by making available bulgur wheat, rolled wheat, edible oil, shortening, butter, beans, and cheese—in addition to cereals and milk which were available prior to 1961.

Other notable steps of the past 18 months include: (1) The completion of a commodity-by-commodity, country-by-country survey of food reserves and deficits, "The World Food Budget, 1962–66," published by the Department of Agriculture; (2) the establishment of an effective citizens' food-for-peace council, which has tapped the advice of private citizens and organizations and enlisted better public understanding of the program; and (3) the formation of an interagency group to review new food processes and proposals that may add to the nutritional value and effectiveness of our food assistance.

Finally, we have given force to U.S. participation in multinational food programs in two ways. Through U.S. initiative, a world food program of $100 million in commodities, services, and cash has been approved under the auspices of the Food and Agriculture Organization within the United Nations system. Secondly, a Freedom from Hunger Foundation has been established to permit U.S. citizen participation in the U.N.–FAO freedom from hunger campaign. This represents a global effort to enlist the support of private citizens and organizations for projects designed to reduce world hunger.

Thus, we have moved forward on the food-for-peace front in many ways.

The progress of the program cannot and should not be measured merely in terms of the number of tons of food programed for shipment abroad. An emergency famine relief grant or an economic development plan utilizing American food in small countries such as Dahomey, Ecuador, Tanganyika, or Togo may be just as significant in the long-run as the shipment of hundreds of thousands of tons to larger nations.

While continuing to donate food to those who cannot help themselves, to drought- and flood-stricken areas, to refugees, to hungry schoolchildren throughout the world, we have emphasized the use of our agricultural abundance to initiate self-help projects for long-range social and economic development.

The food for peace program manifests the practical humanitarian convictions of the American people. We have made food donations to those in need under programs that dignify, not demean, the individual recipient. We have sold our agricultural abundance for foreign currency or dollars to those countries that could afford to pay. We have bartered, extended credit, loaned or granted back currencies under generous terms to achieve social and economic development objectives. The program is a powerful long-term market development instrument. For example, Japanese children learned to enjoy American milk and bread flour through food for peace; today, Japan is our best commercial customer for farm commodities.

If I were to single out one priority recommendation, I would strongly urge that the United States take an even more active lead in providing a daily school lunch for every needy child in the world. No form of oversea assistance could return greater dividends for so little cost. We should undertake this task with renewed energy because it is right.

I would emphasize also that additional food for peace program officers be placed in selected regions throughout the world.

The food for peace program, as conceived and conducted under your leadership, will continue to improve. The direction in which it is moving is most hopeful for the American farmer, churchman, and citizen, and for the inhabitants of a developing world.

Sincerely,

GEORGE MCGOVERN.

JULY 18, 1962.

Hon. GEORGE MCGOVERN,
Special Assistant to the President,
Director, Food for Peace.

DEAR GEORGE: I accept with deep regret your resignation as Director of the food for peace program.

Yours was an exacting assignment, requiring vigor, intelligence, understanding of farm problems, and a sympathy for the underprivileged of the world. You were the first food for peace Director. It was a new office with new horizons. The objectives of the program and the urgency were clear; but there were problems of organization, expansion of existing facilities, encouragement of new techniques, and development of new ideas. To implement the legislation which led to the creation of the office it was necessary to have a broad knowledge of government and an ability to weld together diverse efforts. You met each of the challenges and resolved each of the problems in such a way that the food for peace program has become a vital force in the world.

It has channeled our agriculture abundance toward relief of hunger and misery, improvement of living conditions, improved educational opportunity, and strengthening of the economies of our friends. The program you headed constituted a powerful barrier to the spread of communism and utilized the technology of American agriculture in a very effective manner. Under your guidance, sales of food for foreign currencies were almost doubled; six times as many countries are using the food-for-wages formula to employ workers to construct hospitals, schools, roads, and wells in developing nations; and the first World Food Bank was created.

We will miss your advice and counsel. However, I am glad you have decided to seek continuance of your distinguished career of public service. Your experience, courage, dedication, training, and understanding will be especially valuable in the Halls of Congress. In the Senate your voice and vote can, I know, make an immense contribution to the economic progress of South Dakota and the Nation.

I am looking forward to working closely with you in the future as I have in the past.

Sincerely,

JOHN F. KENNEDY.

Mr. HUMPHREY. The work of Mr. McGovern as the food for peace Director has warmed my heart and given me reason to feel that my efforts in the Senate have not been in vain. For years I have attempted to promote the concept of food for peace. As a member of the Committee on Agriculture and Forestry and as a member of the Committee on Foreign Relations I have conducted hearings.

Mr. MORSE. Mr. President, will the Senator yield at that point?

Mr. HUMPHREY. I yield.

Mr. MORSE. I rise to pay my high compliments to the Senator from Minnesota [Mr. HUMPHREY] for his leadership in the food for peace program. No Senator has been more determined than the Senator from Minnesota in regard to the food for peace program. I remember that in one of the eloquent speeches he made he pointed out—and I paraphrase but the meaning I know is accurate—that our country is a great religious Nation. We could not very well justify a failure to put into practice our great

spiritual beliefs. The food for peace program is, after all, a great humanitarian program, consonant with all the spiritual concepts of the American people.

The Senator has performed a great service to the people in the underdeveloped areas of the world where there is a shortage of food. I should like to associate myself with him in his high commendation of Mr. McGovern. The Senator from Minnesota and I are both members of the Committee on Foreign Relations. We know whereof we speak when we say that Mr. McGovern has carried on within the spirit and intent of the program, designed to bring food to the underprivileged of the world. I think he is deserving of every tribute and every word of praise that the Senator from Minnesota is speaking in respect to him.

Mr. HUMPHREY. Mr. President, I thank the Senator from Oregon. I am pleased to note that the Senators who are present in the Chamber—including the Senator from Oregon [Mr. MORSE], the Senator from Wisconsin [Mr. PROXMIRE], and myself—have been very active in the effort. As I have indicated, it has been one that has borne virtue—the virtue of accomplishment, of good will, and of strengthening the nations to which the food and fiber were directed.

RICHARD REUTER — EXCELLENT CHOICE FOR FOOD FOR PEACE ADMINSTRATOR

Mr. HUMPHREY. Mr. President, I would like to take this occasion to say how pleased I am at the recent appointment by President Kennedy of Richard W. Reuter to serve as the new Director of our food for peace program.

I can think of no person more eminently qualified for this important position. Richard W. Reuter has been associated with CARE since 1946 and has been the executive director of CARE for the past 7 years.

Throughout these years Mr. Reuter has worked on a day to day basis with the various voluntary agencies in our country which are doing such an important job in helping to feed the world's hungry people. He has traveled countless miles throughout the world to see at first hand CARE's operations in the many countries which it serves. In short, Mr. President, Mr. Reuter brings to his new position a wealth of experience such as could be attained only through working in such an organization as CARE.

I am confident that Mr. Reuter will be a knowledgeable, hardworking, imaginative and dedicated director of our food for peace program. He will maintain the high standards of excellence in coordinating this program that we witnessed under the able direction of George McGovern.

I am sure that I speak for the entire Senate in wishing Mr. Reuter well in his new position. Our food for peace program is in the best of American traditions. It has done much to relieve human misery throughout the world.

It has brought to the peoples of many lands a clearer and truer picture of our country and what we stand for.

In conclusion, Mr. President, I ask unanimous consent to have printed in the RECORD a biographical sketch of Mr. Richard W. Reuter.

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

BIOGRAPHICAL SKETCH: RICHARD W. REUTER

Richard W. Reuter, executive director of CARE, has had a firsthand view of international problems and crises for the past 16 years. To gain insight into local conditions, relate CARE's programs to the terms of world need, he has traveled more than a million miles abroad; met with heads of state and private citizens; surveyed CARE operations in every country it serves. He has also traveled extensively throughout the United States to report to the American people on what CARE is doing, in their name, to help feed hungry peoples and give them the means to help themselves.

Mr. Reuter jointed CARE's staff in the fall of 1946, when the international voluntary-aid agency was less than a year old. He served as assistant executive director and then as deputy director before being appointed to his present post in July 1955. Under his direction, CARE has placed increasing stress upon combining food and self-help supplies for maximum benefit in the developing countries. Most recently, it opened service to new nations in Africa; added a professional arm by joining forces with Medico, which now operates as a service of CARE, to help provide medical treatment, training, and facilities in critical health areas.

Born in Brooklyn, N.Y., in 1918, Mr. Reuter now lives in East Setauket, Long Island, N.Y., with his wife and four children. He took his bachelor of arts degree, with high honors in economics, at Amherst College in 1938, and studied business administration at Columbia University. Before joining CARE, he was with Abraham & Straus department store and served for almost 2 years with the American Friends Service Committee. He is also a former assistant editor of Town and Country magazine.

Mr. Reuter is a vice chairman of the American Council of Voluntary Agencies for Foreign Service; a director of the U.S. Committee for Refugees, the Consumers Union and the Philippine American Science Foundation; a member of the American Food for Peace Council and the U.S. Committee of the International Conference on Social Work; a director and past president of the New York State Citizens Council, and past president of the Setauket Civic Association.

In recognition of CARE's service to their people, Mr. Reuter has been decorated by the Governments of Iran, Italy, Bolivia and the Philippines. He has also been awarded the Grand Cross of the Order of Merit, rank of Commander, by the West German Federal Republic; the Order of George I, rank of Commander, by the Government of Greece; the Order of Quetzel, by the Government of Guatemala; the Gold Medal of the Confederazione Cooperativa Italiana; the Order of Francisco Morazan, by Honduras; the Gold Medal, Red Crescent Society of Turkey. With the approval of Queen Elizabeth, he was appointed an Associate Commander (Brother) in the Order of St. John.

MAY 1962.

TRIBUTE TO MAJ. GEN. MELVIN J. MAAS

Mr. HUMPHREY. Mr. President, one of my oldest and dearest friends is a man who is an inspiration to everyone who knows him. I refer to Maj. Gen. Melvin J. Maas, U.S. Marine Corps Reserve, retired, Chairman of the President's Committee on Employment of the Handicapped. General Maas has inspired literally thousands of people to overcome their handicaps and he also has lent his illustrious name and his great energies to such programs as the people-to-people program, with significant effect.

Mr. President, Major General Maas is also a perceptive student of world affairs, and in a recent article in the Veterans of Foreign Wars magazine, he has written a trenchant exposé of the Communist distortion of some of our "good" words. I commend it to my colleagues.

Mr. President, I ask unanimous consent to have printed in the RECORD an article by Maj. Gen. Melvin J. Maas, U.S. Marine Corps Reserve, retired, entitled "Dictionary in Double-talk."

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

DICTIONARY IN DOUBLETALK

(By Maj. Gen. Melvin J. Maas, U.S. Marine Corps Reserve, retired)

(EDITOR'S NOTE.—Fighting marine, distinguished former Congressman, and now an outstanding business executive, General Maas is also an author of note. The general consistently demonstrates that blindness is but a small handicap for him. Since 1954 he has served as Chairman of the President's Committee on Employment of the Physically Handicapped. And in this witty and pertinent article he tells how easy it is to see through all those lies the Communists tell.)

It's lucky Gertrude Stein, the American-born poet who spent most of her life in Paris, never decided to move to Moscow.

If she had, her famous line, "a rose is a rose is a rose" might never have been written.

For, in the Union of Soviet Socialist Republics, a rose isn't always a rose isn't always a rose. Neither is democracy is democracy is democracy. Neither is freedom is freedom is freedom.

The Russians have developed a vocabularly all their own. Only when you find the key can you make much sense out of what you read and hear from behind the Iron Curtain. If you don't have the key, you had better watch out; you will drown in a sea of doubletalk. Or even tripletalk.

To help you out in such instances, here is a brief guide to what means what in the land of the Soviets—or, more accurately, what does not mean what. Or, to put it differently, here are instances when a word is not a word is not a word.

Aggression. A nation shows the spunk to defend itself against Communist invasion. This defense, in Communist talk, is termed "aggression."

Capitalism. Mr. Khrushchev shakes his finger and warns the uncommitted nations of the world that capitalist countries like the United States will get them if they don't watch out. But look who is calling who "capitalist."

Actually, the only true "capitalist" nations on the globe today (using that word as defined by Karl Marx, and Frederick Engels, the granddaddies of communism) are Red Russia and Red China.

The test of "capitalism," according to Marx and Engels, is who's the "Mr. Big" of industry. Is there one person, or one small coterie, who controls employment, controls production, controls sales, controls dis-

tribution, controls profits? In a word, are there profiteers?

In Red Russia and Red China there are profiteers. They are the party officials—the big wheels of the Communist bureaucracy. They are the ones who ride around in sleek black cars and live in lush mansions. Profiteering? They could teach the rest of the world some tricks.

The United States, on the other hand, has deviated quite far from the old tin-type of "capitalism" as defined by Marx, Engels, and company. It would be more accurate to term our economic system "social or people's capitalism."

For in America today, ownership of industry and business is not in the hands of the few, but in the hands of the many.

The people who run American business and industry actually are the millions upon millions of stockholders and shareholders. They may elect boards of directors to speak for them, but they don't often let loose of the reins.

Profiteering? It doesn't happen very often any more. The fruits of business enterprise are sliced so many ways—the shareholders, the employees, Uncle Sam himself—that there is not much left for profiteering.

Democracy: A system, as the Communists have it, where everybody is equal, only some are more equal than others.

Diplomatic immunity: Spying license.

Disarmament: This means the other fellow throws away his arms while the Communist nation goes full speed ahead with its own military build-up. Sometimes this sort of "disarmament" also is known as a "peace drive."

Discrimination: It is bad wherever it exists in the world—in America, in Russia, elsewhere.

The Russians yell "discrimination" at America—and, true enough, they put their finger on a sore spot of democracy. But then they keep perfectly mum about—

1. The great progress we have been making in America in wiping out discrimination and broadening equality for all.

2. Vicious discriminatory practices that go on right in Russia's own backyard.

Yes, Russians discriminate—not against Negroes (their numbers are insignificant) but against Asiatics. In fact, they could open the eyes of the worst of bigots.

In Asiatic Russia, with its millions and millions of people, here is what you find: A requirement that top government careers go only to college graduates. But higher education is conducted only in the Russian language (spoken by European Russians). Asiatic Russians as a rule don't speak or understand the language of the colleges. So, how can they go? Not being able to go, how can they qualify for government jobs?

They can't.

Easing tensions: World tensions can be eased, argue the Russians, if the United States gets rid of all oversea bases and withdraws all troops from wherever they might be stationed in the world.

The whole point is whose tensions is Russia interested in easing—hers or ours?

Elections: In America, when we say we will murder the opposition political candidate, we do—at the polls. In the Communist countries, when the say they'll murder the opposition candidate, they do—period, exclamation point.

Freedom: It all depends on whom you're talking about. For the Communist party official, it means freedom to live high off the hog. For the rest of the residents of Iron Curtain lands, it means freedom to think about living high off the hog—as long as you keep your thoughts to yourself.

Imperialist: What the Communists call the United States, usually preceded by "dirty."

Actually, if they took time to read recent history they would discover, to their chagrin, that the United States undoubtedly has been one of the least imperialistic nations in all of history.

There was a time, a generation or so ago, when the United States could have followed the sweep of 19th Century expansionism and carved out a huge empire, in the Western Hemisphere and in Asia. Yet imperialism, even then, was farthest from America's mind.

Even when the United States occupied Cuba and the Philippines, the aim was not exploitation; it was to help them learn to help themselves. When they were ready for independence, America granted it willingly, with its blessing. The United States views independence the way newlyweds view marriage. We want to see all other nations free and independent, like ourselves; the newlyweds want to see all their single friends hitched in matrimony, like themselves.

If there's any old-fashioned rip-roarin' imperialism left in the world today, you can find it on the Communist side of the world. Russia holds tightly a great colonial empire consisting of satellite nations. And Red China is making ugly noises with an imperialist ring to them.

Liberation: Liberating people from their liberty.

Masses and classes: The Communists would have you believe that in America the upper classes exploit the lower classes.

The trouble is, it is getting more and more difficult to tell one class from another. They wear the same suits, drive the same car, shop at the same supermarkets, attend the same movies, use the same power mowers on Saturday mornings, visit the same barbers, read the same books and magazines, and send their kids to the same schools. If there's any difference, it's that members of the upper classes seem a bit more harassed than members of the lower classes.

In case you really want to see class distinctions that are class distinctions, look inside Russia. There, the party bosses sop up the gravy, and the masses of factory workers and peasants live off the end of the pumpernickel.

Negotiation: You accept my point of view; I accept my point of view. In this way we negotiate an agreement.

Neutrality: Neutrality means being pro-Russian and anti-American. What else?

Peace: An absence of shooting, giving the democracies an opportunity to go to sleep in the quiet and giving the Communists' countries an opportunity to build up for war.

Republic: A system consisting of a legislative body which does not legislate, a President who doesn't preside, elections which don't elect, and a voice of the people which had better not speak—or else.

Treaty: A handsome hand-lettered parchment document which everybody signs amid popping flashbulbs and cries of "Just one more picture, please." Treaties, like children, believe the Communists are to be seen and not heeded.

Wage slave: A typical employee in the United States who, after deciding which suit to wear and after downing a hearty breakfast of bacon and eggs, drives to work in his new car, cursing all the other new cars on the highway for causing unnecessary traffic tieups.

"When I use a word," said Humpty Dumpty in Lewis Carroll's "Alice in Wonderland," "it means just what I choose it to mean—neither more nor less."

The Red Humpty Dumpties follow the same rule. Their words mean just what they choose them to mean. And if perchance black means white, and a rose means sour cream, and freedom means tyranny, and happiness means misery—well, that's just the way Red Humpty wants it.

Only for our own protection and our own defense, we had better keep ourselves informed of the vague meanings of Communist words.

If we don't, we might find ourselves embroiled in a hot peace with their disarmaments blasting away at our shores.

PASS THE YOUTH CORPS LEGISLATION NOW

Mr. HUMPHREY. Mr. President, at the recent National Convention of Juvenile Court Judges, the judges took official action to endorse the concept of the Youth Conservation Corps, incorporated in H.R. 10682 and S. 404.

In the letter of transmission from Judge Benjamin S. Schwartz informing me of this fine action by the national convention, the judge commented as follows:

> We judges continually discuss the problems of dropouts, unemployment, keeping juveniles off of the street, lack of motivation, and wasting of our youth. Here is a great opportunity to help provide an answer to these calamities.

Mr. President, I hope that there will be an opportunity at an early date for the House of Representatives and the Senate to act upon this needed legislation.

I invite the attention of the Senators to an article in this week's Life magazine dealing with what are called opportunity camps. These opportunity camps for young people are similar to the Youth Conservation Corps program which I advanced in S. 404 and which has been proposed in H.R. 10682.

It is inconceivable to me that with more than 800,000 young people every year falling into the category of school dropouts, this Nation hesitates to undertake action to do something about this great social problem.

The Youth Conservation Corps concept or the opportunity camps as outlined in Life magazine of this week, or the youth employment programs outlined in the administration's bill offer some means of providing constructive employment and constructive use of the vast storehouse of energy in young people. It is beyond me how Congress can delay taking action in this field.

The Senate passed the bill once before, only to find it going without action in the other body.

This year we have waited for the House of Representatives to take action first, with the feeling that there was support in the Senate, as there was once before, for this legislation. I have met recently with representatives of school systems of our country and with representatives of groups working with young people on the whole subject of school dropouts and juvenile delinquency.

Every one of the responsible leaders of young people and every responsible educator endorse enthusiastically the Youth Conservation Corps proposal. It is a moderate proposal in size and cost; yet we go year after year, and month after month, shedding crocodile tears on juvenile delinquency and doing very little about it. There is not one shadow of doubt that the proposed youth camps

could be a wonderful source of gainful employment for young people, education, the strengthening of bodies, and the refreshing of hearts and minds. I am hopeful that before the end of the month the Rules Committee of the House will give a rule for the consideration of the bill and that the bill will be called up for action in the Senate.

The policy committee of the Senate has approved S. 404 for action, but, as I have said, we want to make sure that this time we are going to have the cooperation of the other body that the bill will become law, and that we will not be engaged in a mere exercise in legislative processing.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the report of the committee on work camps for youth, recently made at the national convention of juvenile court judges.

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

REPORT OF COMMITTEE ON WORK CAMPS FOR YOUTHS

Your chairman initially sent questionnaires to the members of the work camp Committee due to the handicap of distance preventing a personal meeting. From replies received, it was evident that this committee could move best in the direction of national work camps. Pending in Congress were bills to accomplish this purpose. Your chairman corresponded with Senator HUBERT H. HUMPHREY and Representative CARL D. PERKINS, who were the chief advocates of this project in their respective legislative bodies. It was recommended by these gentlemen that Representatives and Senators should be solicited by the judges in their States to support this legislation.

Thereupon your chairman selected names of outstanding juvenile court judges in the 50 States, and requested them to communicate with the Congressmen in their States and inform them of our position in favor of such bills. Practically all did a thorough job, and at this time we want to acknowledge and thank them for their invaluable help. A list of these judges is attached.

This had a very good and profound effect and many of the judges received a favorable acknowledgment from their Congressmen. Bill No. 10682 in the House of Representatives was approved by the Committee on Education and Labor and is now in the lap of the Rules Committee. Thereupon judges were contacted in the States where the members of the Rules Committee resided, who again sought the support of the committeemen. The enactment of this legislation hangs in the balance. Mr. PERKINS wrote to your chairman as follows:

"The Youth Employment Opportunities Act of 1962, H.R. 10682, which includes provisions for the Youth Conservation Corps in title I, was reported by the House Education and Labor Committee favorably on March 29, 1962, and is now pending before the Rules Committee. On the 16th day of May, I appeared before the Rules Committee to request granting of an open rule with 3 hours' debate limitation. The Rules Committee has not concluded or rescheduled hearings on the matter. I am hopeful that further and more favorable information will be available as to the progress of the legislation in the near future."

Only today (June 27, 1962) your chairman spoke long distance to Mr. PERKINS in Washington and he stated that if this convention would give their important support to this bill it would have an excellent chance of being enacted.

Senator HUBERT H. HUMPHREY wrote:

"We are hopeful that the House Rules Committee will soon grant a rule so that it can come before the House. The vote in the House will be extremely close. We are waiting here in the Senate to see what action is taken in the House of Representatives. We are still hopeful for action in this session."

It would be like "carrying coals to New Castle" for this committee to tell the convention of the tremendous need for work camps. Many of us have been working for years to accomplish this. We judges continually discuss the problems of dropouts, unemployment, keeping juveniles off of the streets, lack of motivation, and wasting of our youth. Here is a great opportunity to help provide an answer to these calamities.

Also in this bill is a separate provision for a council for developing opportunities for the employment of youth, both male and female, in States and local service programs. This also is a tremendous help with our problems and should be an additional reason for our support.

Therefore, this committee recommends to this convention:

1. Enactment of a resolution approving this Federal legislation for youth work camps and giving wide publicity to our endorsement.

2. Each judge constitute himself a committee of one to communicate properly with his Congressman on behalf of these bills and strongly urge their adoption. This must be done immediately. Then too we must arouse interest back home and urge your community's interest and support. Who knows, our organized effort could tip the scales in favor of the success of this needed legislation.

America looks to the juvenile court judges for leadership in dealing with youth. This is a chance to assert it.

Since time is of the essence, this committee passes on to you judges, individually and collectively, your immediate cooperation in this worthy cause.

Appreciatively submitted.

Benjamin S. Schwartz, Chairman; Archie Gingold, George Edwards, Robert Baird, C. M. Barnhart, Frances Sleep, Russell Brumfield, Fernley W. Long, judges; William G. Long, Associate Chairman; Stanley A. Staidl, County Judge; Thomas Tallakson.

Alabama: Hon. Herndon Inge, Jr., Mobile.
Alaska: Hon. Hugh H. Connelly, Fairbanks.
Arizona: Hon. Paul H. Castro, Tucson.
Arkansas: Hon. R. A. Campbell, Little Rock.
California: Hon. Melvyn I. Cronin, San Francisco.
Colorado: Hon. Philip B. Gilliam, Denver.
Connecticut: Hon. Stanley P. Mead, Bridgeport.
Delaware: Hon. Marion Stevenson, Dover.
District of Columbia: Hon. Orman W. Ketcham, Washington.
Florida: Hon. Walter Scott Criswell, Jacksonville.
Georgia: Hon. L. Olin Price, Athens.
Hawaii: Hon. Gerald R. Corbett, Honolulu.
Idaho: Hon. Frances Sleep, Sand Point, member of Work Camp Committee.
Illinois: Hon. Michael Kinney, Edwardsville.
Indiana: Hon. Harold N. Fields, Indianapolis.
Iowa: Hon. Donald P. Barnes, Cedar Rapids.
Kansas: Hon. Charles Rankin, Lawrence.
Kentucky: Hon. Russell Brumfield, Nicholasville.
Louisiana: Hon. Leo B. Blessing, New Orleans.
Maine: Hon. Hilary F. Mahoney, Saco.
Maryland: Hon. Alfred D. Noyes, Rockville.
Massachusetts: Hon. Paul K. Connolly, Waltham.
Michigan: Hon. Robert Baird, Cheboygan, member of Work Camp Committee.
Michigan: Hon. George Edwards, Lansing, member of Work Camp Committee.
Minnesota: Hon. Thomas Tallakson, Minneapolis, member of Work Camp Committee.
Minnesota: Hon. Archie Gingold, St. Paul, member of Work Camp Committee.
Mississippi: Hon. Carl Guernsey, Jackson.
Missouri: Hon. Henry Riederer, Kansas City.
Montana: Hon. Sid G. Stewart, Anaconda.
Nebraska: Hon. Lyle E. Jackson, Neligh.
Nevada: Hon. John Mowbray, Las Vegas.
New Hampshire: Hon. John W. Dole, Bristol.
New Jersey: Hon. Horace S. Bellfatto, Newark.
New Mexico: Hon. Edwin L. Swope, Albuquerque.
New York: Hon. Leo J. Yehle, Syracuse.
North Carolina: Hon. W. I. Gatling, Charlotte.
North Dakota: Hon. W. C. Lynch, Bismarck.
Ohio: Hon. Benjamin S. Schwartz, Cincinnati, chairman, Work Camp Committee.
Oklahoma: Hon. Mildred I. Patterson, Guthrie.
Oregon: Hon. C. M. Barnhart, Dallas, member of Work Camp Committee.
Oregon: Hon. Fernley W. Long, Gold Beach, member of Work Camp Committee.
Pennsylvania: Hon. Edward Dumbauld, Uniontown.
Rhode Island: Hon. Francis J. McCabe, Providence.
South Carolina: Hon. J. Wilbur Hicks, Greenville.
South Dakota: Hon. Mose S. Landau, Aberdeen.
Tennessee: Hon. Richard F. Douglass, Knoxville.
Texas: Hon. J. W. Mills, Houston.
Utah: Hon. Monroe J. Paxman, Provo.
Vermont: Hon. Carl S. Gregg, St. Albans.
Virginia: Hon. William T. Finley, Falls Church.
Washington: Hon. W. G. Long, Seattle, associate chairman, Work Camp Committee.
West Virginia: Hon. Arlos J. Harbert, Clarksburg.
Wisconsin: Hon. Stanley A. Staidl, Appleton, member of Work Camp Committee.
Wyoming: Hon. Sam M. Thompson, Cheyenne.

Mr. HUMPHREY. Mr. President, I appeal to the media of press, radio, and television to give us support on this worthy legislation. If ever there was a time when we needed to mobilize public opinion in favor of a program in Congress, which will work with the States and localities to meet social problems at home, that time is now at hand. I am hopeful that we can arouse public opinion, which will result in something being done about this problem.

LATIN AMERICA—TAX REFORM

Mr. HUMPHREY. Mr. President, in the prolonged and drawn out world struggle in which we are presently engaged, the crucial role of Latin America is apparent to all. We are also well aware of the conditions of grinding poverty facing the bulk of the population in many of these Nations, conditions that provide a fertile breeding ground for communism. If no constructive alternative, such as the Alliance for Progress, is undertaken to alleviate these conditions through timely action, the prospects for peaceful reform will be dashed by the hammer blows of anarchical revolution.

It is equally important, however, that the Latin American nations themselves take steps to reform their economic and social structure. Otherwise the Alliance for Progress can hardly succeed in bridging the gap between rich and poor and thus providing a base for sustained growth and development. One of the most serious problems in many of these countries, as my good friend and colleague from Illinois [Mr. DOUGLAS] has so ably pointed out, is that much of the revenue already earned by these countries is not being utilized for the benefit of the majority of the people. Instead it is being hoarded or sent out of the country by the elite upper crust, which in so doing is only serving to seal its own doom as well as to sabotage our efforts to help.

One crucial source of this problem is the thoroughly inadequate and anachronistic system of taxation and tax collection employed in these countries. The Vision newsletter, in its July 3 issue, contained a supplement which, utilizing studies made by the Harvard Law School International Program in Taxation, and other such reliable sources, presents an excellent penetrating survey of this whole problem. I therefore ask unanimous consent to have this supplement, entitled "More From Those Who Have Most, Tax Reform in Latin America," placed in the RECORD.

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

MORE FROM THOSE WHO HAVE MOST

(By William H. MacLeish, special reports editor)

(Taxation, well conceived and in capable hands, is one of democracy's most potent tools for progress in the underdeveloped countries. It keeps the pumps of public spending running smoothly. It stimulates private savings and channels private investment into areas where it is most needed. It relieves explosive social pressures by narrowing the gap between rich and poor. In Latin America, these aspects of taxation are only now beginning to be considered. The following article, adapted from a report published recently in Vision, examines what is being done and what remains to be done to give taxes the bite and balance they must have to do the jobs assigned them under the Alliance for Progress)

Whatever else it may be called, the Alliance for Progress is essentially an alliance of taxpayers. Or rather, it must develop into one if it is going to work. Technicians can draw up plans by the fileful. Politicians can define and redefine objectives. But nothing is going to happen unless U.S. taxpayers agree to increase their already considerable stake in Latin American development. And nothing whatsoever is going to happen unless Latin American taxpayers and, more importantly, those who should pay taxes but don't, submit to the logic of investing heavily in their own future.

No one knows how much the Alliance will cost, though preliminary estimates run to at least $100 billion for the 10-year span ($80 billion to be raised in Latin America and the rest supplied by Washington, international lending agencies, and private United States and European investors). But there is no doubt whatsoever about the role tax revenues will play. They will be outweighed by private funds in the end, true, but only if they are well utilized in the beginning. Without prudent public spending for roads, schools, housing, and other basics, the shrewdest entrepreneur will be at a loss to market his goods, much less to round up and train the people he needs to turn them out.

The trouble is that taxation is not being well utilized. Every Latin American republic save Cuba has agreed under the terms of the Alliance for Progress to "reform tax laws, demanding more from those who have most, to punish tax evasion, and to redistribute the national income in order to benefit those who are most in need, at the same time promoting savings and investment and reinvestment of capital." Some governments, prodded by increasingly inflationary budget deficits, have taken steps to implement the agreement, both on their own and with assistance from international, inter-American, and private sources. But most tax systems remain as they were, geared to the status quo, complex and unjust, weighing heavily on the middle and lower classes and ever so lightly on the upper. Change is hobbled by bureaucratic inertia, by public ignorance and—perhaps most of all—by the number of issues involved.

Tax reform covers more ground, more sensitive areas, than any other reform in the Alliance charter. It is indissolubly linked with reform of public spending. It envelops the entire field of capital accumulation, so important in a developing economy. It bears directly on the explosive question of income distribution. It sets the boundaries between what is public and what is private.

This regulatory concept of taxation is as recent as it is revolutionary, and there are few signposts to follow. Small wonder that there should be considerable pushing and shoving over what path to take in developed as well as underdeveloped countries. Consider the conflict among the goals specified in the Alliance charter. For example, a tax that "demands more from those who have most" may discourage savings and investment. Redistribution of the national income, if carried to extremes, would do the same.

With 19 Latin American countries involved, there obviously cannot be one set of solutions. But solutions must be found quickly. There are too many new mouths to feed, too many schools to build, too much inflation to curb to permit the luxury of delay.

THE ANTITAX MENTALITY

In the casual observer's notebook, "Latins" are warmblooded, tempestuous people who like making love and hate paying taxes. This is true. But it in no way distinguishes the "Latin" from any other human being in his right mind. The United States, rated by most Latin Americans as the inner sanctum of coldblooded puritanism, has seen its full share of scuffles over taxes—from the Boston Tea Party to a revenuers' raid on a mountain still. U.S. taxpayers make use of a small army of lawyers and accountants specially trained to find loopholes in the law. Thanks to legal avoidance or just plain evasion, some $25 billion of taxable income go unreported annually—enough to provide the hard-pressed Treasury Department with $4 billion in additional revenues.

Yet almost all of what is owed is paid. The U.S. Internal Revenue Service gets somewhere around 95 percent of what it should, most of it sent in voluntarily—if ruefully.

In Latin America, the situation is something else again. Because there are no comprehensive statistics, no one knows just how much that should be taxed remains untaxed. "If we knew that," Argentina's crack tax administrator, Manuel Rapoport, told Vision, "there wouldn't be any evasion." But the experts do know where evasion is practiced most commonly—among the merchants and traders, big and small, and among professional men and landowners. And they know how it is practiced—through double sets of business books, falsified invoices, contraband, bribery, delaying tactics (repeated petitions for change or extension of payment schedules), and through manipulation of the ubiquitous bearer share or bond (payable to the bearer rather than to a specifically named individual).

Rough estimates can be made from these bits and pieces: In Ecuador, only 50 to 70 percent of taxable income is reported, and contraband reduces the cigarette tax yield by about 30 percent; in Mexico, revenues from the business community are about one-third what they should be; in Argentina, income tax evasion runs close to 40 percent. In many other countries, the figure approaches 50 percent.

If "antitax mentality" doesn't explain this striking lack of compliance, what does?

Here, in the opinion of most knowledgeable tax men, are the major factors:

Lack of faith in government: Throughout most of Latin America there is an ingrained suspicion of the motives and morals of those in authority, a suspicion based all too often on historical if not contemporary fact. Despite the increase in numbers and influence of well-trained and dedicated administrators in the last decade or two, the feeling persists that governments and all their works are riddled with corruption.

From Mexico City to Buenos Aires, taxpayers can see with their own eyes the incredible sprawl of bureaucracy. They can estimate its cost. (Of the $10 billion or so which Latin American governments spend annually, almost two-thirds go to pay government salaries; the figure in Argentina is about 80 percent.) And they can feel its bungling hand on the economy in the enormous deficits built up by most state-operated enterprises. Why, says taxpayer González, should I make a sacrifice to the treasury man when it's pesos to tamales that I'll never get 1 cent back in benefits?

Inflation: Even in the best of times, a man will defend his income as best he can. But when inflation gnaws a hole in his purse, he becomes desperate. Few Latin American countries have experienced the inflationary horrors of Bolivia, where the cost-of-living index has rocketed more than 3,000 percent since 1953 and where the catchword is "there's no money for anything, least of all for paying taxes." But in almost every republic, inflation is making a mockery of firm prices on everything from land to toothbrushes. One result: the incentive to save and invest productively has gone by the board, replaced by the incentive to evade taxation at all costs.

The dual society: "No one believes in anybody" is a phrase often used to describe the social atmosphere in Latin America. And with good reason. Cohesive national societies of a sort that inspires loyalty and a sense of identity simply don't exist in many Latin American countries. There is the society of the rich and the society of the poor and, until such time as the middle classes are strong enough to bridge the gap, never the twain shall meet.

A glance at the income distribution tables—the few that have been made in Latin America—tells the story. In Mexico, for example, 46.1 percent of the family units received 13.8 percent of total personal income in 1957. At the other end of the scale, 2.3 percent of the families raked in 24 percent of the income. In Venezuela, in the same year, 12 percent of the families accounted for 50 percent of personal income, while 45 percent received only 10 percent. The wealthiest 3 percent get one-quarter of all personal income in Chile, and the top 8 percent get over one-half in El Salvador. In the United States, the top 10 percent get 31 percent, and the bottom 60 percent receive about 32 percent.

No one but the Communists advocates equal incomes for everyone (though it has

been reported that some Red incomes are getting more equal than others these days). If there is to be accumulation of capital, there must obviously be accumulation of wealth. But in most instances, wealth in Latin America is idle. A World Bank study in Nicaragua revealed that if the wealthiest 1 percent of the country would invest just 10 percent of its annual income in worthwhile ventures, the rate of productive investment would shoot up 50 percent. One qualified observer believes that in the last 15 years, the Chilean rich have spent well over 60 percent of their incomes on conspicuous consumption. Another estimates that "in more than one Latin American country that is reputedly 'short of capital' the sums that have been spent in Paris in the last half century by wealthy natives would have endowed the country with a modern transportation system and a well-equipped industrial plant." It is anyone's guess how much homegrown wealth is salted away in the bank vaults of New York, Geneva, and London. But a conservative estimate of Latin American flight capital since the end of World War II would be on the order of $15 billion.

Taxation isn't much of a bother for the well to do. The uppercrust in Chile pays 15 percent or less of its income to the Treasury. The continent-wide average of top income tax rates is a bit under 40 percent, as against almost 90 percent in the United States. Says taxpayer González: why should I put my money to work for the good of society when others are leaving theirs idle? Why should I pay the tax collector when those who can afford to pay so much more than I get off so lightly?

The tax system: A good deal more than 50 percent of Latin America's tax revenues come from indirect taxes—so-called because they can be passed on to the consumer. Among these are excise taxes (covering particular commodities), sales taxes (covering a broad range of goods), stamp taxes, and import duties. The direct tax, aimed directly at income earned or unearned, plays a relatively minor role except in Colombia and Peru. It also has significance in countries with well-developed extractive export industries. Venezuela, for example, gets about 66 percent of its tax revenues from oil and Chile picks up a substantial amount from copper. This situation seems to satisfy both extremes of the political spectrum. Since most extractive industries are foreign-owned, leftists can say with at least some degree of accuracy that they are soaking the Yankee imperialists while waiting to nationalize Yankee assets. At the same time, wealthy rightists can relax in the knowledge that the tax man won't knock at their door so long as the extractive industries remain solvent. Whatever its political advantages, the practice does nothing for Latin America's economic development.

From the point of view of sheer numbers, the taxes on the books in most of the republics stagger the imagination. In Bolivia, specialists have tallied over 2,000, most of them long forgotten. One reason for the proliferation: Latin American governments have a peculiar penchant for fitting specific taxes to specific projects. Earmarking of tax funds not only makes for confusion but for dangerous economic rigidity as well. With so much of its spending money tied down (the figure runs over 40 percent in Peru), a government cannot have the flexibility it needs to head off slumps and bumps in the economy.

Latin America has no monopoly on fiscal confusion. The United States is saddled with a tax code 1,148 bewildering pages long. In spite of—or perhaps because of—50 years' experimentation with the income tax, there are so many complexities to contend with that even the experts give up in disgust.

Even this degree of confusion is excusable if taxes do approximately what they are designed to do without hurting too many people in the process. This is not the case in Latin America. Sometimes the manufacturer or importer cannot pass the entire indirect tax on to the consumer. In other instances, price pyramids—increases far in excess of actual tax costs—build up on goods as they move along the various channels of distribution. As Argentine tax expert Alberto T. López puts it: "A glass of beer is half full of taxes and the rest, including the head, is the beer you're paying for."

Indirect taxes are the same for every consumer, rich or poor. This may sound like the essence of equity, but in practice it isn't. Paying the tax on a liter of kerosene is no trouble for the middle or upper class consumer, but it is a heavy burden for the average campesino. Only in the upper range of consumption—automobiles, appliances, jewelry, and the like—are these taxes liable to be equitable in that they apply to those consumers best able to pay.

Income taxes have been around Latin America for some time. México first levied one in 1921, Chile in 1924. With few exceptions, they are antiquated in concept, replicas of early French and Italian experiments. They are schedular rather than unitary—i.e., they divide income into categories (salaries, business profits, professional fees, etc.) and tax each category at different rates rather than treating income as a single unit. The resulting confusion is enough to give even the most meticulous taxpayer the blind staggers.

Corporations and individuals tend to get identical tax treatment. This might have been advisable years ago when business ventures were family owned and when business profits were indistinguishable from individual income. But now that the modern corporation has come on the Latin American scene, the practice is obsolete, unfair, and encourages inefficiency in business. An individual may split up his income to avoid placing himself in a higher tax bracket. A corporation, faced with the same dilemma, will split itself.

Very little research has been done on the tax burden in the various Republics. But enough is known to indicate that most of the load falls on the shoulders of the middle classes, particularly the salaried man, whose income is usually taxed at the source through a withholding system. Business taxes are relatively high, but taxes on wealth and real estate are usually inconsequential. The tendency is to favor income from capital as against income from work.

Tax administration: Since colonial days, when a high tax post ranked with the best patronage had to offer, tax administration in Latin America has suffered from an overdose of politics. A change of government in many a country throws job security out the window, as friends are rewarded and enemies punished.

The administrative structure itself is liable to be rigid and overly centralized at the top level, with too much responsibiilty placed in too few hands. By contrast, operations are apt to be split every which way. In Peru, for example, tax collection is divided among the tax superintendency of the Ministry of Finance and Commerce, the customhouse, and a private corporation formed by a bank consortium. In several countries, things have reached such a point that the central government has little idea of what tax revenues are going where. In one small republic a recent survey showed some 800 entities active in tax collection, most of them privately operated. Only about 35 percent of tax revenues was going to the national treasury. In at least one other, town governments are still practicing the ancient custom of selling or auctioning off the right to collect and keep certain taxes.

The majority of Latin American tax administrators and agents are not the corrupt ogres they are made out to be in the public mind. However, because pay is low and job insecurity high, the urge to turn a dishonest peso is constant, heightened by the lack in most tax systems of adequate internal inspection.

Training is apt to be rudimentary. Many an agent, confused as any taxpayer by the intricacies of the tax structure, has no real idea of what the limitations or the scope of his job are. In many instances, there is no operating manual to refresh his memory.

Even the best trained administrators are frustrated by strictures on their powers of investigation. In the United States and elsewhere, tax inspectors can go to a taxpayer's bank or to his friends if they suspect illegal doings. In most of the Latin American republics, they cannot. Those sources that are open to them—customs records, public land deals, government contract papers—don't yield the information they should, owing to a lack of cooperation among government offices and to an even greater lack of personnel and machines to process data. All of which tends to force both investigative and normal administrative work into the lines of least resistance. In the business field, for example, tax men concentrate on large corporations, whose records are normally in good shape. The smaller companies, whose bookkeeping is usually substandard (and where evasion through the keeping of double sets of records is common), are free to operate as they please. Similarly, taxes that are difficult to enforce, such as the inheritance tax (rendered impotent by the use of bearer securities to mask the transfer of property) are either neglected or, in the case of the Mexican federal tax system, dropped entirely.

When tax officials are lucky enough to land a delinquent, chances are that he will escape with little more than a nominal fine and a stern talking to. Penal sanctions are on most legislative books, but they are rarely invoked. Moreover, the penalties that do exist are often unjust. In Argentina, failure to file an income tax return is considered a misdemeanor. If a taxpayer does file but reports only part of his income, he is guilty of fraud.

Commenting on the overall administrative picture, one well-known expert had this to say: "I venture to assert that if the limited enforcement powers, the operational obstacles, the administrative handicaps prevalent in Latin America were present in the countries of North America and Europe * * * the relatively high degree of voluntary compliance that vigorous enforcement has slowly built up in them over the years would gradually sink to very low levels."

In Latin America, evasion is popularly regarded as a sport and the successful evader as something of a hero. In fact, of course, tax dodging produces a set of circumstances that are anything but sportsmanlike. As revenues drop (and as inflationary deficit spending rises), the government is forced to impose new taxes and surcharges, thus encouraging further evasion. The man in the middle is the honest taxpayer. The businessman who pays his taxes simply cannot stay in the running with competitors who don't—not unless he, too, climbs on the evasion bandwagon.

THE ROAD TO REFORM

Pressures to eliminate tax inequities and inadequacies have been growing for several years, both on inter-American and national levels. The Organization of American States (OAS), the Inter-American Development Bank (IDB), the U.N.'s Economic Commission for Latin America (ECLA), and Wash-

ington's Agency for International Development (AID) have undertaken programs ranging from research to technical assistance. The U.S. Internal Revenue Service has agreed to show Latin American tax officials how it makes life miserable for the would-be evader. Study missions by the boatload have put in appearances up and down the continent. Says William Dobrovir, himself the author of a comprehensive report on Latin American tax habits: "Tax reform in Latin America practically has been studied to death."

The most thoroughgoing project to date is the joint program in taxation being carried out by an OAS–IDB–ECLA group with the cooperation of Harvard Law School's international program in taxation. Last October the group rounded up representatives of 17 republics in Buenos Aires to discuss problems of tax administration. Another conference—this one on tax policy—is slated for Santiago at the end of this year. In the interim, a number of country studies are to be completed.

Colombia is generally considered to have developed Latin America's most sophisticated tax system. Income and wealth taxes have become increasingly important, accounting for 40 percent of total tax revenues in the early fifties and 50 percent today. Much of the direct tax structure was improved late in 1960, after 2 years of consultation and study by a group headed by Hernando Agudelo Villa (then Finance Minister, now a member of the Alliance's top economic advisory committee). For one thing, direct taxes were codified, bringing at least some degree of organization to a welter of legislation stretching back 30 years. For another, income was redefined as enrichment from all sources except those specifically designated in the law (breaking away from the outdated method of listing separate income sources ad infinitum). Capital gains were thus brought within the scope of taxation, though at present only gains from the sale of real estate are affected. The maximum rate on individual income was raised from 48 percent to 51 percent and the floor of the top income bracket lowered from 5 million to 2 million pesos. More importantly, business tax brackets were boiled down from 42 to 3 to reduce corporate fragmentation, and the maximum rate raised from 31.7 percent to 36 percent, while the top bracket was dropped from 5 million to 1 million pesos. Tax administration and collection were strengthened through provisions for more intensive training, a better organized civil service, and the use of up-to-date data processing equipment.

Argentina has also been making headway, particularly in the administrative field. Dismayed by a backlog of uncollected taxes amounting to over 12 billion pesos (around $150 million), the Government brought in Manuel Rapoport and his advisory committee took a swing through the United States and Canada to study administrative procedures and set about improving their own. Helped along by the advice of Harvard Taxmen Oliver Oldman and Stanley Surrey (now Assistant Secretary of the U.S. Treasury Department), Rapoport tightened up installment payments and decentralized administrative offices. Buenos Aires, which had been limping along with 1 tax office, had 11 by the end of last year. Collections began to mount. Government budget experts, who had predicted that tax receipts for 1960–61 would come to 82.7 billion pesos, were happily surprised when the figure climbed to 100.7 billion.

Some progress has been made in reforming the tax structure itself. A number of superfluous taxes have been eliminated and provisions made to offset the effects of inflation by increasing personal exemptions and permitting reevaluation of assets. A number of loopholes were plugged by a reform bill passed early this year. But no tax structure, reformed or not, can survive the pressures of political chaos. The overthrow of President Arturo Frondizi last March and the continuing battle for power in Argentina have dealt a blow to the fiscal system that only a lengthy period of stability can counteract.

Chile is another country in a hurry to reform its tax administration. Working with officials of the Internal Cooperation Administration (now part of the Agency for International Development), internal revenue director Eduardo Ursúa Merino and his deputy, Enrique Piedrabuena Richard, visited the United States and returned to set up a tax administration school. So successful has the school become that Alliance officials are holding it up as a model of what can be done.

There is little outstanding about Chilean taxes themselves. Some efforts have been made at codification, and the income tax is gaining as a source of revenue. Reform of customs is almost complete. But revenues from real estate are too low and the tax burden on salaried workers and corporations too high. Foreign-owned copper companies have been particularly hard hit in recent years as an easy source of revenue to offset wage boosts.

Mexico, whose ratio of taxation to gross national product is one of the lowest in Latin America, took some important steps toward reform last December. For the first time, a tax was levied on capital gains from the sale of real estate (though the effect is limited since gain is to be computed from the date the tax becomes effective). A graduated surtax was imposed on income in excess of 180,000 pesos ($14,400) received under more than one of nine schedules. The rates are relatively low, however, and the total complementary tax, added to the regular schedular taxes, cannot exceed 30 percent of taxable income. Other innovations: a withholding tax on interest from formerly exempted securities—including mortgage bonds and other paper issued by credit institutions; and the replacement of a stamp tax on rentals with an income tax. These measures are relatively modest, but at least a start has been made toward a modern income tax system.

This is the tax reform picture elsewhere in Latin America:

Bolivia has essentially the same tax system it had two decades ago. However, reorganization of the finance ministry, streamlined administrative techniques, and the use of electronic data processing machinery have improved collections—by 30 percent in 1960 and 17 percent in 1961. Customs procedures have been thoroughly overhauled, and a rather high rate on real estate sales reduced to cut down on evasion (significantly, collections remained level despite the reduction). In a move which the rest of Latin America should watch closely, the Government has approved a tax on rural property which may become one of its most important producers of revenue. Oddly enough, the politically powerful campesinos have raised much less of a ruckus than was initially expected. One important reason why: the peasants, only recently freed from feudal servitude by Bolivia's agrarian reform, still have doubts about their status as landowners. Now they are being asked to pay something for property which most of them received to all intents and purposes as an outright gift, and their innate sense of dignity tells them that this is as it should be.

Brazil has made some effort to adjust taxation to its galloping inflation, principally by basing income tax rates on minimum wages and, like Argentina, permitting reevaluation of assets. Legislation introduced last year that would have hiked tax rates on dividends and restricted profit remittances (the latter caused a near crisis in Brazilian-U.S. relations) has been stalled. On May Day, President João Goulart came out in favor of taxing "those who have obtained excess profits from the inflationary process" and "applying these revenues for the benefit of the nation." But this is an election year in Brazil, and any meaningful reform is likely to be postponed at least until the polls close.

Ecuador is trying hard to place greater emphasis on income and inheritance taxes (particularly since the previous government learned to its sorrow that increasing the already heavy indirect tax burden was one of the quickest ways to get overthrown). Congress has approved a law cracking down on income from bearer shares, and is considering replacing the many controversial and complex sales taxes with a single, more equitable one.

Paraguay has limited tax reform so far to the reduction of export duties on meat, improvement of customs collections, and a small increase in the top income tax rate.

Peru collects a large and increasing percentage of revenues through the income tax. Since 1958, the Government has raised the rates on business profits and on income from bearer shares, extended the statute of limitations on tax infractions, introduced self-assessment and automatic data processing equipment. It has promised to complete reform of tax collection by 1964, and of the complex tax structure by 1966. Whether the pledge will be redeemed depends on the outcome of this month's presidential elections.

Uruguay approved its first income tax in 1960—a schedular device with a 10 percent basic rate and progressive rates running from 5 percent to 30 percent—and then weakened it by raising personal allowances and increasing deductions. However, the law does give tax inspectors more muscle than is customary in Latin America; they are empowered to quiz a suspected tax delinquent's friends and contacts about his activities. It also reaches farther into the countryside by taxing agricultural income on the basis of presumed production per hectare.

Venezuela soothed taxpayer tempers in 1958 by dropping the hated "cinco por mil" gross receipts tax and raised hair in international oil circles by increasing its bite on petroleum from 50 percent to 60 percent. Last year, the Government extended the pay-as-you-go principle (taxation on a current basis) to most industrial and commercial ventures and raised business and inheritance taxes.

Panama, which has one of the few unitary income taxes in Latin America, has jumped rates twice in the past 2 years and improved its land tenure tax. Early this year, dividends and interest were brought under taxation and a punitive rate imposed on bearer shares.

Central America. In Costa Rica, the brandnew Orlich administration is planning reforms in income and property taxation. El Salvador raised its top income rate to a spanking 76.5 percent last year, then took a step backward by turning from a unitary to a schedular tax. Guatemala, which has been playing with income tax legislation since 1948, accepted it "in principle" last year. In Honduras, where falling world banana prices have shriveled revenues from the foreign-owned fruit companies, the Government has called in experts from the OAS to help reform its tax structure. Collections have reportedly been increased 60 percent by allowing administration people to choose their working companions and elect their own supervisors. Nicaragua has done well by its customs collections and made some headway in modernizing its income tax, but no real change for the better is expected until after the elections next year.

Averaged out, tax reform measures in Latin America are mildly encouraging from the standpoint of bringing existing machinery up to date. But progress in linking

that machinery to economic and social development is something else again. Land taxation, particularly as it applies to agrarian reform, has been almost entirely ignored, owing chiefly to the recalcitrance of powerful landowners. Colombia's tax on idle land has improved farming efficiency and encouraged the breakup of some underutilized estates. The Lleras government has also tied land evaluaton to the capital gains tax, thus forcing a landowner who keeps his property assessments artificially low to pay the piper when he sells. Chile has started a land survey, partially for tax purposes, using aerial photography. But in most republics the cutting edge of legislation and enforcement is still missing. Venezuela, which made land taxation an integral part of its 1960 agrarian reform law, has yet to get cracking on meaningful implementation.

Tax incentives are being used to some advantage in other sectors. Argentina, for example, offers special tax benefits to investors in steel, petrochemicals, and to new industries in the country's less developed areas. Venezuela, Peru, Colombia, Mexico, and others offer much the same thing on ventures ranging from roadbuilding to low-cost housing. But tax relief can have little value until taxes themselves attain their proper status and strength.

THE CENTRAL DECISIONS

The complaint has often been made that Latin American tax reform has no model to follow. There may be some truth to this though no one pattern could possibly serve 19 disparate republics (the 20th, Cuba, has already picked its model—straight from the Kremlin's catalog). What is needed more than perfection on paper is a series of decisions as tough to make as they are central to the issue of tax reform in the Americas.

First and foremost, a balance must be struck between public and private sectors. Whatever economic conservatives may say against it or liberals for it, the role of government in Latin American development is large and getting larger. If limits are to be set on centralization, then they must be accurately reflected in tax legislation. If private investment is to be as important as Alliance planners hope, then private saving will be important. The problem is not only to give tax preference to savings that will be used productively, but to give the entire saving process political justification. Even when employed strictly in the national interest, invested capital will add to the wealth of those who have it and thereby to the resentment of those who do not.

Western experts, particularly those in the United States, lean toward the unitary, progressive income tax as the best way to achieve equilibrium among the conflicting tax goals of revenue, equity, and investment incentives. Only a short while ago, they say, the United States was a developing country relying principally on its customhouse for its revenue. Now, more than 62 percent of Washington's tax income is collected through the income tax (at a cost of only half a cent per dollar). No other tax could produce so much revenue with such little pain.

Many Latin American tax officials agree, with one major reservation. To work well, the income tax requires highly literate taxpayers capable of keeping records and remembering payment dates and an exceptionally well-trained administrative staff with enough enforcement power to see that they do remember. To work as a mass tax, it requires a reasonably broad distribution of income. In most of Latin America, this happy combination of circumstances just doesn't exist. After all, the United States took at least three decades to develop its income tax into an important fiscal and social force. How then, can its allies for progress do it in one?

Most of them can't. But all can make considerable improvements in direct tax collection (through extension of the withholding and pay-as-you-go systems) and tax coverage—particularly in the areas of dividends, capital gains from the sale of securities, real estate, inheritance, and investments abroad. Few countries besides Mexico tax resident's income on a worldwide basis, and until they do, the lure of Florida real estate and Wall Street securities will continue to attract Latin America money, to the detriment of investments at home.

Special attention should be given to indirect taxes since they are going to provide the lion's share of public revenues for a long time to come. Most governments have set up their sales taxes without proper study of their sales structure. The retail tax is considered the fairest of all consumption taxes and the easiest to administer. But it won't work properly in areas where modern retail outlets with modern bookkeeping methods are far outnumbered by cubbyhole grocery stores and artisans' booths.

Other tasks for the tax reformer's broom: (1) excise taxes should be brought into line with development plans by more careful selection of the items to be taxed; (2) most of the anachronistic and irritating stamp and stamped-paper taxes should be discarded; (3) the entire field of customs duties should be rehauled in many republics. Import duties are apt to protect the inefficient and unnecessary domestic industry as well as the efficient and essential. They are often applied to capital goods, thus increasing the cost of investment and, eventually, the price of the goods produced. And they often hit food, medicine, and other items desperately needed by the lower classes, further pauperizing the poor.

In all of this, students of taxation have one word of warning: no country should work in isolation. To do so would be to wreck the scaffolding of economic integration now being raised in Central and South America. One unilateral decision to raise import duties or sales taxes could easily wreck years of painstaking negotiations.

Just as much if not more can be done to improve tax administration. The need for accurate data—tax and land registers, income patterns, etc.—is enormous and growing as the population grows. Some tax offices have ordered and installed automatic data-processing equipment and local statisticians are already saying the computers will soon bear the same relationship to their profession as the airplane does to Latin American transportation. The U.S. Internal Revenue people, who have just opened the Nation's first ADP tax center (at Martinsburg, W. Va.) heartily concur.

The greater problem is how to use statistics in tax work. There is unlimited room for training administrators in business and farming practice (so that they can determine the most equitable time to send along their friendly notices) and in the best ways of cross-checking suspected tax dodgers. To improve honesty within the tax office, wages should be raised and the practice of granting agents a percentage of collected fines eliminated. To improve honesty without, two things are needed:

Tougher penalties: Several Latin American tax experts oppose U.S.-style prison sentences for the more flagrant breed of tax evader, fearing that penal sanctions might be used for purposes of political persecution. Nevertheless, experience in Israel and other developing countries shows that a combination of fair taxes, strict enforcement, and the threat of being put away for a year or two do wonders for the public purse.

Greater investigatory powers.

A well-planned information campaign. The lack of simple pamphlets explaining the tax system and the taxpayers' obligations under it is disturbing. No country has yet brought its development plans down to the level where the average taxpayer can see what is being done with his money.

The concept of local self-help is almost entirely lacking from Latin American tax reform programs. States have considerable taxing authority in several countries (Argentina, Brazil, Colombia, Mexico). But municipalities in most countries do not. With help and direction from the national government, the long-neglected grassroots township could begin collecting community taxes for community development.

The United States is no stranger to tax controversy. Congress and the country are studying and arguing bitterly over Kennedy administration proposals which, if passed, will have both domestic and international repercussions.

The domestic issue: a withholding tax on dividends. The international: taxation of the earnings of a U.S. subsidiary operating abroad, whether these earnings are remitted to the parent company or not. Present U.S. law taxes corporate earnings only when they are returned to the United States, thus giving companies considerable, and some say, essential freedom to transfer profits as they see fit, so long as those profits remain outside the country. It is unlikely that Kennedy's oversea tax proposals will go through, given the current congressional reaction against them. However, if they do, tax-haven countries, which offer a tax-free base from which to direct subsidiary operations around the world, are going to have a rough time of it. In Latin America, that means Panama and, to a lesser degree, Venezuela. Other casualties may be certain aspects of the foreign tax credit principle under which a U.S. company can subtract taxes paid to its host country from its U.S. tax bill.

The administration says these measures are necessary to correct flagrant tax abuses (paper companies, etc.) and to set its adverse balance-of-payments position to rights. Many U.S. businessmen with foreign operations to worry about say legislation based on the proposals would chop deeply into investment overseas.

Everyone has his tax problems, even the Alliance administrators. Critics claims that there is too much rivalry, too much duplication of effort going on in the OAS-IDB-ECLA circuit, and not enough single-minded planning about who will offer what assistance to which tax reform program. But even if the bugs are removed from Alliance machinery, the burden of tax reform will still lie heaviest at the local level. Latin American governments will still have to improve their fiscal procedures, and give their people a good reason for paying taxes. And the rich will still have to be convinced that the descent from their economic Olympus is long overdue.

Patience is called for, but impatience exists. Impatience in the United States is Joe Smith angry because the tax dollars he sends to Latin America are not being matched by local taxpayers. Teodoro Moscoso, U.S. Coordinator of the Alliance, summed it up in a recent speech: "You can hardly expect U.S. taxpayers, already heavily burdened, to help underwrite development programs in countries where a few privileged people, far richer than the average U.S. taxpayer, are virtually free from taxation."

Impatience in Latin America is Juan González, bitter because he feels he is being cheated by his government, savagely angry because he can see no signs of progress in his daily life and no hope of moving upward to the things he wants. This kind of impatience is critical. It must be relieved or it will explode. And in that explosion the entire concept of rapid, peaceful change—the heart of the Alliance for Progress—will perish.

Latin America's low tax yields—The ratio between national revenue and gross national product [1]

[In millions of dollars]

	Gross national product
United States (19.0 percent)	504,000
Brazil (8.6 percent)	17,440
Mexico (9.1 percent)	11,500
Argentina (15.6 percent)	11,270
Venezuela [2] (21.2 percent)	7,200
Chile (15.5 percent)	4,975
Colombia (9.4 percent)	4,435
Peru (17.0 percent)	2,005
Uruguay (11.6 percent)	1,272
Ecuador (17.6 percent)	825
Dominican Republic (17.8 percent)	725
Guatemala (13.3 percent)	685
El Salvador (15.0 percent)	488
Panama (13.8 percent)	445
Costa Rica (18.7 percent)	420
Honduras (9.1 percent)	407
Nicaragua (11.3 percent)	325
Haiti (9.8 percent)	280
Bolivia (13.6 percent)	235
Paraguay (11.5 percent)	235

[1] State and local tax collections are insignificant, except in Argentina, Mexico, Colombia, and Brazil. Adding local to national revenues in the United States would raise the proportion from 19 percent to about 27 percent.

[2] If revenues from oil and mining companies are eliminated, the proportion drops to 8 percent.

Source: Agency for International Development and local statistics.

Per capita gross national product

[In dollars]

United States	2,796
Venezuela	1,040
Chile	638
Argentina	526
Uruguay	450
Panama	411
Costa Rica	343
Mexico	322
Colombia	292
Brazil	259
Dominican Republic	234
Nicaragua	212
Honduras	202
Ecuador	185
El Salvador	180
Peru	180
Guatemala	177
Paraguay	130
Haiti	79
Bolivia	65

DISARMAMENT: THE NECESSITY OF PUBLIC UNDERSTANDING

Mr. HUMPHREY. Mr. President, some time ago I informed the Senate that it was my intention to discuss at some length the developments at Geneva, Switzerland, in the 18-nation disarmament conference. I shall do so at this time.

Mr. President, recent developments have underscored the necessity for a great power agreement to halt the testing of nuclear weapons. Once again, as was the case last year, the Soviet Arctic this summer and fall will be shattered by nuclear explosions of unpredictable magnitude. The Soviet Union insists on conducting the last series of nuclear tests—on the flimsy and transparent grounds that the United States was the first to test nuclear weapons in 1945. The West has reluctantly accommodated itself to the Soviet demand for the last word, because the United States and Britain, if not the Soviet Union itself, know the extreme dangers inherent in an unending game of nuclear "leapfrog." The Russian tests may bring the Soviet Union somewhat nearer to "parity" in nuclear power with the United States, but if this is the price to be paid for an effective, safeguarded nuclear test ban treaty—and if there is nothing we can do to prevent the Soviet tests in any case—then the price should be paid. Whether or not the Soviets are prepared for once to act in good faith, we have nothing to lose; we are compelled to leave the door open for further nuclear testing should the Soviet tests foreshadow a marked gain for the Soviet Union vis-a-vis the United States. We cannot sacrifice our national security in an age where progress in the laboratories and on the testing grounds heavily outweigh the gains that nations used to seek on the battlefield.

Another significant development, Mr. President, is the undisguised debate in the United States itself concerning our posture on a nuclear test ban agreement. The very fact that we can tolerate disagreements on such a vital subject is a sign of the basic health of our political system. It is a guarantee that no aspect of this problem will be swept under the rug. At the same time, I am clear in my own mind that exhaustive scientific analyses of the results of certain underground nuclear tests conducted by the United States have given us more, not less, flexibility in negotiating a nuclear test ban agreement at this time.

The Disarmament Subcommittee of the Senate Foreign Relations Committee has just this morning questioned some of our disarmament officials, including Mr. William Foster, concerning certain facets of our negotiating position.

I understand that the Joint Committee on Atomic Energy has also interrogated Mr. Foster and his assistants. The Committee on Armed Services has interrogated certain representatives of the Pentagon concerning nuclear tests and what we have learned about detection and inspection.

It was a fruitful, enlightening hearing this morning. Without revealing the details of the discussion, or prejudging a decision which can be made by the President alone, I can say that this is definitely the time to reevaluate our terms for a nuclear test ban accord. Modern science and technology have given highly advanced countries, such as the United States, room for greater flexibility in the complex bargaining at Geneva. Certain adjustments of detail, if not of substance, are clearly called for. We are not in the position to make far-reaching concessions or to accept the national inspection hoax fostered by the Soviet Union. Any adjustments we suggest may indeed prove as unacceptable to the Soviet Union as others have proved in the past. But our scientific and technological prowess give us greater bargaining leeway than we have ever enjoyed before; it should be taken advantage of for the sake of future generations.

It has long been my view that exhaustive exploration and research in the field of inspection and control and detection of nuclear weapons would yield new information which would be valuable to our negotiators.

Senators will recall, if they examine the record, that several years ago I pleaded in the Senate for a greater concentration of effort upon the improvement of our seismographic installations and upon the improvement of our implementation in seismology. I asked that more funds be dedicated to this type of research in order to make some scientific breakthrough which would strengthen our hand at the negotiating table on the subject of a nuclear test ban with adequate safeguards. I feel somewhat vindicated in my plea by the recent developments. There is not a shadow of a doubt that the results of the tests which have taken place thus far, so far as the inspection and detection of nuclear explosions are concerned, have proved that modern instrumentation and modern control stations would be able more clearly to detect a seismic event at a very great distance. This means that with fewer control posts but with more up-to-date, modern seismographic installations and equipment, we can better police the nuclear test ban treaty than we dreamed was possible a year ago.

Mr. STENNIS. Mr. President, will the Senator from Minnesota yield for a question?

Mr. HUMPHREY. I yield to the Senator from Mississippi.

Mr. STENNIS. I just entered the Chamber, and unfortunately did not hear the first part of the Senator's speech. However, I heard him say that we have instruments which will enable us to determine more clearly whether nuclear devices are being tested. What did the Senator mean when he said "determine more clearly"? At what distance can a determination be made with such instruments?

Mr. HUMPHREY. From 1,500 to 6,000 miles, in terms of being able to detect a seismic event or disturbance; but there is yet the problem of differentiating between an earthquake and a nuclear explosion. But because of research and improvements of machines, the recordings on our seismographs are decidedly more accurate and clearer, so we have made some advances.

Mr. STENNIS. So the Senator from Minnesota can report encouraging progress; but so far as having instruments that can give us information with certainty, information which would be necessary and sufficient on which to base a treaty, we are still far from that point, are we not?

Mr. HUMPHREY. That would depend upon the nature of the treaty. If it were a treaty that would provide us with so-called foolproof identification of all types and sizes of explosions, I should say that we have not approached that point. Therefore, that sort of treaty undoubtedly would not be brought before the Senate. However, we have made progress, and it might very well be feasible to sign some limited type of nuclear test ban treaty which would exclude certain types of explosions.

Mr. STENNIS. As I understand, not enough definite progress has been made

up until now to make a major commitment over a broad area in this field which is so troublesome. We cannot yet rely upon these instruments.

Mr. HUMPHREY. More research will be required to accomplish our objective. I should also say that with proper spacing of control posts, in which are situated the seismic machines, we could, with the addition of onsite inspection, be able to go to the area where we suspect an explosion has taken place and have a reasonable degree of certainty that our national security would be protected. However, as the Senator from Mississippi knows, the Soviets have protested vigorously any suggestion of onsite inspection, calling it espionage, when we know that our purpose would be merely to ascertain what had actually happened, since we cannot rely upon the word of the Soviet officials.

Mr. STENNIS. I thank the Senator for his explanation.

Mr. HUMPHREY. I thank the Senator from Mississippi for his perceptive questioning.

Mr. President, our negotiators at the Geneva disarmament talks have three imperative, feasible goals which should be pursued with the utmost energy and diligence.

First, a nuclear test ban agreement signed by the United States, Britain, and the Soviet Union. The agreement should cover testing in the atmosphere, outer space, and underwater at least, but if possible should also include a 2-or-3-year trial ban on underground tests.

Second, there should be an airtight agreement to prevent the proliferation of nuclear weapons in today's unstable world. It is bad enough to have nuclear weapons in the hands of three negotiating powers, one of whom has given little evidence of restraint in the production and testing of them. Actually, nuclear weapons are now in the hands of four great powers: The United States, the United Kingdom, France, and the Soviet Union.

It would be an unparalleled disaster if nuclear weapons were to get into the hands of smaller powers pursuing their parochial national quarrels with other small nations in sensitive regions of the globe. Two great powers can take steps to lessen the danger of nuclear escalation; but the great powers could hardly control the escalation of a small nuclear war begun by powers such as, for example, the United Arab Republic and Israel. Imagine the effect in that area, particularly with the use of nuclear weapons. This would pose a problem for the entire world and might engulf all the nations. I mention these states only because each has developed a rocket capability—ostensibly for peaceful, scientific purposes but clearly adaptable to military purposes. Israel, moreover, is constructing a large atomic reactor—again for "peaceful purposes"—which is easily capable of shifting to nuclear weapons production. Think of the incalculable consequences if the Middle East should become the site of an uncontrolled race for the development of nuclear weapons and delivery systems.

Imagine how we would feel if Castro's Cuba should develop the capacity for building a nuclear reactor and subsequently the production of nuclear weapons, with the Soviet Union furnishing the rockets and Castro's Cuba developing rocket heads—that is, the missile heads or the warheads themselves. This Nation would indeed have good reason to be deeply concerned. In other words, the dispersal and proliferation of nuclear weapons and the technology for making nuclear weapons is the greatest threat to the peace of the world today.

I am keenly gratified, therefore, that the Indian delegate at the 18-nation disarmament conference should have recognized the danger of nuclear weapons proliferation and should have called for effective means of ending this danger.

Many times I have not agreed with Mr. Krishna Menon, the delegate from India. He has been anything but respectful of the United States, and all too often he has been our severest critic. To my mind, he has been unfairly critical of us. Yet in meetings of the 18-nation conference at Geneva, Mr. Menon has severely criticized the Soviet Union for the renewal of nuclear tests and has called for a cessation of such tests and for a limitation on further nuclear testing.

The Soviet Union, embarrassed and discomfited by the prospect of nuclear weapons in Chinese Communist hands, has every reason to join the West in common steps to keep existing nuclear weapons under great-power control.

Third, and just as important, we must strive with every available diplomatic means to remove the danger of war by accident or miscalculation. Reliable procedures should be developed, including instant United States-Soviet communications at the highest level, to remove any basis for misunderstanding one another's actions. I have urged this many times before, and I am convinced that the need for such procedure grows with every passing day.

All American statesmen—Senators, Congressmen, and administration officials—should realize that an uncontrolled arms race threatens the very existence of the human race. They should perceive the urgency of fixing boundaries where none exist at the present time. As Secretary of State Rusk said yesterday at Geneva, the United States will take reasonable risks to achieve disarmament—of which a nuclear test ban is an indispensable feature—for there are unlimited risks in an unlimited arms race.

It always disturbs me when I hear people talk about how we can more adequately insure our security by engaging in an uncontrolled, unlimited arms race in which there is no way to know who is ahead. Mr. President, an arms race is no guarantee at all that the security of the United States will be sustained. As a matter of fact, an arms race is a risk—and a costly risk. Therefore, we must ascertain whether our efforts to achieve some type of effective and enforceable disarmament involve a risk which we are willing to take. In other words, we are faced with a choice of risks.

Mr. President, now is the time for Congress to rally to the support of our disarmament efforts. This has been our position in the past, and it should be our position today. Most Members of this body are generally aware of the major policy initiative of the President in the disarmament field since he came to office 1½ years ago. President Kennedy has adhered to, but at an accelerated and more intensive pace, many of the guidelines established by the previous administration.

For example, both the Eisenhower and the Truman administrations insisted that any disarmament agreement must include the principle of adequate verification. This is what we mean by inspection and control. All three administrations since the end of World War II have declared that, given Communist tactics and given the closed society of the Soviet Union, we cannot rely upon the verbal dedication of the Kremlin leaders to the slogan of "general and complete disarmament." To back up the word of the contracting parties, any agreement must include a detailed prescription of appropriate inspection and verification procedures.

Another principle followed by all administrations is that a disarmament agreement might be comprehensive in the sense that it covers many different kinds of armaments, or that it might be limited to partial measures, or even to one measure. Other fundamental principles of U.S. disarmament policy have remained constant over the past dozen or so years. It is important to stress that the Kennedy administration, with the help of many officials of the previous Eisenhower administration, has given an intensified effort to the disarmament problem—particularly through the creation of the new U.S. Arms Control and Disarmament Agency.

I digress to point out that this Agency is doing the job it was intended to perform under the law setting up the Arms Control and Disarmament Agency. It serves as the coordinator of all our disarmament efforts—both scientific and diplomatic—and acts as the principal adviser to the President of the United States on this complex and very sensitive subject.

I commend the Director, Mr. Foster, and his able staff for the work they have performed thus far and for the preparations which have been made for our negotiators at the Geneva Disarmament Conference. I have said before, and I repeat now, that at this conference, which recently reconvened, we are better prepared than ever before to present a U.S. position and policy. That position and that policy have also been fully coordinated with the policies and the objectives of our major allies. In other words, we work in concert for common objectives.

Concern for a properly safeguarded, comprehensive disarmament treaty has not, of course, been the monopoly of the executive branch. On numerous occasions the Senate has adopted resolutions which called for a disarmament treaty binding on all nations and guaranteed by adequate enforcement machinery.

Let me mention just a few of the resolutions favoring disarmament which this body has adopted. In 1948, the

Senate adopted the famous Vandenberg resolution, which, among other things, called for universal regulation and reduction of armaments. In 1953, we adopted Senate Resolution 150, which said that it continues to be the declared purpose of the United States to obtain, within the United Nations, agreements by all nations for enforced world disarmament and for transfer to constructive ends of resources and manpower now being used for arms. In 1955, we adopted Senate Resolution 93, to create the Senate Subcommittee on Disarmament for the purpose of studying proposals for disarmament and control of weapons of mass destruction. In 1955, also, we adopted Senate Resolution 71, which proposed to decrease proportionately the amounts of money which nations were spending for armaments, and to increase, by similar proportions, expenditures aimed at increasing world living standards. In 1957, we adopted Senate Resolution 15, for the establishment of a permanent United Nations police force. In 1959, we adopted Senate Resolution 96, expressing our support of the Eisenhower administration's efforts, at Geneva, to negotiate a ban on nuclear weapons testing. In 1959 we also adopted Senate Concurrent Resolution 48, which reasserted our desire to achieve a disarmament treaty, and reasserted our interest in turning over to the expansion of works of peace throughout the world a portion of the resources which would be saved by disarmament. In 1960, we ratified the Antarctica treaty, which contained a prohibition against all military operations and explosions in Antarctica. In 1961, we passed the Arms Control and Disarmament Act, after thorough hearings and full debate. Mr. President, I submit this is a commendable record of effort toward a workable, enforceable disarmament program.

I do not for a moment say that this history of consistent support for disarmament closes the question for all time to come. But I do feel that this bit of history makes clear that the disarmament goal is a well-established one, to which the Senate has given considerable attention over the years. I think the Senate should again go on record in support of our intention to achieve a workable and enforceable disarmament program. It is not an unfamiliar idea or a novel proposition.

When we have endorsed the goal of safeguarded disarmament, we have espoused a general but important principle. As we grow more and more specific, we shall certainly have many difficult technicalities to master and many close questions to evaluate. We shall question whether a given disarmament pattern will, in fact, produce security and stability, or whether it will not. We shall question whether an uncontrolled arms race is more risky or less risky than a particular arms-control program.

Each of these problems has been met head on, in general and in detail, by the "Outline of Basic Provisions of a Treaty on General and Complete Disarmament in a Peaceful World," submitted by the Government of the United States the past April 18 to the 18-nation disarmament conference at Geneva, Switzerland. This draft disarmament treaty was prepared by the U.S. Arms Control Agency, under the direction of the President and the Secretary of State. It is an amplification of the program submitted last September by the President to the United Nations in the speech now entitled "The Peace Race." This outline is without doubt the most detailed presentation of a comprehensive disarmament plan ever presented to an international disarmament conference by any nation. Still, it is what its title says it is, that is, an outline. The amount of specific provisions that would have to be negotiated before a comprehensive treaty could be agreed to is considerable. For example, if this outline is compared with the U.S. draft treaty to ban nuclear weapons tests, it is clear that the test ban treaty, which covers only one part of the total disarmament question, is far more detailed than the present outline of basic provisions for a treaty on general and complete disarmament.

The United States is now in the process of discussing its disarmament program with the other nations at the disarmament conference. The Soviet Union, too, has submitted some provisions for a comprehensive disarmament treaty. There is taking place at Geneva again an exchange of views among all the nations present there regarding what areas of agreement, if any, might be reached.

As the United States explores with the Soviets and other nations the possibility of reaching some measure of agreement on disarmament, the administration at the same time has been endeavoring to keep Members of the Congress, as well as the public at large, informed as to what its disarmament policy is. The President, as much as any man, knows that without the support of the American people—and, I may add, without the Congress—which must manifest itself in the approval of at least two-thirds of the U.S. Senate, no disarmament plan could take effect. I know that President Kennedy, the Secretary of State, the Director of the U.S. Arms Control and Disarmament Agency, as well as many other high officials of the administration, welcome any opportunity to discuss our disarmament policy with Members of Congress. One might even say that the Congress has been somewhat derelict in its recognition of the importance of this subject. Members of the administration have stood in the wings ready to come out on the stage to explain their proposals, but often the audience has not been interested. Many times we in the Congress are so caught up in carrying out the day-by-day legislative matters and important matters affecting our constituents back home that we have not allowed ourselves sufficient time to study what might appear to be less pressing matters such as disarmament.

I only wish we would give one-half the attention to the cause of disarmament and the many problems associated with the subject that we give to the matter of defense and the procurement of defense objects or materials. We ought to have recognized by now that defense and disarmament are opposite sides of the coin of national security. They are not in contradiction. Both of them relate to the security of the United States.

Some time ago one of my colleagues presented the Senate with an opportunity to discuss disarmament on its merits. An important speech was delivered on this subject and inserted into the CONGRESSIONAL RECORD. It questioned the very bases of our disarmament policy. It made some mistakes of fact about our disarmament program which ought to be corrected. Most important, however, this speech showed there is at least one person in the Senate who does not believe the United States should be attempting to reach a disarmament agreement at this time with the Soviet Union.

Having raised such an issue, the Senator in effect invited discussion on the subject. The debate has been too long delayed, but I am happy, even at this late hour, to comply. I must ask my colleagues: Is it bad policy that the United States is actively pursuing disarmament agreements with the Soviet Union and other countries? Is our national security adversely affected by these disarmament proposals?

I add, Can we actually engage in disarmament discussions with the hope of arriving at a solution? These questions are related to the problem.

Before giving some of the specific comments and criticisms which have been directed at our disarmament policy, it is important to state that the executive branch would have been seriously derelict in its duty and its mandate from the Congress had it failed to develop a disarmament program. When the Congress last year passed the Arms Control and Disarmament Act, it stated:

> An ultimate goal of the United States is a world which is free from the scourge of war and the dangers and burdens of armaments; in which the use of force has been subordinated to the rule of law; and in which international adjustments to a changing world are achieved peacefully.

The Congress further declared:

> It is the purpose of this act to provide impetus toward this goal by creating a new agency of peace to deal with the problem of reduction and control of armaments, looking toward ultimate world disarmament.

This is the expressed will of Congress, and it is a will which was expressed by the overwhelming majority of the Members of both Houses—a majority which exceeds by a considerable amount the two-thirds necessary to ratify any treaty. In the Senate the vote was 73 to 14; in the House it was 280 to 54. Therefore, as I have stated, if the executive branch of the United States, encompassing the President, the Secretary of State, the Secretary of Defense, the Director of the Arms Control and Disarmament Agency, and other interested officials and agencies, did not seek to work out programs designed to free the world from the scourge of war and the dangers and burdens of armaments, they would be reneging on their responsibilities and would be virtually in contempt of Congress owing to their refusal to carry out the law of the land.

Of course, other officials of the Government, such as the Director of the CIA, the Chairman of the Atomic Energy Commission, the Director of USIA, are likewise important figures and personages in the disarmament question. Their viewpoints and advice are instrumental in working out a coordinated disarmament posture for the United States.

The President is criticized in the Senate and in the press and in public for attempting to work out disarmament agreements. Yet one Member of this body was a member of the minority which voted against the adoption of the Arms Control and Disarmament Act. He was in a minority then, and I believe he is in a minority now when he declares that "disarmament means only weakness in a world which contains power-hungry men with dictatorial powers" and when he declares that we should see "the futility of charting a course for the reduction of defense forces in a time of world conflict." As a member of a small minority, he has every right under our system to try to persuade the members of the majority that they are wrong and that he is right. At the same time, he must prepare himself for a critical response; the majority, as far as I can ascertain, is still convinced that the United States is eminently correct when it seeks, with all the vigor and power at its command, to enter into safe, secure, and balanced disarmament agreements with enemies and friends alike.

The arguments of the minority display a certain lack of consistency. When I speak of the minority, I mean those who oppose disarmament discussions and negotiations.

The distinguished junior Senator from Arizona [Mr. GOLDWATER] spoke openly and forcefully on this subject, as have certain other Senators. I respect the right of every Senator to speak out. I encourage it, because I believe it is a contribution to the well-being of this Nation that we should have frank and open discussion of a subject as delicate and serious as the subject of arms control and disarmament.

We were told that conditions are not conducive to disarmament because "international communism is pushing a relentless, never-ending drive to bury us and dominate the entire world." So it is the nature of communism, then, that really precludes any disarmament agreement at this time, according to this type of thinking.

Yet elsewhere in the same speech we are told that "the basic problems of our times are no different than they were in Washington's or Lincoln's time." I do not know whether to argue with the statement that we cannot have disarmament because of the inherent characteristics of international communism, or to quarrel with the statement that nothing has changed since Washington's and Lincoln's day. In any event, the two assertions are incompatible.

In order to straighten out this inconsistency as best I can, I submit that the basic problem, which has been recognized by philosophers and statesmen ever since the birth of the nation state, is that we must find a way to square the requirements of nationalism with mankind's imperative need for peace. If communism did not exist today, I believe that the problem of war and the question of disarmament would still both be with us.

These questions were with us long before the birth of Marx or Stalin or Lenin. The problem may be intensified because of the totalitarian state of the Soviet Union, but the issue has existed throughout recorded history.

An imperialist Russia under either Khrushchev or the czars would represent an equal menace to world peace. Communism intensifies the problem; it does not make the problem. The problem of arms arose before communism was even heard of. The problem is intensified now because of the overweening power ambitions of the totalitarian dictator.

The existence of communism does not remove either of these conditions—the problem of war or the need for disarmament. It has only made the effort to achieve success more difficult, and at the same time more necessary. There is no question in regard to whether the Communists would use force to achieve their goals if they thought this could be done without paying too high a price. For the foreseeable future the menace of the Communist empire seeking to expand its influence and domination will be with us as one of the ugly, hard facts of our times. The nub of our problem is how best to deal with this threat to our security and the security of freedom-loving peoples throughout the world.

The problem of war has been a problem ever since nations decided that this was a reasonably safe technique by which to achieve their objectives. So long as war could be fought and won at not too great a price, nations indeed waged it when all other means to reach their objectives failed. Today war is no longer a reliable means of achieving national objectives. At least, an all-out nuclear war is no longer a reliable means of achieving national objectives. The perfection of modern weapons has lowered the value of war to aggressor and victim alike. Nuclear power, rockets, missiles—bacteriological warfare and chemical warfare, about both of which we hear so little—and the space age compel mankind either to search for arms control or to face the prospect of annihilation.

I have yet to hear any serious discussion as to what is being done by the great powers in the field of bacteriological warfare or chemical warfare. We have had our eyes fixed on nuclear warfare. In so doing we run the danger of neglecting a very serious destructive force. I ask Senators not to misunderstand me. Nuclear warfare is an ever present danger. But hundreds of millions of dollars are being expended throughout the world today by great and powerful nations to develop the most hideous forms of bacteriological warfare, for the killing of millions of people without the destruction of property, and chemical warfare of unbelievable proportions. All this goes on almost unnoticed.

One of the real dangers of the times in which we live is the constant development and expansion of secrecy in the art of weaponry. Secrecy is an enemy of democracy. To be sure, we need a degree of secrecy to protect certain scientific developments and breakthroughs. The trouble with secrecy is that it begets more secrecy. Those who live in the environment of secrecy become almost omnipotent powers themselves. Whenever they wish to keep others from finding out what they are doing they merely extend the area of secrecy. I have seen this occur in our own Government. We see it in respect to the Soviet Union.

The Soviet Union uses secrecy as a mantle to cover up a multitude of sins. It uses secrecy as a means of denying honest information to its own people and to the outside world. It uses secrecy as a weapon, in that uncertainty and fear result from a lack of knowledge of what is really going on. It becomes a psychological weapon in the so-called cold war.

I sense in the Congress, as I do in the executive branch of our Government—both in this administration and in previous administrations, whether Republican or Democrat—that more and more officials wish to cloak their activities, as they relate to defense, in the garment of secrecy. This leaves the American public without control over its own destiny.

We are told that we have a representative government. Indeed we do. Members of the Congress can to the best of their abilities demand that the executive officials tell us the whole truth, but let us not deceive ourselves. We get only a part of it.

Very few Members of this body realize the full extent of nuclear weapon power. We are told we ought not to know it, because we might let the information slip out.

Very few Members of this body know what is being done in the field of bacteriological warfare, or what is being done in the field of diplomacy.

I am not being particularly critical of any individual. I merely say that a modern weapons system or structure, with all its science and technology, has as one of its requirements the element of secrecy, and that secrecy when abused is the enemy of freedom. Make no mistake about it.

I am not a philosopher, but I intend during my time in the U.S. Senate to dedicate some of my limited ability to a study of the effects of weapon structures and systems, and the technology and science which produce those systems of weapons, on the institutions of society and government, because I am convinced that the weaponry itself, as well as the manner in which the weapons are developed, has a great deal to do with the fashioning of the institutions of the Government itself.

Too often in the years I have been in the Congress we have entered into heated discussions on subjects and someone has risen to say, "This question cannot be discussed in its totality, in its fullness, because some of these things are so secret and so privileged that we cannot answer the questions."

Mr. President, that all may be necessary in the age in which we live, but I say that it is a potential threat to the institutions of human liberty, individual freedom and representative government

as we know them. This is a subject which will engage my attention in the years ahead, as I become a little more pensive and meditative, because I feel that possibly we are going through a period now in which, without realizing it, the very basic structure of our country is being modified and altered not by a "hot war" but by the requirements of defense in a cold war and the fantastic developments today in power and weapons which are a part of the national security structure.

The critics of disarmament evidently think that the existence of the modern weapons of warfare has altered nothing in the techniques of international relations, that war today, as it was in Clausewitz' time, is but an extension of politics by other means.

What a comfortable phrase that is. How it deceives the people. War, it is said, is but an extension of politics by other means. What kind of war? What kind of politics are we talking about? Is it the war of the crossbow? Is it the war of the sword and arrow? Is it the war of six-shooters or of rifles? Even that would be a rather unusual extension of politics by other means.

I think Mr. Clausewitz might wish to rewrite his dictum if he could have seen the nuclear explosions which took place in the Soviet Union last fall, or if he could see the nuclear explosions which took place in the Pacific this spring and summer. War is not merely an extension of politics by other means. War, as it is possible in this day and age, is the end of politics, because it is the end of people.

Make no mistake about it. When giants go to war they go for the kill, and they have the instruments available now for the total kill.

Some critics of our disarmament policy evidently cannot agree with the policy of the U.S. Government, as stated in the preamble to its disarmament program, that the nations of the world should be "conscious of the crisis in human history produced by the revolutionary developments of modern weapons within a world divided by serious ideological differences." Some do not think that the existence of nuclear weapons and the delivery vehicles which accompany them and enable them to be placed on target have changed anything in the world. They are so wrong.

This world is quite different from what it was 20 years ago. To be sure, the world is still round and that it is inhabited by people.

Other than that, social institutions, economic institutions, military institutions, and political institutions have changed unbelievably. People who do not understand are incapable of discussing serious questions of national policy in a responsible manner.

We can only be grateful that the people running our Government and the vast majority of the American people do not have such a misconception of the present world situation at this point in the mid-20th century. Most of our people have the good sense to realize that the horse and buggy in many respects have been replaced by intercontinental aircraft. They understand that technology and science have brought the world so close together that one missile can in 15 minutes span continents and land more explosive power on a target than all of the weapons used in World War II, including the atomic bomb on Hiroshima and Nagasaki. They also understand that the interdependence of the world, created again by science and technology, can make it possible for an epidemic, started in the interiors of the countries in Asia, to be transmitted within days and weeks to our own communities and into the homes of our own families and friends.

I have, during the last few days, been reading "The Guns of August," a brilliant history of the first month of the First World War by Barbara W. Tuchman. I was struck by the differences between that situation and our own. In the days before the First World War, Anglo-French military staff officers spoke of the possibility of getting an army ready for action by "M 13," that is, mobilization day plus 13 days. Today, in both Moscow and Washington, military planners can contemplate, not the mounting of an attack, but the actual obliteration of enemy cities by "B 35"—35 minutes after the button is pressed. Thirty-five minutes after the button is pressed, whole nations would be destroyed.

I am not trying to frighten. In fact, I do not believe I have emphasized adequately what the time factor is in modern warfare. I am not particularly frightened by the calculations. I do not expect a nuclear attack, and I am not suggesting that policies be concocted out of fear. Our opponents have more to fear than we do.

However, I am saying that while the major powers may not be contemplating any direct attack upon one another, it is possible in the peripheral areas of the world, in the areas where nations are divided, such as Korea, Vietnam, Germany, the Middle East, or somewhere else, for a conflict to start that might appear to be a brush fire, and it could flame up into a major war because of the commitments of the NATO powers, the Warsaw Pact powers, and the support and defense of particular countries in those areas.

The real danger of war today comes from miscalculation, accident, or the spreading of a small war into the conflagration of a major war. All this, one might say, is a possibility that is remote, but with the acceleration of weapons, with the proliferation of rockets and nuclear weapons, or the possibility of such, the risk and the possibility of a major war grows every day.

I say to the Senate and to our country that every day that a nuclear test ban treaty is put off is another day in which some other nation might become an active participating member of the nuclear-power club. The day when countries in Latin America, the Middle East, and north Africa receive nuclear weapons with rockets and the means of delivery, which means of delivery are becoming more advanced and larger in numbers every year, that particular development supplies the possibility of total disaster more and more.

It is a wonder to me that we do not give a little more thought to this subject, rather than figuring out only how we can build a bigger bomb and a faster means of its delivery. We must contemplate at all times the human factor. Everyone will not be as responsible a world leader or a world citizen as is the President of the United States, or a government such as ours, that is controlled by the people.

The type of situation which would involve governments in which the people have little or no voice, whose leaders are emotional and unpredictable, and where hatred is the pattern of the day and animosity is concocted and is developed as a system of social attitudes, could leave the world ever more in uncertainty as to its future. The possibility of war is intensified every day that a treaty on disarmament is postponed.

I am merely suggesting that the world today is different: military systems are different, diplomacy surely is different, international communications are different, and technology is different. And in this new situation anyone who fails to think of disarmament, arms control, and strengthened international authority, is living in a dreamworld. He is collecting toy soldiers in a political glass menagerie.

If the American Telephone & Telegraph Co., with the cooperation of the Government of the United States, can place into orbit a Telstar satellite that can beam television programs on target, a satellite can also be placed in orbit that can release nuclear warheads on target by electronic impulse. That is no longer fiction. It is very close to reality. A nation could place in outer space a vehicle which travels at 17,000 miles an hour in orbit, loaded with nuclear warheads. When the time comes for the officer in charge at the ground station to push the button which would send the electronic impulse or electrical wave to the satellite in orbit, the nuclear warhead could be released with the same precision that a Polaris missile is released from a Polaris submarine. That is what we are talking about. We are talking about a vastly different world. We are talking about one in which man's science has outrun his sense of good judgment and morality.

Now we are told that any reference to this technological weapons' revolution is misleading. We are told that reference to "the revolutionary development of modern weapons" implies "that weapons alone are the cause of today's crisis. It absolves, therefore, the Communists and the other men of ill will." I would certainly deny any such implications. I would be the first to agree that men, not conditions or things, cause human crises. But human crises are different in today's world than they were in yesterday's world. They can be far more destructive, and they involve the use of completely different weapons. Their effects can be both unpredictable and indiscriminate. Good men who act through ignorance can today be as destructive as the most malign devils.

If we are threatened by archers, we prepare one kind of defense; if we are threatened by tanks, we prepare another. The response we make must be proportionate to the threat. Today's threat requires that we prepare many kinds of response, strategic, tactical, nuclear, conventional, diplomatic, psychological, and economic, as well as efforts to identify mutual interests and to search for methods of arms control which will reduce the threat of war.

There are those in the Senate and throughout the country who would have us think that the United States, its Government today—the Kennedy administration—considers there is only one crisis. No matter how hard anyone tries to distort, he cannot sustain this conclusion that we think there is only one crisis existing in the world. When we face the problem of disarmament, the crisis brought about by the development of modern weapons is one that must be kept before us. That is why the problems created by modern weapons are stressed in a document dealing with disarmament. But only part of our troubles are caused by the growth of international communism. Others are caused by the shrinking of the earth because of the speed with which peoples are brought together in travel and instant communication; and still others are caused by the rising expectations of millions of people who see for the first time the possibility of a better life for themselves and their progeny. And as the peoples of the earth go either together or in competition with each other into the vastness of outer space, we can look forward to new and more devilish troubles in these unknown realms.

The crisis brought about by international communism, as I have said, in itself produces a need for disarmament. It used to be possible to say that disarmament must await the solution of all major political problems existing between nations. Now, precisely because of the kind of problem raised by the existence of international communism, it is impossible to believe that these problems can be solved over a short period of time. If they are solved at all it will only be after many years in which the forces of liberty and freedom will cause a change in those societies now governed by communism, tyranny, and oppression. It is in order to have time to move toward greater degrees of freedom and liberty in the world that it is necessary, to the greatest extent possible, to remove the threat of and the means to wage instantaneous and catastrophic nuclear war.

I have spoken about the address delivered by one of our colleagues in the Senate. He was critical of our disarmament policy. This Senator contends "That we can do nothing but play the enemy's game" or the alternative is to develop "an official guilt complex." I say it is absurd to think that the only choices facing American policy today are to play the game of the Communists or to develop a sense of guilt. But, these are not the only choices. We often complain because some of the neutral countries judge the United States and the Soviet Union by a double standard. It might be the way an ordinary citizen would judge the town preacher and the town's most flagrant violator of the law. Somehow one expects more of the preacher. The United States does not choose, however, to accept this double standard. We made this clear in talking with the leaders of many countries about our need to resume nuclear weapons tests. Judging from the reaction to our test resumption, I believe our points were understood.

What is necessary is not that we play the Communists' game. Our standards must not be lowered to their level. Through patience, diplomacy, and strength their behavior must be changed. There is some movement here. We are being copied by the Soviets in some of our economic activities. Let us be pleased by this and encourage it so that the Soviets might copy noteworthy features of our society—and I am thinking here of our concepts of freedom and liberty, the desire for which cannot be stifled in the human breast.

It is hard to find in the many generalizations exactly what specific criticisms exist of the substance of the U.S. disarmament policy. But in probing deeply I have found two. One criticism is directed at the suggestion by the United States that verification of disarmament procedures might possibly begin on a zonal basis and progress gradually so that at the time major disarmament is taking place, the major area of the territory would be subject to inspection.

Last year the President's adviser, the Honorable John J. McCloy, and the Soviet disarmament delegate, Mr. Vladimir Zorin, agreed on a set of disarmament principles. This came after several months of very hard bargaining on the part of both sides. Mr. McCloy does not have the reputation of being soft. In fact, Mr. Khrushchev was so upset when he heard Mr. McCloy was the President's disarmament adviser that he grumbled sourly this was like sending a goat to guard the cabbage patch. Mr. McCloy worked out a Statement of Principles which was agreed to and made public on September 20, 1961. One of these principles states:

> All disarmament measures should be implemented from beginning to end under such strict and effective international control as would provide firm assurance that all parties are honoring their obligations. During and after the implementation of general and complete disarmament, the most thorough control should be exercised, the nature and extent of such control depending on the requirements for verification of the disarmament measures being carried out in each stage. To implement control over and inspection of disarmament, an international disarmament organization, including all parties to the agreement, should be created within the framework of the United Nations. This international disarmament organization and its inspectors should be assured unrestricted access without veto to all places as necessary for the purpose of effective verification.

It is important in this principle to point out that there is a relationship between the disarmament measures being carried out and the amount of control needed for verification. There is no question but what the United States in its present disarmament program is abiding by this principle. When the United States suggests that it might be possible to start disarmament by taking a percentage of major armaments and reducing and destroying them in a given sequence and to verify such a measure according to zones, it is following the principle quoted above. The question really is not whether or not we are following the principle of control but rather how much control is necessary for any given disarmament measure. There is nothing in this proposal that involves in any way accepting the Soviets' word. The whole concept stated in the U.S. plan is for adequate verification.

Anyone who asserts that the United States is advocating control measures which are not adequate to verify a disarmament agreement either has not read the U.S. plan carefully enough or has a misconception of why control and inspection are needed in the first place.

The U.S. disarmament plan encompasses three types of verification:

First. Measures providing for reduction of armament would be verified at agreed depots and would include verification of the destruction of armaments and, where appropriate, verification of the conversion of armaments to peaceful uses.

Second. Measures halting or limiting production, testing, and other specified activities would involve the international disarmament organization having access to the relevant facilities and activities, that is, plants, airfields, ports, wherever located in the territory of the parties to the treaty.

Third. Assurance that agreed levels of armaments and armed forces were not exceeded and that activities limited or prohibited were not being conducted clandestinely might be accomplished through a system of zonal inspection with the number of zones to be inspected increasing as the amount of reduction of armaments increases.

One other matter of substance regarding our disarmament policy has been criticized, and that is the assertion that the U.S. disarmament plan encompasses a time limit whereby all of the armaments and Armed Forces of the United States would be abolished and demobilized within a period of 9 years. This statement cannot be found anywhere in the U.S. disarmament plan. It is important, however, to attempt to ascertain how this particular assertion took root and apparently has gained wide credence.

The U.S. disarmament plan as presented at Geneva consists of three stages. The first stage, it is proposed, would be completed in 3 years. The amount of reduction of armaments in stage two would be comparable to that reduced in the first stage. As of now no time limit has been set for completion of the third stage.

The problem of the time period is not so much whether the amount of armaments to be reduced in each stage could

physically be reduced within the time period mentioned. Rather, it is whether the political conditions necessary for transition from one stage to another can come about within the time period specified. In other words, the United States has reported to the disarmament conference that it thinks a 30-percent reduction of major armaments could be accomplished in a 3-year period. We also think that the verification measures to assure that all the disarmament obligations are being carried out could also be accomplished within a 3-year period. What we do not know, however, is whether the political impasse of the cold war could be sufficiently altered within 3 years so as to enable the disarmament process to continue in an uninterrupted fashion.

In the U.S. disarmament plan this has been referred to as the transition from one stage to the next. In the U.S. plan there is the proposal that "the transition from stage I to stage II would take place at the end of stage I, upon a determination that the following circumstances existed: First, all undertakings to be carried out in stage I had been carried out; second, all preparations required for stage II had been made; and third, all militarily significant states had become parties to the treaty." If one or more of these circumstances did not exist, the United States has proposed that the question would be placed before a special session of the United Nations Security Council, and the Security Council would then determine whether the foregoing circumstances did in fact exist, thereby permitting stage II to begin.

Let me give just one illustration of how the transition between stages I and II might get bogged down. In the view of the United States, stage I could enter into force without the participation of many countries, including Communist China. However, I believe I am correct in stating that the United States would not want stage II to begin without the inclusion of Communist China as one of the signatories of the Agreement. Suppose the United States and the Soviet Union, as well as any other countries which were participating in the Disarmament Agreement, were to come to the end of stage I in 3 years' time and find that Communist China refused to participate in the Agreement or that Communist China set forth conditions for its participation that were completely unacceptable to the United States. Or, further, that the conditions posed by Communist China would take an excessive amount of time to negotiate. If Communist China threw a roadblock into the disarmament process at this point, stage II could not begin. No one can predict how much time might then elapse before the problems created by any such difficulties could be resolved—indeed, if they could be resolved at all. We would certainly hope that Communist China would participate in any such disarmament agreement and that it would not create undue obstacles for its participation. But we must be realistic in attempting to look into the future, and if Communist Chinese leaders continue to follow their current obstreperous policy on disarmament and other matters, the prospects for the early entrance of Communist China into a worldwide disarmament arrangement are not very bright. This is the kind of question that could delay the disarmament process. It must be explained because critics of the disarmament plan on both the right and the left have assumed that the plan entails a rigid and unalterable time limit.

There are other questions which must be settled before nations could continue to reduce their armaments in an orderly, balanced, and secure fashion. For instance, the U.S. disarmament plan states that "the parties to the treaty would undertake to develop arrangements during stage I for the establishment in stage II of a United Nations Peace Force." Again, it might be very possible to reach the end of stage I in terms of arms reduction without at the same time having reached agreement on how a United Nations peace force is to be established. Here again the transition from stage I to stage II could be radically delayed.

In citing these examples of possible difficulties I do not wish to be misunderstood. I do not wish to have it said that I am looking for trouble and am citing obstacles which may not be present. I believe that I am citing very real problems that the major powers of the world do not yet know how to solve. We do not yet know how we could live in a disarmed world with the Soviet Union holding to its present national and international objectives, with the only single power to maintain peace being a United Nations peace force equipped with whatever armaments and instructions the nations of the world have decided to give it. I can see how we can reduce our armaments 30 percent, or even more than that, within a 3-year period and have proper verification procedures if the Soviet Union is willing to open up its society to some such verification. I do not yet see how in 3 years' time the nations of the world can decide how a future world is to be governed without armaments. And I frankly doubt whether our differences with Communist China can be resolved easily or quickly. These are some of the reasons why the United States has felt that postulating a rigid time period for completion of the disarmament process would be highly misleading at best.

I have discussed what appear to me thus far to be the two main criticisms of the U.S. disarmament plan as presented to the 18-nation Disarmament Conference in Geneva. One of these criticisms, I believe, is based on a misunderstanding of the problem of inspection and control, and the second criticism is based simply on an error of fact.

Let me turn now to another frequently voiced criticism, namely, that the administration has developed its disarmament plan in secrecy and that there was not the slightest hint we were moving ahead with plans for a detailed three-stage proposal. I have a single answer to this criticism; anyone who makes it has not been reading the newspapers or has not been following the routine developments week by week in the Congress.

When John J. McCloy was appointed by the President on January 27, 1961, to be his disarmament adviser, he was asked by the President to make recommendations regarding the U.S. policy on disarmament. It was clear, therefore, as of this date, that Mr. McCloy was instructed to devise disarmament proposals for the President which would be incorporated, when approved, into U.S. national security policy.

Furthermore, it was announced early in the spring of 1961 that the United States and the Soviet Union would conduct bilateral discussions preparatory to the resumption of general disarmament negotiations. In order to prepare for these negotiations, the United States, throughout the spring and summer of 1961, prepared its disarmament plan. The conclusions of the McCloy-Zorin bilateral discussions were announced on September 20, 1961, and were discussed extensively by the press and were even published in full. The McCloy-Zorin communique stated that the goal of disarmament negotiations was to "achieve agreement on a program which would insure that, first, disarmament is general and complete and war is no longer an instrument for settling international problems; and, second, such disarmament is accompanied by the establishment of reliable procedures for the peaceful settlement of disputes and effective arrangements for the maintenance of peace in accordance with the principles of the United Nations Charter." Other principles agreed to by the United States and the Soviet Union clearly defined what prospective disarmament negotiations were meant to achieve.

Following the agreement on principles, the executive branch, while working out its disarmament proposals, has kept in close touch with Members of Congress. I am assured that every request from an individual Congressman to the executive branch, particularly to the Arms Control and Disarmament Agency, for a general briefing on our disarmament proposals, has been accepted with real pleasure. The Senate Foreign Relations Committee, the House Foreign Affairs Committee, the Joint Atomic Energy Committee, members of the Republican and Democratic congressional leadership, and senior members on other important committees such as Armed Services and Appropriations, have been kept informed of the evolution of a U.S. disarmament policy. Before the 18-nation Disarmament Conference convened in Geneva in March of this year, the Secretary of State and the Director and Deputy Director of the Arms Control and Disarmament Agency consulted extensively with Members of Congress and the relevant committees. Other consultations took place before the United States submitted, on April 18, 1962, its outline of basic provisions of a treaty on general and complete disarmament in a peaceful world. There is no secrecy regarding the direction and intent of

U.S. disarmament policy. As a result of my close associations with officials of the Arms Control and Disarmament Agency, as well as with the Secretary of State, the Secretary of Defense, and their chief advisers, I am positive they would all welcome any opportunities to discuss U.S. disarmament policy with any Member of the U.S. Congress. Furthermore, they could discuss this policy with rare knowledge and insight.

I know that it is sometimes asserted that to talk about arms control and disarmament, even to mention it, is dangerous, because it breeds a habit of wishful thinking which might lead to unilateral disarmament.

The answer to this is simple: It just has not been so. President Eisenhower pursued the objective of disarmament and also preserved our military power. President Kennedy, who has materially strengthened our military forces, has at the same time set in motion an intensified effort to achieve arms control and disarmament.

When safe disarmament arrangements can be made, our military services will be curtailed accordingly. Until they are made, we will not relax our guard. There is nothing complicated or inconsistent about this. It just makes sense. There is no thinking more wishful than the belief that a statistical preponderance of military strength alone will bring us safety.

I hear a great deal, too, from many sources about the risks inherent in disarmament.

But I would remind Senators that there are also risks inherent in an unrestricted arms race. I will not go so far as to repeat the old generalization that arms races always lead to war, for I do not think that history supports so sweeping an assertion. But, so long as weapons exist there is a possibility that they might be used, and if they are used on one side, that they will be used on the other. Already two rival major powers possess lightning fast delivery systems which can be actuated on very brief notice, and indeed they must be actuated quickly in the event of a surprise attack. In a situation where the most terrible decisions in the history of man must be made in split seconds, we have certain built-in instabilities which make arms control a matter of mutual interest for both sides.

There are certainly risks in accepting any disarmament plan. But there are also risks in a world without arms control. The arms race goes forward at an ever-increasing rate. In weighing the risks of action against the risks of inaction, we must think not only of weapons systems as they exist today, but also of weapons systems as they will exist 5 years from now, or 10 years from now, with scientific development going forward at breakneck speed and with more and more countries gaining possession of modern weapons.

So there are risks in moving forward and there are risks in doing nothing. The situation is one that calls for rational analysis, courage, and decision. If ever there was a time when our debate should be informed, factual, and above partisan prejudice posturing, this is such a time.

There is one other point that I wish to make, and I believe that this is a matter of supreme importance. We are dealing here with an intricate and technical subject matter, which involves military, political, and scientific judgments.

If we are unable to deal objectively and thoughtfully with these problems, we as a nation shall be operating at a great handicap.

We must have the restraint, in dealing with this subject matter, to refrain from attempting to make domestic political capital out of every event that takes place. Politics must stop at the water's edge. Our highest tradition requires that we discuss military and foreign affairs problems in a bipartisan or nonpartisan spirit. If I may be excused a personal boast, I will say that not once, in my careful study of this subject during the 8 years of the Eisenhower administration, did I attempt to cause political embarrassment to the administration on this extremely sensitive matter—never once did I aim a blow at the back of men who represented us at disarmament conferences. To the contrary, frequently I consulted with the Secretary of State and his disarmament advisers, and always, I hope, as a responsible U.S. Senator and citizen.

In any negotiation, to be effective requires an effort to make the other side feel it is gaining some point which is of advantage to itself. The attitude of the negotiator must be courteous and receptive; even though he pursues his own country's interests relentlessly, he must not confuse the petty satisfactions of verbal triumph with the real objective of gaining his point.

In all of this, we operate under a decided disadvantage as against the Russians. In their closed society, there is little or no public debate of issues. Their negotiators report privately. Upon returning from the bargaining table where they have described their proposal as a magnificent act of generosity, they are not forced to make public speeches telling how tough they were, and how little they yielded.

Yet here in the United States, our negotiators are constantly pressured to placate chauvinistic sentiments; they are pressured to minimize at home the very concessions which they have maximized at the bargaining table. And since the Russians read American newspapers, such statements have a very deleterious effect. It takes a supremely patriotic man to accept the drumbeat of abuse at home without saying things which, while helpful to him in domestic politics, will, when carried in the press abroad, injure the American position, embarrass our country with the neutrals, and strengthen the argument of our opponents.

The current disarmament conference at Geneva is important for many reasons. The American proposal is a sound and honest one. It seeks to achieve greater security for us and our allies, and greater security for the entire world. It is worthy of careful study and earnest support.

To conclude my remarks on U.S. disarmament policy, I wish to stress again that it is vital for the security and welfare of the United States to have these important aspects of our national security policy discussed frequently by Members of Congress, the press, and the public. I hope that others in Congress will also take the opportunity and time to study and comment on our policy in these vital areas. Disarmament is not a subject which can be allowed to ferment and simmer in the dungeons of official secrecy. Rather, disarmament proposals, in order to be successful, in order to gain the widespread acceptance without which they cannot succeed, are by definition in the public domain.

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.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, July 25, 1962, he presented to the President of the United States the enrolled bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

ADJOURNMENT

Mr. HUMPHREY. Mr. President, I see my beloved friend the senior Senator from Oregon in the Chamber this evening. Out of consideration for his health and welfare, out of some consideration for my own, and out of consideration for the well-being of the officers of the Senate, I move, in accordance with the order previously entered, that the Senate adjourn until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 6 o'clock and 57 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Thursday, July 26, 1962, at 11 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate July 25, 1962:

U.S. MARSHAL

Anthony R. Marasco, of New York to be U.S. marshal for the southern district of New York for the term of 4 years, vice Thomas J. Lunney, term expired.

IN THE ARMY

Gen. Maxwell D. Taylor, U.S. Army, for appointment as Chairman of the Joint Chiefs of Staff for a term of 2 years.

Gen. Earle G. Wheeler, U.S. Army, for appointment as Chief of Staff, U.S. Army for a term of 2 years.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 25, 1962:

U.S. DISTRICT JUDGE

Noel P. Fox, of Michigan, to be U.S. district judge for the western district for Michigan.

U.S. ATTORNEY

Donald A. Wine, of Iowa, to be U.S. attorney for the southern district of Iowa for the term of 4 years.

WITHDRAWAL

Executive nomination withdrawn from the Senate July 25, 1962:

U.S. MARSHAL

John L. Di Benedetto, of New York, to be U.S. marshal for the southern district of New York, vice Thomas J. Lunney, term expired, sent to the Senate March 20, 1962.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JULY 25, 1962

The House met at 12 o'clock noon.

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

Psalm 29: *The Lord will give strength unto His people. He will bless them with peace.*

O Thou God of all grace and goodness, may nations everywhere abandon their sordid scramble for prestige and power and gain a new vision which is radiant with the promise and assurance of justice and righteousness, of freedom and fraternity.

Inspire us to give authentic and enthusiastic expression to the mind of the Prince of Peace for we know that there can be no security and blessedness for mankind until we follow His ways of mutual welfare.

Grant that as partners in a great and glorious enterprise we may feel constrained to put forth a more heroic effort in behalf of a nobler issue of personal character and a finer social order.

Hear us in the name of the Prince of Peace. Amen.

THE JOURNAL

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

CONTINUING APPROPRIATIONS FOR THE MONTH OF AUGUST

Mr. CANNON. Mr. Speaker, I ask unanimous consent that it may be in order tomorrow to take up for consideration a House joint resolution to provide continuing appropriations for the month of August.

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

There was no objection.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1963

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House have until midnight tonight to file a conference report on H.R. 11289, the Department of Defense appropriation bill for the fiscal year 1963.

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

There was no objection.

DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATION BILL, 1963

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 10904) making appropriations for the Departments of Labor and Health, Education, and Welfare, and related agencies for the fiscal year ending June 30, 1963, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference requested by the Senate.

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

Mr. LAIRD. Reserving the right to object, Mr. Speaker, and I shall not object, may I state that the Senate has added a considerable amount of money to several sections of this bill over and above President Kennedy's budget request. It is my hope that we can bring back those Senate amendments which add funds to this bill in disagreement. In this way we can have separate votes on these increases here on the floor of the House. Many Members of the House have contacted me hoping that they would have an opportunity to have a separate vote on increases of the other body. Certainly, if I am appointed as one of the conferees, I shall try to give the House the opportunity to have such a vote and work its will.

Mr. Speaker, I assure this House that if appointed to this conference committee, I will do everything in my power to uphold the appropriation level established in the House-passed bill.

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. FOUNTAIN] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. FOUNTAIN. Mr. Speaker, I would like to associate myself with the views just expressed by the gentleman from Wisconsin [Mr. LAIRD], relative to bringing back to the House in disagreement any items in the appropriations for the National Institutes of Health which the Senate conferees insist upon increasing above the amounts approved by the House. I take this position because the Committee on Government Operations, in a unanimous report issued last month—House Report No. 1958—found serious deficiencies in the management of the National Institutes of Health. The committee has made an intensive study during the past 3 years of the administration of the NIH grant programs. Although serious management weaknesses were brought to the agency's attention in April 1961—House Report No. 321—relatively little effective action has yet been taken by NIH to correct these shortcomings which it has acknowledged.

I would remind my colleagues of the tremendous growth of appropriations for the National Institutes of Health in recent years. Between 1950 and 1962, appropriations for NIH have increased by approximately 15 times, from a level of around $50 million in 1950, to well over $700 million last year. Appropriations for research and training grants to nongovernmental scientists alone have increased by more than 26 times. Few public programs have grown at such a rapid rate. It is not surprising, therefore, that officials of the agency have experienced organizational and management problems in administering these programs.

The investigation made by the Committee on Government Operations has demonstrated that the NIH grant programs are not being administered in an efficient and economical manner. To increase the appropriation for these programs in the absence of effective management can only result in greater waste and inefficiency. It is my belief that the funds which are now spent unnecessarily as a result of inadequate review procedures would go a long way toward financing those new projects which are found to merit support during 1963. Surely, with the additional $60.4 million already voted by the House, there will be more than enough money available for support of all meritorious health research and training. I can see no possible justification for increasing the NIH appropriation still another $60 million as proposed by the other body.

Mr. Speaker, I believe it would be a serious mistake, and a disservice to the cause of medical research and to the taxpaying public, if appropriations for the National Institutes of Health were increased beyond the House amount before the agency has strengthened its capability for administering these programs efficiently. I intend to bring to the attention of the House in more detail the reasons why the House conferees should not agree to increasing these appropriations above the $840,800,000—plus $50 million for health research facilities—already authorized by the House.

Mr. GROSS. Mr. Speaker, reserving the right to object, will the gentleman tell us when this bill passed the House of Representatives, how long ago?

Mr. FOGARTY. It passed in the month of March. I do not have the exact date.

Mr. GROSS. The month of March, 4 or 5 months ago?

Mr. FOGARTY. Yes, it was just passed in the other body last week.

Mr. GROSS. Maybe my memory is failing me, but it was so long ago I could